

STEL Holdings Limited

(CIN: L65993KL1990PLC005811)

Regd. Office: 24/1624 Bristow Road, Willingdon Island, Cochin 682 023

Tel No.0484 26680230, 6624335 Fax: 0484 2668024

Email: secretarial@stelholdings.com, Website: www.stelholdings.com

September 05, 2023

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| The Secretary BSE Ltd. Corporate Relationship Dept. 1st Floor, New Trading Ring Rotunda Building, PJ Towers Dalal Street, Fort Mumbai - 400 001, Maharashtra Scrip code : 533316 | The Secretary National Stock Exchange of India Ltd. "Exchange Plaza", Bandra - Kurla Complex Bandra (E) Mumbai - 400 051 Maharashtra Symbol : STEL |
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Sub: Intimation for Annual General Meeting, Electronic copy of the Notice of the 33rd Annual General Meeting and Annual Report of the Company for the financial year 2022 – 2023

Ref: Disclosure under Regulation 30(2) and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

Dear Sir(s),

This is to inform you that the Thirty Third Annual General Meeting ("AGM") of the Members of STEL Holdings Limited ("the Company") will be held on **Thursday, September 28, 2023 at 12:00 Noon (IST)** through Video Conferencing (VC)/Other Audio - Visual Means (OAVM) without the physical presence of the members at a common venue, in accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India in this regard, *inter alia*, to transact the businesses stated in the Notice convening the said 33rd AGM.

Pursuant to Regulation 34(1) and Regulation 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2022-23 together with the Notice of 33rd AGM, which are being sent through electronic mode to the Members of the Company, whose e-mail addresses are registered with the Company/Company's Registrar and Share Transfer Agent, Linkintime India Pvt Ltd /Depository Participant(s).

The Notice of the AGM of the Company *inter alia*, provides the process and manner of remote e-voting/e-voting at the AGM and instructions for participation at the AGM through VC/OAVM.

The 33rd Annual Report and Notice of the 33rd AGM are also available on the website of the Company at www.stelholdings.com under "Financial Tab".

Kindly take this on record and disseminate appropriately.

Thanking you,

Yours faithfully,

For **STEL Holdings Limited**

Lakshmi P.S
Company Secretary and Compliance Officer

Encl : As above

STEL Holdings Limited

ANNUAL REPORT 2022-2023

Board of Directors

Umang Kanoria
Kaushik Roy
Mahesh Narayanaswamy
H. C. Dalal
Prem Kapil
Alok Kalani
Abraham Ittyipe
Iram Hassan

Statutory Auditors

G. Joseph and Associates
Chartered Accountants
37/2038, 1st Floor,
Muttathil Lane, Kadavanthra,
Cochin - 682 020, Kerala

Company Secretary

Lakshmi P. S

Secretarial Auditors

SEP & Associates
Company Secretaries,
Building No. C.C 56/172
K.C. Abraham Master Road,
Panampilly Nagar, Kochi-682036

Chief Financial Officer

Sivaram Neelakantan Krishnan

Internal Auditors

CaesarPintoJohn & Associates LLP
Puthussery House, Edanad, Chowara P.O,
Aluva, Cochin-683571

Bankers

HDFC Bank
Kotak Mahindra Bank

Registered Office

24/1624, Bristow Road,
Willingdon Island,
Cochin - 682003
Ph: 0484 2668023, 6624335
Email: secretarial@stelholdings.com

Registrar and Share Transfer Agent

Link Intime India Private Limited
Surya, 35, Mayflower Avenue
Behind Senthil Nagar, Sowripalayam Road
Coimbatore - 641 028, Tamil Nadu
Ph: 0422-2314792, 2315792
Email: coimbatore@linkintime.co.in

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NOTICE OF THE THIRTY THIRD ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Third Annual General Meeting ("AGM") of the members of STEL Holdings Limited ("the Company") will be held on **Thursday, September 28, 2023 at 12:00 Noon (IST)** through Video Conferencing ("VC"/Other Audio-Visual Means ("OAVM") without the physical presence of the members at a common venue to transact the following businesses:

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt:

- a. the Audited Standalone 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
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors' thereon.
- 2.** To appoint a director in the place of Mr. Mahesh Narayanaswamy (DIN: 01449684) who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. Appointment of Ms. Iram Hassan (DIN :10183873) as an Independent Woman Director of the Company for a first term of five consecutive years effective from August 25, 2023

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment thereof for the time being in force) (Listing Regulations) and Article 11 of the Articles of Association of the Company and as per the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Iram Hassan (DIN :10183873), who was appointed by the Board of Directors of the Company as an Additional Director in the capacity of an Independent Woman Director of the Company with effect from August 25, 2023 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) and who has given her consent for appointment and who has submitted a declaration to the effect that she meets the criteria of independence under section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and whose name is included in the databank as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and who is eligible for appointment under the provisions of the Companies Act, 2013 and Rules made thereunder and Listing Regulations and in respect of whom a notice has been received from a Member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Woman Director of the Company for the first term of five consecutive years commencing from August 25, 2023 till August 24, 2028 (both days inclusive), whose term shall not subject to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee(s) constituted by the Board from time to time) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

By Order of the Board of Directors
For **STEL Holdings Limited**

Lakshmi P. S
Company Secretary
(M.No. FCS-11551)

Place : Kochi
Date : August 25, 2023

STEL Holdings Limited
CIN: L65993KL1990PLC005811)
24/1624, Bristow Road,
Willingdon Island, Cochin-682003

Notes:

1. A statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") which sets out the material facts relating to the Special Business to be transacted at the Thirty Third Annual General Meeting ("AGM"), is annexed hereto and forms part of this notice.
2. The Ministry of Corporate Affairs ("MCA") vide its Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, clarification Circular No.02/2021 dated January 13, 2021 and clarification Circular No.10/2022 dated December 28, 2022 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 , Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and Circular No.SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, (collectively referred to as 'SEBI Circulars') as amended from time to time have permitted Companies to conduct AGM through Video Conferencing (VC) and Other Audio Visual Means (OAVM) without the physical presence of the Members at a Common Venue and has granted relaxation in respect of sending physical copies of the annual report to the shareholder. The deemed venue for the 33rd AGM shall be the Registered Office of the Company situated at 24/1624, Bristow Road, Willingdon Island Cochin – 682003. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") MCA Circulars and SEBI Circulars, the 33rd AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate at the AGM through VC/OAVM only. The detailed procedure for participating in the Meeting through VC/OAVM is annexed herewith and also available at the Company's website i.e., www.stelholdings.com.
3. As this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint Authorised Representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-Voting.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or RTA.
5. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 and clarification issued vide Circular No.SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 has mandated all listed Companies to record/update the KYC details i.e. PAN, Nomination and Bank Account details of the first holder for the shares held in physical mode. The Company has sent a letter to all the Members holding shares in physical mode whose details are yet to be updated seeking the aforesaid information. Detailed information and forms in this regard is available at the Company's website at www.stelholdings.com. Members holding shares in physical form are requested to ensure the aforesaid KYC details are updated with the Company's Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited ("RTA") before October 01, 2023, post which the shares in the said folios shall be frozen. In case, the folios continue to remain frozen, till December 31, 2025, the same shall be referred to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002. Accordingly, the Company is in the process of dispatching a letter to all the Members holding shares in physical mode whose details are yet to be updated seeking the KYC information as per SEBI Circular dated March 16, 2023.
6. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated that the service requests received for Issuance of Duplicate Share Certificate, Release of Shares from Unclaimed Suspense Account of the Company, Renewal/ Exchange of Share Certificate, Endorsement, Sub-division/ Splitting of Share Certificate, Consolidation of Folios/ Share Certificates, Transmission and Transposition shall be processed by issuing shares in dematerialised form only and Physical Share Certificates shall not be issued by the Company

to the Share Holder/Claimant. Members are requested to make service requests by submitting a duly filled and signed Form ISR -4 & ISR-5, the format of which is available on the Company's website under the weblink: <https://stelholdings.com/notices-sent-to-shareholders/>.

Members holding equity shares of the Company in physical mode are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical mode have been disallowed by SEBI.

7. Attendance of Members through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Since the Company has not declared any dividend in the past, the question of transfer of the dividend amount which remains unclaimed for a period beyond 7 years along with the corresponding equity shares to the Investor Education and Protection Fund / demat account of the IEPF Authority pursuant to Section 124 of the Companies Act, 2013 does not arise.
9. In terms of Section 152 of the Act, Mr. Mahesh Narayanaswamy (DIN: 01449684) is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
10. Details of the Directors pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings in respect of the Directors seeking appointment/ re-appointment of Directorship at this AGM are appended to this Notice.
11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to secretarial@stelholdings.com
- 12. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 22, 2023 to Thursday, September 28, 2023 (both days inclusive).**
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the company will be entitled to vote at the AGM.
14. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register/update their e-mail address with the Company/RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form in order to enable the company to serve documents in electronic mode.
15. Non-Resident Indian ("NRI") Members are requested to inform the company or its RTA or to the concerned Depository Participants, as the case may be, immediately:
 - a. the change in the residential status on return to India for permanent settlement; (or)
 - b. the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.
- 16. ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCEDURE FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT AND FUTURE CORRESPONDENCE:**

In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories/RTA. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's [website www.stelholdings.com](http://www.stelholdings.com) under 'Financial tab', websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also available on the website of CDSL i.e. www.evotingindia.com.

Members who have not registered or updated their email id so far are requested to register or update the same to receive the Notice and Annual Report from the Company, electronically, as per the following procedure:

REGISTRATION OF E-MAIL ID:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, login details for e-voting are being sent to the registered email address.

In case the shareholders has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- a) In case of shares held in physical form, kindly submit your updation request in the prescribed Form ISR-1 [hosted on the website of Company (www.stelholdings.com) and RTA (www.linkintime.co.in)] to our RTA, Link Intime India Private Limited at Surya, 35, Mayflower Avenue Sowripalayam Road, Coimbatore - 641028, E-mail:coimbatore@linkintime.co.in.
- b) In the case of Shares held in Demat mode, the shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

In case of any query/clarifications, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in or coimbatore@linkintime.co.in.

17. PARTICIPATION AT THE AGM AND E-VOTING**A) The details of the process and manner for participating in Annual General Meeting through VC/OAVM are explained herein below:**

- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), read with MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency.

The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- ii. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- iii. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- iv. Pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporates can attend the AGM through VC/OAVM and cast their votes through e-voting. Necessary authorization under the said Section(s) shall be sent to the Scrutinizer's e-mail id at mds@mdsassociates.in with a copy marked to secretarial@stelholdings.com.

B) Remote E-Voting and Voting at the AGM:

- (i) The remote e-voting period **begins on Monday, September 25, 2023 (9.00 a.m IST) and ends on Wednesday, September 27, 2023 (5.00 p.m IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. **Thursday, September 21, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. All the business as set out in the notice of the 33rd AGM may be transacted through e-voting.
- (ii) A person whose name is recorded in the Register of Members / List of Beneficial Owners maintained by the depositories as on **Thursday, September 21, 2023**, being the cut-off date shall be entitled to avail the facility of remote e-voting or e-voting during the AGM. Persons who are not members as on the cut-off date, but have received this Notice, should treat receipt of this Notice for information purpose only.
- (iii) Any person, who acquires shares of the company and becomes Member of the company after dispatch of Annual General Meeting Notice and holding shares as on the cut-off date, i.e. Thursday, September 21, 2023, may refer to the Notice of the 33rd Annual General Meeting for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- (iv) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (v) The voting rights of Members shall be in proportion to their shares in the Paid-Up Equity Share Capital of the Company as on the cut-off date.
- (vi) The Board of Directors has appointed Mr. M. D. Selvaraj (Membership No.960/CP.No.411), Managing Partner of M/s. MDS & Associates LLP, Company Secretaries, Coimbatore, as the Scrutinizer to scrutinize the remote e-voting process and the electronic voting at the AGM in a fair and transparent manner and for the purpose of ascertaining the requisite majority.
- (vii) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and shall make, within the prescribed time, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (viii) The Results will be declared within the prescribed time after the conclusion of AGM. The results declared along with the Scrutinizer's Report shall be uploaded on the website of the Company i.e. www.stelholdings.com and on the website of CDSL e-voting i.e. www.evotingindia.com and the same shall also be communicated to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed within the prescribed time. The results shall also be displayed on the Notice Board at the Registered Office of the Company.
- (ix) The details of the process and manner for remote e-Voting and joining the Annual General Meeting are explained herein below:

THE LOGIN INSTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING AND FOR JOINING VIRTUAL ANNUAL GENERAL MEETING IS AS UNDER:

- I. In terms of SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by Listed Companies, individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Pursuant to above said SEBI Circular, **login method for e-voting and joining virtual meetings for individual Shareholders holding securities in Demat mode, CDSL/NSDL** is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <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/myeasi/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 evoting 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 or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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 evoting 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 Depository | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. 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" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp |

| Type of shareholders | Login Method |
|--|---|
| | 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 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. 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 name 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. |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP) | 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 company name or e-Voting service provider name 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 abovementioned 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 toll free no. 1800 22 55 33 |
| 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 |

II. Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

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

| | For Physical shareholders and other than individual shareholders holding shares in Demat. |
|---|--|
| 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. |

- III. After entering these details appropriately, click on "SUBMIT" tab.
- IV. 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.
- V. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- VI. Click on the EVSN for the relevant <STEL Holdings Limited> on which you choose to vote.
- VII. 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.
- VIII. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- IX. 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.
- X. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XI. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- XII. 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.
- XIII. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address viz; mds@mdsassociates.in if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
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. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at **secretarial@stelholdings.com**.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
10. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@stelholdings.com. These queries will be replied either at the AGM or suitably by email.
11. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

12. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no 1800 22 55 33

By Order of the Board of Directors
For **STEL Holdings Limited**

Lakshmi P.S
Company Secretary
(M.No. FCS-11551)

Place : Kochi
Date : August 25, 2023

STEL Holdings Limited
CIN: L65993KL1990PLC005811
24/1624, Bristow Road,
Willingdon Island,
Cochin-682003

STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3 Appointment of Ms. Iram Hassan (DIN :10183873) as an Independent Woman Director of the Company

Based on the recommendation of the Nomination and Remuneration Committee and being eligible for appointment as an Independent Director as per the criteria laid down under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, *vide* their Resolution passed by circulation in accordance with Section 175 of the Companies Act, 2013 on August 25, 2023, had appointed Ms. Iram Hassan (DIN: 10183873) as an Additional Director, in the capacity of Independent, with an intention to appoint her as an Independent Woman Director of the Company for the first term of 5 (five) consecutive years with effect from August 25, 2023 till August 24, 2028 (both days inclusive), subject to the approval of the shareholders through a special resolution.

The Company has received the following from Ms. Iram Hassan (DIN: 10183873):

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");
- (ii) Declaration in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) A declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;
- (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that she has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;
- (v) Confirmation that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties as an Independent Director of the Company;
- (vi) A declaration that she is in compliance with Rules 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to her registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

Members are informed that pursuant to Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to obtain the approval of the shareholders for appointment of a person on the Board of Directors at the next general meeting or within a time period of 3 months from the date of such appointment, whichever is earlier.

Ms. Iram Hassan (DIN: 10183873) is a principal associate at Fox & Mandal, a premier multi-disciplinary law firm in Kolkata established in 1896. She has rich litigation experience by appearing in the Supreme Court of India, High Courts of Delhi and Kolkata, various Tribunals, quasi-judicial authorities, and arbitrations.

She has also handled litigation matters arising out of a wide variety of laws, including admiralty laws, arbitration, contracts, company law, constitution laws, environment laws, land laws, insolvency laws, intellectual property laws, personal and succession laws.

Ms. Iram Hassan (DIN: 10183873) also has experience in criminal law, including those related to cheating, criminal breach of trust, and assault.

In Fox & Mandal, Iram is a part of the litigation team and specialises in Private Client Practice, Insolvency & Bankruptcy Laws and Corporate Restructuring. She also handles alternate dispute resolution matters.

In the opinion of the Board, Ms. Iram Hassan (DIN: 10183873) is a person of integrity and possesses relevant qualifications, experience, skills and expertise and she also fulfils the conditions for her appointment as specified under the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and she is independent of the management. The Board considers that her association would be of immense benefit to the Company and it is desirable to avail the services of Ms. Iram Hassan (DIN: 10183873) as an Independent Director of the Company.

The disclosure as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India ("ICSI") in respect of the director(s) seeking appointment/re-appointment at the ensuing Annual General Meeting are furnished as annexure and forms part of the notice.

The Company has also received a notice in writing by a member proposing her candidature under Section 160 of the Act.

A copy of the draft letter of appointment of Ms. Iram Hassan (DIN: 10183873) setting out the terms and conditions of her appointment as an Independent Woman Director would be available for electronic inspection by the members up to the date of the AGM i.e. September 28, 2023.

Pursuant to Section 149, 152 read with Schedule IV to the Act and Regulation 17 and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members is being sought for the appointment of Ms. Iram Hassan (DIN: 10183873) as an Independent Woman Director of the Company for a term of 5 (five) consecutive years effective from August 25, 2023 till August 24, 2028 (both days inclusive), by way of a special resolution. During the tenure of appointment, Ms. Iram Hassan (DIN: 10183873) shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Board recommends the special resolution as set out in Item no. 3 of this notice for the approval of the members.

Except Ms. Iram Hassan (DIN: 10183873), being the appointee Independent Woman Director, none of the other Directors, Key Managerial Personnel or their relatives is interested or concerned, financially or otherwise, in the special resolution set out in item no. 3 of the notice.

Ms. Iram Hassan (DIN: 10183873) does not hold, by herself or for any other person on a beneficial basis, any shares in the Company.

This Statement may also be regarded as a requisite disclosure under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annexure 1 to the Notice

Details of the Directors seeking appointment/re-appointment at the Thirty Third Annual General Meeting of the Company to be held on Thursday, September 28, 2023 pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Clause 1.2.5 of Secretarial Standard on General Meetings issued by ICSI are as follows:

| Name of the Director | Mr. Mahesh Narayanaswamy | Ms. Iram Hassan |
|---|---|---|
| DIN | 01449684 | 10183873 |
| Date of Birth & Age | January 30, 1968, 55 years | July 18, 1986, 37 years |
| Nationality | Indian | Indian |
| Date of first appointment on the Board | February 08, 2021 | August 25, 2023 |
| Qualification | B.COM, CMA | B.A (Hons), LLB |
| Experience and Expertise and brief resume | <p>Mr. Mahesh is a commerce graduate and a member of Institute of Cost Accountants of India with more than 30 years of experience in the field of corporate finance in pharmaceutical industry.</p> | <p>Ms. Iram is a principal associate at Fox & Mandal, a premier multi-disciplinary law firm in Kolkata established in 1896. She joined the Firm in the year 2016 after having obtained 5 years prior experience in the field of dispute resolution.</p> <p>Having completed her graduation from Law College Dehradun in 2011, Iram started her practice in litigation. Prior to joining the Firm, Iram has worked in law firms in Kolkata and in Delhi, having rich litigation experience by appearing in the Supreme Court of India, High Courts of Delhi and Kolkata, various Tribunals, quasi-judicial authorities, and arbitrations.</p> <p>She has handled litigation matters arising out of a wide variety of laws, including admiralty laws, arbitration, contracts, company law, constitution laws, environment laws, land laws, insolvency laws, intellectual property laws, personal and succession laws. Iram also has experience in criminal law, including those related to cheating, criminal breach of trust, and assault etc.</p> |
| Directorships in other companies (excluding foreign companies) | RPG Ventures Ltd Mantle Advisors Private Ltd Grand Royale Enterprises Ltd | Digidrive Distributors Limited Open Media Network Private Ltd |

| Name of the Director | Mr. Mahesh Narayanaswamy | Ms. Iram Hassan |
|---|---|--|
| Memberships/ Chairmanship of Committees in other companies (excluding foreign companies) | NIL | Digidrive Distributors Ltd :- Member of Audit Committee, Stakeholders' Relationship Committee and Risk Management Committee. Chairperson of Nomination and Remuneration Committee. |
| Resignation from listed entities in the past three years | NIL | NIL |
| No. of shares held in the Company, including shareholding as a beneficial owner | NIL | NIL |
| Disclosure of relationship between Directors and Key Managerial Personnel of the Company | He is not related to any director and Key Managerial Personnel of the Company. | She is not related to any director and Key Managerial Personnel of the Company. |
| Number of Board meetings attended during the FY 2022-23 | Held during tenure - 4 Attended - 4 | NA |
| Details of remuneration last drawn. | Please refer Corporate Governance Report forming part of the Annual Report for FY 2022-23 | NA |
| Remuneration sought to be paid | Sitting fees only | Sitting fees only |
| Terms & Conditions of Appointment / Re-appointment | Retirement by rotation | As set out in Item No.3 of the notice |

By Order of the Board of Directors
For **STEL Holdings Limited**

Lakshmi P.S
Company Secretary
(M.No. FCS-11551)

Place : Kochi
Date : August 25, 2023

STEL Holdings Limited
CIN: L65993KL1990PLC005811
24/1624, Bristow Road,
Willingdon Island,
Cochin-682003

DIRECTORS' REPORT

To,

The Members of **STEL Holdings Limited**,

The Board of Directors have pleasure in presenting the Thirty Third Annual Report of your company along with the audited financial statements and related annexures, for the financial year ended March 31, 2023. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. Financial Highlights

The revenue of the Company predominantly consists of dividend income. The net profit after tax of the company for the year ended March 31, 2023 was Rs. 1226.94 lakhs.

(₹ in lakhs)

| Particulars | Standalone | | Consolidated | |
|---|----------------|------------|----------------|------------|
| | FY 2022-23 | FY 2021-22 | FY 2022-23 | FY 2021-22 |
| Total Income | 1716.17 | 2007.09 | 1716.17 | 2007.09 |
| Profit / Loss before Tax | 1642.34 | 1944.24 | 1641.30 | 1943.30 |
| Provision for Taxation | 415.40 | 482.48 | 415.40 | 482.48 |
| Profit/Loss after Tax | 1226.94 | 1461.75 | 1225.89 | 1460.81 |
| Other Comprehensive Income for the period | 6278.15 | (5319.93) | 6278.15 | (5319.93) |

2. Operations of the Company

Our Company is a Core Investment Company; hence investments are made in various group companies and dividend received from investee companies constitutes the major source of income for the Company. The standalone operating income of the Company is derived from a mix of dividend and interest income.

During the year, total income of the company was ₹ 1716.17 lakhs as against ₹2007.09 lakhs in the previous year. The Company recorded a Net profit (after tax) of ₹1226.94 lakhs as against Net Profit (after tax) of ₹1461.75 lakhs in the previous year. The dividend payout ratio of few investee companies was comparatively lesser than the previous year payout ratio which resulted in lower income from operations of the company thereby reducing the profit for the year.

On a Consolidated basis, our Company achieved a revenue of ₹1716.17 lakhs in FY 2022-23 as against ₹ 2007.09 in the previous year. Company earned a net profit of ₹1225.89 lakhs as against ₹1460.81 lakhs in the previous year.

3. Material Changes and Commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There are no material changes and commitments, affecting the financial position of the Company that have occurred between the close of the financial year ended 31st March, 2023 and the date of this Board's Report.

Change in the Nature of Business

During the year under review, there was no change in the nature of the business. The Company is a Core Investment Company which invests in the securities of group companies.

4. Dividend

Your directors have not declared any dividend on equity shares for the year ended March 31, 2023, in order to conserve the resources for the future years. There are no amounts to be transferred to Investor Education and Protection Fund.

Total amount lying in the Unpaid Dividend Account of the company in respect of the last seven years - Nil

When such unpaid Dividend is due for transfer to the IEPF - NA.

The amount of Dividend, if any, transferred by the company to the Investor Education and Protection Fund during the year – NA

5. Transfer to reserves

As permitted under the provisions of the Act, the Board does not propose to transfer any amount to general reserve. The closing balance of the retained earnings of the Company for FY 2022-23, after all appropriation and adjustments, was ` 7615.79 lakhs (as on 31st March, 2022 ` 6388.85 lakhs).

6. Share Capital

The paid-up Equity Share Capital of the Company as on March 31, 2023 was ` 1845.54 lakhs. There was no change in the share capital during the year under review.

7. Annual Return

Pursuant to Section 92(3), Section 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Company has placed a copy of the Annual Return as at 31st March, 2023 on its website at: <https://www.stelholdings.com> under 'Investor Corner' tab.

8. Listing

The Equity Shares of the Company continue to remain listed on BSE Limited and National Stock Exchange of India Limited.

9. Deposits

The Company has not accepted any deposit within the meaning of subsection 31 of Section 2 and Section 73 of the Companies Act, 2013 and the Rules framed thereunder during the year under review. As on March 31, 2023, there were no deposits lying unpaid or unclaimed.

10. Particulars of Loans, Guarantees or Investments

Being an Investment Company, provisions relating to the investments as per Section 186 of the Act are not applicable to our Company and during the period under review. Our Company has not provided any loans or guarantees as prescribed under the provisions of Section 186 of the Act.

11. Conservation of Energy, Technology Absorption and Foreign Exchange earnings and Outgo

The Additional information required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of the Report is reproduced herewith:

(a) Conservation of energy and technology absorption:

As the Company holds investments in the other Companies, there are no particulars regarding conservation of energy and technology absorption, as required under provisions of the Act and rules made thereunder.

(b) Foreign Exchange earnings and outgo:

Total foreign exchange inflow: Nil

Total foreign exchange outflow: Nil

12. Consolidated Financial Statements

In accordance with the provisions of sub-section (3) of Section 129 of the Act and SEBI Listing Regulations, the Consolidated Financial Statements of the Company, including the financial details of its subsidiary companies, forms part of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act.

13. Subsidiary & Associate Company

As on March 31, 2023, the Company has a wholly owned subsidiary, Doon Dooars Plantations Limited ("DDPL"), which carries on the business of forming tea estate on any lands, cultivation of tea plants and other products, preparation of tea and any other products upon any lands, purchase and sale of tea, tea seeds etc.

During the year under review, DDPL has not commenced any business operations. Hence the company have not generated any income and does not have any revenue from operations. DDPL has incurred a loss of Rs. 1.04 lakhs during the year ended March 31,2023.

The annual accounts of the subsidiary is available on the website of our company under <https://stelholdings.com/subsidiaries-financials/>. The same may also be made available to shareholders of the company on request. The consolidated financial statements of the company along with its subsidiary prepared for the year 2022-23 in accordance with relevant Indian Accounting Standard issued by Institute of Chartered Accountants of India forms part of the Annual Report.

The consolidated financial results of the company reflect the operations of Doon Dooars Plantations Limited ("DDPL"). As DDPL have not generated any revenue during the year, there is no significant contribution of DDPL in the overall performance of our company.

None of the companies has become or ceased to be a subsidiary or associate of the Company.

The Company holds investments in CFL Capital Financial Services Limited (CFL CFSL). The Hon'ble High Court of Calcutta had passed an order on October 06, 2015, for liquidation of CFL CFSL based on an application filed by a creditor of the company. The office of the official liquidator, Calcutta had took over possession of the Registered office of CFL CFSL on November 19, 2015 along with books, records and assets. The investment in CFL Capital Financial Services Ltd. ('CFL') does not fall under the definition of associate company within the meaning of Sec. 2(6) of the Act as the Company does not have significant influence over CFL CFSL such as representation on the Board of Directors of CFL CFSL, participation in policy making processes, transactions between the Company and CFL CFSL, interchange of managerial personnel, provision of essential technical information, etc. As a result, the Company is not treating CFL CFSL as an associate for the purpose of consolidating its financial statements.

A Report on the performance and financial position of the Subsidiary and Associate Company pursuant to Rule 5 of Companies (Accounts) Rules, 2014 is marked as Annexure -A in Form AOC-1 and forms a part of this Report.

The Company has framed a policy for determining material subsidiaries in terms of Regulation 16 (1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has uploaded the same on website and at : <https://stelholdings.com/code-policies/>.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company.

14. Corporate Governance Report and Management Discussion and Analysis Report

Your company has taken adequate steps to adhere to all the relevant stipulations laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance. A separate report on the Corporate Governance (Annexure-D), The Management Discussion and Analysis (Annexure- C) and the Practicing Company Secretary's certificate (Annexure-B) regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

15. Directors and Key Managerial Personnel

The Board of your Company consists of the following Eight Directors:

| Category | Name of Directors |
|--|--------------------------|
| Executive Director | Mr. Abraham Ittyipe |
| Non-Executive Non - Independent Director | Mr. Mahesh Narayanaswamy |
| | Mr. Kaushik Roy |
| | Mr. Alok Kalani |
| Non- Executive Independent Director | Mr. H.C Dalal |
| | Mr. Umang Kanoria |
| | Mr. Prem Kapil |
| | Mrs. Suhana Murshed |

The composition of the Board is in line with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015. All the Directors are having vast knowledge and experience in their relevant fields and the Company had benefitted immensely by their presence in the Board. The key Board qualifications, expertise, attributes are given in details in the Report on Corporate Governance forming part of this Report.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

In terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 (1) (a) of the SEBI (LODR) Regulations, 2015, the Company shall have at least one Woman Director on the Board. Your Company has Mrs. Suhana Murshed as woman director on the Board.

The Company has Mr. Abraham Ittyipe as its Wholetime Director, Mr. Sivaram Neelakantan Krishnan as its Chief Financial Officer and Ms. Lakshmi P.S as its Company Secretary who are designated as Key Managerial Personnel within the meaning of Section 203 of the Companies Act, 2013.

15.1 Changes in Directors and Key Managerial Personnel (KMP) during the Financial Year 2022-23

During the year under review, Mr. Sunil Bhandari, a Non- Executive Non Independent Director of the Company resigned from directorship w.e.f August 01,2022 on account of other professional commitments. Board had placed on record its deep appreciation for the invaluable support and guidance received from Mr. Sunil Bhandari during his tenure as a Non-Executive Non Independent Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors had appointed Mr. Alok Kalani as an Additional Director in Non-Executive Non-Independent category, on the Board of the Company w.e.f. August 12,2022.

The appointment was approved by the Members of the Company at the last Annual General Meeting of the Company held on September 29,2022 by passing the requisite resolution in this regard.

Apart from the above, there were no changes in the Directors and the Key Managerial Personnel ('KMP') of the Company, during the year under review.

As per the provisions of the Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Mahesh Narayanaswamy, Non-Executive Non Independent Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

In compliance with sub-regulation (3) of Regulation 36 of SEBI Listing Regulations and Secretarial Standard - 2 on General Meetings, brief resume, expertise and other details of Director proposed to be appointed/re-appointed are given in the Notice convening the ensuing Annual General Meeting. The Board recommends the appointment/re-appointment of Director as stated above in the ensuing Annual General Meeting.

The Policy on Directors' appointment and remuneration, including the criteria for qualifications, positive attributes and independence of directors forms a part of the Corporate Governance Section of the Annual Report.

During the year under review, 4 (Four) meetings of the Board of Directors were held, details of which are set out in the Corporate Governance Report which forms a part of this Report.

15.2 Declaration by Independent Directors

In terms of the provisions of sub-section (6) of Section 149 of the Act and Regulation 16 (1) (b) and 25 (8) of SEBI Listing Regulations including amendments thereof, the Company has received declarations from all the Independent Directors of the Company that they meet with the criteria of independence, as provided in the Act and SEBI Listing Regulations. There has been no change in the circumstances affecting their status as an Independent Director during the year.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity. The Independent Directors have confirmed that they have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs ('IICA'). As per the proviso to Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors of the Company are exempted from undertaking the online proficiency self-assessment test.

