

Stardeck Finance Limited

SFL/SE/23/22-23

Date: 2nd August, 2022

National Stock Exchange of India Ltd Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051 Symbol: STARTECK	BSE Limited Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001 Scrip Code: 512381
---	---

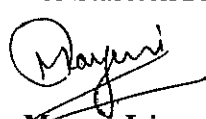
Sub: Notice of 37th Annual General Meeting along with Annual report of the Company for FY 2021-22

Pursuant to Regulation 34(1) read with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, please find attached herewith the Annual Report for the financial year 2021-22 and Notice of Annual General Meeting of the members of the Company to be held on Thursday, August 25, 2022 through Video Conferencing ("VC") / Other Audio Visual Means ("OA VM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

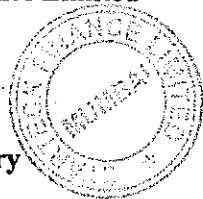
The said Notice and Annual Report for FY 2021-22 is also available on the website of the Company at www.stardeckfinance.com

This is for your information and record.

For Stardeck Finance Limited



Mayuri Jain
Company Secretary
Encl: a/a



Email Id: cosec@stardeckfinance.com

STARTECK FINANCE LIMITED

Registered office: 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (East), Mumbai 400057

Tel: +91 22 4287 7800 Fax: +91 22 4287 7890 Email Id: cosec@starteckfinance.com

Website: www.starteckfinance.com CIN: L51900MH1985PLC037039

NOTICE is hereby given that the 37th Annual General Meeting (AGM) of the members of Starteck Finance Limited will be held on **Thursday, August 25, 2022 at 3.00 PM (IST)** through Video Conferencing / Other Audio Visual Means in conformity with the regulatory provisions and Circulars issued by the Ministry of Corporate Affairs, Government of India and Securities and Exchange Board of India (SEBI) to transact the following businesses-

ORDINARY BUSINESS:

Item No. 1 - To consider and adopt the audited standalone financial statements and the audited consolidated financial statements of the Company for the financial year ended March 31, 2022 together with the report of the Board of Directors and report of the Auditors thereon and other reports.

Item No. 2 – To declare final dividend of 2.5% i.e. Re. 0.25/- per equity share of face value Rs. 10/- each held by the person/ entities other than Promoter/ Promoter Group for the year ended March 31, 2022.

Item No. 3 – To appoint a Director in place of Mr. Pankaj Jain (DIN-00048283), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 4 – Re-Appointment of Mr. Gautam Panchal (Din: 07826634) As an Independent Director of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), based on the recommendation of the Nomination and Remuneration committee and approval of the Board of Directors, Mr. Gautam Panchal (DIN:07826634), who holds office as an Independent Director of the company upto June 27, 2022 and has submitted a declaration to that effect that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation for a second term of five consecutive years commencing from June 28, 2022 till June 27, 2027.

Item No. 5- Approval for raising of funds by way of further issue of Securities

To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 23, Section 42, Section 62(1)(c), Section 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendments thereto or re-enactment thereof, for the time being in force, the “Act”), the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Act), the Companies (Share Capital and Debentures) Rules, 2014, as amended and other applicable rules notified by the Central Government under the Act, the Foreign Exchange Management Act, 2000 (the “FEMA”), as amended, and the rules and regulations made thereunder as amended from time to time including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipt Scheme, 2014, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon

from time to time by Government of India (the “GoI”), the Reserve Bank of India (the “RBI”), the Foreign Investment Promotion Board (“FIPB”), and the Securities and Exchange Board of India (“SEBI”), the stock exchanges and/or any

other competent governmental or regulatory authorities, whether in India or abroad, and including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI ICDR Regulations”), Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended (the “SEBI ILDS Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”), the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the listing agreements entered into by the Company with the stock exchanges on which the Company’s shares are listed (the “Listing Agreements”) and subject to necessary approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, RBI, GoI or of concerned statutory and any other governmental or regulatory authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) the consent and approval of the members of the Company be and is hereby accorded to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted) , with or without a green shoe option, such number of equity shares of the Company of face value of Rs. 10/- each (“Equity Shares”) , Global Depository Receipts (“GDRs”), American Depository Receipts (“ADRs”), fully convertible debentures/ partly convertible debentures, preference shares convertible into Equity Shares and/or any other financial instruments convertible into Equity Shares (including warrants, or otherwise, in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/ special rights and/or securities linked to Equity Shares and/or securities including Non-Convertible Debentures with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as “Securities”) or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of international and/or domestic offering(s) in one or more foreign markets and/or domestic market, by way of one or more public and/or private offerings, and/or on preferential allotment basis and/or private placement basis or any combination thereof including qualified institutions placement (“QIP”), through issue of prospectus and/or placement document/ or other permissible/requisite offer document to any eligible person, including Qualified Institutional Buyers (“QIBs”) as defined in the SEBI ICDR Regulations in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign portfolio investors, public financial institutions, qualified foreign investors, scheduled commercial banks, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds, insurance funds and/or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the “Investors”) as may be decided by the Board in its discretion and permitted under applicable laws and regulations, for an aggregate amount not exceeding Rs. 1,500 Crores (Rupees One Thousand Five Hundred Crores Only) or equivalent thereof, wherein out of the aforesaid amount of Rs. 1,500 Crores an amount of not more than Rs. 1000 Crores (Rupees One Thousand Crores only) shall be for issue of Non- Convertible Debentures, at such price and terms or at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed or to be appointed by the Company, in foreign currency and/or equivalent Indian Rupees as may be determined by the Board, in any convertible foreign currency, as the Board at its absolute discretion may deem fit and appropriate (the “Issue”).

“RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

- (a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- (b) the Equity Shares, including any Equity Shares issued upon conversion of any convertible Securities, that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects; and
- (c) the Equity Shares to be issued consequent to above resolution or upon conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split/sub-division, consolidation of stock, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate re-organization or restructuring.”

“RESOLVED FURTHER THAT if any issue of Securities is made by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as “Eligible Securities” within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of the shareholders’ resolution approving such issuance of Securities, or such other time as may be allowed under the SEBI ICDR Regulations from time to time.”

“RESOLVED FURTHER THAT any issue of Eligible Securities made by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations (the “QIP Floor Price”). with the authority to the board to offer a discount of not more than 5% (five percent) on the price calculated for the QIP or such other discount as may be permitted under SEBI ICDR Regulations, as amended from time to time.”

“RESOLVED FURTHER THAT in the event that Eligible Securities are issued to QIBs by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board (including any Committee of the Board) decides to open the proposed issue of such Eligible Securities.”

“RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as ADRs or GDRs the relevant date for the purpose of pricing the Securities shall be determined in accordance with the Depository Receipts Scheme, 2014 and Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme, 1993, (including any amendments thereto or re-enactment thereof, for the time being in force), as applicable and other applicable pricing provisions issued by the Ministry of Finance.”

“RESOLVED FURTHER THAT in the event that convertible securities and/or warrants which are convertible into Equity Shares of the Company are issued simultaneously with non-convertible debentures to QIBs under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such Securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities and/or warrants simultaneously with non-convertible debentures or the date on which holder of Eligible Securities become eligible to apply for Equity Shares, as may be determined by the Board and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations.”

“RESOLVED FURTHER THAT the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

(a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted to the holders of such Securities at the relevant time, shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;

(c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of equity shares and the price as aforesaid shall be suitably adjusted; and

(d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of equity shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares and/or Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and/or GDRs on the Stock Exchanges in India.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory

institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, debenture trustees and all such agencies as are or may be required to be appointed, involved or concerned in the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board in consultation with the merchant banker(s), advisors and/or other intermediaries as may be appointed in relation to the issue of Securities, is authorized to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the issue and allotment of Securities (including upon conversion of any Securities) and listing thereof with the stock exchanges or otherwise as may be required in relation to the issue and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of Securities, including finalization of the number of Securities to be issued in each tranche thereof, form, terms and timing of the issue of Securities including for each tranche of such issue of Securities, identification of the investors to whom Securities are to be offered, utilization of the proceeds and other related, incidental or ancillary matters as the Board may deem fit at its absolute discretion, to make such other applications to concerned statutory or regulatory authorities as may be required in relation to the issue of Securities and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit and to settle any questions, difficulties or doubts that may arise in relation to the any of the aforesaid or otherwise in relation to the issue of Securities.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to constitute or form a committee or delegate all or any of its powers to any Director(s) or Committee of Directors/Company Secretary/ Chief Financial Officer or other persons authorized by the Board for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Securities.”

Item No. 6- To approve existing as well as proposed material related party transactions for the financial year 2022-23

To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to Regulation 23 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, and applicable provisions of the Companies Act, 2013 (“the Act”) read with Rules made thereunder, (including any statutory modification (s) or re-enactment(s) thereof for the time being in force), approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall be deemed to include any duly authorized Committee constituted /empowered by the Board, from time to time, to exercise its powers conferred by this resolution) to ratify/ approve all existing contracts/ arrangements/ agreements/ transactions and to enter into new/ proposed contracts/ arrangements/ agreements/ transactions (including any modifications, alterations, amendments or renewal thereto), whether individual transaction or transaction(s) taken together or series of transaction(s) or otherwise, with the Related Party(ies) as listed below within the meaning of the Act and SEBI Listing Regulations, as more particularly enumerated in the explanatory statement to the Notice, during the financial year 2022-23, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly or along with Subsidiaries with each of the Related Party(ies) may exceed Rs. 1,000 Crores or 10% of the annual consolidated turnover as per the last audited financial statements of the Company, whichever is lower, or such other materiality threshold, as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit, file requisite forms with the regulatory authorities and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any authorized person(s) to give effect to this resolution.”

By Order of the Board of Directors
For Starteck Finance Limited
Sd/-
Mayuri Jain
Company Secretary (ACS: 35176)

Mumbai, May 27, 2022

Registered Office:

5th Floor, Sunteck Centre, 37-40,
Subhash Road, Vile Parle (East),
Mumbai 400 057

CIN: L51900MH1985PLC037039

Tel.: 91 22 4287 7800 Fax: 91 22 4287 7890

E-mail: cosec@starteckfinance.com Website: www.starteckfinance.com

NOTES:

1. The Statement as required under Section 102 of the Companies Act, 2013 (“the Act”) and Regulation 36(3) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard on General Meeting is annexed to the Notice.
2. In view of continuing social distancing norms due to COVID-19 and pursuant to Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021 and 2/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021 and May 5, 2022 respectively, issued by the Ministry of Corporate Affairs (MCA) read with relevant circulars issued by the Securities and Exchange Board of India, from time to time (hereinafter collectively referred to as ‘Circulars’), the Annual General Meeting of the Company (“AGM”) is convened through Video Conferencing / Other Audio Visual Means (VC/OAVM). Since this AGM will be held through Video Conferencing (‘VC’) / Other Audio Visual Means (‘OAVM’), physical attendance of members has been dispensed with. Members will not be able to appoint proxies for this meeting. Further, Attendance Slip and Route Map are not being annexed to this Notice.
3. Corporate Members are requested to send a scanned copy (in PDF / JPG format) of the Board Resolution authorizing their representatives to attend the AGM through VC/OAVM on their behalf and to vote through electronic means, pursuant to Section 113 of the Act, through e-mail at cosec@starteckfinance.com with a copy marked to evoting@nsdl.co.in
4. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company (‘the Board’) have engaged the services of NSDL. The Board has appointed Mr. Veeraraghavan N., Practicing Company Secretary, as the Scrutinizer for this purpose.
5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on Thursday, August 18, 2022 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
6. Final dividend as recommended by the Board of Directors for the financial year ended 31st March, 2022, if approved at the AGM, will be payable to those Members of the Company who hold shares:
 - (i) In demat mode, based on the list of beneficial owners to be received from NSDL and CDSL as at the close of business hours on Thursday, August 18, 2022, being the cut-off date.
 - (ii) In physical form, if the names appear in the Company’s Register of Members as on Thursday, August 18, 2022, being the cut-off date.

The final dividend will be payable on or before Saturday, 24th September, 2022.

7. Pursuant to the Income-tax Act, 1961 read with the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from April 1, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing information and detailed instructions with respect to tax on dividend for the financial year ended March 31, 2022 shall be sent separately by the Company to the Members. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.
8. SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ Automated Clearing House (ACH)/ Real Time Gross Settlement (RTGS)/ Direct Credit/ NEFT etc.
9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents i.e. Adroit Corporate Services Private Limited ("RTA") to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.

10. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.starteckfinance.com and on the website of www.adroitcorporate.com.

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

11. Unclaimed Dividends and Shares: Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends which remain unclaimed / unpaid for a period of 7 years are required to be transferred to Investor Education and Protection Fund ("IEPF"). The details of the unclaimed dividends are available on the website of the Company at www.starteckfinance.com and Ministry of Corporate Affairs at www.iepf.gov.in. Members can contact Adroit Corporate Services Private Limited, the Registrar and Share Transfer Agent of the Company for claiming the unclaimed dividends standing to the credit in their account by sending an email to cossec@starteckfinance.com or info@adroitcorporate.com.
12. The Register of Members and Share Transfer Books will remain closed from Friday, August 19, 2022 to Thursday, August 25, 2022 (both days inclusive) for the purpose of Annual General Meeting and Dividend.
13. In case of joint holders attending the AGM, 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.
14. Members can avail of the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act.
15. Members are requested to quote their Registered Folio Number or their Client ID number with DP ID on all correspondence with the Company as the case may be.
16. In conformity with the applicable regulatory requirements, the Notice of this AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company

or with the Depositories. Members may note that this Notice and the Annual Report 2021-22 will also be available on the Company's website viz. www.starteckfinance.com, website of stock exchanges viz. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com as well as on website of NSDL (agency for providing the e-Voting facility) i.e. www.evoting.nsdl.com. Members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in dematerialized form and with Company/ RTA in case the shares are held by them in physical form.

For the purpose of receiving the Notice of the AGM and the Annual Report through electronic mode in case the email address is not registered with the respective DPs / Company / RTA, Members may register the email IDs by mailing the same to the RTA at info@adroitcorporate.com.

17. All documents referred to in the accompanying Notice and Statement annexed thereto shall be open for inspection at the Registered Office of the Company during normal business hours on any working day till the date of the AGM.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting at the time of AGM will be provided by NSDL.

19. PROCEDURE FOR REMOTE E-VOTING, ATTENDING THE AGM AND E-VOTING DURING THE AGM:

Voting through electronic means

1. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
3. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.starteckfinance.com and on the website of NSDL www.evotingnsdl.com immediately after the results are declared by the Chairman or any person authorized by him and the same shall be communicated to the stock exchange, where the shares of the Company are listed. Mr. Veeraraghavan N. (Membership No. A6911), Practicing Company Secretary, Mumbai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com. Member(s) can opt for only e-voting at the Annual General Meeting.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, August 22, 2022 at 9:00 A.M. and ends on Wednesday, August 24, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Thursday, August 18, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, August 18, 2022.

The details of the process and manner for remote e-Voting are explained herein below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

	<p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div>   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to (Company email id).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH

VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join Annual General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Annual General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries at cossec@starteckfinance.com mentioning their name demat account number/folio number, email id, mobile number on or before August 18, 2022 to enable the Company to make available the required information at the meeting.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nvr54@ymail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at evoting@nsdl.co.in

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

Mr. Gautam Panchal was appointed as an Independent Director of the Company under the provisions of the Companies Act, 2013, vide resolution passed by the Members at the Annual General Meeting held on September 26, 2017. As per the said resolution, the term of appointment of Mr. Panchal was up to June 27, 2022.

Pursuant to the recommendation of the Nomination and Compensation Committee and the Board of Directors of the Company passed a resolution in their meeting held on May 27, 2022 approving re-appointment of Mr. Panchal as an Independent Director for a second term from June 28, 2022 to June 27, 2027, based on his skills, experience, knowledge and positive outcome of performance evaluation.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in Board's report.

The Company has received a declaration from Mr. Panchal confirming that he meets the criteria of independence under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received consent from Mr. Panchal to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Panchal fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder, for his re-appointment as an Independent Director of the Company.

A brief profile of Mr. Gautam Panchal, in terms of Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the ICSI, has been provided as an Annexure to this Notice.

Except Mr. Panchal, to whom the resolution related to, none of the Directors, Key Managerial Personnel and their relatives, other than to the extent of their shareholding in the Company, are concerned / interested, financially or otherwise, in the above resolution.

Item No. 5:

In order to augment additional capital requirements of the Company for its growth and expansion over the next few years, it is necessary for the Company to have funds as and when the window of opportunity arises. The Company, therefore, proposes to raise further capital from the domestic and international markets in one or more tranches from time to time. The Board shall utilize the proceeds to exploit the opportunities in existing businesses and/or explore the scope of any new business opportunities including business acquisitions, capital expenditures, financing new business initiatives, meeting additional working capital requirements arising out of growth in operations, investment in/ loans/ advances to subsidiaries/ joint ventures/ associates and for other general corporate purposes.

The resolution in accompanying Notice proposes to create, issue, offer and allot equity shares, Fully / Partly / Optionally Convertible Debentures/Preference shares and/or securities linked to equity shares and/or convertible securities including but not limited to Global Depository Receipts (GDRs) and/or American Depository Receipts (ADRs), partly or fully paid-up equity/debt instruments as allowed under SEBI (ICDR) Regulations, (hereinafter referred to as “Securities”) for an aggregate amount not exceeding Rs. 1500 Crore (Rupees One Thousand Five Hundred Crore Only) or equivalent thereof, wherein amount not exceeding Rs. 1000 Crores (Rupees One Thousand Crore only) shall be for issue of Non- Convertible Debentures inclusive of premium, in the course of domestic/ international offerings. Such securities are proposed to be issued to eligible person including but not limited to resident investors and foreign investors (whether individuals, mutual funds, incorporated bodies, institutions or otherwise), Foreign Financial Institutions and other Qualified Institutional Buyers etc.

The proposed Special Resolution seeks the enabling authorization of the Members to the Board of Directors without the need of any further approval from the Members to undertake to issue securities in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements), Regulation, 2009 as amended from time to time (the “SEBI Regulations”). Pursuant to the above, the Board may, in one or more tranches, issue and allot Equity Shares in the form of Follow-On Public Offer (FPO), Global Depository Receipts (GDRs), and/or American Depository Receipts (ADRs) with rights of conversion into shares, and/or Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPS/CCPS) convertible into Equity Shares of the Company with voting rights or with differential rights as to voting, dividend or otherwise.

The said allotment by the Board of Directors (‘Board’) shall be subject to the provisions of the SEBI Regulations (as amended from time to time) including the pricing, which shall be calculated in accordance with the provisions of the SEBI Regulations in consultation with the Merchant Banker.

The relevant date for the determination of applicable price for the issue of the Securities shall be as per the SEBI Regulation which in case of allotment of equity shares will be the date of the meeting in which the board of directors or the committee of directors decides to open the proposed issue and in case of securities which are convertible into or exchangeable with equity shares at a later date will be either the date of the meeting in which the board of directors or the committee of directors decides to open the proposed issue of convertible securities or date on which the holder of such securities becomes entitled to apply for the said equity shares as the case may be. For reasons aforesaid, an enabling resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalize the terms of the issue. The securities issued pursuant to the offering would be listed on the Stock Exchanges on which the Company is listed.

The offerings of the Securities may require appointment of Merchant Bankers, Underwriters, Legal Advisors and Experts or such other Authority or Authorities to advise the Company especially in relation to the pricing of the Securities. The detailed terms and conditions of the Issue as and when made will be determined in consultation with the Merchant Bankers, Lead Managers, Advisors, Underwriters and other Experts in accordance with the terms of approval of the Government of India, Reserve Bank of India, SEBI and such other authorities as may be required.

The proposed Special Resolution gives (a) adequate flexibility and discretion to the Board to finalise the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and Experts or such other authority or authorities as required to be consulted including in relation to the pricing of the issue in accordance with the normal practice and (b) powers to issue and market any securities issued including the power to issue such Securities in such tranche or tranches.

Accordingly, the consent of the Members is being sought, pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, and SEBI (ICDR) Regulations, and in terms of the provisions of the Listing Regulations, as amended from time to time, to issue and allot securities as stated in the Special Resolution.

The Board of Directors of the Company believes that the proposed issue is in the interest of the Company and hence, recommends the resolution for the approval of the Shareholders by way of Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives, other than to the extent of their shareholding in the Company, are concerned / interested, financially or otherwise, in the above resolution.

Item No. 6:

As per the provisions of Section 188 of the Companies Act, 2013 (the “Act”), transactions with related parties which are on an arm’s length basis and in the ordinary course of business, are exempted from the obligation of obtaining prior approval of shareholders. However, such transactions, if material, require prior approval of shareholders by way of an

ordinary resolution, notwithstanding the fact that the same are at an arm's length basis and in the ordinary course of business, as per the requirements of the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**).

As per the amendments to clause (zc) of Regulation 2(1) read with the proviso to Regulation 23(1) of the SEBI Listing Regulations, which was effective from April 1, 2022, provides transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) Rupees 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

SEBI, vide its Circular dated 30th March, 2022, has clarified that a Related Party Transaction approved by the Audit Committee prior to April 1, 2022, which continues beyond this date and if it becomes material as per the materiality threshold provided above, requires approval of the shareholders in the first Annual General Meeting to be held after 1st April, 2022.

The Company is a non-banking financial company (NBFC), primarily engaged in the business of financing needs the various corporates having presence in urban and semi-urban areas of India. The company has a diversified lending portfolio across Retail, SMEs and Commercial customers. Considering the nature of business and operations of the Company, the Company enters into various Related Party Transactions in the ordinary course of business.

As per Regulation 23 of the SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated 30th March, 2022, approval of the Members is sought for arrangements/ transactions/contracts undertaken whether by way of continuation/ modification/ratification of earlier arrangements/ transactions/contracts and for transactions proposed to be entered into by the Company/ Subsidiaries of the Company with Related parties mentioned above in FY 2022-23.

The details required as under the SEBI Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 in connection with the Material Related Party Transactions is given below.

Details of Summary of information provided by the management to the Audit Committee:

Name of the Related Party and its relationship with the listed entity or its subsidiary including nature of its concern or interest (financial or otherwise): Akshunya Energy Private Limited, Niyamit Mercantile and Trading LLP, Starteck Infraprojects Private Limited, SW Investments Limited, Sunteck Realty Limited, Mintech Holding Private Limited ("Entities with joint/ common control or significant influence over entity"). Mr. Kamal Khetan, Glint Infraprojects Private Limited, Eskay Infrastructure Development Private Limited, SW Capital Private Limited ("Promoters"). Chitta Finlease Private Limited and V Can Exports Private Limited ("Subsidiaries").

Type of transaction:

- i. Purchase/ sale of securities from/ to related parties
- ii. Granting of loan to each related party
- iii. Availing of loan from related parties

Material terms and particulars of the proposed transaction: Material terms and conditions are based on the contracts which inter alia include the rates which are based on prevailing market price and commercial terms as on the date of entering into the contract. The particulars of the proposed transaction are mentioned above.

Tenure of the proposed transaction: Recurring in Nature in the year financial year 2022-23.

Value of the proposed transaction: Upto Rs. 30 Crores for each related party transaction.

If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: Not applicable as the Company is Non-Banking Financial institution (NBFC) Company.

- i. Details of the source of funds in connection with the proposed transaction: N.A.
- ii. Details of financial indebtedness Incurred: N.A.
- iii. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security: N.A.
- iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction: N.A.

