STEL Holdings Limited

(CIN: L65993KL1990PLC005811)
Regd. Office: 24/1624, Bristow Road, Willingdon Island, Cochin - 682003, Kerala
Ph: 0484 6624335, 6624362 Fax: 0484 - 2668024
Email: enquiry@stelholdings.comWebsite: www.stelholdings.com

October 15, 2018

The Secretary National Stock Exchange of India Limited Exchange Plaza, Bandra- Kurla Complex Bandra (E), Mumbai- 400051, Maharashtra Symbol: STEL	The Secretary Bombay Stock Exchange Limited Corporate Relationship Department 1st Floor, New Trading Ring, Rotunda building P.J. Towers, Dalal Street, Fort, Mumbai Maharashtra- 400001 Scrip Code: 533316

Dear Sirs,

We hereby submit the Annual Report of the Company for the Financial Year 2017-18.

For **STEL Holdings Limited**

Lakshmi P.S
Company Secretary

STEL Holdings Limited

ANNUAL REPORT 2017-2018

Board of Directors
Shri. Anant Vardhan Goenka
Shri. Umang Kanoria
Shri. Sunil Bhandari
Shri. H. C. Dalal
Shri. Prem Kapil
Smt. Surbhi Singhi
Shri. Kaushik Roy

Manager
Shri. Abraham Itty Ipe

Company Secretary
Smt. Lakshmi P. S

Chief Financial Officer
Shri. Sivaram Neelakantan Krishnan

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

Statutory Auditors
M/s. J Krishnan & Associates,
Chartered Accountants
I S Press Building,
Banerji Road,
Cochin - 682018

Secretarial Auditors
SVJS & Associates, Company Secretaries
Padmam Apartments
Manikkath Road, Ravipuram
Kochi - 682 016

Bankers
ICICI Bank
HDFC Bank
Kotak Mahindra Bank

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

NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting of the Company will be held on Wednesday, September 26, 2018 at 02.00 P.M. at Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin-682016 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2018 and Reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Sunil Bhandari (DIN: 00052161) who retires by rotation and being eligible, offers himself for reappointment.
3. To continue the appointment of the auditors without ratification and to fix their remuneration and in this regard pass, the following resolution as an Ordinary Resolution:

   RESOLVED THAT in partial modification of the Ordinary Resolution passed at the Annual General Meeting held on 3rd August, 2017 and in accordance with the amended Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory enactments or modifications thereof), the approval of the shareholders be and is hereby accorded to continue the appointment of M/s. J Krishnan & Associates, Chartered Accountants, (Registration No.: 001523S) as the Statutory Auditors of the Company, at such remuneration as may be decided by the Board of Directors as per the recommendations of the Audit Committee, till the conclusion of the 32nd Annual General Meeting to be held in the year 2022 and that the said appointment shall not be subject to ratification at every subsequent Annual General Meeting.

By Order of the Board of Directors

For **STEL Holdings Ltd**

Kochi
August 03,2018

Lakshmi P.S
Company Secretary

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/ HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER.**

   Proxies in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

   A person shall act as a proxy only for 50 members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.

   Proxy holder shall prove his identity at the time of attending the Meeting. A Proxy Form which does not state the name of the Proxy shall be considered invalid.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 21/09/2018 to 26/09/2018 (both days inclusive).
3. All documents referred to in the Notice and the Explanatory Statement will be available for inspection in physical or in electronic form by the members at the Registered Office of the Company between 11.00 AM and 1.00 P.M. on all working days (except Saturdays) up to the date of the Annual General Meeting.
4. For the convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be restricted by the Attendance Slip. Members are requested to write their Client ID and DP ID numbers/ Folio Number (as applicable) on the Attendance slip, affix their signature and hand it over at the entrance hall. Route Map and the prominent landmark of the AGM venue are printed at the last page of the Annual Report.

5. In case of joint holders attending the meeting, 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.

6. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Annual General Meeting.

7. Members holding shares in electronic form are advised to send their request for the change of address, Bank particulars, Residential status or request for transmission of shares etc to their Depository Participant. The Company or its Registrar and Share Transfer Agent cannot act on any such requests received directly from the members holding shares in electronic form. Members holding shares in physical form are advised to send such request to Registrar and Share Transfer Agent of the Company, M/s. Link Intime India Pvt. Ltd., Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028. Phone: 0422-2314792. Email id: coimbatore@linkintime.co.in

8. Notice of the AGM along with Annual Report 2017-18 is being sent by electronic mode to those members whose email addresses are registered with the Company/ Depository Participants unless any member has requested for the physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by permitted mode. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are requested to register their email ID with the Registrar and Share Transfer Agent of the Company.

9. Disclosure pursuant to Regulation 26(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with respect to Directors seeking re-appointment/appointment at the Meeting is attached hereto.

10. Voting through electronic means:

    In Compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to offer 'remote e-voting' (e-voting from a place other than venue of the AGM) facility to exercise their right to vote at the 28th Annual General Meeting (AGM). Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate remote e-voting.

    The facility of voting through polling paper shall also be made available at the venue of the Twenty Eighth AGM. The shareholders attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The shareholders who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

    The process and instructions for remote e-voting are as under:

    (i) The voting period begins on September 23, 2018 (9.00 AM) and ends on September 25, 2018 (5.00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 19, 2018 may cast their vote electronically. A person who is not a member as on the cut-off date should treat this notice for information purposes only. The e-voting module shall be disabled by CDSL for voting thereafter and shall be blocked.

    (ii) The shareholders should log on to the e-voting website (www.evotingindia.com).

    (iii) Click on Shareholders.

    (iv) 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.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
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. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Shareholders holding shares in physical form will then directly reach the EVSN 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.

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

(xi) Click on the EVSN for the relevant <STEL HOLDINGS LIMITED> on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If 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.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix**) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same. The scanned copy of the said Board Resolution and the Power of Attorney shall also be emailed to the Scrutinizer to his email id, namely, pradeep@artismc.com

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

10. The Company has appointed Mr.Selvaraj Practicing Company Secretary (CP. 411), Partner, MDS & Associates, Company Secretaries, Coimbatore.

11. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in employment of the Company and make not later than 2 (two) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman and/or Manager or a person authorized by him in writing who shall counter sign the same.

12. The results shall be declared forthwith upon receipt of the Scrutinizer's Report. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.stelholdings.com and on the website of CDSL immediately after their declaration within two (2) days of passing of resolutions at the Annual General Meeting. The Results shall also be communicated to the stock exchanges where shares of the Company are listed.

PARTICULARS OF DIRECTORS WHO ARE PROPOSED TO BE RE-APPOINTED/ APPOINTED AT THE MEETING ARE GIVEN BELOW.

A. Mr. Sunil Bhandari

Date of Birth and Age	22.08.1960. 57 Years.
Qualification	B. Com, ACA
Date of first Appointment on the Board	18.01.2011
Experience and Expertise in Specific Functional Areas	Finance Management

Directorship held in other Companies	BLUE OCEAN INFRASTRUCTURES PRIVATE LIMITED AMAX MERCANTILE PVT LTD TRIKAYA GOODS SERVICES PVT LTD ASTOR DEALERS PVT. LTD. STYLEFILE EVENTS LIMITED DOTEX MERCHANDISE PRIVATE LIMITED PATHIK FOODS PVT LTD RITUSHREE VANIJYA PRIVATE LIMITED SOLTY COMMERCIAL PRIVATE LIMITED ACCURATE COMMODEAL PRIVATE LIMITED UJALA AGENCY PRIVATE LIMITED PANCHMURTI COMMERCIAL PRIVATE LIMITED PANCHTANTRA VINIMAY PRIVATE LIMITED SPENCER INTERNATIONAL HOTELS LIMITED GRAND ROYALE ENTERPRISES LIMITED DUNCAN BROS & CO LTD HI-TECH MOBILE SERVICES PRIVATE LIMITED CANAL INVESTMENTS AND INDUSTRIES PRIVATE LIMITED PCBL INDUSTRIAL FINANCE LTD RAINBOW INVESTMENTS LIMITED UNIVERSAL INDUSTRIAL FUND LTD. CONSOLIDATED INDUSTRIAL FUND PRIVATE LIMITED HILLTOP HOLDINGS INDIA LTD INDENT INVESTMENTS PRIVATE LIMITED CRESCENT POWER LIMITED LEBNITZE REAL ESTATES PRIVATE LIMITED ACE APPLIED SOFTWARE SERVICES PRIVATE LIMITED JUBILEE INVESTMENTS AND INDUSTRIES LIMITED KOLKATA GAMES AND SPORTS PRIVATE LIMITED RP-SG RETAIL LIMITED RUBBERWOOD SPORTS PRIVATE LIMITED KTL INDUSTRIAL FINANCE COMPANY LIMITED
Terms and Conditions of appointment or reappointment along with details of remuneration sought to be paid and remuneration last drawn	As per Item 3. No remuneration other than sitting fee
Membership/Chairmanship of Committees of other Boards	Nil
Shareholding in the Company held either by him or on a beneficial basis for any other persons	Nil
Number of Meetings of the Board attended	4
Relationship with other Directors, Manager and Key Managerial Personnel	Nil

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

Kochi
03.08.2018

Lakshmi P.S
Company Secretary

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty Eighth Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2018.

1. Financial Highlights

The income of the Company mainly consisted of dividend income. The net profit after tax was Rs. 575.51 lakhs.

(In lakhs)

Particulars	Standalone		Consolidated	
	For the year ended 31.03.2018	**For the year ended 31.03.2017**	**For the year ended 31.03.2018**	**For the year ended 31.03.2017**
Total Income	692.04	389.48	692.04	389.48
Profit / Loss before Tax	593.75	275.56	592.76	274.90
Provision for Taxation	18.03	139.67	18.03	139.67
Profit/Loss after Tax	575.71	135.89	574.73	135.22

2. Operations of the Company

Investments are made in various companies and dividend constitutes the major source of income for the Company. Apart from dividend the company has interest income from fixed deposits maintained with banks. During the year total income of the company was Rs. 692.04 lakhs as against Rs. 389.48 lakhs in the previous year. The Company recorded the Net profit (after tax) of Rs. 575.71 lakhs as against Profit after tax of Rs. 135.89 lakhs in the previous year. During the year the consolidated profit after tax was Rs. 574.73 lakhs compared to profit of Rs. 135.22 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

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate on the date of this report.

However the company continues to hold 6,76,81,206 number of equity shares in CFL Capital Financial Services Ltd (CFL CFSL) amounting to an investment cost of Rs.12,73,44,645/-.The Hon'ble High Court of Calcutta has 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.

4. Change in the Nature of Business

During the year under review, there was no change in the nature of the business.

5. Dividend

Your Directors have not declared any dividend on equity shares for the year ended March 31, 2018, 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

6. Amount transferred to the Reserves:

Your Directors does not propose transfer of any amount to the reserves.

7. Extract of Annual Return

The Extract of Annual Return in form MGT-9 pursuant to the provisions of Section 92 read with rule 12 of the Companies (Management and Administration) Rules,2014 is furnished in "Annexure A" and is attached to this report.

8. Listing

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

9. Fixed Deposit

The Company has not accepted any deposit within the meaning of Chapter V of the Companies Act, 2013 and the Rules framed there under. There were no outstanding amounts as on date.

10. Particulars of Loans, Guarantees or Investments

Particulars of loans, guarantees or investments under section 186 is as disclosed in note no.4 and 7 to the Notes on Account.

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. Subsidiary & Associate Company

As on March 31, 2018, the Company has a subsidiary, Doon Dooars Plantations Limited, accounts of which shall be made available to the shareholders of the Company seeking such information at any point of time. The Consolidated Financial Statements of the Company along with its subsidiary prepared for the year 2017-18 in accordance with relevant Indian Accounting Standard issued by Institute of Chartered Accountants of India forms part of the Annual Report. None of the companies has become or ceased to be a subsidiary or associate of the Company.

The Company holds 48.81% in the share capital of CFL Capital Financial Services Limited. As the Company does not have any significant influence over the affairs of the CFL Capital Financial Services Limited, it is not considered as an Associate Company for the purpose of Consolidation under the Companies Act, 2013. A Report on the performance and financial position of the Subsidiary and Associate Company pursuant to Rule 5 of Companies (Accounts) Rules, 2014 is annexed as Annexure - B and forms a part of this Report.

The Company has framed a policy for determining material subsidiaries and has uploaded the same on website and link for the same is as below:

http://stelholdings.com/docs/POLICY_ON_MATERIAL_SUBSIDIARIES.pdf

13. 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 regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

14. Directors and Key Managerial Personnel

Mr. Sunil Bhandari retires in the forthcoming Annual General Meeting and being eligible offers himself for reappointment. Brief particulars of Mr. Sunil Bhandari, his expertise in various functional areas is given in the

Notice convening the Annual General Meeting. Mr. Sunil Bhandari does not hold any share in his own name or on beneficial basis for any other person in the Company. In compliance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, brief resume of the Director proposed to be re-appointed is attached along with the Notice to the ensuing Annual General Meeting.

All the Directors of the Company are Non- executive Directors. The Company has Independent Directors as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015. The Board of your company consists of 7 directors. 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.

In term 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 Ms. Surbhi Singhi as woman Director on the Board.

The Company has Mr. Abraham Ittyipe as its Manager, Sivaramakrishnan 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.

Mr.Abraham Ittyipe was re-appointed as Manager of the company at the annual general meeting of the company held on 03.08.2017 for a period of five years with effect from 30.05.2017.

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.

13.1. Declaration by Independent Directors

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 1(b) of SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015, the Independent Directors of the Company viz. Mr. UmangKanoria, Mr. H. C. Dalal, Mr. PremKapil and Ms. SurbhiSinghi, have given declaration to the Company that they qualify the criteria of independence as required under the Act.

13.2. Board Evaluation

The Board has carried out an annual evaluation of its own performance, the directors and also committees of the Board based on the guideline 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 considered during the evaluation process.

Further, the Independent Directors of the Company met once during the year on March 26, 2018 to review the performance of the Non-executive directors, Chairman of the Company and performance of the Board as a wholeand to assess the quality, quantity and timeliness of flow of information between the management and the Board.

13.3. Policy on Remuneration to 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. The policy 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 annexed as Annexure – E to this report.

15. 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.

16. Directors' Responsibility Statement as required under Section 134 of the Companies Act, 2013

The Directors confirm that –

a) in the preparation of the annual accounts for the financial year ended March 31, 2018, 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, 2018 and of the profit of the company for the period ending March 31,2018;

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 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.

17. Auditors:

17.1.Statutory Auditors

M/s. J Krishnan & Associates, Chartered Accountants, (Registration No.: 001523S), were appointed as the Statutory Auditors of the Company for a term of five years, in the Annual General Meeting of the Company held on 03.08.2017, till the conclusion of the Annual General Meeting to be held for the financial year ended 31.03.2022. The appointment of Statutory Auditors was subject to ratification by the Shareholders at every Annual General Meeting.

Now, the Companies (Amendment) Act, 2017 notified on 07th May 2018, has omitted the requirement under the first proviso to Section 139 (1) mandating yearly ratification of Auditors in the Annual General Meeting. Hence, from the ensuing AGM onwards, the item ratifying the appointment of Statutory Auditors would not be placed before the Shareholders as this is no more required under the amended provisions of the Companies Act, 2013. Hence the present Auditors would continue to be the Statutory Auditors of the Company without further ratification, till the Financial Year ended 31.03.2022, being the term fixed by the shareholders in their Annual General Meeting held on 03.08.2017.

The board is also to be authorized to fix remuneration of the aforesaid statutory auditors, for the remaining term of appointment upto 31.03.2022 as may be mutually agreed between the Board of Directors and the said Auditors from time to time, during aforesaid period.

There is no qualification, disclaimer, reservation or adverse remark made by the Statutory Auditors in Auditors' Report.

Details in respect of frauds

Details in respect of frauds reported by auditors under sub-section (12) of section 143 of the Companies Act, 2013 other than those which are reportable to the Central Government - Nil

17.2. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of the Directors of the Company had appointed M/s. SVJS & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2018. The Secretarial Audit Report is annexed as Annexure - F.

Further, there is no qualification, disclaimer, reservation or adverse remark made by the Company Secretary in practice in Secretarial Audit Report.

17.3. Internal Auditor

The Board had appointed Mr. Nikhil George Pinto, Partner, M/s.CaesarPintoJohn & Associates LLP as Internal Auditor.

18. Corporate Social Responsibility

The Company does not come under the purview of Section 135 of the Act. Hence it is not required to constitute Corporate Social Responsibility Committee.

19. Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has a mechanism for reporting unethicalbehavior, 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 by following the below link.

http://stelholdings.com/docs/Whistleblowerpolicy.pdf

20. Related Party Transactions

There was no materially significant transaction with the related parties that could have had a potential conflict with the interests of the Company. There are no related party transactions which are not on an arm's length basis. There are also no material contracts or arrangements or transactions with related parties. Hence, Form AOC-2 is not applicable for the company.

The policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board is uploaded on the Company's website on the below link:
http://stelholdings.com/docs/Relatedpartytrans.pdf

21. Risk Management

The Company is exposed to inherent uncertainties owing to the sector in which it invests and operates. A detailed report on Risk Management is included in Management Discussion and Analysis which forms part of this Report. The report clearly states development and implementation of a risk management policy for the company including identification therein of elements of risks along with risk mitigation plan.