15.3 Board Evaluation

The Annual Evaluation as required under the Act and the Listing Regulations has been carried out by the Board of Directors of its own performance, the performance of each individual Director (including its chairperson) and its Committees. For this purpose, an Evaluation Questionnaire which was prepared considering the criteria for evaluation in accordance with the Company's "Nomination and Remuneration Policy", approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee, taking into account the applicable provisions of the Act and the rules made thereunder, the Listing Regulations read with the Circulars issued by SEBI in this regard, which inter-alia covered various aspects such as participation in meetings, contributions to strategic decision making, core governance and compliance, etc. The aforesaid Evaluation Questionnaire was circulated to all the Directors and their responses were received in a sealed envelope addressed to the Chairman of the Board of Directors. Further, the Independent Directors of the Company met once during the year on Monday, March 06, 2023 to review the performance of the Non-executive directors, Chairman of the Company and performance of the Board as a whole and to assess the quality, quantity and timeliness of flow of information between the management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

15.4. Policy on Appointment and Remuneration of Directors, KMP, Senior Management Personnel and Other employees

The Board based on the recommendation of the Nomination and Remuneration Committee has formulated a policy on remuneration of Directors, Key Managerial Personnel and Senior Management of the Company pursuant to the provisions of subsection (3) of Section 178 of the Act and SEBI Listing Regulations. The policy inter-alia covers the appointment, including criteria for determining qualification, positive attributes, independence and remuneration of its Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

The Nomination and Remuneration Policy is enclosed as Annexure – E to this report and is also available on the website of the company at <https://stelholdings.com/code-policies/>

15.5 Policy on Board Diversity

The Policy on Company’s diversity on the Board is provided on the website of the Company and can be assessed at <https://stelholdings.com/code-policies/>

16. Board Committees

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, and Stakeholder’s Relationship Committee, number of meetings held during the year under review and other related details including attendance are set out in the Corporate Governance Report which forms a part of this Report.

There have been no situations where the Board has not accepted any recommendation of the Audit Committee.

17. Directors’ Responsibility Statement as required under Section 134 of the Companies Act, 2013.

Pursuant to the provisions of clause (c) of sub-section (3) and sub-section (5) of Section 134 of the Act, the Board of Directors of the Company hereby confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had been followed and there were no material departures;
- b) the directors had 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 as at March 31, 2023 and of the profit of the company for the period ending March 31, 2023;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts for the financial year ended on March 31,2023 on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. Auditors:

18.1 Statutory Auditor

The Statutory Auditors’ Report for the FY 2022-23 does not contain any qualification, reservation, adverse remark or disclaimer. The Report is enclosed with the financial statements in this Annual Report.

M/s. G. Joseph & Associates, Chartered Accountants (Firm Registration Number: 006310S) was appointed as the statutory auditors of the Company, to hold office for a term of five consecutive years from the conclusion of the 32nd Annual General Meeting(“AGM”) of the Company held on September 29,2022, until the conclusion of the 37th AGM to be held held in the year 2027, as required under Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

Details in respect of frauds

No frauds were reported by auditors under sub-section (12) of section 143 of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

18.2 Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of the Directors of the Company had appointed M/s. SEP & Associates, Practising Company Secretaries, to undertake the Secretarial Audit of the Company for the year ended March 31, 2023. The Secretarial Audit was carried out by them and the Secretarial Audit Report is marked as Annexure - F.

The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

There were no frauds reported by the Secretarial Auditors to the Company under sub-section (12) of Section 143 of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

18.3 Internal Auditor

The Board had appointed, M/s. CaesarPintoJohn & Associates LLP, Company Secretaries as Internal Auditor for the financial year 2022-23.

18.4 Cost Audit

The Company was not required to maintain Cost records as specified by the Central Government under Section 148 (1) of the Companies Act, 2013 and Rules made thereunder. Hence the Cost Audit is not applicable for the Company.

19. Corporate Social Responsibility

The Company's primary source of income is dividend received from its investee companies, which are already compliant with the CSR provisions under the Act. According to Rule 2(h) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the dividends received from such CSR-compliant investee companies are exempted from being included in the net profit calculation. Therefore, the provisions of Section 135 of the Companies Act, 2013 read with relevant rules pertaining to Corporate Social Responsibility is not applicable for the Company. As a result, the Company has not undertaken any CSR activity during the period under review.

20. Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has a mechanism for reporting unethical behaviour, actual or suspected frauds or violation of the Company's Code of Conduct or ethics policy. Pursuant to Section 177 (9) & 177 (10) of the Companies Act, 2013 and as per Regulation 4 (2) (d) (iv) & 34 (3) read with Para 10 of Part C of Schedule V of the SEBI (LODR) Regulations, 2015, the Company has a Whistle Blower Policy or Vigil Mechanism in place. The mechanism provide for adequate safeguards against victimization of Director(s)/ Employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

No personnel have been denied access to the Chairman of the Audit Committee, for making complaint on any Integrity issue.

The said policy is available on the website of the Company which can be accessed at the link : <https://stelholdings.com/code-policies/>

21. Related Party Transactions

The Company has in place a Policy on Related Party Transactions for purpose of identification and monitoring of Related Party Transactions. The Policy on Related Party Transactions as approved by the Board of Directors is published on the Company's website at <https://stelholdings.com/code-policies/>.

All transactions entered into by the Company with related parties were in the ordinary course of business and at arm's length basis. The Audit Committee grants an omnibus approval for the transactions that are in the ordinary course of the business and repetitive in nature. For other transactions, the Company obtains specific approval of the Audit Committee before entering into any such transactions. Disclosure of related party transactions as required under Indian

Accounting Standards ("IND AS") -24 have been made in the Note No. 24 to the Standalone Financial Statements. There are no materially significant related party transactions entered into by the Company with its related parties during the period under review.

The Company has not entered into any transaction with related parties during the year under review which requires reporting in Form AOC-2 in terms of the Section 134(3) and 188(1) of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014.

There are no relationships between the Directors inter-se nor any relationship between the Key Managerial Personnel (KMP) inter-se. None of the Directors nor KMP had any pecuniary relationships or transactions vis-a-vis the Company except the sitting fees paid to Directors and remuneration paid to KMP's.

22. Risk Management

The Company is exposed to inherent uncertainties owing to the sector in which it invests and operates. Company's risk management framework helps manage risks at various levels. A brief report on Risk Management is included in the Management Discussion and Analysis report which forms a part of Annual Report.

23. Particulars of Employees

During the year under review, none of the employees, throughout the year or part of the year were in receipt of remuneration in excess of the sums as prescribed pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014.

The information required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure – G and forms a part of this report.

24. Internal Financial Control

The Company has in place a stabilized and effective Internal Audit and Financial Control System calibrated to the size and scale of operations of the Company. Apart from statutory audit, in compliance with Section 138 of the Companies Act, 2013, company had engaged M/s. Caesar Pinto John & Associates LLP, Company Secretaries as the Internal Auditors of the Company for the FY 2022-23.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms part of this Report. During the year under review, there were no reportable material weaknesses in the systems or operation.

25. Significant and Material Orders Passed by the Regulators or Courts

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

26. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2022-23.

No. of complaints filed during the financial year : NIL

No. of complaints disposed of during the financial year: NA

No. of complaints pending as at the end of the financial year: NIL

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

27. Compliance of Secretarial Standards

The Company is in compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India, during the financial year.

28. Key Financial Ratio's

Key Financial Ratios for the financial year ended 31st March, 2023, are provided in the Management Discussion and Analysis Report given in "Annexure - C", which forms a part of the Board's Report.

29. Other Disclosures

The Directors state that no disclosures or reporting is required in respect of the following items, as the same is either not applicable to the Company or relevant transactions / events have not taken place during the year under review :

- a. The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- b. The Company has not issued shares (including sweat equity shares) to employees under any scheme.
- c. There was no revision in the financial statements.
 1. There are no applications filed for corporate insolvency resolution process, or any proceedings, pending under the Insolvency and Bankruptcy Code, 2016 as at the end of financial year March 31,2023
 2. There was no instance of one-time settlement with any Bank or Financial Institution.
 3. There were no instances of corporate actions like buy back of securities, payment of dividend declared, mergers and de-mergers, delisting etc.

30. Acknowledgements

The Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by each and every employee, more particularly during this challenging time, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible. Your Directors also record their grateful appreciation for the encouragement, assistance and cooperation received from members, government authorities, banks, and all other stakeholders. Your Directors look forward to the long term future with confidence.

For and on behalf of the Board of Directors

Mr. Mahesh Narayanaswamy
(DIN : 01449684)
Director

Mr. Alok Kalani
(DIN: 03082801)
Director

Place : Kochi
Date : August 04, 2023

ANNEXURE A TO THE DIRECTORS' REPORT

AOC-1

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in `actuals)

| Sl. No. | PARTICULARS | 1 |
|----------------|---|--|
| 1 | Name of the subsidiary | Doon Dooars Plantations Limited (CIN:U01132MH1994PLC273639) |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | April 01, 2022 to March 31,2023 |
| 3 | The date since when the subsidiary was Acquired | July 28,2010 |
| 4 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Rupees |
| 5 | Share capital | 17,00,000 |
| 6 | Reserves & surplus | (17,36,130) |
| 7 | Total assets | 544270 |
| 8 | Total Liabilities | 544270 |
| 9 | Investments | - |
| 10 | Turnover | - |
| 11 | Profit/Loss before Taxation | (104430) |
| 12 | Provision for taxation | - |
| 13 | Profit/Loss after taxation | |
| 14 | Proposed Dividend | - |
| 15 | % of shareholding | 100% |
| | Names of subsidiaries which are yet to commence operations | Nil |
| | Name of subsidiaries which have been liquidated or sold during the year | Nil |

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies

| Sl. No. | Name of Associates/Joint Venture | CFL Capital Financial Services Ltd CIN:L67120WB1983PLC036805 |
|--|--|--|
| 1 | Latest Audited Balance sheet Date | March 31,2015 |
| 2 | The date since when the Associate/Joint venture was associated | July 28,2010 |
| 3 | Shares of Associate Company held by the Company on the year end i. Number ii. Amount of Investment in Associates/Joint Venture iii. Extent of Holding % | 67,681,2016 127,344,645 48.81% |
| 4 | Description of how there is significant influence | The Company holds 48.81% in the share capital of CFL Capital Financial Services Ltd. |
| 5 | Reason why the associate/ Joint venture is not consolidated | Please refer note as given below |
| 6 | Net worth attributable to shareholding as per latest audited balance sheet | -6,881,830,569.82 |
| 7 | Profit/ Loss for the year | |
| | i. Considered in consolidation | Nil |
| | ii. Not considered in consolidation | Nil |
| Names of associates or joint ventures which are yet to commence operations. | | Not applicable |
| Names of associates or joint ventures which have been liquidated or sold during the year | | Not applicable |

Note : The Company holds investments in CFL Capital Financial Services Limited (CFL CFSL). The Hon'ble High Court of Calcutta had passed an order on October 06, 2015, for liquidation of CFL CFSL based on an application filed by a creditor of the company. The office of the official liquidator, Calcutta had took over possession of the Registered office of CFL CFSL on November 19, 2015 along with books, records and assets.

The investment in CFL Capital Financial Services Ltd. ('CFL') does not fall under the definition of associate company within the meaning of Sec. 2(6) of the Act as the Company does not have significant influence over CFL CFSL such as representation on the Board of Directors of CFL CFSL, participation in policy making processes, transactions between the Company and CFL CFSL, interchange of managerial personnel, provision of essential technical information, etc. As a result, the Company is not treating CFL CFSL as an associate for the purpose of consolidating its financial statements.

For and on behalf of the Board of Directors

Mr. Mahesh Narayanaswamy
(DIN : 01449684)
Director

Mr. Alok Kalani
(DIN: 03082801)
Director

Ms. Lakshmi P.S
Company Secretary

Mr. Sivaramkrishnan
Chief Financial Officer

Place : Kochi
Date : 04.08.2023

ANNEXURE B TO THE DIRECTORS' REPORT

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To

The Members

STEL HOLDINGS LIMITED

24/1624 Bristow Road,
Willingdon Island, Ernakulam,
Kerala- 682003

1. We, SEP & Associates, Company Secretaries, Kochi have examined the compliance of conditions of Corporate Governance by **STEL HOLDINGS LIMITED (CIN: L65993KL1990PLC005811)** ('the Company'), for the financial year ended on March 31, 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as the "Listing Regulations") as amended from time to time.

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above-mentioned Listing Regulations.

Our Responsibility

3. Pursuant to the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2023.
4. We have examined the compliance of conditions of Corporate Governance by the Company for the period April 1, 2022 to March 31, 2023 as per the Listing Regulations. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance for the period April 1, 2022 to March 31, 2023. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C and D of Schedule V to the Listing Regulations during the financial year ended March 31, 2023.
6. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

7. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose.

For SEP & Associates**Company Secretaries**

(Peer Review Certificate No.3693/2023)

CS Puzhankara Sivakumar

Managing Partner

COP: 2210 FCS: 3050

UDIN: F003050E000689164

Place : Kochi

Date : 04.08.2023

ANNEXURE C TO THE DIRECTOR'S REPORT**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Overview**

The Management Discussion and Analysis Report (MDA) is an integrated part of Company's annual financial statements. The purpose of the MDA is to provide a narrative explanation, through the eyes of management, of how the Company has performed in the past, its present condition, and its future prospects. This report contains a description of the year gone by and some of the key factors that influenced the business of the Company during the year, as well as a fair and unbiased overview of the Company's past, present, and future.

STEL remains essentially a Core Investment Company. Of the total income received by the Company ('STEL'), dividend income constitutes the main earnings. The performance of the Company is directly related to the performance of the Investee Companies. During the year company has received a dividend income of Rs. 1578.75 lakhs from its investments compared to the previous year which was Rs. 1760.65 lakhs. Also company have earnings in the nature of interest from fixed deposits and loans.

Industry Structure & Developments, Business Overview and Future Outlook**Global Economy Overview 2022-23 & Prospects for 2023-24**

The global economy was recovering from the impact of successive waves of the COVID-19 pandemic by early 2022, aided by large policy stimulus and expanding coverage of vaccination, when the war in Ukraine jolted the upturn. The gains achieved through concerted fiscal and monetary policy interventions during the pandemic period (2020 and 2021) were undermined by the impact of the war. A generalised surge in global inflation triggered monetary policy actions by central banks in the form of successive interest rate increases and the pulling back of liquidity leading to tightening of financial conditions and together with other factors, a toll on growth which slowed from 6.2 per cent in 2021 to 3.4 per cent in 2022, according to the International Monetary Fund (IMF).

Waves of global spillovers to Emerging Market Economies ("EMEs") resulted in large currency depreciations, capital flight, investor risk aversion and raised debt distress in some of them. The brunt of a surge in borrowing costs imposed on EMEs and risk-off sentiments resulted in portfolio outflows from both bond and equity markets for much of the year. Heightened risks of a global recession clouded the overall macroeconomic and financial outlook. When data releases pointed towards resilient labour markets and consumer spending in both Advanced Economies ("AEs") and EMEs, sentiments recovered towards the second half of the year. Sovereign bond yields eased across most AEs and EMEs and equity markets regained lost ground. The weakening of the US dollar towards the close of the year buoyed other currencies across AEs and EMEs. By the end of the year, the global economy regained poise, cushioned by a milder winter in Europe, policy support to mitigate the impact of soaring energy prices, resilient labour markets, and signs of inflation peaking. Easing of pandemic restrictions, mending of supply chain and logistics disruptions, and a rebound in demand for contact intensive services buoyed the global economy. Nonetheless, global inflation surged to 8.7 per cent from 4.7 per cent in 2021, overshooting targets in the majority of countries through the year. Global trade (goods and services) growth slowed from 10.4 per cent in 2021 to 5.1 per cent in 2022, reflecting the post-pandemic slowdown in global demand and the restrictions on cross-border movements of goods and services imposed by the war in Ukraine.

Global growth is expected to slow down in 2023 and may remain subdued in the medium run. As per the IMF's World Economic Outlook (WEO) released in April 2023, global growth for 2023 at 2.8 per cent is likely to be followed by the medium-term growth plateauing at 3.0 percent. Globally, disinflation efforts are expected to take down headline inflation from 7.3 per cent to 4.7 per cent in 2023 among AEs, and from 9.8 per cent to 8.6 per cent among emerging market and developing economies (EMDEs). Progress is, however, likely to be gradual amidst sticky and elevated upside pressures. Central banks continue to face a challenging trade-off between restoring price stability and addressing growth slowdown in an environment of heightened uncertainty.

Potential financial risks from high debt levels and the recent banking sector developments in the US and Europe highlight the scope for unanticipated build-up of stress with strong adverse spillovers across the global financial system.

Financial markets are signaling the likely end of the global monetary policy tightening cycle, with equity prices having clawed back losses and bond yields having softened. Commodity prices are also trading with a softening bias as fears of growth slowdown dominate market sentiments.

With policy tightening by global central banks having moderated, the US dollar is likely to depreciate, easing pressures on currencies of other AEs and EMEs even as the outlook for capital flows to EMEs remains uncertain.

Overall, the prospects for the global economy continue to be shadowed by high inflation, the adverse effects of geo-economic fragmentation operating through restrictions on movements of trade, labor, capital and diffusion of technology, and potential amplification of financial sector vulnerabilities. Medium- to long-term challenges such as climate change, cyber security, crypto currencies, FinTech and tech disruptions can also potentially vitiate the outlook.

Source : Economic Survey 2022-23 & RBI report

Domestic Economy Overview 2022-23 & Prospects for 2023-24

Amidst strong global headwinds, the Indian economy is expected to have recorded a growth of 7.0 per cent in real GDP in 2022-23. A sustained recovery in discretionary spending, particularly in contact intensive services, restoration of consumer confidence, high festival season spending after two consecutive years of COVID-19 induced isolation and the government's thrust on capex provided impetus to the growth momentum. In the second half of the year, however, the pace of year-on-year growth moderated because of unfavourable base effects, weakening private consumption demand caused by high inflation, slowdown in export growth and sustained input cost pressures.

In the industrial sector, manufacturing activity withstood global spillovers, while electricity generation exhibited robust growth, and mining recorded steady activity. Sustained momentum was seen in construction activity, while infrastructure and capital goods production benefitted from the government-led investment in infrastructure. Production of consumer goods, on the other hand, remained muted and recovery in sectors such as automobiles was lopsided. Uneven recovery in consumption was evident as growth in the price sensitive entry-level car segment turned sluggish as compared to the recovery in passenger cars. The continued lag in two-wheeler sales, 40 per cent of which caters to rural India, is also indicative of subdued rural demand.

Like many other economies, India also experienced a surge in inflation during 2022-23,

primarily reflecting the impact of overlapping global supply shocks and pass-through of higher input costs. The sharp increase in global prices of crude oil, food, fertilisers and metals, along with renewed supply disruptions in the aftermath of the war, exerted broad-based price pressures during the first half of the year. As a result, inflation reached a peak of 7.8 per cent in April 2022. Following gradual normalisation of global supply chains, softening global commodity prices, targeted supply management measures by the government and successive hikes in the policy repo rate by the Reserve Bank, inflation moderated in the second half of the year. Overall, headline inflation increased to 6.7 per cent in 2022-23 from 5.5 per cent in 2021-22. The lagged pass-through of input costs to retail prices of goods and services amidst improving domestic demand conditions imparted considerable stickiness to already elevated core inflation that ruled at around 6.0 per cent through the year.

Financial markets experienced bouts of volatility in 2022-23, as geopolitical tensions intensified, interest rate hikes by the US Fed turned aggressive and the global growth outlook deteriorated, dampening investors' sentiments. Equity markets in India, however, gained marginally, despite portfolio outflows and forex market pressures, reflecting India's growth resilience and rising investment in the market by resident entities. Money market interest rates hardened during 2022-23, tracking the increase in the policy repo rate and the ebbing surplus liquidity conditions.

Sovereign bond yields hardened in line with the monetary policy actions and changing inflation growth outlook; however, the extent of increase remained contained as compared to the sharp rise observed in bond yields in AEs.

Domestic equity markets moved lower in H1 of 2022-23 as the economic fall-out of geopolitical tensions, hawkish monetary policy stances by global central banks and mounting recession fears weighed on market sentiments. They recovered in early H2 and closed at an all-time high on December 1, 2022, buoyed by robust corporate earnings and inflows from foreign portfolio investors. Weak global cues amid emergence of financial stability risks following the collapse of a few niche banks in the US and concerns about financial health of a major financial services provider in Europe imparted volatility to the markets towards the close of the year. Monetary transmission in the credit market - the pass-through of policy repo rate changes to lending rates - strengthened during 2022-23 on the back of reduction in surplus liquidity in the banking system, sustained high credit growth and he mandated external benchmark regime for loan pricing in select sectors.

India has emerged stronger and more resilient from the pandemic, partly due to the wave of digital transformation. Transactions routed through digital modes recorded a marked expansion in 2022-23 over and above the strong growth witnessed a year ago.

Monetary tightening by the RBI, the widening of the CAD, and the plateauing growth of exports have essentially been the outcome of geopolitical strife in Europe. As these developments posed downside risks to the growth of the Indian economy in FY23, many agencies worldwide have been revising their growth forecast of the Indian economy downwards. These forecasts, including the advance estimates released by the NSO, now broadly lie in the range of 6.5-7.0 percent. Despite the downward revision, the growth estimate for FY23 is higher than for almost all major economies and even slightly above the average growth of the Indian economy in the decade leading up to the pandemic.

India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. The current 22 Economic Survey 2022-23 growth trajectory will be supported by multiple structural changes that have been implemented over the past few years. The private sector – financial and non-financial – was repairing balance sheets, which led to a slowdown in capital formation in the previous decade. The financial system stress experienced in the second decade of the millennium, evidenced by rising nonperforming assets, low credit growth and declining growth rates of capital formation, caused by excessive lending witnessed in the first decade-plus, is now behind us. Aided by healthy financials, incipient signs of a new private sector capital formation cycle are visible. More importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially. Structural reforms such as the introduction of the Goods and Services Tax and the Insolvency and Bankruptcy Code enhanced the efficiency and transparency of the economy and ensured financial discipline and better compliance.

Even as India's outlook remains bright, global economic prospects for the next year have been weighed down by the combination of a unique set of challenges expected to impart a few downside risks. Multi-decadal high inflation numbers have compelled central banks across the globe to tighten financial conditions. The impact of monetary tightening is beginning to show in slowing economic activity, especially in Advanced Economies. Besides this, adverse spillovers from the prolonged strains in supply chains and heightened uncertainty due to geo-political conflict have further deteriorated the global outlook. Hence, global growth is forecasted to slow from 3.2 per cent in 2022 to 2.7 per cent in 2023 as per IMF's World Economic Outlook, October 2022. A slower growth in economic output coupled with increased uncertainty will dampen trade growth. This is seen in the lower forecast for growth in global trade by the World Trade Organisation, from 3.5 per cent in 2022 to 1.0 per cent in 2023.

Source : Economic Survey 2022-23 & RBI report

Going forward the performance of company will be dependent on how global factors, the economy and corporate earnings shape up over the second half of the year. Your Company will continue to look for opportunities to invest in companies which have consistent growth prospects with high quality earnings. In new age companies where valuations are a concern and whose earnings will fructify at a later stage in their development, the Company has made a small allocation of capital.

The Company will continue to allocate its capital between listed equity, fixed income and unlisted equity. Management will evaluate and select investments based on high quality governance, long term sustainability and strength of the investee company's balance sheets.

Company's Financial Performance

Analysis of Profit and Loss statement and Balance Sheet including the key ratios based on consolidated results is mentioned as follows:

Profit and Loss Statement Analysis

Revenue for FY23 stands at `1716.17 lakhs with a growth of 14 % Y-o-Y, despite a challenging environment. Despite economic challenges across globe, we have achieved an EBITDA of `1647.49 lakhs with EBITDA margin of 95 % for the year. During the year company achieved a Dividend Income of Rs.1578.75 lakhs compared to Rs. 1760.65 lakhs in Previous Year. The net profit for the year stands at `1226.94 lakhs compared to `1461.75 lakhs in PY. Earnings per Share (EPS) stands at `6.65 in FY23 against `7.92 in FY22.

Balance Sheet Analysis

Net Worth increased to `183.78 crore in FY23 from `171.51 crore in FY22. The Company has not raised any Equity Capital during the year, keeping the Equity Share Capital unchanged at `18.45 crore. Reserves and Surplus increased to `165.37 crore in FY 23 from `153.10 crore in FY22. Book Value per share increased to `441.21 in FY 23 from `400.55 in FY 22.

The Shareholders of the company will be pleased to note that the share price of the Company as on March 2023 is 169.00 per share high, having recorded an appreciation of 1.30 times vis-à-vis to the share price of 131.10 per share as on March, 2022. The strategy of the Company has always been to remain invested in leaders and in businesses which require lower capital reinvestment to grow. As shown in our Investment Schedule of Annual Financials, the portfolio is skewed in its focus in Power Generation & Transmission Sector, Carbon Black Manufacturers, Tyre Manufacturers, Construction & Infrastructure, Pharmaceuticals, Consumer Goods, Financial Services etc.

We are pleased to share that the market value of our investments in quoted and unquoted securities will come to around `781.50 crores as on March 31, 2023 compared to 713.41 crores in PY.

Your Company will continue to allocate its capital between listed equity, fixed income and unlisted equity. Management will evaluate and select investments based on high quality governance, sustainability and strength of the investee company's balance sheets.

Opportunities, Threats & Future Outlook

With a stable government at the Centre, growth is expect to revive, and with stalled projects coming on line, easing of capital availability, in the process improving general business confidence.

The Company is a Core Investment Company and derives major revenue from investments. Also, the value of the stocks, shares and other securities depends on the prevailing capital markets scenario.

The Company's investments are predominantly held in group companies engaged in Power Generation and Transmission, Auto Tyres & Rubber Products, Electric Utilities, Carbon Black, Pharmaceuticals, FMCG Retail etc.

Any adverse impact on these industries could possibly have direct bearing on the performance of the Company. Any slowdown in the growth of Indian economy or any volatility in global financial markets, could also affect the business. The Company is also prone to risks pertaining to change in government regulations, tax regimes, other statutes and capital market fluctuations in respect of investments held.

The future success of the Company continues to depend on its ability to anticipate the volatility of the financial markets, minimising risks and increasing returns through prudent investment decisions. The investments of the Company are typically long term in nature and predominantly in the listed equities.

The Company invests in Companies, where it is part of the promoter group entity from long-term perspective. The Company continues to invest for the long term while availing opportunities to realize a better gaining position considering the macro economic conditions both globally & domestically.

Risk and Concerns

Risk Management is an important aspect of the corporate governance which aims to improvise the governance practices across the Company's activities. The provisions of Risk Management Committee are not applicable on the Company. The Company is mainly exposed to market risks in the form of reduction in value of its investments and fall in returns due to dip in the Investee Company's performance. Company has also adopted the risk management processes which will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. It will help in business growth with financial stability.

The identified risks pertaining to the nature of business carried out by the Company comprise of Strategic Risk, Operational Risk, Sectoral Risk, ESG related risks, Capital Market Fluctuations Risk, Regulatory & Compliance Risk, Human Resource Risk, Information and Technology Risk, Liquidity Risk etc. Risk mitigation measures are also reviewed alongside the identified risks.

Internal Control System

Effective internal controls are necessary for building up an efficient organization. The Company has an adequate system of accounting and administrative control with adequate system of internal checks that ensures safe recording of all Company's assets and their proper and authorized utilization. Board has appointed the internal auditor to conduct a risk based audit with to review not only test adherence to laid down in policies and procedures but also to suggest improvements in process and systems. Any internal control weaknesses, non-compliance with statutes and suggestions on improvements in existing practices form part of internal audit report. Their audit program is agreed upon by the Audit Committee. Internal Audit observations and recommendations reported to the Audit Committee, which monitors the implementation of such recommendations. The Company has an Audit Committee which on a regular basis reviews the adequacy and effectiveness of internal control.

Key Financial Ratios

| Key Financial Ratios * | 2022-23 | 2021-22 | Variance (%) |
|---------------------------------|--|--|---------------------|
| Debtors Turnover Ratio | NA. The Company does not have any receivables during the year and previous year. | NA. The Company does not have any receivables during the year and previous year. | NA |
| Inventory Turnover Ratio | NA. The Company is into Investment operations and hence does not have inventory. | NA. The Company is into Investment operations and hence does not have inventory. | |
| Interest Service Coverage Ratio | NA. The Company does not have any borrowings till date. | NA. The Company does not have any borrowings till date. | |
| Current Ratio | 442.82 | 301.65 | 46.79% |
| Debt Equity Ratio | NA | NA | NA |
| Operating Profit Margin % | 95.39 % | 96.70 % | -1.31 |
| Net Profit Margin % | 71.49% | 72.83% | -1.34% |
| Return on Network % | 2.00 % | 2.00 % | 0 |

*Assessment of key ratios have been derived at as follows:

Debtors Turnover = Revenue from Operations/Trade Receivables

Inventory Turnover = Revenue from Operations / Inventories

Interest Service Coverage Ratio = Profit before Depreciation and Amortisation, Interest and Tax / Interest or Finance Cost

Current Ratio = Current Assets/Current Liabilities

Debt Equity Ratio= Term loans and Debentures/Total Equity including all reserves

Operating Profit Margin % = EBITDA/Revenue from Operations

Net Profit Margin % = Net Profit after Tax / Revenue from Operations

Return on Net worth % = Net Profit After Tax/ Net worth (Total Equity including all reserves)

Human Resources

Every Company is depended on the quality of workforce. An Organization's vision is lived by and fructified by its people. The Board places on record its appreciation for the dedicated services rendered by the employees for the smooth functioning of the company. During the year under review, the company had only 3 (Three) employees and the company continued with its focus on training and development of its employees.

The Company believes in retaining the best talent, clearly defining their roles and responsibilities.

Segment wise or product wise performance

The Company's income for the year consisted of dividend, interest and income from disposal of investments and accordingly there are no reportable segments.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's outlook, projections, estimates, expectations or predictions are "Forward Looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. As "forward looking statements" are based on certain assumptions and expectations of future events over which the Company exercise no control, the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. Important developments that could affect the Company's operations include a downtrend in the Investee Company performance, significant changes in political and economic environment in India and tax laws.

For and on behalf of the Board of Directors

Mr. Mahesh Narayanaswamy
(DIN : 01449684)
Director

Mr. Alok Kalani
(DIN: 03082801)
Director

Place : Kochi
Date : 04.08.2023

ANNEXURE D TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT**The Company's Corporate Governance Philosophy**

The Securities and Exchange Board of India (SEBI) has prescribed a set of standards on corporate governance for the listed companies. Corporate Governance is an ethically driven business process that is committed to values and conduct, aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Good Corporate Governance practices stem from the culture and mind-set of the organization and we are committed to meet the aspirations of all our stakeholders and believes in adopting best corporate practices for ethical conduct of business. Corporate Governance extends beyond corporate law. Its fundamental objective is not the mere fulfillment of the requirements of law but in ensuring commitment of the Board in managing the Company in a transparent manner for maximizing long term shareholder value. Corporate Governance ensures that the affairs of the Company are being conducted and managed in a way which ensures accountability, transparency and adherence to ethical standards and fairness.

The Company has adopted the policy of transparency in all its transactions. Accordingly, the standards of disclosures to the shareholders, employees, government and customers are of the highest standard.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

The Board of Directors of the Company are pleased to present the Corporate Governance Report for the year ended 31st March, 2023:

1. Board of Directors:

The Board of Directors is entrusted with the ultimate superintendence, control and responsibility of the affairs of the company.

1.1. Composition and Category of Board:

The Company has an optimum combination of Executive, Non-Executive and Independent Directors including an Independent Woman Director in line with the relevant provisions of the Companies Act, 2013 ("the Act") and the SEBI Listing Regulations. The Board of Directors comprises of highly experienced persons of repute and eminence having adequate qualifications, knowledge and diversified expertise relevant to the Company. As on March 31, 2023, the STEL's Board of Directors consists of Eight Directors, of which four are Independent Directors. There are three Non-Executive Non-Independent directors and an Executive Director.