Justification as to why the RPT is in the interest of the listed entity: The Company is a NBFC, engaged in the business of financing needs of various corporates and has presence in urban and semi-urban areas of India. The company has a

diversified lending portfolio across Retail, SMEs and Commercial customers. Considering the nature of business and operations of the Company, transactions as mentioned above will help for meeting its business requirements and overall business performance of the Company.

A copy of the valuation or other external party report, if any such report has been relied upon: Not Applicable
Any other information: Nil

The Audit Committee and Board of Directors of the Company have approved the related party transactions at its meeting held on May 27, 2022 and have noted that such transactions may, in aggregate, cross the applicable materiality thresholds as mentioned above.

Details of Directors or Key Managerial Personnel of the Company holding Directorships in the concerned Related Party (ies) are given below:

Sr. No.	Company	Directors or Key Managerial Personnel of the Company holding Directorships in the concerned Related Party(ies)
1	Starteck Infraprojects Pvt. Ltd.	Mr. Anand Shroff - Whole time Director
2	SW Investments Ltd	Mr. Pankaj Jain-Non Executive Director
3	SW Capital Pvt. Ltd	Mr. Pankaj Jain-Non Executive Director
4	Mintech Holding Private Limited	Mr. Anand Shroff - Whole time Director

Your Board of Directors considered the same and recommends passing of the resolution contained in Item No. 6 of the accompanying Notice as an Ordinary Resolution.

Other than those mentioned above, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution(s) set out at Item No. 6 of the Notice.

Details of Directors seeking appointment / re-appointment at 37th Annual General Meeting with respect to Item Nos. 3 and 4 in the Notice pursuant to provisions of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standards

Name of Director & DIN	Mr. Pankaj Jain (DIN: 00048283)	Mr. Gautam Panchal (DIN:07826634)
Date of birth & Age	September 25, 1968 (55 years)	June 5, 1980 (42 years)
Date of first appointment on the Board	November 14, 2011	June 27, 2017
Brief Resume, Qualification(s), Experience, Nature of expertise in specific functional areas	Mr. Pankaj Jain (B.E. in Electronics) has an experience of more than 25 years in the field of Finance, Equity, Derivatives, and Commodities & Debt Market along with experience in dealing with large number of Banking and Institutional channels working in the Capital Market. He possesses immense knowledge about new and emerging financial products and keenly follows about its future run in the market and subsequent impact on business.	Mr. Gautam Panchal is having Degree in law and is a Commerce graduate has been providing Legal Services Since 2003 and is an Independent Lawyer practicing in Various fields of Law including Corporate Law, Consumer Protection, Criminal Defence, Cyber Crime and IPR.
Terms and conditions of appointment/re-appointment	Re-appointment as a Non-executive Director of the Company liable to retire by rotation to comply with the provisions of Section 152 of the Companies Act, 2013.	Re-appointment as an Independent Director for second term.
Details of Remuneration sought to be paid and last drawn	Nil	Sitting fees as may be decided by the Board
Relationship with other Directors and KMPs	None	None

Number of Board Meetings attended during the Financial Year 2021-22	6	7
Directorship in other Companies as on March 31, 2022	1. SW Investments Limited 2. SW Commodities Private Limited 3. SW Capital Private Limited 4. Starteck Housing Finance Private Limited	1. SW Investments Limited 2. Chitta Finlease Private Limited
Chairmanship/Membership of the Committees (Audit and Stakeholders' Relationship Committee) of the other Companies	Chairmanship-1 (SW Investments Limited) Membership-1(SW Investments Limited)	Membership-2 (SW Investments Limited)
No. of Shares held in the Company as on March 31, 2022	Nil	NIL

Stardeck Finance Limited

37th Annual Report, 2021-2022



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Anand Shroff
Mr. Vishal Agarwal
Mr. Nilesh Parikh
Mr. Gautam Panchal
Mrs. Sandhya Malhotra
Mr. Pankaj Jain

CHIEF FINANCIAL OFFICER

Mr. Anand Shroff

COMPANY SECRETARY

Ms. Mayuri Jain

AUDITORS

M/s. MKPS & Associates, Chartered Accountants, Mumbai

BANKERS

Kotak Mahindra Bank Ltd.
Barclays Bank PLC
ICICI Bank Ltd.
Axis Bank Limited

REGISTERED OFFICE

5th Floor, Sunteck Centre, 37-40,
Subhash Road, Vile Parle (East), Mumbai-400057
CIN: L51900MH1985PLC037039
Tel: 91 22 4287 7800 Fax: 91 22 4287 7890
E-mail: cosec@starteckfinance.com
Website: www.starteckfinance.com

REGISTRAR & TRANSFER AGENTS

Adroit Corporate Services Private Limited
1st Floor, 17/20, Jafferbhoy Industrial Estate,
Makwana Road, Marol Naka, Andheri (East), Mumbai - 400059.
Tel. No. 022-4227 0400 Fax No. 022-2850 3748
E-mail: support@adroitcorporate.com
Website: www.adroitcorporate.com

CONTENTS

1. Director's Report.....	03
2. Report on Corporate Governance	16
3. Management Discussion and Analysis Report.....	39
4. Standalone Independent Auditor's Report.....	44
5. Standalone Financial Statement.....	56
6. Notes to Financial Statement	60
7. Consolidated Independent Auditor's Report.....	92
8. Consolidated Financial Statement	99
9. Notes to Consolidated Financial Statement	103

DIRECTORS' REPORT

To
The Members,
Starteck Finance Limited

Your Directors have the pleasure in presenting the 37th Annual Report of the Company on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2022.

FINANCIAL HIGHLIGHTS

The summary of the Company's financial performance, both on a consolidated and standalone basis, for FY 2022 as compared to the previous FY i.e., FY 2021 is given below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended on 31.03.2022	For the year ended on 31.03.2021	For the year ended on 31.03.2022	For the year ended on 31.03.2021
Revenue from operations	1588.63	1215.12	2838.28	4098.57
Other Income	56.50	3512.78	56.50	3512.78
Total Revenue	1645.13	4727.90	2894.78	7611.35
Total Expenditure	561.72	1082.18	1690.98	3653.45
Profit before tax (PBT)	1083.41	3645.72	1203.80	3957.90
<u>Less: Income Tax Provision</u>				
Current Tax	147.33	105.28	184.82	189.39
Excess/(Short)provision for tax		2.06		6.19
Profit After Tax	936.08	3538.38	1018.98	3762.32

REVIEW OF OPERATIONS

During the year under review, the consolidated revenue from operations for the current year amounted to ₹ 2838.28/- lakhs against ₹ 4098.57/- lakhs compared to the previous year. The profit after tax on consolidated basis stands at 1018.98/-lakhs as compared to ₹ 3762.32/- lakhs during the previous year.

The revenue from operations earned is ₹ 1588.63/- lakhs compared to previous year's revenue of ₹ 1215.12/-lakhs on standalone basis. The profit after tax on standalone basis stands at ₹ 936.08/- lakhs as compared to ₹ 3538.38/-lakhs during the previous year. During the financial year under review, there has been no change in the nature of business of the Company.

DIVIDEND

Your Directors have recommended a dividend of 2.5 % i.e. ₹ 0.25/- per equity share having face value of ₹ 10 each held by persons/entities other than promoter and promoter group subject to approval of shareholders at the ensuing Annual General Meeting (AGM).

The dividend, if approved at the ensuing AGM, would be paid to those Members whose names appear in the Register of Members / Beneficial Owners maintained by the depositories as stated in Notice of the ensuing AGM. The Promoter & Promoter group have waived their rights to receive dividend.

SHARE CAPITAL

During the year under review, the Company has not allotted any Equity Shares, thus the paid up Equity Share Capital of the Company remains the same i.e. 99,10,330 equity shares of ₹ 10/- each. Also, the Company has not issued shares with differential voting rights and sweat equity shares. Also, the Authorised Share Capital of the Company remains the same i.e. ₹ 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten only) each.

DEPOSITS

Your Company being a Non-Deposit Accepting NBFC has not accepted any deposits from public during the year under review.

SUBSIDIARY COMPANIES AND REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES

The Company has total 2 Subsidiaries i.e. V Can Exports Private Limited and Chitta Finlease Private Limited as on 31st March, 2022. There are no associate companies or joint venture companies within the meaning of section 2(6) of the Companies Act, 2013. During the year under review, the Board of Directors and Members of the Company had approved the sale of entire stake of Starteck Housing Finance Private Limited, a wholly-owned subsidiary of the Company and therefore w.e.f. 31st January, 2022 has ceased to be subsidiary of the company.

As per Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company, its subsidiaries, associates and joint venture entities in accordance with applicable Accounting Standards issued by The Institute of Chartered Accountants of India, forms part of this Annual Report. The performance and financial position of each of the subsidiaries, associates and Joint Venture companies for the year ended 31st March, 2022 is attached to the financial statements hereto in Form AOC 1.

In terms of Section 136 of the Companies Act, 2013, separate audited accounts in respect of each of subsidiaries have been placed on the website of the Company. Further, the Company shall provide a copy of separate audited annual accounts in respect of each of its subsidiary to any member of the company who asks for it and said annual accounts will also be kept open for inspection at the Registered Office of the Company.

The Company has formulated a policy for determining 'material' subsidiaries and such policy is disclosed on Company's website. During the period under review, the Company had 1 (one) material subsidiary i.e Chitta Finlease Private Limited.

MATTERS RELATING TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on September 6, 2021, appointed Mr. Vishal Agarwal and Mr. Nilesh Parikh as an Additional Non Executive Independent Directors of the Company. The members of the Company have approved the appointment of Mr. Vishal Agarwal and Mr. Nilesh Parikh as Independent Directors of the Company in Annual General Meeting held on 28th September, 2021.

The second term of office of Mr. Sudarshan Somani as an Independent Director came to an end on conclusion of the 36th Annual General Meeting (AGM) of the Company held on September 28, 2021. Consequently, he ceased to be a Director and member of the Committees of the Company after the conclusion of 36th AGM of the Company.

Mrs. Lalitha Cheripalli, Non-Executive Director resigned from directorship of the Company on 7th September, 2021.

In compliance with the provisions of section 152 of Companies Act, 2013, Mr. Pankaj Jain, Director (DIN: 00048283) of the Company retires by rotation and being eligible offers himself for reappointment. Appropriate resolution for aforesaid re-appointment is being placed for approval of the members at the ensuing Annual General Meeting.

Mr. Gautam Panchal (DIN: 07826634) had been appointed as an Independent Director on the Board of the Company for his first term of 5 years effective from June 27, 2017. His present tenure as Independent director is upto June 27, 2022. In the opinion of the Board, he is a well-respected professional who brings a wealth of experience and business acumen to the Board.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 27, 2022 approved re-appointment of Mr. Gautam Panchal (DIN: 07826634) as Independent Director of the Company for a second term of 5 years with effect from June 27, 2022 to June 26, 2027, subject to approval of the shareholders of the Company. Mr. Panchal has confirmed his eligibility and willingness to continue in the office of Non-Executive, Independent Director of the Company. Necessary resolution for his appointment is being placed for the approval of shareholders as part of the notice of the Annual General Meeting.

There was no change in the KMPs of the Company during the year under review.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the 'criteria of Independence' as prescribed under Section 149(6) of the Act and have submitted their respective declarations as required under Section 149(7) of the Act and Regulation 16(1) of the Listing Regulations that they are not aware of any circumstance or situation, which exists or is anticipated, that could impair or impact their ability to discharge their duties with an independent judgment and without any external influence as required under Regulation 25 of the Listing Regulations.

The Independent Directors also confirmed that they have duly registered their names in the data bank for Independent Directors maintained by Indian Institute of Corporate Affairs. Further, the Board is of the opinion that the Independent Directors of the Company possess requisite qualities to act as Independent Directors including integrity, relevant expertise and experience. The Board further confirms that the Independent Directors who were required to, have duly passed the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

The certificate under Regulation 34(3) of Listing Regulations forms part of this Annual Report.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

Number of Meetings of the Board of Directors

Seven meetings of the Board were held during the year. For details of meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Annual Report.

The Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

The Board has constituted the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee of the Board with specific terms of reference as per the requirements of the Listing Regulations and the Act and they make specific

recommendations to the Board on matters within their areas of purview. The details with respect to the composition, powers, roles, terms of reference, Meetings held and attendance of the Directors at such Meetings of the relevant Committees are given in detail in the Report on Corporate Governance of the Company which forms part of this Annual Report.

Additionally, during the year under review, the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Act and Regulation 25(3) of the Listing Regulations. For further details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act and to the best of their knowledge and belief and according to the information and explanations obtained from the Management, the Directors of your Company state that:-

- in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there were no material departures from the same;
- such accounting policies have been selected and applied consistently and the Directors 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 as on 31st March, 2022 and of the profits of the Company for the year ended on that date;
- proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual Accounts of the Company have been prepared on a going concern basis;
- internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Committees of the Board

a) Audit Committee

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. Kindly refer to the section on Corporate Governance, under the head, 'Audit Committee' for matters relating to constitution, meetings and functions of the Committee.

b) Nomination and Remuneration Committee

A Nomination and Remuneration Committee is in existence in accordance with the provisions of subsection (3) of Section 178 of the Companies Act, 2013. Kindly refer to the section on Corporate Governance, under the head, 'Nomination and Remuneration Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee.

c) Corporate Social Responsibility Committee

The brief outline of the Policy and the initiatives undertaken by the Company during the year are set out in Annual Report on CSR activities as **Annexure II** as per the format prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments thereto. The CSR Policy is available on the Company's website at <https://www.starteckfinance.com>.

d) Other Board Committees

For details of other Board Committees' viz. Stakeholders Relationship Committee and others, kindly refer to the section 'Committees of the Board of Directors' which forms part of the Corporate Governance Report.

Vigil Mechanism

The Company has a whistle blower policy encompassing vigil mechanism pursuant to the requirements of the section 177(9) of the Act and regulation 22 of the Listing Regulations. The policy/vigil mechanism enables directors and employees to report to the Management genuine concerns about unethical behavior, actual or suspected fraud, or violation of Code of Conduct and Ethics and leak or suspected leak of unpublished price sensitive information. It also provides for adequate safeguards against victimization of employees who avail of the whistle blower mechanism and allows direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Whistle Blower Policy of the Company is placed on the website of the Company <https://www.starteckfinance.com>. During the year, none of the employees have been denied access to the Audit Committee under this policy.

Risk Management

The Board of Directors have adopted a risk management policy for the Company which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

Annual Evaluation of Directors, Committee and Board

A formal evaluation mechanism has been adopted for evaluating the performance of the Board, the Committees thereof, individual Directors and the Chairman of the Board. The evaluation is based on criteria which include, among others, providing strategic perspective, integrity and maintenance of confidentiality and independence of judgment, Chairmanship of Board and Committees, attendance, time devoted and preparedness for the Meetings, quality, quantity and timeliness of the flow of information between the Board Members and the Management, contribution at the Meetings, effective decision making ability, monitoring the corporate governance practices, role and effectiveness of the Committees and effective management of relationship with stakeholders. Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of its directors individually and the committees of the Board and the same is reviewed by the Nomination and Remuneration Committee.

Particulars of Employees and related disclosures

The information as required under the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **Annexure I** attached hereto.

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is available for inspection by the members at registered office of the Company during business hours on working days up to the date of the ensuing AGM. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a copy would be sent.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the Listing Regulations, details of Loans, guarantees and investments given/made during the financial year under review are part of the financial statements.

RELATED PARTY TRANSACTIONS

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All related party transactions, entered into during the financial year under review, were on an arm's length basis and were in the ordinary course of business. Your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

During the year under review, your Company has reported transactions with related party which are material as per Regulation 23 of the SEBI Listing Regulations and the details of the said transactions are provided in the Explanatory Statement to Notice of the ensuing AGM.

The Policy on Related Party Transactions is available on the Company's website and can be assessed using the link <https://www.starteckfinance.com>.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the Company's financial position which have occurred between the end of the financial year and the date of this report.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The internal financial controls of the Company are commensurate with its size, scale and complexity of operations. The Company has adopted policies and procedures to ensure integrity in conducting business, safeguarding of its assets, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors. The internal financial controls with reference to the financial statements were adequate and operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS

During the year under review, there were no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

STATUTORY AUDIT AND AUDITORS' REPORT

M/s. Lodha & Company, Chartered Accountants, tendered their resignation from the Company w.e.f. August 12, 2021 due to the limitation of the number of audits to be undertaken by them vide RBI circular dated April 27, 2021 (No: RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22) on Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs). Therefore, as per the recommendation of the Audit Committee, the Board recommended appointment of M/s MKPS & Associates, Chartered Accountants (ICAI Firm Registration No. 302014E) as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Lodha & Company, Chartered Accountants and shall hold office from the AGM held in 2021 till the conclusion of Annual General Meeting of the Company held in 2026 for 5 years.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their audit reports on the financial statements for the year ended 31st March 2022.

No fraud has been reported during the audit conducted by Statutory Auditors of the Company.

SECRETARIAL AUDIT AND ANNUAL SECRETARIAL COMPLIANCE REPORT

As required under provisions of Section 204 of the Companies Act, 2013 and pursuant to Regulation 24A of Listing Regulations, the reports in respect of the Secretarial Audit for FY 2021-22 carried out by Mr. Veeraraghavan N., Company Secretary in practice, in Form MR-3 forms part to this report. Also, the Secretarial Audit Reports for FY 2021-22 in Form MR-3 in respect of Chitta Finlease Private Limited, the material unlisted subsidiary of the Company, forms part of this report. The said reports does not contain any qualification, reservation or adverse remark or disclaimer.

Further, in terms of the provisions of Regulation 24A of the SEBI Listing Regulations and Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 issued by SEBI, Mr. Veeraraghavan N., Company Secretary in practice, has issued the Annual Secretarial Compliance Report, confirming compliance by the Company of the applicable SEBI regulations and circulars / guidelines issued thereunder.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable in respect of the business activities carried out by the Company.

INTERNAL AUDIT

The Company has in place an adequate internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organisation's risk management, control and governance processes. The Company had appointed M/s. Sandeep V. Chavan and Company, (Firm Registration No. 148937W), Chartered Accountants, as Internal Auditors of the Company for financial year 2021-22. Findings of the Internal Auditor are placed before Audit Committee, which reviews and discusses the actions taken with the Management.

ANNUAL RETURN

The Annual Return for the financial year ended 31st March, 2022, is available on the website of the Company at <https://www.starteckfinance.com>.

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

The operations of the Company, being financial services related, require normal consumption of electricity. The Company is taking every necessary step to reduce its consumption of energy. Further, given the nature of the activities of the Company, the disclosure on technology absorption is not applicable to the Company.

Foreign Exchange Earnings and Outgo are as follows:

- i) Foreign Exchange Earned: NIL
- ii) Foreign Exchange Outflow: NIL

INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place an appropriate policy which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment of women. We further state that during the financial year under review, there were no complaints received/cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the provisions of the Companies Act, 2013, the Company has complied with the Secretarial Standard on the Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

OTHER DISCLOSURES

Corporate Governance

The Corporate Governance Report as stipulated under Regulation 34(3) read with Schedule V of the SEBI Listing Regulations forms an integral part of this Annual Report. The requisite certificate from the Statutory Auditors of the Company confirming compliance with the requirements of Corporate Governance forms part of this Annual Report.

Management Discussion and Analysis Report

The Management Discussion and Analysis report has been separately furnished in the Annual Report and forms a part of the Annual Report.

Unclaimed and Unpaid Dividends and transfer of shares to IEPF

Kindly refer section on Corporate Governance, under head 'Unclaimed and Unpaid Dividends and transfer of Shares to IEPF' for the amounts of unclaimed and unpaid dividends lying with the Company.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation and gratitude for the support and co-operation from its shareholders, bankers, regulators and other business constituents.

Your Directors also wish to place on record their appreciation for the commitment and hard work put in by the Management and the employees of the Company.

For and on Behalf of the Board of Directors

Anand Shroff
Whole-time Director
(DIN: 08480489)

Pankaj Jain
Director
(DIN: 00048283)

Place: Mumbai
Date: May 27, 2022

Annexure -I

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. **Ratio of remuneration of each Director to the median employees' remuneration for the Financial Year:**

Name of the Directors	Designation	Ratio of Remuneration to the median remuneration of all employees
Anand Shroff	Whole Time Director	13.00
Lalitha Cheripalli*	Non - Executive Director	NA

*Resigned on September 7, 2021

- ii. Percentage increase in remuneration of each director and Key Managerial Personnel, in FY 2021-22 :
Whole time director-36%
- iii. The percentage increase in the median remuneration of Employees in the financial year- 2021-22:
9.85%
- iv. There were 4 permanent employees on the rolls of the Company as on 31st March, 2022.
- v. Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year was NIL while the percentile increase in the managerial remuneration was 36%.
- vi. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

ANNEXURE – II
Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company- The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Gautam Panchal	Non-Executive and Independent Director	2	2
2	Mr. Vishal Agarwal	Non-Executive and Independent Director	2	1
3	Mr. Anand Shroff	Whole Time Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company - www.starteckfinance.com/Downloads/Corporate-Social-Responsibility-CSR-Policy.pdf
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any-**Not Applicable**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
	-	-	-
	TOTAL	-	-

6. Average net profit of the company as per section 135(5) – ₹ 136,888,380
7. (a) Two percent of average net profit of the company as per section 135(5) – ₹ 27,37,768
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Not Applicable
- (c) Amount required to be set off for the financial year, if any – Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c) – ₹ 27,37,768

8. (a) CSR amount spent or unspent for the financial year:

Amount Unspent (in Rs.)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).	
Total Amount Spent for the Financial Year. (in Rs.)	Total Amount transferred to Unspent CSR Account as per section 135(6).	Name of the Fund	Date of transfer
-	27,37,768	Not Applicable	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)
	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local areas (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Agency Implementing
				State.	District.						
1.	Promoting Education	(ii) promoting Education and employment enhancing vocational skills	Yes	Maharashtra	Mumbai	4 Years	28,00,000	-	-		
	TOTAL						28,00,000	28,00,000			

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities inschedule VII to the Act.	Local area (Yes/ No).	Location of the project.	Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.
-	-	-	-	-	-	-	-
	TOTAL						

- (d) Amount spent in Administrative Overheads – Nil
(e) Amount spent on Impact Assessment, if applicable - Not Applicable
(f) Total amount spent for the Financial Year(8b+8c+8d+8e) – Nil
(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent insucceeding financial years. (in Rs.)
-	-	-	-	-	-
	TOTAL				

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
SL No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.).	Status of the project - Completed /Ongoing.
-	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) – Not Applicable
- (a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The actual CSR spending of the Company fell short of the targeted spending for the financial year 2021-22 due to the time taken in identifying the CSR projects and identifying implementing agencies with better skills and experience to partner for CSR activities. The Company endeavors to achieve the targeted spending on CSR in coming year.

For and on behalf of the Board of Directors

Place: Mumbai

Date: May 27, 2022

Anand Shroff

Whole-time Director

Gautam Panchal

Chairman of CSR Committee

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter “**Listing Regulations**”), the report containing the details of the Governance systems and process at Starteck Finance Limited is as under:

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that the highest standards of Corporate Governance are essential in order to sustain excellent performance and to enhance shareholders value on long-term basis. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. This is vital to gain and retain investor trust. Your Company considers its inherent responsibility to disclose timely and accurate information regarding financials and performance of the Company.

The Company is in compliance with the applicable requirement specified in Companies Act, 2013 and Listing Regulations.

