STEL Holdings Limited

ANNUAL REPORT 2014-2015

Board of Directors

Shri. Anant Vardhan Goenka
Shri. Umang Kanoria
Shri. Sunil Bhandari
Shri. H. C. Dalal
Shri. Prem Kapil
Smt. Sucharita Basu
Shri. Kaushik Roy

Manager

Shri. Abraham Itty Ipe

Company Secretary

Shri. Mithun B. Shenoy

Registered Office

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

Statutory Auditors

G. Joseph & Associates,
Chartered Accountants
37/2038, Muttathil Lane,
Kadavanthra
Cochin – 682020, Kerala

Secretarial Auditors

SVJS & Associates, Company Secretaries
Padmam Apartments
Manikkath Road, Ravipuram
Kochi – 682 016

Bankers

ICICI Bank
HDFC Bank
Kotak Mahindra Bank

Registrar and Share Transfer Agent

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

NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Company will be held on Monday, September 28, 2015 at Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Kochi – 682016 at 2.30 P.M., to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the year ended March 31, 2015 including Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement and the explanatory note for the year ended on that date together with the Report of the Directors' and Auditors' thereon and the Consolidated Audited Financial Statement for the year ended March 31, 2015.
2. To appoint a Director in place of Shri. Sunil Bhandari who retires by rotation and being eligible, offers himself for reappointment.
3. To ratify the appointment of Auditors and to fix their remuneration and for the purpose to consider and, if thought fit, to pass with or without modification, the following Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the re-appointment of the Auditors Messrs. G. Joseph & Associates, Chartered Accountants (Firm Registration No. 006310S), to hold office from the conclusion of Twenty Fourth Annual General Meeting (AGM) till the conclusion of the Twenty Seventh AGM of the Company be and is hereby ratified and the said Auditors be paid such remuneration as may be decided by the Audit Committee of the Board of Directors of the Company."

SPECIAL BUSINESS

4. **Appointment of Shri. Kaushik Roy, as a Non Executive Director of the Company**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Shri. Kaushik Roy (DIN: 06513489), who was appointed as an Additional Director pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

By Order of the Board of Directors

Mumbai
August 11, 2015

Mithun B. Shenoy
Company Secretary

Notes:

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

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

   A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the item of special business under Item No. 4 of the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2015 to September 28, 2015 (both days inclusive).
4. All documents referred to in the Notice and the Explanatory Statement will be available for inspection by the members at the Registered Office of the Company between 11.00 AM and 1.00 P.M. on all working days (except Saturdays) up to the date of the Annual General Meeting.
5. For the convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be restricted by the Attendance Slip. Members are requested to write their Client ID and DP ID numbers/ Folio Number (as applicable) on the Attendance slip, affix their signature and hand it over at the entrance hall.

6. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

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

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

9. Notice of the AGM along with Annual Report 2014-15 is being sent by electronic mode to those members whose email addresses are registered with the Company/ Depository Participants unless any member has requested for the physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by permitted mode. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are requested to register their email ID with the Registrar and Share Transfer Agent of the Company.

10. Voting through electronic means:

    The Company is pleased to provide to its members the facility to exercise their rights to vote at the Twenty Fifth Annual General Meeting by electronic means through the e-voting facilities provided by Central Depository Services (India) Limited (CDSL).

    A) In case of members receiving the Annual Report through e-mail, the process for e-voting is as under:

    (i) Log on to the e-voting website www.evotingindia.com during the voting period.

    (ii) Click on “Shareholders” tab.

    (iii) Now Enter your User ID

    a. For CDSL: 16 digits beneficiary ID,

    b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

    c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio no.
	• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut-off date** in the **Dividend Bank details field.**

    (vii) After entering these details appropriately, click on “SUBMIT” tab.

    (viii) Members holding shares in physical form will then reach directly the Company selection screen. However,

members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(x) Click on the EVSN to choose <STEL HOLDINGS LIMITED> to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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

(xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Note for Non-Individual Shareholders & Custodians

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

B) In case members receiving physical copy of the Annual Report, please follow all the steps mentioned in (A) above.