The Board comprises :-

| Category | No. of Directors | % of total no. of Directors |
|--|------------------|-----------------------------|
| Non-Executive Directors* | 3 | 38.00 |
| Executive Director, who is the Wholetime Director of the Company | 1 | 12.00 |
| Non-Executive Independent Directors | 4 | 50.00 |
| Total | 8 | 100.00 |

*One of the Non-Executive Directors, Mr. Alok Kalani (DIN:03082801) was appointed as a Non-Executive Director of the Company w.e.f. August 12,2022, and his appointment was approved by the shareholders at the previous Annual General Meeting of the Company held on September 29,2022.

As on March 31, 2023, the Board of Directors of the company comprised of Eight Directors, with four Independent Directors including a Woman Director, three Non-Executive Non-Independent directors and an Executive Director. The composition of the Board satisfies the requirements of Section 149 of the Act and Regulation 17 of SEBI Listing Regulations. The Directors are appointed or re-appointed with the approval of the shareholders and they remain in office in accordance with the provisions of the law. The Independent Directors are appointed for a fixed term not exceeding five years in accordance with the provisions of the law. Pursuant to Section 164(2) of the Act, all the Directors have also provided annual declarations that they have not been disqualified to act as Directors. The number of Directorship(s), Committee Membership(s)/ Chairmanship(s) of all Directors is within respective limits prescribed under the Act and SEBI Listing Regulations as amended from time to time. The Board has established procedures to periodically review compliance report pertaining to all laws applicable to the company as well as steps taken by the company to rectify instances of non - compliance, if any.

1.2. Board Meetings:

The Board meets at least four times in a year in accordance with the applicable laws. Additional meetings are held as and when required. The Company plans and schedules the meetings of the Board and its Committee(s) well in advance. The Agendas along with detailed notes are circulated to all the Directors well in advance for facilitating meaningful and focused discussions at the meetings. Prior consent of the Board is obtained at the beginning of the financial year for circulating the documents at shorter notice for matters that form part of the agenda and are considered to be in the nature of Unpublished Price Sensitive Information. In special and exceptional circumstances, additional item(s) on the agenda is/are taken up with due permission of the Chair.

During the financial year 2022-23, the Board of the Company met Four times, i.e., on May 24,2022, August 12,2022, November 11,2022 and February 07,2023 through video conferencing as permitted under the law and in accordance with the provisions of Secretarial Standards. The necessary quorum as per Regulation 17(2A) of the SEBI Listing Regulations was present for all the meetings. The maximum gap between any two board meetings was not more than one hundred and twenty days.

1.3. Directors’ Attendance Record, Directorships and Committee positions:

The names and categories of Directors, the attendance record of directors, the number of Directorships and Committee positions held by them in other companies and the shareholdings in the Company as on March 31, 2023 are given below: None of the Directors is a member of more than ten Board level Committees of public companies in which they are Directors, nor is chairman of more than five such Committees.

Requisite information, according to the requirements of Regulation 34 read with Schedule V of the SEBI (LODR) Regulations, 2015 are provided below:

| Particulars of Directors | Attendance at | | Directorship(s) and Membership(s)/ Chairmanship(s) in Committee(s) in other Indian Public Companies | | |
|--------------------------------------|--------------------------|-------------------------------------|---|-----------------------------|-------------------------------|
| | Board Meeting FY 2022-23 | Last AGM held on September 29,2022. | Directorship(s) (1) | Committee Membership(s) (2) | Committee Chairmanship(s) (2) |
| Executive Director | | | | | |
| Mr. Abraham Ittyipe (DIN: 02717344) | 4 | Yes | 0 | 0 | 0 |
| Non – Executive Directors | | | | | |
| Mr. Sunil Bhandari* (DIN: 00052161) | 1 | NA | 9 | 0 | 0 |

| Particulars of Directors | Attendance at | | Directorship(s) and Membership(s)/ Chairmanship(s) in Committee(s) in other Indian Public Companies | | |
|--|--------------------------|--------------------------------------|---|-----------------------------|-------------------------------|
| | Board Meeting FY 2022-23 | Last AGM held on September 29, 2022. | Directorship(s) (1) | Committee Membership(s) (2) | Committee Chairmanship(s) (2) |
| Mr. Kaushik Roy (DIN: 06513489) | 4 | No | 3 | 1 | 0 |
| Mr. Mahesh Narayanaswamy (DIN : 01449684) | 4 | Yes | 2 | 0 | 0 |
| Mr. Alok Kalani** (DIN : 03082801) | 3 | Yes | 1 | 0 | 0 |
| Independent Directors | | | | | |
| Mr. Umang Kanoria (DIN : 00081108) | 4 | No | 5 | 5 | 1 |
| Mr. H.C. Dalal (DIN : 00206232) | 4 | Yes | 2 | 2 | 1 |
| Mr. Prem Kapil (DIN : 06921601) | 4 | Yes | 3 | 2 | 0 |
| Mrs. Suhana Murshed (DIN : 08572394) | 2 | No | 3 | 0 | 0 |

*Mr. Sunil Bhandari, Director resigned from the directorship of the company w.e.f August 01, 2022.

** Mr. Alok Kalani was appointed as a Non-Executive Director of the Company w.e.f. August 12, 2022.

Note(s):

1. Directorship and Committee membership considered for the purpose are those prescribed under Regulation 26 of the SEBI (LODR) Regulations, 2015. Details of our company are not included. Directorships held by Directors in the afore-mentioned Table do not include Private Limited Companies, Foreign Companies, Section 8 Companies, Alternate Directorships and One Person Companies. All the Public Limited Companies, whether listed or not, have been considered in the afore-mentioned Table.
2. Memberships / Chairmanships of only the Audit Committee and the Stakeholders' Relationship Committee of other public limited companies, whether listed or not, have been considered. All other companies including private limited companies, foreign companies and companies under Section 8 of the Act have been excluded. Number of Committee Membership includes Committee Chairmanship. Committee position in High Value Debt Listed Entities is excluded.
3. The maximum no. of Directorships held by all our Directors are well within the limit of 7 listed entities and none of the Directors of our Company serve as an Independent Director in more than 7 listed entities.
4. None of the directors are related to each other.
5. The names of the Listed Entities where the person is a Director and the Category of Directorship have been depicted in the table below as per the new requirement of Schedule V Part C of the SEBI Listing Regulations.

Details of Directorships held by Directors of the Company in other listed entities as on March 31, 2023 are given below:

| Name of Director | Directorship in other listed entities | Category of Directorship |
|--------------------------|--|----------------------------------|
| Mr. Abraham Ittyipe | Nil | NA |
| Mr. Umang Kanoria | Kanco Tea & Industries Limited | Executive, Non- Independent |
| | Saregama India Limited | Non-Executive, Independent |
| | Kanco Enterprises Limited | Executive, Non-Independent |
| Mr. Alok Kalani | Nil | NA |
| Mr. H.C. Dalal | F G P Limited | Non-Executive, Independent |
| | Summit Securities Limited | |
| Mr. Prem Kapil | F G P Limited | Non-Executive, Independent |
| | Summit Securities Limited | |
| Mr. Mahesh Narayanaswamy | NIL | NA |
| Mr. Kaushik Roy | Harrisons Malayalam Ltd | Non-Executive, Non-Independent |
| | Phillips Carbon Black Ltd | Executive, Non- Independent |
| Mr. Sunil Bhandari * | Quest Capital Markets Limited | Non-Executive, Non - Independent |
| Mrs. Suhana Murshed | Saregama India Limited | Non-Executive, Independent |
| | Kanoria Chemicals & Industries Ltd | |
| | Xpro India Limited | |

*Mr. Sunil Bhandari, Director resigned from the directorship of the company w.e.f

August 01, 2022.

Certificate of Non-Disqualification of Directors

A Certificate from M/s. SEP & Associates, Company Secretaries, Kochi confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any other statutory authority, is annexed to this Report.

1.4. Code of Conduct

In compliance with the Regulation 17 (5) of SEBI (LODR) Regulations, 2015, the Company has put in place a Code of Conduct for Directors and Senior Management. This Code is intended to focus the Board and Senior Management on areas of ethical risk, provide guidance to Directors and Senior Management to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct and to help foster a culture of honesty and accountability. All Board members and Senior Management Personnel have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by the Whole time Director of the Company, forms part of this Annual report.

The code of conduct for Directors and Senior Management Personnel is available on the website of the Company at : <https://stelholdings.com/code-policies/>

1.5 Code of Fair Disclosure, Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons

The Company has put in place a Code of Fair Disclosure, Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended upto date. This Code is formulated to regulate, monitor and report the trading in the Company's shares by the Designated Persons of the Company.

The Code lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company. The Code aims at preserving and preventing misuse of Unpublished Price Sensitive Information ("UPSI"). All Directors and other Designated Persons and their immediate relatives as well as connected persons of the Company are covered under the Code, which provides inter alia for disclosures and obtaining pre-clearances for trading in securities of the Company by the Directors and other Designated Persons of the Company. The Code provides for the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares by the Directors, other Designated Persons & their immediate relatives and connected persons, while in possession of UPSI in relation to the Company and during the period when the trading window is closed. The Code has been communicated to all concerned. Trading window closures, i.e. when the concerned persons are not permitted to trade in the securities of the Company, are intimated in advance, on a timely basis and the same is also intimated to the Stock Exchanges on a periodic basis. Designated Persons covered under the Code provide initial disclosure as well disclosure on annual basis disclosing various information required under the Insider Trading Regulations. Further, they also declare that they are aware of the provisions of the Code and there was no non-compliance under the Code in the previous financial year.

The above mentioned Code of Conduct is available on the website of the Company at <https://stelholdings.com/code-policies/>

1.6. Meeting of Independent Directors and Familiarisation Programme

In compliance with the Code for Independent Directors as stipulated under Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI (LODR) Regulations, 2015, the Independent Directors of the Company met without the presence of the Non - Independent Directors and members of the management on March 06, 2023 in order to, inter alia, review the performance of non-independent directors and the board of directors including that of the Chairman taking into account the views of the executive and non-executive directors; assess the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties and other related matters.

Attendance details of the independent directors meeting held during the FY 2022-23 is given below:

| Name of Director | Designation | No of Meetings held during the year | No of meetings attended |
|---------------------|----------------------|-------------------------------------|-------------------------|
| Mr. Umang Kanoria | Independent Director | 1 | 1 |
| Mr. H. C Dalal | Independent Director | 1 | 1 |
| Mr. Prem Kapil | Independent Director | 1 | 1 |
| Mrs. Suhana Murshed | Independent Director | 1 | 1 |

Pursuant to the Regulation 25 (7) of the SEBI (LODR) Regulations, 2015, the Company familiarizes its Independent Directors with their roles, rights, responsibilities, nature of the industry in which the company operates, business models of the Company and other important matters relating to the business of the Company at the time of appointment and on a continuous basis.

On an on-going basis, periodic presentations are made at the Board and Committee meetings by either Senior Management Personnel or external experts on matters inter- alia covering performance updates of the Company, industry scenario, business strategy, updates on capital expenditure, internal control and strategic and operational risks involved and its mitigation plan, major litigations, major achievements, Environmental, Social & Governance (“ESG”) etc.

Further, as a part of Familiarization Programme, regular updates on relevant statutory and regulatory changes encompassing important laws are presented to the Directors.

The details of the familiarization programme are disclosed on the Company’s website at <https://www.stelholdings.com>.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder.

The Board includes four independent directors out of which one is a women director. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations, Companies Act 2013 and they are independent of the management. Independent Directors shall not be entitled to any stock option.

1.7 Independent director databank registration

Pursuant to the notifications issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

1.8 Board Qualifications, Expertise and Competence

In Compliance with the Schedule V of SEBI (Listing Obligations and Disclosures Requirements) (Amendments) Regulations, 2018 the below table summarizes the key qualifications, skills, expertise and attributes considered while nominating a candidate to serve on the Board. The Board of the Company comprises qualified members who bring in the required skills, expertise and competence that allows them to make effective contribution to the Board and its Committees.

Board Qualification Indicators

| | |
|-------------------------------|---|
| Accounts & Finance | The Director should have experience in Accounting and possess Financial Knowledge, proficiency in complex financial management, actively supervising a principal financial officer, principal accounting officer, accountant, auditor or person performing similar functions. |
| Business Management | Vast experience in driving business success across the country with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and have a broad perspective on market opportunities. Experience in all aspects of overseeing and supervising business operations. |

| | |
|-------------------------------|---|
| Board Diversity | Representation of gender, ethnic, geographic, cultural or other perspectives that expand the Board’s understanding of the needs and viewpoints of the Company’s customers, employees, governments, regulators and other stakeholders. |
| Leadership | Leadership experience in a significant enterprise with a practical understanding of organizations, processes, strategic planning and risk management. Demonstrated strengths in developing talent, succession planning and driving change and long-term growth. |
| Information Technology | A background in technology resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models. |
| Law | Vast knowledge in all facets of Indian Civil, Corporate and Industrial Laws. Knowledge about the Legal consequences of non-compliance of laws applicable to the Company. |
| Corporate Governance | Experience by serving on the Board of the public company to develop insights about maintaining board and management accountability, protecting shareholder interests and observing appropriate corporate governance practices. |
| Sales and Marketing | General knowledge or experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance company reputation. |

The specific areas of focus or expertise of individual Board members are given below:

| Name of Director | Area of Expertise, skills and competencies | | | | | | | |
|--------------------------|--|---------------------|-----------------|------------|------------------------|-----|----------------------|---------------------|
| | Accounts & Finance | Business Management | Board Diversity | Leadership | Information Technology | Law | Corporate Governance | Sales and Marketing |
| Mr. Umang Kanoria | √ | √ | √ | √ | | | √ | √ |
| Mr. H.C. Dalal | √ | √ | √ | √ | | | √ | |
| Mr. Prem Kapil | √ | √ | √ | √ | | | √ | √ |
| Mr. Kaushik Roy | √ | √ | √ | √ | √ | | √ | |
| Mr. Abraham Ittyipe | √ | √ | √ | √ | √ | | √ | |
| Mrs. Suhana Murshed | | √ | √ | √ | | √ | √ | |
| Mr. Mahesh Narayanaswamy | √ | √ | √ | √ | | | √ | |
| Mr. Alok Kalani | √ | √ | √ | √ | | √ | √ | |

2. Committees of the Board

The Board has constituted a set of Committees with specific terms of reference/scope to focus effectively on diverse matters. The Board has established various Committees such as Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.

The recommendations of the Committee(s) are submitted to the Board for its approval. The Chairman of respective Committee updates the Board regarding the summary of the discussions held/decisions taken at the Committee Meeting. The Board of Directors have confirmed that during the year, all recommendations of the Committee(s) were duly considered and approved by the Board of Directors and none of the recommendation made by any of the Committees has been rejected by the Board.

2.1 Audit Committee:

The Audit Committee of the Board is constituted under Section 177 of the Companies Act, 2013 read with Rule 6 & 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

As on March 31, 2023, the Audit Committee consisted of six Directors viz., Mr. Umang Kanoria, Mr. Alok Kalani, Mr. Abraham Ittyipe, Mr. H. C. Dalal, Mr. Prem Kapil and Mrs. Suhana Murshed.

Mr. Umang Kanoria, Independent Director, is the Chairman of the Committee. All members of Audit Committee are financially literate and the Chairman of the Audit Committee has accounting and related financial management expertise and the composition of the Committee is in compliance with the requirements of Section 177 of the Act and the Regulation 18(1) of the SEBI Listing Regulations.

Representatives of the Statutory Auditors are invited to attend meetings of the Committee. The Committee also invites the Chief Financial Officer and Internal Auditor as and when their presence at the meeting of the Committee is considered appropriate. On some occasions, it also meets without the presence of any Executives of the Company.

The Company Secretary Ms. Lakshmi P.S acts as the secretary to the audit committee.

The Audit Committee has met five times during the FY 2022 - 2023 i.e on May 24,2022, August 12,2022, November 11,2022, February 07,2023 and February 22,2023. Necessary quorum was present for all the meetings. All the recommendations made by Audit Committee were accepted by the Board unanimously. The Chairman of the Audit Committee was present at the 32nd Annual General Meeting of the company to answer shareholders' queries.

Audit Committee Meetings held during the Financial Year 2022 - 2023:-

During the year under review, five audit committee meetings were held. The names of Members and Chairman of the Audit Committee, Meetings held and attendance thereof during the Financial Year 2022-2023 are as given below:-

| Name of the Member | Position held | No. of Committee Meetings | |
|---------------------|---------------|---------------------------|----------|
| | | Held during tenure | Attended |
| Mr. Umang Kanoria | Chairman | 5 | 5 |
| Mr. Alok Kalani | Member | 4 | 3 |
| Mr. Sunil Bhandari* | Member | 1 | 1 |
| Mr. H.C Dalal | Member | 5 | 5 |
| Mr. Prem Kapil | Member | 5 | 5 |
| Mr. Abraham Ittyipe | Member | 5 | 5 |
| Mrs. Suhana Murshed | Member | 5 | 3 |

*Mr. Sunil Bhandari, Director resigned from the directorship and committee memberships of the company w.e.f August 01,2022.

Terms of Reference:

The role and terms of reference of the Audit Committee, specified by the Board, are in conformity with the requirements of Schedule II Part C of the SEBI Listing Regulations and Section 177 of the Act. The role and terms of reference include the following :

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the Annual Financial Statements and Auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Directors Responsibility Statement to be included in the Board's Report in terms of Section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;

- v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions; and
 - vii. modified opinion (s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - Discussion with internal auditors of any significant findings and follow up there on;
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - Scrutiny of inter-corporate loans and investments;
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - To review the functioning of the Whistle Blower mechanism;
 - reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
 - consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

The Audit Committee is empowered, pursuant to its terms of reference, to:

- a) Investigate any activity within its terms of reference and to seek any information if required from any employee.
- b) Obtain professional advice from external sources to carry on any investigation and have full access to information contained in the records of the Company.
- c) Discuss any related issues with the internal and statutory auditors and the management of the Company.
- d) Review and monitor the auditors' independence and performance and effectiveness of audit process.
- e) Approval or any subsequent modification of transactions of the Company with related parties.
- f) Scrutinize the inter-corporate loans and investments and evaluate internal financial controls and risk management systems.
- g) Oversee the vigil mechanism/ whistle blower policy of the Company.

The audit committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;

- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice

Fees paid on consolidated basis to the Statutory Auditor:

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity in which the statutory auditor is a part for the financial year 2022-23 is Rs. 4.46 lakhs inclusive of taxes.

2.2. Stakeholders' Relationship Committee:

In compliance with the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015, the Board has constituted a Stakeholders Relationship Committee to redress the grievances of shareholders, relating to share transfers/ transmission, non-receipt of Annual reports etc.

The matters relating to share transfer /transmission/duplicate certificate issue etc. is being looked after by M/s. Link Intime India Private Limited, Registrar and Share Transfer Agent.

As on March 31, 2023 the Stakeholder's Relationship Committee consisted of four directors. Mr. Alok Kalani, Mr. Umang Kanoria, Mr. Abraham Ittyipe and Mrs. Suhana Murshed.

Mr. Alok Kalani, Non- Executive Non-Independent Director is the Chairman of the Committee. The Company Secretary Ms. Lakshmi P.S acts as the Secretary and Compliance Officer of the Stakeholders' Relationship Committee.

During the year under review, the Committee met only once i.e on February 07,2023.

The composition and attendance of the Stakeholders Relationship Committee during the FY 2022-23 are as follows:

| Name of the Member | Position held | Category | No. of Meetings | |
|---------------------|---------------|--|------------------------|----------|
| | | | Held during the tenure | Attended |
| Mr. Alok Kalani | Chairman | Non Executive Non Independent Director | 1 | 1 |
| Mr. Umang Kanoria | Member | Independent Director | 1 | 1 |
| Mr. Abraham Ittyipe | Member | Whole time Director | 1 | 0 |
| Mrs.Suhana Murshed | Member | Independent Director | 1 | 1 |

The Compliance Officer of the Company reviews the investor complaints on regularly basis to find out whether complaint has been resolved within the time specified in the Investor Grievance Redressal Policy of the Company.

The Company has a User ID and Password in place for logging into the SEBI Complaints Redressal System - 'SCORES' and can view the complaints which have been lodged by the shareholders. The Company ensures that timely redressals are made against any complaints raised by the shareholders relating to registration of share transfers, issue of new share certificates, sub-division or consolidation of shareholdings etc.

Terms of Reference

- Consider and resolve the grievances of the security holders inter alia consisting of shareholders, debenture-holders, deposit holders, etc. of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, nonreceipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review measures taken for effective exercise of voting rights by shareholders.
- Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Consider and approve issue of duplicate share certificates in lieu of those lost or destroyed.
- Approve and/or reject the transfer or transmission of securities of the Company and authorizing the Compliance Officer and/or the Registrar & Share Transfer Agent of the Company for the same.
- Issue of duplicate certificates, Remat Share certificates, and certificates to be issued in accordance with sub-rule 3 of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time.
- Oversee compliances in respect of transfer of unclaimed amounts and shares to and from the Investor Education and Protection Fund.
- Carry out all the functions as may be entrusted by (i) the Board of Directors from time to time; and (ii) by virtue of applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as amended from time to time.

The matters and concerns relating to share transfer, transmission etc. is being looked after by Link Intime India Private Limited, Registrar & Share Transfer Agents of the Company.

Status of Investors’ Grievance

Pursuant to SEBI (LODR) Regulations, 2015, the status of investor complaints received and redressed during FY 2022-23 are as follows:

| No. of Investor queries/ complaints received during the financial year 2022-23 | No. of Complaints resolved to the satisfaction of shareholders during the financial year 2022-23 | No. of Investor queries/ complaints remaining unresolved/pending at the end of the financial year |
|---|---|--|
| 10 | 10 | Nil |

As on March 31, 2023, there were no pending investor complaints against the company.

2.3. Nomination and Remuneration Committee:

The Nomination & Remuneration Committee (NRC) is set up by the Board in compliance with the Section 178 (1) of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.

The Committee is entrusted with combined advisory responsibilities concerning the nomination for appointment or removal of Directors and Senior Management including Key Managerial Personnel and recommendation of remuneration policy.

The Company Secretary of the Company acts as the Secretary to the Committee.

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee in line with Section 178 of the Companies Act, 2013 and Regulation 19 read with Para A of Part D of Schedule II of the SEBI (LODR) Regulations, 2015, are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- recommending to the Board, candidates for election (including re-election) or appointment (including reappointment) to the Board. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of Independent directors and the Board of Directors;
- Evaluate the performance of Independent Directors and the Board of Directors and to decide whether to continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the Independent director, on the basis of the report of performance evaluation of Independent director; and
- Recommend to the Board, all remuneration, in whatever form, payable to the senior management.
- Specify the manner for effective evaluation of performance of the Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

The performance evaluation criteria for Non-Executive Directors including Independent Directors laid down by Committee and taken on record by the Board includes –

- a. Attendance and participation in the Meetings.
- b. Preparedness for the Meetings.
- c. Understanding of the Company and the external environment in which it operates and contributes to strategic direction.
- d. Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings.

- e. Engaging with and challenging the management team without being confrontational or obstructionist.

The evaluation of Independent Directors shall be done by the entire Board of Directors which shall include –

- a.) performance of the Directors; and
- b.) fulfillment of the independence criteria as specified in the SEBI Listing Regulations and their independence from the management:

Provided that in the afore-said evaluation, the Directors who are subject to evaluation shall not participate.

As on 31st March, 2023, the Nomination & Remuneration Committee of the Company, consists of two Non-Executive Independent Directors and one Non-Executive Non-Independent Director as members, i.e. Mr. Umang Kanoria, Mr. H. C. Dalal and Mr. Alok Kalani. Mr. Umang Kanoria is the Chairman of the Nomination and Remuneration Committee. Company Secretary Ms. Lakshmi P.S acts as the Secretary and Compliance Officer to the Committee.

The Committee met once during the F.YR 2022-23 i.e. on August 03, 2022. Necessary Quorum as per Regulation 19(2A) of the SEBI Listing Regulations, was present for all the Meetings. The Chairman of the Nomination and Remuneration Committee was present at the Thirty Second Annual General Meeting of the Company, to answer the shareholders’ queries.

The Composition and attendance of the Members at the NRC meetings held during the FY 2022-23 are as follows:

| Name of the Member | Position Held | No. of Meetings | |
|--------------------|---------------|------------------------|----------|
| | | Held during the tenure | Attended |
| Mr. Umang Kanoria | Chairman | 1 | 1 |
| Mr. Alok Kalani* | Member | 0 | 0 |
| Mr. H.C Dalal | Member | 1 | 1 |

*Mr. Alok Kalani was appointed as a Non -Executive Director of the company w.e.f August 12,2022.

In compliance with the requirements of Act and Rules made thereunder and pursuant to Regulation 19 of the SEBI Listing Regulations read with Schedule II Part D to the said Regulations, the Board of Directors has approved a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel, and other employees of the Company. Nomination and Remuneration Policy forms part of the Directors’ Report.

Acceptance of recommendations of committees of the board

All the recommendations made by Committees of the Board during the financial year 2022-23 have been duly accepted and taken on record by the Board of Directors of the Company.

Directors/ Manager’s Remuneration:

Non-Executive Directors are paid sitting fees for attending the meetings of the Board/ Committee within the limits as prescribed under the Companies Act, 2013. Apart from this, the Non-Executive Directors do not have any material pecuniary relationship or transactions with the Company, its Promoters, its Directors, its senior management or its subsidiaries.

The policy framed by the Nomination and Remuneration Committee of the board of directors including the criteria for making payment to the Non- Executive Directors is set out as an Annexure- E to the Board’s Report.

The Payment of remuneration to the Whole time Director who is the Executive Director of the Company is governed by the agreements executed by the Company with him and is governed by the Nomination and Remuneration Committee, Board and shareholder’s resolution.

The Board has carried out an annual evaluation of its own performance, the directors including independent directors and also committees of the Board based on the guidelines formulated by the Nomination & Remuneration Committee. Board composition, quality and timely flow of information, frequency of meetings, and level of participation in discussions were some of the parameters/criteria considered during the evaluation process.

3. Remuneration of Directors:

The Company confirms that the remuneration paid to the Directors is as per terms laid out in the Policy on Nomination & Remuneration of the Company. The Independent Directors of the Company has no pecuniary relationship with the Company, its promoters or Directors during the two immediately preceding financial years. Further, the Company has not paid any other remuneration apart from the sitting fees to the Non - Executive, Non-Independent Directors during the FY 2022-23. The Non-Executive Non- Independent Directors and Independent Directors were paid sitting fee of Rs.5000/- per Board Meeting, Rs. 3000/- per Audit Committee and Rs.1000/- per NRC committee during the year 2022-23.

The details of the remuneration paid to the Directors during FY 2022 - 2023 are given below:

| Name of Director | Fixed salary | | | Bonus / incentives / variable pay | Perquisites on account of stock options exercised | Commission | Sitting Fees | Total |
|--|-----------------|----------------------|--------------------------|-----------------------------------|---|------------|--------------|-------------|
| | Base salary (A) | Retiral benefits (B) | Total fixed salary (A+B) | | | | | |
| Non-executive and non-independent directors | | | | | | | | |
| Mr. Kaushik Roy | - | - | - | - | - | - | 0.20 | 0.20 |
| Mr. Mahesh Narayanaswamy | - | - | - | - | - | - | 0.20 | 0.20 |
| Mr. Alok Kalani ** | - | - | - | - | - | - | 0.24 | 0.24 |
| Mr. Sunil Bhandari* | - | - | - | - | - | - | 0.08 | 0.08 |
| Executive director | | | | | | | | |
| Mr. Abraham Ittyipe | 2.40 | - | 2.40 | - | - | - | - | 2.40 |
| Independent directors | | | | | | | | |
| Mr. Umang Kanoria | - | - | - | - | - | - | 0.36 | 0.36 |
| Mr. H C Dalal | - | - | - | - | - | - | 0.36 | 0.36 |
| Mr. Prem Kapil | - | - | - | - | - | - | 0.35 | 0.35 |
| Mrs. Suhana Murshed | - | - | - | - | - | - | 0.19 | 0.19 |
| Total | 2.40 | | 2.40 | | | | 1.98 | 4.38 |

*Mr. Sunil Bhandari served as a Non- Executive Director on the board till August 01,2022. He resigned from the board w.e.f August 01,2022.

** Mr. Alok Kalani was appointed as a Non- Executive Director on the board w.e.f August 12,2022.

Equity Shares held by the Directors

Except as stated hereunder, none of the Directors hold any shares in the Company as on March 31, 2023:

| Name of the Director | No. of shares held |
|-----------------------------|---------------------------|
| Abraham Ittyipe | 100 |

The Company does not have any Stock Option Scheme.

4. Annual General Meetings ("AGM")

The details of Annual General Meetings (AGM) held during the last three years are as follows:

| Sl. No. | AGM | Year | Date | Time | Location |
|----------------|------------------|-------------|-------------|-------------|----------------------------|
| 1 | 32 nd | 2022 | 29.09.2022 | 12.00 Noon | Through Video Conferencing |
| 2 | 31 st | 2021 | 28.09.2021 | 12.00 Noon | Through Video Conferencing |
| 3 | 30 th | 2020 | 28.09.2020 | 2.00 P.M | Through Video Conferencing |

Special Resolutions passed at the last three AGM's

| SL. No. | Date of AGM | Special Resolution |
|----------------|--------------------|---------------------------|
| 1 | September 29,2022 | Nil |
| 2 | September 28,2021 | Nil |
| 3 | September 28,2020 | Nil |

All resolutions as set out in the respective notices were duly passed by the shareholders in the meeting.

No Special Resolutions were passed by way of Postal Ballot in the last three financial years.

Further, none of the businesses proposed to be transacted at the ensuing AGM require passing a Special Resolution through postal ballot.

5. Disclosures:

5.1 Related Party Transactions

The Company has formulated a Policy on Related Party Transactions and the same is available at the Company's website and can be accessed at <https://stelholdings.com/code-policies/>.

Transactions with related parties entered in the ordinary course of business and at arms' length basis have been disclosed in Note No. 24 of the Standalone Financial Statements of the Company.

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed the reports on related party transactions with the Stock Exchanges.

Materially Significant Related Party Transactions:

There have been no materially significant related party transactions entered into by the Company with its Directors/Key Managerial Personnel or their respective relatives, the Company's Promoter(s), its subsidiaries/joint ventures/ associates or any other related party, that may have a potential conflict with the interest of the Company at large.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

5.2. Statutory Compliance, Penalties and Strictures:

There were no instances of non-compliance and no strictures or penalties imposed on the Company either by SEBI, stock exchanges or any statutory authorities on any matter related to capital markets during the last three years.

5.3. Whistle Blower Policy

In line with the provisions of the SEBI Listing Regulations, the Act and other SEBI Regulations and principles of good governance, the Company has formulated a robust Vigil Mechanism for reporting of concerns through the Whistle Blower Policy of the Company. The Policy provides for framework and process to encourage and facilitate employees and Directors to voice their concerns or observations without fear, or raise reports to the Management, of instance of any unethical or unacceptable business practice or event of misconduct/unethical behaviors, actual or suspected fraud and violation of Company's Code of Conduct etc.

The Policy provides for adequate safeguards against victimization of persons who avail such mechanism.

During the year under review, none of the personnel has been denied access to the Chairman of the Audit Committee. The Policy is placed on the website of the Company at <https://stelholdings.com/code-policies/>.

5.4 Disclosure of Accounting Treatment

The Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable, in the preparation of the financial statements.

The financial statements have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015.

5.5 Details of compliance with mandatory requirements

The Company has complied with all mandatory requirements laid down by Regulation 34 & 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

A detailed report on the status of compliance with all the applicable corporate laws, rules and regulations by the Company is placed before the Board on a quarterly basis for their information and review.