BOARD OF DIRECTORS

Composition:

As on March 31, 2022, the Company has Six (6) Directors, out of which four (4) are Independent Directors who provide valuable guidance to the Management of the Company on various aspects of the Company’s business operations. The Board has an optimum combination of executive and non-executive directors with one woman director and fifty per cent of the Board comprising of non-executive independent directors. The composition of the Board is in accordance with the provisions of the Companies Act, 2013 (hereinafter “**the Act**”) and the Listing Regulations, as amended from time to time.

None of the non-executive directors on the Board have attained the age of seventy five years.

The Board is periodically updated on the orderly succession to the Board and Senior Management. It has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

The Board periodically reviews legal compliance reports with respect to the various laws applicable to the Company as prepared and placed before it by the Management.

Confirmation and Certification

The Company annually obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. Based on the disclosures received from the Directors, the Company has obtained a certificate from Mr. Veeraraghavan N., Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

Board Independence:

The Independent Directors provide an annual confirmation that they meet the criteria of independence as per Section 149(6) of the Companies Act, 2013 and Regulation 16 of Listing Regulations. Based on the confirmations / disclosures received from the Directors, the Board confirms, that the Independent Directors fulfil the criteria of Independence as specified under Companies Act, 2013 and Listing Regulations and are independent of the management. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. The details of familiarization programme imparted to Independent Directors are provided on the website of the Company viz. <http://www.starteckfinance.com>.

None of the Independent Directors have resigned before the expiry of the tenure.

SEPARATE INDEPENDENT DIRECTORS' MEETINGS:

Pursuant to the Act and the Listing Regulations, the Independent Directors shall hold at least one meeting in a year without attendance of non-independent directors and members of the Management. Accordingly, Independent Directors of the Company met on February 11, 2022 to discuss and review:

- report on performance evaluation for the year 2021-22 of the Board;
- performance of non-independent directors and the Board as a whole;
- the quantity, quality and timely flow of information between the Management and the Board, and found it to be in line with the expectations.

All the Independent Directors were present at the Meeting.

Number of Board meetings held, dates on which held:

During the Financial year ended on March 31, 2022, the Board of Directors of the Company met seven times and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the Board met are May 31, 2021, June 25, 2021, August 12, 2021, September 6, 2021, November 12, 2021, February 11, 2022 and March 17, 2022. The necessary quorum was present for all the meetings.

Code of Conduct

The Company has adopted a Code of Conduct for the Board Members and Senior Management Personnel of the Company ("the Code") which includes the duties of independent directors as laid down in the Companies Act. The Code is applicable to all the Board Members and Senior Management of the Company. The Code is available on the Company's website at www.starteckfinance.com/codes-or-policies.html.

All the Board Members and Senior Management Personnel have confirmed compliance with the Code during the financial year under review and a declaration to that effect forms a part of this Annual Report.

The names and categories of the Directors on the Board, their attendance at Board Meetings and at the last Annual General Meeting and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies are given below:

Name of the Director	Composition/ Category	No. of Board Meetings attended	Whether attended last AGM held on September 28, 2021	Number of Directorship in other Indian Public Limited companies as on March 31, 2022# (Excluding Starteck Finance Limited)	No. of Committee positions held in other Indian Public Limited companies as on March 31, 2022\$ (Excluding Starteck Finance Limited)		Directorships in other listed entities	
					Chairman	Member	Name of the Listed Entity	Category of Directorship
Mr. Anand Shroff	Whole-time Director	7	Yes	0	0	0	NA	NA
Mr. Sudarshan Somani*	Non- Executive, Independent	4	No	NA	NA	NA	NA	NA
Mr. Gautam Panchal	Non- Executive, Independent	7	Yes	2	0	2	SW Investments Limited	Non- Executive Independent
Mrs. Sandhya Malhotra	Non- Executive, Independent	7	Yes	2	0	4	SW Investments Limited	Non- Executive Independent
							Sunteck Realty Limited	Non- Executive Independent
Mr. Pankaj Jain	Non- Executive, Non Independent	6	Yes	1	2	2	SW Investments Limited	Non- Executive Independent
Mrs. Lalitha Cheripalli %	Non- Executive, Non Independent	4	NA	NA	NA	NA	NA	NA
Mr. Vishal Agarwal@	Non- Executive, Independent	3	Yes	1	0	1	NA	NA
Mr. Nilesh Parikh@	Non- Executive, Independent	3	Yes	0	0	0	NA	NA

The number of Directorships in other Public Limited Companies includes Private Limited Companies which are subsidiaries of public limited companies.

\$ Memberships include Chairmanships. Only memberships of Audit Committee and Stakeholders Relationship Committee are considered. This includes memberships in deemed public company (whether listed or not).

* Retired from the Company with effect from closure of business hours on September 28, 2021, upon completion of his second term of appointment as an Independent Director.

% Ceased to be a director of the Company w.e.f. September 7, 2021.

@ Appointed Mr. Vishal Agarwal and Nilesh Parikh as an Additional Non Executive Independent director of the Company w.e.f. September 6, 2021 and approved in AGM held on September 28, 2021.

There are no inter-se relationships between the Board members. Non-Executive Directors do not hold any shares and convertible instruments of the Company.

In terms of the provisions of the Act and Listing Regulations, the Directors submit necessary disclosures regarding the positions held by them on the Board and/or Committees of other Companies, from time to time. On basis of such disclosures, it is confirmed that as on the date of this report, none of the Directors:-

- a) hold Directorships in more than 10 (Ten) public Companies;
- b) hold Directorships in more than 7 (Seven) listed entities;
- c) is a Member of more than 10 (Ten) Committees or Chairperson of more than 5 (Five) Committees across all the public companies in which he/she is a Director.

Core Skills /Expertise / Competencies of the Board of Directors

In line with the applicable provisions of the Act and the Listing Regulations, the Company's Board has an optimum combination of Executive and Non-Executive Directors with half of the Board comprising of Independent Directors. Your Board comprises of qualified members who collectively bring in the skills, expertise and competencies stated below that allow them to make effective contribution to the Board and its Committees. The table below highlights the Core Areas of Expertise/Skills/Competencies of the Board members. However, absence of mention of skill/expertise/competency against a member's name does not indicate that the member does not possess that skill or competency.

Core Skills/ Expertise/ Competencies	Mr. Anand Shroff (Whole Time Director)	Mr. Vishal Agarwal (Independent Director)	Mr. Gautam Panchal (Independent Director)	Mrs. Sandhya Malhotra (Independent Director)	Mr. Pankaj Jain (Non-Executive Director)	Mr. Nilesh Parikh (Independent Director)
Corporate Strategy and Planning	√	√	√	√	√	√
Financial knowledge and risk oversight	√		√	√	√	√
Governance and Regulatory Oversight	√	√	√	√	√	√
Leadership qualities	√	√	√	√	√	√
Experience and exposure in policy shaping and industry advocacy	√	√			√	√
Understanding of relevant laws, rules, regulations and policies	√	√	√	√	√	√
Business Experience	√	√	√	√	√	√

COMMITTEES OF THE BOARD

The Board has constituted the Committees of the Board with specific terms of reference as per the requirements of the Listing Regulations and the Act and they make specific recommendations to the Board on matters within their areas of purview. The decisions and recommendations of the Committees are placed before the Board for information or for approval, as required.

AUDIT COMMITTEE

The Company has a qualified and Independent Audit Committee which has been formed in alignment with provisions of Regulation 18 of the Listing Regulations and Section 177 of the Act. The Audit Committee comprises of 3 Non-Executive Directors and 1 Executive Director having requisite accounting and financial management expertise. The Company Secretary officiates as the Secretary of the Committee.

During the financial year under review, six meetings of the Audit Committee were held i.e. on May 31, 2021, June 25, 2021, August 12, 2021, September 6, 2021, November 12, 2021 and February 11, 2022 and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings. Committee is headed by Mr. Nilesh Parikh, Non-Executive Independent Director.

The Chairman (Mr. Sudarshan Somani) of the Audit Committee was not able to attend the Annual general meeting held on September 28, 2021 due to technical glitch.

The composition and attendance of the members of the Audit Committee during the year ended March 31, 2022 is as follows:

Name of Director	Category	Position	No. of Meetings	
			Held	Attended
Sudarshan Somani*	Non- Executive, Independent	Chairman	4	4
Nilesh Parikh#	Non- Executive, Independent	Chairman	2	2
Gautam Panchal	Non- Executive, Independent	Member	6	6
Sandhya Malhotra	Non- Executive, Independent	Member	6	6
Anand Shroff	Whole-time Director	Member	6	6

* Ceased to be the chairman & member of the committee w.e.f closure of business hours on September 28, 2021 upon completion of his second term of appointment as an Independent Director.

Appointed as the Chairman & member of the committee w.e.f September 28, 2021.

Terms of Reference of Audit Committee:

The terms of reference of the Audit Committee cover the areas mentioned under Part C of Schedule II of the Listing Regulations as well as Section 177 of the Act. The role of the Audit Committee includes among others internal financial controls, risk management policies and processes, recommendation for appointment, remuneration and terms of appointment of auditors, reviewing with the management the

annual financial statements and auditor's report thereon before submission to the board for approval, and approval or any subsequent modification of transactions of the Company with related parties.

NOMINATION AND REMUNERATION COMMITTEE:

The composition of Nomination and Remuneration Committee is in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

During the Financial Year under review, the Nomination and Remuneration Committee meetings were held on May 31, 2021, September 6, 2021 and February 11, 2022. The necessary quorum was present for all the meetings. The Committee is headed by Mr. Vishal Agarwal, Non-Executive Independent Director.

The Chairman (Mr. Sudarshan Somani) of the Audit Committee was not able to attend the Annual general meeting held on September 28, 2021 due to technical glitch.

The composition and attendance of the members of the Nomination and Remuneration Committee during the year ended March 31, 2022 is as follows:

Name of Director	Category	Position	No. of Meetings	
			Held	Attended
Sudarshan Somani*	Non- Executive, Independent	Chairman	2	2
Vishal Agarwal#	Non- Executive, Independent	Chairman	1	1
Gautam Panchal	Non- Executive, Independent	Member	3	3
Pankaj Jain\$	Non- Executive, Non- Independent	Member	1	1
Lalitha Cheripalli@	Non- Executive, Non- Independent	Member	2	2

* Ceased to be the chairman & member of the committee w.e.f closure of business hours on September 28, 2021 upon completion of his second term of appointment as an Independent Director.

Appointed as the Chairman & member of the committee w.e.f September 28, 2021.

\$ Appointed as the Chairman & member of the committee w.e.f from September 28, 2021.

@ Ceased to be the member of the committee w.e.f. from September 7, 2021.

Terms of Reference of Nomination and Remuneration Committee:

The purpose of this committee of the Board of Directors shall be to discharge the Board's responsibilities related to nomination and remuneration of the Company's executive / non-executive directors. The Nomination and Remuneration Committee assists in formulating criteria for determining qualifications, positive attributes and independence of Directors and recommend to the Board policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifies the persons who are qualified to become Directors, and who may be appointed in senior management and recommend to the Board their appointment and removal.

Performance evaluation criteria for Independent Directors:

The performance evaluation of Independent Directors is done by the entire Board of Directors, excluding the Director being evaluated. The performance evaluation indicators includes participation and contribution by a director, monitoring the corporate governance practices, addressing business challenges and risks, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of judgments.

Remuneration Policy:

The Nomination and Remuneration Committee oversees the remuneration to be provided to the Directors and Senior Managerial Personnel of the Company. The remuneration to be paid to the Executive, Non-Executive and Independent Directors are determined in accordance with the provisions of the Act and the Listing Regulations. The policy, inter alia, provides the (a) criteria for determining qualifications, positive attributes and independence of directors and (b) policy on remuneration for directors, key managerial personnel and other employees. The policy is directed towards a compensation philosophy and structure that will attract, retain and motivate talent and provides for a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Nomination and Remuneration Committee has formulated a policy on remuneration under the provisions of Section 178(3) of the Act and the same is uploaded on the website of the Company at www.starteckfinance.com

Details of sitting fees/ remuneration paid to Directors for the Financial Year 2021-22 areas under:
(₹ in Lakhs)

Name of Director	Category	Sitting Fees#	Salary	Benefits /Bonus /Stock Options /Commission	Others (Specify)	Total
Gautam Panchal	Non- Executive, Independent	0.35	-	Nil	Nil	0.35
Sudarshan Somani*	Non- Executive, Independent	0.20	-	Nil	Nil	0.20
Sandhya Malhotra	Non- Executive, Independent	0.35	-	Nil	Nil	0.35
Vishal Agarwal@	Non- Executive, Independent	0.15	-	Nil	Nil	0.15
Nilesh Parikh@	Non- Executive, Independent	0.15	-	Nil	Nil	0.15
Pankaj Jain	Non- Executive, Non-Independent	-	-	-	-	-
Lalitha Cheripalli %	Non- Executive, Non-Independent	-	1.14	Nil	Nil	1.14
Anand Shroff	Whole-time Director	-	64.79	Nil	Nil	64.79

*Retired from the Company with effect from closure of business hours on September 28, 2021, upon completion of his second term of appointment as an Independent Director.

% ceased to be a director of the Company w.e.f. September 7, 2021.

@ Appointed Mr. Vishal Agarwal and Nilesh Parikh as an Additional Non Executive Independent director of the Company w.e.f. September 6, 2021 and approved in AGM held on September 28, 2021.

#No Commission was paid to Independent Directors during the Financial Year 2021-22.

There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Constitution of Stakeholders' Relationship Committee and its functions:

The Stakeholders' Relationship Committee looks into shareholders' and investors' grievances. The Committee is headed by Mr. Gautam Panchal, Non-Executive Independent Director. The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of Listing Regulations read with section 178 of the Act.

During the financial year under review, four meetings of the Stakeholders' Relationship Committee were held i.e. on May 31, 2021, August 12, 2021, November 12, 2021 and February 11, 2022. The necessary quorum was present for all the meetings. Ms. Mayuri Jain, Company Secretary also acts as the Compliance Officer of the Company.

The Chairman of the Stakeholders Relationship Committee was present at the Annual General Meeting (AGM) held on September 28, 2021 to answer the queries of security holders.

The composition and attendance of the members of the Stakeholders' Relationship Committee during the year ended March 31, 2022 is as follows:

Name of Director	Category	Position	No. of Meetings	
			Held	Attended
Gautam Panchal	Non- Executive, Independent	Chairman	4	4
Sudarshan Somani@	Non- Executive, Independent	Member	2	2
Vishal Agarwal \$	Non- Executive, Independent	Member	2	2
Anand Shroff	Whole-time Director	Member	4	4

@ Ceased to be member of the committee w.e.f closure of business hours on September 28, 2021 upon completion of his second term of appointment as an Independent Director.

\$ Appointed as the member of the committee w.e.f from September 28, 2021.

Terms of Reference of Stakeholders' Relationship Committee:

This Committee assists the Board and the Company in maintaining healthy relationships with all stakeholders. It shall consider and resolve grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

Details pertaining to the number of complaints received and responded and status thereof during the financial year 2021-22 are given below:

No. of complaints pending as on April 1, 2021	No. of complaints received during the year	No. of complaints resolved during the year	No. of complaints pending as on March 31, 2022
Nil	Nil	Nil	Nil

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act, 2013. The Meeting of the CSR Committee was held on June 25, 2021 and February 11, 2022 during the year under review. The necessary quorum was present for the meeting. The Committee is headed by Mr. Gautam Panchal, Non-Executive Independent Director.

The composition and attendance of the members of the CSR Committee during the year ended March 31, 2022 is as follows:

Name of Director	Category	Position	No. of Meetings	
			Held	Attended
Gautam Panchal	Non- Executive, Independent	Chairman	2	2
Sudarshan Somani@	Non- Executive, Independent	Member	1	1
Vishal Agarwal\$	Non- Executive, Independent	Member	1	1
Anand Shroff	Whole-time Director	Member	2	2

@ Ceased to be the chairman & member of the committee w.e.f closure of business hours on September 28, 2021 upon completion of his second term of appointment as an Independent Director.

\$ Appointed as the member of the committee w.e.f from September 28, 2021.

Role of CSR Committee:

The role of the CSR Committee, inter alia, includes the following:

1. To recommend to the Board CSR modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities in a Financial Year;
2. To monitor the Corporate Social Responsibility Policy from time to time;
3. To identify the projects to be undertaken by the Company for CSR;
4. To ensure compliance of CSR Policy;
5. Any other matter as may be considered expedient in furtherance of and to comply with the CSR Policy of the Company.

GENERAL BODY MEETINGS

i. a) Annual General Meetings (AGM):

Date	Venue	Time	No. of Special Resolution Passed
28 th September, 2021	The Company conducted the AGM through video conferencing/ other audio visual means.	3.00 pm	1. To raise funds by way of further issue of securities

24 th September, 2020	The Company conducted the AGM through video conferencing/ other audio visual means.	3.00 pm	1. To raise funds by way of further issue of securities
26 th September, 2019	Hotel Planet Residency, Sapphire Hall, Subhash Road, Adjacent to Garware House, Vile Parle (East), Mumbai 400057	11.30 am	None

b) Extra-Ordinary General Meetings:

No extraordinary general meeting of the members was held during FY 2022.

ii. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated February 11, 2022 for revision in remuneration payable to Mr. Anand Shroff, Whole time Director of the Company, which was duly passed and the results of which were announced on March 30, 2022. Mr. Veeraraghavan N., Practicing Company Secretary, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

The details of voting pattern of the Special Resolution passed through Postal Ballot –

Particulars	Total No. of Valid Votes	Votes assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	7338640	7338639	99.9997	1	0.0003

Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021 and 20/2021 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021 and December 8, 2021 respectively issued by the Ministry of Corporate Affairs.

iii. No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

MEANS OF COMMUNICATION

The Company's quarterly / annual financial results are sent to the Stock Exchange and are published in Free Press Journal and Navshakti. The financial results are also made available on Company's website at www.starteckfinance.com/QUARTERLY-RESULTS.html

All financial and other vital news releases and documents under the Listing Regulations are also communicated to the Stock Exchange, besides being placed on the Company's website.

GENERAL SHAREHOLDER INFORMATION**37th Annual General Meeting**

CIN No.	L51900MH1985PLC037039
Registered Office Address	Starteck Finance Limited 5 th Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (E), Mumbai 400057 Tel No.: 91 22 4287 7800 Email Id: cosec@starteckfinance.com
AGM: Date and Time	Thursday, 25 th August, 2022 at 3.00 PM
Venue	The Company is conducting meeting through video conferencing (VC)/other audio visual means (OAVM) pursuant to the MCA circular. For details please refer to the Notice of 37 th AGM.
Financial Year	The financial year of the Company starts from April 1 and ends on March 31 of the succeeding year
Record Date for Dividend	Thursday, August 18, 2022
Dividend Payment date	The dividend of Rs.0.25 per Equity Share of face value of Rs.10 each held by persons/entities other than promoter and promoter group out of the profits of the Company for the financial year 2021-22, if approved by the Members at the ensuing AGM, will be credited / dispatched on or before September 24, 2022. The Promoter & Promoter group have waived their rights to receive dividend.
Listing on stock exchanges	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Annual Listing Fees for the Financial Year 2021-22 has been paid to BSE & NSE.
Stock Code	NSE : STARTECK BSE : 512381 ISIN: INE992I01013
In case the securities are suspended from trading, the Board's Report shall explain the reason thereof	Not applicable
Registrar and Transfer Agent	Adroit Corporate Services Pvt.Ltd. 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059
Share Transfer System	In terms of SEBI notification dated January 24, 2022 all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits

	of dematerialisation, members are advised to dematerialise the shares held by them in physical form.
Dematerialisation of shares and liquidity	As of March 31, 2022, 99,06,330 Equity Shares of the Company (99.96%) are held in electronic form with National Securities Depository Limited and Central Depository Services (India) Limited. Trading in shares of your Company is permitted only in the dematerialised form.
Outstanding GDRs/ADRs/Warrants or any Convertible instruments conversion date and likely impact on equity	As on March 31, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any Convertible Instruments.
Credit Ratings	NA
Commodity Price risk/Foreign Exchange Risk and Hedging:	The Company does not have any exposure to commodity price risks and foreign exchange risk.
Plant Locations	The Company is engaged in financial services business and does not have any plant.
Address for correspondence	<p>Investors and members can correspond with the Company or the share transfer agent at the following address:</p> <p>Registered Office: Starteck Finance Limited 5th Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (E), Mumbai 400057 Tel No.: 91 22 4287 7800 Email ID: cosec@starteckfinance.com Website: www.starteckfinance.com</p> <p>Registrar and Share Transfer Agents: Adroit Corporate Services Private Limited 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059 Tel No.: 91 22- 42270400 Email ID: info@adroitcorporate.com Website: www.adroitcorporate.com</p>

Market Price Data:

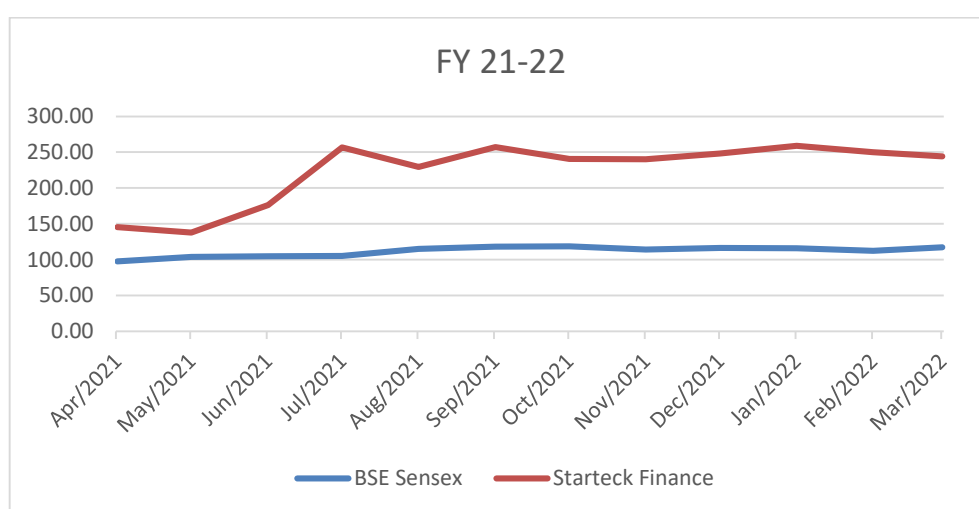
Monthly high and low of the equity shares of the Company (vis-à-vis BSE Sensex) for the Financial Year 2021 – 22:

Month	BSE Limited		S&P BSE Sensex Index	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2021	81.8	69.25	50375.77	47204.5
May 2021	85.85	62.7	52013.22	48028.07
June 2021	96.5	63	53126.73	51450.58

July 2021	153.2	80.05	53290.81	51802.73
August 2021	135.3	111.15	57625.26	52804.08
September 2021	137.8	112	60412.32	57263.9
October 2021	137.75	116	62245.43	58551.14
November 2021	139.95	110.05	61036.56	56382.93
December 2021	140.8	117.5	59203.37	55132.68
January 2022	147.8	116	61475.15	56409.63
February 2022	137.95	113.05	59618.51	54383.2
March 2022	144.7	116.25	58890.92	52260.82

Stock Performance vs BSE Sensex:

Performance of the Company's Equity Shares on BSE Limited relative to the BSE Sensitive Index (S&P BSE Sensex) is graphically represented in the chart below:



Distribution of Shareholding as on March 31, 2022

Number of Shares (Range)	No. of Shareholders	Percentage of Total Shareholders	No. of Shares	Percentage of Total Capital
1- 100	916	84.50	8770	0.09
101-500	64	5.90	15276	0.15
501-1000	20	1.85	16260	0.16
1001-2000	13	1.20	19069	0.19
2001-3000	4	0.37	12000	0.12
3001-4000	2	0.18	7755	0.08
4001-5000	0	0.00	0	0.00
5001-10000	10	0.92	76716	0.77
10001 -20000	9	0.83	143703	1.45
20001-50000	14	1.29	514389	5.19
50001 & above	32	2.95	9096392	91.79
TOTAL	1084	100.00	9910330	100

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

To
The Members of
Stardeck Finance Limited
5th Floor, Sunteck Centre,
37-40 Subhash Road,
Vile Parle (East),
Mumbai - 400 057.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Stardeck Finance Limited** having CIN **L51900MH1985PLC037039**, and having registered office at 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (East), Mumbai - 400 057, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company
1.	Anand Shroff	08480489	June 13, 2019
2.	Pankaj Jain	00048283	June 26, 2020
3.	Sandhya Malhotra	06450511	June 26, 2020
4.	Vishal Agarwal	00168370	September 6, 2021
5.	Nilesh Parikh	02710146	September 6, 2021
6.	Gautam Panchal	07826634	June 27, 2017

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Veeraraghavan N.
ACS No. 6911
CP No. 4334
UDIN: A006911D000407564

Place: Mumbai
Date: May 27, 2022

**COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SECURITIES AND
EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS & DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015**

To,
The Board of Directors
Starteck Finance Limited

We hereby certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2022 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year ended 31st March, 2022 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that:
 - i) There were no significant changes in internal controls over financial reporting during the year;
 - ii) there were no significant changes in accounting policies during the year;
 - iii) there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 27, 2022

Anand Shroff Pankaj Jain
Wholetime Director/ CFO Director

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF STARTECK FINANCE LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 6th September, 2021.
2. This certificate contains details of compliance with the conditions of corporate governance by **STARTECK FINANCE LIMITED** ('the Company') for the year ended 31st March 2022 as stipulated in Regulations 17-27, clause (b) to (i) and (t) of sub-regulation (2) Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2022.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

10. The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

**For MKPS & Associates
Chartered Accountants
Firm Registration No.:302014E**

**Place: Mumbai
Date: May 27, 2022**

**CA Narendra Khandal
Partner
Membership No. 065025
UDIN: 22065025AKBAWV5452**

Form No. MR – 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2022

[Pursuant to Section 204 (1) of the Companies Act 2013 and rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Starteck Finance Limited
(CIN: L51900MH1985PLC037039)

I, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Starteck Finance Limited (CIN: L51900MH1985PLC037039) (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and return filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022, according to the provisions of :

- (i). The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii). The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii). The Depositories Act 1996 and the Regulations and bye-laws framed thereunder;
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (i) 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;
 - (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021and
 - (k) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018.
- (vi). Rules, Regulations and Guidelines issued by the Reserve Bank of India as are applicable to Non-deposit taking Non Systemically Important NBFC which are specifically applicable to the Company.