22. 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.

23. Internal Financial Control

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 yearunder review, there were no reportable material weaknesses in the systems or operation.

24. 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.

25. 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 2017-18

No.of complaints received: NIL

No. of complaints disposed off: N A

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

26. Compliance of Secretarial Standards

The Company has complied with applicable Secretarial Standards.

27. Acknowledgements

Your Directors wish to place on record, their appreciation for the contribution made and support provided to the Company by the bankers, employees and shareholders.

For and on behalf of the board of directors

Mr.Anant Vardhan Goenka	**Mr.Sunil Bhandari**
(DIN : 02089850)	(DIN: 00052161)
Director	Director

August 03, 2018
Kochi

ANNEXURE - A TO THE BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L65993KL1990PLC005811
ii)	Registration date	21.09.1990
iii)	Name of the Company	STEL Holdings Limited
iv)	Category/Sub category of the Company	Company Limited by Shares. Indian Non-Government Company
v)	Address of the Registered office and contact details	24/1624, Bristow Road, Willingdon Island, Cochin - 682003, Kerala
		Tel. No.: 0484 6624335
		Fax No.: 0484 2668024
		Email: secretarial@stelholdings.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	**Link Intime India Pvt. Ltd.** Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028, Tamil Nadu Phone: +91 422 2314792, 2315792, Fax: +91 422 2314792

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code* of the Product/ service	% to total turnover of the company
1	Activities of holding Companies	642	100

** as per NIC -2008*

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Doon Dooars Plantation Limited	U01132MH1994PLC273639	Subsidiary Company	100%	2(87)(ii)
2	CFL Capital Financial Services Limited	L67120WB1983PLC036805	Associate Company	48.81%	2(6)

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

i) Category-wise Share Holding as of March 31, 2018

Category of Shareholders	No. of shares at the beginning of the year				No of shares at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	90000	0	90000	0.4877	90000	0	90000	0.4877	0.0000
b) Central Govt.	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) State Govt(s).	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Banks/ FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
Promoter Trust	262140	0	262140	1.4204	262140	0	262140	1.4204	0.0000
Bodies Corporate	8932016	0	8932016	48.3978	8932016	0	8932016	48.3978	0.0000
Sub-total (A) (1) :-	**9,284,156**	-	**9,284,156**	50.31	**9,284,156**	-	**9,284,156**	50.31	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Others - Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Banks/ FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub- total (A) (2):-	-	-	-	-	**-**	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	**9,284,156**	**-**	**9,284,156**	**50.31**	**9,284,156**	**-**	**9,284,156**	**50.31**	0

Category of Shareholders	No. of shares at the beginning of the year				No of shares at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	6500	530	7030	0.0381	6500	530	7030	0.0381	0.0000
b) Banks/ FI	1903	420	2323	0.0126	2143	420	2563	0.0139	0.0013
c) Central Govt.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) State Govt(s).	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	33570	0	33570	0.1819	33570	0	33570	0.1819	0.0000
g) FIIs	0	0	0	0.0000	0	0	0	0.0000	0.0000
h) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub -total (B) (1) ;-	**41,973**	**950**	**42,923**	**0.2326**	**42,213**	**950**	**43,163**	**0.2339**	**0.0013**
2. Non-Institutions									
a) Bodies Corp.								-	-
i) Indian	1109833	10400	1120233	6.0699	1136845	10400	1147245	6.2163	0.1464

Category of Shareholders	No. of shares at the beginning of the year				No of shares at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share Capital upto Rs. 1 lakh	3745897	966330	4712227	'25.5330	3727399	930670	4658069	'25.2396	-0.2934
ii) Individual shareholders holding nominal share Capital in excess of Rs 1 lakh	2627504	0	2627504	'14.2370	2539762	0	2539762	'13.7616	-0.4754
c) Others (specify)									
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Clearing Member	122822	0	122822	'0.6655	137466	0	137466	'0.7449	0.0794
Market Maker	915	0	915	'0.0050	604	0	604	'0.0033	-0.0017
Unclaimed Shares	185000	0	185000	'1.0024	184975	0	184975	'1.0023	-0.0001
Office Bearers	-	-	-	-	-	-	-	-	-
Non Resident Indian (Repatriate)	46754	4080	50834	'0.2754	91375	4080	95455	'0.5172	0.2418
Non Resident Indian (Non-Repatriate)	21459	0	21459	'0.1163	23804	0	23804	'0.1290	0.0127
HUF	285242	0	285242	'1.5456	338616	0	338616	'1.8348	'0.2892
TRUSTS	2090	0	2090	'0.0113	2090	0	2090	'0.0113	'0.0000
Sub -total (B) (2):-	**8,147,516**	**980,810**	**9,128,326**	**49.4613**	**8,182,936**	**945,150**	**9,128,086**	**49.4615**	0
Total Public Shareholding (B) = (B)(1) + (B)(2)	**8,189,489**	**981,760**	**9,171,249**	**49.6941**	**8,225,149**	**946,100**	**9,171,249**	**49.69**	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**17,473,645**	**981,760**	**18,455,405**	**100.0000**	**17,509,305**	**946,100**	**18,455,405**	**100.00**	-

ii) Shareholding of Promoters:

Sr. N0.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	RAINBOW INVESTMENTS LIMITED	4471438	'24.2283	'0.0000	4471438	'24.2283	'0.0000	'0.0000
2	INSTANT HOLDINGS LIMITED	1605200	'8.6977	'0.0000	1605200	'8.6977	'0.0000	'0.0000
3	CARNIWAL INVESTMENTS LTD	1363580	'7.3885	'0.0000	1363580	'7.3885	'0.0000	'0.0000
4	SUMMIT SECURITIES LIMITED	878501	'4.7601	'0.0000	878501	'4.7601	'0.0000	'0.0000
5	SWALLOW ASSOCIATES LLP	613197	'3.3226	'0.0000	613197	'3.3226	'0.0000	'0.0000
6	HARSH VARDHAN GOENKA	45000	'0.2438	'0.0000	45000	'0.2438	'0.0000	'0.0000
7	PRADIP KUMAR KHAITAN (HML Trust No. I)	43680	'0.2367	'0.0000	43680	'0.2367	'0.0000	'0.0000
8	PRADIP KUMAR KHAITAN (HML Trust No. II)	43680	'0.2367	'0.0000	43680	'0.2367	'0.0000	'0.0000

Sr. N0.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
9	PRADIP KUMAR KHAITAN (HML Trust No. III)	43680	'0.2367	'0.0000	43680	'0.2367	'0.0000	'0.0000
10	PRADIP KUMAR KHAITAN (HML Trust No. IV)	43680	'0.2367	'0.0000	43680	'0.2367	'0.0000	'0.0000
11	PRADIP KUMAR KHAITAN (HML Trust No. V)	43680	'0.2367	'0.0000	43680	'0.2367	'0.0000	'0.0000
12	PRADIP KUMAR KHAITAN (HML Trust No. VI)	43680	'0.2367	'0.0000	43680	'0.2367	'0.0000	'0.0000
13	SANJIV GOENKA	35000	'0.1896	'0.0000	35000	'0.1896	'0.0000	'0.0000
14	RAMA PRASAD GOENKA	10000	'0.0542	'0.0000	10000	'0.0542	'0.0000	'0.0000
15	SAREGAMA INDIA LIMITED	100	'0.0005	'0.0000	100	'0.0005	'0.0000	'0.0000
16	HARSH VARDHAN GOENKA (CRYSTAL INDIA TECH TRUST)	10	'0.0001	'0.0000	10	'0.0001	'0.0000	'0.0000
17	HARSH VARDHAN GOENKA (NUCLEUS LIFE TRUST)	10	'0.0001	'0.0000	10	'0.0001	'0.0000	'0.0000
18	HARSH VARDHAN GOENKA (MONITOR PORTFOLIO TRUST)	10	'0.0001	'0.0000	10	'0.0001	'0.0000	'0.0000
19	HARSH VARDHAN GOENKA (SECURA INDIA TRUST)	10	'0.0001	'0.0000	10	'0.0001	'0.0000	'0.0000
20	HARSH VARDHAN GOENKA (STELLAR ENERGY TRUST)	10	'0.0001	'0.0000	10	'0.0001	'0.0000	'0.0000
21	HARSH VARDHAN GOENKA (PRISM ESTATES TRUST)	10	'0.0001	'0.0000	10	'0.0001	'0.0000	'0.0000
	Total	**9284156**	**50.3059**	**'0.0000**	**9284156**	**'50.3059**	**'0.0000**	**0**

iii) Change in promoters' shareholding :

Sr. No.	Name & Type Of Transaction	Shareholding at the beginning of the year		Transactions during the year			Cumulative Shareholding at the end of the year	
		No.of Shares Held	% Of Total Shares Of The Company	Date Of Transaction	Increase/ Decrease In The Shareholding	Reason	No Of Shares Held	% Of Total Shares Of The Company
1	RAINBOW INVESTMENTS LIMITED	4471438	24.2283				4471438	24.2283
	AT THE END OF THE YEAR						4471438	24.2283
2	INSTANT HOLDINGS LIMITED	1605200	8.6977				1605200	8.6977
	AT THE END OF THE YEAR						1605200	8.6977
3	CARNIWAL INVESTMENTS LTD	1363580	7.3885				1363580	7.3885
	AT THE END OF THE YEAR						1363580	7.3885
4	SUMMIT SECURITIES LIMITED	878501	4.7601				878501	4.7601
	AT THE END OF THE YEAR						878501	4.7601
5	SWALLOW ASSOCIATES LLP	613197	3.3226				613197	3.3226
	AT THE END OF THE YEAR						613197	3.3226
6	HARSH VARDHAN GOENKA	45000	0.2438				45000	0.2438
	AT THE END OF THE YEAR						45000	0.2438
7	PRADIP KUMAR KHAITAN	43680	0.2367				43680	0.2367
	AT THE END OF THE YEAR						43680	0.2367

Sr. No.	Name & Type Of Transaction	Shareholding at the beginning of the year		Transactions during the year			Cumulative Shareholding at the end of the year	
		No.of Shares Held	% Of Total Shares Of The Company	Date Of Transaction	Increase/ Decrease In The Shareholding	Reason	No Of Shares Held	% Of Total Shares Of The Company
8	PRADIP KUMAR KHAITAN	43680	0.2367				43680	0.2367
	AT THE END OF THE YEAR						43680	0.2367
9	PRADIP KUMAR KHAITAN	43680	0.2367				43680	0.2367
	AT THE END OF THE YEAR						43680	0.2367
10	PRADIP KUMAR KHAITAN	43680	0.2367				43680	0.2367
	AT THE END OF THE YEAR						43680	0.2367
11	PRADIP KUMAR KHAITAN	43680	0.2367				43680	0.2367
	AT THE END OF THE YEAR						43680	0.2367
12	PRADIP KUMAR KHAITAN	43680	0.2367				43680	0.2367
	AT THE END OF THE YEAR						43680	0.2367
13	SANJIV GOENKA	35000	0.1896				35000	0.1896
	AT THE END OF THE YEAR						35000	0.1896
14	RAMA PRASAD GOENKA	10000	0.0542				10000	0.0542
	AT THE END OF THE YEAR						10000	0.0542
15	SAREGAMA INDIA LIMITED	100	0.0005				100	0.0005
	AT THE END OF THE YEAR						100	0.0005
16	HARSH VARDHAN GOENKA	10	0.0001				10	0.0001
	AT THE END OF THE YEAR						10	0.0001
17	HARSH VARDHAN GOENKA	10	0.0001				10	0.0001
	AT THE END OF THE YEAR						10	0.0001
18	HARSH VARDHAN GOENKA	10	0.0001				10	0.0001
	AT THE END OF THE YEAR						10	0.0001
19	HARSH VARDHAN GOENKA	10	0.0001				10	0.0001
	AT THE END OF THE YEAR						10	0.0001
20	HARSH VARDHAN GOENKA	10	0.0001				10	0.0001
	AT THE END OF THE YEAR						10	0.0001
21	HARSH VARDHAN GOENKA	10	0.0001				10	0.0001
	AT THE END OF THE YEAR						10	0.0001

iv) Share holding pattern of top ten shareholders (other than directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	% OF TOTAL SHARES OF THE COMPANY
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	
1	HITESH RAMJI JAVERI	759601	4.1159			759601	4.1159
	AT THE END OF THE YEAR					759601	4.1159
2	VINEET NAHATA	154372	0.8365			154372	0.8365
	Transfer			07 Apr 2017	(1000)	153372	0.8310
	Transfer			14 Apr 2017	(3800)	149572	0.8105
	Transfer			21 Apr 2017	(146172)	3400	0.0184
	Transfer			28 Apr 2017	8746	12146	0.0658

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	% OF TOTAL SHARES OF THE COMPANY
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	
	Transfer			05 May 2017	20204	32350	0.1753
	Transfer			12 May 2017	11029	43379	0.2350
	Transfer			26 May 2017	12400	55779	0.3022
	Transfer			02 Jun 2017	8234	64013	0.3469
	Transfer			09 Jun 2017	6837	70850	0.3839
	Transfer			16 Jun 2017	99021	169871	0.9204
	Transfer			23 Jun 2017	11306	181177	0.9817
	Transfer			07 Jul 2017	1717	182894	0.9910
	Transfer			21 Jul 2017	3587	186481	1.0104
	Transfer			28 Jul 2017	500	186981	1.0132
	Transfer			18 Aug 2017	1010	187991	1.0186
	Transfer			25 Aug 2017	(637)	187354	1.0152
	Transfer			01 Sep 2017	(8174)	179180	0.9709
	Transfer			08 Sep 2017	(12587)	166593	0.9027
	Transfer			15 Sep 2017	4272	170865	0.9258
	Transfer			22 Sep 2017	18000	188865	1.0234
	Transfer			29 Sep 2017	8255	197120	1.0681
	Transfer			06 Oct 2017	17950	215070	1.1653
	Transfer			13 Oct 2017	11711	226781	1.2288
	Transfer			20 Oct 2017	65	226846	1.2292
	Transfer			03 Nov 2017	5827	232673	1.2607
	Transfer			10 Nov 2017	(2199)	230474	1.2488
	Transfer			17 Nov 2017	4570	235044	1.2736
	Transfer			24 Nov 2017	10870	245914	1.3325
	Transfer			01 Dec 2017	(16265)	229649	1.2443
	Transfer			08 Dec 2017	4847	234496	1.2706
	Transfer			15 Dec 2017	(490)	234006	1.2680
	Transfer			22 Dec 2017	(21000)	213006	1.1542
	Transfer			29 Dec 2017	(8500)	204506	1.1081
	Transfer			05 Jan 2018	(9800)	194706	1.0550
	Transfer			12 Jan 2018	8235	202941	1.0996
	Transfer			19 Jan 2018	2307	205248	1.1121
	Transfer			26 Jan 2018	8500	213748	1.1582
	Transfer			02 Feb 2018	8500	222248	1.2042
	Transfer			09 Feb 2018	26119	248367	1.3458
	Transfer			16 Feb 2018	3995	252362	1.3674
	Transfer			23 Feb 2018	(6493)	245869	1.3322
	Transfer			02 Mar 2018	1000	246869	1.3377
	Transfer			09 Mar 2018	5276	252145	1.3662
	Transfer			16 Mar 2018	18327	270472	1.4655
	Transfer			23 Mar 2018	21042	291514	1.5796
	Transfer			31 Mar 2018	15629	307143	1.6642
	AT THE END OF THE YEAR					307143	1.6642

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	% OF TOTAL SHARES OF THE COMPANY
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	
3	VLS FINANCE LTD	290259	1.5728			290259	1.5728
	AT THE END OF THE YEAR					290259	1.5728
4	RELIANCE FINANCIAL LIMITED	0	0.0000			0	0.0000
	Transfer			09 Mar 2018	200000	200000	1.0837
	AT THE END OF THE YEAR					200000	1.0837
5	STEL HOLDINGS LIMITED UNCLAIMED SUSPENSE ACCOUNT	185000	1.0024			185000	1.0024
	Transfer			27 Oct 2017	(25)	184975	1.0023
	AT THE END OF THE YEAR					184975	1.0023
6	HARSHA HITESH JAVERI	160000	'0.8670				
	AT THE END OF THE YEAR					160000	'0.8670
7	MAHENDRA GIRDHARILAL	108874	'0.5899				
	AT THE END OF THE YEAR					108874	'0.5899
8	MUCKATIRA BHEMAIAH CHINAPPA	276047	1.4958			276047	1.4958
	Transfer			06 Oct 2017	7990	284037	1.5390
	Transfer			13 Oct 2017	21008	305045	1.6529
	Transfer			27 Oct 2017	100	305145	1.6534
	Transfer			12 Jan 2018	100	305245	1.6540
	Transfer			09 Mar 2018	(200000)	105245	0.5703
	AT THE END OF THE YEAR					105245	0.5703
9	JAISUKH VINIMOY PVT. LTD.	111436	'0.6038				
	Transfer			07 Apr 2017	(4436)	107000	'0.5798
	Transfer			13 Oct 2017	(2000)	105000	'0.5689
	AT THE END OF THE YEAR					105000	'0.5689
10	STANLEY VYAPAAR PVT LIMITED	98000	'0.5310				
	AT THE END OF THE YEAR					98000	'0.5310
11	N LALITHA	85253	'0.4619				
	Transfer			01 Sep 2017	(350)	84903	'0.4600
	Transfer			05 Jan 2018	(250)	84653	'0.4587
	AT THE END OF THE YEAR					84653	'0.4587
12	RATHINASAMY NARAYANASAMY RUBESH	194649	1.0547			194649	1.0547
	Transfer			21 Apr 2017	(11309)	183340	0.9934
	Transfer			28 Apr 2017	(36758)	146582	0.7942
	Transfer			01 Sep 2017	(6000)	140582	0.7617
	Transfer			22 Sep 2017	(140)	140442	0.7610
	Transfer			15 Dec 2017	(2599)	137843	0.7469
	Transfer			29 Dec 2017	(64459)	73384	0.3976
	Transfer			12 Jan 2018	(6000)	67384	0.3651
	AT THE END OF THE YEAR					67384	0.3651