The Company is in compliance with all the mandatory requirements of Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

5.6 Adoption of the discretionary requirements.

Apart from complying with the mandatory requirements prescribed under SEBI Listing Regulations, the Company has complied with the following discretionary requirements:

- During the current financial year, there are no audit qualifications in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements. The Company's Financial Statements for the year ended March 31,2023 are with unmodified opinion.
- Internal Auditors report directly to the Audit Committee in all matters relating to Internal Audit.

6. Subsidiary Company

As on March 31,2023, the Company has only one Wholly Owned Subsidiary i.e. M/s. Doon Dooars Plantations Limited which is an unlisted public company. The minutes of Board Meetings as well as the statements of all significant transactions, if any of the unlisted subsidiary are being placed before the Board of Directors of the Company for its review from time to time.

The Audit Committee reviews the financials statements of subsidiary company.

The Company does not have any material unlisted subsidiary as on March 31,2023. Hence no disclosure is required to be made under SEBI Listing Regulations.

The Company has framed a policy for Determining Material Subsidiaries, which is disclosed on the Company's website and can be accessed at <https://stelholdings.com/download/1298/>

7. Commodity price risk or foreign exchange risk and hedging activities

The Company is a Core Investment Company, hence the said risks are not applicable.

8. Credit Ratings

There are no credit ratings obtained by the Company during the FY 2022-23.

9. During the year, neither the Company nor its Subsidiary have provided any loans or advances in the nature of loans to firms/companies in which directors are interested.

10. The requirement to provide details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) is not applicable to the Company.

11. CEO/CFO Certification

The certificate required under Regulation 17 (8) of the SEBI (LODR) Regulations, 2015, duly signed by Mr. Sivaram Neelakantan Krishnan, Chief Financial Officer of the Company has been submitted to the Board of Directors. The said certificate is enclosed in the Annual Report.

12. Means of Communication

The Company from time to time and as may be required, communicates with its investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, the Annual Reports, Press Releases and uploading relevant information on its website.

The quarterly financial results are announced through Press Releases sent to leading media publications. The results along with the notes are furnished on a quarterly basis to the Stock Exchanges as per the format prescribed and within the time period stipulated under Regulation 33(3) of the SEBI Listing Regulations. The Company discloses all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the SEBI Listing Regulations including material information having bearing on the performance/operations of the Company and other price sensitive information. Information to Stock Exchanges are filed electronically on the online portals of BSE Limited i.e. BSE Corporate Compliance & Listing Centre (Listing Centre) and National Stock Exchange of India Ltd. i.e. NSE Electronic Application Processing System (NEAPS) & the Digital Portal of NSE.

The Unaudited Quarterly Results are announced within 45 days from the end of the quarter and the Annual Audited Results are announced within 60 days from the end of the financial year as per the Listing regulations.

The Financial Results of the Company are normally published in the following newspapers:

- A. Financial Express (English Language)
- B. Deshabhimani (Malayalam Language)

The Financial Results of the Company are displayed on the Company's website at www.stelholdings.com.

13. Company's Website

The Company's corporate website www.stelholdings.com depicts comprehensive information about the business activities of the Company. The website contains a separate dedicated section "Investor Corner" where shareholder related information disseminated to the Stock Exchanges are available such as financial results, annual reports, shareholding patterns, quarterly compliance reports on Corporate Governance, the policies framed by the Company under various laws and regulations, contact information of the Designated Officials responsible for assisting and handling investor grievances, e-mail address for grievance and redressal and other relevant details.

The Company website also displays official news releases as and when applicable.

No presentations were made to institutional investors or to the analysts during the year under review.

14. General Shareholder information:

14.1 Annual General Meeting: Date, Time and Venue:

As indicated in the notice annexed to this Annual Report, the Thirty Third Annual General Meeting of the Company for the Financial Year 2022-23 will be held on :

Day/Date : Thursday, September 28, 2023

Time : 12.00 Noon

Venue : Through Video Conferencing/ Other Audio Visual Means (VC/OAVM)

Ministry of Corporate Affairs ('MCA') vide its Circular dated December 28, 2022 extended the time line and has allowed the companies to conduct their AGMs due in calendar year 2023 through VC / OAVM on or before September 30, 2023, subject to the fulfilment of other prescribed conditions as stated in the MCA circular dated May 5, 2020. Accordingly, the Company has opted to provide such facility to the shareholders to join the meeting through remote locations from the facilities provided by Central Depository Services (India) Limited ('CDSL').

In terms of Section 101 and 136 of the Act read together with the Rules made thereunder and pursuant to Regulation 36(1) of the Listing Regulations, the listed companies may send the notice of AGM and the Annual Report, including Financial Statements, Board Report etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those Members who have registered their email IDs with their respective DPs or with the Registrar and Transfer Agents of the Company. Members may further note that the Annual Report of the Company for the Financial Year 2022-23 is hosted on the Company's website at www.stelholdings.com.

To receive the copy over email, the Members are requested to ensure that their email IDs are registered with the Registrar and Transfer Agent or the Depository Participants, as the case may be.

14.2 Book Closure Dates: The Company's Register of Members and Share Transfer Books will remain closed from Friday, September 22, 2023 to Thursday, September 28, 2023 (both days inclusive).

14.3 Dividend payment: The Board has not recommended any dividend for the FY 2022-23.

14.4 Annual Secretarial Compliance Report

Pursuant to Regulation 24A read with SEBI Circular CIR/CFD/ CMD1/27/2019 dated February 8, 2019, read with BSE and National Stock Exchange dated March 16, 2023, M/s. SEP & Associates, Practising Company Secretaries carried out the audit for the FY 2022-23 for all applicable compliances as per SEBI Regulations and Circulars / Guidelines issued thereunder. There are no observations or qualifications under the said Report.

14.4 Details of Stock Exchanges where listed

The Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) and annual listing fees have been paid to both the stock exchanges on time.

| Stock Exchanges | Stock Code |
|---|--------------|
| BSE Ltd., Mumbai 1st Floor, New Trading Ring, Rotunda Building, PJ Towers, Dalal Street, Fort Mumbai –400001, Maharashtra | 533316 |
| National Stock Exchange of India Limited, Mumbai (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051 | STEL |
| ISIN | INE577L01016 |

14.5 Financial calendar

For the financial year ending March 31, 2024, the results will be announced on:

| Event | Due Date |
|-------------------------------------|---------------------------------------|
| quarter ending 30th June, 2023 | On or before 14th August, 2023 |
| quarter ending 30th September, 2023 | On or before 14th November, 2023 |
| quarter ending 31st December, 2023 | On or before 14th February, 2024 |
| quarter ending 31st March, 2024 | On or before 30th May, 2024 (Audited) |

14.6 Market Price Data -BSE & NSE

Market Price and Volume of the Company’s Shares of face value of Rs. 10 each traded in the major stock exchanges where Company’s shares are listed during the financial year 2022-23:

| Year (2022-23) Months | BSE (Amount in Rs.) | | NSE (Amount in Rs.) | | BSE SENSEX Closing |
|-----------------------------|------------------------|--------|------------------------|--------|-----------------------|
| | High | Low | High | Low | |
| April | 157.70 | 116.80 | 158.00 | 113.50 | 57060.87 |
| May | 146.95 | 106.05 | 137.20 | 115.00 | 55566.41 |
| June | 132.85 | 95.30 | 133.00 | 94.00 | 53018.94 |
| July | 124.00 | 93.00 | 124.80 | 101.00 | 57570.25 |
| August | 123.90 | 106.00 | 123.80 | 103.55 | 59537.07 |
| September | 167.35 | 118.00 | 167.50 | 120.30 | 57426.92 |
| October | 145.00 | 120.3 | 145.00 | 116.60 | 60746.59 |
| November | 146.00 | 120.55 | 146.00 | 121.85 | 63099.65 |
| December | 173.10 | 137.65 | 174.40 | 138.00 | 60840.74 |
| January | 170.70 | 137.60 | 170.95 | 137.05 | 59549.90 |
| February | 147.15 | 129.70 | 144.90 | 130.00 | 58962.12 |
| March | 166.55 | 137.45 | 169.40 | 132.10 | 58991.52 |

9.7 A performance chart showing Share Price of the Company in comparison with S&P BSE SENSEX during the year 2022-23 is as below:

| | STEL BSE Close price | BSE Sensex |
|----------------|---------------------------------|-------------------|
| April 2022 | 135.30 | 57060.87 |
| May 2022 | 123.50 | 55566.41 |
| June 2022 | 103.45 | 53018.94 |
| July 2022 | 114.30 | 57570.25 |
| August 2022 | 122.00 | 59537.07 |
| September 2022 | 142.30 | 57426.92 |
| October 2022 | 124.45 | 60746.59 |
| November 2022 | 140.45 | 63099.65 |
| December 2022 | 162.00 | 60840.74 |
| January 2023 | 138.80 | 59549.90 |
| February 2023 | 135.30 | 58962.12 |
| March 2023 | 144.60 | 58991.52 |

14.8 Share Transfer Process

The Stakeholders' Relationship Committee meets at least once a year and as and when necessary.

As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialised form, with effect from April 1, 2021. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Any Director of the Company or the Company Secretary is empowered to approve transfers.

Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialised form only while processing service requests in relation to issue of duplicate securities certificate, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

RTA verifies and processes the Service Requests and thereafter issues a 'Letter of Confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant within 30 days, which is valid for a period of 120 days from the date of its issuance, within which the securities holder/ claimant shall make a request to the Depository Participant for dematerialising the said securities. In case the securities holder/Claimant fails to submit the demat request within 120 days, the securities shall be credited to the Suspense Escrow Demat Account of the Company.

Shareholders who are still holding share certificate(s) in physical form have been advised to dematerialise their shareholding to facilitate transfers and avail other inherent benefits of dematerialisation. In accordance with SEBI Circulars, the Company had sent reminder letter along with requisite forms to shareholders holding shares in physical mode requesting them to update/furnish prescribed details such as PAN, KYC and Nomination, to the Registrar and Share Transfer Agent of the Company viz., Link Intime India Private Limited. The process along with requisite forms are also made available at <https://stelholdings.com/notices-sent-to-shareholders/>.

Members holding shares in physical mode are requested to ensure the aforesaid KYC details are updated with the Company's Registrar and Share Transfer Agents before October 01, 2023, as per revised timeline of SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 post which the shares in the said folios shall be frozen.

The Company has obtained an annual certificate from a Company Secretary in Practice certifying that all share certificates have been issued within prescribed time from the date of lodgement for transfer, sub-division, consolidation, renewal, exchange etc as per the requirement of Regulation 40(9) of the SEBI Listing Regulations. This certificate has been submitted to the

Stock Exchanges. As stipulated by SEBI, a Company Secretary in Practice carried out an Audit, on quarterly basis, to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited and the total issued & listed capital. Such reconciliation of share capital audit report was submitted to Stock Exchanges on quarterly basis.

14.9 Distribution of Shareholding based on shares held as on March 31, 2023

| Shares Range | No. of Shareholders | No. of Shares held | Percentage (%) of Total share holders | Percentage (%) of Total Issued Capital |
|---------------------|----------------------------|---------------------------|--|---|
| 1-500 | 21088 | 2238850 | 93.86 | 12.13 |
| 501-1000 | 768 | 594182 | 3.41 | 3.22 |
| 1001-2000 | 316 | 464727 | 1.41 | 2.52 |
| 2001-3000 | 98 | 249037 | 0.44 | 1.35 |
| 3001-4000 | 48 | 172700 | 0.21 | 0.94 |
| 4001-5000 | 29 | 130740 | 0.13 | 0.71 |
| 5001-10000 | 58 | 401878 | 0.26 | 2.18 |
| 10001- above | 63 | 14203291 | 0.28 | 76.95 |
| Total | 24034 | 18455405 | 100.00 | 100.00 |

14.10 Dematerialisation of Shares

The Company has entered into a tripartite agreement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to provide trading of shares in dematerialized form. International Securities Identification Number (ISIN) allotted to the equity shares of the Company is INE577L01016. As on March 31, 2023, 17721019 shares of the company, constituting 96.02 % were in dematerialized form.

14.11. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments.

As of March 31, 2023, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments or options.

14.12. Plant Locations:

Being a Core Investment Company, STEL Holdings Ltd has no plant locations.

14.13 Anti-Sexual Harassment Policy :

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. The Details pertaining to complaints received and disposed during the year is disclosed in the Directors Report.

14.14 Equity shares of STEL Holdings Ltd –Unclaimed securities suspense Account

The Securities and Exchange Board of India (SEBI) vide its circular no. CIR/CFD/DIL/10/2010 dated 16 December 2010, inserted new Clause 5A II containing uniform procedure for dealing with unclaimed shares. In compliance with the amendment to Clause 5A of the Listing Agreement issued by SEBI, the Company has opened a demat account in the name of "STEL Holdings Limited - Unclaimed Suspense Account" for the purpose of transferring the unclaimed shares. As per the said circular, the Company had sent three reminders to all those shareholders, whose shares remained unclaimed with the Company, requesting them to submit necessary documents and claim the shares; so as to avoid transfer of such unclaimed shares to the "Unclaimed Suspense Account".

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As per Regulation 39 (3) of the LODR and Schedule VI thereto, as and when any shareholder approaches the Company or the Registrar and Transfer Agent (RTA) to claim the above said shares, after proper verification, the shares lying in the Unclaimed suspense account shall be credited to the demat account of the shareholder.

As on March 31, 2023, the total unclaimed equity shares were 184455. The Voting rights on the equity shares lying in the Suspense Account as on March 31, 2023 shall remain frozen till the rightful owner of such shares claim the shares.

| Particulars | No. of Share holders | No. of Shares |
|--|----------------------|---------------|
| Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | 1991 | 184675 |
| number of shareholders who approached listed entity for transfer of shares from suspense account during the year; | 2 | 220 |
| number of shareholders to whom shares were transferred from suspense account during the year; | 2 | 220 |
| aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year | 1989 | 184455 |

14.15 Address for correspondence

| | |
|--|--|
| Registered Office STEL Holdings Limited (CIN: L65993KL1990PLC005811) 24/1624, Bristow Road, Willingdon Island, Cochin -682003 Ph: 0484 6624335 Fax: 0484 - 2668024 Email: secretarial@stelholdings.com Website: www.stelholdings.com | Registrar and Share Transfer Agent Link Intime India Private Limited Surya, 35, Mayflower Avenue Behind Senthil Nagar, Sowripalayam Road Coimbatore - 641028 Phone No: 0422 2314792, 2315792 Fax: +91 422 2314792 Email: coimbatore@linkintime.co.in Website: www.linkintime.co.in |
|--|--|

For and on behalf of the Board of Directors

Mr. Mahesh Narayanaswamy
(DIN : 01449684)
Director

Mr. Alok Kalani
(DIN: 03082801)
Director

Place : Kochi

Date : 04/08/2023

ANNEXURE E TO THE DIRECTOR'S REPORT

NOMINATION AND REMUNERATION COMMITTEE POLICY**1 INTRODUCTION:**

This policy has been formulated in terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the appointment and remuneration of the Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees and Board diversity.

2 OBJECTIVE:

This Policy sets out the guiding principles on:

- (i) appointment and remuneration of the Directors, KMP and SMP;
- (ii) qualifications, positive attributes and independence for appointment of a Director and assessment of independence of Independent Director;
- (iii) performance evaluation of all the Directors;
- (iv) core skills/expertise/competencies required of the Board of Directors of the Company;
- (v) Board diversity.

3 DEFINITIONS:

- (i) "Applicable Laws" means the Companies Act, 2013 and Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time.
- (ii) "Board" means Board of Directors of the Company.
- (iii) "Company" means STEL Holdings Limited.
- (iv) "Directors" means Directors of the Company.
- (v) "Independent Director" (ID) shall have the same meaning as defined under Section 149(6) of the Act read with rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- (vi) "Key Managerial Personnel" (KMP) means:
 - a) the Chief Executive Officer (CEO) or the Managing Director (MD) or the Manager;
 - b) the Company Secretary (CS);
 - c) the Whole-time Director (WTD);
 - d) the Chief Financial Officer (CFO);
 - e) Such other officer, not more than one level below the Directors, who is in whole time employment and designated as KMP by the Board
- (vii) "Non-Executive Directors" (NED) means a member of a Company's Board of Directors who is not in whole time employment of the Company.
- (viii) "Senior Management Personnel" (SMP) means persons working one level below CEO/ MD/ WTD/ Manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer or other persons as may be defined as SMP under the Applicable Laws from time to time.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Applicable Laws, as may be amended from time to time, shall have the meaning respectively assigned to them therein.

4 DIVERSITY IN THE BOARD OF DIRECTORS

Diversity refers to the variety of attributes of diverse nature between people and encompasses acceptance, respect and an understanding that each individual is unique. These aspects can include age, gender, ethnicity, physical abilities, marital status, ideologies, background, knowledge and skills with a view to achieving a sustainable development, the Company shall aim to increase diversity at the Board level, as an essential element in terms of:

- Experience of diverse nature;
- Gender in having the right representation of female members to ensure compliance with applicable laws.
- Qualifications, Knowledge and core skills/expertise/competencies required of the Board of Directors in context of Company's business/sector.

Diversity at the Board level shall be used as a tool for supporting the attainment of the strategic objectives of the Company and also to drive business results. Accordingly, while designing the composition of the Board, diversity shall be considered on all aspects and all appointments shall be based on the above parameters.

5 REQUIREMENTS RELATING TO DIRECTORS

A. Appointment of Directors:

The NRC shall evaluate the balance of skills, knowledge and experience on the Board and for this purpose, NRC shall also consider factors such as qualification and experience, positive attributes, disqualification, etc. Basis such evaluation, NRC may prepare a description of the role and capabilities required by an ID.

For the purpose of identifying suitable candidates, the NRC may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

The Company shall, upon recommendation of NRC, appoint those persons as Directors who possess requisite qualifications & experience and positive attributes within overall framework of diversity as described in this Policy.

B. Qualifications & Experience:

- (i) Any person to be appointed as a Director on the Board of Directors of the Company, including ID shall, in addition to a formal qualification, possess appropriate skills, experience and knowledge in one or more fields such as CEO / Senior Management Experience, General Management and Business Operations, Business Development, Strategy / M&A / Restructuring, Accounting / Finance / Legal, Risk Management, Public Policy, Human Resources Management, Corporate Governance, etc. or such other skills as may be identified by the Board of Directors, on recommendation from NRC, from time to time.
- (ii) Any person to be appointed as a Director on the Board of the Company shall be such person who shall be able to provide policy directions to the Company, including directions on good corporate governance.

- (iii) Any person to be appointed as a Director on the Board of the Company shall be a Fit and Proper Person as per RBI Master Directions/Circulars, as applicable to the Company.

C. Positive attributes:

The person to be appointed as a Director of the Company shall, in addition to the formal qualifications and relevant experience described in this Policy, shall also possess the attributes such as integrity, leadership, business orientation, commitment, proven track record and such other attributes, which in the opinion of the NRC, are in the interest of the Company.

D. Disqualification:

Any person to be appointed as Director shall not possess the disqualifications prescribed under the Applicable Laws.

E. Evaluation:

- (i) The NRC shall facilitate the Board to undertake evaluation of performance of all Directors on yearly basis including making recommendations to the Board on appropriate performance criteria for the Directors and formulating criteria and framework for evaluation of every Director's performance.
- (ii) The Board shall evaluate, every year, the performance of the individual directors including Chairman, IDs, independence of IDs, its own performance and of its Committees.
- (iii) NRC shall review the implementation and compliance of the manner in which evaluation is carried out.

F. Familiarization Programme:

The Company shall familiarise the IDs of the Company with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company through various programmes.

6 REQUIREMENT RELATING TO SMP INCLUDING KMP

A. Appointment of KMP and SMP:

- (i) Based on the recommendation of NRC, the appointment of the MD, CEO, WTD, Manager, CFO and the CS shall be approved by the Board of Directors by means of a resolution.
- (ii) KMP shall not hold office in more than one company except in its subsidiary company at the same time.
- (iii) The appointments of SMP, other than Manager, CEO, CFO and CS, shall be approved by MD / Manager, if any or the Department Head. Remuneration payable to SMP shall be recommended by the NRC and approved by the Board.

B. Qualifications & experience:

- (i) Any person to be appointed as KMP or as SMP shall possess relevant educational or professional qualifications, experience and domain knowledge required for performing the job for which they are appointed.
- (ii) There shall be no discrimination on account of gender, race and religion in terms of appointment as KMP or SMP.

C. Positive Attributes:

- (i) KMP and the SMP shall also possess attributes like decision making skills, leadership skills, integrity and proven track record and shall demonstrate commitment to the organisation.
- (ii) KMP and SMP shall meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture for good decision making.

D. Performance Evaluation:

- (i) Evaluation of all the SMPs and KMPs shall be carried out by the Departmental Head, if any, excluding himself/herself and the MD/CEO/WTD/Manager, if any.
- (ii) The evaluation process adopted by the Company shall always consider the appropriate benchmarks set as per industry standards, performance of the Industry, the Company and of the individual KMP/SMP.
- (iii) Evaluation of performance shall be carried out at least once in a year, in accordance with the existing evaluation process of the Company.

7 REMUNERATION:

Guiding Principles:

- (i) The terms of employment and remuneration of MD, WTD, Manager, KMPs and SMPs shall be competitive in order to ensure that the Company can attract and retain competent talent
- (ii) This Policy shall ensure that:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors/KMPs and SMPs of the quality required to run the Company successfully.
 - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - (c) Remuneration to Directors, KMPs and SMPs involves a balance between fixed and variable pay reflecting short and long term performance objectives and goals set by the Company.
 - (d) Remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders
- (iii) While determining the remuneration and incentives for the MD/ WTD / Manager, SMPs and KMPs, the following shall be considered:
 - (a) Pay and employment conditions with peers / elsewhere in the competitive market
 - (b) Benchmarking with the industry practices
 - (c) Performance of the individual
 - (d) Company Performance
- (iv) For the benchmarking with Industry practice, criteria of size, complexity, data transparency and geographical area shall also be given due consideration.
- (v) The pay structures may be appropriately aligned across levels in the Company.

8 Remuneration Policy:

(i) MD/WTD/CEO/Manager:

- (i) The remuneration to the MD/WTD/CEO/Manager at the time of his/her appointment shall be recommended by the NRC and subsequently approved by the Board of Directors. Such remuneration shall be subject to approval of the shareholders of the Company or other necessary approvals, wherever required, and shall not exceed the limits mentioned under applicable laws.
- (ii) NEDs shall also be entitled for payment of remuneration (including commission) if recommended by NRC and approved by the Board of Directors and wherever required approval of the shareholders shall be obtained in accordance with applicable laws.
- (iii) Annual increment/ subsequent variation in remuneration to the MD/ WTD/CEO/Manager shall be recommended by NRC and approved by the Board of Directors, within the overall limits approved by the shareholders of the Company.

(iv) NEDs:

- (v) NEDs shall be entitled to such sitting fees as may be decided by the Board of Directors from time to time for attending the meeting of the Board and of the Committee thereof.
- (vi) IDs shall not be eligible for any Stock Options, pursuant to any Stock Option Plan adopted by the Company.
- (vii) The NEDs shall be eligible for remuneration of such professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services in accordance with applicable laws.

(viii) SMPs & KMPS (other than MD/WTD/ CEO / Manager):

- (ix) Remuneration packages shall be designed in such manner that:
- (x) Motivates delivery of key business strategies, creates a strong performance-orientated environment and rewards achievement of the Company's objectives & goals over the short and long-term.
- (xi) Attracts high-flier executives in a competitive global market and remunerate executives fairly and responsibly.
- (xii) Remuneration shall be competitive and shall include salary comprising of both fixed and variable components, performance incentives and other benefits as per the Policy of the Company, considering relevant qualification, experience and performance of the individual as well as the prevailing market conditions.
- (xiii) The remuneration to the KMPs and SMPs, at the time of his/her appointment, shall be recommended by the NRC and approved by the Board considering relevant qualification, experience and performance of the individual as well as the prevailing market conditions. The remuneration may be a combination of fixed and variable pay;
- (xiv) Remuneration shall be evaluated annually and annual increase shall be decided considering the performance of the individual and also of the Company. Industry practices/ trends shall also be given due consideration. Annual increment /subsequent variation in remuneration to the KMPs/SMPs shall be approved by the NRC/Board of Directors.

- (xv) Remuneration can be reset at any time considering the benchmark of international and domestic companies, which are similar in size and complexity to the Company. Benchmark information may be obtained from internationally recognized compensation service consultancies.
- (xvi) NRC may consider grant of Stock Options to KMPs & SMPs pursuant to any Stock Option Plan adopted by the Company, if any.

A. DIRECTOR AND OFFICERS LIABILITY INSURANCE:

- (i) The Company shall provide an insurance cover to Directors, KMPs & SMPs for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust and the premium paid on the same shall not be treated as a part of remuneration paid to them.
- (ii) The premium for such insurance cover, called for Directors and Officers Liability Insurance Policy, taken for the above purpose shall be paid by the Company without any charge to the Directors, KMPs and SMPs.

9 AMENDMENTS TO THE POLICY:

The Board of Directors may amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or other applicable laws in this regard shall mutatis mutandis apply to /prevail upon this Policy.

For and on behalf of the Board of Directors

Mr. Mahesh Narayanaswamy
(DIN : 01449684)
Director

Mr. Alok Kalani
(DIN: 03082801)
Director

Place : Kochi
Date : 04.08.2023

ANNEXURE F TO THE DIRECTOR'S REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

[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,

STEL HOLDINGS LIMITED

24/1624 Bristow Road,
Willingdon Island, Ernakulam,
Kerala-682003

We, SEP & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **STEL HOLDINGS LIMITED (CIN: L65993KL1990PLC005811)** (hereinafter called the "Company"). Secretarial Audit was conducted for the financial year ended on 31st March 2023 in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) as amended and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
 - (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

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

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with BSE Limited;

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

We 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.

Adequate notice is given to all directors to schedule the Board Meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority and the same was captured and recorded as part of the minutes. There were no dissenting views by any member of the Board of Directors during the period under review.

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

We further report that during the audit period there were no instances of:

- (i) Public / Right / Preferential issue of shares / debentures / sweat equity etc.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

This report is to be read with Annexure A of even date and the same forms an integral part of this report.

For **SEP & Associates**
Company Secretaries
(Peer Review Certificate No.3693/2023)

CS Puzhankara Sivakumar
Managing Partner
FCS: F3050, COP No. 2210
UDIN: F003050E000688504

Place: Kochi
Date: 04.08.2023

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To,

The Members,

STEL HOLDINGS LIMITED

24/1624 Bristow Road,
Willingdon Island, Ernakulam,
Kerala-682003

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of the provisions of all laws, rules, regulations, standards applicable to STEL Holdings Limited (hereinafter called the "Company") is the responsibility of management of the Company. Our examination was limited to the verification of the records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of the Secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to issue Secretarial Audit Report, based on the audit of the relevant record maintained and furnished to us by the Company, along with explanations where so required.
3. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial and other records, legal compliance mechanism and corporate conduct. We believe that the process and practices we followed provide a reasonable basis for our Secretarial Audit Report.
4. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
5. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc., wherever required. 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 as conducted the affairs of the Company.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2023 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For **SEP & Associates**

Company Secretaries
(Peer Review Certificate No.3693/2023)

CS Puzhankara Sivakumar

Managing Partner
FCS: F3050, COP No. 2210

UDIN: F003050E000688504

Place: Kochi

Date: 04.08.2023

ANNEXURE G TO THE DIRECTOR'S REPORT

**Information pursuant to Section 197(12) of the Companies Act, 2013
read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial
Personnel) Rules, 2014**

| | | | |
|---------------------------------------|--|--|--|
| 1 | Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year | Mr. Sunil Bhandari | 3.33 |
| | | Mr. Umang Kanoria | 15.00 |
| | | Mr. H.C. Dalal | 15.00 |
| | | Mr. Prem Kapil | 14.58 |
| | | Mr. Kaushik Roy | 8.33 |
| | | Mr. Mahesh Narayanaswamy | 8.33 |
| | | Mr. Abraham Ittyipe (Wholetime director) | 100.00 |
| | | Mr.Alok Kalani | 10.00 |
| | | Mrs.Suhana Murshed | 7.92 |
| 2 | The percentage increase in remuneration of each director, Chief Financial Officer (CFO), Chief Executive Officer (CEO), Company Secretary (CS) or Manager, if any in the financial year: | Mr. Mahesh Narayanaswamy | None of the Directors have received remuneration apart from sitting fees for attending the meetings of the Board Audit Committee, and Nomination and Remuneration Committee (NRC) where they are members. No change in the amount of sitting fee paid per Board meeting during the year under review as compared to the financial year 2021-22 hence there is no percentage increase in the remuneration of directors. |
| | | Mr. Umang Kanoria | |
| | | Mr. Alok Kalani | |
| | | Mr. H.C. Dalal | |
| | | Mr. Prem Kapil | |
| | | Mr. Sunil Bhandari | |
| | | Mr. Kaushik Roy | |
| | | Mr.Abraham Ittyipe, Wholetime Director | There has been no increase in the remuneration of Mr. Abraham Ittyipe during the year under review in comparison with the remuneration received during the financial year 2021-22 |
| Mr. Sivaram Neelakantan Krishnan, CFO | There has been no increase in the remuneration of Chief Financial Officer during the year under review as compared to the financial year 2021-22 | | |
| Ms.Lakshmi P.S, Company Secretary | There has been an increase of 9.19 % in the remuneration of Company Secretary during the year under review as compared to the financial year 2021-22 | | |
| 3 | The percentage Increase/ Decrease in the median remuneration of employees | There has been no increase in the median remuneration of employees | |
| 4 | The number of permanent employees on the rolls of company | 3 | |

| | | |
|---|--|--|
| 5 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | Not applicable as there are no employees other than Key Managerial Personnel |
| 6 | Affirmation that the remuneration is as per the remuneration policy of the company. | The Company affirms that remuneration paid during the year ended March 31, 2023 is as per the Remuneration policy of the Company |

For and on behalf of the Board of Directors

Mr. Mahesh Narayanaswamy
(DIN : 01449684)
Director

Mr. Alok Kalani
(DIN: 03082801)
Director

Place : Kochi
Date : 04.08.2023

DECLARATION – CODE OF CONDUCT

I, Abraham Ittyipe, Whole time Director (DIN: 02717344), STEL Holdings Limited declare that all the members of the Board of Directors and Senior Management Personnel have, for the year ended March 31, 2023 affirmed compliance with the Code of Conduct for Board of Directors and Senior Management in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For STEL Holdings Limited

Place: Kochi
Date: 04.08.2023

Abraham Ittyipe
Wholetime Director

CFO CERTIFICATE

The Board of Directors
STEL Holdings Limited

I certify to the Board that:

- A) I have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2023 and that to the best of my knowledge and belief:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) To the best of my knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and steps have taken or propose to take to rectify these deficiencies.
- D) I have indicated to the Auditors and the Audit committee :
- i) significant changes, if any, in internal control over financial reporting during the year ;
 - ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For STEL Holdings Limited

Place: Kochi
Date: 04.08.2023

Sivaram Neelakantan Krishnan
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members

STEL HOLDINGS LIMITED

24/1624 Bristow Road,
Willingdon Island, Ernakulam,
Kerala- 682003

We, SEP & Associates, Company Secretaries, Kochi have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **STEL HOLDINGS LIMITED** having **CIN: L65993KL1990PLC005811** having registered office at 24/1624 Bristow Road, Willingdon Island, Ernakulam, Kerala- 682003 (hereinafter referred to as the "Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below, for the Financial Year ended on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sl. No | Name of the Director | DIN | Initial Date of Appointment in the Company |
|---------------|-----------------------------|------------|---|
| 1 | ALOK KALANI | 03082801 | 12/08/2022 |
| 2 | UMANG KANORIA | 00081108 | 17/09/2010 |
| 3 | HEMENDRA CHIMANLAL DALAL | 00206232 | 30/05/2013 |
| 4 | MAHESH NARAYANASWAMY | 01449684 | 08/02/2021 |
| 5 | ABRAHAM ITTYIPE | 02717344 | 13/08/2020 |
| 6 | KAUSHIK ROY | 06513489 | 16/02/2015 |
| 7 | PREM KAPIL | 06921601 | 11/08/2014 |
| 8 | SUHANA MURSHED | 08572394 | 29/04/2021 |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this, based on our verification. While forming opinion on issuance of this certificate we have also taken into consideration independent legal opinion wherever there was a scope for multiple interpretations. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SEP & Associates,

Company Secretaries
(Peer Review Certificate No.3693/2023)

CS Puzhankara Sivakumar

Managing Partner
COP: 2210 FCS: 3050
UDIN: F003050E000689111

Place: Kochi

Date : 04.08.2023

INDEPENDENT AUDITORS' REPORT

To the Members of
STEL Holdings Limited

Report on the audit of the standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of STEL Holdings Limited ('the Company'), which comprise the balance sheet as at March 31, 2023, and 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 financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit and other comprehensive income, 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 sub-section 10 of section 143 of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Valuation of investments in unquoted securities | |
|---|--|
| Key audit matter | Auditors' response |
| <p>The Company has investments in equity shares, preference shares and convertible debentures which are unquoted.</p> <p>These instruments are measured at fair value with the corresponding fair value change recognized in other comprehensive income. The valuation is performed by the company using a fair value hierarchy as applicable below:</p> <ul style="list-style-type: none"> • Level 1: valuations based on quoted prices (unadjusted) in active markets. • Level 2: valuations based on other than quoted prices included within level 1 that are observable either directly or indirectly. | <p>Our audit procedures included, among other things, an assessment of the methodology and the appropriateness of the valuation models and inputs used by management to value investments.</p> <p>Further, we assessed the valuation of all individual investments to determine whether the valuations performed by the Company were within a predefined tolerable differences threshold.</p> <p>As part of these audit procedures we assessed the accuracy of key inputs used in the valuation.</p> |

| | |
|---|--|
| <ul style="list-style-type: none"> Level 3: valuations based on unobservable inputs for the asset. The valuation of investments is inherently subjective – most predominantly for the level 2 and level 3 investments since these are valued using inputs other than quoted prices in an active market. <p>Key inputs used in the valuation of individual level 3 investments are inputs other than quoted prices in an active market. In addition, the company determines whether objective evidence of impairment exists for individual investments.</p> <p>Given the inherent subjectivity in the valuation of level 3 investments, we determined this to be a significant matter for our audit. This was an area of focus for our audit and an area where significant audit effort was directed.</p> | <p>We also evaluated the company’s assessment whether objective evidence of impairment exists for individual investments. Based on these procedures we have not noted any material differences outside the predefined tolerable differences threshold.</p> |
|---|--|

Information other than the standalone financial statements and auditor’s report thereon

The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Director’s report, Management Discussion & Analysis and Business Responsibility Report if any but does not include the standalone financial statements and our auditor’s report thereon.