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

- (i) Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was 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.

Majority decision is carried through, while the dissenting members' views (if any) are captured and recorded as part of the minutes.

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

I further report that during the audit period the Company has,

1. Approved the revision in remuneration payable to Mr. Anand Shroff (DIN: 08480489), Whole time director of the Company, in accordance with Section 196, 197 read with schedule V and other applicable provisions of the Act by passing Special resolution through Postal Ballot dated 30th March, 2022.

2. sold its entire stake in Starteck Housing Finance Private Limited (Material Subsidiary) and has ceased to be a subsidiary of the Company.

Veeraraghavan N.

ACS No. 6911

CP No. 4334

Place: Mumbai

Date: May 27, 2022

UDIN: A006911D000407509

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2022**

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

To
The Members,
Chitta Finlease Private Limited
(CIN: U70100MH1995PTC090846)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Chitta Finlease Private Limited (CIN:U70100MH1995PTC090846) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022, according to the provisions of :

- (i). The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii). The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;-**Not applicable**
- (iii). The Depositories Act 1996 and the Regulations and bye-laws framed thereunder;-**Not applicable**
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;-**Not applicable**
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act): **Not Applicable to the Company**
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;- – **Not Applicable except for regulation 24**
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (h) 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;
- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
- (j) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018.

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

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

I further report that:

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

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

I further report that:

The Board of Directors of the Company is duly constituted. 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 and were as follows:

1. Mr. Gautam Panchal (DIN: 07826634) was appointed as an Additional Director in the category of Non-Executive Independent Director w.e.f. 23rd June, 2021 and his appointment was regularized by the shareholders at the Annual general meeting of the Company held on 27th September, 2021.

2. Mr. Hitesh Sanghoi (DIN: 00507189) ceased to be a Director w.e.f. 1st November, 2021 on account of his resignation.

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

on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views (if any) are captured and recorded as part of the minutes.

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

Veeraraghavan N.
ACS No. 6911
CP No. 4334

Place: Mumbai
Date: May 26, 2022
UDIN : A006911D000398951

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

★ STARTECK FINANCE LIMITED – AN OVERVIEW

Starteck Finance Limited (SFL, the Company) is a one of the leading Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI) as a 'Non-Deposit taking Non-Systemically Important companies. It serves the financing needs of the various corporates having presence in urban and semi-urban areas of India. The company has a diversified lending portfolio across Retail, SMEs and Commercial customers.

★ GLOBAL ECONOMY

The global economy in the year 2021 has been very ambiguous. The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest. According to the IMF (International Monetary Fund), global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term.

War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential.

★ INDIAN ECONOMY

India's GDP is estimated to have grown by 8.7 percent in FY22 after growth slid to 4.1 percent in January-March quarter (Q4FY22), data released on May 31 by the Ministry of Statistics and Programme Implementation showed. Growth likely slowed down in the first quarter of the calendar year 2022 because of the hit to activity from the Omicron variant-led third COVID-19 wave and the Russia-Ukraine war. The high growth figure is largely due to a favourable base effect, with the economy having contracted by 6.6 percent in FY21 because of the Coronavirus pandemic and intermittent lockdowns, which restricted economic activity. If the GDP for FY22 is compared to that of FY20 - before the pandemic hit the economy - the growth rate is a mere 1.5 percent. The statistics ministry's latest growth estimate for FY22 is 20 basis points lower than its second advance estimate of 8.9 percent, announced in February.

BREAKDOWN OF OVERALL AND SECTORAL GROWTH NUMBERS

	FY22	FY21	Jan-Mar 2022
Real GDP	8.7%	-6.6%	4.1%
Nominal GDP	19.5%	-1.4%	14.9%
Real GVA	8.1%	-4.8%	3.9%
Agriculture, forestry, fishing	3.0%	3.3%	4.1%
Mining and quarrying	11.5%	-8.6%	6.7%
Manufacturing	9.9%	-0.6%	-0.2%
Electricity, gas, other utilities	7.5%	-3.6%	4.5%
Construction	11.5%	-7.3%	2.0%
Trade, hotels, transport, etc	11.1%	-20.2%	5.3%
Financial, real estate, professional services	4.2%	2.2%	4.3%
Public administration, defence, other services	12.6%	-5.5%	7.7%

FY22 saw the manufacturing sector make a robust return, expanding 9.9 percent. However, as per the latest data for January-March, the sector contracted by 0.2 percent year-on-year, likely reflecting the hit to activity from the third wave and the fallout of the Russia-Ukraine war.

The agriculture sector, meanwhile, continued its steady growth, posting an expansion of 3.0 percent in FY22 and 4.1 percent in the last quarter.

★ INDIAN FINANCIAL SERVICES INDUSTRY

The financial services sector in India is a diversified sector consisting of commercial banks, insurance companies, non-banking financial companies, housing finance companies, co-operatives, pension funds, mutual funds and other smaller financial entities. Financial inclusion drive by RBI has expanded the target market to semi-urban and rural areas. NBFCs especially those catering to the urban and rural poor namely NBFC-MFIs and Asset Finance Companies have a complimentary role in the financial inclusion agenda of the country. Financial services sector is poised to grow on the back of rising incomes, significant government attention and the increasing pace of digital adoption.

Financial inclusion has been a key agenda of the central government. To promote financial inclusion, the central bank has set up a pilot project in association with banks under which at least one district in each State/UT would be 100 per cent digitally enabled. The digital payment regime has grown since the introduction of fast payment systems, such as Immediate Payment Service (IMPS) and Unified Payment Interface (UPI), which provide immediate credit to beneficiaries and are available round the clock. Moreover, the financial inclusion drive in the country is now supported by a benchmark. The Reserve Bank

of India (RBI) has launched a “Financial Inclusion Index” or FI-Index to measure and improve the extent of access, usage and quality of financial inclusion in the country.

The banking and non-banking financial company (NBFC) sector in India has witnessed significant market-driven and regulatory events in the last decade. Cumulatively, these have had a profound impact on the industry. Some of the noteworthy developments include the issuance of new bank licences for universal banks, introduction of a new category of banks (small finance banks and payments banks); insolvency processes and the resolution of a few large non-performing assets (NPA) situations; and consolidation of public sector banks (PSBs), etc.

The Reserve Bank of India recently issued discussion documents on the extent of ownership of banks as well as scale-based governance frameworks for NBFCs. While the industry provided feedback on both these documents, it is now eagerly awaiting the regulator’s final decision and circular on the matters. It appears almost certain that larger NBFCs that have the potential to systematically influence the overall banking and financial services system may now enjoy less of a regulatory arbitrage and be subject to a governance framework akin to banks. With expected regulations around corporate houses being allowed to own a bank (albeit with restrictions), we can also expect significant consolidation in this segment resulting in a few large NBFCs either converting into a bank or merging with existing banks. The decision to convert into a bank though could also depend on the transition guidelines, especially those related to liquidity ratio. At the same time, it would be interesting to see if large NBFCs will leverage the government’s privatisation of PSB programme to convert into banks.

Ongoing stress in public sector banks (PSUs) because of increasing bad debt, lending in rural areas deterioration has provided NBFCs with the opportunity to increase presence. The success of these NBFCs vs. PSUs can be attributed to product lines, lower cost, wider and effective reach, strong risk management capabilities to check and control bad debts, and a better understanding of customer segments versus banks. NBFCs have witnessed success in the passenger and commercial vehicle finance segments as well as growing AUM in the personal loan and housing finance sector. Additionally, improving macroeconomic conditions, higher credit penetrations, consumption themes and disruptive digital trends have influenced NBFC credit growth. Stress in public sector units (PSUs), underlying credit demand, digital disruption for MSMEs and SMEs as well as increased consumption and distribution access and sectors where traditional banks do not lend are major reasons for the switch from traditional banks to NBFCs.

Banking and NBFC sector is once again at an inflexion point, given the potential transformational, operational and stakeholder changes influenced by the above-mentioned drivers. There’s a need for financial institutions to assess and evaluate their current business model and take a strategic call on their commercial and operational framework in anticipation of newer ways of doing business coupled with changes in market and competition landscape.

★ FINANCIAL PERFORMANCE

Standalone Financial Performance: The Company's Loan portfolio is at INR 174.93 Crs in FY 2022 from INR 117.99 Crs in FY 2021. During the year under consideration, your Company's total income including other income is INR 16.45 Crs as compared to INR 47.27 Crs in the previous year. The Net Profit after tax is INR 9.36 Crs against the profit of INR 35.38 Crs in the previous year.

★ CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the company's objectives, estimates, expectations may be "forward-looking statements" within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied due to several factors which are beyond the control of the management. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the company, no representation is made on its accuracy and comprehensiveness though the same are based on sources believed to be reliable. Utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions on the material impacts on the company's operations but it is not exhaustive. The Company assumes no obligation to amend or update forward looking statements in future on the basis of new information, subsequent developments or otherwise.

Independent Auditor's Report

To
The Members of
Starteck Finance Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Starteck Finance Limited** ("the Company"), which comprises of Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matter(s) as key audit matters to be communicated in our report:

Sr. No	Key Audit Matter	Auditor's Response
1.	Income Recognition, Asset Classification and Provisioning Pertaining to Advances: Accuracy in identification and categorisation of receivables from financing activities as performing and	Principal Audit Procedures performed: We have assessed the systems and processes laid down by the Company to appropriately identify and classify the receivables from financing activities including those in place to ensure correct classification, income recognition and

	<p>non-performing assets and in ensuring appropriate asset classification, existence of security, income recognition, provisioning/ write off thereof and completeness of disclosure including compliance in accordance with the applicable extant guidelines issued by Reserve Bank of India (RBI).</p>	<p>provisioning/write off including of Non-performing assets as per applicable RBI guidelines. The audit approach included testing the existence and effectiveness of the control environment laid down by the management and conducting of detailed substantive verification on selected samples of continuing and new transactions in accordance with the principles laid down in the Standards on Auditing and other guidance issued by Institute of Chartered Accountants of India. Agreements entered into regarding significant transactions including related to corporate loans have been examined to ensure compliance. We have also reviewed the reports generated from management information systems; reports issued by the internal/secretarial auditors. The impact of all significant external and internal events including those if any, subsequent to balance sheet date have been taken into consideration for the above purposes. Compliance with material disclosure requirements prescribed by RBI guidelines and other statutory requirements have been verified.</p> <p>We also performed an overall assessment of the Expected Credit Loss provision levels at each stage including Management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk Management practices and the macroeconomic environment.</p> <p>The Procedures performed gave us sufficient evidence to conclude that the Income recognition, Asset classification and provisioning are being done in accordance with RBI guidelines.</p>
--	--	--

Information Other than the Standalone Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Business responsibility Report, Corporate Governance report and Shareholder's information, but does not include the standalone financial statement and our auditor's report thereon. The same is likely to be provided after the date of our report.

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

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

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

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in

place with reference to standalone financial statements and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) To evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
- (c) The Balance sheet, the Statement of Profit & 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representation received from the directors as on March 31, 2022 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a Directors 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".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year and hence the provisions of Section 197 of the Act is not applicable.
- (h) With respect to the matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company do 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under h (iv) (a) and (b) above, contain any material misstatement
- v. The Company has not declared or paid any dividend during the year ended March 31, 2022 and hence reporting compliance of Section 123 of the Act is not applicable.

For MKPS & ASSOCIATES

Chartered Accountants

ICAI Firm registration No. – 302014E

Place: Mumbai
Date: 27th May, 2022

Narendra Khandal

Partner

Membership No. 065025

UDIN: 22065025AJTQZZ3350

Annexure “A” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of Starteck Finance Limited for the year ended March 31, 2022:

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

- i. The Company does not have any Property, Plant and Equipment and therefore the provision of clause 3(i) of the order are not applicable to the Company.
- ii. (a) The Company does not carry any inventories. Hence, the reporting requirements under sub-clause (a) of clause (ii) of paragraph 3 of the order are not applicable.

(b) The Company has not been sanctioned any working capital limits and hence the reporting requirements under sub-clause (b) of clause (ii) of paragraph 3 of the order are not applicable.
- iii. (a) The company being NBFC, the provision of clause iii(a) is not applicable.

(b) According to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest;

(c) According to informationa and explanation given to us, wherever schedule of repayment of principal and payment of interest has been stipulated , repayments or receipts are regular.

(d) Company has taken reasonable steps for overdue amount, if any.

(e) The company being NBFC, the provision of clause iii(e) is not applicable.

f) the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to any promoter , related parties as defined in clause (76) of section 2 of companies Act 2013.
- iv. In respect of Investments made and loans given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 (“the Act”) have been complied with. The Company has not provided any guarantees and security during the year as specified under section 185 and section 186 of the Act.
- v. No deposits have been accepted by the Company within the meaning of directives issued by RBI (Reserve Bank of India) and Section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Hence reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. (a) The Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory

dues were outstanding as at the last day of the financial year for a year of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Income Tax, GST and Duty of Customs which have not been deposited on account of any dispute except the following:

Statute	Nature of Dues	Forum where the dispute is pending	Amount (Rs. In Lakhs)	Financial Year to which it relates
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	49.52	2012-13

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders and hence reporting under clause 3 (ix) (a) of the Order is not applicable to the Company.
- (b) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised by the Company on short-term basis have not been utilized for long-term purposes.
- (e) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) Based on our audit procedures and on the basis of information and explanations given to us, during the year the Company has not raised any funds on the pledge of securities held in its subsidiaries and hence reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment, private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- xi. (a) During our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) During the year, no report under sub section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed in rule 13 of Companies (Audit and Auditors) rules, 2014 with the Central Government.
- (c) No whistle blower complaints have been received during the year by the Company and hence reporting under clause 3 (xi) (c) of the Order is not applicable to the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our Opinion, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure.
- xv. In our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- xvi. (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.
- (b) This clause is not applicable since company is registered with Reserve Bank of India Act 1934.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence this clause is not applicable.
- (d) The Group does not have any CIC, hence clause (xvi)(d) is not applicable to the Company.
- xvii. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been the resignation of the statutory auditors of the Company during the year, however no issues, objections or concerns were raised by the outgoing auditors which required consideration in framing our report.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of

Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year and hence reporting under clause 3 (xx) of the Order is not applicable to the Company.
- xxi. There are no qualification or adverse remarks by the respective auditors in the companies (Auditors Report) order Caro report of the companies included in consolidated financial statements.

For MKPS & ASSOCIATES
Chartered Accountants
ICAI Firm registration No. – 302014E

Narendra Khandal
Partner
Membership No. 065025
UDIN: 22065025AJTQZZ3350

Place: Mumbai
Date: 27th May, 2022

Annexure “B” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the Members of Starteck Finance Limited Limited for the year ended March 31, 2022:

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of the SW Investments Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material 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 judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in

accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorizations of management; (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the standalone financial statements and (iv) also provide us reasonable assurance by the internal auditors through their internal audit reports given to the organization from time to time.

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 best of our information and according to the explanations given to us, the Company has, broadly 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential Component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For MKPS & ASSOCIATES

Chartered Accountants

ICAI Firm registration No. – 302014E

Narendra Khandal

Partner

Membership No. 065025

UDIN: 22065025AJTQZZ3350

Place: Mumbai

Date: 27th May, 2022

STARTECK FINANCE LIMITED			
BALANCE SHEET AS AT 31ST MARCH 2022			
(Rs in lakhs)			
Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	2	6.97	181.39
(b) Bank balances other than (a) above	3	382.77	20.02
(c) Receivable			
- Other Receivable	4	158.82	167.39
(d) Loans	5	17,493.18	11,799.60
(e) Investments	6	7,429.09	7,599.44
(f) Other Financial Assets	7	19.45	16.85
Non Financial Assets			
(a) Current Tax Assets (net)		102.47	94.57
(b) Other Non Financial Asset	8	6.15	29.30
Total Assets		25,598.90	19,908.56
EQUITY AND LIABILITIES			
Financial Liabilities			
(a) Trade Payable			
- Other Payable			
- total outstanding dues of creditors other than micro enterprises and small enterprises	9	29.79	29.08
(b) Borrowings	10	9,228.20	5,043.50
(c) Other Financial Liabilities	11	5.27	7.52
Non Financial Liabilities			
(a) Provisions	12	156.48	101.71
(b) Other Non Financial Liabilities	13	12.39	13.59
(c) Current Tax Liability		57.05	8.76
EQUITY			
Equity Share Capital	14	991.03	991.03
Other Equity	15	15,118.69	13,713.37
Total Equity and Liabilities		25,598.90	19,908.56
Significant accounting policies			
The accompanying notes are an integral part of these standalone financial statements			
As per our attached report of even date			
For MKPS & Associates		For and on behalf of the Board of Directors of Starteck Finance Ltd	
Chartered Accountants			
Firm Registration No. 302014E			
Narendra Khandal		Anand Shroff	
Partner		Whole-time Director & CFO	
Membership No. 065025		(DIN: 08480489)	
		Pankaj Jain	
		Director	
		(DIN: 00048283)	
		Vishal Agarwal	
		Director (DIN: 00168370)	
		Sandhya Malhotra	
		Director (DIN: 06450511)	
		Nilesh Parikh	
		Director (DIN: 02710146)	
Place : Mumbai		Mayuri Jain	
Dated: 27th May, 2022		Company Secretary	

STARTECK FINANCE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs in lakhs)

Particulars	Notes	Year ended 31st March, 2022	Year ended 31st March, 2021
INCOME			
Revenue from operations			
Interest Income	16	1,545.85	1,209.56
Dividend Income	17	18.80	-
Fees and Commission Income	18	23.98	5.56
Total Revenue from operation (I)		1,588.63	1,215.11
Other income (II)	19	56.50	3,512.78
Total Income (I+II)		1,645.13	4,727.89
EXPENSES			
Finance Cost	20	306.25	534.02
Employee Benefits Expense	21	87.62	76.89
Other Expenses	22	167.85	471.26
Total Expenses		561.72	1,082.17
Profit before tax		1,083.41	3,645.72
Tax expense :			
Current tax		147.33	105.28
Short / (excess) taxation of earlier years		-	2.06
Profit for the year		936.08	3,538.38
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Equity Instruments through other comprehensive income		476.59	411.09
Total Comprehensive Income for the year		1,412.67	3,949.47
Earnings per equity share of face value Rs. 10 each			
Basic & Diluted		9.45	35.70
Significant accounting policies			

The accompanying notes are an integral part of these standalone financial statements

As per our attached report of even date

For MKPS & Associates

Chartered Accountants

Firm Registration No. 302014E

Narendra Khandal

Partner

Membership No. 065025

**For and on behalf of the Board of Directors
of Starteck Finance Ltd**

Anand Shroff

Whole-time Director & CFO

(DIN: 08480489)

Pankaj Jain

Director

(DIN: 00048283)

Vishal Agarwal

Director (DIN: 00168370)

Sandhya Malhotra

Director (DIN: 06450511)

Nilesh Parikh

Director (DIN: 02710146)

Place : Mumbai

Dated: 27th May, 2022

Mayuri Jain

Company Secretary

STARTECK FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

(Rs in lakhs)

A. Equity Share Capital	No of Shares	Amount
As at 31st March, 2021	9,910,330	991.03
Changes in equity share capital during 2021-22	-	-
As at 31st March, 2022	9,910,330	991.03

B. Other Equity (Rs in lakhs)

Particulars	Reserves and surplus			Other Comprehensive Income	Total
	Securities premium account	Reserve u/s 45- IC of Reserve Bank of India Act, 1934	Retained earnings	Equity instrument through other comprehensive income	
As at 1st April, 2021	8,048.66	1,233.08	4,087.71	343.92	13,713.37
Profit for the year	-	-	936.08	-	936.08
Dividend Paid			(7.35)		(7.35)
Other comprehensive income for the year	-	-	-	476.59	476.59
Total Comprehensive Income for the year	8,048.66	1,233.08	5,016.44	820.51	15,118.69
Transfer to Statutory Reserve	-	187.21	(187.21)	-	-
Balance as at 31st March, 2022	8,048.66	1,420.29	4,829.23	820.51	15,118.69

The accompanying notes are an integral part of these standalone financial statements

As per our attached report of even date

For MKPS & Associates

Chartered Accountants

Firm Registration No. 302014E

Narendra Khandal

Partner

Membership No. 065025

**For and on behalf of the Board of Directors
of Starteck Finance Ltd**

Anand Shroff

Whole-time Director & CFO
(DIN: 08480489)

Pankaj Jain

Director
(DIN: 00048283)

Vishal Agarwal

Director (DIN: 00168370)

Sandhya Malhotra

Director (DIN: 06450511)

Nilesh Parikh

Director (DIN: 02710146)

Mayuri Jain

Company Secretary

Place : Mumbai

Dated: 27th May, 2022

STARTECK FINANCE LIMITED				
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022				
(Rs in lakhs)				
Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
	Rs.	Rs.	Rs.	Rs.
Cash Flow from Operating Activities				
Profit before tax as per Statement of Profit and Loss		1,083.41		3,645.72
Adjusted for:				
Net Gain/Loss on Fair Value of Financial Instruments	46.93		-	
Gain/ Loss on sale of Investment	(56.50)		(3,476.52)	
Interest on IT Refund	-		(36.25)	
Provision for standard & sub- standard assets	27.39		57.28	
Bad Debts Written Off	-		280.55	
Dividend Income	(18.80)	(0.98)	-	(3,174.95)
Operating Profit before Working Capital Changes		1,082.43		470.78
Adjusted for:				
(Increase)/Decrease in Financial Asset	(5,687.61)		(1,252.37)	
(Increase)/Decrease in Non Financial Asset	23.16		(25.85)	
Increase/(Decrease) in Financial Liabilities	4,185.42		(3,823.19)	
Increase/(Decrease) in Others Liabilities & Provisions	26.18	(1,452.86)	(633.83)	(5,735.24)
Cash Generated from Operations		(370.42)		(5,264.47)
Less: Income Tax Paid		106.93		(258.80)
Cash Inflow before Prior Period Adjustments		(477.36)		(5,005.66)
Less : Prior Period Adjustment		-		-
Net Cash from / (used in) Operating Activities (A)		(477.36)		(5,005.66)
Cash Flow from Investing Activities				
Interest on IT Refund	-		36.25	
Dividend Income	18.80		-	
Sale of Investments	1,251.60		6,699.66	
Purchase of Investments	(595.10)	675.30	(2,030.35)	4,705.56
Net Cash from / (used in) Investing Activities (B)		675.30		4,705.56
Cash Flow from Financing Activities				
Dividend Paid	(7.35)		(8.17)	
FDR	(365.00)	(372.35)	(12.50)	(20.67)
Net Cash from / (used in) Financing Activities (C)		(372.35)		(20.67)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)		(174.41)		(320.77)
Cash and Cash Equivalents - Opening Balance		181.39		502.16
Cash and Cash Equivalents - Closing Balance		6.97		181.39
<p>Note:</p> <p>Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.</p>				
<p>As per our attached report of even date</p>				
<p>For MKPS & Associates Chartered Accountants Firm Registration No. 302014E</p>		<p>For and on behalf of the Board of Directors of Starteck Finance Ltd</p>		
<p>Narendra Khandal Partner Membership No. 065025</p>		<p>Anand Shroff Whole-time Director & CFO (DIN: 08480489)</p>		
		<p>Pankaj Jain Director (DIN: 00048283)</p>		
		<p>Vishal Agarwal Director (DIN: 00168370)</p>		
		<p>Sandhya Malhotra Director (DIN: 06450511)</p>		
		<p>Nilesh Parikh Director (DIN: 02710146)</p>		
<p>Place : Mumbai Dated: 27th May, 2022</p>		<p>Mayuri Jain Company Secretary</p>		

STARTECK FINANCE LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENT

1.1 CORPORATE INFORMATION AND BASIS OF PREPARATION OF FINANCIAL STATEMENT

Corporate Information

Stardeck Finance Limited is a public company incorporated in India under the provision of erstwhile companies Act 1956. The company is a Non-Deposit taking, Non-Systemically Important ("ND-NSI") registered with Reserve Bank of India (RBI) and engaged in the the lending and investment. Equity Shares of the Company are listed on BSE Limited & NSE Limited, India.