Notes:

1) In case of joint holding, the name of first holder has been considered.
2) The Changes in shareholding (increase / decrease) are given based on weekly beneficiary position as datewise increase / decrease in shareholding is not ascertainable.
3) The shareholding details are given on the legal ownership and not beneficial ownership.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding		Date	Increase/ decrease in shareholding	Reason	Cumulative shareholding during the year	
		No. of shares at beginning 1.4.16 /end of the year 31.3.17	% of total shares of the Company				No. of shares	% of total shares of the Company
	Shareholding of Director:							
1	Nil							
	Shareholding of Key Managerial Personnel:							
1	Mr. Abraham Ittyipe, Manager	101	-	01.04.2017	-	-	101	-
		101	-	31.03.2018				
2	Mr. Shivrama Krishnan, Chief Financial Officer	8	-	01.04.2017	-	-	8	-
		0	-	31.03.2018				
3	Ms. Sripriya M Shenoy Company Secretary**	-	-	01.04.2016	-	-	-	-
		-	-	31.03.2017				
4	Ms. Lakshmi P.S Company Secretary	-	-	01.04.2017	-	-	-	-
		-	-	31.03.2018				

Note: Further apart from above there was no increase / decrease in shareholding of any other Director and Key Managerial Personnel.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

Indebtedness at the beginning of the financial year - 1.4.17	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year 31.3.18				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of the Manager	Total Amount (Rs.)
		Mr. Abraham Ittyipe	
1	**Gross salary**	(Amount in Rs.)	
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	120,000	120,000
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961*	-	-
	c. Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	-	-
2	**Stock Option**	-	-
3	**Sweat Equity**	-	-
4	**Commission:**	-	-
	- As a % of Profit	-	-
	- Others, specify	-	-
5	**Others, please specify**		
	Contribution to PF	-	-
	Contribution to Gratuity	-	-
	Contribution to Superannuation Fund	-	-
	Consolidated Allowances	-	-
	Car Perquisite	-	-
	Total (A)	**120,000**	**120,000**
	Ceiling as per the Act - (being 5% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)	2,892,465	2,892,465

Note :

*Excludes the value of employee stock options exercised and provision for compensated absences/Gratuity in respect of separate actuarial valuation reports for key managerial personnel

B. Remuneration to other directors:

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Mr. Anant Goenka	Mr. Sunil Bhandari	Mr. Umang Kanoria	Mr. H.C. Dalal	Mr. Prem Kapil	Mr. Kaushik Roy	Ms Surbhi Singhi	Total
1	**Independent Directors**								
	- Fees for attending Board/ Committee Meetings	-	-	22,000	28,000	28,000	-	20,000.00	98,000
	- Commission	-	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	-	-	-
	Total (1)	**-**	**-**	**22,000**	**28,000**	**28,000**	**-**	**20,000**	**98,000**
2	**Other Non- Executive Directors**								
	- Fees for attending Board/ Committee Meetings	16,000	28,000	-	-	-	16,000	-	-
	- Commission	-	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	-	-	-
	Total (2)	**16,000**	**28,000**	**-**	**-**	**-**	**16,000**	**-**	**60,000**
	Total (B) = (1+2)	**16,000**	**28,000**	**22,000**	**28,000**	**28,000**	**16,000**	**20,000**	**158,000**
	Total Managerial Remuneration #								**120,000**
	Overall Ceiling as per the Act @	**1,00,000**	**1,00,000**	**1,00,000**	**1,00,000**	**1,00,000**	**1,00,000**	**1,00,000**	

Notes:

#Total remuneration to Managing Director, Whole-Time Directors and other Directors (being the total of A and B).

@ Sitting fees paid have not been considered as a component for reckoning overall ceiling as per Companies Act, 2013 Overall ceiling as per the Act Rs.100000/-

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

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Siva Rama Krishnan, Chief Financial Officer	Ms. Lakshmi P.S Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 196	240,000	426,000	666,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961*	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	Nil	Nil	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-
	- Others, , specify	-	-	-
5	Others, , please specify	None	None	-
	Total	**240,000**	**426,000**	**666,000**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]"	Appeal made, if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the board of directors

Mr.Anant Vardhan Goenka
(DIN : 02089850)
Director

Mr.Sunil Bhandari
(DIN: 00052161)
Director

August 03, 2018
Kochi

ANNEXURE B 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	April 01, 2017 to March 31,2018
3	concerned, if different from the holding	July 28,2010
4	company's reporting period	Rupees
5	The date since when the subsidiary was	17,00,000
6	acquired	-12,74,797
7	Reporting currency and Exchange rate as on	6,89,220
8	the last date of the relevant Financial year in	6,89,220
9	the case of foreign subsidiaries	-
10	Share capital	-
11	Reserves & surplus	(64,763)
12	Total assets	-
13	Total Liabilities	(64,763)
14	Investments	-
15	Turnover	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 venturewas associated	July 28,2010
3	Shares of Associate Company held by the Company on the year end	
	i. Number	67,681,2016
	ii. Amount of Investment in Associates/Joint Venture	127,344,645
	iii. Extend of Holding %	48.81%
4	Description of how there is significant influence	The Company has no significant influence over this Associate Company
5	Reason why the associate/ Joint venture is not consolidated	Please refer note as given below
6	Networth 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	-654,237,728
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 :

In the opinion of the management, the investment in CFL Capital Financial Services Limited (CFL) does not fall under the definition of associate company within the meaning of Sec. 2(6) of the Companies Act,2013 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.

For and on behalf of the Board of Directors of
STEL Holdings Limited

Sunil Bhandari Director DIN : 00052161	**H.C Dalal** Director DIN: 00206232
Lakshmi P.S. Company Secretary	**Sivarama Krishnan** Chief Financial Officer

Kochi
August 03, 2018

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 financial 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 is an 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 an dividend income of Rs. 626.86 lakhs. The Company has also earnings in the nature of interest from various fixed deposits maintained with banks.

Industry and Business Overview and Future Outlook

The Government of India has taken significant initiatives to strengthen the economic credentials of the country and make it one of the strongest economies in the world. India is fast becoming home to start-ups focused on high growth areas such as mobility, e-commerce and other vertical specific solutions - creating new markets and driving innovation.

Owing to higher infrastructure spending, increased fiscal devolution to states, and continued reforms in fiscal and monetary policy, the Indian economic outlook has strengthened. The Government of India is striving to move steadily to minimize structural and political bottlenecks, attract higher investment and improve economic performance. India's economy grew at its fastest in seven quarters in the January-March period, bolstered by strong performance in construction, manufacturing and public services, pointing to a persistent revival trend and bringing cheer to the government ahead of next year's general election.

The full FY18 growth estimate was revised upward to 6.7 per cent from 6.6 per cent in the second advance estimate released in February. This is in line with the 6.75 per cent growth forecast by the Economic Survey and down from 7.1 per cent in FY17 with the slowdown being attributed to the lingering effect of demonetisation and the rollout of the goods and services tax (GST) in July last year.

Gross domestic product rose a better-than-expected 7.7 per cent in the fourth quarter, retaining India's ranking as the world's fastest-growing major economy, outpacing China by nearly a percentage point. The economy grew at the highest rate since September quarter of FY17, ahead of the demonetisation drive that began November 2016. An ET poll of economists had pegged fourth-quarter growth at 7.1-7.5 per cent . October-December FY18 growth was revised down to 7 per cent from 7.2 per cent estimated earlier. The economy grew 6.1 per cent in the yearago March quarter. Industry expects investments and capacity creation to take place in FY19 as the demand cycle improves based on a good monsoon, increased government spending and favourable global growth.

Stel Holdings Limited being an investment "Company" the predominant income is derived in the form of dividend.

The Company holds investments in Equity Shares viz., CEAT Limited, Phillips Carbon Black Limited, KEC International Limited, CESC Limited, RPG Life Sciences Limited etc., besides certain investments in other Companies. 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.

Opportunities & Threats

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's investments are predominantly in Companies engaged in Power Generation and Transmission,

Auto Tyres& Rubber Products, Electric Utilities, Carbon Black, Pharmaceuticals, 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.

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 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.

Board has also adopted the risk management policy and 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.

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.

Human Resources

EveryCompany is depended on the quality of workforce. 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. Anant Vardhan Goenka	**Mr. Sunil Bhandari**
(DIN : 02089850)	(DIN: 00052161)
Director	Director

August 03, 2018
Kochi

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 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 Board of Directors of the Company are pleased to present the Corporate Governance Report for the year ended 31st March, 2018 :

1. Board of Directors:

1.1. Size and Composition of Board:

On March 31, 2018, the STEL's Board of Directors consists of Seven Directors, of which four are Independent Directors. There are three non-executive non-independent directors. The composition of the Board satisfies the requirements of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Ms.Surbhi Singhi is the Women Director in the Board.

1.2. Board Meetings:

In 2017-18, the Board of the Company met Four times, on 30.05.2017, 14.08.2017, 14.11.2017 and 08.02.2018. The maximum gap between any two Board meetings was not more than one hundred and twenty days.

1.3. Directors' Attendance Record and Directorships

Details of the Composition and the attendance record of the Board of Directors are given below. None of the Directors is a member of more than 10 Board level Committees of public companies in which they are Directors, nor is chairman of more than five such Committees.

Name of Director	Category of Director	No of Directorship and Committee membership/ Chairmanships in other Indian Public Companies			No of shares held	Attendance Particulars		
		Director	Member	Chairman		No. of Board Meetings held	No. of Board meetings attended	Attendance at last AGM
Mr. Anant Goenka	Non Executive/ Non-Independent / Promoter	4	-	-	-	4	4	No
Mr. Sunil Bhandari	Non - Executive / Non - Independent / Non - Promoter	11	1	1	-	4	4	No
Mr. Umang Kanoria	Non Executive/ Independent /Non-Promoter	5	4	2	-	4	3	No
Mr. H.C. Dalal	Non Executive/ Independent /Non-Promoter	3	3	1	-	4	4	Yes

Name of Director	Category of Director	No of Directorship and Committee membership/ Chairmanships in other Indian Public Companies			No of shares held	Attendance Particulars		
		Director	Member	Chairman		No. of Board Meetings held	No. of Board meetings attended	Attendance at last AGM
Mr. Prem Kapil	Non Executive/ Independent / Non-Promoter	3	1	0	-	4	4	Yes
Mr. Kaushik Roy	Non - Executive / Non - Independent / Non - Promoter	3	-	-	-	4	4	No
Ms. Surbhi Singhi	Non Executive/ Independent /Non-Promoter	5	4	4	-	4	3	No

(1) The Directorship held by Directors do not include alternate directorships and directorships of Foreign Companies, Section 8 Company, One Person Companies and Private Limited Companies.

(2) Only Audit Committee, Stakeholders' Relationship Committee is reckoned for this purpose.

(3) None of the directors are related to each other.

1.4. Code of Conduct

The Board has laid down a Code of Conduct for all Board members and Senior Management Personnel which is posted on the website of the Company. All Board members and Senior Management Personnel have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by the Manager of the Company, forms part of this Annual report.

1.5. Independent Director

During 2017-18, the Independent Directors met on 26.03.2018 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. All the independent directors attended the said meeting.

The details of the familiarization programme are disclosed on the Company's website at http://stelholdings.com/docs/familiarizingpgm.pdf.

2. Committees of the Board

2.1. Audit Committee:

The Audit Committee comprises of five Directors viz., Mr. UmangKanoria, Mr. Sunil Bhandari and Mr. H. C. Dalal, Mr. PremKapil, and Ms. SurbhiSinghi. Mr. UmangKanoria, Independent Director, is the Chairman of the Committee. All members of the Audit Committee have accounting and financial management expertise. Company Secretary acts as the secretary to the audit committee. The Composition of Audit Committee is as follows:

Name of the Member	Position	No. of Meetings	
		Held	Attended
Mr. Umang Kanoria	Chairman	4	3
Mr. Sunil Bhandari	Member	4	4
Mr. H.C Dalal	Member	4	4
Mr. Prem Kapil	Member	4	4
Ms. Surbhi Singhi	Member	4	3

Audit Committee Meetings were held on 30.05.2017, 14.08.2017, 14.11.2017 and 08.02.2018. The Company Secretary acts as the Secretary to the Audit Committee.

The functions of the Audit Committee of the Company include the following:

- oversight of the listed entity'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 listed entity
- 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 utilisation 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 before submission to the Board for approval, with particular reference to:
- Matters required to be included in the Directors Responsibility Statement to be included in the Board Report in terms of Section 134 of the Act.
- Changes, if any, in accounting policies and practices and reason for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Qualifications 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;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- examination of the auditors' report;

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 it 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;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 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

2.2. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee oversees the redressal of Investors' complaints relating to share transfers/ transmission, non-receipt of Annual reports etc. As on March 31, 2018 the Stakeholders Relationship Committee of the Company, under Section 178 (5) of the Companies Act, 2013, and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consists of three members. Mr. Sunil Bhandari, Mr. UmangKanoria and Mr. Abraham Ittyipe.Mr. Sunil Bhandari is the Chairman of the Committee.

The Company Secretary Ms. Lakshmi P.S is the Compliance Officer of the Stakeholders' Relationship Committee.

During the year, the Committee met once on 08.02.2018. The composition of the Stakeholders Relationship Committee and attendance of the Members at the Committee meetings are as follows:

Name of the Member	Position	No. of Meetings	
		Held	Attended
Mr. Sunil Bhandari	Chairman	1	1
Mr. Umang Kanoria	Member	1	1
Mr. Abraham Ittyipe	Member	1	1

Status of investor complaints received and redressed during the F.YR 2017-18 are as follows :

No. of Investor queries/ complaints received from April 01, 2017 to March 31, 2018	No. of Investor queries/ complaints remaining unresolved/pending at the end of the financial year
2	Nil

As on March 31, 2018, there was no pending investor complaints.

2.3. Nomination and Remuneration Committee:

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act,2013 besides other terms as may be referred by the Board of Directors.

The role/terms of reference includes:

- 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;
- formulation of criteria for evaluation of performance of independent directors and the board of 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

As on 31st March, 2018, the Nomination & Remuneration Committee of the Company, under Section 178 (1) of the Companies Act, 2013, and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consists of three members, Mr. UmangKanoria, Mr. H. C. Dalal and Mr. Sunil Bhandari.

Mr. UmangKanoria is the Chairman of the Nomination and Remuneration Committee. Company Secretary acts as the Secretary and Compliance Officer to the Committee.The Committee met once during the F.YR 2017-18 on 30.05.2017. The Composition of the Nomination & Remuneration Committee and attendance of the Members at the Committee meetings are as follows:

Name of the Member	Position	No. of Meetings	
		Held	Attended
Mr. Umang Kanoria	Chairman	1	1
Mr. Sunil Bhandari	Member	1	1
Mr. H.C Dalal	Member	1	1

The Board has approved Nomination and Remuneration Policy as recommended by Nomination and Remuneration Committee which forms part of the Directors' Report.

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.

Details of remuneration paid to the Directors/ Manager are given MGT-9 Annexure A of Directors Report.

The Payment of remuneration to the Manager 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 guideline 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. Annual General Meetings

Location, date and time of the Annual General Meetings held in the last 3 years.

Sl.No.	AGM	Year	Date	Date	Time	Location
1	27th	2016	2017	03.08.2017	02.00 PM	Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Kochi – 682016
2	26th	2015	2016	30.09.2016	2.30 PM	
3	25th	2014	2015	28.09.2015	2.30 PM	

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

Details of Special Resolutions passed in the immediately preceding three AGMs: Nil

Whether any special resolution passed last year through postal ballot – Nil

No special resolution is proposed to be conducted through postal ballot.

4. Disclosures:

4.1. Related Party Transactions:

All Related Party Transactions are placed before the Audit Committee. The transactions with the related parties are disclosed in the Notes of the Annual Accounts in compliance with Accounting Standard relating to "Related Party Disclosures" and Companies Act, 2013 read with Rules thereunder and Listing Regulations. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions web link of which forms part of Directors' Report.

The policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board is uploaded on the Company's website on the below link:

http://stelholdings.com/docs/Relatedpartytrans.pdf

There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

4.2. Statutory Compliance, Penalties and Strictures:

There were no instances of non-compliance and no strictures or penalties were 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.