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

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

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

Responsibilities of management and those charged with governance for the standalone financial statements

The Company’s Board of Directors is responsible for the matters stated in sub-section 5 of section 143 of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 financial statements, including the disclosures, and whether the standalone 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Section 143 (11) of the Act, we report that.
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 other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

- 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 are 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.
- h. With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - 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.
 - i. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - ii. 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.
 - iii. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The Company has not declared any dividend during the year.

For G. Joseph & Associates
Chartered Accountants
Firm Registration No. 006310S

Reuben Joseph
Partner
Membership number: 216884

UDIN: 23216884BGSLCG8301

Cochin
May 25, 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF STEL HOLDINGS LIMITED

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2023, we report that:

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The Company has maintained proper records showing full particulars of intangible assets.
- c. The fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- d. The title deeds of all the immovable properties are held in the name of the Company.
- e. The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- f. According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. The Company does not have any inventory. Therefore, the provisions of Clauses 3(ii)(a), 3(ii)(b) and 3(ii)(c) of the said Order are not applicable to the Company
- iii. a. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained as per section 189 of the Act. Consequently, the provisions of clauses 3(iii)(a) to 3(iii)(e) of the Order are not applicable to the Company.
- b. The terms and conditions of such investments made, guarantees provided, loans and advances in the nature of loans are, in our opinion, prima facie not prejudicial to the interest of the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has complied with the provisions of section 185 and 186 of the Act with respect to the loans, investments, guarantees and securities provided.
- v. The Company has not accepted any deposit from public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder and accordingly paragraph 3 (v) of the order is not applicable.
- vi. The provisions regarding maintenance of cost records under sub-section (1) of section 148 of the Act are not applicable to the Company.
- vii. a. According to the records of the Company, there were no significant delays in remittance of undisputed statutory dues such as including provident fund, employees' state insurance, tax deducted at source and goods & services tax. According to the information and explanations given to us there were no statutory dues on the last day of the financial year outstanding for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, there are no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
- viii. The Company has not surrendered or disclosed any transaction not recorded in the books of account during the year before the tax authorities.
- ix. a. The Company has not taken any loan or borrowing from financial institutions, banks or Government. The Company has not issued any debentures till date.

- b. The Company has not been declared a wilful defaulter by any bank, financial institution or other lender.
- c. The Company has not taken any term loans, hence reporting under Clause 3(ix)(c) is not applicable to the Company.
- d. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e. 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. 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 has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- b. According to the information and explanations given to us and based on the audit procedures performed we report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of fraud on or by the Company noticed or reported during the year nor have been informed of any such cases by the management, that causes the financial statements to be materially mis-stated.
- b. No report under section 143(12) of Companies Act, 2013 read with rule 13 of Companies (Audit and Auditors) Rules, 2014 has been filed by the auditors with the Central Government.
- c. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.
- xii. The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- xiii. Based on the audit procedures performed and the information and explanations given to us by the management, All transactions with related parties are in compliance with section 177 and 188 of the Act and the details have been suitably disclosed in the Financial Statements as required by the accounting standards.
- xiv. a. In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. Based on the audit procedures performed and the information and explanation given to us, we report that the company has not entered into any non-cash transactions with its directors/ director of the company or associate company/a person connected with the Director during the year.
- xvi. a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b. The Company has not conducted any Non- Banking Financial or Housing Finance activities without a valid Certificate of Registration ('CoR') from the Reserve Bank of India as per the Reserve Bank of India Act,1934

- c. The Company is a Core Investment Company ('CIC') as defined in the regulations made by the Reserve Bank of India, The Company has net assets in excess of Rs.100 Crores as per Balance sheet date, however does not hold or raise public funds and so is exempted from registration.
 - d. The Group has more than one CIC as a part of the Group. Other than the Company, there are 6 CICs which are part of the Group.
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly Clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and 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, 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 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. In our opinion and according to the information and explanations given to us, the provisions of Section 135 is not applicable to the Company and hence there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For G. Joseph & Associates

Chartered Accountants

Firm Registration No. 006310S

Reuben Joseph

Partner

Membership number: 216884

UDIN: 23216884BGSLCG8301

Cochin

May 25, 2023

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF STEL HOLDINGS LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143
of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of STEL Holdings Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the 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 ('the Guidance Note'). 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 Act.

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls over financial reporting

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.

For G. Joseph & Associates

Chartered Accountants
Firm Registration No. 006310S

Reuben Joseph

Partner
Membership number: 216884

UDIN: 23216884BGSLCG8301

Cochin
May 25, 2023

STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

(All amounts are in Indian Rupees unless otherwise stated)

(In ₹ thousands)

| Particulars | Note | As at | As at |
|--|------|---------------------|---------------------|
| | | March 31, 2023 | March 31, 2022 |
| I. ASSETS | | | |
| Financial assets | | | |
| Cash and cash equivalents | 3 | 354,373.18 | 251,450.31 |
| Loans | 4 | 2,720.35 | 12,220.12 |
| Investments | 5 | 7,815,072.29 | 7,134,121.85 |
| Other financial assets | 6 | 7,500.00 | 8,281.53 |
| Non financial assets | | | |
| Current tax assets (net) | 7 | 203.27 | 4,757.60 |
| Property, plant and equipment | 8 | 7,533.31 | 7,869.15 |
| Other intangible assets | 9 | 189.39 | - |
| Other non-financial assets | 10 | 29.57 | - |
| Total assets | | 8,187,621.36 | 7,418,700.56 |
| II. LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| Financial liabilities | | | |
| Trade payables | 11 | | |
| total outstanding dues of micro and small enterprises | | - | 62.64 |
| total outstanding dues of creditors other than micro and small enterprises | | 53.81 | 33.53 |
| Non Financial Liabilities | | | |
| Provisions | 12 | - | 515.60 |
| Deferred tax liabilities (Net) | 13 | 43,906.50 | 25,417.27 |
| Other non-financial liabilities | 14 | 769.60 | 289.77 |
| EQUITY | | | |
| Equity share capital | 15 | 184,554.05 | 184,554.05 |
| Other equity | 16 | 7,958,337.40 | 7,207,827.70 |
| Total Equity and Liabilities | | 8,187,621.36 | 7,418,700.56 |
| Significant accounting policies | 2 | | |

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

As per our report of even date attached

For **G. Joseph & Associates**

Chartered Accountants

(Firm Regn. No. 006310S)

For and on behalf of the board of directors of

STEL Holdings Ltd.

Reuben Joseph

Partner

M. No. 216884

Alok Kalani

Director

DIN: 03082801

Mahesh Narayanaswamy

Director

DIN: 01449684

Cochin

25 May 2023

Lakshmi P.S.
Company Secretary

Sivaram Neelakantan Krishnan
Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are in Indian Rupees unless otherwise stated)

(In ₹ thousands)

| Particulars | Note | For year ended March 31, 2023 | For year ended March 31, 2022 |
|---|------|----------------------------------|----------------------------------|
| Revenue from operations (I) | | | |
| Interest income | 18 | 13,741.49 | 24,544.02 |
| Dividend income | 19 | 157,875.62 | 176,065.15 |
| | | 171,617.11 | 200,609.17 |
| Other income (II) | | | |
| | 20 | - | 100.00 |
| | | 171,617.11 | 200,709.17 |
| Total income (III=I+II) | | | |
| | | 171,617.11 | 200,709.17 |
| Expenses | | | |
| Employee benefit expenses | 21 | 1,340.62 | 1,261.45 |
| Depreciation and amortisation expenses | 22 | 515.20 | 420.16 |
| Other expenses | 23 | 5,526.77 | 4,602.73 |
| Total expenses (IV) | | | |
| | | 7,382.59 | 6,284.33 |
| Profit before tax (V=III-IV) | | | |
| | | 164,234.52 | 194,424.84 |
| Tax expense (VI) | | | |
| Current tax | 24 | 41,354.98 | 48,994.05 |
| Income tax relating to previous years | | 140.04 | (745.06) |
| Deferred tax | | 45.16 | (0.00) |
| | | 41,540.18 | 48,248.99 |
| Profit for the period (VII=V-VI) | | | |
| | | 122,694.34 | 146,175.85 |
| Other comprehensive income (VIII) | | | |
| i. Items that will not be reclassified to profit or loss | | | |
| - Equity instruments through other comprehensive income | | 646,259.43 | (554,020.38) |
| - Current income tax on above | | - | - |
| - Deferred tax on above | | 18,444.06 | (22,027.05) |
| | | 627,815.37 | (531,993.33) |
| Total comprehensive income for the period (IX=VII+VIII) | | | |
| | | 750,509.70 | (385,817.48) |
| Earnings per equity shares of nominal value of Rs. 10 each | | | |
| Basic | | 6.65 | 7.92 |
| Diluted | | 6.65 | 7.92 |
| Significant accounting policies | 2 | | |

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

As per our report of even date attached

For and on behalf of the board of directors of

For **G. Joseph & Associates****STEL Holdings Ltd.**

Chartered Accountants

(Firm Regn. No. 006310S)

Reuben Joseph

Partner

M. No. 216884

Alok Kalani

Director

DIN: 03082801

Mahesh Narayanaswamy

Director

DIN: 01449684

Cochin

25 May 2023

Lakshmi P.S.
Company Secretary**Sivaram Neelakantan Krishnan**
Chief Financial Officer

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are in Indian Rupees unless otherwise stated)

(In ₹ thousands)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| A Cash flow from operating activities | | |
| Net profit before tax | 164,234.52 | 194,424.84 |
| Adjustments for : | | |
| Depreciation and amortisation | 515.20 | 420.16 |
| Operating profit before working capital changes | 164,749.72 | 194,845.00 |
| (Increase) / decrease in financial assets | 10,281.31 | (930.48) |
| (Increase) / decrease in non financial assets | (29.57) | - |
| Increase / (decrease) in trade payables | (42.36) | (37.74) |
| Increase / (decrease) in other financial liabilities | 479.83 | 15.78 |
| Cash from operations | 175,438.93 | 193,892.57 |
| Income tax paid (net of refunds) | (37,456.29) | (48,478.45) |
| Cash from operating before exceptional items | 137,982.64 | 145,414.12 |
| Exceptional items | - | - |
| Cash from operating activities | 137,982.64 | 145,414.12 |
| B Cash flow from investing activities | | |
| Investment acquired | (34,691.02) | (816,987.96) |
| Purchase of tangible assets | (108.11) | - |
| Purchase of intangible asset | (260.65) | - |
| | (35,059.77) | (816,987.96) |
| C Cash flow from financing activities | - | - |
| D Total increase (decrease) in cash and cash equivalents during the year (A+B+C) | 102,922.87 | (671,573.84) |
| Cash and cash equivalents at the beginning of the year | 251,450.31 | 923,024.16 |
| Cash and cash equivalents at the end of the year | 354,373.18 | 251,450.31 |
| Components of cash and cash equivalents | | |
| Balances with banks in current accounts | 2,109.09 | 5,216.38 |
| In deposit accounts | 352,264.09 | 246,233.93 |
| Total cash and cash equivalents | 354,373.18 | 251,450.31 |

Notes:

- The above cash flow statement has been prepared under the Indirect Method as set out in Ind AS 7 - Cash Flow Statement.
- Figures of previous year have been regrouped / restated / reclassified wherever necessary to suit current year layout.

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

As per our report of even date attached

For **G. Joseph & Associates**

Chartered Accountants

(Firm Regn. No. 006310S)

For and on behalf of the board of directors of

STEL Holdings Ltd.

Reuben Joseph

Partner

M. No. 216884

Alok Kalani

Director

DIN: 03082801

Mahesh Narayanaswamy

Director

DIN: 01449684

Cochin

25 May 2023

Lakshmi P.S.

Company Secretary

Sivaram Neelakantan Krishnan

Chief Financial Officer

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are in Indian Rupees unless otherwise stated)

(In ₹ thousands)

A. Equity share capital

| | |
|--|-------------------|
| As at March 31, 2021 | 184,554.05 |
| Changes in equity share capital during the year due to prior period errors | - |
| Restated balance as at 31 March 2021 | 184,554.05 |
| Changes in equity share capital during the year | - |
| | |
| As at March 31, 2022 | 184,554.05 |
| Changes in equity share capital during the year due to prior period errors | - |
| Restated balance as at 31 March 2022 | 184,554.05 |
| Changes in equity share capital during the year | - |
| | |
| As at March 31, 2023 | 184,554.05 |

B. Other equity

| Particulars | Reserves & surplus | | | | Other comprehensive income | Total |
|-----------------------------|--------------------|--------------------|-----------------------|----------------------|----------------------------------|---------------------|
| | Capital reserve | General reserve | Securities premium | Retained earnings | Equity instruments | |
| As at March 31, 2021 | 500.00 | 4,300.00 | 887,379.93 | 492,709.63 | 6,208,755.63 | 7,593,645.18 |
| Profit for the year | | | | 146,175.85 | | 146,175.85 |
| Total comprehensive income | | | | | (531,993.33) | (531,993.33) |
| As at March 31, 2022 | 500.00 | 4,300.00 | 887,379.93 | 638,885.48 | 5,676,762.30 | 7,207,827.70 |
| Profit for the year | | | | 122,694.34 | | 122,694.34 |
| Total comprehensive income | | | | | 627,815.37 | 627,815.37 |
| As at March 31, 2023 | 500.00 | 4,300.00 | 887,379.93 | 761,579.81 | 6,304,577.66 | 7,958,337.40 |

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Notes to Standalone Financial Statements for the year ended March 31, 2023

Note No: 1

Company overview

STEL Holdings Limited ('the Company') is a company registered under the Indian Companies Act, 1956 and is listed on the National Stock Exchange and the BSE Ltd. The Company is a Core Investment Company and its principal activity is to invest in the securities of group companies.

Note No: 2

A Statement of significant accounting policies:

i. Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and the relevant provisions of the Act. The financial statements are presented in Indian Rupees, which is the Company's functional currency and all values are rounded off to the nearest Rupee, except when otherwise indicated. The Ind AS financial statements have been prepared on a historical cost convention basis, except for certain financial assets and liabilities (including derivatives) that are measured at fair value.

ii. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the business and the time between acquisition of assets and their realisation into cash and cash equivalents, the Company has ascertained its normal operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

iii. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Actual results could differ from those estimates. Estimates and judgments are reviewed on an ongoing basis. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstance.

The key assumptions concerning the future and other key sources of estimating 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:

a. Impairment of Property, Plant and Equipment (PPE)

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the PPE.

b. Determination of the estimated useful lives

Useful lives of all PPE are based on the estimation done by the Management which is in line with the useful lives as prescribed in Part 'C' of Schedule II to the Act. In cases, where the useful lives are different from those prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

c. Current and deferred taxes

Significant management judgment is required to determine the amount of current and deferred taxes that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

iv. Property, plant and equipment ('PPE')

- a. Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- b. The property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use/disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the sale proceeds and the carrying amount of the asset) is included in the Statement of Profit & Loss when the item is derecognised.
- c. The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.
- d. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its tangible assets recognized as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such tangible assets.

v. Depreciation

Depreciation on tangible assets are provided on the written down value method over the useful lives of the assets as prescribed under Part C of Schedule II of the Act.

Components of the main assets that are significant in value and have different useful lives as compared to the main assets are depreciated over their estimated useful lives.

Depreciation is charged on addition / deletion on pro- rata monthly basis including the month of addition / deletion.

vi. Intangible assets

- a. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.
- b. Intangible assets acquired separately are measured on initial recognition at cost.
- c. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.
- d. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

vii. Amortisation

- a. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life.
- b. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates.
- c. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss along with depreciation.
- d. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.
- e. Amortisation is calculated using on the written down value method over the useful lives of the assets as estimated by the management to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a written down basis over a period of 3 years.

- f. Amortisation is charged on addition / deletion on pro- rata monthly basis including the month of addition / deletion.
- g. Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

viii. Impairment of assets

At each balance sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's ('CGU') fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

ix. Provisions, contingent liabilities and capital commitments.

- a. Provisions are recognised when the company has a present obligation as a result of a past event for which it is probable that a cash flow will be required and a reliable estimate can be made of the amount of the obligation.
- b. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

x. Fair value measurement

- a. Considering the facts and circumstances existing on the reporting date, the financial assets and liabilities, in general, are measured to fair value and accounted the amortisation cost and comprehensive income as the case may be.
- b. The fair values of other financial assets and liabilities like cash, short term deposits/ receivables, payables and other liabilities are approximated to their carrying amounts mainly due to their short term maturities and easy liquidity.
- c. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
 - i. Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
 - ii. Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
 - iii. Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

xi. Financial instruments

a. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;

- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

| | |
|---|---|
| Financial assets at FVTPL | These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. |
| Financial assets at amortized cost | These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss. |
| Equity investments at FVOCI | These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss. |

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

c. De-recognition

Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

xii. Revenue recognition

Dividends from companies are accounted as income in the year in which they are declared. Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

xiii. Foreign currency transactions

Foreign currency transactions are accounted at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated at the contracted / year end exchange rates. The exchange differences arising on payments / realizations and from the year end restatement referred to above are recognized as income or expense in the Statement of profit and loss. In respect of forward contracts, the difference between the forward rate and exchange rate at the inception of the foreign exchange contract is recognized as income or expense over the period of the contract.

xiv. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

xv. Taxes on income

- a. Provision for current tax is made based on the tax payable under the Income-tax Act, 1961.
- b. Deferred tax on account of temporary differences and carried forward of unused tax credits and unused tax losses is accounted for, using the tax rates and the tax laws enacted or substantively enacted by the balance sheet date.
- c. Deferred tax assets is recognised and carried forward only to the extent that it is probable that the taxable profit will be available against which the assets will be realised in future.
- d. The carrying amount of deferred tax assets and unrecognised deferred tax assets are reviewed at each balance sheet date.

xvi. Cash and cash equivalents.

Cash and cash equivalents include cash at bank and on hand. The deposits maintained by the company with banks comprise time deposit, which can be withdrawn by the company at any point of time.

Notes to financial statements for the year ended March 31, 2023

Note 3: Cash and cash equivalents

| Particulars | (In ₹ thousands) | |
|-----------------------|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Balance with banks | | |
| - In current accounts | 2,109.09 | 5,216.38 |
| - In deposit accounts | 3,52,264.09 | 2,46,233.93 |
| | 3,54,373.18 | 2,51,450.31 |

Note 4: Loans

| Particulars | (In ₹ thousands) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| <i>Current, unsecured, considered good</i> | | |
| Intercompany deposits to Lebnitze Real Estates Pvt. Ltd. | - | 7,500.00 |
| Loans to related parties | 564.20 | 483.62 |
| Loans and advances to others | 240.61 | 240.00 |
| Interest accrued on deposits | 1,915.53 | 3,996.50 |
| | 2,720.35 | 12,220.12 |

Note 5: Non current investments

| Description | As at March 31, 2023 | | | As at March 31, 2022 | | |
|--|----------------------|-------------------|------------------------------|----------------------|-------------------|------------------------------|
| | Face Value (In ₹) | Holdings (Nos) | Amount (In ₹ thousand) | Face Value (In ₹) | Holdings (Nos) | Amount (In ₹ thousand) |
| Equity instruments | | | | | | |
| Quoted equity shares, fully paid-up <i>(Measured at fair value through other comprehensive income)</i> | | | | | | |
| Ceat Limited | 10 | 14,80,157 | 21,47,041.74 | 10 | 14,70,757 | 13,70,966.14 |
| PCBL Limited | 1 | 29,03,830 | 3,37,134.66 | 2 | 14,51,915 | 3,32,052.96 |
| KEC International Limited | 2 | 50,11,891 | 22,87,176.46 | 2 | 50,11,891 | 18,99,256.09 |
| Spencer's Retail Limited | 5 | 43,96,082 | 2,27,717.05 | 10 | 43,96,082 | 3,53,225.19 |
| CESC Limited | 1 | 2,49,34,700 | 16,61,897.76 | 1 | 2,49,34,700 | 18,91,297.00 |
| CFL Capital Financial Services Limited | 10 | 6,76,81,206 | - | 10 | 6,76,81,206 | - |
| RPSG Ventures Limited | 10 | 10,91,414 | 3,98,256.97 | 10 | 10,91,414 | 6,38,804.61 |
| RPG Life Sciences Limited | 8 | 5,25,369 | 3,67,994.72 | 8 | 5,25,369 | 2,94,443.06 |
| Summit Securities Limited | 10 | 69,815 | 37,947.94 | 10 | 69,815 | 41,564.36 |
| SAREGAMA (India) Limited | 1 | 1,600 | 529.84 | 10 | 160 | 772.36 |
| Zensar Technologies Limited | 2 | 1,08,018 | 29,634.74 | 2 | - | - |
| | | | 74,95,331.87 | | | 68,22,381.77 |

| Description | As at March 31, 2023 | | | As at March 31, 2022 | | |
|--|----------------------|----------------|------------------------|----------------------|----------------|------------------------|
| | Face Value (In ₹) | Holdings (Nos) | Amount (In ₹ thousand) | Face Value (In ₹) | Holdings (Nos) | Amount (In ₹ thousand) |
| Unquoted equity shares, fully paid-up in subsidiaries <i>(Measured at amortised cost)</i> | | | | | | |
| Doon Dooars Plantations Limited | 10 | 1,70,000 | 863.00 | 10 | 1,70,000 | 863.00 |
| | | | 863.00 | | | 863.00 |
| Unquoted equity shares, fully paid-up in subsidiaries <i>(Measured at fair value through other comprehensive income)</i> | | | | | | |
| Spencer & Company Limited | 9 | 10,57,135 | 93,936.22 | 9 | 10,57,135 | 87,232.34 |
| Cochin International Airport Limited | 10 | 625 | 21.15 | 10 | 625 | 20.78 |
| Rainbow Investments Limited | 10 | 271 | 5,800.12 | 10 | 271 | 4,504.02 |
| | | | 99,757.49 | | | 91,757.15 |
| 1% Redeemable cumulative preference shares, fully paid-up <i>(Measured at amortised cost)</i> | | | | | | |
| Easy Fincorp Limited | 100 | 4,75,000 | 47,500.00 | 100 | 4,75,000 | 47,500.00 |
| | | | 47,500.00 | | | 47,500.00 |
| 6% Non-cumulative redeemable preference shares, fully paid-up <i>(Measured at amortised cost)</i> | | | | | | |
| Lebnitze Real Estates Private Limited | 100 | 14,14,256 | 1,41,425.60 | 100 | 14,14,256 | 1,41,425.60 |
| | | | 1,41,425.60 | | | 1,41,425.60 |
| Zero percent interest fully convertible debentures, fully paid-up <i>(Measured at amortised cost)</i> | | | | | | |
| Kutub Properties Private Limited | 100 | 2,93,500 | 29,423.38 | 100 | 2,93,500 | 29,423.38 |
| | | | 29,423.38 | | | 29,423.38 |
| Equity shares in Srilankan companies, fully paid-up (face value - LKR) <i>(Measured at amortised cost)</i> | | | | | | |
| Creasy Plantation Management Limited | 10 | 60,000 | 385.48 | 10 | 60,000 | 385.48 |
| Lankem Plantations Services Limited | 10 | 60,000 | 385.48 | 10 | 60,000 | 385.48 |
| | | | 770.96 | | | 770.96 |
| Total of investments | | | 78,15,072.29 | | | 71,34,121.85 |
| Out of Above, | | | | | | |
| In India | | | 78,14,301.33 | | | 71,33,350.89 |
| Outside India | | | 770.96 | | | 770.96 |

As at 31 March 2023

(In ₹ thousands)

| Investments | At fair value | | | | Total | Fair value | | |
|--|--------------------|------------------------------------|------------------------|---|---------------------|--------------------------|--------------------------|--------------------------|
| | Amortised cost | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | | Level 1 (In ₹ thousands) | Level 2 (In ₹ thousands) | Level 3 (In ₹ thousands) |
| Debt securities | 29,423.38 | - | - | - | 29,423.38 | - | - | 29,423.38 |
| Equity instruments | | 75,95,860.32 | - | - | 75,95,860.32 | 74,95,331.87 | - | 1,00,528.45 |
| Subsidiaries | 863.00 | - | - | - | 863.00 | - | - | 863.00 |
| Others: Preference shares | 1,88,925.60 | - | - | - | 1,88,925.60 | - | - | 1,88,925.60 |
| Total Gross (A) | 2,19,211.98 | 75,95,860.32 | - | - | 78,15,072.29 | 74,95,331.87 | - | 3,19,740.43 |
| (i) Investments outside India | - | 770.96 | - | - | 770.96 | - | - | 770.96 |
| (ii) Investments in India | 2,19,211.98 | 75,95,089.36 | - | - | 78,14,301.33 | 74,95,331.87 | - | 3,18,969.47 |
| Total (B) | 2,19,211.98 | 75,95,860.32 | - | - | 78,15,072.29 | 74,95,331.87 | - | 3,19,740.43 |
| Less: Allowance for impairment loss (C) | - | - | - | - | - | - | - | - |
| Total - Net=D (A - C) | 2,19,211.98 | 75,95,860.32 | - | - | 78,15,072.29 | 74,95,331.87 | - | 3,19,740.43 |

As at 31 March 2022

(In ₹ thousands)

| Investments | At fair value | | | | Total | Fair value | | |
|--|--------------------|------------------------------------|------------------------|---|---------------------|--------------------------|--------------------------|--------------------------|
| | Amortised cost | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | | Level 1 (In ₹ thousands) | Level 2 (In ₹ thousands) | Level 3 (In ₹ thousands) |
| Debt securities | 29,423.38 | - | - | - | 29,423.38 | - | - | 29,423.38 |
| Equity instruments | | 69,14,909.87 | - | - | 69,14,909.87 | 68,22,381.77 | - | 92,528.11 |
| Subsidiaries | 863.00 | - | - | - | 863.00 | - | - | 863.00 |
| Others: Preference shares | 1,88,925.60 | - | - | - | 1,88,925.60 | - | - | 1,88,925.60 |
| Total Gross (A) | 2,19,211.98 | 69,14,909.87 | - | - | 71,34,121.85 | 68,22,381.77 | - | 3,11,740.08 |
| (i) Investments outside India | - | 770.96 | - | - | 770.96 | - | - | 770.96 |
| (ii) Investments in India | 2,19,211.98 | 69,14,138.91 | - | - | 71,33,350.89 | 68,22,381.77 | - | 3,10,969.12 |
| Total (B) | 2,19,211.98 | 69,14,909.87 | - | - | 71,34,121.85 | 68,22,381.77 | - | 3,11,740.08 |
| Less: Allowance for impairment loss (C) | - | - | - | - | - | - | - | - |
| Total - Net=D (A - C) | 2,19,211.98 | 69,14,909.87 | - | - | 71,34,121.85 | 68,22,381.77 | - | 3,11,740.08 |

Note 6: Other financial assets

(In ₹ thousands)

| Particulars | As at | As at |
|-----------------------------------|-----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| (Unsecured considered good) | | |
| Receivable against sale of shares | 7,500.00 | 8,281.53 |
| | 7,500.00 | 8,281.53 |

Note 7: Current tax assets (net)

| Particulars | (In ₹ thousands) | |
|-----------------------------------|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Prepaid taxes (Net of provisions) | 203.27 | 4,757.60 |
| | 203.27 | 4,757.60 |

Note 8: Property, plant & equipment

| Particulars | Building | Plant & equipment | Furniture and fittings | Computers & accessories | Total |
|---|------------------|-------------------|------------------------|-------------------------|------------------|
| Year ended March 31, 2022 | | | | | |
| Gross carrying amount | | | | | |
| Opening gross carrying amount | 10,649.60 | 20.17 | 146.64 | 61.09 | 10,877.50 |
| Additions / disposals | - | - | - | - | - |
| Closing gross carrying amount | 10,649.60 | 20.17 | 146.64 | 61.09 | 10,877.50 |
| Accumulated depreciation | | | | | |
| Opening accumulated depreciation | 2,409.14 | - | 118.27 | 60.78 | 2,588.19 |
| Depreciation charge during the year | 412.02 | - | 7.94 | 0.20 | 420.16 |
| Additions/ disposals | - | - | - | - | - |
| Closing accumulated depreciation | 2,821.17 | - | 126.21 | 60.98 | 3,008.35 |
| Net carrying amount | 7,828.44 | 20.17 | 20.43 | 0.11 | 7,869.15 |
| Year ended March 31, 2023 | | | | | |
| Gross carrying amount | | | | | |
| Opening gross carrying amount | 10,649.60 | 20.17 | 146.64 | 61.09 | 10,877.50 |
| Additions / disposals | - | - | - | 108.11 | 108.11 |
| Closing gross carrying amount | 10,649.60 | 20.17 | 146.64 | 169.20 | 10,985.60 |
| Accumulated depreciation | | | | | |
| Opening accumulated depreciation | 2,821.17 | - | 126.21 | 60.98 | 3,008.35 |
| Depreciation charge during the year | 391.42 | - | 5.72 | 46.80 | 443.94 |
| Additions / disposals | - | - | - | - | - |
| Closing accumulated depreciation | 3,212.59 | - | 131.93 | 107.77 | 3,452.29 |
| Net carrying amount | 7,437.01 | 20.17 | 14.71 | 61.42 | 7,533.31 |

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use.