Basis of Preparation of Financial Statement

These financial statements have been prepared in accordance with the 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 other relevant provisions of the Act, as amended from time to time and other accounting principles generally accepted in India along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI.

The Company 's financial statements up to and for the year ended March 31, 2022 were prepared in accordance with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), notified under Section 133 of the Act, other relevant provisions of the Act and other accounting principles generally accepted in India, to the extent applicable including the NBFC Master Directions.

The financial statements have been prepared and presented on accrual basis and under a historical cost basis, except for the following:

- Certain financial assets and liabilities – measured at fair value;
- Share-based payments – measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

Based on the nature of products / activities of the Company normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities. The Standalone financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency. Functional Currency is the currency of a primary economic environment in which the Company operates. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Companies Act, 2013 unless otherwise stated.

1.2 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATE

In preparing these financial statements management requires to make judgment's, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, contingent liabilities as at the date of the financial statement and reported amount of income and expenses for the reporting period. Actual results may differ from these estimates. The recognition, measurement, classification or disclosure of an item or information in the financial statement is made relying on these estimates. Revisions to estimates are recognized prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for every period ended is included below:

1. Measurement of defined benefit obligations: key actuarial assumptions;
2. Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
3. Impairment test: key assumptions underlying recoverable amounts.
4. Useful life and residual value of property, plant and equipment, other intangible assets and Right of Use assets;
5. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
6. Impairment of financial assets: key assumptions used in estimating recoverable cash flows
7. Measurement of expected credit losses. - Uncertainty relating to the global health pandemic.

Judgments

Information about the judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements have been given below:

1. assessing the lease term (including anticipated renewals) and the applicable discount rate.
2. Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

1.3 REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Interest and allied Income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying

amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument. The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs). Late payment charges, prepayment charges etc. are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting and reported under "Fees and commission income".

Dividend Income

Dividend income is accounted for when the right to receive the income is established, which generally when the shareholders approves the dividend.

Net Gain/ Loss on Fair Value Changes

Any differences between the fair values of the investment in debt oriented mutual funds classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss

1.4 FINANCIAL INSTRUMENTS:

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

(i) Initial recognition and measurement

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability which is not recognised at Fair Value Through Profit and Loss, is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue

(ii) Subsequent recognition

(A) Financial Assets

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

- Amortised Cost;
- Fair Value Through Other Comprehensive Income (FVOCI); 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 amortised cost if it meets both of the following conditions and is not recognised 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 Investments fair value in Other Comprehensive Income (OCI) (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

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

(B) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised as profit or loss respectively.

(iii) Derecognition

(A) Financial Assets

The Company derecognises 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 recognised 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 derecognised.

(B) Financial Assets

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iv) Offsetting Financial instruments

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

1.5 INCOME TAX

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

(i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

(ii) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(iii) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Minimum alternate tax

Minimum alternate tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

1.6 EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, and bonus element in a rights issue to existing shareholders, share split and reverse share split.

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

1.7 PROVISIONS, CONTINGENCIES AND COMMITMENTS

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made where there is:

- (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

1.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

1.9 EMPLOYEE BENEFITS

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Compensated absences

1. Short term

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of the benefit expected to be availed by the employees.

2. Long term

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to statement of profit and loss in the year in which such gains or losses are determined.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plan such as gratuity; and
- (b) defined contribution plan such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates:

- (a) When the Company can no longer withdraw the offer of those benefits; and
- (b) When the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(v) Share-based payments

The fair value of options granted under the Employee Stock Option Plan to the employees of the Company is recognised as an employee benefits expense with a corresponding increase in equity share capital and the fair value options granted under the Employee Stock Option Plan to the employees of subsidiaries is recognised as an investment in respective subsidiaries with a corresponding increase in equity share capital. The total amount to be expensed is determined

by reference to the fair value of the options granted. In the case where eligible employees left before or in between the vesting period the share based payment reserve gets reduced by the amount of reserve already created for the employees left with the increase in retained earnings and decrease in investment in subsidiaries accordingly.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the share options at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(vi) Contributed equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

1.10 DIVIDEND

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

STARTECK FINANCE LIMITED		
NOTES FORMING PART OF THE FINANCIAL STATEMENTS		
	(Rs in lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
2 Cash and cash equivalents		
Cash on hand	2.10	1.61
Balances with Banks		
In current accounts	4.87	179.78
Total cash and cash equivalents	6.97	181.39
3 Bank balances other than (note no. 2) above		
In Term Deposit	377.50	12.50
Earmarked bank balances		
Unpaid dividend account	5.27	7.52
Total Bank balances other than (note no. 2) above	382.77	20.02
4 Receivable		
Unsecured Considered Good		
Other Receivable		
Interest accrued and due on Tax Free Bonds	158.82	146.26
Pre acquisition Interest on Tax Free Bonds	-	21.13
Total receivable	158.82	167.39
5 Loans		
At Amortised Cost		
Secured, considered good		
Home Loan	500.53	276.69
Secured, considered good		
Loan to Body corporates and others	3,759.87	2,073.66
Unsecured, considered good		
Loans to subsidiary	429.03	1,684.03
Loan to Body corporates and others	12,953.16	7,819.56
Gross Loans	17,642.59	11,853.93
Less: Unamortization of processing fees	(149.41)	(54.33)
Net Loans	17,493.18	11,799.60
5.1 Loans in India		
At Amortised Cost		
Public Sector	-	-
Other	17,642.59	11,853.93
Gross Loan	17,642.59	11,853.93
Less: Unamortization of processing fees	(149.41)	(54.33)
Total Loans in India	17,493.18	11,799.60
5.2 Loans Outside India		
At Amortised Cost		
Other	-	-
Gross Loan	-	-
Less: Unamortization of processing fees	-	-
Total Loans Outside India	-	-
Net Loan	17,493.18	11,799.60

STARTECK FINANCE LIMITED		
NOTES FORMING PART OF THE FINANCIAL STATEMENTS		
	(Rs in lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
6 Investments		
6.1 Investment in subsidiaries and joint ventures		
Investment in equity instruments (at cost)		
Unquoted, fully paid up		
As Amortised Cost		
Investment in subsidiaries		
Equity shares		
V Can Exports Private Limited	1.00	1.00
10,000 (31st March 2021 10,000) equity shares of Rs. 10 each fully paid up		
Stardeck Housing Finance Private Limited	-	1,100.00
NIL (31st March 2021 1,10,00,000) equity shares of Rs. 10 each fully paid up		
Chitta Finlease Private Limited	23.91	23.91
1,000 (31st March 2021 1,000) equity shares of Rs. 100 each fully paid up		
Total investment in subsidiaries equity shares	24.91	1,124.91
6.2 Investments in Bonds and Debenture		
At amortised cost through profit and loss account		
Investments in Tax Free Bonds (Quoted)		
Housing & Urban Development Corporation , 8.14%,25th October 2023	250.24	250.36
25,000 (31st March 2021 25,000) bonds of Rs. 1,000 each		
Housing & Urban Development Corporation, 8.39%,25th October 2023	49.97	49.93
5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each		
Housing & Urban Development Corporation, 8.58%,13th January 2029	217.12	217.89
21,000 (31st March 2021 21,000) bonds of Rs. 1,000 each		
India Infrastructure Finance Company Ltd,8.38%,12th November 2028	300.94	301.05
30,000 (31st March 2021 30,000) bonds of Rs. 1,000 each		
India Infrastructure Finance Company Ltd,8.48% 22nd January 2029	207.22	208.01
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
India Infrastructure Finance Company Ltd 8.55% 27th March 2029	217.05	218.97
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
India Renewable Energy Development Agency Ltd,8.55%,13th March 2029	200.00	200.00
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
Indian Railway Finance Corporation 8.40%,18th February 2029	200.00	200.00
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
Indian Railway Finance Corporation 8.63%,26th March 2029	200.00	200.00
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
National Highway Authority of India 8.50%,05th February 2029	200.00	200.00
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
National Housing Bank 8.63% 13th January 2029	72.20	72.20
1,444 (31st March 2021 1,444) bonds of Rs.5,000 each		
NHPC Ltd 8.54%,02nd November 2028	161.05	161.05
16,105 (31st March 2021 16,105) bonds of Rs. 1,000 each		

<p style="text-align: center;">STARTECK FINANCE LIMITED</p> <p style="text-align: center;">NOTES FORMING PART OF THE FINANCIAL STATEMENTS</p>		
		(Rs in lakhs)
Particulars	As at 31st March, 2022	As at 31st March, 2021
NHPC Ltd 8.79%,02nd November 2028	51.58	51.75
5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each		
Power Finance Corporation 8.54%,16th November 2028	291.50	291.50
29,150 (31st March 2021 29,150) bonds of Rs. 1,000 each		
Power Finance Corporation 8.79%16th November 2028	43.68	43.74
4,310 (31st March 2021 4,310) bonds of Rs. 1,000 each		
Rural Electrification Corporation Ltd 8.26% 24th September 2023	50.02	50.01
5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each		
Rural Electrification Corporation Ltd 8.63% 24th March 2029	200.00	200.00
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
Rural Electrification Corporation Ltd 7.22 %,19th December 2022	300.59	301.18
30,002 (31st March 2021 30,002) bonds of Rs. 1,000 each		
Indian Railway Finance Corporation 8.65%,18th Febuary 2029	49.43	50.57
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
National Highway Authority of India 8.75%,05th Febuary 2029	61.99	63.46
5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each		
Housing & Urban Development Corporation , 8.83%,13th January 2029	112.62	114.06
9,000 (31st March 2021 9,000) bonds of Rs. 1,000 each		
Indian Railway Finance Corporation 8.88%,26th March 2029	49.59	50.80
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
National Housing Bank 8.88% 13th January 2029	37.50	38.43
600 (31st March 2021 600) bonds of Rs. 5,000 each		
Rural Electrification Corporation Ltd 8.63 %, 29th March 2029	12.41	12.70
1,000 (31st March 2021 1,000) bonds of Rs. 1,000 each		
India Infrastructure Finance Company Ltd 8.55% 27th March 2029	49.21	50.30
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
India Renewable Energy Development Agency Ltd,8.80%,13th March 2029	50.10	51.32
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
National Housing Bank 8.93% 24th March 2029	47.80	48.92
767 (31st March 2021 767) bonds of Rs. 5,000 each		
Housing & Urban Development Corporation , 8.98%,28th March 2029	49.73	50.89
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
Kamarajar Port Limited 9% 25th March 2029	50.34	51.58
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
Housing & Urban Development Corporation ,7.64%,8th February 2031	18.02	18.29
1,499 (31st March 2021 1,499) bonds of Rs. 1,000 each		
Housing & Urban Development Corporation ,7.69%,15th March 2031	18.87	19.16
1,563 (31st March 2021 1,563) bonds of Rs. 1,000 each		
Housing & Urban Development Corporation, 8.39%,25th October 2023	40.77	41.18
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
India Infrastructure Finance Company Ltd,8.38%,12th November 2028	60.84	62.21
5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each		

STARTECK FINANCE LIMITED		
NOTES FORMING PART OF THE FINANCIAL STATEMENTS		
	(Rs in lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
India Infrastructure Finance Company Ltd 8.63% 12th November 2028 5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each	61.15	62.57
India Infrastructure Finance Company Ltd 8.73% 22nd January 2029 10,000 (31st March 2021 10,000) bonds of Rs. 1,000 each	121.94	124.60
India Renewable Energy Development Agency Ltd, 7.74%, 21st January 2031 2,232 (31st March 2021 2,232) bonds of Rs. 1,000 each	27.00	27.41
Indian Railway Finance Corporation 7.53%, 21st December 2030 1,582 (31st March 2021 1,582) bonds of Rs. 1,000 each	17.93	18.11
Indian Railway Finance Corporation 7.64%, 22nd March 2031 3,000 (31st March 2021 3,000) bonds of Rs. 1,000 each	34.26	34.62
Indian Railway Finance Corporation 8.40%, 18th February 2029 15,000 (31st March 2021 15,000) bonds of Rs. 1,000 each	183.77	187.86
National Bank for Agriculture and Rural Development 7.64% 23rd March 2031 3,000 (31st March 2021 3,000) bonds of Rs. 1,000 each	36.25	36.80
National Highway Authority of India 7.60%, 11th January 2031 4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each	48.42	49.18
National Highway Authority of India 7.69%, 06th March 2031 2,655 (31st March 2021 2,655) bonds of Rs. 1,000 each	32.75	32.97
National Highway Authority of India 8.50%, 05th February 2029 20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each	245.93	251.53
National Housing Bank 8.63% 13th January 2029 2,696 (31st March 2021 2,696) bonds of Rs. 5,000 each	166.90	170.86
NHPC Ltd 8.54%, 02nd November 2028 1,611 (31st March 2021 1,611) bonds of Rs. 1,000 each	19.73	20.19
NHPC Ltd 8.79%, 02nd November 2028 5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each	62.00	63.54
Power Finance Corporation 8.54%, 16th November 2028 6,478 (31st March 2021 6,478) bonds of Rs. 1,000 each	79.42	81.27
Power Finance Corporation 8.79%, 16th November 2028 5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each	61.67	63.15
Rural Electrification Corporation Ltd 8.26% 24th Sept 2023 4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each	42.22	43.62
Rural Electrification Corporation Ltd 8.63 %, 29th March 2029 3,000 (31st March 2021 3,000) bonds of Rs. 1,000 each	37.21	38.07
Total Investments in Bonds and Debenture	5,200.93	5,247.86
- The tax free bonds book value of Rs 5,200.94 Lakhs are pledged to ICICI Bank Limited and Barclays Loans and Investments (India) Limited (Previous Year Rs 5,247.86 Lakhs were pledged to Barclays Loans and Investments (India) Limited and ICICI Bank Ltd)		
6.3 Other investments		
At fair value through other comprehensive income		
Investment in equity instruments (At fair value through other comprehensive income unless otherwise stated)		
Quoted, fully paid up (At fair value through other comprehensive income unless otherwise stated)		
Cox & Kings Financial Services Ltd 4,667 (31st March 2021 4,667) share of Rs. 5 each	0.01	0.01
Powergrid Infrastructure Investment Trust 5,00,000 (31st March 2021 NIL) share of Rs. 100 each	671.90	-

STARTECK FINANCE LIMITED		
NOTES FORMING PART OF THE FINANCIAL STATEMENTS		
	(Rs in lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
Unquoted, fully paid up		
Eskay Infrastructure Development Pvt Ltd	1,531.34	1,226.64
78,732 (31st March 2021 78,732) shares of Rs 10 each		
Total other investments	2,203.25	1,226.66
Total investments	7,429.09	7,599.44
Break up of Investments		
In India	7,429.09	7,599.44
Outside India	-	-
	7,429.09	7,599.44
7 Other Financial assets		
Other receivables	17.95	15.35
Security deposits	1.50	1.50
Total other financial assets	19.45	16.85
8 Other Non Financial assets		
Balance with revenue authority	6.15	8.97
Advance towards services	-	20.33
Total other non financial assets	6.15	29.30

STARTECK FINANCE LIMITED		
NOTES FORMING PART OF THE FINANCIAL STATEMENTS		
(Rs in lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
9 Trade payables		
Trade payable - Micro and small enterprises*	-	-
Trade payable - Other than micro and small enterprises	29.79	29.08
Total trade payables	29.79	29.08
Based on the information available as identified by the Company, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:		
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
b) Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day,	-	-
c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
d) The amount of interest accrued and remaining unpaid during the accounting year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-
10 Borrowings		
At Amortised Cost		
Secured - Term Loan		
From Financial institutions	-	-
Secured - Overdraft Facility		
From Bank	4,875.45	4,520.28
Unsecured		
From Body Corporates	4,352.75	523.22
	9,228.20	5,043.50
Less : Unamortised Ancillary cost of arranging the borrowings	-	-
Total borrowings	9,228.20	5,043.50

STARTECK FINANCE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Break up of Borrowings		
In India	9,228.20	5,043.50
Outside India	-	-
	9,228.20	5,043.50
Terms and Conditions for Secured Loan taken from Banks		
ICICI Bank Limited		
- The Bank overdraft of Rs.905.91 Lakhs (Previous Year Rs 756.12) is secured by way of pledge of tax free bonds and other securities.		
- The interest rate on Bank Overdraft of Rs.905.91 Lakhs (Previous Year Rs 756.12) @ 7.95% (Previous Year 7.95%)		
Barclays Bank Plc		
- The Bank overdraft of Rs.3,969.54 Lakhs (Previous Year 3,764.15 Lakh) is secured by way of pledge of tax free bonds and other securities.		
- The interest rate on Bank Overdraft of Rs.3,969.54 Lakhs (Previous Year 3,764.15 Lakh) @ 7.20% (Previous Year @ 7.75%)		
11 Other financial liabilities		
Unpaid dividends	5.27	7.52
Total other financial liabilities	5.27	7.52
12 Provisions		
Impairment Loss allowance on loans	129.10	101.71
CSR	27.38	-
Total provisions	156.48	101.71
13 Other Non financial liabilities		
Statutory dues payables	12.39	13.59
Total other non financial liabilities	12.39	13.59

STARTECK FINANCE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
14 Equity share capital		
Authorised share capital		
15,00,00,000 equity shares of Rs. 10 each (31st March 2021 15,00,00,000)	15,000.00	15,000.00
Total authorised share capital	15,000.00	15,000.00
Issued, subscribed and fully paid up		
99,10,330 equity shares of Re. 10 each (31st March 2021 99,10,330)	991.03	991.03
Total issued, subscribed and fully paid up share capital	991.03	991.03

(i) Reconciliation of equity share capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
At the beginning of the period	9,910,330	991.03	9,910,330	991.03
Issued during the year	-	-	-	-
Outstanding at the end of the period	9,910,330	991.03	9,910,330	991.03

(ii) Terms and rights attached to equity shares

The Company has only one class of equity share having value of Rs 10 each with an entitlement of one vote per share. 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 annual general meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	% holding	Number of shares	% holding
SW Capital Private Limited	10.02%	992,739	9.79%	970,139
Eskay Infrastructure Development Private Limited	10.55%	1,045,700	10.55%	1,045,700
Akrur Kamal Khetan	-	-	5.50%	545,400
Matrabhav Trust	11.37%	1,126,666	11.37%	1,126,666
Anupma Kamal Khetan	5.50%	545,400	5.50%	545,400

STARTECK FINANCE LIMITED		
NOTES FORMING PART OF THE FINANCIAL STATEMENTS		
	(Rs in lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
15 Other equity		
Reserves & surplus		
- Securities premium account	8,048.66	8,048.66
- Statutory Reserve Fund	1,420.29	1,233.08
- Retained earnings	4,829.23	4,087.71
Other comprehensive income		
- Equity instrument through other comprehensive income	820.51	343.92
Total other equity	15,118.69	13,713.37
Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Securities premium reserve		
Opening balance	8,048.66	8,048.66
Addition during the year	-	-
Closing balance	8,048.66	8,048.66
(ii) Statutory Reserve		
Opening balance	1,233.08	525.40
Transferred from Retained Earning	187.21	707.68
Closing balance	1,420.29	1,233.08
(iii) Retained earnings		
Opening balance	4,087.71	1,265.18
Net profit for the year	936.08	3,538.38
Transferred to Statutory Reserve	(187.21)	(707.68)
Dividend Paid	(7.35)	(8.17)
Closing balance	4,829.23	4,087.71
(iv) Other comprehensive income		
- Equity instrument through other comprehensive income		
Opening balance	343.92	(67.18)
Income/(loss) for the year	476.59	411.09
Closing balance	820.51	343.92
Nature & purpose of other equity and reserves :		
(a) Securities premium account :		
Securities premium reserve is used to record the premium on issue of financial securities such as equity shares, preference shares, compulsory convertible debentures. The reserve is utilised in accordance with the provision of the Act.		
(b) Reserve u/s 45 IC of the Reserve Bank of India Act, 1934:		
The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.		