4.3. Whistle Blower Policy

The Board of Directors has adopted Whistle Blower Policy. Whistle blower mechanism enable directors, employees, stakeholders, including individual employees and their representative bodies to freely communicate their concerns about illegal or unethical practices. No person has been denied access to the audit committee.

4.4. 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.

4.5. 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.

The Company is in compliance with all the mandatory requirements of Regulation 17 to 27 and Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

4.6. Adoption of the discretionary requirements.

The discretionary requirements may be implemented as per the discretion of the Company. Details of compliance of discretionary requirements are listed below:

4.6.1.Audit qualifications

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.

5. Certificate from CEO/CFO

The CFO certification of the financial statements for the year has been submitted to the Board of Directors, in its meeting held on August 03, 2018 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

6. Means of Communication

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 Company provides the information to the stock exchange where shares of the Company are listed. The results are also published in one English newspaper having national circulation and one Malayalam Newspaper.

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 www.stelholdings.com.

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

No presentations were made to institutional investors or to the analysts.

7. General Shareholder information:

7.1. Annual General Meeting: Date, Time and Venue:

As indicated in the notice accompany this Annual Report, the Twenty Eighth Annual General Meeting of the Company will be held on Wednesday, 26.09.2018 at 02.00 P.M. at Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin-682016.

7.2. Financial Year: the Company follows April 1 to March 31 as the financial year.

7.3. Book Closure Dates: The Company's Register of Members and Share Transfer Books will remain closed from 21/09/2018 to 26/09/2018 (both days inclusive).

7.4. Dividend payment: The Board has not recommended any dividend for the FY 2017-18.

7.5. Details of Stock Exchanges where listed

BSE Ltd., Mumbai Corporate Relationship Dept, 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, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051, Maharashtra	STEL

*Annual listing fees for the F.YR 2018-19 has been paid to BSE Ltd and NSE Ltd on time.

7.6. Financial calendar

For the year ending March 31, 2019, the results will be announced on:

Event	Due Date
quarter ending 30th June, 2018	On or before 14th August, 2018
quarter ending 30th September, 2018	On or before 15th November, 2018
quarter ending 31st December, 2018	On or before 15th February, 2019
quarter ending 31st March, 2019	On or before 30th May, 2019 (Audited)

7.7. Market Price Data

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 2017-18:

Year	BSE		NSE		Volume	
(2017-18)	(Amount in Rs.)		(Amount in Rs.)		(nos.)	
Months	High	Low	High	Low	BSE	NSE
April	89.95	68	70.95	65.05	2630	13758
May	91.85	73	83.95	79.35	3039	18338
June	83.3	75	82	76.8	983	26339
July	80.3	75	78.95	76.8	584	6575
August	104.6	67.5	79.5	76	3917	39273
September	115.2	88	104	96.7	3085	114790
October	99.95	90	95.5	89.6	493	17344
November	107.35	90	95	90	760	11869
December	128.5	100.1	112.95	105	2850	74809
January	151	112	125	122	3986	25617
February	116.95	94.05	116.35	108.7	983	45511
March	108	86	107.65	104.2	841	8380

7.8. A performance chart showing Share Price of the Company in comparison with BSE SENSEX during the year 2017-18 is as below:

Year 2017-18	STEL	Sensex
April	79.75	29918.4
May	78.05	31145.8
June	76.2	30921.61
July	79.6	32514.94
August	100.05	31730.49
September	90.25	31283.72
October	92.5	33213.13
November	107.35	33149.35
December	122.3	34056.83
January	113.55	35965.02
February	105.75	34184.04
March	98.55	32968.68

7.9. Share Transfer Process

Share Transfer in physical form is normally effected within a period of 15 days of receipt of documents complete in all respects. All share transfers are approved by the Share Transfer Committee which meets at least once in a week, thus ensuring smooth processing and completion of dispatch of the share certificates within 15 days from the lodgment of the share transfer documents. Request for de-materialisation of shares are processed and confirmed to the respective depositories within 15 days

7.10. Distribution of Shareholding as on March 31, 2018

Range	No. of Shareholders	No. of Shares held	% of shareholding
1-500	22212	2610599	14.1454
501-1000	945	745442	4.0392
1001-2000	407	612803	3.3205
2001-3000	126	325368	1.7630
3001-4000	63	224840	1.2183
4001-5000	40	188391	1.0208
5001-10000	79	555724	3.0112
10001- above	92	13192238	71.4817
Total	**23964**	**18455405**	**100.0000**

7.11. 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, 2018, 17509305 shares of the company, constituting 94.87% were in dematerialized form.

7.12.Outstanding GDRs/ADRs/ Warrants or any Convertible instruments and commodity price risk or foreign exchange risk and hedging activities:

As of March 31, 2018, the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity of the Company. The Company does not have any outstanding convertible.

Commodity price risk or foreign exchange risk and hedging activities - Nil

7.13.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 sent the 3 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".

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 either be credited to the demat account of the shareholder or the physical certificates shall be delivered after rematerialising the same, depending on what has been opted by the Shareholder.

As on March 31, 2018, the total unclaimed equity shares were 184975. The Voting rights on the equity shares lying in the Suspense Account as on March 31, 2018 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	1996	185000
number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	1	25
number of shareholders to whom shares were transferred from suspense account during the year;	1	25
aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	1995	184975

7.14. The Company has framed a policy for determining material subsidiaries and has uploaded the same on website and link for the same is as below:

http://stelholdings.com/docs/POLICY_ON_MATERIAL_SUBSIDIARIES.pdf

7.15. Address for correspondenc

Registered Office STEL Holdings Limited
(CIN: L65993KL1990PLC005811)
24/1624, Bristow Road, Willingdon Island, Cochin -682003
Ph: 0484 6624335, 2668023;
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.Anant Vardhan Goenka
(DIN : 02089850)
Director

Mr.Sunil Bhandari
(DIN: 00052161)
Director

August 03, 2018
Kochi

CERTIFICATE ON CORPORATE GOVERNANCE

To the members of STEL HOLDINGS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by STEL HOLDINGS LIMITED for the year ended 31st March, 2018 as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2), Schedule V and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated above. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we state that in accordance with Regulation 17 (1), the Board of Directors of the Company comprises of only non-executive directors. We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 (2) to 27 and clause (b) to (i) of Regulation 46 (2), Schedule V and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. We further state that such compliance 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 SVJS & Associates
Company Secretaries

CS. sivakumar p.
Managing Partner
CP No: 2210, FCS: 3050

Kochi
03.08.2018

ANNEXURE – E TO THE DIRECTOR'S REPORT
NOMINATION & REMUNERATION POLICY

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on May 30, 2014 constituted the Nomination and Remuneration Committee of the Board of Directors to comprise of Mr. UmangKanoria (Chairman), Mr. H.C. Dalal and Mr. Sunil Bhandari (Members).

The Board has delegated the responsibility to the Committee to formulate the criteria for identification and selection of the suitable candidates for the various positions in senior management and also candidates who are qualified to be appointed as director on the Board of Directors of the Company. The Committee is also to recommend a policy, relating to the remuneration for the directors, key managerial personnel, senior management personnel and other employees and a process by which the performance of the directors could be evaluated.

The Committee shall be guided by the broad principles as laid down below in respect of nominating persons to hold office of director, senior management including key managerial personnel and recommending the remuneration payable.

I. Criteria for selection of members on the Board of Directors and candidates for senior management.

The Committee has adopted the following criteria for selection of member on the Board of Directors of the Company and also candidates eligible to be appointed in the senior management of the Company.

A) Criteria for Selection of Directors

Before making any recommendation to the Board for appointment of any director, the Committee shall ensure that:

a) the candidate possesses positive attributes/ qualities such as Leadership, Industrialist, Business Advisor or such other attributes which in the opinion of the Committee the candidate possess, and are in the interest of the Company;

b) the candidate shall be free from any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013;

c) the candidate meet the conditions of being independent as stipulated under the Companies Act, 2013 and SEBI(Listing Obligations and Disclosure Requirements)Regulation 2015, in case of appointment of an independent director;

d) the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, or such other areas or disciplines which are relevant for the Company's business.

B) Criteria for Selection of Senior Management Personnel

The term Senior Management shall have the same meaning as provided under the explanation to Section 178 of the Companies Act, 2013.

The Committee shall, before making any recommendation to the Board for appointment, should ensure that the candidate has the attributes set forth below:

a) The candidate should have a minimum experience of 10 years in any of the areas viz. banking, infrastructure, financial management, legal, sales, marketing, administration, research, corporate governance, technical operations, or such other areas or disciplines which in the opinion of the management and Committee are relevant for the Company's business;

b) The candidate should possesses qualities that demonstrate leadership skills, decision making skills, effective communication, hard work, commitment and such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company

If the Committee thought fit and in its opinion finds that the candidate meets the above criteria for appointment (as director on the Board or in senior management), the Committee shall make its recommendation to the Board.

Any amendment to the above criteria for directors and senior management shall be subject to the prior approval of the Committee and any such amendment shall be informed to the Board of Directors.

II. Remuneration policy for directors, senior management and key managerial personnel

A) Remuneration of Managing Director, Whole Time Director and Manager:

The Committee while considering the remuneration of the Managing Director, the Whole Time Director and Manager (wherein there is no Managing Director), may take into consideration the performance of the Company, the experience of the person, his background, job-profile and suitability, his past remuneration, the comparative remuneration profile in the industry, size of the Company, responsibilities shouldered by the Managing Director / Whole Time Director etc., provided that any remuneration considered by the Committee shall be in accordance and within the limits stipulated under the Companies Act, 2013.

B) Remuneration of Non-Executive Director (NED)

a) The remuneration to the NEDs may be restricted to the sitting fees for attending meetings of the Board of Directors and meetings of Audit Committee.

b) The Independent Directors of the Company shall be entitled to remuneration restricted to the sitting fees for attending meetings of the Board of the Directors and meeting of the Audit Committees, provided that any sitting fees paid to the Independent Director shall not be less the sitting fees paid to non-executive directors.

c) Independent Directors shall not be eligible for stock options of the Company, if any.

Any incidental expense incurred by the directors with relation to the participation in the meetings of the Board and the Audit Committee shall be reimbursed.

C) Remuneration of Senior Management Personnel and KMPs

The Remuneration of the Senior Management Personnel and KMPs shall be in accordance with the Policy of the Company which is applicable to the employees. The Committee may consider the remuneration of a Senior Management Personnel keeping in view of the performance of the Business/ Function under his control and also the contribution of the Business/ Function under his control towards the overall performance of the Company.

III. Evaluation of performance of directors

A) Evaluation of the performance of Managing Director / Whole Time Director

The performance of the Managing Director / Whole Time Director of the Company may be carried out taking into consideration the performance of the Company vis-à-vis the budgets as well as performance of its competitors. Emphasis on achieving top line and bottom line targets, with no adverse qualification by the auditors in the accounts, may be made.

B) Evaluation of the performance of Non-Executive Directors and Independent Directors (NEDs and IDs)

The Committee while evaluating the performance of the NEDs and IDs may take into consideration various factors as mentioned below:

a) Attendance at Meetings - attendance at Board Meetings, AGMs, Committee meetings.

b) Other Directorships held by the NED – in listed or unlisted companies

c) Other companies in which NED is a Chairperson

d) Participation at Board/Committee meetings

e) Input in strategy decisions

f) Review of Financial Statements, risks and business performance

g) Time devoted towards discussion with Management

h) Review of Minutes – Board Minutes, Committee meeting minutes and AGM Minutes

Marks may be assigned for each of the above criteria and based on the score achieved, the Committee may evaluate the performance of each non-executive director and independent director.

This policy be and is hereby adopted on this day of August 8, 2014 by the Nomination and Remuneration Committee of the Board of Directors of STEL Holdings Limited.

Further provided that, any amendment to any of the clauses in the aforesaid policy shall be subject to the prior approval of the Committee and such amendment shall be informed to the Board of Directors of the Company.

For and on behalf of the board of directors

Mr.Anant Vardhan Goenka	**Mr.Sunil Bhandari**
(DIN : 02089850)	(DIN: 00052161)
Director	Director

August 03,2018
Kochi

ANNEXURE-F TO THE DIRECTOR'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

[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, SVJS & 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 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 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, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. However, there is no new Foreign Direct Investment during the period under review. Moreover, there are no Overseas Direct Investments 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 regarding the Companies Act and dealing with client;

   (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

(i) Secretarial Standards relating to Board (SS 1) and General Meetings (SS 2) issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below:

We report that:

The Board of directors of the Company is duly constituted. All the directors of the Company are Non-Executive Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board were unanimous and the same was captured and recorded as part of the minutes.

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

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 our letter of even date which is annexed as 'Annexure A' and forms an integral part of this Report.

For **SVJS & Associates**
Company Secretaries

P sivakumar
Managing Partner
FCS: 3050
CP No: 2210,

Kochi
03.08.2018

ANNEXURE A

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. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. 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 records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc., wherever required.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
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 2018 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.

Kochi
03.08.2018

For SVJS & Associates
Company Secretaries

p sivakumar
Managing Partner
FCS: 3050
CP No: 2210

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. Anant Goenka	0.7
		Mr. Sunil Bhandari	0.12
		Mr. Umang Kanoria	0.09
		Mr. H.C. Dalal	0.12
		Mr. Prem Kapil	0.12
		Ms. Surbhi Singhi	0.08
		Mr. Kaushik Roy	0.066666667
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. Anant Goenka	None of the Directors have received remuneration apart from sitting fees for attending the meetings of the Board and Audit Committee, where they are members. There has been no increase in the amount of sitting fee paid per meeting for attending the meetings during the year under review as compared to the financial year 2016-17
		Mr. Sunil Bhandari	
		Mr. Umang Kanoria	
		Mr. H.C. Dalal	
		Mr. Prem Kapil	
		Ms. Surbhi Singhi	
		Mr. Kaushik Roy	
		Mr.Abraham Ittyipe, Manager	There has been no increase in the remuneration of Manager during the year under review as compared to the financial year 2016-17
		Mr. Sivarama Krishnan, CFO	There has been no increase in the remueration of CFO during the year under review as compared to the financial year 2016-17
		Ms.Lakshmi P.S, Company Secretary	Ms.Lakshmi P.S,Company Secretary was appointed on February 14,2017. No relevant comparables with financial year 2016-17.
3	The percentage Increase/ Decrease in the median remuneration of employees	No increase in remuneration	
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.	Remuneration paid during the year ended March 31, 2018 is as per the Remuneration policy of the Company	

ANNEXURE H TO THE DIRECTOR'S REPORT

Information under Section 134, Section 197(12) of the Companies Act,2013 read with the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014

Name	Age	Designation	Qualification and Experience	Gross remuneration for the F.YR 2017-18	Date of Employment	Last employment
Mr.AbrahamIttyipe	52	Manager	Mr. Abraham Itty is an engineer by profession and has an experience in IT and admini-stration for more than 15 years	1,20,000	30.05.2014	-
Mr. Sivaram Neelakantan Krishnan	70	Chief Financial Officer	Mr. Sivaram Neelakantan Krishnan is an chartered accountant having more than 20 years experience in accounts and finance	2,40,000	11.08.2014	-
Ms.Lakshmi P.S.	25	Company Secretary	Ms. Lakshmi P.S is an Associate Member of the Institute of Company Secretaries having Experience of 2 years in secretarial and legal matters.	4,26,000	14.02.2017	Indel Corporation Pvt Ltd

Note:

1. The remuneration includes salary,allowances and value of perquisites
2. None of the above personnel hold shares in the Company except Mr.Abraham Ittyipe who holds 101 shares.
3. None of the above mentioned personnel are related to any directors of the Company or to each other.

For and on behalf of the board of directors

Mr. Anant Vardhan Goenka
(DIN : 02089850)
Director

Mr. Sunil Bhandari
(DIN: 00052161)
Director

03.08.2018
Kochi

DECLARATION – CODE OF CONDUCT

I, Abraham Ittyipe, Manager, STEL Holdings Limited declare that all the members of the Board of Directors and Senior Management Personnel have, for the year ended March 31, 2018 affirmed compliance with the Code of Conduct of Board of Directors and Senior Management in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For STEL Holdings Limited

Abraham Ittyipe
Manager

03.08.2018
Kochi

INDEPENDENT AUDITORS' REPORT

To the Members of

STEL Holdings Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of STEL Holdings Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under Sec. 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 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, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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. 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.

For **J. Krishnan & Associates**
Chartered Accountants
Firm Reg. No. 001523S

Nishanth Sebastian Jose
Partner
Membership Number: 218068
Cochin, May 21, 2018

ANNEXURE A TO THE INDEPNDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF STEL HOLDINGS LIMITED

i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

c. As per the information and explanations provided to us, the records examined by us and base on the conveyance deeds provided to us, we report that the title deeds, comprising of the freehold immovable property of the Company are held in the name of the Company as at the balance sheet date.

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. 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 section 189 of the Act. Consequently, the provisions of clauses 3(iii)(a) to 3(iii)(c) of the Order are not applicable to 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.

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, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. 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, 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. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

ix. Based on our audit procedures and on the information given by the management, we report that the Company has not raised any moneys by way of initial or further public offer or any term loans during the year.

x. According to the information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported during the year.

xi. The managerial remuneration paid is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of Act.