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Note 9 - Other Intangible assets

| Particulars | (In ₹ thousands) | |
|---|------------------|----------|
| | Software | Total |
| Year ended March 31, 2022 | | |
| Gross carrying amount | | |
| Opening gross carrying amount | - | - |
| Additions / disposals | - | - |
| Closing gross carrying amount | - | - |
| Accumulated amortization | | |
| Opening accumulated amortization | - | - |
| Amortization charge during the year | - | - |
| Additions / disposals | - | - |
| Closing accumulated amortization | - | - |
| Net carrying amount as on March 31, 2022 | - | - |

| Particulars | (In ₹ thousands) | |
|---|------------------|---------------|
| | Software | Total |
| Year ended March 31, 2023 | | |
| Gross carrying amount | | |
| Opening gross carrying amount | - | - |
| Additions / disposals | 260.65 | 260.65 |
| Closing gross carrying amount | 260.65 | 260.65 |
| Accumulated amortization and impairment | | |
| Opening accumulated amortization | - | - |
| Amortization charge during the year | 71.26 | 71.26 |
| Additions / disposals | - | - |
| Closing accumulated amortization | 71.26 | 71.26 |
| Net carrying amount as on March 31, 2023 | 189.39 | 189.39 |

Intangible assets are stated at cost, less accumulated amortization and impairment loss, if any. Cost consist of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition.

Note 10: Other non financial assets

| Particulars | (In ₹ thousands) | |
|------------------|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Prepaid expenses | 29.57 | - |
| | 29.57 | - |

Note 11: Trade payables

(In ₹ thousands)

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| Payable to micro and small enterprises | - | 62.64 |
| Other trade payables | 53.81 | 33.53 |
| | 53.81 | 96.17 |

**Trade Payables Ageing Schedules
As at 31 March 2023**

(In ₹ thousands)

| Description | Unbilled payables | Not due | Outstanding for following periods from due date of payment | | | | Total |
|--|-------------------|----------|--|-----------|-----------|-------------------|--------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Dues to Micro, Small and Medium Enterprises (MSME) | | | | | | | |
| - Disputed dues | | | | | | | - |
| - Undisputed dues | | | - | | | | - |
| (ii) Dues to Others | | | | | | | |
| - Disputed dues | | | | | | | - |
| - Undisputed dues | | | 53.81 | | | | 53.81 |
| TOTAL (i + ii) | - | - | 53.81 | - | - | - | 53.81 |

As at 31 March 2022

(In ₹ thousands)

| Description | Unbilled payables | Not due | Outstanding for following periods from due date of payment | | | | Total |
|--|-------------------|----------|--|-----------|-----------|-------------------|--------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Dues to Micro, Small and Medium Enterprises (MSME) | | | | | | | |
| - Disputed dues | | | | | | | - |
| - Undisputed dues | | | 62.64 | | | | 62.64 |
| (ii) Dues to Others | | | | | | | |
| - Disputed dues | | | | | | | - |
| - Undisputed dues | | | 33.53 | | | | 33.53 |
| TOTAL (i + ii) | - | - | 96.17 | - | - | - | 96.17 |

Note 12: Provisions

| (In ₹ thousands) | | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| Particulars | Long - term | | Short term | |
| | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 |
| Provision for income tax (net of prepaid taxes) | - | - | - | 515.60 |
| | - | - | - | 515.60 |

Note 13: Deferred taxes

| (In ₹ thousands) | | |
|--|------------------|------------------|
| Particulars | As at | As at |
| | March 31, 2023 | March 31, 2022 |
| Deferred tax assets | - | - |
| Deferred tax liabilities | | |
| Fair valuation of investments through Other comprehensive income | 43,815.35 | 25,371.29 |
| Related to property, plant and equipment and intangible assets | 91.14 | 45.98 |
| Deferred tax liability (Net) | 43,906.50 | 25,417.27 |
| Charge / (credit) in profit and loss | 45.16 | -3.26 |
| Charge / (credit) in Other comprehensive income | 18,444.06 | (22,027.05) |

Note 14: Other non financial liabilities

| (In ₹ thousands) | | |
|------------------------|----------------|----------------|
| Particulars | As at | As at |
| | March 31, 2023 | March 31, 2022 |
| Accrued expenses | 310.56 | 234.91 |
| Statutory dues payable | 459.03 | 54.86 |
| | 769.60 | 289.77 |

Note 15: Equity share capital

| (In ₹ thousands) | | |
|--|---------------|----------|
| Particulars | No. of shares | Amount |
| Authorised equity share capital | | |
| As at March 31, 2022 | 1,85,00,000 | 1,85,000 |
| Increase during the year | - | - |
| As at March 31, 2023 | 1,85,00,000 | 1,85,000 |
| Issued, subscribed & paid up equity share capital | | |
| As at March 31, 2022 | 1,84,55,405 | 1,84,554 |
| Increase during the year | - | - |
| As at March 31, 2023 | 1,84,55,405 | 1,84,554 |

Terms and rights attached to equity shares

- 1 The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.
- 2 The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors does not propose any dividend during the current year. No dividend was declared in the preceding year.
- 3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% of the total number of equity shares

| Name | March 31, 2023 | | March 31, 2022 | |
|------------------------------|------------------|---------------|------------------|---------------|
| | No. of shares | % of holding | No. of shares | % of holding |
| Rainbow Investments Limited | 44,71,438 | 24.23% | 44,71,438 | 24.23% |
| Instant Holdings Limited | 16,05,200 | 8.70% | 16,05,200 | 8.70% |
| Carniwal Investments Limited | 13,63,580 | 7.39% | 13,63,580 | 7.39% |
| | 74,40,218 | 40.31% | 74,40,218 | 40.32% |

Details of shares held by the promoters & promoter group

As at 31 March 2023

| Sr. No. | Promoter name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---------|--|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 1 | Harsh Vardhan Goenka | 55,020 | - | 55,020 | 0.30% | 0.00% |
| 2 | Sanjiv Goenka | 35,000 | - | 35,000 | 0.19% | 0.00% |
| 3 | Rama Prasad Goenka | 10,000 | - | 10,000 | 0.05% | 0.00% |
| 4 | Anant Vardhan Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 5 | Mala Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 6 | Radha Anant Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 7 | Trivikram Khaitan, trustee of HML TRUST NO.I | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 8 | Trivikram Khaitan, trustee of HML TRUST NO.II | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 9 | Trivikram Khaitan, trustee of HML TRUST NO.III | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 10 | Trivikram Khaitan, trustee of HML TRUST NO.IV | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 11 | Trivikram Khaitan, trustee of HML TRUST NO.V | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 12 | Trivikram Khaitan, trustee of HML TRUST NO.VI | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 13 | Harsh Vardhan Goenka, trustee of NUCLEUS LIFE TRUST | 10 | - | 10 | 0.00% | 0.00% |
| 14 | Harsh Vardhan Goenka, trustee of SECURA INDIA TRUST | 5,97,317 | 3,42,850 | 9,40,167 | 5.09% | 36.47% |
| 15 | Harsh Vardhan Goenka, trustee of PRISM ESTATES TRUST | 10 | - | 10 | 0.00% | 0.00% |

| Sr. No. | Promoter name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---------|---|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 16 | Anant Vardhan Goenka, trustee of AVG Family Trust | 10 | - | 10 | 0.00% | 0.00% |
| 17 | Anant Vardhan Goenka, trustee of RG Family Trust | 10 | - | 10 | 0.00% | 0.00% |
| 18 | Harsh Vardhan Goenka , trustee of Ishaan Goenka Trust | 10 | - | 10 | 0.00% | 0.00% |
| 19 | Harsh Vardhan Goenka , trustee of Navya Goenka Trust | 10 | - | 10 | 0.00% | 0.00% |
| 20 | Rainbow Investments Limited | 44,71,438 | - | 44,71,438 | 24.23% | 0.00% |
| 21 | Instant Holdings Limited | 16,05,200 | - | 16,05,200 | 8.70% | 0.00% |
| 22 | Carniwal Investments Ltd | 13,63,580 | - | 13,63,580 | 7.39% | 0.00% |
| 23 | Swallow Associates Llp | 9,14,097 | - | 9,14,097 | 4.95% | 0.00% |
| 24 | Summit Securities Limited | 8,78,501 | - | 8,78,501 | 4.76% | 0.00% |
| 25 | Castor Investments Limited | 8,97,137 | - | 8,97,137 | 4.86% | 0.00% |
| 26 | Saregama India Limited | 100 | - | 100 | 0.00% | 0.00% |
| 27 | Atlantus Dwellings And Infrastructure Llp | 10 | - | 10 | 0.00% | 0.00% |
| 28 | Chattarpati Apartments Llp | 10 | - | 10 | 0.00% | 0.00% |
| 29 | Ektara Enterprises Llp | 10 | - | 10 | 0.00% | 0.00% |
| 30 | Malabar Coastal Holdings Llp | 10 | - | 10 | 0.00% | 0.00% |
| 31 | Sofreal Mercantrade Pvt Ltd | 10 | - | 10 | 0.00% | 0.00% |
| 32 | Vayu Udaan Aircraft Llp | 10 | - | 10 | 0.00% | 0.00% |
| 33 | Lebnitze Real Estates Private Limited | 200 | 3,42,840 | 3,43,040 | 1.86% | 99.94% |

Details of shares held by the promoters & promoter group

As at 31 March 2022

| Sr. No. | Promoter name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---------|--|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 1 | Harsh Vardhan Goenka | 55,020 | - | 55,020 | 0.30% | 0.00% |
| 2 | Sanjiv Goenka | 35,000 | - | 35,000 | 0.19% | 0.00% |
| 3 | Rama Prasad Goenka | 10,000 | - | 10,000 | 0.05% | 0.00% |
| 4 | Anant Vardhan Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 5 | Mala Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 6 | Radha Anant Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 7 | Trivikram Khaitan, trustee of HML TRUST NO.I | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 8 | Trivikram Khaitan, trustee of HML TRUST NO.II | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 9 | Trivikram Khaitan, trustee of HML TRUST NO.III | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 10 | Trivikram Khaitan, trustee of HML TRUST NO.IV | 43,680 | - | 43,680 | 0.24% | 0.00% |

| Sr. No. | Promoter name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---------|---|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 11 | Trivikram Khaitan, trustee of HML TRUST NO.V | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 12 | Trivikram Khaitan, trustee of HML TRUST NO.VI | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 13 | Harsh Vardhan Goenka, trustee of NUCLEUS LIFE TRUST | 10 | - | 10 | 0.00% | 0.00% |
| 14 | Harsh Vardhan Goenka, trustee of SECURA INDIA TRUST | 1,40,010 | 4,57,307 | 5,97,317 | 3.24% | 76.56% |
| 15 | Harsh Vardhan Goenka, trustee of STELLAR ENERGY TRUST | 10 | - | 10 | 0.00% | 0.00% |
| 16 | Harsh Vardhan Goenka, trustee of PRISM ESTATES TRUST | 10 | - | 10 | 0.00% | 0.00% |
| 17 | Anant Vardhan Goenka, trustee of AVG Family Trust | 10 | - | 10 | 0.00% | 0.00% |
| 18 | Anant Vardhan Goenka, trustee of RG Family Trust | 10 | - | 10 | 0.00% | 0.00% |
| 19 | Harsh Vardhan Goenka , trustee of Ishaan Goenka Trust | 10 | - | 10 | 0.00% | 0.00% |
| 20 | Harsh Vardhan Goenka , trustee of Navya Goenka Trust | 10 | - | 10 | 0.00% | 0.00% |
| 21 | Rainbow Investments Limited | 44,71,438 | - | 44,71,438 | 24.23% | 0.00% |
| 22 | Instant Holdings Limited | 16,05,200 | - | 16,05,200 | 8.70% | 0.00% |
| 23 | Carniwal Investments Ltd | 13,63,580 | - | 13,63,580 | 7.39% | 0.00% |
| 24 | Swallow Associates Llp | 9,14,097 | - | 9,14,097 | 4.95% | 0.00% |
| 25 | Summit Securities Limited | 8,78,501 | - | 8,78,501 | 4.76% | 0.00% |
| 26 | Castor Investments Limited | 4,40,900 | 4,56,237 | 8,97,137 | 4.86% | 50.85% |
| 27 | Saregama India Limited | 100 | - | 100 | 0.00% | 0.00% |
| 28 | Atlantus Dwellings And Infrastructure Llp | 10 | - | 10 | 0.00% | 0.00% |
| 29 | Chattarpati Apartments Llp | 10 | - | 10 | 0.00% | 0.00% |
| 30 | Ektara Enterprises Llp | 10 | - | 10 | 0.00% | 0.00% |
| 31 | Malabar Coastal Holdings Llp | 10 | - | 10 | 0.00% | 0.00% |
| 32 | Sofreal Mercantrade Pvt Ltd | 10 | - | 10 | 0.00% | 0.00% |
| 33 | Vayu Udaan Aircraft Llp | 10 | - | 10 | 0.00% | 0.00% |
| 34 | Lebnitze Real Estates Private Limited | - | 200 | 200 | 0.00% | 100.00% |

Note 16: Other Equity**(In ₹ thousands)**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---------------------------------|---------------------------------|
| Reserve & surplus | | |
| Capital reserve | | |
| At the beginning of the accounting period | 500.00 | 500.00 |
| Additions during the year | - | - |
| At the end of the accounting period | 500.00 | 500.00 |
| Securities premium | | |
| At the beginning of the accounting period | 8,87,379.93 | 8,87,379.93 |
| Additions during the year | - | - |
| At the end of the accounting period | 8,87,379.93 | 8,87,379.93 |
| General reserve | | |
| At the beginning of the accounting period | 4,300.00 | 4,300.00 |
| Additions during the year | - | - |
| At the end of the accounting period | 4,300.00 | 4,300.00 |
| Retained earnings | | |
| At the beginning of the year | 6,38,885.48 | 4,92,709.63 |
| Additions during the year | 1,22,694.34 | 1,46,175.85 |
| Balance carried forward | 7,61,579.81 | 6,38,885.48 |
| Other comprehensive income | | |
| Equity instruments through other comprehensive income | | |
| At the beginning of the year | 56,76,762.30 | 62,08,755.63 |
| Additions during the year | 6,27,815.37 | (5,31,993.33) |
| At the end of the year | 63,04,577.66 | 56,76,762.30 |
| | 79,58,337.40 | 72,07,827.70 |

Nature and purpose of reserve

- a. Securities premium is used to record premium received on issues of shares. It is utilised in accordance with provisions of the Act.
- b. General reserve is created out of profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares.
- c. Retained earnings are the profits that the Company has earned till date, less any transfers to General reserve and payment of dividend. It is utilised in accordance with the provisions of the Act.
- d. Other comprehensive income represents fair value recognition and measurement of equity instruments through other comprehensive income.

Note 17: Earnings per share

Basic and diluted earning per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

| (In ₹ thousands) | | |
|--|--------------------|--------------------|
| Particulars | For year ended | For year ended |
| | March 31, 2023 | March 31, 2022 |
| i. Earnings attributable to equity shareholders (basic and diluted) | | |
| Profit for the year, attributable to the equity holders | 1,22,694.34 | 1,46,175.85 |
| | 1,22,694.34 | 1,46,175.85 |
| ii. Weighted average number of equity shares (basic and diluted) | | |
| Particulars | For year ended | For year ended |
| | March 31, 2023 | March 31, 2022 |
| Opening balance | 1,84,55,405 | 1,84,55,405 |
| Effect of fresh issue of shares for cash | - | - |
| Weighted average number of equity shares for the year | 1,84,55,405 | 1,84,55,405 |
| Earning Per Share (EPS) (In ₹) | 6.65 | 7.92 |

Note 18: Interest income

| (In ₹ thousands) | | |
|----------------------------|------------------|------------------|
| Particulars | For year ended | For year ended |
| | March 31, 2023 | March 31, 2022 |
| Interest on fixed deposits | 13,363.41 | 14,220.19 |
| Interest on loans | 378.08 | 10,323.84 |
| | 13,741.49 | 24,544.02 |

Note 19: Dividend income

| (In ₹ thousands) | | |
|--|--------------------|--------------------|
| Particulars | For year ended | For year ended |
| | March 31, 2023 | March 31, 2022 |
| Dividend income on long term investments | 1,57,875.62 | 1,76,065.15 |
| | 1,57,875.62 | 1,76,065.15 |

Note 20: Other income

| (In ₹ thousands) | | |
|-------------------------------|----------------|----------------|
| Particulars | For year ended | For year ended |
| | March 31, 2023 | March 31, 2022 |
| Shareholder deposit forfeited | - | 100.00 |
| | - | 100.00 |

Note 21: Employee benefit expenses

(In ₹ thousands)

| Particulars | For year ended | For year ended |
|------------------------------|-----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| Salaries, wages & allowances | 1,318.59 | 1,247.98 |
| Staff welfare expenses | 22.04 | 13.47 |
| | 1,340.62 | 1,261.45 |

Note 22: Depreciation and amortization expenses

(In ₹ thousands)

| Particulars | For year ended | For year ended |
|---|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| Depreciation on property, plant and equipment | 443.94 | 420.16 |
| Amortization on other intangible assets | 71.26 | - |
| | 515.20 | 420.16 |

Note 23: Other expenses

(In ₹ thousands)

| Particulars | For year ended | For year ended |
|---|-----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| Professional & consultancy charges | 3,730.38 | 2,519.70 |
| Payments to auditors (Refer note below) | 395.30 | 289.10 |
| Directors' sitting fee | 198.00 | 235.00 |
| Insurance | 56.80 | 81.65 |
| Travelling & conveyance | 1.04 | 0.23 |
| Communication expenses | 52.28 | 70.57 |
| Repairs & maintenance | | |
| - Building | 450.61 | 492.46 |
| - Others | - | - |
| Printing & stationery | 85.24 | 62.83 |
| Rates & taxes | 335.32 | 455.17 |
| Advertisement expenses | 143.51 | 332.00 |
| Miscellaneous expenses | 78.29 | 64.02 |
| | 5,526.77 | 4,602.73 |

| (In ₹ thousands) | | |
|-------------------------------|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2023 | For year ended March 31, 2022 |
| Note: Payments to auditors | | |
| <i>In capacity of auditor</i> | | |
| Statutory audit | 295.00 | 236.00 |
| Limited review | 64.90 | 53.10 |
| Income tax audit | 23.60 | - |
| <i>In other capacity</i> | | |
| Taxation matters | 11.80 | - |
| | 395.30 | 289.10 |

Note 24: Tax expense

| (In ₹ thousands) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2023 | For year ended March 31, 2022 |
| Tax expense recognised in profit and loss | | |
| Current income tax | 41,354.98 | 48,994.05 |
| Income tax relating to previous years | 140.04 | (745.06) |
| Deferred tax | 45.16 | - |
| | 41,540.18 | 48,248.99 |
| Tax expense recognised in other comprehensive income | | |
| Current income tax | - | - |
| Deferred tax | 18,444.06 | (22,027.05) |
| | 18,444.06 | (22,027.05) |

The major components of income tax expense and the reconciliation of expense based on the domestic tax rate of 25.168% and 25.168% for financial year ended 31st March, 2023 and 31st March, 2022 respectively and the reported tax expense in the statement of profit or loss are as follows:

Reconciliation of total Income tax charge:

| (In ₹ thousands) | | |
|---|----------------------------------|----------------------------------|
| Particulars | For year ended March 31, 2023 | For year ended March 31, 2022 |
| Profit before tax | 1,64,234.52 | 1,94,424.84 |
| Enacted tax rates in India (%) | 25.17% | 25.17% |
| Computed Tax Expense | 41,334.54 | 48,932.84 |
| Effect of prior period taxes | 140.04 | (745.06) |
| Effect of non-deductible expenses | 65.60 | 61.21 |
| Total income tax expense as per the Statement of profit and loss | 41,540.18 | 48,248.99 |

Note 25: Disclosure as per Ind AS 24 – Related party disclosures**i. Name of related parties**

| | |
|--|--|
| Subsidiary | Doon Dooars Plantations Ltd. ('DDPL') |
| Directors and Key managerial personnel | Abraham Itty Ipe, Whole Time Director Umang Kanoria, Director H.C. Dalal, Director Prem Kapil, Director Kaushik Roy, Director Suhana Murshed, Director Mahesh Narayanaswamy, Director Alok Kalani, Director (From August 12, 2022) Sunil Bhandari, Director (Till August 01,2022) Sivarama Neelakantan Krishnan, CFO Lakshmi P S, Company Secretary |

ii. Transactions with related parties

| Particulars | March 31, 2023 | March 31, 2022 |
|--|----------------|----------------|
| Remuneration to key managerial persons | | |
| Abraham Itty Ipe, Whole Time Director | 240.00 | 240.00 |
| Sivarama Neelakantan Krishnan, CFO | 240.00 | 240.00 |
| Lakshmi P S, Company Secretary | 838.59 | 767.98 |
| Sitting fees of Directors | | |
| Alok Kalani | 24.00 | - |
| Umang Kanoria | 36.00 | 39.00 |
| Sunil Bhandari | 8.00 | 36.00 |
| H.C. Dalal | 36.00 | 39.00 |
| Prem Kapil | 35.00 | 37.00 |
| Kaushik Roy | 20.00 | 25.00 |
| Mahesh Narayanaswamy | 20.00 | 25.00 |
| Suhana Murshed | 19.00 | 34.00 |
| Payments made on behalf of DDPL | 79.93 | 66.10 |
| Balance due from / (to) as at the year end | | |
| DDPL | 563.55 | 483.62 |

Note 25: Financial instruments

A. Accounting classifications and fair value

As at March 31, 2022

(In ₹)

| Particulars | Carrying amount | | | Fair value | | | | |
|--|----------------------------------|---|-----------------------------------|-----------------------------|----------------|------------|--------------|----------------|
| | FVOCI - equity instruments | Other financial assets - Amortised cost | Other financial liabilities | Total carrying amount | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | | | | | |
| Investments | | | | | | | | |
| Quoted shares | 6,82,23,81,767 | - | - | 6,82,23,81,767 | 6,82,23,81,767 | - | - | 6,82,23,81,767 |
| Unquoted equity shares in subsidiary | - | 8,63,000 | - | 8,63,000 | - | - | 8,63,000 | 8,63,000 |
| Unquoted equity shares | 9,21,42,626 | - | - | 9,21,42,626 | - | - | 9,21,42,626 | 9,21,42,626 |
| Preference shares | - | 18,89,25,600 | - | 18,89,25,600 | - | - | 18,89,25,600 | 18,89,25,600 |
| Debentures | - | 2,94,23,375 | - | 2,94,23,375 | - | - | 2,94,23,375 | 2,94,23,375 |
| | 6,91,45,24,393 | 21,92,11,975 | - | 7,13,37,36,368 | 6,82,23,81,767 | - | 31,13,54,601 | 7,13,37,36,368 |
| Financial assets not measured at fair value | | | | | | | | |
| Cash and cash equivalents | - | 7,41,87,00,563 | - | 7,41,87,00,563 | 7,41,87,00,563 | - | - | 7,41,87,00,563 |
| Loans | - | - | - | - | - | - | - | - |
| Other financial assets | - | - | - | - | - | - | - | - |
| | - | 7,41,87,00,563 | - | 7,41,87,00,563 | 7,41,87,00,563 | - | - | 7,41,87,00,563 |
| Financial liabilities | | | | | | | | |
| Trade payables | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - |

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As at March 31, 2023

(In ₹)

| Particulars | Carrying amount | | | Fair value | | | |
|-------------|----------------------------------|---|-----------------------------------|-----------------------------|---------|------------|---------|
| | FVOCI - equity instruments | Other financial assets - Amortised cost | Other financial liabilities | Total carrying amount | Level 1 | Level 2 | Level 3 |

Financial assets measured at fair value**Investments**

| | | | | | | | | |
|--------------------------------------|----------------|--------------|---|----------------|----------------|---|--------------|----------------|
| Quoted shares | 7,49,53,31,866 | - | - | 7,49,53,31,866 | 7,49,53,31,866 | - | - | 7,49,53,31,866 |
| Unquoted equity shares in subsidiary | - | 8,63,000 | - | 8,63,000 | - | - | 8,63,000 | 8,63,000 |
| Unquoted equity shares | 10,01,42,972 | - | - | 10,01,42,972 | - | - | 10,01,42,972 | 10,01,42,972 |
| Preference shares | - | 18,89,25,600 | - | 18,89,25,600 | - | - | 18,89,25,600 | 18,89,25,600 |
| Debentures | - | 2,94,23,375 | - | 2,94,23,375 | - | - | 2,94,23,375 | 2,94,23,375 |
| | 7,59,54,74,838 | 21,92,11,975 | - | 7,81,46,86,813 | 7,49,53,31,866 | - | 31,93,54,947 | 7,81,46,86,813 |

Financial assets not measured at fair value

| | | | | | | | | |
|---------------------------|---|----------------|---|----------------|----------------|---|---|----------------|
| Cash and cash equivalents | - | 8,18,76,21,355 | - | 8,18,76,21,355 | 8,18,76,21,355 | - | - | 8,18,76,21,355 |
| Loans | - | - | - | - | - | - | - | - |
| Other financial assets | - | - | - | - | - | - | - | - |
| | - | 8,18,76,21,355 | - | 8,18,76,21,355 | 8,18,76,21,355 | - | - | 8,18,76,21,355 |

Financial liabilities

| | | | | | | | | |
|----------------|---|---|---|---|---|---|---|---|
| Trade payables | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - |

Fair value measurement

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- c. Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature

Note 26: Segment reporting

The business of the Company mainly comprises of investments, which has been identified as a single reportable segment for the purpose of Ind AS 108 on 'Operating Segments'.

Note 27: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(In ₹ thousands)

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| (i) Principal amount remaining unpaid to any supplier at the end of the accounting year | - | 63 |
| (ii) Interest due thereon remaining unpaid to any supplier at the end of the accounting year | Nil | Nil |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | Nil | Nil |
| (iv) The amount of interest due and payable for the year | Nil | Nil |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | Nil | Nil |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | Nil | Nil |

Note 28: Other disclosures

(In ₹ thousands)

| Particulars | As at | As at |
|---|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| Contingent liabilities | Nil | Nil |
| Derivative instruments and unhedged foreign currency exposure | Nil | Nil |
| Value of imports calculated on CIF basis | Nil | Nil |
| Expenditure in foreign currency (accrual basis) | Nil | Nil |
| Net dividend remitted in foreign exchange | Nil | Nil |
| Earnings in foreign currency (accrual basis) | Nil | Nil |

Note 29: Financial risk management

The Company is a core investment company which invests primarily into its group companies. On account of its business activities it is exposed to various financial risks associated with financial products such as credit or default risk, market risk, interest rate risk, liquidity risk and inflationary risk. However, the Company has a robust financial risk management system in place to identify, evaluate, manage and mitigate various risks associated with its financial products to ensure that desired financial objectives are met. The Company's senior management is responsible for

establishing and monitoring the risk management framework within its overall risk management objectives and strategies. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance.

(a) Credit risk:

This risk is common to all investors who invest in bonds and debt instruments and it refers to a situation where a particular bond issuer is unable to make the expected principal payments, interest rate payments, or both. Similarly, a lender bears the risk that the borrower may default in the payment of contractual interest or principal on its debt obligations, or both. The entity continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Risk concentration is minimized by investing in highly rated, investment grade bonds and debt instruments, which has the least risk of default. The Company lends to borrowers with a good credit score. These investments and loans are reviewed by the Board of Directors on a regular basis.

(b) Market risk:

Market risk is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. These daily price fluctuations follow its own broad trends and cycles and are more news and transaction driven rather than fundamentals and many a times, it may affect the returns from an investment. Market risks majorly comprises of two types - interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings and investments.

(i) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in equity instruments, bonds, mutual funds etc. The Company is exposed to price risk arising mainly from investments carried at fair value through FVTPL or FVOCI which are valued using quoted prices in active markets (level 1 investments). A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

| (In ₹ thousands) | | |
|---|-------------------------|-------------------------|
| Carrying value as at | | |
| Particulars | 31st March, 2023 | 31st March, 2022 |
| Investments carried at FVTPL or FVOCI valued using quoted prices in active market | 74,95,331.87 | 68,22,381.77 |
| Sensitivity analysis on total comprehensive income upon fluctuation of market prices | | |
| Particulars | Increase by 10% | Decrease by 10% |
| Impact on total comprehensive income for year ended 31st March, 2023 | 7,49,533.19 | (7,49,533.19) |
| Impact on total comprehensive income for year ended 31st March, 2022 | 6,82,238.18 | (6,82,238.18) |

(ii) Interest Rate Risk

Risk of exposure to interest rate risk is not material.

(c) Liquidity risk:

Liquidity refers to the readiness of the Company to sell and realise its financial assets. Liquidity risk is one of the most critical risk factors for Companies which is into the business of investments in shares and securities. It is the risk of not being able to realise the true price of a financial asset, or is not being able to sell the financial asset at all because of non-availability of buyers. Unwillingness to lend or restricted lending by Banks and Financial Institutions may also lead to liquidity concerns for the entities. The Company maintains a well-diversified portfolio of investments in shares and securities which are saleable at any given point of time. A dedicated team of market experts are monitoring the markets on a continuous basis, which advises the management for timely purchase or sale of securities. The Company is currently having a mix of both short-term and long-term investments. The management ensures to manage it's cash flows and asset liability patterns to ensure that the financial obligations are satisfied in timely manner.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date.

The amounts reported are on gross and undiscounted basis.

| Particulars | (In ₹ thousands) | | | Total |
|-----------------------------|------------------|----------------------|--------------|-------|
| | Less than 1 year | Between 1 to 5 years | Over 5 years | |
| As at 31st March, 2023 | | | | |
| Other financial liabilities | 53.81 | - | - | 53.81 |
| | 53.81 | - | - | 53.81 |
| As at 31st March, 2022 | | | | |
| Other financial liabilities | 96.17 | - | - | 96.17 |
| | 96.17 | - | - | 96.17 |

Note:30 Capital management

For the purpose of Company's capital management, capital includes issued equity share capital, other equity reserves and borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximize shareholder's value. The entity manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the entity may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The entity monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The entity's policy is to keep an optimum gearing ratio. The entity includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Following table summarizes the capital structure of the Company

| Particulars | (In ₹ thousands) | |
|---|----------------------|----------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Borrowings | - | - |
| Less: Cash and cash equivalents (including other bank balances) | 3,54,373.18 | 2,51,450.31 |
| Adjusted net debt | (3,54,373.18) | (2,51,450.31) |
| Total equity (*) | 81,87,621.36 | 74,18,700.56 |
| Net debt to equity ratio | 0.04 | 0.03 |

(*) Equity includes capital and all reserves of the Company that are managed as capital.

Regulatory Capital

| Particulars | (In ₹ thousands) | |
|-----------------------------------|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Tier I Capital | 81,86,608.56 | 1,30,83,491.21 |
| Tier II Capital | - | - |
| | 81,86,608.56 | 1,30,83,491.21 |
| Risk Weighted Assets (RWA) | 17,783.23 | 27,589.27 |
| Tier I CRAR | 460.36 | 474.22 |
| Tier II CRAR | - | - |
| | 460.36 | 474.22 |

Note 31: Ratios

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------|--|-------------------------|
| | Capital to Risk/Weighted Assets Ratio (CRAR) (%) | 460.36% |
| CRAR-Tier I Capital (%) | 460.36% | 474.22% |
| CRAR-Tier II Capital (%) | | |
| Liquidity Coverage Ratio | NA | NA |

Note 32: Previous year figures have been regrouped / reclassified wherever necessary to suit current year layout.