STARTECK FINANCE LIMITED

NOTES TO FINANCIAL STATEMENTS

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
16 Interest Income		
Interest income on loans	1,199.85	869.04
Interest income on Investment	346.00	340.52
Total interest income	1,545.85	1,209.56
17 Dividend Income		
Dividend income	18.80	-
Total dividend income	18.80	-
18 Fees and Commission		
Processing Fees & Advisory Services Fees	23.98	5.56
Total fees and commission	23.98	5.56
19 Other Income		
Profit on sales of Investment	56.50	3,476.52
Interest on income tax refund	-	36.25
Total other income	56.50	3,512.78
20 Finance Cost		
Interest on Borrowing	304.65	269.64
Interest on Bank Overdraft		263.52
Other Borrowing Cost	1.60	0.86
Total finance cost	306.25	534.02
21 Employee Benefits Expense		
Salaries and wages	87.56	76.89
Staff welfare expenses	0.06	-
Total employee benefits expense	87.62	76.89

STARTECK FINANCE LIMITED		
NOTES TO FINANCIAL STATEMENTS		
	(Rs in lakhs)	
Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
22 Other Expenses		
Annual, listing fees and other fees	3.89	3.57
Business promotion	29.48	5.37
Bad Debt Written off	-	280.55
Demat charges	0.47	-
Director sitting fees	1.00	1.20
Insurance	-	1.15
Legal and professional	62.08	101.50
Miscellaneous expenses	4.29	2.30
Payments to auditors	3.00	3.00
Provision for standard & sub- standard assets	27.39	57.28
Rent, rates and taxes	5.38	4.07
Travelling and conveyance	3.49	1.28
CSR Activity	27.38	1.00
Credit Rating Fees	-	9.00
Total other expenses	167.85	471.26

STARTECK FINANCE LIMITED

NOTES TO FINANCIAL STATEMENTS

23 Income tax expense

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(a) Tax expense recognised in the Statement of Profit and Loss

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Current tax on profits for the year	147.33	105.28
Adjustments for current tax of prior periods	-	2.06
Total current tax expense	147.33	107.34
Deferred tax charge/(credit)-P&L	-	-
Other Comprehensive Income-Remeasurments of net defined benefit plans	-	-
Total deferred tax expense/(benefit)	-	-
Income tax expense/(benefit)	147.33	107.34

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Enacted income tax rate in India applicable to the Company	25.168%	25.168%
Profit/(loss) before income tax expense	1,083.41	3,645.72
Current Tax Expense on Profit/(Loss) before tax expenses at enacted income tax rate in India	272.67	917.56
Tax effects of :		
Disallowabale expenses	-	2.49
Exempt income	(125.34)	(87.08)
Income Tax at special rate	-	(583.45)
Tax in respect of earlier years	-	2.06
Bad Debts	-	(158.65)
Business Loss Carried Forward	-	-
Other items	-	14.42
Income tax expense	147.33	107.35

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the year ended March 31, 2021 and remeasured its deferred tax assets and liabilities, basis the rate prescribed in the said section. The full impact of this change has been recognised during the year

STARTECK FINANCE LIMITED
NOTES TO FINANCIAL STATEMENTS

24 Related Party Disclosures

Name of the Related Parties :

Disclosure of related party transaction and balances for the year ended 31st March 2022

Relationship

List of related parties with whom transactions has been entered in the ordinary course of business

(A) Key Management Personal

Anand Shroff - Whole Time Director & CFO

Lalitha Cheripalli - Director

Shreya Shetty - Company Secretary upto 18th September 2020

Mayuri Jain - Company Secretary from 12th November 2020

(B) Entity/ Person having Significant Influence

Akshunya Energy Private Limited

Eskay Infrastructure Development Private Limited

Glint Infraprojects Private Limited

Luton Finance and Investment Private Limited

Samagra Wealthmax Private Limited

Starteck Infraprojects Private Limited

Sunteck Realty Limited

SW1 Advisory Private Limited

SW Capital Private Limited

Niyamit Mercantile and Trading LLP

Kanaka & Associates

SW Investments Limited

SW Capital Private Limited

(C) Subsidiaries

Chitta Finlease Private Limited

V Can Export Private Limited

Starteck Housing Finance Private Limited

Related Party Transactions

(Rs.in lakhs)

Particulars	Relationship	F Y 2021 2022	F Y 2020 2021
(i) Transaction during the year			
Rent Paid			
Sunteck Realty Ltd	Entity/ Person having Significant Influence	4.08	3.91
Salary Paid(including reimbursements)			
Anand Shroff	KMP	64.79	55.00
Lalitha Cheripalli	KMP	1.14	1.14
Mayuri Jain	KMP	5.24	2.31
Shreya Shetty	KMP	-	4.64
Interest Received			
Niyamit Mercantile and Trading LLP	Entity/ Person having Significant Influence	120.09	84.23
Eskay Infrastructure Development Pvt Ltd	Entity/ Person having Significant Influence	83.92	154.35
Starteck Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	4.58	-
Luton Finance and Investment Pvt Ltd	Entity/ Person having Significant Influence	-	168.07

STARTECK FINANCE LIMITED
NOTES TO FINANCIAL STATEMENTS

(Rs.in lakhs)

Particulars	Relationship	F Y 2021 2022	F Y 2020 2021
SW Capital Pvt Ltd	Entity/ Person having Significant Influence	50.44	10.85
Interest Paid			
Akshunya Energy Private Limited	Entity/ Person having Significant Influence	24.61	2.38
Glint Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	2.67	0.21
Kamal Khetan	Entity/ Person having Significant Influence	0.73	-
Starteck Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	-	20.26
SW Investments Ltd	Entity/ Person having Significant Influence	2.38	24.26
Brokerage Paid			
SW Capital Pvt Ltd	Entity/ Person having Significant Influence	-	0.35
Profit from Sell of Invstment			
Mintech Holding Private Limited	Entity/ Person having Significant Influence	45.00	-
Loan and Advances given			
Glint Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	-	550.24
Eskay Infrastructure Development Pvt Ltd	Entity/ Person having Significant Influence	951.02	877.80
SW Investments Ltd	Entity/ Person having Significant Influence	-	69.67
SW Capital Pvt Ltd	Entity/ Person having Significant Influence	-	250.00
Starteck Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	164.77	51.09
Niyamit Mercantile and Trading LLP	Entity/ Person having Significant Influence	-	107.32
Loan Taken			
Glint Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	609.28	-
SW Investments Ltd	Entity/ Person having Significant Influence	68.95	-
Niyamit Mercantile and Trading LLP	Entity/ Person having Significant Influence	692.26	-
Kamal Khetan	Entity/ Person having Significant Influence	2,975.66	-
(ii) Outstanding balance as at year end			
Loans and Advances given			
Luton Finance and Investment Pvt Ltd	Entity/ Person having Significant Influence	-	1,731.20

STARTECK FINANCE LIMITED
NOTES TO FINANCIAL STATEMENTS

(Rs.in lakhs)

Particulars	Relationship	F Y 2021 2022	F Y 2020 2021
Niyamit Mercantile and Trading LLP	Entity/ Person having Significant Influence	-	1,468.12
Eskay Infrastructure Development Pvt Ltd	Entity/ Person having Significant Influence	2,578.62	1,627.62
Glint Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	-	639.02
Stardeck Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	217.08	52.31
SW Investments Ltd	Entity/ Person having Significant Influence	-	71.69
SW Capital Pvt Ltd	Entity/ Person having Significant Influence	45.39	250.00
Chitta Finlease Pvt Ltd	Subsidiary	429.03	1,684.03
Loan Taken			
Akshunya Energy Pvt Ltd	Entity/ Person having Significant Influence	6.60	283.25
SW Investments Ltd	Entity/ Person having Significant Influence	68.95	-
Deposit			
Sunteck Realty Ltd	Entity/ Person having Significant Influence	1.50	1.50
Other receivable			
Stardeck Housing Finance Pvt Ltd	Subsidiary	12.73	14.10

NOTES TO FINANCIAL STATEMENTS

25 The Following additional information is disclosed in terms of RBI Circulars:

(Rs. in lakhs)

Particulars	Amount outstanding	Amount overdue
<u>Liabilities side :</u>		
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	-	-
: Unsecured	-	-
(Other than falling within the meaning of public deposits)		
(b) Deferred Credits		
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	4,352.75	-
(e) Commercial Paper	-	-
(f) Other Loans (Bank Overdraft)	4,875.45	-
Total	9,228.20	-
<u>Assets side :</u>	Amount outstanding	Amount overdue
(2) Break-up of Loans and Advances including bills receivables (Other than those included in (4) below) :		
(a) Secured	4,110.99	-
(b) Unsecured	13,382.19	-
Total	17,493.18	-
(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Leased assets including lease rentals under Sundry debtors :		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
Total	-	-
(4) Break-up of Investments :		
<u>Current Investments:</u>		
1. Quoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	5,200.94	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-

STARTECK FINANCE LIMITED
NOTES TO FINANCIAL STATEMENTS

(Rs in lakhs)

Assets side :	Amount outstanding	Amount overdue
<u>Long Term Investments :</u>		
1. Quoted		
(i) Shares : (a) Equity	671.91	-
(b) Preference		-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted		
(i) Shares : (a) Equity	1,531.34	-
(b) Preference		-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
Total	7,404.19	-
Category	Secured / Unsecured	Total
(5) Borrower group-wise classification of assets financed as in (2) and (3) above :		
<u>1. Related parties</u>		
(a) Subsidiaries	429.03	429.03
(b) Companies in the same group	2,841.13	2,841.13
(c) Other related parties	-	-
<u>2. Other than related parties</u>	14,223.02	14,223.02
Total	17,493.18	17,493.18
Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
<u>1. Related parties</u>		
(a) Subsidiaries	24.91	24.91
(b) Companies in the same group	-	-
(c) Other related parties	-	-
<u>2. Other than related parties</u>	7,379.27	7,379.27
Total	7,404.19	7,404.19

STARTECK FINANCE LIMITED

NOTES TO FINANCIAL STATEMENTS

26 Fair value measurements

(i) Fair value hierarchy

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the use of discounted cash flow for fair value at amortised cost

Financial Assets and Liabilities as at 31st March, 2022		Routed through Profit and loss			Routed through OCI			Carried at amortised cost			Total		
		Level 1	Level 3	Carrying amounts	Total	Level 1	Level 3	Carrying amounts	Total				
Financial assets Investments - Equity instruments Quoted Unquoted - Bonds Debentures Quoted Unquoted Receivables Loans to Subsidiary Loans Other advances and receivables ' - to others Cash and cash equivalents Other bank balances Total financial assets	-	-	-	-	0.01	-	-	0.01	-	-	-	-	0.01
	-	-	-	-	-	1,531.34	-	1,531.34	-	-	-	-	1,531.34
	-	-	-	-	-	-	-	-	5,200.94	-	-	-	5,200.94
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	158.82
	-	-	-	-	-	-	-	-	-	-	-	-	429.03
	-	-	-	-	-	-	-	-	-	-	-	-	17,064.15
	-	-	-	-	-	-	-	-	-	-	-	-	19.45
	-	-	-	-	-	-	-	-	-	-	-	-	6.97
	-	-	-	-	-	-	-	-	-	-	-	-	382.77
	-	-	-	-	-	-	-	-	-	-	-	-	24,793.48
	Financial liabilities												
	-	-	-	-	-	-	-	-	-	-	-	-	4,875.45
-	-	-	-	-	-	-	-	-	-	-	-	4,352.75	
-	-	-	-	-	-	-	-	-	-	-	-	29.79	
-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	5.27	
-	-	-	-	-	-	-	-	-	-	-	-	-	
Total financial liabilities													
-	-	-	-	-	-	-	-	-	-	-	-	-	9,263.27

* Listed on BSE (However, not traded actively)

STARTECK FINANCE LIMITED NOTES TO FINANCIAL STATEMENTS											
(Rs. in lakhs)											Total
Financial Assets and Liabilities as at 31st March, 2021	Routed through Profit and loss			Routed through OCI			Carried at amortised cost			Total	
	Level 1	Level 3	Carrying amounts	Total	Level 1	Level 3	Carrying amounts	Total	Level 1	Level 3	Carrying amounts
Financial assets											
Investments											
- Equity instruments											
Quoted	-	-	-	0.01	-	-	-	0.01	-	-	-
Unquoted	-	-	-	1,226.64	-	-	-	1,226.64	-	-	-
- Bonds Debentures											
Quoted	-	-	-	-	-	-	-	-	3,217.64	-	3,217.64
Unquoted	-	-	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	167.39	167.39	167.39
Loans to Subsidiary	-	-	-	-	-	-	-	-	1,684.03	1,684.03	1,684.03
Loans	-	-	-	-	-	-	-	-	10,115.58	10,115.58	10,115.58
Other advances and receivables ' - to others	-	-	-	-	-	-	-	-	16.85	16.85	16.85
Cash and cash equivalents	-	-	-	-	-	-	-	-	181.39	181.39	181.39
Other bank balances	-	-	-	-	-	-	-	-	20.02	20.02	20.02
Total financial assets	-	-	-	-	0.01	1,226.64	-	1,226.66	3,217.64	-	15,402.89
Financial liabilities											
Loans from Financial Institutions	-	-	-	-	-	-	-	-	-	-	-
Bank Overdraft	-	-	-	-	-	-	-	-	4,520.28	4,520.28	4,520.28
Loans from related parties and others	-	-	-	-	-	-	-	-	523.22	523.22	523.22
Trade payables	-	-	-	-	-	-	-	-	29.08	29.08	29.08
Other Liabilities	-	-	-	-	-	-	-	-	-	-	-
Unpaid dividends	-	-	-	-	-	-	-	-	7.52	7.52	7.52
Interest accrued	-	-	-	-	-	-	-	-	-	-	-
Total financial liabilities	-	-	-	-	-	-	-	-	5,080.10	5,080.10	5,080.10
* Listed on BSE (However, not traded actively)											
Note: There are no financial assets/liabilities categorized under Level 2											
(iii) Fair value measurements using significant unobservable inputs (level 3)											
(Rs. in lakhs)											Unlisted equity securities
Particulars											
As at 31st March, 2021											1,226.64
Gains/(losses) recognised in other comprehensive income											304.69
As at 31st March, 2022											1,531.34
(iv) Fair value of financial assets and liabilities measured at amortised cost											
(Rs. in lakhs)											
Particulars											
As at											
31st March, 2022											
Carrying amount											
Fair value											
31st March, 2021											
Carrying amount											
Fair value											
Financial assets											
Loans	17,493.18	17,493.18	17,493.18	17,493.18	11,799.60	11,799.60	11,799.60	11,799.60	11,799.60	11,799.60	
Total financial assets	17,493.18	17,493.18	17,493.18	17,493.18	11,799.60	11,799.60	11,799.60	11,799.60	11,799.60	11,799.60	
Financial liabilities											
Borrowings	9,228.20	9,228.20	9,228.20	9,228.20	5,043.50	5,043.50	5,043.50	5,043.50	5,043.50	5,043.50	
Total financial liabilities	9,228.20	9,228.20	9,228.20	9,228.20	5,043.50	5,043.50	5,043.50	5,043.50	5,043.50	5,043.50	
The carrying amounts of trade receivables, trade payables, other payables, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature. This is classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.											

STARTECK FINANCE LIMITED
NOTES TO FINANCIAL STATEMENTS

27 Financial risk management

The Company's activities expose it to business risk, interest rate risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, the Company's risk management is carried out by a corporate treasury and corporate finance department under policies approved by the board of directors and top management. Company's treasury identifies, evaluates and mitigates financial risks in close cooperation with the Company's operating units. The board provides guidance for overall risk management, as well as policies covering specific areas.

(A) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business,
 - ii) Actual or expected significant changes in the operating results of the counterparty,
 - iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
 - iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.
- Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.
- The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Ageing of Account receivables :

Particulars	As at 31st March 2022	As at 31st March 2021
0-3 months	85.53	50.92
3-6 months	-	-
6 months to 12 months	73.29	75.28
beyond 12 months	-	-
Total	158.82	126.20

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the group's liquidity position (comprising the unused cash and bank balances along with liquid investments) on the basis of expected cash flows. This is generally carried out at Company level in accordance with practice and limits set by the group. These limits vary to take into account the liquidity of the market in which the Company operates.

(i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for: all non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31st March, 2022	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Above 2 year	Total
Non-derivatives						
Bank overdraft	905.91	3,969.54				4,875.45
Borrowings						
From related parties and Others			4,352.75			4,352.75
Trade payables	29.79					29.79
Unpaid Dividend	5.27					5.27
Interest accrued but not due on borrowings	-					-
Total non-derivative liabilities	940.98	3,969.54	4,352.75	-	-	9,263.27

STARTECK FINANCE LIMITED

NOTES TO FINANCIAL STATEMENTS

	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Above 2 year	Total
Contractual maturities of financial liabilities 31st March, 2021						
Non-derivatives						
Bank overdraft	2,800.38	1,848.42				4,648.80
Borrowings:						
From Financial Institution	4.49	4.65	9.76	21.57	3,090.66	3,131.13
From related parties and Others			523.22			523.22
Trade payables	29.08					29.08
Unpaid Dividend	7.52					7.52
Interest accrued but not due on borrowings	30.11					30.11
Total non-derivative liabilities	2,871.58	1,853.07	532.98	21.57	3,090.66	8,369.86

(C) Market risk

(i) Price Risk

- Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through OCI .

- Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Impact of Profit before tax

Particulars	As at 31st March, 2022	As at 31st March, 2021
BSE Sensex - Increase 5%	33.60	0.00
BSE Sensex - Decrease 5%	(33.60)	(0.00)

STARTECK FINANCE LIMITED

NOTES TO FINANCIAL STATEMENTS

(ii) Cash flow and fair value interest rate risk

- Interest rate risk management:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates. The risk is managed by the group by maintaining an appropriate mix between fixed and floating rate borrowings.

- Interest rate risk exposure:

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Variable rate borrowings	4,875.45	4,520.28
Fixed rate borrowings	4,352.75	523.22
Total borrowings	9,228.20	5,043.50

- Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax :

Particulars	As at 31st March, 2022	As at 31st March, 2021
50 bp increase would decrease the profit before tax by*	46.14	25.22
50 bp decrease would Increase the profit before tax by*	(46.14)	(25.22)

* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

28 Capital management

(a) Risk management

The Company's objectives when managing capital are to :

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Net debt (Total Debt - Cash & cash equivalent)	9,221.23	4,862.11
Total equity	16,109.73	14,704.40
Net debt to equity ratio	57%	33%

Loan covenants : The company intends to manage optimal gearing ratios.

(b) Dividends

Particulars	As at 31st March, 2022	As at 31st March, 2021
-------------	---------------------------	---------------------------

Dividends not recognised at the end of the reporting period

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Rs. 0.25 per fully paid equity share for other than promoters (31st March, 2021 – Rs. 0.25). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

*Calculation is based on the no. of shares outstanding as at year end.

STARTECK FINANCE LIMITED
NOTES TO FINANCIAL STATEMENTS

29 Earnings per share

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021
Earning Per Share has been computed as under :			
Profit for the year (Rs.in lakhs) (A)	936.08		3,538.38
Weighted average number of equity shares (B)	9,910,330.00		9,910,330.00
Add : Potential equity shares on account of share application money pending allotment	-		-
Weighted average number of Equity shares adjusted for the effect of dilution (C)	9,910,330.00		9,910,330.00
Basic EPS (Amount in Rs.) (A/B) (Face value of Rs. 10 per share)	9.45		35.70
Diluted EPS (Amount in Rs.) (A/C) (Face value of Rs. 10 per share)	9.45		35.70

30 Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decision about allocating resources to the segment and assessing its performance. The business activity of the company falls within one business segment viz "financing activities". Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

31 The accounts of certain trade receivables, trade payables, loans and advances and banks are, however, subject to formal confirmations or reconciliation and consequent adjustments, if any. However, there is no indication of dispute on these accounts, other than those mentioned in the financial statements. The management does not expect any material difference affecting the current year's financial statements on such reconciliation/adjustments. There are no pending litigation having impact on financial position of the company.

32 Contingent Liabilities not provided for

(Rs in lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021
Claims against the company not acknowledged as debts - CIT (A)	49.53		49.53

33 Details of payments to auditors

(Rs in lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021
Payment to auditors			
As auditor:			
Audit fee	2.25		2.25
Total payments to auditors	2.25		2.25

34 Figures pertaining to Previous Year have been regrouped / reclassified wherever found necessary to conform to Current year presentation.

Signature to Notes No 1 to 34

As per our attached report of even date

For MKPS & Associates

Chartered Accountants

Firm Registration No. 302014E

Narendra Khandal

Partner

Membership No. 065025

**For and on behalf of the Board of Directors
of Starteck Finance Ltd**

Anand Shroff

Whole-time Director & CFO

(DIN: 08480489)

Pankaj Jain

Director

(DIN: 00048283)

Vishal Agarwal

Director (DIN: 00168370)

Sandhya Malhotra

Director (DIN: 06450511)

Nilesh Parikh

Director (DIN: 02710146)

Mayuri Jain

Company Secretary

Place : Mumbai

Dated: 27th May, 2022

Independent Auditor's Report

To,
The Members of
Starteck Finance Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Starteck Finance Limited** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company & its subsidiaries together referred to as "the Group") comprising of consolidated Balance Sheet as at March 31st, 2022, the Consolidated Statement of Profit & Loss including other comprehensive income, Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March, 2022, the consolidated profits including total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	Auditor's Response
1.	Income Recognition, Asset Classification and Provisioning Pertaining to Advances: Accuracy in identification and categorisation of receivables from financing activities as performing and non-performing assets and in ensuring appropriate asset classification, existence of security, income	Principal Audit Procedures performed: We have assessed the systems and processes laid down by the Company to appropriately identify and classify the receivables from financing activities including those in place to ensure correct classification, income recognition and provisioning/write off including of Non-performing assets as per applicable RBI guidelines. The audit approach included testing the existence and effectiveness of the control environment laid down by the management and

<p>recognition, provisioning/ write off thereof and completeness of disclosure including compliance in accordance with the applicable extant guidelines issued by Reserve Bank of India (RBI).</p> <p>Measurement of individual borrowers' provisions including Covid-19 impact assessment of multiple economic scenarios.</p>	<p>conducting of detailed substantive verification on selected samples of continuing and new transactions in accordance with the principles laid down in the Standards on Auditing and other guidance issued by Institute of Chartered Accountants of India. Agreements entered into regarding significant transactions including related to corporate loans have been examined to ensure compliance. We have also reviewed the reports generated from management information systems; reports issued by the internal/secretarial auditors. The impact of all significant external and internal events including those if any, subsequent to balance sheet date have been taken into consideration for the above purposes. Compliance with material disclosure requirements prescribed by RBI guidelines and other statutory requirements have been verified.</p> <p>We performed an overall assessment of the ECL provision levels at each stage including Management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.</p> <p>The Procedures performed gave us a sufficient evidence to conclude that the Income recognition, Asset classification and provisioning are being done in accordance with RBI guidelines.</p>
--	---

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

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

Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, Consolidated financial performance including Other Comprehensive Income, Consolidated changes in equity of the Group and Consolidated Cash flows in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

Other Matters

We did not audit the financial statements of the subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs. **1,686.09** lakhs as at 31st March, 2022, total revenue of Rs. **Nil** and Rs. **1,220.89** lakhs and total comprehensive income / (loss) of Rs. **(6.33)** lakhs and Rs. **89.29** lakhs for the quarter ended and year ended 31st March, 2022, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our opinion on the Consolidated Financial Statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

As required by Sub-section (3) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of subsidiaries, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, 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 and aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary companies, none of the directors of the Group companies and its subsidiary companies is disqualified as on 31st March, 2022 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 Holding Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph:
 - (i) The Group do not have any pending litigations which would impact the consolidated financial position of the Group.
 - (ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts; and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
- v. The Company has not declared or paid any dividend during the year ended March 31, 2022 and hence reporting compliance of Section 123 of the Act is not applicable.