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. All transactions with related parties are in compliance with section 177 and 188 of Act and the details have been suitably disclosed in the Financial Statements as required by the accounting standards.

xiv. Based on the audit procedures performed and the information and explanations given to us by the management, 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.

xv. Based on the audit procedures performed and the information and explanation given to us, we report that the non-cash transactions entered by the Company with its directors/director of the company or its holding, subsidiary or associate company / a person connected with the Director are in compliance with the provisions of section 192 of the Act.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **J. Krishnan & Associates**
Chartered Accountants
Firm Reg. No. 001523S
Nishanth Sebastian Jose
Partner
Membership Number: 218068
Cochin, May 21, 2018

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, 2018 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, 2018 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 **J. Krishnan & Associates**
Chartered Accountants
Firm Reg. No. 001523S

Nishanth Sebastian Jose
Partner
Membership Number: 218068
Cochin, May 21, 2018

BALANCE SHEET AS AT MARCH 31, 2018

(In ₹)

	Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I.	**Assets**				
1	**Non-current assets**				
a.	Property, plant & equipment	3	9,713,625	10,259,600	10,877,498
b.	Financial assets				
	i. Investments	4	7,275,193,502	5,810,243,886	3,952,861,192
c.	Other non-current assets				
	i. Income tax assets (net)	5	-	317,274	317,274
2	**Current assets**				
a.	Financial assets				
	i. Cash and cash equivalents	6	143,731,309	95,040,142	92,348,132
	ii. Loans	7	62,302,103	65,987,916	41,016,202
	iii. Other financial assets	8	45,726,533	45,726,533	45,726,533
	TOTAL		**7,536,667,072**	**6,027,575,351**	**4,143,146,831**
II.	**Equity & liabilities**				
1	**Equity**				
a.	Equity share capital	9	184,554,050	184,554,050	184,554,050
b.	Other equity	10	7,351,580,008	5,829,059,098	3,958,087,804
2	**Liabilities**				
	Current liabilities				
a.	Financial liabilities				
	i. Trade payables	12	18,227	374,778	110,117
b.	Other current liabilities	13	220,195	171,059	198,974
c.	Provisions	14	294,592	13,416,366	195,886
	TOTAL		**7,536,667,072**	**6,027,575,351**	**4,143,146,831**
	Significant accounting policies	2			

As per our report of even date attached
For J. Krishnan & Associates
Chartered Accountants
(Firm Regn. No. 001523S)

Nishanth Sebastian Jose
Partner
Membership No. 218068

Cochin
May 21, 2018

For and on behalf of the Board of Directors of
STEL Holdings Limited

Sunil Bhandari
Director
DIN : 00052161

H.C Dalal
Director
DIN: 00206232

Lakshmi P.S.
Company Secretary

Sivarama Krishnan
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(In ₹)

Particulars	Note	For year ended March 31, 2018	For year ended March 31, 2017
Income			
Revenue from operations		-	-
Other income	15	**69,204,503**	38,947,760
Total income (I)		**69,204,503**	**38,947,760**
Expenses			
Employee benefit expenses	16	**786,000**	581,658
Depreciation and amortisation expenses	17	**545,975**	617,898
Other expenses	18	**4,172,680**	4,581,403
Provisions & contingencies	19	**4,325,000**	5,610,756
Total expenses (II)		**9,829,655**	**11,391,715**
Profit before tax (I - II)		**59,374,848**	27,556,045
Tax expense			
Current income tax	20	**1,710,986**	13,967,445
Income tax relating to previous years		**92,568**	-
Deferred tax		-	-
		1,803,554	**13,967,445**
Profit for the year (A)		**57,571,294**	**13,588,600**
Other comprehensive income			
i. Items that will not be reclassified to Profit or Loss			
- Equity instruments through other comprehensive income		**1,464,949,616**	1,857,382,694
Total other comprehensive income for the period (B)		**1,464,949,616**	**1,857,382,694**
Total comprehensive income (A + B)		**1,522,520,910**	**1,870,971,294**
Earnings per equity shares of nominal value of Rs. 10/- each	11		
Basic		**3.12**	0.74
Diluted		**3.12**	0.74
Significant accounting policies	2		

As per our report of even date attached
For J. Krishnan & Associates
Chartered Accountants
(Firm Regn. No. 001523S)

For and on behalf of the Board of Directors of
STEL Holdings Limited

Nishanth Sebastian Jose
Partner
Membership No. 218068

Sunil Bhandari
Director
DIN : 00052161

H.C Dalal
Director
DIN: 00206232

Lakshmi P.S.
Company Secretary

Sivarama Krishnan
Chief Financial Officer

Cochin
May 21, 2018

Statement of cash flow for the year ended March 31, 2018

(In ₹)

Particulars	For year ended March 31, 2018	For year ended March 31, 2017
A Cash flow from operating activities		
Net profit before tax	**59,374,848**	27,556,045
Adjustments for :		
Depreciation and amortisation	**545,975**	617,898
Interest income	**(6,517,646)**	(5,385,628)
Dividend income	**(62,686,857)**	**(33,562,132)**
Operating profit before working capital changes	**(9,283,680)**	**(10,773,817)**
(Increase) / decrease in trade and other receivables	**2,905,142**	(30,679,879)
Increase / (decrease) in trade payables	**502,473**	13,485,141
Increase / (decrease) in other current liabilities	**49,136**	(27,915)
Cash from operations	**(5,826,929)**	**(27,996,470)**
Income tax paid	**(14,073,366)**	(206,380)
Cash from operating before exceptional Items	**(19,900,295)**	**(28,202,850)**
Exceptional Items	**-**	-
Cash from operating activities	**(19,900,295)**	**(28,202,850)**
B Cash flow from investing activities		
Interest income	**5,904,605**	4,832,728
Dividend income	**62,686,857**	33,562,132
Investment acquired	**-**	(47,500,000)
Proceeds of redemption of investments	**-**	47,500,000
Net cash from investing activities	**68,591,462**	**38,394,860**
C Cash flow from financing activities		
Intercorporate deposit given	**-**	(7,500,000)
Net cash from financing activities	**-**	**(7,500,000)**
D Total increase (decrease) in cash and cash equivalents during the year (A+B+C)	**48,691,167**	2,692,010
Cash and cash equivalents at the beginning of the year	**95,040,142**	92,348,132
Cash and cash equivalents at the end of the year	**143,731,309**	**95,040,142**
Components of cash and cash equivalents		
Balances with banks in current accounts	**38,245,222**	27,496,950
In deposit accounts	**105,486,087**	67,543,192
Total cash and cash equivalents	**143,731,309**	**95,040,142**

Notes:

a. The above cash flow statement has been prepared under the Indirect Method as set out in Ind AS 7 - Cash Flow Statement notified pursuant to Sec. 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

b. 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 J. Krishnan & Associates
Chartered Accountants
(Firm Regn. No. 001523S)

Nishanth Sebastian Jose
Partner
Membership No. 218068

Cochin
May 21, 2018

For and on behalf of the Board of Directors of
STEL Holdings Limited

Sunil Bhandari
Director
DIN : 00052161

H.C Dalal
Director
DIN: 00206232

Lakshmi P.S.
Company Secretary

Sivarama Krishnan
Chief Financial Officer

Statement of changes in equity for the year ended March 31, 2018

A. Equity share capital		(In ₹)
As at April 1, 2016	184,554,050	
Changes in equity share capital	-	
As at March 31, 2017	184,554,050	
Changes in equity share capital	-	
As at March 31, 2018	**184,554,050**	

B. Other equity

Particulars	Reserves & surplus				Other comprehensive income	
	Capital reserve	General reserve	Securities premium	Retained earnings	Equity instruments	Total
As at April 1, 2016	500,000	4,300,000	887,379,926	93,232,762	-	985,412,688
Total comprehensive income	-	-	-	-	2,972,675,116	2,972,675,116
Balance after adjustment on transition to Ind AS	500,000	4,300,000	887,379,926	93,232,762	2,972,675,116	3,958,087,804
Total comprehensive income	-	-	-	13,588,600	1,857,382,694	1,870,971,294
As at March 31, 2017	500,000	4,300,000	887,379,926	106,821,362	4,830,057,810	5,829,059,098
Total comprehensive income	-	-	-	57,571,294	1,464,949,616	1,522,520,910
As as March 31, 2018	**500,000**	**4,300,000**	**887,379,926**	**164,392,656**	**6,295,007,426**	**7,351,580,008**

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Notes to Financial Statements for the year ended March 31, 2018

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 Bombay Stock Exchange. The Company is the business of investments. The Company is in the process of applying to the Reserve Bank of India for registration as a Core Investment Company.

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 Company's financial statements up to and for the year ended March 31, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act. As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in the Notes. The transition date is April 1, 2016.

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 products and the time between acquisition of assets for processing 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.

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 1 April 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 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.

vi. 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.

vii. 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.

viii. 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)

ix. 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.

x. 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.

xi. 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 profit and loss account. 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.

xii. 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.

xiii. 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.

xiv. 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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3 Property, plant & equipment

Particulars	Building	Plant & Equipment	Furniture and fittings	Computers & accesso-ries	Total
Year ended March 31, 2017					
Gross carrying amount					
Deemed cost as at April 1, 2016	10,649,602	20,169	146,638	61,089	10,877,498
Additions / disposals	-	-	-	-	-
Closing gross carrying amount	**10,649,602**	**20,169**	**146,638**	**61,089**	**10,877,498**
Accumulated depreciation					
Depreciation charge during the year	532,480	-	41,059	44,359	617,898
Additions/ disposals	-	-	-	-	-
Closing accumulated depreciation	**532,480**	**-**	**41,059**	**44,359**	**617,898**
Net carrying amount	**10,117,122**	**20,169**	**105,579**	**16,730**	**10,259,600**
Year ended March 31, 2018					
Gross carrying amount					
Opening gross carrying amont	10,649,602	20,169	146,638	61,089	10,877,498
Additions / disposals	-	-	-	-	-
Closing gross carrying amount	**10,649,602**	**20,169**	**146,638**	**61,089**	**10,877,498**
Accumulated depreciation					
Opening accumulated depreciation	532,480	-	41,059	44,359	617,898
Depreciation charge during the year	505,856	-	29,562	10,557	545,975
Additions / disposals	-	-	-	-	-
Closing accumulated depreciation	**1,038,336**	**-**	**70,621**	**54,916**	**1,163,873**
Net carrying amount	**9,611,266**	**20,169**	**76,017**	**6,173**	**9,713,625**

1. 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.

2. 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.

4 Non current investments

Description	Face Value (Rs/-)	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Holdings (Nos)	Amount (Rs.)	Holdings (Nos)	Amount (Rs.)	Holdings (Nos)	Amount (Rs.)
Long term investments, not held for trading							
Quoted equity shares, fully paid-up							
Ceat Ltd.	10	1,372,835	2,061,998,170	1,372,835	1,817,633,540	1,372,835	1,488,153,140
Phillips Carbon Black Ltd.	10	90,383	98,246,321	90,383	29,826,390	90,383	8,586,385
KEC International Ltd.	2	4,685,880	1,827,493,200	4,685,880	974,663,040	4,685,880	571,677,360
CESC Ltd.	10	2,493,470	2,413,678,960	2,493,470	2,097,008,270	2,493,470	1,179,411,310
CFL Capital Financial Services Limited	10	67,681,206	-	67,681,206	-	67,681,206	-
RPG Life Sciences Ltd.	8	502,550	192,476,650	502,550	226,147,500	502,550	111,566,100
Summit Securities Ltd.	10	69,815	54,665,145	69,815	38,398,250	69,815	20,176,535

Description	Face Value (Rs/-)	As at March 31, 2018 Holdings (Nos)	Amount (Rs.)	As at March 31, 2017 Holdings (Nos)	Amount (Rs.)	As at April 1, 2016 Holdings (Nos)	Amount (Rs.)
SAREGAMA (India) Ltd.	10	160	105,280	160	37,120	160	43,200
			6,648,663,726		**5,183,714,110**		**3,379,614,030**
Unquoted equity shares, fully paid-up in subsidiaries							
Doon Dooars Plantations Ltd.	10	170,000	863,000	170,000	863,000	170,000	863,000
			863,000		**863,000**		**863,000**
Unquoted equity shares, fully paid-up							
Spencer & Company Ltd.	9	1,057,135	84,528,515	1,057,135	84,528,515	1,057,135	82,464,987
Cochin International Airport Limited	10	625	21,063	625	21,063	625	19,813
Rainbow Investments Ltd.	10	271	32,943	271	32,943	271	31,777
Noida Power Company Ltd	10	3,000,000	384,660,000	3,000,000	384,660,000	3,000,000	345,000,000
Subhrashi Vinimay Private Ltd.	10	9,008,000	78,729,920	9,008,000	78,729,920	9,008,000	101,340,000
			547,972,441		**547,972,441**		**528,856,577**
1% Redeemable cumulative preference shares, fully paid-up							
Easy Fincorp Ltd.	100	475,000	47,500,000	475,000	47,500,000	475,000	13,333,250
			47,500,000		**47,500,000**		**13,333,250**
Zero percent interest fully convertible debentures, fully paid-up							
Kutub Properties Private Ltd.	100	293,500	29,423,375	293,500	29,423,375	293,500	29,423,375
			29,423,375		**29,423,375**		**29,423,375**
Equity shares in Srilankan companies, fully paid-up (face value - LKR)							
Creasy Plantations Management Ltd.	10	60,000	385,480	60,000	385,480	60,000	385,480
Lankem Plantations Services Ltd.	10	60,000	385,480	60,000	385,480	60,000	385,480
			770,960		**770,960**		**770,960**
Total of investments			**7,275,193,502**		**5,810,243,886**		**3,952,861,192**
Notes:							
Cost of investments			1,141,697,471		1,141,697,471		1,107,530,721

5 Tax assets

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income tax refund receivable	-	317,274	317,274
	-	**317,274**	**317,274**

6 Cash and cash equivalents

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with banks			
- In current accounts	38,245,222	27,496,950	21,464,777
- In deposit accounts	105,486,087	67,543,192	70,883,355
	143,731,309	**95,040,142**	**92,348,132**

7 Short term loans

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good			
Intercorporate deposits to Fairluck Commercial Company Ltd.	7,500,000	7,500,000	-
Loans and advances	53,192,163	57,491,017	40,572,203
Interest accrued on deposits	1,609,940	996,899	443,999
Unsecured considered doubtful			
Loans and advances	9,935,756	5,610,756	-
	72,237,859	71,598,672	41,016,202
Less: Provision for doubtful advances	9,935,756	5,610,756	-
	62,302,103	**65,987,916**	**41,016,202**

8 Other financial assets

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good			
Receivable against sale of shares	8,281,533	8,281,533	8,281,533
Receivable against redemption of debtentures	37,445,000	37,445,000	37,445,000
	45,726,533	**45,726,533**	**45,726,533**

9 Equity share capital

(In ₹)

Particulars	No. of shares	Amount
Authorised equity share capital		
As at April 1, 2016	18,500,000	185,000,000
Increase during the year	-	-
As at March 31, 2017	18,500,000	185,000,000
Increase during the year	-	-
As at March 31, 2018	18,500,000	185,000,000
Issued, subscribed & paid up equity share capital		
As at April 1, 2016	18,455,405	184,554,050
Increase during the year	-	-
As at March 31, 2017	18,455,405	184,554,050
Increase during the year	-	-
As at March 31, 2018	18,455,405	184,554,050

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 Company declares and pays dividends in Indian Rupees. 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 do not propose any dividend during the currrent 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.

4 During the year there was no change in the number of shares outstanding at the beginning and at the end of the year.

5 The following shareholders hold more than 5% of the share capital of the Company:

Name	April 1, 2016	
	No. of shares	% of holding
Rainbow Investments Ltd.	4,471,438	24.23%
Instant Holdings Ltd.	1,605,200	8.70%
Carniwal Investments Ltd.	1,363,580	7.39%
	7,440,218	**40.32%**

Name	March 31, 2018		March 31, 2017	
	No. of shares	% of holding	No. of shares	% of holding
Rainbow Investments Ltd.	4,471,438	24.23%	4,471,438	24.23%
Instant Holdings Ltd.	1,605,200	8.70%	1,605,200	8.70%
Carniwal Investments Ltd.	1,363,580	7.39%	1,363,580	7.39%
	7,440,218	**40.32%**	**7,440,218**	**40.32%**

10 Other equity

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Reserve & surplus			
Capital reserve			
At the beginning of the year	500,000	500,000	500,000
Additions during the year	-	-	-
At the end of the year	500,000	500,000	500,000
General reserve			
At the beginning of the year	4,300,000	4,300,000	4,300,000
Additions during the year	-	-	-
At the end of the year	4,300,000	4,300,000	4,300,000
Securities premium			
At the beginning of the year	887,379,926	887,379,926	887,379,926
Additions during the year	-	-	-
At the end of the year	887,379,926	887,379,926	887,379,926

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Retained earnings			
At the beginning of the year	106,821,362	93,232,762	133,450,294
Additions during the year	57,571,294	13,588,600	(40,217,532)
Balance carried forward	**164,392,656**	**106,821,362**	**93,232,762**
Other comprehensive income			
Equity instruments through other comprehensive income			
At the beginning of the year	4,830,057,810	2,972,675,116	-
Additions during the year	1,464,949,616	1,857,382,694	2,972,675,116
At the end of the year	6,295,007,426	4,830,057,810	2,972,675,116
	7,351,580,008	**5,829,059,098**	**3,958,087,804**

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.