As per our report of even date attached
For **G. Joseph & Associates**
Chartered Accountants
(Firm Regn. No. 006310S)

For and on behalf of the board of directors of
STEL Holdings Ltd.

Reuben Joseph
Partner
M. No. 216884

Alok Kalani
Director
DIN: 03082801

Mahesh Narayanaswamy
Director
DIN: 01449684

Cochin
25 May 2023

Lakshmi P.S.
Company Secretary

Sivaram Neelakantan Krishnan
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Members of

STEL Holdings Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of STEL Holdings Limited (hereinafter referred to as 'the Holding Company') and its subsidiary, Doon Dooars Plantations Limited ('the Subsidiary'), which comprise the consolidated balance sheet as at March 31, 2023, and the consolidated statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements'). In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements of the Subsidiary as was audited by other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company as at March 31, 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated 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 sub-section 10 of section 143 of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding 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 financial statements under the provisions of the Act 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Valuation of investments in unquoted securities | |
|--|--|
| Key audit matter | Auditors' response |
| <p>The Holding Company has investments in equity shares, preference shares and convertible debentures which are unquoted.</p> <p>with the corresponding fair value change recognized in other comprehensive income. The valuation is performed by the Holding Company using a fair value hierarchy as applicable below:</p> <ul style="list-style-type: none"> Level 1: valuations based on quoted prices (unadjusted) in active markets. | <p>Our audit procedures included, among other things, an assessment of the methodology and the appropriateness of the valuation models and inputs used by management to value investments.</p> <p>Further, we assessed the valuation of all individual investments to determine whether the valuations performed by the Holding Company were within a predefined tolerable differences threshold.</p> <p>As part of these audit procedures we assessed the accuracy of key inputs used in the valuation.</p> |

| | |
|---|--|
| <ul style="list-style-type: none"> • Level 2: valuations based on other than quoted prices included within level 1 that are observable either directly or indirectly. • Level 3: valuations based on unobservable inputs for the asset. The valuation of investments is inherently subjective – most predominantly for the level 2 and level 3 investments since these are valued using inputs other than quoted prices in an active market. <p>Key inputs used in the valuation of individual level 3 investments are inputs other than quoted prices in an active market. In addition, the Holding Company determines whether objective evidence of impairment exists for individual investments.</p> <p>Given the inherent subjectivity in the valuation of level 3 investments, we determined this to be a significant matter for our audit. This was an area of focus for our audit and an area where significant audit effort was directed.</p> | <p>We also evaluated the Holding Company’s assessment whether objective evidence of impairment exists for individual investments. Based on these procedures we have not noted any material differences outside the predefined tolerable differences threshold.</p> |
|---|--|

Information other than the consolidated financial statements and auditor’s report thereon

The Holding Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Director’s report, Management Discussion & Analysis and Business Responsibility Report if any but does not include the consolidated financial statements and our auditor’s report thereon.

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

If, based on the work we have performed and based on work done / audit report of other auditor, 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.

Responsibilities of management and those charged with governance for the consolidated financial statements

The Holding Company’s Board of Directors is responsible for the matters stated in sub-section 5 of section 143 of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, financial performance, total comprehensive income, consolidated changes in equity and consolidated cash flows of the Holding Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Holding Company and for preventing and detecting frauds and other

irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Holding 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 the Board of Directors either intends to liquidate the Holding Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Holding Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Holding 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 consolidated 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 Holding Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities for the Holding Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for audit opinion on the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

We did not audit the financial statements of the Subsidiary in which the share of loss of the Holding Company is ₹ **1,04,424/-** for the year ended March 31, 2023, which are considered in preparation of the consolidated financial statements. The consolidated financial statements of the Subsidiary has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on other legal and regulatory requirements

1. 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 of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Holding Company so far as it appears from our examination of those books and the report of the other auditor.

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of sub-section 2 of section 164 of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's internal financial controls over financial reporting; and
- g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is 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. There are no pending litigations which would impact the financial position of the Holding Company and the Subsidiary;
 - ii. The Holding Company and the Subsidiary 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 Holding Company or the Subsidiary during the year ended March 31, 2023.
 - iv.
 - i. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - ii. 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.

- iii. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement
 - v. The Holding Company and the Subsidiary Company have not declared any dividend during the year.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Company and the CARO report issued for the Subsidiary Company by the other auditor included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **G. Joseph & Associates**
Chartered Accountants
Firm Registration No. 006310S

Reuben Joseph
Partner
Membership number: 216884

UDIN: 23216884BGSLCH8187

Cochin
May 25, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF STEL HOLDINGS LIMITED**Report on the internal financial controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of STEL Holdings Limited ('the Holding Company') as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's responsibility for internal financial controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 Act.

Auditors' responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section sub-section 10 of section 143 of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to consolidated financial statements, 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 auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 Holding Company's internal financial controls system over financial reporting with reference to consolidated financial statements.

Meaning of internal financial controls over financial reporting with reference to consolidated financial statements

A Holding company's internal financial control over financial reporting with reference to consolidated financial statements 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 Holding Company's internal financial control over financial reporting with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of

the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to consolidated financial statements 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 Holding 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 Holding 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 **G. Joseph & Associates**
Chartered Accountants
Firm Registration No. 006310S

Reuben Joseph
Partner
Membership number: 216884

UDIN: 23216884BGSLCH8187

Cochin
May 25, 2023

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(All amounts are in Indian Rupees unless otherwise stated)

(In ₹ thousands)

| Particulars | Note | As at | As at |
|--|------|---------------------|---------------------|
| | | March 31, 2023 | March 31, 2022 |
| I. ASSETS | | | |
| Financial assets | | | |
| Cash and cash equivalents | 3 | 3,54,421.65 | 2,51,498.78 |
| Loans | 4 | 2,156.14 | 11,736.50 |
| Investments | 5 | 78,14,209.31 | 71,33,258.85 |
| Other financial assets | 6 | 7,500.00 | 8,281.53 |
| Non-financial assets | | | |
| Current tax assets (Net) | 7 | 203.27 | 4,757.60 |
| Property, plant and equipment | 8 | 8,029.11 | 8,391.05 |
| Other intangible assets | 9 | 189.38 | - |
| Other non-financial assets | 10 | 29.57 | - |
| Total assets | | 81,86,738.43 | 74,17,924.31 |
| II. LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| Financial liabilities | | | |
| Payables | 11 | | |
| Trade payables | | | |
| Total outstanding dues of micro enterprises and small enterprises | | - | 62.64 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 53.81 | 33.53 |
| Other financial liabilities | 12 | 785.80 | 308.22 |
| Non-financial liabilities | | | |
| Provisions | 13 | - | 515.60 |
| Deferred tax liabilities (Net) | 14 | 43,906.49 | 25,417.27 |
| EQUITY | | | |
| Equity share capital | 15 | 1,84,554.05 | 1,84,554.05 |
| Other equity | 16 | 79,57,438.28 | 72,07,033.00 |
| Total liabilities and equity | | 81,86,738.43 | 74,17,924.31 |
| Significant accounting policies | 2 | | |

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

As per our report of even date attached

For **G. Joseph & Associates**

Chartered Accountants

(Firm Regn. No. 006310S)

For and on behalf of the board of directors of

STEL Holdings Ltd.

Reuben Joseph

Partner

M. No. 216884

Alok Kalani

Director

DIN: 03082801

Mahesh Narayanaswamy

Director

DIN: 01449684

Cochin

25 May 2023

Lakshmi P.S.
Company Secretary

Sivaram Neelakantan Krishnan
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are in Indian Rupees unless otherwise stated)

(In ₹ thousands)

| Particulars | Note | For year ended March 31, 2023 | For year ended March 31, 2022 |
|--|------|----------------------------------|----------------------------------|
| Revenue from operations (I) | | | |
| Interest income | 18 | 13,741.49 | 24,544.03 |
| Dividend income | 19 | 1,57,875.62 | 1,76,065.15 |
| | | 1,71,617.11 | 2,00,609.18 |
| Other income (II) | | | |
| | 20 | - | 100.00 |
| Total income (III=I+II) | | | |
| | | 1,71,617.11 | 2,00,709.18 |
| Expenses | | | |
| Employee benefits expenses | 21 | 1,340.63 | 1,261.45 |
| Depreciation, amortization & impairment | 22 | 541.30 | 447.63 |
| Other expenses | 23 | 5,605.10 | 4,669.43 |
| Total expenses (IV) | | | |
| | | 7,487.03 | 6,378.51 |
| Profit before tax (V=III-IV) | | | |
| | | 1,64,130.08 | 1,94,330.67 |
| Tax expense (VI) | | | |
| Current tax | 24 | 41,495.02 | 48,248.99 |
| Deferred tax | | 45.16 | - |
| | | 41,540.18 | 48,248.99 |
| Profit for the period (VII=V-VI) | | | |
| | | 1,22,589.90 | 1,46,081.68 |
| Other comprehensive income (VIII) | | | |
| Items that will not be reclassified to profit or loss | | | |
| Equity instruments through other comprehensive income | | 6,46,259.44 | (5,54,020.38) |
| Income tax relating to items that will not be reclassified to profit or loss | | | |
| Current income | | - | - |
| Deferred tax | | 18,444.06 | (22,027.05) |
| | | 6,27,815.38 | (5,31,993.33) |
| Total comprehensive income for the period (IX=VII+VIII) | | | |
| | | 7,50,405.28 | (3,85,911.65) |
| Earnings per equity share of nominal value of ₹ 10 each | | | |
| Basic | 17 | 6.64 | 7.92 |
| Diluted | | 6.64 | 7.92 |
| Significant accounting policies | 2 | | |

The notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached

For and on behalf of the board of directors of

For **G. Joseph & Associates****STEL Holdings Ltd.**

Chartered Accountants

(Firm Regn. No. 006310S)

Reuben Joseph

Partner

M. No. 216884

Alok Kalani

Director

DIN: 03082801

Mahesh Narayanaswamy

Director

DIN: 01449684

Lakshmi P.S.

Company Secretary

Sivaram Neelakantan Krishnan

Chief Financial Officer

Cochin

25 May 2023

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are in Indian Rupees unless otherwise stated)

(In ₹ thousands)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| A Cash flow from operating activities | | |
| Net profit before tax | 1,64,130.08 | 1,94,330.67 |
| Adjustments for : | | |
| Depreciation and amortisation | 541.30 | 447.63 |
| Operating profit before working capital changes | 1,64,671.38 | 1,94,778.30 |
| (Increase) / decrease in financial assets | 10,361.90 | (864.38) |
| (Increase) / decrease in non financial assets | (29.57) | - |
| Increase / (decrease) in trade payables | (42.36) | (37.74) |
| Increase / (decrease) in other financial liabilities | 477.59 | 16.38 |
| Cash from operations | 1,75,438.94 | 1,93,892.56 |
| Income tax paid (net of refunds) | (37,456.29) | (48,478.44) |
| Cash from operating before exceptional items | 1,37,982.65 | 1,45,414.12 |
| Exceptional items | - | - |
| Cash from operating activities | 1,37,982.65 | 1,45,414.12 |
| B Cash flow from investing activities | | |
| Investment acquired | (34,691.02) | (8,16,987.96) |
| Purchase of tangible assets | (108.11) | - |
| Purchase of intangible asset | (260.65) | - |
| | (35,059.78) | (8,16,987.96) |
| C Cash flow from financing activities | - | - |
| D Total increase (decrease) in cash and cash equivalents during the year (A+B+C) | 1,02,922.87 | (6,71,573.84) |
| Cash and cash equivalents at the beginning of the year | 2,51,498.78 | 9,23,072.62 |
| Cash and cash equivalents at the end of the year | 3,54,421.65 | 2,51,498.78 |
| Components of cash and cash equivalents | | |
| Balances with banks in current accounts | 2,157.56 | 5,264.85 |
| In deposit accounts | 3,52,264.09 | 2,46,233.93 |
| Total cash and cash equivalents | 3,54,421.65 | 2,51,498.78 |

Notes:

- The above cash flow statement has been prepared under the Indirect Method as set out in Ind AS 7 - Cash Flow Statement.
- Figures of previous year have been regrouped / restated / reclassified wherever necessary to suit current year layout.

As per our report of even date attached
For **G. Joseph & Associates**
Chartered Accountants
(Firm Regn. No. 006310S)

For and on behalf of the board of directors of
STEL Holdings Ltd.

Reuben Joseph
Partner
M. No. 216884

Alok Kalani
Director
DIN: 03082801

Mahesh Narayanaswamy
Director
DIN: 01449684

Cochin
25 May 2023

Lakshmi P.S.
Company Secretary

Sivaram Neelakantan Krishnan
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are in Indian Rupees unless otherwise stated)

(In ₹ thousands)

A. Equity share capital

| | |
|--|--------------------|
| As at March 31, 2021 | 1,84,554.05 |
| Changes in equity share capital during the year due to prior period errors | - |
| Restated balance as at 31 March 2021 | 1,84,554.05 |
| Changes in equity share capital during the year | - |
| | |
| As at March 31, 2022 | 1,84,554.05 |
| Changes in equity share capital during the year due to prior period errors | - |
| Restated balance as at 31 March 2022 | 1,84,554.05 |
| Changes in equity share capital during the year | - |
| | |
| As at March 31, 2023 | 1,84,554.05 |

B. Other equity

| Particulars | Reserves & surplus | | | | | Other comprehensive income | Total |
|-----------------------------|--------------------|--------------------|--|-----------------------|----------------------|----------------------------------|---------------------|
| | Capital reserve | General reserve | Capital reserve on consolidation | Securities premium | Retained earnings | Equity instruments | |
| As at March 31, 2021 | 500.00 | 4,300.00 | 95.24 | 8,87,379.93 | 4,91,913.85 | 62,08,755.63 | 75,92,944.65 |
| Profit for the year | | | | | 1,46,081.68 | | 1,46,081.68 |
| Total comprehensive income | - | - | | - | | (5,31,993.33) | (5,31,993.33) |
| As March 31, 2022 | 500.00 | 4,300.00 | 95.24 | 8,87,379.93 | 6,37,995.53 | 56,76,762.30 | 72,07,033.00 |
| Profit for the year | - | - | | - | 1,22,589.90 | - | 1,22,589.90 |
| Total comprehensive income | - | - | | - | | 6,27,815.38 | 6,27,815.38 |
| As March 31, 2023 | 500.00 | 4,300.00 | 95.24 | 8,87,379.93 | 7,60,585.43 | 63,04,577.68 | 79,57,438.28 |

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Notes to Consolidated Financial Statements for the year ended March 31, 2023

Note No: 1

Company overview

STEL Holdings Limited ('the Company') is a company registered under the Indian Companies Act, 1956 and is listed on the National Stock Exchange and the BSE Ltd. The Company is a Core Investment Company and its principal activity is to hold investments in group companies.

Note No: 2

A Statement of significant accounting policies:

i. Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and the relevant provisions of the Act.

The financial statements are presented in Indian Rupees, which is the Company's functional currency and all values are rounded off to the nearest Rupee, except when otherwise indicated.

The Ind AS financial statements have been prepared on a historical cost convention basis, except for certain financial assets and liabilities (including derivatives) that are measured at fair value.

ii. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- a) has power over the investee;
- b) has the ability to use its power to affect its return;
- c) is exposed, or has rights, to variable returns from its involvement with the investee.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Following subsidiary company has been considered in the preparation of the consolidated financial statements:

| Name of the entity | Relationship | Ownership held by | % of holding and voting power held directly |
|------------------------------|---------------------|--------------------------|--|
| Doon Dooars Plantations Ltd. | Subsidiary | STEL Holdings Ltd | 100% |

In the opinion of the management, the investment in CFL Capital Financial Services Ltd. ('CFL') does not fall under the definition of associate company within the meaning of Sec. 2(6) of the Act as the Company does not have significant influence over CFL such as representation on the Board of Directors of CFL, participation in policy making processes, transactions between the Company and CFL, interchange of managerial personnel, provision of essential technical information, etc.

As a result, the Company is not treating CFL as an associate for the purpose of consolidating its financial statements.

iii. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the business and the time between acquisition of assets and their realisation in cash and cash equivalents, the Company has ascertained its normal operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

iv. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Actual results could differ from those estimates. Estimates and judgments are reviewed on an ongoing basis. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstance.

The key assumptions concerning the future and other key sources of estimating 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:

a. *Impairment of Property, Plant and Equipment (PPE)*

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the PPE.

b. *Determination of the estimated useful lives*

Useful lives of all PPE are based on the estimation done by the Management which is in line with the useful lives as prescribed in Part 'C' of Schedule II to the Act. In cases, where the useful lives are different from those prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

c. *Current and deferred taxes*

Significant management judgment is required to determine the amount of current and deferred taxes that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v. Property, plant and equipment ('PPE')

- a. Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- b. The property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use/disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the sale proceeds and the carrying amount of the asset) is included in the Statement of Profit & Loss when the item is derecognised.
- c. The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

- d. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its tangible assets recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such tangible assets.

vi. Depreciation

Depreciation on tangible asset is provided on the written down value method over the useful lives of the assets as prescribed under Part C of Schedule II of the Act.

Components of the main assets that are significant in value and have different useful lives as compared to the main assets are depreciated over their estimated useful lives.

Depreciation is charged on addition / deletion on pro- rata monthly basis including the month of addition / deletion.

vii. Intangible assets

- a. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.
- b. Intangible assets acquired separately are measured on initial recognition at cost.
- c. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.
- d. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

viii. Amortisation

- a. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life.
- b. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates.
- c. The amortisation expense on intangible assets with finite lives along with depreciation is presented as a separate line item in the statement of profit and loss.
- d. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.
- e. Amortisation is calculated using on the written down value method over the useful lives of the assets as estimated by the management to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a written down basis over a period of 3 years.
- f. Amortisation is charged on addition / deletion on pro- rata monthly basis including the month of addition / deletion.
- g. Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

ix. Impairment of assets

At each balance sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate

cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

x. Provisions, contingent liabilities and capital commitments.

- a. Provisions are recognised when the company has a present obligation as a result of a past event for which it is probable that a cash flow will be required and a reliable estimate can be made of the amount of the obligation.
- b. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

xi. Fair value measurement

- a. Considering the facts and circumstances existing on the reporting date, the financial assets and liabilities, in general, are measured to fair value and accounted the amortisation cost and comprehensive income as the case may be.
- b. The fair values of other financial assets and liabilities like cash, short term deposits/receivables, payables and other liabilities are approximated to their carrying amounts mainly due to their short term maturities and easy liquidity.
- c. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
 - i. Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
 - ii. Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
 - iii. Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

xii. Financial instruments

- a. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

- b. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

| | |
|---|---|
| Financial assets at FVTPL | These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. |
| Financial assets at amortized cost | These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss. |
| Equity investments at FVOCI | These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss. |

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

c. De-recognition

Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

xiii. Revenue recognition

Dividends from companies are accounted as income in the year in which they are declared. Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

xiv. Foreign currency transactions

Foreign currency transactions are accounted at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated at the contracted / year end exchange rates. The exchange differences arising on payments / realizations and from the year end restatement referred to above are recognized as income or expense in the Statement of profit and loss. In respect of forward contracts, the difference between the forward rate and exchange rate at the inception of the foreign exchange contract is recognized as income or expense over the period of the contract.

xv. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

xvi. Taxes on income

- a. Provision for current tax is made based on the tax payable under the Income-tax Act, 1961.
- b. Deferred tax on account of temporary differences and carried forward of unused tax credits and unused tax losses is accounted for, using the tax rates and the tax laws enacted or substantively enacted by the balance sheet date.
- c. Deferred tax assets is recognised and carried forward only to the extent that it is probable that the taxable profit will be available against which the assets will be realised in future.
- d. The carrying amount of deferred tax assets and unrecognised deferred tax assets are reviewed at each balance sheet date.

xvii. Cash and cash equivalents.

Cash and cash equivalents include cash at bank and on hand. The deposits maintained by the company with banks comprise time deposit, which can be withdrawn by the company at any point of time.

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Notes to consolidated financial statements for the year ended March 31, 2023

Note 3: Cash and cash equivalents

| Particulars | (In ₹ thousands) | |
|-----------------------|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Cash on hand | - | - |
| Balances with Banks | | |
| - In current accounts | 2,157.56 | 5,264.85 |
| - In deposit accounts | 3,52,264.09 | 2,46,233.93 |
| | 3,54,421.65 | 2,51,498.78 |

Note 4: Loans

| Particulars | (In ₹ thousands) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| <i>Current, Unsecured, considered good</i> | | |
| Intercompany deposits to Lebnitze Real Estates Pvt. Ltd. | - | 7,500.00 |
| Loans and advances | 240.61 | 240.00 |
| Interest accrued on deposits | 1,915.53 | 3,996.50 |
| | 2,156.14 | 11,736.50 |

Note 5: Non current investments

| Description | As at March 31, 2023 | | | As at March 31, 2022 | | |
|--|----------------------|-------------------|------------------------------|----------------------|-------------------|------------------------------|
| | Face Value (In ₹) | Holdings (Nos) | Amount (In ₹ thousand) | Face Value (In ₹) | Holdings (Nos) | Amount (In ₹ thousand) |
| Equity instruments | | | | | | |
| Quoted equity shares, fully paid-up <i>(Measured at fair value through other comprehensive income)</i> | | | | | | |
| Ceat Limited | 10 | 14,80,157 | 21,47,041.74 | 10 | 14,70,757 | 13,70,966.14 |
| PCBL Limited | 1 | 29,03,830 | 3,37,134.66 | 2 | 14,51,915 | 3,32,052.96 |
| KEC International Limited | 2 | 50,11,891 | 22,87,176.46 | 2 | 50,11,891 | 18,99,256.09 |
| Spencer's Retail Limited | 5 | 43,96,082 | 2,27,717.05 | 10 | 43,96,082 | 3,53,225.19 |
| CESC Limited | 1 | 2,49,34,700 | 16,61,897.76 | 1 | 2,49,34,700 | 18,91,297.00 |
| CFL Capital Financial Services Limited | 10 | 6,76,81,206 | - | 10 | 6,76,81,206 | - |
| RPSG Ventures Limited | 10 | 10,91,414 | 3,98,256.97 | 10 | 10,91,414 | 6,38,804.61 |
| RPG Life Sciences Limited | 8 | 5,25,369 | 3,67,994.72 | 8 | 5,25,369 | 2,94,443.06 |
| Summit Securities Limited | 10 | 69,815 | 37,947.94 | 10 | 69,815 | 41,564.36 |
| SAREGAMA (India) Limited | 1 | 1,600 | 529.84 | 10 | 160 | 772.36 |
| Zensar Technologies Ltd | 2 | 1,08,018 | 29,634.74 | 2 | - | - |
| | | | 74,95,331.88 | | | 68,22,381.77 |

| Description | As at March 31, 2023 | | | As at March 31, 2022 | | |
|--|----------------------|----------------|------------------------|----------------------|----------------|------------------------|
| | Face Value (In ₹) | Holdings (Nos) | Amount (In ₹ thousand) | Face Value (In ₹) | Holdings (Nos) | Amount (In ₹ thousand) |
| Unquoted equity shares, fully paid-up <i>(Measured at fair value through other comprehensive income)</i> | | | | | | |
| Spencer & Company Limited | 9 | 10,57,135 | 93,936.22 | 9 | 10,57,135 | 87,232.34 |
| Cochin International Airport Limited | 10 | 625 | 21.15 | 10 | 625 | 20.78 |
| Rainbow Investments Limited | 10 | 271 | 5,800.12 | 10 | 271 | 4,504.02 |
| | | | 99,757.49 | | | 91,757.14 |
| 1% Redeemable cumulative preference shares, fully paid-up <i>(Measured at amortised cost)</i> | | | | | | |
| Easy Fincorp Limited | 100 | 4,75,000 | 47,500.00 | 100 | 4,75,000 | 47,500.00 |
| | | | 47,500.00 | | | 47,500.00 |
| 6% Non-cumulative redeemable preference shares, fully paid-up <i>(Measured at amortised cost)</i> | | | | | | |
| Lebnitze Real Estates Private Limited | 100 | 14,14,256 | 1,41,425.60 | 100 | 14,14,256 | 1,41,425.60 |
| | | | 1,41,425.60 | | | 1,41,425.60 |
| Zero percent interest fully convertible debentures, fully paid-up <i>(Measured at amortised cost)</i> | | | | | | |
| Kutub Properties Private Limited | 100 | 2,93,500 | 29,423.38 | 100 | 2,93,500 | 29,423.38 |
| | | | 29,423.38 | | | 29,423.38 |
| Equity shares in Srilankan companies, fully paid-up (face value - LKR) <i>(Measured at amortised cost)</i> | | | | | | |
| Cresy Plantation Management Limited | 10 | 60,000 | 385.48 | 10 | 60,000 | 385.48 |
| Lankem Plantations Services Limited | 10 | 60,000 | 385.48 | 10 | 60,000 | 385.48 |
| | | | 770.96 | | | 770.96 |
| Total of investments | | | 78,14,209.31 | | | 71,33,258.85 |
| Out of Above, | | | | | | |
| In India | | | 78,13,438.35 | | | 78,13,438.35 |
| Outside India | | | 770.96 | | | 770.96 |

As at 31 March 2023

(In ₹ thousands)

| Investments | Amortised cost | At fair value | | | Total | Fair value | | |
|---|--------------------|------------------------------------|------------------------|---|---------------------|--------------------------|--------------------------|--------------------------|
| | | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | | Level 1 (In ₹ thousands) | Level 2 (In ₹ thousands) | Level 3 (In ₹ thousands) |
| Debt securities | 29,423.38 | | | | 29,423.38 | | | 29,423.38 |
| Equity instruments | | 75,95,860.33 | | | 75,95,860.33 | 74,95,331.88 | | 1,00,528.45 |
| Preference shares | 1,88,925.60 | | | | 1,88,925.60 | | | 1,88,925.60 |
| Total gross (A) | 2,18,348.98 | 75,95,860.33 | - | - | 78,14,209.31 | 74,95,331.88 | - | 3,18,877.43 |
| (i) Investments outside India | | 770.96 | | | 770.96 | | | 770.96 |
| (ii) Investments in India | 2,18,348.98 | 75,95,089.37 | - | - | 78,13,438.35 | 74,95,331.88 | - | 3,18,106.47 |
| Total (B) | 2,18,348.98 | 75,95,860.33 | - | - | 78,14,209.31 | 74,95,331.88 | - | 3,18,877.43 |
| Less: Allowance for impairment loss (C) | - | - | - | - | - | - | - | - |
| Total - Net (D=A-C) | 2,18,348.98 | 75,95,860.33 | - | - | 78,14,209.31 | 74,95,331.88 | - | 3,18,877.43 |

As at 31 March 2022

(In ₹ thousands)

| Investments | Amortised cost | At fair value | | | Total | Fair value | | |
|---|--------------------|------------------------------------|------------------------|---|---------------------|--------------------------|--------------------------|--------------------------|
| | | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | | Level 1 (In ₹ thousands) | Level 2 (In ₹ thousands) | Level 3 (In ₹ thousands) |
| Debt securities | 29,423.38 | | | | 29,423.38 | | | 29,423.38 |
| Equity instruments | | 69,14,909.87 | | | 69,14,909.87 | 68,22,381.77 | | 92,528.10 |
| Preference shares | 1,88,925.60 | | | | 1,88,925.60 | | | 1,88,925.60 |
| Total gross (A) | 2,18,348.98 | 69,14,909.87 | - | - | 71,33,258.85 | 68,22,381.77 | - | 3,10,877.08 |
| (i) Investments outside India | | 770.96 | | | 770.96 | | | 770.96 |
| (ii) Investments in India | 2,18,348.98 | 69,14,138.91 | - | - | 71,32,487.89 | 68,22,381.77 | - | 3,10,106.12 |
| Total (B) | 2,18,348.98 | 69,14,909.87 | - | - | 71,33,258.85 | 68,22,381.77 | - | 3,10,877.08 |
| Less: Allowance for impairment loss (C) | - | - | - | - | - | - | - | - |
| Total - Net (D=A-C) | 2,18,348.98 | 69,14,909.87 | - | - | 71,33,258.85 | 68,22,381.77 | - | 3,10,877.08 |

Note 6: Other financial assets

(In ₹ thousands)

| Particulars | As at | As at |
|-----------------------------------|-----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| (Unsecured considered good) | | |
| Receivable against sale of shares | 7,500.00 | 8,281.53 |
| | 7,500.00 | 8,281.53 |

Note 7: Current tax assets (Net)

| Particulars | (In ₹ thousands) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Prepaid taxes (net of advance tax and tax deducted at source) | 203.27 | 4,757.60 |
| | 203.27 | 4,757.60 |

Note 8: Property, plant & equipment

| Particulars | (In ₹ thousands) | | | | |
|---|------------------|-------------------|------------------------|-------------------------|------------------|
| | Building | Plant & equipment | Furniture and fittings | Computers & accessories | Total |
| Year ended March 31, 2022 | | | | | |
| Gross carrying amount | | | | | |
| Opening gross carrying amount | 11,359.58 | 20.17 | 146.64 | 61.09 | 11,587.48 |
| Additions / disposals | - | - | - | - | - |
| Closing gross carrying amount | 11,359.58 | 20.17 | 146.64 | 61.09 | 11,587.48 |
| Accumulated depreciation | | | | | |
| Opening accumulated depreciation | 2,569.75 | - | 118.27 | 60.78 | 2,748.80 |
| Depreciation charge during the year | 439.49 | - | 7.94 | 0.20 | 447.63 |
| Additions/ disposals | - | - | - | - | - |
| Closing accumulated depreciation | 3,009.24 | - | 126.21 | 60.98 | 3,196.43 |
| Net carrying amount | 8,350.34 | 20.17 | 20.43 | 0.11 | 8,391.05 |
| Year ended March 31, 2023 | | | | | |
| Gross carrying amount | | | | | |
| Opening gross carrying amount | 11,359.58 | 20.17 | 146.64 | 61.09 | 11,587.48 |
| Additions / disposals | - | - | - | 108.11 | 108.11 |
| Closing gross carrying amount | 11,359.58 | 20.17 | 146.64 | 169.20 | 11,695.59 |
| Accumulated depreciation | | | | | |
| Opening accumulated depreciation | 3,009.24 | - | 126.21 | 60.98 | 3,196.43 |
| Depreciation charge during the year | 417.52 | - | 5.72 | 46.80 | 470.04 |
| Additions / disposals | - | - | - | - | - |
| Closing accumulated depreciation | 3,426.76 | - | 131.93 | 107.78 | 3,666.47 |
| Net carrying amount | 7,932.82 | 20.17 | 14.71 | 61.42 | 8,029.11 |

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use.

Note 9 - Other Intangible assets

| Particulars | (In ₹ thousands) | |
|---|------------------|----------|
| | Software | Total |
| Year ended March 31, 2022 | | |
| Gross carrying amount | | |
| Opening gross carrying amount | - | - |
| Additions / disposals | - | - |
| Closing gross carrying amount | - | - |
| Accumulated amortisation | | |
| Opening accumulated amortisation | - | - |
| Amortisation charge during the year | - | - |
| Additions / disposals | - | - |
| Closing accumulated amortisation | - | - |
| Net carrying amount as on March 31, 2022 | - | - |

| Particulars | (In ₹ thousands) | |
|---|------------------|---------------|
| | Software | Total |
| Year ended March 31, 2023 | | |
| Gross carrying amount | | |
| Opening gross carrying amount | - | - |
| Additions / disposals | 260.65 | 260.65 |
| Closing gross carrying amount | 260.65 | 260.65 |
| Accumulated amortisation and impairment | | |
| Opening accumulated amortisation | - | - |
| Amortisation charge during the year | 71.26 | 71.26 |
| Additions / disposals | - | - |
| Closing accumulated amortisation | 71.26 | 71.26 |
| Net carrying amount as on March 31, 2023 | 189.39 | 189.38 |

Intangible assets are stated at cost, less accumulated amortisation and impairment loss, if any. Cost consist of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition.