For MKPS & ASSOCIATES

Chartered Accountants

ICAI Firm registration No. – 302014E

Narendra Khandal

Partner

Membership No. 065025

UDIN: 22065025AJTRJJ9366

Place: Mumbai

Date: 27th May, 2022

Annexure “A” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of Starteck Finance Limited of even date:

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the the Act

We have audited the internal financial controls over financial reporting of **Starteck Finance Limited** (hereinafter referred to as “the Holding Company”) and its subsidiary companies as of and for the year ended 31st March, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies 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 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material 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 and the audit evidence obtained by the other auditors of the subsidiary companies, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies.

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 authorizations of management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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, to the best of our information and according to the explanations given to us and based on the consideration of Other Matters paragraph below, the Holding Company and its subsidiary companies, have broadly, 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 31st March, 2022, based on the internal control over financial reporting criteria established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to three subsidiary companies, is based solely on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matters.

For MKPS & ASSOCIATES

Chartered Accountants

ICAI Firm registration No. – 302014E

Narendra Khandal

Partner

Membership No. 065025

UDIN: 22065025AJTRJJ9366

Place: Mumbai

Date: 27th May, 2022

STARTECK FINANCE LIMITED			
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022			
(Rs in lakhs)			
Particulars	Notes	As at 31st March 2022	As at 31st March, 2021
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	2	9.97	400.25
(b) Bank balances other than (a) above	3	382.77	956.52
(c) Receivable			
- Other Receivable	4	158.82	2,794.48
(d) Loans	5	17,064.15	69,050.88
(e) Investments	6	7,404.18	6,474.52
(f) Other Financial Asset	7	19.45	4.12
Non Financial assets			
(a) Current tax assets (net)		273.67	222.37
(b) Investment Property	8	1,454.85	1,479.43
(c) Other Non Financial Asset	9	6.15	29.32
Total Assets		26,774.01	81,411.89
EQUITY AND LIABILITIES			
Financial Liabilities			
(a) Payable			
- Other Payable			
- total outstanding dues of creditors other than micro enterprises and small enterprises	10	34.21	50.89
(b) Borrowings	11	9,228.20	64,042.64
(c) Other Financial Liabilities	12	1,247.45	2,291.43
Non Financial Liabilities			
(a) Provisions	13	156.48	101.71
(b) Other Non Financial Liabilities	14	12.39	267.89
EQUITY			
Equity share capital	15	991.03	991.03
Other Equity	16	15,104.25	13,666.30
Total Equity and Liabilities		26,774.01	81,411.89
Significant accounting policies			
The accompanying notes are an integral part of these consolidated financial statements			
As per our attached report of even date			
For MKPS & Associates		For and on behalf of the Board of Directors	
Chartered Accountants		of Starteck Finance Ltd	
Firm Registration No. 302014E			
		Anand Shroff	Pankaj Jain
		Whole-time Director & CFO	Director
		(DIN: 08480489)	(DIN: 00048283)
Narendra Khandal			
Partner			
Membership No. 065025		Vishal Agarwal	Sandhya Malhotra
		Director (DIN: 00168370)	Director (DIN: 06450511)
		Nilesh Parikh	
		Director (DIN: 02710146)	
Place : Mumbai		Mayuri Jain	
Dated: 27th May, 2022		Company Secretary	

STARTECK FINANCE LIMITED			
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022			
(Rs in lakhs)			
Particulars	Notes	Year ended 31st March 2022	Year ended 31st March, 2021
INCOME			
Revenue from operations			
Interest Income	17	2,801.89	4,093.02
Dividend Income	18	12.40	-
Fees and Commission Income	19	23.98	5.56
Total Revenue from operation (I)		2,838.27	4,098.57
Other income (II)	20	56.50	3,512.78
Total Income (I+II)		2,894.77	7,611.35
EXPENSES			
Finance Cost	21	1,404.92	3,059.71
Employee Benefits Expense	22	87.62	76.89
Other Expenses	23	198.43	516.86
Total Expenses		1,690.97	3,653.45
Profit before tax		1,203.80	3,957.90
Tax expense :	24		
Current Tax		184.82	189.39
Short / (excess) taxation of earlier years		-	6.19
Profit for the year		1,018.98	3,762.32
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Equity Instruments through other comprehensive income		476.59	411.09
Total Comprehensive Income for the year		1,495.57	4,173.41
Earnings per equity share of face value Rs. 10 each			
Basic & Diluted	29	10.28	37.96
The accompanying notes are an integral part of these financial statements			
As per our attached report of even date			
For MKPS & Associates		For and on behalf of the Board of Directors	
Chartered Accountants		of Starteck Finance Ltd	
Firm Registration No. 302014E			
		Anand Shroff	Pankaj Jain
		Whole-time Director & CFO	Director
		(DIN: 08480489)	(DIN: 00048283)
Narendra Khandal		Vishal Agarwal	Sandhya Malhotra
Partner		Director (DIN: 00168370)	Director (DIN: 06450511)
Membership No. 065025		Nilesh Parikh	
		Director (DIN: 02710146)	
Place : Mumbai		Mayuri Jain	
Dated: 27th May, 2022		Company Secretary	

STARTECK FINANCE LIMITED

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in lakhs)

A. Equity Share Capital	No of Shares	Amount
As at 31st March, 2021	9,910,330	991.03
Changes in equity share capital during 2021-22		-
As at 31st March, 2022	9,910,330	991.03

B. Other Equity

Particulars	Reserves and surplus				Other Comprehensive Income	Total
	Securities premium account	Capital Reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Retained earnings	Equity instrument through other comprehensive income	
Balance as at 31st March, 2021	8,048.66	9.99	1,200.14	4,063.59	343.92	13,666.30
Profit for the year	-	-	-	1,018.98	-	1,018.98
Dividend Paid				(7.35)		(7.35)
Transfer on account of sale of Subsidiary				(50.27)		(50.27)
Other comprehensive income for the year	-	-	-	-	476.59	476.59
Total comprehensive income for the year	8,048.66	9.99	1,200.14	5,024.95	820.51	15,104.25
Transfer to Statutory Reserve	-	-	203.80	(203.80)	-	-
Balance as at 31st March, 2022	8,048.66	9.99	1,403.94	4,821.15	820.51	15,104.25

The accompanying notes are an integral part of these consolidated financial statements

As per our attached report of even date

For MKPS & Associates

Chartered Accountants

Firm Registration No. 302014E

**For an on behalf of the Board of Directors
of Starteck Finance Ltd**

Anand Shroff
Whole-time Director & CFO
(DIN: 08480489)

Pankaj Jain
Director
(DIN: 00048283)

Narendra Khandal

Partner

Membership No. 065025

Vishal Agarwal
Director (DIN: 00168370)

Sandhya Malhotra
Director (DIN: 06450511)

Nilesh Parikh
Director (DIN: 02710146)

Place : Mumbai

Dated: 27th May, 2022

Mayuri Jain
Company Secretary

STARTECK FINANCE LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(Rs in lakhs)

	Year ended 31st March, 2022		Year ended 31st March, 2021	
	Rs.	Rs.	Rs.	Rs.
Cash Flow from Operating Activities				
Profit before tax as per Statement of Profit and Loss		1,203.80		3,957.90
Adjusted for:				
Gain/(Loss) on amortisation	46.93		-	
Gain/ Loss on sale of Investment	(56.50)		(3,476.52)	
Interest on IT Refund	-		(36.25)	
Provision for standard & sub- standard assets	27.39		57.28	
Provision for standard & sub- standard assets - reversed	-		280.55	
Dividend Income	(12.40)	5.42	-	(3,174.95)
Operating Profit before Working Capital Changes		1,209.22		782.95
Adjusted for:				
(Increase)/Decrease in Financial Asset	54,607.06		(62,996.54)	
(Increase)/Decrease in Non Financial Asset	23.17		(1.29)	
Increase/(Decrease) in Financial Liabilities	(55,875.96)		57,405.93	
Increase/(Decrease) in Other Liabilities & Provisions	(228.13)	(1,473.86)	(322.25)	(5,914.15)
Cash Generated From Operations		(264.64)		(5,131.19)
Less: Income Tax Paid		229.00		(168.50)
Net Cash from / (used in) Operating Activities (A)		(493.64)		(4,962.69)
Cash Flow from Investing Activities				
Business Disposal	15.33		-	
Interest on IT Refund	-		36.25	
Dividend Income	12.40		-	
Sale of Investments	106.60		6,699.66	
Purchase of Investments	(595.10)	(460.77)	(2,030.35)	4,705.56
Net Cash from / (used in) Investing Activities (B)		(460.77)		4,705.56
Cash Flow from Financing Activities				
Dividend Paid	(7.35)		(8.17)	
Fixed (Deposit)/Maturity	571.50	564.15	160.00	151.83
Net Cash from / (used in) Financing Activities (C)		564.15		151.83
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)		(390.27)		(105.30)
Cash and Cash Equivalents - Opening Balance		400.25		505.55
Cash and Cash Equivalents - Closing Balance		9.97		400.25

Note:

Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

As per our attached report of even date

For MKPS & Associates

Chartered Accountants

Firm Registration No. 302014E

Narendra Khandal

Partner

Membership No. 065025

**For an on behalf of the Board of Directors
of Starteck Finance Ltd**

Anand Shroff

Whole-time Director & CFO

(DIN: 08480489)

Pankaj Jain

Director

(DIN: 00048283)

Vishal Agarwal

Director (DIN: 00168370)

Sandhya Malhotra

Director (DIN: 06450511)

Nilesh Parikh

Director (DIN: 02710146)

Mayuri Jain

Company Secretary

Place : Mumbai

Dated: 27th May, 2022

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

1.1 CORPORATE INFORMATION AND BASIS OF PREPARATION OF FINANCIAL STATEMENT

Corporate Information

Starteck Finance Limited ('the Parent Company') and its subsidiaries collectively referred to as "Group".

Basis of Preparation of Financial Statement

These financial statements have been prepared in accordance with the 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 other relevant provisions of the Act, as amended from time to time and other accounting principles generally accepted in India along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI.

The Group's financial statements up to and for the year ended March 31, 2022 were prepared in accordance with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), notified under Section 133 of the Act, other relevant provisions of the Act and other accounting principles generally accepted in India, to the extent applicable including the NBFC Master Directions.

The financial statements have been prepared and presented on accrual basis and under a historical cost basis, except for the following:

- Certain financial assets and liabilities – measured at fair value;
- Share-based payments – measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

Based on the nature of products / activities of the Group normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities. The Consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency. Functional Currency is the currency of a primary economic environment in which the Group operates. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Companies Act, 2013 unless otherwise stated.

1.2 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATE

In preparing these financial statements management requires to make judgment's, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, contingent liabilities as at the date of the financial statement and reported amount of income and expenses for the reporting period. Actual results may differ from these estimates. The recognition, measurement, classification or disclosure of an item or information in the financial statement is made relying on these estimates. Revisions to estimates are recognized prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for every period ended is included below:

1. Measurement of defined benefit obligations: key actuarial assumptions;
2. Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
3. Impairment test: key assumptions underlying recoverable amounts.
4. Useful life and residual value of property, plant and equipment, other intangible assets and Right of Use assets;
5. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
6. Impairment of financial assets: key assumptions used in estimating recoverable cash flows
7. Measurement of expected credit losses. - Uncertainty relating to the global health pandemic.

Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the profit/(loss) for the year and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet.

Goodwill on consolidation

The excess of cost of investment in the subsidiaries, over Group's share in the net assets at the date of acquisition of shares / stake in the subsidiaries is recognised as Goodwill in the consolidated financial statements. When the cost of investment is less than the Group's share of net assets, the difference is recognised in the consolidated financial statements as Capital Reserve.

Judgments

Information about the judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements have been given below:

1. assessing the lease term (including anticipated renewals) and the applicable discount rate.
2. Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

1.3 REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured.

Interest and allied Income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument. The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs). Late payment charges, prepayment charges etc. are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting and reported under "Fees and commission income".

Dividend Income

Dividend income is accounted for when the right to receive the income is established, which generally when the shareholders approves the dividend.

Net Gain/ Loss on Fair Value Changes

Any differences between the fair values of the investment in debt oriented mutual funds classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there

is a net gain in aggregate, the same is recognised in “Net gains or fair value changes” under revenue from operations and if there is a net loss the same is disclosed “Expenses”, in the statement of profit and loss

1.4 FINANCIAL INSTRUMENTS:

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

(i) Initial recognition and measurement

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability which is not recognised at Fair Value Through Profit and Loss, is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue

(ii) Subsequent recognition

(A) Financial Assets

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

- Amortised Cost;
- Fair Value Through Other Comprehensive Income (FVOCI); 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 amortised cost if it meets both of the following conditions and is not recognised 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 Investments fair value in Other Comprehensive Income (OCI) (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

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

(B) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised as profit or loss respectively.

(iii) Derecognition

(A) Financial Assets

The Company derecognises 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 recognised 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 derecognised.

(B) Financial Assets

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iv) Offsetting Financial instruments

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

1.5 INCOME TAX

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

(i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

(ii) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(iii) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Minimum alternate tax

Minimum alternate tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

1.6 EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, and bonus element in a rights issue to existing shareholders, share split and reverse share split.

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

1.7 INVESTMENT PROPERTY

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

1.8 PROVISIONS, CONTINGENCIES AND COMMITMENTS

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made where there is:

- (i) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (ii) A present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

1.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

1.10 EMPLOYEE BENEFITS

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Compensated absences

1. Short term

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of the benefit expected to be availed by the employees.

2. Long term

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to statement of profit and loss in the year in which such gains or losses are determined.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plan such as gratuity; and
- (b) defined contribution plan such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates:

- (a) When the Company can no longer withdraw the offer of those benefits; and
- (b) When the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(v) Share-based payments

The fair value of options granted under the Employee Stock Option Plan to the employees of the Company is recognised as an employee benefits expense with a corresponding increase in equity share capital and the fair value options granted under the Employee Stock Option Plan to the employees of subsidiaries is recognised as an investment in respective subsidiaries with a corresponding increase in equity share capital. The total amount to be expensed is determined by reference to the fair value of the options granted. In the case where eligible employees left before or in between the vesting period the share based payment reserve gets reduced by the amount of reserve already created for the employees left with the increase in retained earnings and decrease in investment in subsidiaries accordingly.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the share options at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(vi) Contributed equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

1.11 DIVIDEND

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
2 Cash and cash equivalents		
Balances with Banks		
In current accounts	7.39	398.16
Cash on hand	2.58	2.09
Total cash and cash equivalents	9.97	400.25
3 Bank balances other than (note no. 2) above		
Earmarked bank balances	5.27	7.52
Unpaid dividend account		
In term deposits with original maturity of less than twelve months *	377.50	949.00
Total bank balances other than (note no. 2) above	382.77	956.52
4 Receivable		
Other Receivable		
Interest accrued	158.82	2,773.35
Pre Acquisition Interest on Tax Free Bonds	-	21.13
Total receivable	158.82	2,794.48
5 Loans		
Secured, considered good		
Home Loan	500.53	276.69
Secured, considered good		
Loan to Body corporates and others	3,759.87	2,073.66
Unsecured, considered good		
Loan to Body corporates and others	12,953.16	66,754.87
Gross Loan	17,213.56	69,105.21
Less: Unamortization of processing fees	(149.41)	(54.33)
Net Loans	17,064.15	69,050.88
5.1 Loans in India		
Public Sector	-	-
Other	17,213.56	69,105.21
Gross Loan	17,213.56	69,105.21
Less: Unamortization of processing fees	(149.41)	(54.33)
Net Loans	17,064.15	69,050.88
5.2 Loans Outside India		
At Amortised Cost		
Other	-	-
Gross Loan	-	-
Less: Unamortization of processing fees	-	-
Total Loans Outside India	-	-
Net Loans	17,064.15	69,050.88
6 Investments		
6.1 Investment in Bonds and Debenture		
Investments in Tax Free Bonds (Quoted)		
Housing & Urban Development Corporation ,8.14%,25th October 2023 25,000 (31st March 2021 25,000) bonds of Rs. 1,000 each	250.24	250.36
Housing & Urban Development Corporation,8.39%,25th October 2023 5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each	49.97	49.93
Housing & Urban Development Corporation,8.58%,13th January 2029 21,000 (31st March 2021 21,000) bonds of Rs. 1,000 each	217.12	217.89

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
India Infrastructure Finance Company Ltd,8.38%,12th November 2028	300.94	301.05
30,000 (31st March 2021 30,000) bonds of Rs. 1,000 each		
India Infrastructure Finance Company Ltd,8.48% 22nd January 2029	207.22	208.01
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
India Infrastructure Finance Company Ltd 8.55% 27th March 2029	217.05	218.97
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
India Renewable Energy Development Agency Ltd,8.55%,13th March 2029	200.00	200.00
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
Indian Railway Finance Corporation 8.40%,18th February 2029	200.00	200.00
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
Indian Railway Finance Corporation 8.63%,26th March 2029	200.00	200.00
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
National Highway Authority of India 8.50%,05th February 2029	200.00	200.00
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
National Housing Bank 8.63% 13th January 2029	72.20	72.20
1,444 (31st March 2021 1,444) bonds of Rs. 5,000 each		
NHPC Ltd 8.54%,02nd November 2028	161.05	161.05
16,105 (31st March 2021 16,105) bonds of Rs. 1,000 each		
NHPC Ltd 8.79%,02nd November 2028	51.58	51.75
5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each		
Power Finance Corporation 8.54%,16th November 2028	291.50	291.50
29,150 (31st March 2021 29,150) bonds of Rs. 1,000 each		
Power Finance Corporation 8.79%16th November 2028	43.68	43.74
4,310 (31st March 2021 4,310) bonds of Rs. 1,000 each		
Rural Electrification Corporation Ltd 8.26% 24th September 2023	50.02	50.01
5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each		
Rural Electrification Corporation Ltd 8.63% 24th March 2029	200.00	200.00
20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each		
Rural Electrification Corporation Ltd 7.22 %,19th December 2022	300.59	301.18
30,002 (31st March 2021 30,002) bonds of Rs. 1,000 each		
Indian Railway Finance Corporation 8.65%,18th February 2029	49.43	50.57
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
National Highway Authority of India 8.75%,05th February 2029	61.99	63.46
5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each		
Housing & Urban Development Corporation ,8.83%,13th January 2029	112.62	114.06
9,000 (31st March 2021 9,000) bonds of Rs. 1,000 each		
Indian Railway Finance Corporation 8.88%,26th March 2029	49.59	50.80
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
National Housing Bank 8.88% 13th January 2029	37.50	38.43
600 (31st March 2021 600) bonds of Rs. 5,000 each		
Rural Electrification Corporation Ltd 8.63 %,29th March 2029	12.41	12.70
1,000 (31st March 2021 1,000) bonds of Rs. 1,000 each		
India Infrastructure Finance Company Ltd 8.55% 27th March 2029	49.21	50.30
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
India Renewable Energy Development Agency Ltd,8.80%,13th March 2029	50.10	51.32
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
National Housing Bank 8.93% 24th March 2029	47.80	48.92
767 (31st March 2021 767) bonds of Rs. 5,000 each		
Housing & Urban Development Corporation ,8.98%,28th March 2029	49.73	50.89
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
Kamarajar Port Limited 9% 25th March 2029	50.34	51.58
4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each		
Housing & Urban Development Corporation ,7.64%,8th February 2031	18.02	18.29
1,499 (31st March 2021 1,499) bonds of Rs. 1,000 each		

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Housing & Urban Development Corporation ,7.69%,15th March 2031 1,563 (31st March 2021 1,563) bonds of Rs. 1,000 each	18.87	19.16
Housing & Urban Development Corporation,8.39%,25th October 2023 4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each	40.77	41.18
India Infrastructure Finance Company Ltd,8.38%,12th November 2028 5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each	60.84	62.21
India Infrastructure Finance Company Ltd 8.63% 12th November 2028 5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each	61.15	62.57
India Infrastructure Finance Company Ltd 8.73% 22nd January 2029 10,000 (31st March 2021 10,000) bonds of Rs. 1,000 each	121.94	124.60
India Renewable Energy Development Agency Ltd,7.74%,21st January 2031 2,232 (31st March 2021 2,232) bonds of Rs. 1,000 each	27.00	27.41
Indian Railway Finance Corporation 7.53%,21st December 2030 1,582 (31st March 2021 1,582) bonds of Rs. 1,000 each	17.93	18.11
Indian Railway Finance Corporation 7.64%,22nd March 2031 3,000 (31st March 2021 3,000) bonds of Rs. 1,000 each	34.26	34.62
Indian Railway Finance Corporation 8.40%,18th February 2029 15,000 (31st March 2021 15,000) bonds of Rs. 1,000 each	183.77	187.86
National Bank for Agriculture and Rural Development 7.64% 23rd March 2031 3,000 (31st March 2021 3,000) bonds of Rs. 1,000 each	36.25	36.80
National Highway Authority of India 7.60%,11th January 2031 4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each	48.42	49.18
National Highway Authority of India 7.69%,06th March 2031 2,655 (31st March 2021 2,655) bonds of Rs. 1,000 each	32.75	32.97
National Highway Authority of India 8.50%,05th February 2029 20,000 (31st March 2021 20,000) bonds of Rs. 1,000 each	245.93	251.53
National Housing Bank 8.63% 13th January 2029 2,696 (31st March 2021 2,696) bonds of Rs. 5,000 each	166.90	170.86
NHPC Ltd 8.54%,02nd November 2028 1,611 (31st March 2021 1,611) bonds of Rs. 1,000 each	19.73	20.19
NHPC Ltd 8.79%,02nd November 2028 5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each	62.00	63.54
Power Finance Corporation 8.54%,16th November 2028 6,478 (31st March 2021 6,478) bonds of Rs. 1,000 each	79.42	81.27
Power Finance Corporation 8.79%16th November 2028 5,000 (31st March 2021 5,000) bonds of Rs. 1,000 each	61.67	63.15
Rural Electrification Corporation Ltd 8.26% 24th September 2023 4,000 (31st March 2021 4,000) bonds of Rs. 1,000 each	42.22	43.62
Rural Electrification Corporation Ltd 8.63 % 29th March 2029 3,000 (31st March 2021 3,000) bonds of Rs. 1,000 each	37.21	38.07
	5,200.93	5,247.86
- The tax free bonds book value of Rs 5,200.93 Lakhs are pledged to ICICI Bank Limited and Barclays Bank Plc (Previous Year Rs 5,247.86 Lakhs)		
6.2 Other investments		
Investment in equity instruments (At fair value through other comprehensive income unless otherwise stated)		
Quoted, fully paid up (At fair value through other comprehensive income unless otherwise stated)		
Cox & Kings Financial Services Ltd	0.01	0.01
4,667 (31st March 2021 4,667) share of Rs. 5 each		
Powergrid Infrastructure Investment Trust	671.90	-
5,00,000 (31st March 2021 NIL) share of Rs. 100 each		
Unquoted, fully paid up		
Eskay Infrastructure Development Pvt Ltd	1,531.34	1,226.64
78,732 (31st March 2021 78,732) shares of Rs 10 each		
Total Other investments	2,203.25	1,226.66
Total investments	7,404.18	6,474.52

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Break up of Investments		
In India	7,404.18	6,474.52
Outside India	-	-
	7,404.18	6,474.52
7 Other Financial assets		
Other advances and receivables	17.95	2.62
Security deposits	1.50	1.50
Total other financial assets	19.45	4.12
8 Investment Property		
Leasehold and Freehold Land	1,454.85	1,479.43
Total investment property	1,454.85	1,479.43
9 Other Non Financial assets		
Input Tax Credit	6.15	8.98
Advance towards services	-	20.33
Total other non financial asset	6.15	29.32

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021
10 Trade payables		
Trade payable - Micro and small enterprises*		
Trade payable - Other than micro and small enterprises	34.21	50.89
Total trade payables	34.21	50.89
Based on the information available as identified by the Company, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:		
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
b) Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day,	-	-
c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
d) The amount of interest accrued and remaining unpaid during the accounting year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-
11 Borrowings		
Secured		
From Financial institutions	-	59,000.00
From Bank	4,875.45	4,520.28
Unsecured		
From Body Corporates	4,352.75	523.22
	9,228.20	64,043.50
Less : Unamortised Ancillary cost of arranging the borrowings		(0.86)
Total borrowings	9,228.20	64,042.64
PHL Fininvest Private Limited		
- The term loan is secured by way of mortgage of land situated at Worli which belongs to Chitta Finlease Pvt Ltd.		
- Tenure of the loan is 18 months.		
- Rate of interest 12.00% p.a. (previous year 12% p.a.)		