11 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:

i. **Earnings attributable to equity shareholders (basic and diluted)** (In ₹)

Particulars	For year ended March 31, 2018	For year ended March 31, 2017
Profit for the year, attributable to the equity holders	57,571,294	13,588,600
	57,571,294	**13,588,600**

ii. **Weighted average number of equity shares (basic and diluted)**

Particulars	For year ended March 31, 2018	For year ended March 31, 2017
Opening balance	18,455,405	18,455,405
Effect of fresh issue of shares for cash	-	-
Weighted average number of equity shares for the year	18,455,405	18,455,405
Earning Per Share (EPS)	**3.12**	**0.74**

12 Trade payables

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Payable to micro and small enterprises	-	-	-
Other payables	18,227	374,778	110,117
	18,227	**374,778**	**110,117**

Note:

Under the Micro, Small and Medium Enterprises Development Act, 2006, ('MSMED Act') which came into force from October 2, 2006, certain disclosures are required to be made relating to micro, small and medium enterprises. On the basis of information and records available with the management, there are no outstandings due to micro and small enterprises as defined in the MSMED Act.

13 Other current liabilities

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Accrued expenses	201,500	157,500	156,750
Statutory dues payable	18,695	13,559	42,224
	220,195	**171,059**	**198,974**

14 Provisions

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current provisions			
Provision for tax (net of prepaid taxes)	294,592	13,416,366	195,886
	294,592	**13,416,366**	**195,886**

15 Other income

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Dividend income on long term investments	62,686,857	33,562,132
Provision for tax (net of prepaid taxes)	6,517,646	5,385,628
	69,204,503	**38,947,760**

16 Employee benfit expenses

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Salaries, wages & allowances	786,000	581,658
	786,000	**581,658**

17 Depreciation and ammortisation expenses

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Depreciation on property, plant and equipment	545,975	617,898
	545,975	**617,898**

18 Other expenses

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Professional & consultancy charges	1,554,231	1,545,431
Payments to auditors (Refer note below)	212,400	224,250
Directors' sitting fee	158,000	138,000
Travelling & conveyance	153,186	155,503
Communication expenses	123,893	390,796
Repairs & maintenance for building	1,373,100	1,699,373
Printing & stationery	227,384	206,917
Rates & taxes	47,160	32,783
Advertisement expenses	221,506	111,532
Miscellaneous expenses	101,820	76,818
	4,172,680	**4,581,403**
Note: Payments to auditors		
In capacity of auditor		
Statutory audit	177,000	172,500
Limited review	35,400	34,050
Tax audit	-	11,800
In other capacity		
Taxation services	-	5,900
	212,400	**224,250**

19 Provisions & contingencies

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for doubtful advances	4,325,000	5,610,756
	4,325,000	**5,610,756**

20 Tax expense

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Current income tax	1,710,986	13,967,445
Tax adjustments for previous year	92,568	-
Deferred tax (Refer note below)	-	-
	1,803,554	**13,967,445**

Note : Deferred tax asset on account of unabsorbed tax losses is not recognized during the year since there is no probable certainty of taxable profits in the foreseeable future which would offset the asset as the Company has mainly one source of income being dividend which is exempt under Income Tax Act, 1961.

21 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'.

22 Explanation of transition to Ind AS

As stated in Note 2(i), these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended March 31, 2017, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 2 have been applied in preparing these financial statements for the year ended March 31, 2018 including the comparative information for the year ended March 31, 2017 and the opening Ind AS balance sheet on the date of transition i.e. April 1, 2016.

In preparing its Ind AS balance sheet as at April 1, 2016 and in presenting the comparative information for the year ended March 31, 2017, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A. Optional exemptions availed

1. Property plant and equipment

As per Ind AS 101 an entity may elect to:

i. measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date

ii. use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:

a. fair value;

b. or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

iii. use carrying values of property, plant and equipment, and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101).

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items. property, plant and equipment.

B. Mandatory exceptions

1. Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL and / or FVOCI

- Impairment of financial assets based on the expected credit loss model

- Determination of the discounted value of financial instruments carried at amortised cost.

2. **Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.

Reconciliation of equity **(In ₹)**

		Particulars	As at April 1, 2016		
			Previous GAAP	Adjustments	Ind AS
I.		**Assets**			
	1	**Non-current assets**			
	a.	Property, plant & equipment	10,877,498	-	10,877,498
	b.	Financial Assets			
		i. Investments	980,186,076	2,972,675,116	3,952,861,192
	c.	Other non-current assets			
		i. Tax assets	317,274	-	317,274
	2	**Current assets**			
	a.	Financial Assets			

Reconciliation of equity (In ₹)

	Particulars	As at April 1, 2016		
		Previous GAAP	Adjustments	Ind AS
	i. Cash and cash equivalents	92,348,132	-	92,348,132
	ii. Loans	41,016,202	-	41,016,202
	iii. Other financial assets	45,726,533	-	45,726,533
	TOTAL	**1,170,471,715**	**2,972,675,116**	**4,143,146,831**
II.	**Equity & liabilities**			
1	**Equity**			
a.	Equity share capital	184,554,050	-	184,554,050
b.	Other equity	985,412,688	2,972,675,116	3,958,087,804
2	**Liabilities**			
	Current liabilities			
a.	Financial Liabilities			
	i. Trade payables	110,117	-	110,117
b.	Other current liabilities	198,974	-	198,974
c.	Provisions	195,886	-	195,886
	TOTAL	**1,170,471,715**	**2,972,675,116**	**4,143,146,831**

(In ₹)

Particulars		As at March 31, 2017		
		Previous GAAP	Adjustments	Ind AS
I.	**Assets**			
1	**Non-current assets**			
a.	Property, plant & equipment	10,259,600	-	10,259,600
b.	Financial Assets			
	i. Investments	1,014,352,826	4,795,891,060	5,810,243,886
c.	Other non-current assets			
	i. Tax assets	317,274	-	317,274
2	**Current assets**			
a.	Financial Assets			
	i. Cash and cash equivalents	95,040,142	-	95,040,142
	ii. Loans	65,987,916	-	65,987,916
	iii. Other financial assets	45,726,533	-	45,726,533
	TOTAL	**1,231,684,291**	**4,795,891,060**	**6,027,575,351**
II.	**Equity & Liabilities**			
1	**Equity**			
a.	Equity share capital	184,554,050	-	184,554,050

(In ₹)

Particulars			As at March 31, 2017		
			Previous GAAP	Adjustments	Ind AS
	b.	Other equity	1,033,168,038	4,795,891,060	5,829,059,098
	2	**Liabilities**			
		Current liabilities			
	a.	Financial Liabilities			
		i. Trade payables	374,778	-	374,778
	b.	Other current liabilities	171,059	-	171,059
	c.	Provisions	13,416,366	-	13,416,366
		TOTAL	**1,231,684,291**	**4,795,891,060**	**6,027,575,351**

* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of the note.

Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars		For the year March 31, 2017		
		Previous GAAP	Adjustments	Ind AS
I	**Income**			
	Revenue from operations	-	-	-
	Other income	73,114,510	-34,166,750	38,947,760
	Total income	**73,114,510**	**-34,166,750**	**38,947,760**
II	**Expenses**			
	Employee benefit expenses	581,658	-	581,658
	Depreciation and amortisation expenses	617,898	-	617,898
	Other expenses	4,581,403	-	4,581,403
	Provisions	5,610,756	-	5,610,756
	Total expenses	**11,391,715**	**-**	**11,391,715**
III	**Profit before tax (I-II)**	61,722,795	-34,166,750	27,556,045
IV	**Tax expense**			
	Current income tax	13,967,445	-	13,967,445
	Tax adjustments for previous year	-	-	-
	Deferred tax	-	-	-
		13,967,445	**-**	**13,967,445**
V	**Profit for the period (III - IV)**	**47,755,350**	**-34,166,750**	**13,588,600**
VI	**Other comprehensive income**	-	1,857,382,694	1,857,382,694
VII	**Total comprehensive income for the period (V + VI)**	**47,755,350**	**1,823,215,944**	**1,870,971,294**

* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of the note.

3. Fair valuation of investments

In accordance with Ind AS, financial assets representing investment in equity shares have been fair valued. The Company has designated these investments at fair value through other comprehensive income as permitted by Ind AS 109. Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost. The impact arising from the changes summarized as follows:

Particulars	March 31, 2017
Statement of profit and loss	
Reclassification of gain on disposal of investment to Other Comprehensive Income ('OCI')	(34,166,750)
OCI:	
Financial asset at fair value through OCI – gain on disposal of investment reclassified from statement of profit & loss	34,166,750
Financial asset at fair value through OCI – net change in fair value	1,857,382,694
Adjustment before income tax	1,857,382,694

Particulars	March 31, 2016	March 31, 2017
Balance sheet		
Investments - financial assets at FVOCI	2,972,675,116	4,830,057,810
Related tax impact	-	-
Adjustment to retained earnings	2,972,675,116	4,830,057,810

4. Fair valuation of investments

Deferred tax has been considered on Ind AS transition adjustments.

5. Other comprehensive income

Under Ind AS, all items of income and expense recognized in a period should be included in profit and loss account, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss but are shown in the statement of profit or loss as "other comprehensive income" includes re-valuation of investments.

23. Financial instruments

As at April 1, 2016

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	3,379,614,030	-	-	3,379,614,030	3,379,614,030	-	-	3,379,614,030
Unquoted equity shares in subsidiary	-	863,000	-	863,000	-	-	863,000	863,000
Unquoted equity shares	529,627,537	-	-	529,627,537	-	-	529,627,537	529,627,537

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
Preference shares	-	13,333,250	-	13,333,250	-	-	13,333,250	13,333,250
Debentures	-	29,423,375	-	29,423,375	-	-	29,423,375	29,423,375
	3,909,241,567	43,619,625	-	3,952,861,192	3,379,614,030	-	573,247,162	3,952,861,192
Financial assets not measured at fair value								
Cash and cash equivalents	-	92,348,132	-	92,348,132	-	-	92,348,132	92,348,132
Loans	-	41,016,202	-	41,016,202	-	-	41,016,202	41,016,202
Other financial assets	-	45,726,533	-	45,726,533	-	-	45,726,533	45,726,533
	-	179,090,867	-	179,090,867	-	-	179,090,867	179,090,867
Financial liabilities not measured at fair value								
Trade payables	-	-	110,117	110,117	-	-	110,117	110,117
	-	-	110,117	110,117	-	-	110,117	110,117

As at March 31, 2017

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	5,183,714,110	-	-	5,183,714,110	5,183,714,110	-	-	5,183,714,110
Unquoted equity shares in subsidiary	-	863,000	-	863,000	-	-	863,000	863,000
Unquoted equity shares	548,743,401	-	-	548,743,401	-	-	548,743,401	548,743,401
Preference shares	-	47,500,000	-	47,500,000	-	-	47,500,000	47,500,000
Debentures	-	29,423,375	-	29,423,375	-	-	29,423,375	29,423,375
	5,732,457,511	77,786,375	-	5,810,243,886	5,183,714,110	-	626,529,776	5,810,243,886
Financial assets not measured at fair value								
Cash and cash equivalents	-	95,040,142	-	95,040,142	-	-	95,040,142	95,040,142
Loans	-	65,987,916	-	65,987,916	-	-	65,987,916	65,987,916
Other financial assets	-	45,726,533	-	45,726,533	-	-	45,726,533	45,726,533
	-	206,754,591	-	206,754,591	-	-	206,754,591	206,754,591
Financial Liabilities								
Trade payables	-	-	374,778	374,778	-	-	374,778	374,778
	-	-	374,778	374,778	-	-	374,778	374,778

As at March 31, 2018

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	6,648,663,726	-	-	6,648,663,726	6,648,663,726	-	-	6,648,663,726
Unquoted equity shares in subsidiary	-	863,000	-	863,000	-	-	863,000	863,000
Unquoted equity shares	548,743,401	-	-	548,743,401	-	-	548,743,401	548,743,401
Preference shares	-	47,500,000	-	47,500,000	-	-	47,500,000	47,500,000
Debentures	-	29,423,375	-	29,423,375	-	-	29,423,375	29,423,375
	7,197,407,127	77,786,375	-	7,275,193,502	6,648,663,726	-	626,529,776	7,275,193,502
Financial assets not measured at fair value								
Cash and cash equivalents	-	143,731,309	-	143,731,309	-	-	143,731,309	143,731,309
Loans	-	62,302,103	-	62,302,103	-	-	62,302,103	62,302,103
Other financial assets	-	45,726,533	-	45,726,533	-	-	45,726,533	45,726,533
	-	251,759,945	-	251,759,945	-	-	251,759,945	251,759,945
Financial Liabilities								
Trade payables	-	-	18,227	18,227	-	-	18,227	18,227
	-	-	18,227	18,227	-	-	18,227	18,227

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:

a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

b) 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

24 Disclosure as per Ind AS 24 – Related party disclosures

i. Name of related parties

Enterprise under common control	Harrisons Malayalam Ltd. ('HML')
Subsidiary	Doon Dooars Plantations Ltd. ('DDPL')
Key managerial personnel	Abraham Itty Ipe, Manager
	Sivarama Neelakantan Krishnan, CFO
	Lakshmi P S, Company Secretary (from February 14, 2017)
	Jose George, Company Secretary (from December 4, 2015 to April 7, 2016)
	Sripriya Shenoy, Company Secretary (from April 7, 2016 to August 31, 2016)
	Anant Goenka, Director
	Umang Kanoria, Director
	Sunil Bhandari, Director
	H. C. Dalal, Director
	Prem Kapil, Director
	Kaushik Roy, Director
	Surbhi Singhi, Director

ii. Transactions with related parties

Particulars	March 31, 2018	March 31, 2017
Remuneration to key managerial persons		
- Abraham Itty Ipe	120,000	120,000
- Sivarama Neelakantan Krishnan, Chief Financial Officer	240,000	240,000
- Jose George, Company Secretary	-	20,632
- Lakshmi P S, Company Secretary	426,000	76,726
- Sripriya Shenoy, Company Secretary	-	124,300
Sitting fees of Directors		
- Anant Goenka	16,000	9,000
- Umang Kanoria	22,000	27,000
- Sunil Bhandari	28,000	21,000
- H. C. Dalal	28,000	27,000
- Prem Kapil	28,000	27,000
- Kaushik Roy	16,000	12,000
- Surbhi Singhi	20,000	15,000
Balance Due from / (to) as at the year end		
- HML	-41,221	-120,989
- DDPL	252,217	221,477

25 Note 25: Other dislosures

Particulars	As at March 31, 2018	As at March 31, 2017
Remuneration to key managerial persons		
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

As per our report of even date attached
For J. Krishnan & Associates
Chartered Accountants
(Firm Regn. No. 001523S)

Nishanth Sebastian Jose
Partner
Membership No. 218068

Cochin
May 21, 2018

For and on behalf of the Board of Directors of
STEL Holdings Limited

Sunil Bhandari
Director
DIN : 00052161

H.C Dalal
Director
DIN: 00206232

Lakshmi P.S.
Company Secretary

Sivarama Krishnan
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of

STEL Holdings Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of STEL Holdings Limited ('the Company') and its subsidiary, Doon Dooars Plantations Ltd. (the Company and its subsidiary together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity, the Consolidated statement of Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, consolidated financial performance including other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The respective boards of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Group and for preventing and detecting the 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 internal financial control, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company as aforesaid.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2018, and its consolidated profit including consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Emphasis of matter

We draw attention to Note No. 2(ii) on 'Basis of consolidation' and Note No. 24(iii) to the consolidated financial statements, in which the Company, in accordance with Indian Accounting Standard ('Ind AS') 28, 'Investment in Associates', consolidates those entities in which Group has significant influence, but not control. Accordingly, the Company has not considered CFL Capital Financial Services Ltd. ('CFL') as an associate as it believes that it does not have significant influence over CFL, notwithstanding that it holds 48.81% of the share capital of CFL. Further, the Honourable High Court of Calcutta has ordered the winding up of CFL and all the assets and liabilities of CFL have been taken over by the Official Liquidator.

Our opinion is not modified in respect of this matter.

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 relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
   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 flows dealt with by this Report are in agreement with the books of account maintained for the purpose of the consolidated financial statements.
   d) In our opinion, the aforesaid consolidated 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 of the Company and its subsidiary as on March 31, 2018 taken on record by the Board of Directors, none of the directors of the Group is disqualified as on March 31, 2018 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 Group 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 Company's internal financial controls over financial reporting.
   g) 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, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Group does not have any pending litigations which would impact its financial position;
      ii. The Group 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 Group.

For **J. Krishnan & Associates**
Chartered Accountants
Firm Reg. No. 001523S

Nishanth Sebastian Jose
Partner
Membership Number: 218068
Cochin, May 21, 2018

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 Company") and its subsidiary Doon Dooars Plantations Ltd (the Company and its subsidiary together referred to as 'the Group') as of March 31, 2018 in conjunction with our audit of the Consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Group's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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. 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 Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the 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 Group'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 Group 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, 2018 based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note.