Note 10: Other non financial assets

| Particulars | (In ₹ thousands) | |
|------------------|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Prepaid expenses | 29.57 | - |
| | 29.57 | - |

Note 11: Trade payables**As at 31 March 2023****(In ₹ thousands)**

| Description | Unbilled payables | Not due | Outstanding for following periods from due date of payment | | | | Total |
|--|-------------------|----------|--|-----------|-----------|-------------------|--------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Dues to Micro, Small and Medium Enterprises (MSME) | | | | | | | |
| - Disputed dues | | | | | | | - |
| - Undisputed dues | | | - | | | | - |
| (ii) Dues to Others | | | | | | | |
| - Disputed dues | | | | | | | - |
| - Undisputed dues | | | 53.81 | | | | 53.81 |
| TOTAL (i + ii) | - | - | 53.81 | - | - | - | 53.81 |

As at 31 March 2022**(In ₹ thousands)**

| Description | Unbilled payables | Not due | Outstanding for following periods from due date of payment | | | | Total |
|--|-------------------|----------|--|-----------|-----------|-------------------|--------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Dues to Micro, Small and Medium Enterprises (MSME) | | | | | | | |
| - Disputed dues | | | | | | | - |
| - Undisputed dues | | | 62.64 | | | | 62.64 |
| (ii) Dues to Others | | | | | | | - |
| - Disputed dues | | | | | | | - |
| - Undisputed dues | | | 33.53 | | | | 33.53 |
| TOTAL (i + ii) | - | - | 96.17 | - | - | - | 96.17 |

Note 12: Other financial liabilities**(In ₹ thousands)**

| Particulars | As at | As at |
|------------------------|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| Accrued expenses | 326.76 | 251.11 |
| Statutory dues payable | 459.04 | 57.11 |
| | 785.80 | 308.22 |

Note 13: Provisions

| Particulars | (In ₹ thousands) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Short term provisions | | |
| Provision for income tax (net of prepaid taxes) | - | 515.60 |
| | - | 515.60 |

Note 14: Deferred tax liabilities (Net)

| Particulars | (In ₹ thousands) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Deferred tax liabilities | | |
| Fair valuation of investments through Other comprehensive income | 43,815.35 | 25,371.29 |
| Related to property, plant and equipment and intangible assets | 91.14 | 45.98 |
| | 43,906.49 | 25,417.27 |

Note 15: Equity share capital

| Particulars | (In ₹ thousands, except equity shares) | |
|--|--|-------------|
| | No. of shares | Amount |
| Authorised equity share capital | | |
| As at March 31, 2022 | 1,85,00,000 | 1,85,000.00 |
| Increase during the year | - | - |
| As at March 31, 2023 | 1,85,00,000 | 1,85,000.00 |
| Issued, subscribed & paid up equity share capital | | |
| As at March 31, 2022 | 1,84,55,405 | 1,84,554.05 |
| Increase during the year | - | - |
| As at March 31, 2023 | 1,84,55,405 | 1,84,554.05 |

Terms and rights attached to equity shares

- 1 The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
- 2 The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors did not propose any dividend during the current year. No dividend was declared in the preceding year.
- 3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% of the total number of equity shares

| Name | March 31, 2023 | | March 31, 2022 | |
|------------------------------|------------------|---------------|------------------|---------------|
| | No. of shares | % of holding | No. of shares | % of holding |
| Rainbow Investments Limited | 44,71,438 | 24.23% | 44,71,438 | 24.23% |
| Instant Holdings Limited | 16,05,200 | 8.70% | 16,05,200 | 8.70% |
| Carniwal Investments Limited | 13,63,580 | 7.39% | 13,63,580 | 7.39% |
| | 74,40,218 | 40.32% | 74,40,218 | 40.32% |

Details of shares held by the promoters & promoter group

As at 31 March 2023

| Sr. No. | Promoter name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---------|---|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 1 | Harsh Vardhan Goenka | 55,020 | - | 55,020 | 0.30% | 0.00% |
| 2 | Sanjiv Goenka | 35,000 | - | 35,000 | 0.19% | 0.00% |
| 3 | Rama Prasad Goenka | 10,000 | - | 10,000 | 0.05% | 0.00% |
| 4 | Anant Vardhan Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 5 | Mala Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 6 | Radha Anant Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 7 | Trivikram Khaitan, trustee of HML TRUST NO.I | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 8 | Trivikram Khaitan, trustee of HML TRUST NO.II | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 9 | Trivikram Khaitan, trustee of HML TRUST NO.III | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 10 | Trivikram Khaitan, trustee of HML TRUST NO.IV | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 11 | Trivikram Khaitan, trustee of HML TRUST NO.V | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 12 | Trivikram Khaitan, trustee of HML TRUST NO.VI | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 13 | Harsh Vardhan Goenka, trustee of NUCLEUS LIFE TRUST | 10 | - | 10 | 0.00% | 0.00% |
| 14 | Harsh Vardhan Goenka, trustee of SECURA INDIA TRUST | 5,97,317 | 3,42,850 | 9,40,167 | 5.09% | 36.47% |
| 15 | Harsh Vardhan Goenka, trustee of PRISM ESTATES TRUST | 10 | - | 10 | 0.00% | 0.00% |
| 16 | Anant Vardhan Goenka, trustee of AVG Family Trust | 10 | - | 10 | 0.00% | 0.00% |
| 17 | Anant Vardhan Goenka, trustee of RG Family Trust | 10 | - | 10 | 0.00% | 0.00% |
| 18 | Harsh Vardhan Goenka , trustee of Ishaan Goenka Trust | 10 | - | 10 | 0.00% | 0.00% |
| 19 | Harsh Vardhan Goenka , trustee of Navya Goenka Trust | 10 | - | 10 | 0.00% | 0.00% |
| 20 | Rainbow Investments Limited | 44,71,438 | - | 44,71,438 | 24.23% | 0.00% |

| Sr. No. | Promoter name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---------|---|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 21 | Instant Holdings Limited | 16,05,200 | - | 16,05,200 | 8.70% | 0.00% |
| 22 | Carniwal Investments Ltd | 13,63,580 | - | 13,63,580 | 7.39% | 0.00% |
| 23 | Swallow Associates Llp | 9,14,097 | - | 9,14,097 | 4.95% | 0.00% |
| 24 | Summit Securities Limited | 8,78,501 | - | 8,78,501 | 4.76% | 0.00% |
| 25 | Castor Investments Limited | 8,97,137 | - | 8,97,137 | 4.86% | 0.00% |
| 26 | Saregama India Limited | 100 | - | 100 | 0.00% | 0.00% |
| 27 | Atlantus Dwellings And Infrastructure Llp | 10 | - | 10 | 0.00% | 0.00% |
| 28 | Chattarpati Apartments Llp | 10 | - | 10 | 0.00% | 0.00% |
| 29 | Ektara Enterprises Llp | 10 | - | 10 | 0.00% | 0.00% |
| 30 | Malabar Coastal Holdings Llp | 10 | - | 10 | 0.00% | 0.00% |
| 31 | Sofreal Mercantrade Pvt Ltd | 10 | - | 10 | 0.00% | 0.00% |
| 32 | Vayu Udaan Aircraft Llp | 10 | - | 10 | 0.00% | 0.00% |
| 33 | Lebnitze Real Estates Private Limited | 200 | 3,42,840 | 3,43,040 | 1.86% | 99.94% |

Details of shares held by the promoters & promoter group

As at 31 March 2022

| Sr. No. | Promoter name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---------|---|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 1 | Harsh Vardhan Goenka | 55,020 | - | 55,020 | 0.30% | 0.00% |
| 2 | Sanjiv Goenka | 35,000 | - | 35,000 | 0.19% | 0.00% |
| 3 | Rama Prasad Goenka | 10,000 | - | 10,000 | 0.05% | 0.00% |
| 4 | Anant Vardhan Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 5 | Mala Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 6 | Radha Anant Goenka | 10 | - | 10 | 0.00% | 0.00% |
| 7 | Trivikram Khaitan, trustee of HML TRUST NO.I | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 8 | Trivikram Khaitan, trustee of HML TRUST NO.II | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 9 | Trivikram Khaitan, trustee of HML TRUST NO.III | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 10 | Trivikram Khaitan, trustee of HML TRUST NO.IV | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 11 | Trivikram Khaitan, trustee of HML TRUST NO.V | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 12 | Trivikram Khaitan, trustee of HML TRUST NO.VI | 43,680 | - | 43,680 | 0.24% | 0.00% |
| 13 | Harsh Vardhan Goenka, trustee of NUCLEUS LIFE TRUST | 10 | - | 10 | 0.00% | 0.00% |
| 14 | Harsh Vardhan Goenka, trustee of SECURA INDIA TRUST | 1,40,010 | 4,57,307 | 5,97,317 | 3.24% | 76.56% |

| Sr. No. | Promoter name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---------|---|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 15 | Harsh Vardhan Goenka, trustee of STELLAR ENERGY TRUST | 10 | - | 10 | 0.00% | 0.00% |
| 16 | Harsh Vardhan Goenka, trustee of PRISM ESTATES TRUST | 10 | - | 10 | 0.00% | 0.00% |
| 17 | Anant Vardhan Goenka, trustee of AVG Family Trust | 10 | - | 10 | 0.00% | 0.00% |
| 18 | Anant Vardhan Goenka, trustee of RG Family Trust | 10 | - | 10 | 0.00% | 0.00% |
| 19 | Harsh Vardhan Goenka , trustee of Ishaan Goenka Trust | 10 | - | 10 | 0.00% | 0.00% |
| 20 | Harsh Vardhan Goenka , trustee of Navya Goenka Trust | 10 | - | 10 | 0.00% | 0.00% |
| 21 | Rainbow Investments Limited | 44,71,438 | - | 44,71,438 | 24.23% | 0.00% |
| 22 | Instant Holdings Limited | 16,05,200 | - | 16,05,200 | 8.70% | 0.00% |
| 23 | Carniwal Investments Ltd | 13,63,580 | - | 13,63,580 | 7.39% | 0.00% |
| 24 | Swallow Associates Llp | 9,14,097 | - | 9,14,097 | 4.95% | 0.00% |
| 25 | Summit Securities Limited | 8,78,501 | - | 8,78,501 | 4.76% | 0.00% |
| 26 | Castor Investments Limited | 4,40,900 | 4,56,237 | 8,97,137 | 4.86% | 50.85% |
| 27 | Saregama India Limited | 100 | - | 100 | 0.00% | 0.00% |
| 28 | Atlantus Dwellings And Infrastructure Llp | 10 | - | 10 | 0.00% | 0.00% |
| 29 | Chattarpati Apartments Llp | 10 | - | 10 | 0.00% | 0.00% |
| 30 | Ektara Enterprises Llp | 10 | - | 10 | 0.00% | 0.00% |
| 31 | Malabar Coastal Holdings Llp | 10 | - | 10 | 0.00% | 0.00% |
| 32 | Sofreal Mercantrade Pvt Ltd | 10 | - | 10 | 0.00% | 0.00% |
| 33 | Vayu Udaan Aircraft Llp | 10 | - | 10 | 0.00% | 0.00% |
| 34 | Lebnitze Real Estates Private Limited | - | 200 | 200 | 0.00% | 100.00% |

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Note 16: Other Equity

(In ₹ thousands)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Reserves & surplus | | |
| Capital reserve | | |
| At the beginning of the accounting period | 500.00 | 500.00 |
| Additions during the year | - | - |
| At the end of the accounting period | 500.00 | 500.00 |
| Capital reserve on consolidation | | |
| At the beginning of the accounting period | 95.24 | 95.24 |
| Additions during the year | - | - |
| At the end of the accounting period | 95.24 | 95.24 |
| Securities premium | | |
| At the beginning of the accounting period | 8,87,379.93 | 8,87,379.93 |
| Additions during the year | - | - |
| At the end of the accounting period | 8,87,379.93 | 8,87,379.93 |
| General reserve | | |
| At the beginning of the accounting period | 4,300.00 | 4,300.00 |
| Additions during the year | - | - |
| At the end of the accounting period | 4,300.00 | 4,300.00 |
| Retained earnings | | |
| At the beginning of the year | 6,37,995.53 | 4,91,913.85 |
| Additions during the year | 1,22,589.90 | 1,46,081.68 |
| Balance carried forward | 7,60,585.43 | 6,37,995.53 |
| Other comprehensive income | | |
| Equity instruments through other comprehensive income | | |
| At the beginning of the year | 56,76,762.30 | 62,08,755.63 |
| Additions during the year | 6,27,815.38 | (5,31,993.33) |
| At the end of the year | 63,04,577.68 | 56,76,762.30 |
| | 79,57,438.28 | 72,07,033.00 |

Nature and purpose of reserve

- a. Securities premium is used to record premium received on issues of shares. It is utilised in accordance with provisions of the Act.
- b. General reserve is created out of profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares.
- c. Retained earnings are the profits that the Company has earned till date, less any transfers to General reserve and payment of dividend. It is utilised in accordance with the provisions of the Act.
- d. Other comprehensive income represents fair value recognition and measurement of equity instruments through other comprehensive income.

Note 17: Earnings per share

Basic and diluted earning per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

| Particulars | (In ₹ thousands, except equity shares and EPS) | |
|--|--|----------------------------------|
| | For year ended March 31, 2023 | For year ended March 31, 2022 |
| i. Earnings attributable to equity shareholders (basic and diluted) | | |
| Profit for the year, attributable to the equity holders | 1,22,589.90 | 1,46,081.68 |
| | 1,22,589.90 | 1,46,081.68 |
| ii. Weighted average number of equity shares (basic and diluted) | | |
| (In ₹ thousands) | | |
| Particulars | For year ended March 31, 2023 | For year ended March 31, 2022 |
| Opening balance | 1,84,55,405.00 | 1,84,55,405.00 |
| Effect of fresh issue of shares for cash | - | - |
| Weighted average number of equity shares for the year | 1,84,55,405.00 | 1,84,55,405.00 |
| Earnings Per Share (EPS) (In ₹) | 6.64 | 7.92 |

Note 18: Interest income

(In ₹ thousands)

| Particulars | (In ₹ thousands) | |
|----------------------------|----------------------------------|----------------------------------|
| | For year ended March 31, 2023 | For year ended March 31, 2022 |
| Interest on fixed deposits | 13,363.41 | 14,220.19 |
| Interest on loans | 378.08 | 10,323.84 |
| | 13,741.49 | 24,544.03 |

Note 19: Dividend income

(In ₹ thousands)

| Particulars | (In ₹ thousands) | |
|--|----------------------------------|----------------------------------|
| | For year ended March 31, 2023 | For year ended March 31, 2022 |
| Dividend income on long term investments | 1,57,875.62 | 1,76,065.15 |
| | 1,57,875.62 | 1,76,065.15 |

Note 20: Other income

(In ₹ thousands)

| Particulars | (In ₹ thousands) | |
|-------------------------------|----------------------------------|----------------------------------|
| | For year ended March 31, 2023 | For year ended March 31, 2022 |
| Shareholder deposit forfeited | - | 100.00 |
| | - | 100.00 |

Note 21: Employee benefit expenses

(In ₹ thousands)

| Particulars | For year ended | For year ended |
|------------------------------|-----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| Salaries, wages & allowances | 1,318.59 | 1,247.98 |
| Staff welfare expenses | 22.04 | 13.47 |
| | 1,340.63 | 1,261.45 |

Note 22: Depreciation, amortization & impairment

(In ₹ thousands)

| Particulars | For year ended | For year ended |
|---|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| Depreciation on property, plant and equipment | 470.04 | 447.63 |
| Amortisation on other intangible assets | 71.26 | - |
| | 541.30 | 447.63 |

Note 23: Other expenses

(In ₹ thousands)

| Particulars | For year ended | For year ended |
|---|-----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| Professional & consultancy charges | 3,757.28 | 2,542.15 |
| Payments to auditors (Refer note below) | 446.63 | 333.35 |
| Directors' sitting fee | 198.00 | 235.00 |
| Insurance | 56.80 | 81.65 |
| Travelling & conveyance | 1.04 | 0.23 |
| Communication expenses | 52.28 | 70.57 |
| Repairs & maintenance | | |
| - Building | 450.61 | 492.46 |
| - Others | - | - |
| Printing & stationery | 85.24 | 62.83 |
| Rates & taxes | 335.42 | 455.17 |
| Advertisement expenses | 143.51 | 332.00 |
| Miscellaneous expenses | 78.29 | 64.02 |
| | 5,605.10 | 4,669.43 |

(In ₹ thousands)

| Particulars | For year ended | For year ended |
|-------------------------------|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| Note: Payments to auditors | | |
| <i>In capacity of auditor</i> | | |
| Statutory audit | 312.70 | 253.70 |
| Limited review | 91.45 | 79.65 |
| Income tax audit | 23.60 | - |
| <i>In other capacity</i> | | |
| Taxation matters | 18.88 | - |
| | 446.63 | 333.35 |

Note 24: Tax expense

(In ₹ thousands)

| Particulars | For year ended | For year ended |
|--|------------------|------------------|
| | March 31, 2023 | March 31, 2022 |
| Tax expense recognised in profit and loss | | |
| Current income tax | 41,354.98 | 48,994.05 |
| Income tax relating to previous years | 140.04 | (745.06) |
| Deferred tax | 45.16 | - |
| | 41,540.18 | 48,248.99 |

The major components of income tax expense and the reconciliation of expense based on the domestic tax rate of 25.168% and 25.168% for financial year ended 31st March, 2023 and 31st March, 2022 respectively and the reported tax expense in the statement of profit or loss are as follows:

Reconciliation of total Income tax charge:

(In ₹ thousands)

| Particulars | For year ended | For year ended |
|---|------------------|------------------|
| | March 31, 2023 | March 31, 2022 |
| Profit before tax | 1,64,130.08 | 1,94,330.67 |
| Enacted tax rates in India (%) | 25.17% | 25.17% |
| Computed Tax Expense | 41,311.54 | 48,913.03 |
| Effect of prior period taxes | - | - |
| Effect of non-deductible expenses | 228.64 | (664.04) |
| Total income tax expense as per the Statement of profit and loss | 41,540.18 | 48,248.99 |

Note 25: Disclosure as per Ind AS 24 – Related party disclosures

i. Name of related parties

| | |
|--|--|
| Directors and Key managerial personnel | Abraham Itty Ipe, Whole Time Director |
| | Umang Kanoria, Director |
| | H.C. Dalal, Director |
| | Prem Kapil, Director |
| | Kaushik Roy, Director |
| | Suhana Murshed, Director |
| | Mahesh Narayanaswamy, Director |
| | Alok Kalani, Director (From August 12, 2022) |
| | Sunil Bhandari, Director (Till August 01,2022) |
| | Sivarama Neelakantan Krishnan, CFO |
| | Lakshmi P S, Company Secretary |

ii. Transactions with related parties

(In ₹ thousands)

| Particulars | March 31, 2023 | March 31, 2022 |
|--|-----------------------|-----------------------|
| Remuneration to key managerial persons | | |
| Abraham Itty Ipe, Whole Time Director | 240.00 | 240.00 |
| Sivarama Neelakantan Krishnan, CFO | 240.00 | 240.00 |
| Lakshmi P S, Company Secretary | 838.59 | 767.98 |
| Sitting fees of Directors | | |
| Alok Kalani | 24.00 | - |
| Umang Kanoria | 36.00 | 39.00 |
| Sunil Bhandari | 8.00 | 36.00 |
| H.C. Dalal | 36.00 | 39.00 |
| Prem Kapil | 35.00 | 37.00 |
| Kaushik Roy | 20.00 | 25.00 |
| Mahesh Narayanaswamy | 20.00 | 25.00 |
| Suhana Murshed | 19.00 | 34.00 |
| Balance due from / (to) as at the year end | | |
| Doon Dooars Plantations Ltd. | - | - |

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Note 25: Financial instruments**A. Accounting classifications and fair value**

As at March 31, 2022

(In ₹)

| Particulars | Carrying amount | | | Fair value | | | | |
|--|----------------------------------|---|-----------------------------------|-----------------------------|----------------|------------|--------------|----------------|
| | FVOCI - equity instruments | Other financial assets - Amortised cost | Other financial liabilities | Total carrying amount | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | | | | | |
| Investments | | | | | | | | |
| Quoted shares | 6,82,23,81,770 | - | - | 6,82,23,81,770 | 6,82,23,81,770 | - | - | 6,82,23,81,770 |
| Unquoted equity shares in subsidiary | - | - | - | - | - | - | - | - |
| Unquoted equity shares | 9,25,28,100 | - | - | 9,25,28,100 | - | - | 9,25,28,100 | 9,25,28,100 |
| Preference shares | - | 18,89,25,600 | - | 18,89,25,600 | - | - | 18,89,25,600 | 18,89,25,600 |
| Debentures | - | 2,94,23,380 | - | 2,94,23,380 | - | - | 2,94,23,380 | 2,94,23,380 |
| | 6,91,49,09,870 | 21,83,48,980 | - | 7,13,32,58,850 | 6,82,23,81,770 | - | 31,08,77,080 | 7,13,32,58,850 |
| Financial assets not measured at fair value | | | | | | | | |
| Cash and cash equivalents | - | 25,14,98,780 | - | 25,14,98,780 | - | - | 25,14,98,780 | 25,14,98,780 |
| Loans | - | 1,17,36,498 | - | 1,17,36,498 | - | - | 1,17,36,498 | 1,17,36,498 |
| Other financial assets | - | 82,81,533 | - | 82,81,533 | - | - | 82,81,533 | 82,81,533 |
| | - | 27,15,16,811 | - | 27,15,16,811 | - | - | 27,15,16,811 | 27,15,16,811 |
| Financial liabilities | | | | | | | | |
| Trade payables | - | - | 96,170 | 96,170 | - | - | 96,170 | 96,170 |
| | - | - | 96,170 | 96,170 | - | - | 96,170 | 96,170 |

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As at March 31, 2023
(In ₹)

| Particulars | Carrying amount | | | Fair value | | | |
|-------------|----------------------------------|---|-----------------------------------|-----------------------------|---------|------------|---------|
| | FVOCI - equity instruments | Other financial assets - Amortised cost | Other financial liabilities | Total carrying amount | Level 1 | Level 2 | Level 3 |

Financial assets measured at fair value
Investments

| | | | | | | | | |
|--------------------------------------|----------------|--------------|---|----------------|----------------|---|--------------|----------------|
| Quoted shares | 7,49,53,31,880 | - | - | 7,49,53,31,880 | 7,49,53,31,880 | - | - | 7,49,53,31,880 |
| Unquoted equity shares in subsidiary | - | - | - | - | - | - | - | - |
| Unquoted equity shares | 10,05,28,450 | - | - | 10,05,28,450 | - | - | 10,05,28,450 | 10,05,28,450 |
| Preference shares | - | 18,89,25,600 | - | 18,89,25,600 | - | - | 18,89,25,600 | 18,89,25,600 |
| Debentures | - | 2,94,23,380 | - | 2,94,23,380 | - | - | 2,94,23,380 | 2,94,23,380 |
| | 7,59,58,60,330 | 21,83,48,980 | - | 7,81,42,09,310 | 7,49,53,31,880 | - | 31,88,77,430 | 7,81,42,09,310 |

Financial assets not measured at fair value

| | | | | | | | | |
|---------------------------|---|--------------|---|--------------|---|---|--------------|--------------|
| Cash and cash equivalents | - | 35,44,21,648 | - | 35,44,21,648 | - | - | 35,44,21,648 | 35,44,21,648 |
| Loans | - | 21,56,147 | - | 21,56,147 | - | - | 21,56,147 | 21,56,147 |
| Other financial assets | - | 75,00,000 | - | 75,00,000 | - | - | 75,00,000 | 75,00,000 |
| | - | 36,40,77,795 | - | 36,40,77,795 | - | - | 36,40,77,795 | 36,40,77,795 |

Financial liabilities

| | | | | | | | | |
|----------------|---|---|--------|--------|---|---|--------|--------|
| Trade payables | - | - | 53,811 | 53,811 | - | - | 53,811 | 53,811 |
| | - | - | 53,811 | 53,811 | - | - | 53,811 | 53,811 |

Fair value measurement

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- c. Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature

Note 26: Segment reporting

The business of the Company mainly comprises of investments, which has been identified as a single reportable segment for the purpose of Ind AS 108 on 'Operating Segments'.

Additional disclosure for consolidated financial statements (In ₹ thousands)

| Name of the entity in the Group | | Parent | Indian Subsidiaries | Total |
|-------------------------------------|---|-----------------------|---------------------------------|--------------|
| | | STEL Holdings Limited | Doon Dooars Plantations Limited | |
| Net Assets | As % of consolidated net assets | 100.00% | 0.00% | 100% |
| | Amount | 81,42,028.45 | (36.13) | 81,41,992.32 |
| Share in profit or loss | As % of consolidated profit or loss | 100.09% | -0.09% | 100% |
| | Amount | 1,22,694.34 | (104.42) | 1,22,589.92 |
| Share in other comprehensive income | As % of consolidated other comprehensive income | 100.00% | 0.00% | 100% |
| | Amount | 6,27,815.37 | - | 6,27,815.37 |
| Share in total comprehensive income | As % of total comprehensive income | 100.01% | -0.01% | 100% |
| | Amount | 7,50,509.70 | (104.42) | 7,50,405.28 |

Note 27: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(In ₹ thousands)

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| (i) Principal amount remaining unpaid to any supplier at the end of the accounting year | - | 62.64 |
| (ii) Interest due thereon remaining unpaid to any supplier at the end of the accounting year | Nil | Nil |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | Nil | Nil |
| (iv) The amount of interest due and payable for the year | Nil | Nil |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | Nil | Nil |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | Nil | Nil |

Note 28: Other disclosures

(In ₹ thousands)

| Particulars | As at | As at |
|---|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| Contingent liabilities | Nil | Nil |
| Derivative instruments and unhedged foreign currency exposure | Nil | Nil |
| Value of imports calculated on CIF basis | Nil | Nil |
| Expenditure in foreign currency (accrual basis) | Nil | Nil |
| Net dividend remitted in foreign exchange | Nil | Nil |
| Earnings in foreign currency (accrual basis) | Nil | Nil |

Note 29: Financial risk management

The Company is a core investment company which invests primarily into its group companies. On account of its business activities it is exposed to various financial risks associated with financial products such as credit or default risk, market risk, interest rate risk, liquidity risk and inflationary risk. However, the Company has a robust financial risk management system in place to identify, evaluate, manage and mitigate various risks associated with its financial products to ensure that desired financial objectives are met. The Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance.

(a) Credit risk:

This risk is common to all investors who invest in bonds and debt instruments and it refers to a situation where a particular bond issuer is unable to make the expected principal payments, interest rate payments, or both. Similarly, a lender bears the risk that the borrower may default in the payment of contractual interest or principal on its debt obligations, or both. The entity continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Risk concentration is minimized by investing in highly rated, investment grade bonds and debt instruments, which has the least risk of default. The Company lends to borrowers with a good credit score. These investments and loans are reviewed by the Board of Directors on a regular basis.

(b) Market risk:

Market risk is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. These daily price fluctuations follow their own broad trends and cycles and are more news and transaction driven rather than fundamentals and many a times, it may affect the returns from an investment. Market risks majorly comprises of two types - interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings and investments.

(i) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in equity instruments, bonds, mutual funds etc. The Company is exposed to price risk arising mainly from investments carried at fair value through FVTPL or FVOCI which are

valued using quoted prices in active markets (level 1 investments). A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

| (In ₹ thousands) | | |
|---|------------------|------------------|
| Carrying value as at | | |
| Particulars | 31st March, 2023 | 31st March, 2022 |
| Investments carried at FVTPL or FVOCI valued using quoted prices in active market | 74,95,331.88 | 68,22,381.77 |

| Sensitivity analysis on total comprehensive income upon fluctuation of market prices | | |
|--|-----------------|-----------------|
| Particulars | Increase by 10% | Decrease by 10% |
| Impact on total comprehensive income for year ended 31st March, 2023 | 7,49,533.19 | (7,49,533.19) |
| Impact on total comprehensive income for year ended 31st March, 2022 | 6,82,238.18 | (6,82,238.18) |

(ii) Interest Rate Risk

Risk of exposure to interest rate risk is not material.

(c) Liquidity risk:

Liquidity refers to the readiness of the Company to sell and realise its financial assets. Liquidity risk is one of the most critical risk factors for Companies which is into the business of investments in shares and securities. It is the risk of not being able to realise the true price of a financial asset, or is not being able to sell the financial asset at all because of non-availability of buyers. Unwillingness to lend or restricted lending by Banks and Financial Institutions may also lead to liquidity concerns for the entities. The Company maintains a well-diversified portfolio of investments in shares and securities which are saleable at any given point of time. A dedicated team of market experts are monitoring the markets on a continuous basis, which advises the management for timely purchase or sale of securities. The Company is currently having a mix of both short-term and long-term investments. The management ensures to manage it's cash flows and asset liability patterns to ensure that the financial obligations are satisfied in timely manner

The following table shows the remaining contractual maturities of financial liabilities at the reporting date.

The amounts reported are on gross and undiscounted basis.

| (In ₹ thousands) | | | | |
|-----------------------------|---------------------|-------------------------|-----------------|-------|
| Particulars | Less than 1 year | Between 1 to 5 years | Over 5 years | Total |
| As at 31st March, 2023 | | | | |
| Other financial liabilities | 53.81 | - | - | 53.81 |
| | 53.81 | - | - | 53.81 |
| As at 31st March, 2022 | | | | |
| Other financial liabilities | 96.17 | - | - | 96.17 |
| | 96.17 | - | - | 96.17 |

Note:30 Capital management

For the purpose of Company’s capital management, capital includes issued equity share capital, other equity reserves and borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximize shareholder’s value. The entity manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the entity may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The entity monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The entity’s policy is to keep an optimum gearing ratio. The entity includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Following table summarizes the capital structure of the Company

| Particulars | (In ₹ thousands) | |
|---|---------------------------------|---------------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Borrowings | - | - |
| Less: Cash and cash equivalents (including other bank balances) | 3,54,421.65 | 2,51,498.78 |
| Adjusted net debt | (3,54,421.65) | (2,51,498.78) |
| Total equity (*) | 81,41,992.33 | 73,91,587.05 |
| Net debt to equity ratio | -0.04 | -0.03 |

(*) Equity includes capital and all reserves of the Company that are managed as capital.

Regulatory Capital

| Particulars | (In ₹ thousands) | |
|-----------------------------------|---------------------------------|---------------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Tier I Capital | 81,85,709.44 | 74,17,004.32 |
| Tier II Capital | - | - |
| | 81,85,709.44 | 74,17,004.32 |
| Risk Weighted Assets (RWA) | 17,714.82 | 28,409.08 |
| Tier I CRAR | 462.08 | 261.08 |
| Tier II CRAR | - | - |
| | 462.08 | 261.08 |

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Note 31: Ratios

| Particulars | (In ₹ thousands) | |
|--|------------------|----------------|
| | As at | As at |
| | March 31, 2023 | March 31, 2022 |
| Capital to Risk/Weighted Assets Ratio (CRAR) (%) | 462.08% | 261.08% |
| CRAR-Tier I Capital (%) | 462.08% | 261.08% |
| CRAR-Tier II Capital (%) | - | - |
| Liquidity Coverage Ratio | NA | NA |

Note 32: Previous year figures have been regrouped / reclassified wherever necessary to suit current year layout.

As per our report of even date attached
For **G. Joseph & Associates**
Chartered Accountants
(Firm Regn. No. 006310S)

For and on behalf of the board of directors of
STEL Holdings Ltd.

Reuben Joseph
Partner
M. No. 216884

Alok Kalani
Director
DIN: 03082801

Mahesh Narayanaswamy
Director
DIN: 01449684

Cochin
25 May 2023

Lakshmi P.S.
Company Secretary

Sivaram Neelakantan Krishnan
Chief Financial Officer

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