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Terms and Conditions for Secured Loan taken from Banks		
ICICI Bank Limited		
- The Bank overdraft of Rs.905.91 Lakhs (Previous Year Rs 756.12) is secured by way of pledge of tax free bonds and other securities.		
- The interest rate on Bank Overdraft of Rs.905.91 Lakhs (Previous Year Rs 756.12) @ 7.95% (Previous Year 7.95%)		
Barclays Bank Plc		
- The Bank overdraft of Rs.3,969.54 Lakhs (Previous Year 3,764.15 Lakh) is secured by way of pledge of tax free bonds and other securities.		
- The interest rate on Bank Overdraft of Rs.3,969.54 Lakhs (Previous Year 3,764.15 Lakh) @ 7.20% (Previous Year 7.75%)		
12 Other financial liabilities		
Interest accrued but not due on borrowings	-	2,273.12
Unpaid dividends	5.27	7.52
Others	1,242.18	10.80
Total financial liabilities	1,247.45	2,291.43
13 Provisions		
Impairment Loss allowance on loans	129.10	101.71
CSR	27.38	-
Total provisions	156.48	101.71
14 Other Non financial liabilities		
Statutory dues payables	12.39	267.89
Total other non financial liabilities	12.39	267.89

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021
15 Equity share capital		
Authorised share capital		
15,00,00,000 equity shares of Rs. 10 each (31st March 2021 15,00,00,000)	15,000.00	15,000.00
Total authorised share capital	15,000.00	15,000.00
Issued, subscribed and fully paid up		
99,10,330 equity shares of Rs. 10 each (31st March 2021 99,10,330)	991.03	991.03
Total issued, subscribed and fully paid up share capital	991.03	991.03

(i) Reconciliation of equity share capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
At the beginning of the period	9,910,330	991.03	9,910,330	991.03
Issued during the year	-	-	-	-
Outstanding at the end of the period	9,910,330	991.03	9,910,330	991.03

(ii) Terms and rights attached to equity

The Company has only one class of equity share having value of Rs 10 each with an entitlement of one vote per share. 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 annual general meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	% holding	Number of shares	% holding
SW Capital Pvt Ltd	10.02%	992,739	9.79%	970,139
Eskay Infrastructure Development Pvt Ltd	10.55%	1,045,700	10.55%	1,045,700
Akrur Kamal Khetan	-	-	5.50%	545,400
Matrabhav Trust	11.37%	1,126,666	-	-
Anupma Kamal Khetan	5.50%	545,400	5.50%	545,400

STARTECK FINANCE LIMITED		
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS		
	(Rs in lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
16 Other equity		
Share application money pending allotment		
Reserves & surplus		
- Securities premium account	8,048.66	8,048.66
- Statutory Reserve Fund	1,403.93	1,200.14
- Capital Reserve	9.99	9.99
- Retained earnings	4,821.16	4,063.59
Other comprehensive income		
- Equity instrument through other comprehensive income	820.51	343.92
Total other equity	15,104.25	13,666.30
Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Securities premium reserve		
Opening balance	8,048.66	8,048.66
Closing balance	8,048.66	8,048.66
(ii) Statutory Reserve		
Opening balance	1,200.14	447.68
Transferred from Retained Earning	203.80	752.46
Closing balance	1,403.93	1,200.14
(iii) Capital reserve		
Opening balance	9.99	9.99
Closing balance	9.99	9.99
(iv) Retained earnings		
Opening balance	4,063.59	1,061.90
Net profit for the year	1,018.98	3,762.32
Transferred to statutory reserve	(203.80)	(752.46)
Transfer on account of sale of Subsidiary	(50.27)	-
Dividend Paid	(7.35)	(8.17)
Closing balance	4,821.16	4,063.59
(v) Other comprehensive income		
- Equity instrument through other comprehensive income		
Opening balance	343.92	(67.18)
Income/(loss) for the year	476.59	411.09
Closing balance	820.51	343.92
Nature & purpose of other equity and reserves :		
(a) Capital reserve :	Capital reserve is created out of capital profits and are usually not distributed as dividends to shareholders.	
(b) Securities premium account :	Securities premium reserve is used to record the premium on issue of financial securities such as equity shares, preference shares, compulsory convertible debentures. The reserve is utilised in accordance with the provision of	
(c) Reserve u/s 45 IC of the Reserve Bank of India Act, 1934:	The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent	

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
17 Interest Income		
Interest on Loan	2,455.89	3,752.50
Interest income on Investment	346.00	340.52
Total interest income	2,801.89	4,093.02
18 Dividend Income		
Dividend Received	12.40	-
Total dividend income	12.40	-
19 Fees and Commission		
Processing Fees & Advisory Services Fees	23.98	5.56
Total fees and commission	23.98	5.56
20 Other income		
Profit on sales of Investment	56.50	3,476.52
Interest on IT Refund	-	36.25
Total other income	56.50	3,512.78
21 Finance Cost		
Interest on Borrowing	1,403.32	3,058.84
Interest on Bank Overdraft		
Other Borrowing Cost	1.60	0.86
Total finance cost	1,404.92	3,059.71
22 Employee benefits expense		
Salaries and wages	87.56	76.89
Staff welfare expenses	0.06	-
Total employee benefits expense	87.62	76.89

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
23 Other expenses		
Annual, listing fees and other fees	3.89	3.57
Amortisation of Leasehold Land	24.58	24.58
Business promotion	29.48	5.37
Bad Debt written off	-	280.55
Demat charges	0.47	-
Director sitting fees	1.00	1.20
Insurance	-	1.15
Legal and professional	67.43	120.69
Miscellaneous expenses	4.33	2.52
Payments to auditors	3.51	3.65
Provision for standard & sub- standard assets	27.39	57.28
Rent, rates and taxes	5.48	5.02
Travelling and conveyance	3.49	1.28
CSR Activity	27.38	1.00
Credit Rating Fees	-	9.00
Total other expenses	198.43	516.86

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

24 Income tax expense

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(a) Tax expense recognised in the Statement of Profit and Loss

(Rs in lakhs)		
Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Current tax on profits for the year	184.82	189.39
Adjustments for current tax of prior periods	-	6.19
Total current tax expense	184.82	195.58
Deferred tax charge/(credit)-P&L	-	-
Other Comprehensive Income-Remeasurments of net defined benefit plans	-	-
Total deferred tax expense/(benefit)	-	-
Income tax expense/(benefit)	184.82	195.58

(Rs in lakhs)		
Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Enacted income tax rate in India applicable to the Company	25.168%	25.168%
Profit/(loss) before income tax expense	1,203.80	3,957.90
Current Tax Expense on Profit/(Loss) before tax expenses at enacted income tax rate in India	302.97	996.12
Tax effects of :		
Disallowabale expenses	-	35.49
Exempt income	(118.15)	(85.70)
Income Tax at special rate	-	(583.45)
Tax in respect of earlier years	-	6.19
Bad Debts	-	(158.65)
Business Loss Carried Forward	-	-
Other items	-	(14.42)
Income tax expense	184.82	195.58

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the year ended March 31, 2021 and remeasured its deferred tax assets and liabilities, basis the rate prescribed in the said section. The full impact of this change has been recognised during the year

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

25 Related Party Disclosures

Name of the Related Parties :

Disclosure of related party transaction and balances for the year ended 31st March 2022

Relationship

List of related parties with whom transactions has been entered in the ordinary course of business

(A) Key Management Personal

Anand Shroff - Whole Time Director & Chief Financial Officer

Lalitha Cheripalli - Director

Shreya Shetty - Company Secretary upto 18th September 2020

Mayuri Jain - Company Secretary from 12th November 2020

(B) Entity/ Person having Significant Influence

Eskay Infrastructure Development Private Limited

Glint Infraprojects Private Limited

Luton Finance and Investment Private Limited

Samagra Wealthmax Private Limited

Starteck Infraprojects Private Limited

Sunteck Realty Limited

SW1 Advisory Private Limited

SW Capital Private Limited

Niyamit Mercantile and Trading LLP

Kanaka & Associates

SW Investment Limited

SW Capital Private Limited

Related Party Transactions

(Rs. in Lakhs)

Particulars	Relationship	F Y 2021-2022	F Y 2020-2021
(i) Transaction during the year			
Rent Paid			
Sunteck Realty Ltd	Entity/ Person having Significant Influence	4.08	3.91
Salary Paid(including reimbursements)			
Anand Shroff	KMP	64.79	55.00
Shreya Shetty	KMP	-	4.64
Mayuri Jain	KMP	5.24	2.31
Lalitha Cheripalli	KMP	1.14	1.14
Interest Received			
Niyamit Mercantile and Trading LLP	Entity/ Person having Significant Influence	120.09	84.23
Eskay Infrastructure Development Pvt Ltd	Entity/ Person having Significant Influence	83.92	154.35
Starteck Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	4.58	-
Luton Finance and Investment Pvt Ltd	Entity/ Person having Significant Influence	-	168.07

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Related Party Transactions

(Rs. in Lakhs)

Particulars	Relationship	F Y 2021-2022	F Y 2020-2021
SW Capital Pvt Ltd	Entity/ Person having Significant Influence	50.44	10.85
Interest Paid			
Akshunya Energy Pvt Ltd	Entity/ Person having Significant Influence	24.61	2.38
Glint Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	2.67	0.21
Kamal Khetan	Entity/ Person having Significant Influence	0.73	
Stardeck Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	-	20.26
SW Investment Ltd	Entity/ Person having Significant Influence	2.38	24.26
Brokerage Paid			
SW Capital Pvt Ltd	Entity/ Person having Significant Influence	-	0.35
(i) Transaction during the year			
Loan and Advances given			
Glint Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	-	550.24
Eskay Infrastructure Development Pvt Ltd	Entity/ Person having Significant Influence	951.02	877.80
SW Investments Ltd	Entity/ Person having Significant Influence	-	69.67
SW Capital Pvt Ltd	Entity/ Person having Significant Influence	-	250.00
Stardeck Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	164.77	51.09
Niyamit Mercantile and Trading LLP	Entity/ Person having Significant Influence	-	107.32
Loan Taken			
Glint Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	609.28	-
SW Investments Ltd	Entity/ Person having Significant Influence	68.95	-
Niyamit Mercantile and Trading LLP	Entity/ Person having Significant Influence	692.26	-
Kamal Khetan	Entity/ Person having Significant Influence	2,975.66	-
(ii) Outstanding balance as at year end			
Loan and Advances given			
Luton Finance and Investment Pvt Ltd	Entity/ Person having Significant Influence	-	1,731.20

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Related Party Transactions

(Rs. in Lakhs)

Particulars	Relationship	F Y 2021-2022	F Y 2020-2021
Niyamit Mercantile and Trading LLP	Entity/ Person having Significant Influence	-	1,468.12
Eskay Infrastructure Development Pvt Ltd	Entity/ Person having Significant Influence	2,578.65	1,627.62
Glint Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	-	639.02
Starteck Infraprojects Pvt Ltd	Entity/ Person having Significant Influence	217.08	52.31
SW Investment Ltd	Entity/ Person having Significant Influence	-	71.69
SW Capital Pvt Ltd	Entity/ Person having Significant Influence	-	250.00
Loan Taken			
Akshunya Energy Pvt Ltd	Entity/ Person having Significant Influence	6.60	283.45
SW Investment Ltd	Entity/ Person having Significant Influence	68.95	-
Deposit			
Sunteck Realty Ltd	Entity/ Person having Significant Influence	1.50	1.50

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

26 Fair value measurements

(b) Fair value hierarchy

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the use of discounted cash flow for fair value at amortised cost

Financial Assets and Liabilities as at 31st March, 2022	Routed through Profit and loss			Routed through OCI			Carried at amortised cost			Total
	Level 1	Level 3	Carrying amounts	Total	Level 1	Level 3	Carrying amounts	Level 3	Carrying amounts	Total
Financial assets										
Investments										
- Equity instruments										
Quoted	-	-	-	-	671.91	-	-	-	-	671.91
Unquoted	-	-	-	-	-	1,531.34	-	-	-	1,531.34
- Bonds Debentures										
Quoted	-	-	-	-	-	-	-	-	-	-
Unquoted	-	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Other advances and receivables* - to others	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Other bank balances	-	-	-	-	-	-	-	-	-	-
Total financial assets	-	-	-	-	671.91	1,531.34	-	-	17,635.17	22,836.11
Financial liabilities										
Loans from Financial Institutions	-	-	-	-	-	-	-	-	-	-
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Loans from related parties and others	-	-	-	-	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-	-	-
Unpaid dividends	-	-	-	-	-	-	-	-	-	-
Interest accrued	-	-	-	-	-	-	-	-	-	-
Total financial liabilities	-	-	-	-	-	-	-	-	10,522.26	10,522.26

*Listed on BSE (However, not traded actively)

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)												
Financial Assets and Liabilities as at 31st March, 2021	Routed through Profit and loss			Routed through OCI			Carried at amortised cost			Total		
	Level 1	Level 3	Carrying amounts	Total	Level 1	Level 3	Carrying amounts	Total	Level 1		Level 3	Carrying amounts
Financial assets												
Investments												
- Equity instruments												
Quoted	-	-	-	0.01	-	-	-	0.01	-	-	-	-
Unquoted	-	-	-	-	1,226.64	-	-	1,226.64	-	-	-	-
- Bonds Debentures												
Quoted	-	-	-	-	-	-	-	-	5,247.86	-	-	5,247.86
Unquoted	-	-	-	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-	-	-
Other advances and receivables '*, to others	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	-	-
Other bank balances	-	-	-	-	-	-	-	-	-	-	-	-
Total financial assets	-	-	-	-	1,226.64	-	-	1,226.66	5,247.86	-	73,206.25	78,454.11
Financial liabilities												
Loans from Financial Institutions	-	-	-	-	-	-	-	-	-	-	59,000.00	59,000.00
Bank Overdraft	-	-	-	-	-	-	-	-	-	-	4,520.28	4,520.28
Loans from related parties and others	-	-	-	-	-	-	-	-	-	-	523.22	523.22
Trade payables	-	-	-	-	-	-	-	-	-	-	50.89	50.89
Other Liabilities	-	-	-	-	-	-	-	-	-	-	278.69	278.69
Unpaid dividends	-	-	-	-	-	-	-	-	-	-	7.52	7.52
Interest accrued	-	-	-	-	-	-	-	-	-	-	2,273.12	2,273.12
Total financial liabilities	-	-	-	-	-	-	-	-	-	-	66,653.71	66,653.71
*Listed on BSE (However, not traded actively)												
Note: There are no financial assets/liabilities categorized under Level 2												
(iii) Fair value measurements using significant unobservable inputs (level 3)												
Particulars												
(Rs. in lakhs)										Unlisted equity securities		
As at 31st March, 2021										1,226.64		
Gains/(losses) recognised in other comprehensive income										304.69		
As at 31st March, 2022										1,531.34		
(iv) Fair value of financial assets and liabilities measured at amortised cost										(Rs. in lakhs)		
Particulars										As st 31st March, 2021		
										Carrying amount	Fair value	Fair value
Financial assets												
Loans												
Total financial assets										17,064.15	17,064.15	69,050.88
Financial liabilities										17,064.15	17,064.15	69,050.88
Borrowings												
Total financial liabilities										9,228.20	9,228.20	64,043.50
										9,228.20	9,228.20	64,043.50

STARTECK FINANCE LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

27 Financial risk management

The Company's activities expose it to business risk, interest rate risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, the Company's risk management is carried out by a corporate treasury and corporate finance department under policies approved by the board of directors and top management. Company's treasury identifies, evaluates and mitigates financial risks in close cooperation with the Company's operating units. The board provides guidance for overall risk management, as well as policies covering specific areas.

(A) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Ageing of Account receivables :

Particulars	(Rs in lakh)		
	As at March 2022	31st As at March 2021	31st March 2021
0-3 months	85.53	2,699.27	
3-6 months	-	13.35	
6 months to 12 months	73.29	81.86	
beyond 12 months	-	-	
Total	158.82		2,794.48

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the group's liquidity position (comprising the unused cash and bank balances along with liquid investments) on the basis of expected cash flows. This is generally carried out at Company level in accordance with practice and limits set by the group. These limits vary to take into account the liquidity of the market in which the Company operates.

(i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

all non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

STARTECK FINANCE LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Contractual maturities of financial liabilities 31st March, 2022	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Above 2 year	Total
Non-derivatives						
Bank overdraft	905.91	3,969.54				4,875.45
Borrowings						
From related parties and Others			4,352.75			4,352.75
Trade payables	34.21					34.21
Unpaid Dividend	5.27					5.27
Other Financial Liabilities	1,242.18					1,242.18
Interest accrued but not due on borrowings	-					-
Total non-derivative liabilities	2,187.57	3,969.54	4,352.75	-	-	10,509.86

Contractual maturities of financial liabilities 31st March, 2021	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Above 2 year	Total
Non-derivatives						
Bank overdraft	756.12	3,764.15				4,520.27
Borrowings:						
From Financial Institution				5,900.00		5,900.00
From related parties and Others			523.22			523.22
Trade payables	50.89					50.89
Unpaid Dividend	7.52					7.52
Other Financial Liabilities	10.80					10.80
Interest accrued but not due on borrowings	2,273.12					2,273.12
Total non-derivative liabilities	3,098.45	3,764.15	523.22	5,900.00	-	13,285.82

(C) Market risk

(i) Price Risk

- Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through OCI .

- Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gam/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Impact of Profit before tax

Particulars	As at 31st March, 2022	As at 31st March, 2021
BSE Sensex - Increase 5%	33.60	0.00
BSE Sensex - Decrease 5%	(33.60)	(0.00)

STARTECK FINANCE LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(ii) Cash flow and fair value interest rate risk

- Interest rate risk management:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates. The risk is managed by the group by maintaining an appropriate mix between fixed and floating rate borrowings.

- Interest rate risk exposure:

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Variable rate borrowings	4,875.45	4,519.42
Fixed rate borrowings	4,352.75	59,523.22
Total borrowings	9,228.20	64,042.64

- Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax :

Particulars	As at 31st March, 2022	As at 31st March, 2021
50 bp increase would decrease the profit before tax by*	4.61	32.02
50 bp decrease would Increase the profit before tax by*	(4.61)	(32.02)

* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

28 Capital management

(a) Risk management

The Company's objectives when managing capital are to :

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Net debt (Total Debt - Cash & cash equivalent)	9,218.23	63,642.39
Total equity	16,095.29	14,657.33
Net debt to equity ratio	57.27%	434.20%

Loan covenants : The company intends to manage optimal gearing ratios.

(b) Dividends

Particulars	As at 31st March, 2022	As at 31st March, 2021
-------------	---------------------------	---------------------------

Dividends not recognised at the end of the reporting period

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Rs. 0.25 per fully paid equity share for other than promoters (31st March, 2021 – Rs. 0.25). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

8.17

*Calculation is based on the no. of shares outstanding as at year end.

STARTECK FINANCE LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

29 Earnings per share

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Earning Per Share has been computed as under :		
Profit for the year (Rs.in lakhs) (A)	1,018.98	3,762.32
Weighted average number of equity shares (B)	9,910,330.00	9,910,330.00
Add : Potential equity shares on account of share application money pending allotment	-	-
Weighted average number of Equity shares adjusted for the effect of dilution (C)	9,910,330.00	9,910,330.00
Basic EPS (Amount in Rs.) (A/B) (Face value of Rs. 10 per share)	10.28	37.96
Diluted EPS (Amount in Rs.) (A/C) (Face value of Rs. 10 per share)	10.28	37.96

30 Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one business segment viz. "financing activities". Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable

31 The accounts of certain trade receivables, trade payables, loans and advances and banks are, however, subject to formal confirmations or reconciliations and consequent adjustments, if any. However, there is no indication of dispute on these accounts, other than those mentioned in the financial statements. The management does not expect any material difference affecting the current year's financial statements on such reconciliation/adjustments. There are no pending litigation having impact on financial position of the company.

32 Contingent Liabilities not provided for

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Claims against the company not acknowledged as debts - CIT (A)	49.53	49.53

33 Details of payments to auditors (Rs in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Payment to auditors		
As auditor:		
Audit fee	2.25	2.25
Total payments to auditors	2.25	2.25

34 Figures pertaining to Previous Year have been regrouped / reclassified wherever found necessary to conform to Current Year presentation.

Signature to Notes No 1 to 34

As per our attached report of even date

For MKPS & Associates

Chartered Accountants

Firm Registration No. 302014E

**For an on behalf of the Board of Directors
of Starteck Finance Ltd**

Anand Shroff

Whole-time Director & CFO

(DIN: 08480489)

Pankaj Jain

Director

(DIN: 00048283)

Narendra Khandal

Partner

Membership No. 065025

Vishal Agarwal

Director (DIN: 00168370)

Sandhya Malhotra

Director (DIN: 06450511)

Nilesh Parikh

Director (DIN: 02710146)

Place : Mumbai

Dated: 27th May, 2022

Mayuri Jain

Company Secretary

Annexure A
Form 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 Lakhs)

Sl. No.	Particulars	Details	
1.	Name of the subsidiary	Chitta Finlease Private Limited	V Can Export Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR
4.	Date since when subsidiary was acquired	14.01.2016	25.03.2015
5.	Share capital	1.00	1.00
6.	Reserves & surplus	8.71	(0.24)
7.	Total Assets	1,685.22	0.88
8.	Total Liabilities	1,685.22	0.88
9.	Investments	1,454.84	-
10.	Turnover	-	-
11.	Profit before taxation	96.91	(0.17)
12.	Provision for taxation	(30.58)	-
13.	Profit after taxation	66.33	(0.17)
14.	Proposed Dividend	-	-
15.	% of shareholding	100	100

- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year- Starteck Housing Finance Private Limited

Part “B”: Associates and Joint Ventures

Name of Associates/Joint Ventures	
1. Latest audited Balance Sheet Date	
2. Shares of Associate/Joint Ventures held by the company on the year end No. Amount of Investment in Associates/Joint Venture Extend of Holding %	
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	
5. Networth attributable to Shareholding as per latest audited Balance Sheet	
6. Profit / Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

Not
Applicable

1. Names of associates or joint ventures which are yet to commence operations- Not Applicable
2. Names of associates or joint ventures which have been liquidated or sold during the year- Not Applicable

**For and on Behalf of the Board of Directors
of Starteck Finance Limited**

Anand Shroff

Director (DIN: 08480489)

Pankaj Jain

Director (DIN: 00048283)

Vishal Agarwal

Director (DIN: 00168370)

Sandhya Malhotra

Director (DIN: 06450511)

Nilesh Parikh

Director (DIN: 0271046)

Mayuri Jain

Company Secretary

Place: Mumbai

Date: May 27, 2022