For **J. Krishnan & Associates**
Chartered Accountants
Firm Reg. No. 001523S
Nishanth Sebastian Jose
Partner
Membership Number: 218068
Cochin, May 21, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(In ₹)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I. Assets				
1 **Non-current assets**				
a. Property, plant & equipment	3	10,320,654	10,934,077	11,587,474
b. Financial assets				
i. Investments	4	7,274,330,502	5,809,380,886	3,951,998,192
c. Other non-current assets				
i. Income tax assets (net)	5	-	317,274	317,274
2 **Current assets**				
a. Financial assets				
i. Cash and cash equivalents	6	143,779,777	95,088,610	92,396,600
ii. Loans	7	62,049,886	65,766,439	40,819,701
iii. Other financial assets	8	45,726,533	45,726,533	45,726,533
TOTAL		**7,536,207,352**	**6,027,213,819**	**4,142,845,774**
II. Equity & liabilities				
1 **Equity**				
a. Equity share capital	9	184,554,050	184,554,050	184,554,050
b. Other equity	10	7,351,108,488	5,828,686,066	3,957,781,022
2 **Liabilities**				
Current liabilities				
a. Financial liabilities				
i. Trade payables	12	18,227	374,778	110,117
b. Other current liabilities	13	231,995	182,559	204,699
c. Provisions	14	294,592	13,416,366	195,886
TOTAL		**7,536,207,352**	**6,027,213,819**	**4,142,845,774**
Significant accounting policies	2			

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

As per our report of even date attached
For J. Krishnan & Associates
Chartered Accountants
(Firm Regn. No. 001523S)

Nishanth Sebastian Jose
Partner
Membership No. 218068

Cochin
May 21, 2018

For and on behalf of the Board of Directors of
STEL Holdings Limited

Sunil Bhandari
Director
DIN : 00052161

H.C Dalal
Director
DIN: 00206232

Lakshmi P.S.
Company Secretary

Sivarama Krishnan
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(In ₹)

Particulars	Note	For year ended March 31, 2018	For year ended March 31, 2017
Income			
Revenue from operations		-	-
Other income	15	69,204,503	38,947,760
Total income (I)		**69,204,503**	**38,947,760**
Expenses			
Employee benefit expenses	16	786,000	581,658
Depreciation and amortisation expenses	17	613,423	653,397
Other expenses	18	4,203,720	4,612,154
Provisions & contingencies	19	4,325,000	5,610,756
Total expenses (II)		**9,928,143**	**11,457,965**
Profit before tax (I - II)		59,276,360	27,489,795
Tax expense			
Current income tax	20	1,710,986	13,967,445
Income tax relating to previous years		92,568	-
Deferred tax		-	-
		1,803,554	13,967,445
Profit for the year (A)		**57,472,806**	**13,522,350**
Other comprehensive income			
i. Items that will not be reclassified to Profit or Loss			
- Equity instruments through other comprehensive income		1,464,949,616	1,857,382,694
Total other comprehensive income for the period (B)		**1,464,949,616**	**1,857,382,694**
Total comprehensive income (A + B)		**1,522,422,422**	**1,870,905,044**
Earnings per equity shares of nominal value of Rs. 10/- each	11		
		3.11	0.73
		3.11	0.73
Significant accounting policies	2		

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

As per our report of even date attached
For J. Krishnan & Associates
Chartered Accountants
(Firm Regn. No. 001523S)

For and on behalf of the Board of Directors of
STEL Holdings Limited

Nishanth Sebastian Jose
Partner
Membership No. 218068

Sunil Bhandari
Director
DIN : 00052161

H.C Dalal
Director
DIN: 00206232

Lakshmi P.S.
Company Secretary

Sivarama Krishnan
Chief Financial Officer

Cochin
May 21, 2018

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2018

(In ₹)

Particulars	For year ended March 31, 2018	For year ended March 31, 2017
A Cash flow from operating activities		
Net profit before tax	59,276,360	27,489,795
Adjustments for :		
Depreciation and amortisation	613,423	653,397
Interest income	(6,517,646)	(5,385,628)
Dividend income	(62,686,857)	(33,562,132)
Operating profit before working capital changes	**(9,314,720)**	**(10,804,568)**
(Increase) / decrease in trade and other receivables	2,935,882	(30,654,903)
Increase / (decrease) in trade payables	502,473	13,485,141
Increase / (decrease) in other current liabilities	49,436	(22,140)
Cash from operations	**(5,826,929)**	**(27,996,470)**
Income tax paid	(14,073,366)	(206,380)
Cash from operating before exceptional Items	**(19,900,295)**	**(28,202,850)**
Exceptional Items		-
Cash from operating activities	**(19,900,295)**	**(28,202,850)**
B Cash flow from investing activities		
Interest income	5,904,605	4,832,728
Dividend income	62,686,857	33,562,132
Investment acquired	-	(47,500,000)
Proceeds of redemption of investments	-	47,500,000
Net cash from investing activities	**68,591,462**	**38,394,860**
C Cash flow from financing activities		
Intercorporate deposit given	-	(7,500,000)
Net cash from financing activities	**-**	**(7,500,000)**
D Total increase (decrease) in cash and cash equivalents during the year (A+B+C)	48,691,167	2,692,010
Cash and cash equivalents at the beginning of the year	95,088,610	92,396,600
Cash and cash equivalents at the end of the year	**143,779,777**	**95,088,610**
Components of cash and cash equivalents		
Balances with banks in current accounts	38,293,690	27,545,418
In deposit accounts	105,486,087	67,543,192
Total cash and cash equivalents	**143,779,777**	**95,088,610**

Notes:

a. The above cash flow statement has been prepared under the Indirect Method as set out in Ind AS 7 - Cash Flow Statement notified pursuant to Sec. 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

b. 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 J. Krishnan & Associates
Chartered Accountants
(Firm Regn. No. 001523S)

For and on behalf of the Board of Directors of
STEL Holdings Limited

Nishanth Sebastian Jose
Partner
Membership No. 218068

Sunil Bhandari
Director
DIN : 00052161

H.C Dalal
Director
DIN: 00206232

Lakshmi P.S.
Company Secretary

Sivarama Krishnan
Chief Financial Officer

Cochin
May 21, 2018

Consolidated Statement of changes in equity for the year ended March 31, 2018

A. Equity share capital		(In ₹)
As at April 1, 2016	184,554,050	
Changes in equity share capital	-	
As at March 31, 2017	184,554,050	
Changes in equity share capital	-	
As at March 31, 2018	**184,554,050**	

B. Other equity

Particulars	Reserves & surplus				Other comprehensive income	
	Capital reserve	General reserve	Securities premium	Retained earnings	Equity instruments	Total
As at April 1, 2016	500,000	4,300,000	887,379,926	93,232,762	-	985,412,688
Total comprehensive income	-	-	-	-	2,972,675,116	2,972,675,116
Balance after adjustment on transition to Ind AS	500,000	4,300,000	887,379,926	93,232,762	2,972,675,116	3,958,087,804
Total comprehensive income	-	-	-	13,522,350	1,857,382,694	1,870,905,044
As at March 31, 2017	500,000	4,300,000	887,379,926	106,755,112	4,830,057,810	5,828,992,848
Total comprehensive income	-	-	-	57,472,806	1,464,949,616	1,522,422,422
As as March 31, 2018	**500,000**	**4,300,000**	**887,379,926**	**164,227,918**	**6,295,007,426**	**7,351,415,270**

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Notes to Consolidated Financial Statements for the year ended March 31, 2018

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 Bombay Stock Exchange. The Company is the business of investments. The Company is in the process of applying to the Reserve Bank of India for registration as a Core Investment Company.

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 Company's financial statements up to and for the year ended March 31, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act. As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in the Notes. The transition date is April 1, 2016.

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.

ollowing 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%

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 products and the time between acquisition of assets for processing 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. 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.

viii. 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.

ix. 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)

x. 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.

xi. 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.

xii. 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 profit and loss account. 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.

xiii. 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.

xiv. 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.

xv. 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, 2018

3 Property, plant & equipment

Particulars	Building	Plant & Equipment	Furniture and fittings	Computers & accessories	Total
Year ended March 31, 2017					
Gross carrying amount					
Deemed cost as at April 1, 2016	11,359,578	20,169	146,638	61,089	11,587,474
Additions / disposals	-	-	-	-	-
Closing gross carrying amount	**11,359,578**	**20,169**	**146,638**	**61,089**	**11,587,474**
Accumulated depreciation					
Depreciation charge during the year	567,979	-	41,059	44,359	653,397
Additions/ disposals	-	-	-	-	-
Closing accumulated depreciation	**567,979**	**-**	**41,059**	**44,359**	**653,397**
Net carrying amount	**10,791,599**	**20,169**	**105,579**	**16,730**	**10,934,077**
Year ended March 31, 2018					
Gross carrying amount					
Opening gross carrying amont	11,359,578	20,169	146,638	61,089	11,587,474
Additions / disposals	-	-	-	-	-
Closing gross carrying amount	**11,359,578**	**20,169**	**146,638**	**61,089**	**11,587,474**
Accumulated depreciation					
Opening accumulated depreciation	567,979	-	41,059	44,359	653,397
Depreciation charge during the year	573,304	-	29,562	10,557	613,423
Additions / disposals	-	-	-	-	-
Closing accumulated depreciation	**1,141,283**	**-**	**70,621**	**54,916**	**1,266,820**
Net carrying amount	**10,218,295**	**20,169**	**76,017**	**6,173**	**10,320,654**

1. 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.

2. 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.

4 Non current investments

Description	Face	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Value (Rs/-)	Holdings (Nos)	Amount (Rs.)	Holdings (Nos)	Amount (Rs.)	Holdings (Nos)	Amount (Rs.)
Long term investments, not held for trading							
Quoted equity shares, fully paid-up							
Ceat Ltd.	10	1,372,835	2,061,998,170	1,372,835	1,817,633,540	1,372,835	1,488,153,140
Phillips Carbon Black Ltd.	10	90,383	98,246,321	90,383	29,826,390	90,383	8,586,385
KEC International Ltd.	2	4,685,880	1,827,493,200	4,685,880	974,663,040	4,685,880	571,677,360
CESC Ltd.	10	2,493,470	2,413,678,960	2,493,470	2,097,008,270	2,493,470	1,179,411,310
CFL Capital Financial Services Limited	10	67,681,206	-	67,681,206	-	67,681,206	-

Description	Face Value (Rs/-)	As at March 31, 2018 Holdings (Nos)	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Holdings (Nos)	As at March 31, 2017 Amount (Rs.)	As at April 1, 2016 Holdings (Nos)	As at April 1, 2016 Amount (Rs.)
RPG Life Sciences Ltd.	8	502,550	192,476,650	502,550	226,147,500	502,550	111,566,100
Summit Securities Ltd.	10	69,815	54,665,145	69,815	38,398,250	69,815	20,176,535
SAREGAMA (India) Ltd.	10	160	105,280	160	37,120	160	43,200
			6,648,663,726		**5,183,714,110**		**3,379,614,030**
Unquoted equity shares, fully paid-up							
Spencer & Company Ltd.	9	1,057,135	84,528,515	1,057,135	84,528,515	1,057,135	82,464,987
Cochin International Airport Limited	10	625	21,063	625	21,063	625	19,813
Rainbow Investments Ltd.	10	271	32,943	271	32,943	271	31,777
Noida Power Company Ltd	10	3,000,000	384,660,000	3,000,000	384,660,000	3,000,000	345,000,000
Subhrashi Vinimay Private Ltd.	10	9,008,000	78,729,920	9,008,000	78,729,920	9,008,000	101,340,000
			547,972,441		**547,972,441**		**528,856,577**
1% Redeemable cumulative preference shares, fully paid-up							
Easy Fincorp Ltd.	100	475,000	47,500,000	475,000	47,500,000	475,000	13,333,250
			47,500,000		**47,500,000**		**13,333,250**
Zero percent interest fully convertible debentures, fully paid-up							
Kutub Properties Private Ltd.	100	293,500	29,423,375	293,500	29,423,375	293,500	29,423,375
			29,423,375		**29,423,375**		**29,423,375**
Equity shares in Srilankan companies, fully paid-up (face value - LKR)							
Creasy Plantations Management Ltd.	10	60,000	385,480	60,000	385,480	60,000	385,480
Lankem Plantations Services Ltd.	10	60,000	385,480	60,000	385,480	60,000	385,480
			770,960		**770,960**		**770,960**
Total of investments			**7,274,330,502**		**5,809,380,886**		**3,951,998,192**
Notes:							
Cost of investments			1,140,834,471		1,140,834,471		1,106,667,721

5 Tax assets

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income tax refund receivable	-	317,274	317,274
	-	**317,274**	**317,274**

6 Cash and cash equivalents

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with banks			
- In current accounts	38,293,690	27,545,418	21,513,245
- In deposit accounts	105,486,087	67,543,192	70,883,355
	143,779,777	**95,088,610**	**92,396,600**

7 Short term loans

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good			
Intercorporate deposits to Fairluck Commercial Company Ltd.	7,500,000	7,500,000	-
Loans and advances	52,939,946	57,269,540	40,375,702
Interest accrued on deposits	1,609,940	996,899	443,999
Unsecured consi dered doubtful			
Loans and advances	9,935,756	5,610,756	-
	71,985,642	71,377,195	40,819,701
Less: Provision for doubtful advances	9,935,756	5,610,756	-
	62,049,886	**65,766,439**	**40,819,701**

8 Other financial assets

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good			
Receivable against sale of shares	8,281,533	8,281,533	8,281,533
Receivable against redemption of debtentures	37,445,000	37,445,000	37,445,000
	45,726,533	**45,726,533**	**45,726,533**

9 Equity share capital

(In ₹)

Particulars	No. of shares	Amount
Authorised equity share capital		
As at April 1, 2016	18,500,000	185,000,000
Increase during the year	-	-
As at March 31, 2017	18,500,000	185,000,000
Increase during the year	-	-
As at March 31, 2018	18,500,000	185,000,000
Issued, subscribed & paid up equity share capital		
As at April 1, 2016	18,455,405	184,554,050
Increase during the year	-	-
As at March 31, 2017	18,455,405	184,554,050
Increase during the year	-	-
As at March 31, 2018	18,455,405	184,554,050

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 Company declares and pays dividends in Indian Rupees. 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 do not propose any dividend during the currrent 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.

4 During the year there was no change in the number of shares outstanding at the beginning and at the end of the year.

6 The following shareholders hold more than 5% of the share capital of the Company:

Name	April 1, 2016	
	No. of shares	% of holding
Rainbow Investments Ltd.	4,471,438	24.23%
Instant Holdings Ltd.	1,605,200	8.70%
Carniwal Investments Ltd.	1,363,580	7.39%
	7,440,218	**40.32%**

Name		March 31, 2017	
	% of holding	No. of shares	% of holding
Rainbow Investments Ltd.	24.23%	4,471,438	24.23%
Instant Holdings Ltd.	8.70%	1,605,200	8.70%
Carniwal Investments Ltd.	7.39%	1,363,580	7.39%
	40.32%	**7,440,218**	**40.32%**

10 Other equity

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Reserve & surplus			
Capital reserve			
At the beginning of the year	500,000	500,000	500,000
Additions during the year	-	-	-
At the end of the year	500,000	500,000	500,000
General reserve			
At the beginning of the year	4,300,000	4,300,000	4,300,000
Additions during the year	-	-	-
At the end of the year	4,300,000	4,300,000	4,300,000
Capital reserve on consolidation			
At the beginning of the year	95,235	95,235	95,235
Additions during the year	-	-	-
At the end of the year	95,235	95,235	95,235

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Securities premium			
At the beginning of the year	887,379,926	887,379,926	887,379,926
Additions during the year	-	-	-
At the end of the year	887,379,926	887,379,926	887,379,926
Retained earnings			
At the beginning of the year	106,353,095	92,830,745	133,197,562
Additions during the year	57,472,806	13,522,350	(40,366,817)
Balance carried forward	163,825,901	106,353,095	92,830,745
Other comprehensive income			
Equity instruments through other comprehensive income			
At the beginning of the year	4,830,057,810	2,972,675,116	-
Additions during the year	1,464,949,616	1,857,382,694	2,972,675,116
At the end of the year	6,295,007,426	4,830,057,810	2,972,675,116
	7,351,108,488	**5,828,686,066**	**3,957,781,022**

Nature and purpose of reserve

1. Securities premium is used to record premium received on issues of shares. It is utilised in accordance with provisions of the Act.

2. 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.

3. 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.

4. Other comprehensive income represents fair value recognition and measurement of equity instruments through other comprehensive income.

11 Property, plant & equipment

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:

i. Earnings attributable to equity shareholders (basic and diluted)

(In ₹)

Particulars	For year ended March 31, 2018	For year ended March 31, 2017
Profit for the year, attributable to the equity holders	57,472,806	13,522,350
	57,472,806	**13,522,350**

ii. Weighted average number of equity shares (basic and diluted)

Particulars	For year ended March 31, 2018	For year ended March 31, 2017
Opening balance	18,455,405	18,455,405
Effect of fresh issue of shares for cash	-	-
Weighted average number of equity shares for the year	18,455,405	18,455,405
Earning Per Share (EPS)	**3.11**	**0.73**

12 Trade payables

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Payable to micro and small enterprises	-	-	-
Other payables	18,227	374,778	110,117
	18,227	**374,778**	**110,117**

Note:
Under the Micro, Small and Medium Enterprises Development Act, 2006, ('MSMED Act') which came into force from October 2, 2006, certain disclosures are required to be made relating to micro, small and medium enterprises. On the basis of information and records available with the management, there are no outstandings due to micro and small enterprises as defined in the MSMED Act.