General Information

(A) The voting period begins on Friday, September 25, 2015, 9:00 AM and ends on Sunday, September 27, 2015, 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) Monday, September 21, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(B) Members have an option to vote either electronically (availing the services provided by CDSL) OR by using the poll slips to be distributed at the meeting. If members have cast their vote electronically, then they should not cast their vote at the meeting. However if a member has voted electronically and has again voted at the meeting, then the voting done through e-voting shall prevail and voting done at the meeting shall be treated as invalid.

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

11. The Company has appointed Shri. Asish Mohan (FCS. 7146 and CP. 8241), Partner, ABP & Associates, Company Secretaries, Kochi, as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

12. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast

at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in employment of the Company and make not later than 3 (three) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman and/or Manager or a person authorized by him in writing who shall counter sign the same.

13. The results shall be declared forthwith upon receipt of the Scrutinizer's Report. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.stelholdings.com and on the website of CDSL. The Results shall also be communicated to the stock exchanges where shares of the Company are listed.

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

A. Shri. Sunil Bhandari

Date of Birth	22.08.1960
Qualification	B. Com, ACA
Expertise in Specific Functional Areas	Finance Management
Directorship held in other Companies	• Crescent Power Limited
	• Duncan Brothers & Company Limited
	• Au Bon Pain Café India Limited
	• Grand Royale Enterprises Limited
	• Rainbow Investments Limited
	• Spencer International Hotels Limited
	• Stylefile Events Limited
	• ACE Applied Software Services Pvt Ltd.
	• Blue Ocean Infrastructure Pvt Ltd.
	• Dotex Merchandise Pvt Ltd.
	• Indent Investments Pvt Ltd.
	• Lebnitze Investments Pvt Ltd.
	• Panchmurti Commercial Pvt Ltd.
	• Panchtantra Vinimay Pvt Ltd.
	• Ritushree Vanijya Pvt Ltd.
	• Solty Commercial Pvt Ltd.
	• Kolkata Games and Sports Pvt Ltd.
	• Catch 22 informatics LLP
Committee Membership in other Companies	Nil
Shareholding in the Company	Nil

B. Shri. Kaushik Roy

Date of Birth	28.03.1965
Qualification	M. Tech (Mechanical) and MBA.
Expertise in specific functional areas	Shri Roy has vast multi-functional business experience, spanning over two decades across different sectors like Tyre and Cement.
Directorship held in other Companies	1. Phillips Carbon Black Limited – Managing Director.
	2. Director, Harrisons Malayalam Limited
Committee Membership in other Companies	Risk Management Committee – Member
Shareholdings in the Company	Nil

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF ITEMS OF SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON SEPTEMBER 28, 2015

Item No. 4

Pursuant to Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company, the Board of Directors of the Company appointed, Shri Kaushik Roy as Additional Director of the Company with effect from February 16, 2015.

In terms of Section 161(1) of the Companies Act, 2013, Shri Kaushik Roy would hold office upto the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing candidature of Shri Kaushik Roy for the office of Director of the Company.

Shri Kaushik Roy is not disqualified from being appointed as director in terms of Section 164 of the Companies Act, 2013 and his consent to act as director has been received by the Company.

Except Shri Kaushik Roy, no other Director of the Company is interested in the resolution as set out in Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the notice for the approval by the shareholders.

By Order of the Board of Directors

Mumbai
August 11, 2015

Mithun B. Shenoy
Company Secretary

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty Fifth Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2015.

1. Financial Highlights

The income of the Company mainly consisted of dividend income. The net profit after tax was Rs. 376.54 lakhs.

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014
Total Income	419.05	320.98	419.57	321.12
Profit before Tax	379.41	254.82	378.98	254.36
Provision for Taxation	2.87	-	2.87	-
Profit after Tax	376.54	254.82	376.10	254.36
Surplus brought forward from the previous year	958.43	703.61	956.34	701.97
Surplus carried to the Balance Sheet	1334.50	958.43	1331.98	956.34

2. Operations of the Company

Investments are made in various companies and dividend constitutes the main source of income for the Company. During the financial year ended March 31, 2015, total income of the Company was Rs. 419.05 lakhs as against Rs. 320.98 lakhs in the Previous Year. Profit after tax was Rs. 376.54 lakhs as against Rs. 254.82 lakhs in the Previous Year.