13 Other current liabilities

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Accrued expenses	213,300	169,000	162,475
Statutory dues payable	18,695	13,559	42,224
	231,995	**182,559**	**204,699**

14 Provisions

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current provisions			
Provision for tax (net of prepaid taxes)	294,592	13,416,366	195,886
	294,592	**13,416,366**	**195,886**

15 Other income

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Dividend income on long term investments	62,686,857	33,562,132
Interest on bank deposits	6,517,646	5,385,628
	69,204,503	**38,947,760**

16 Employee benfit expenses

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Salaries, wages & allowances	786,000	581,658
	786,000	**581,658**

17 Depreciation and ammortisation expenses

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Depreciation on property, plant and equipment	613,423	653,397
	613,423	**653,397**

18 Other expenses

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Professional & consultancy charges	1,560,130	1,555,457
Payments to auditors (Refer note below)	227,740	244,975
Directors' sitting fee	158,000	138,000
Travelling & conveyance	153,186	155,503
Communication expenses	123,893	390,796
Repairs & maintenance for building	1,373,100	1,699,373
Printing & stationery	227,384	206,917
Rates & taxes	56,961	32,783
Advertisement expenses	221,506	111,532
Miscellaneous expenses	101,820	76,818
	4,203,720	**4,612,154**

Note: Payments to auditors		
In capacity of auditor		
Statutory audit	188,800	184,000
Limited review	35,400	34,050
Tax audit	-	11,800
In other capacity		
Taxation services	3,540	9,350
Other services	-	5,775
	227,740	244,975

19 Provisions & contingencies

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for doubtful advances	4,325,000	5,610,756
	4,325,000	**5,610,756**

20 Tax expense

(In ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Current income tax	1,710,986	13,967,445
Tax adjustments for previous year	92,568	-
Deferred tax (Refer note below)	-	-
	1,803,554	**13,967,445**

Note : Deferred tax asset on account of unabsorbed tax losses is not recognized during the year since there is no probable certainty of taxable profits in the foreseeable future which would offset the asset as the Company has mainly one source of income being dividend which is exempt under Income Tax Act, 1961.

21 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'.

22 Explanation of transition to Ind AS

As stated in Note 2(i), these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended March 31, 2017, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 2 have been applied in preparing these financial statements for the year ended March 31, 2018 including the comparative information for the year ended March 31, 2017 and the opening Ind AS balance sheet on the date of transition i.e. April 1, 2016.

In preparing its Ind AS balance sheet as at April 1, 2016 and in presenting the comparative information for the year ended March 31, 2017, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Optional exemptions availed and mandatory exceptions:

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A Optional exemptions availed

1 Property plant and equipment

As per Ind AS 101 an entity may elect to:

i. measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date

ii. use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:

   a. fair value;

   b. or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

iii. use carrying values of property, plant and equipment, and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101).

   As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items. property, plant and equipment.

B Mandatory exceptions

1 Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL and / or FVOCI
- Impairment of financial assets based on the expected credit loss model
- Determination of the discounted value of financial instruments carried at amortised cost.

2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.

Reconciliation of equity

(In ₹)

	Particulars	As at April 1, 2016		
		Previous GAAP	Adjustments	Ind AS
I.	**Assets**			
1	**Non-current assets**			
a.	Property, plant & equipment	11,587,474	-	11,587,474
b.	Financial Assets			
	i. Investments	979,323,076	2,972,675,116	3,951,998,192
c.	Other non-current assets			
	i. Tax assets	317,274	-	317,274
2	**Current assets**			
a.	Financial Assets			
	i. Cash and cash equivalents	92,396,600	-	92,396,600
	ii. Loans	40,819,701	-	40,819,701
	iii. Other financial assets	45,726,533	-	45,726,533
	TOTAL	**1,170,170,658**	**2,972,675,116**	**4,142,845,774**
II.	**Equity & liabilities**			
1	**Equity**			
a.	Equity share capital	184,554,050	-	184,554,050
b.	Other equity	985,105,906	2,972,675,116	3,957,781,022
2	**Liabilities**			
	Current liabilities			
a.	Financial Liabilities			
	i. Trade payables	110,117	-	110,117
b.	Other current liabilities	204,699	-	204,699
c.	Provisions	195,886	-	195,886
	TOTAL	**1,170,170,658**	**2,972,675,116**	**4,142,845,774**

(In ₹)

	Particulars	As at March 31, 2017		
		Previous GAAP	Adjustments	Ind AS
I.	**Assets**			
1	**Non-current assets**			
a.	Property, plant & equipment	10,934,077	-	10,934,077
b.	Financial Assets			
	i. Investments	1,013,489,826	4,795,891,060	5,809,380,886
c.	Other non-current assets			
	i. Tax assets	317,274	-	317,274

Particulars			As at March 31, 2017		
			Previous GAAP	Adjustments	Ind AS
	2	**Current assets**			
	a.	Financial Assets			
		i. Cash and cash equivalents	95,088,610	-	95,088,610
		ii. Loans	65,766,439	-	65,766,439
		iii. Other financial assets	45,726,533	-	45,726,533
		TOTAL	**1,231,322,759**	**4,795,891,060**	**6,027,213,819**
II.	**Equity & Liabilities**				
	1	**Equity**			
	a.	Equity share capital	184,554,050	-	184,554,050
	b.	Other equity	1,032,795,006	4,795,891,060	5,828,686,066
	2	**Liabilities**			
		Current liabilities			
	a.	Financial Liabilities			
		i. Trade payables	374,778	-	374,778
	b.	Other current liabilities	182,559	-	182,559
	c.	Provisions	13,416,366	-	13,416,366
		TOTAL	**1,231,322,759**	**4,795,891,060**	**6,027,213,819**

* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of the note.

Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars		For the year March 31, 2017		
		Previous GAAP	Adjustments	Ind AS
I	**Income**			
	Revenue from operations	-	-	-
	Other income	73,114,510	-34,166,750	38,947,760
	Total income	**73,114,510**	**-34,166,750**	**38,947,760**
II	**Expenses**			
	Employee benefit expenses	581,658	-	581,658
	Depreciation and amortisation expenses	653,397	-	653,397
	Other expenses	4,612,154	-	4,612,154
	Provisions	5,610,756	-	5,610,756
	Total expenses	**11,457,965**	**-**	**11,457,965**
III	**Profit before tax (I-II)**	61,656,545	-34,166,750	27,489,795
IV	**Tax expense**			
	Current income tax	13,967,445	-	13,967,445
	Tax adjustments for previous year	-	-	-

	Particulars	For the year March 31, 2017		
		Previous GAAP	Adjustments	Ind AS
	Deferred tax	-	-	-
		13,967,445	**-**	**13,967,445**
V	**Profit for the period (III - IV)**	**47,689,100**	**-34,166,750**	**13,522,350**
VI	**Other comprehensive income**	-	1,857,382,694	1,857,382,694
VII	**Total comprehensive income for the period (V + VI)**	**47,689,100**	**1,823,215,944**	**1,870,905,044**

* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of the note.

3. Fair valuation of investments

In accordance with Ind AS, financial assets representing investment in equity shares have been fair valued. The Company has designated these investments at fair value through other comprehensive income as permitted by Ind AS 109. Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost. The impact arising from the changes summarized as follows:

Particulars	March 31, 2017
Statement of profit and loss	
Reclassification of gain on disposal of investment to Other Comprehensive Income ('OCI')	(34,166,750)
OCI:	
Financial asset at fair value through OCI – gain on disposal of investment reclassified from statement of profit & loss	34,166,750
Financial asset at fair value through OCI – net change in fair value	1,857,382,694
Adjustment before income tax	1,857,382,694

Particulars	March 31, 2016	March 31, 2017
Balance sheet		
Investments - financial assets at FVOCI	2,972,675,116	4,830,057,810
Related tax impact	-	-
Adjustment to retained earnings	2,972,675,116	4,830,057,810

4. Deferred tax

Deferred tax has been considered on Ind AS transition adjustments.

5. Other comprehensive income

Under Ind AS, all items of income and expense recognized in a period should be included in profit and loss account, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss but are shown in the statement of profit or loss as "other comprehensive income" includes re-valuation of investments.

23 Financial in struments

A. Accounting classifications and fair value

As at April 1, 2016

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	3,379,614,030	-	-	3,379,614,030	3,379,614,030	-	-	3,379,614,030
Unquoted equity shares	529,627,537	-	-	529,627,537	-	-	529,627,537	529,627,537
Preference shares	-	13,333,250	-	13,333,250	-	-	13,333,250	13,333,250
Debentures	-	29,423,375	-	29,423,375	-	-	29,423,375	29,423,375
	3,909,241,567	42,756,625	-	3,951,998,192	3,379,614,030	-	572,384,162	3,951,998,192
Financial assets not measured at fair value								
Cash and cash equivalents	-	92,396,600	-	92,396,600	-	-	92,396,600	92,396,600
Loans	-	40,819,701	-	40,819,701	-	-	40,819,701	40,819,701
Other financial assets	-	45,726,533	-	45,726,533	-	-	45,726,533	45,726,533
	-	178,942,834	-	178,942,834	-	-	178,942,834	178,942,834
Financial liabilities not measured at fair value								
Trade payables	-	-	110,117	110,117	-	-	110,117	110,117
	-	-	110,117	110,117	-	-	110,117	110,117

As at March 31, 2017

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	5,183,714,110	-	-	5,183,714,110	5,183,714,110	-	-	5,183,714,110
Unquoted equity shares	548,743,401	-	-	548,743,401	-	-	548,743,401	548,743,401
Preference shares	-	47,500,000	-	47,500,000	-	-	47,500,000	47,500,000
Debentures	-	29,423,375	-	29,423,375	-	-	29,423,375	29,423,375
	5,732,457,511	76,923,375	-	5,809,380,886	5,183,714,110	-	625,666,776	5,809,380,886

As at March 31, 2017

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 not measured at fair value								
Cash and cash equivalents	-	95,088,610	-	95,088,610	-	-	95,088,610	95,088,610
Loans	-	65,766,439	-	65,766,439	-	-	65,766,439	65,766,439
Other financial assets	-	45,726,533	-	45,726,533	-	-	45,726,533	45,726,533
	-	206,581,582	-	206,581,582	-	-	206,581,582	206,581,582
Financial Liabilities								
Trade payables	-	-	374,778	374,778	-	-	374,778	374,778
	-	-	374,778	374,778	-	-	374,778	374,778

As at March 31, 2018

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	6,648,663,726	-	-	6,648,663,726	6,648,663,726	-	-	6,648,663,726
Unquoted equity shares	548,743,401	-	-	548,743,401	-	-	548,743,401	548,743,401
Preference shares	-	47,500,000	-	47,500,000	-	-	47,500,000	47,500,000
Debentures	-	29,423,375	-	29,423,375	-	-	29,423,375	29,423,375
	7,197,407,127	76,923,375	-	7,274,330,502	6,648,663,726	-	625,666,776	7,274,330,502
Financial assets not measured at fair value								
Cash and cash equivalents	-	143,779,777	-	143,779,777	-	-	143,779,777	143,779,777
Loans	-	62,049,886	-	62,049,886	-	-	62,049,886	62,049,886
Other financial assets	-	45,726,533	-	45,726,533	-	-	45,726,533	45,726,533
	-	251,556,196	-	251,556,196	-	-	251,556,196	251,556,196
Financial Liabilities								
Trade payables	-	-	18,227	18,227	-	-	18,227	18,227
	-	-	18,227	18,227	-	-	18,227	18,227

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:

a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

b) 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

24 Disclosure as per Ind AS 24 – Related party disclosures

i. Name of related parties

Enterprise under common control	Harrisons Malayalam Ltd. ('HML')
Key managerial personnel	Abraham Itty Ipe, Manager
	Sivarama Neelakantan Krishnan, CFO
	Lakshmi P S, Company Secretary (from February 14, 2017)
	Jose George, Company Secretary (from December 4, 2015 to April 7, 2016)
	Sripriya Shenoy, Company Secretary (from April 7, 2016 to August 31, 2016)
	Anant Goenka, Director
	Umang Kanoria, Director
	Sunil Bhandari, Director
	H. C. Dalal, Director
	Prem Kapil, Director
	Kaushik Roy, Director
	Surbhi Singhi, Director

ii. Transactions with related parties

Particulars	March 31, 2018	March 31, 2017
Remuneration to key managerial persons		
- Abraham Itty Ipe	120,000	120,000
- Sivarama Neelakantan Krishnan, Chief Financial Officer	240,000	240,000
- Jose George, Company Secretary	-	20,632
- Lakshmi P S, Company Secretary	426,000	76,726
- Sripriya Shenoy, Company Secretary	-	124,300
Sitting fees of Directors		
- Anant Goenka	16,000	9,000
- Umang Kanoria	22,000	27,000

Particulars	March 31, 2018	March 31, 2017
- Sunil Bhandari	28,000	21,000
- H. C. Dalal	28,000	27,000
- Prem Kapil	28,000	27,000
- Kaushik Roy	16,000	12,000
- Surbhi Singhi	20,000	15,000
Balance Due from / (to) as at the year end	-41,221	-120,989
- HML		

iii. 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 Companies Act, 2013 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.

25 Other dislosures

Particulars	As at March 31, 2018	As at March 31, 2017
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

As per our report of even date attached
For J. Krishnan & Associates
Chartered Accountants
(Firm Regn. No. 001523S)

For and on behalf of the Board of Directors of
STEL Holdings Limited

Nishanth Sebastian Jose
Partner
Membership No. 218068

Sunil Bhandari
Director
DIN : 00052161

H.C Dalal
Director
DIN: 00206232

Lakshmi P.S.
Company Secretary

Sivarama Krishnan
Chief Financial Officer

Cochin
May 21, 2018

STEL Holdings Limited

CIN: L65993KL1990PLC005811
Regd Office: 24/1624, Bristow Road, Willingdon Island, Cochin – 682003
Email: secretarial@stelholdings.com Website: www.stelholdings.com
Phone: 0484 6624335 Fax: 0484 - 2668024

(Form No. MGT – 11)

PROXY FORM

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

E-mail ID :
Folio No./DP ID and Client ID :
Name and Address of the Shareholder(s) :

I/We, being the member(s) holding ..... shares of the above named company, hereby appoint

(1) Name ..... Address.....
.....
Email-id..... Signature..... or failing him/her

(2) Name ..... Address.....
.....
Email-id..... Signature..... or failing him/her

(3) Name ..... Address.....
.....
Email-id..... Signature..... or failing him/her

as my / our Proxy to attend and vote (on a Poll) for me / us on my /our behalf at the 28th Annual General Meeting of the Company to be held on Wednesday, 26.09.2018 at 02.00 P.M. at Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Cochin-682016 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS
Ordinary Business	
1	Adoption of audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2018 and Reports of the Board of Directors and Auditors' thereon.
2	Appointment of a Director in place of Mr. Sunil Bhandari (DIN: 00052161) who retires by rotation and being eligible offers himself for re-appointment
3	Fixation of Auditors remuneration.

Signed this ..... day of 2018

Signature of Shareholder(s).....

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

Affix Revenue Stamp

Notes:

1. This form of proxy in order to be effective should be completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the various items of business, please refer to the Notice of the 28th Annual General Meeting.
3. A member may vote either for or against each resolution

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Notes

Route Map

Muttathil Ln
Temple Road
Kaloor - Kadavanthara Rd
Subhash Chandra Bo
KP Vallon Rd
GCDA Junction
Giri Nagar Rd
Giri Nagar Community Hall Rd
Giri Nagar Canal Rd
Elders Forum Rd
Kendriya Vidyalaya Ernakulam
Market Rd
RSC Swimming Pool
Rajiv Gandhi Indoor Stadium
GCDA Shopping Complex
MIG Rd
Maveli Rd
Warehouse Rd
Manorama Junction
Panampilly Nagar Ave
Karithala Rd
Thoundayil Rd
Parambithara Rd
Karshaka Rd
Sahodaran Ayyappan Rd
KSN Menon Rd
Alappat Cross Rd
Beaumonde The Fern Ecotel
Ernakulam South Railway...
Ernakulam Junction South
Government Higher Secondary...
Kalathiparambu Rd
Manikkath Rd
Ravipuram
Google
Ravipuram Rd
Chittoor Rd
Mahatma Gandhi Rd
Sree Ramavarma Government High School
Bhima Jewels
South Junction
Medical Trust Hospital Kochi
Jos Junction
Mahatma Gandhi Rd
K.T Koshi Ave
Club Rd
Warriam Rd
TD Junction
Kerala Fine Arts Society
T D Rd
Maharaja's College, Ernakulam
Durbar Hall Art Gallery
Durbar Hall Rd
Palli Ln
Hospital Rd
Foreshore Rd
Ernakulathappan Shiva Temple Kochi
Kollam-Kottapuram Waterway
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