3. Change in the Nature of Business

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

4. Dividend

Your Directors have deemed it prudent not to recommend any dividend on equity shares for the year ended March 31, 2015, in order to conserve the resources for the future years.

5. Amount transferred to the Reserves:

Your Board has not proposed the transfer of any amount to the reserve.

6. Extract of Annual Return

Details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure A".

7. Listing

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

8. Fixed Deposit

The Company has not accepted any deposit within the meaning of Chapter V of the Companies Act, 2013 and the Rules framed there under.

9. Particulars of Loans, Guarantees or Investments

In terms of the provisions of Section 186(11) of the Companies Act, 2013 the provisions of Section 186(4) requiring disclosure in the financial statements of the full particulars of loans given, investments made or guarantees given or securities provided and purpose thereof, is not applicable to the Company.

10. Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo

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

(a) Conservation of energy and technology absorption:

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

(b) Foreign Exchange earnings and outgo:

Total foreign exchange used : Nil

Total foreign exchange earned : Nil

11. Subsidiary & Associate Company

As on March 31, 2015, the Company has a subsidiary, Doon Dooars Plantations Limited, accounts of which shall be made available to the shareholders of the Company seeking such information at any point of time. The Consolidated Financial Statements of the Company along with its subsidiary prepared for the year 2014-15 in accordance with relevant Accounting Standard issued by Institute of Chartered Accountants of India forms part of this Annual Report.

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

The Company has framed a policy for determining material subsidiaries as per requirement of Clause 49 of the Listing Agreement and has uploaded the same on website and link for the same is as below:

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

12. Corporate Governance

A report on Management Discussion and Analysis is attached here with (Annexure - C). A separate Report on Corporate Governance (Annexure - D) as prescribed under the Listing Agreement executed with the Stock Exchanges is annexed as a part of this Report along with the practicing Company Secretary's Certificate.

13. Directors and Key Managerial Personnel

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

Shri. Sanjiv Goenka, Director resigned from the Board of the Company with effect from February 24, 2015. Shri. Kaushik Roy was appointed as Additional Directors of the Company with effect from February 16, 2015 and holds office upto the date of forthcoming Annual General Meeting.

During the year under review, Shri Abraham Ittyipe, Manager, Shri Sivarama Krishnan, Chief Financial Officer and Shri Mithun B. Shenoy, Company Secretary were designated as Key Managerial Personnel within the meaning of Section 203 of the Companies Act, 2013.

In compliance with Clause 49 VIII (E) of the Listing Agreement, brief resume of all the Directors proposed to be appointed / re-appointed are attached along with the Notice to the ensuing Annual General Meeting.

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

13.1. Declaration by Independent Directors

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Independent Directors of the Company viz. Shri. Umang Kanoria, Shri. H. C. Dalal, Shri. Prem Kapil and Smt. Sucharita Basu, have given declaration to the Company that they qualify the criteria of independence as required under the Act.

13.2. Board Evaluation

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

Further, the Independent Directors of the Company met once during the year to review the performance of the Non-executive directors, Chairman of the Company and performance of the Board as a whole.

13.3. Policy on Remuneration to Directors, KMP and Senior Management Personnel

The Board based on the recommendation of the Nomination and Remuneration Committee has formulated a policy on remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy covers the appointment, including criteria for determining qualification, positive attributes, independence and remuneration of its Directors, Key Managerial Personnel and Senior Management Personnel. The Nomination and Remuneration Policy is annexed as Annexure – E to this report.

14. Board Committees

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

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

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

The Directors confirm that –

a) in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards had been followed and there were no material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as at March 31, 2015 and of the profit and loss of the company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts on a going concern basis;

e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. Auditors:

16.1. Statutory Auditors

Messrs G. Joseph & Associates, Chartered Accountants, Statutory Auditors of the Company were re-appointed auditors to hold office from the conclusion of the Twenty Forth Annual General Meeting held on September 30, 2014 till the conclusion of the Twenty Seventh Annual General Meeting to be held in 2017, subject to ratification by the Members at the Twenty Fifth and Twenty Sixth AGM of the Company. Accordingly, the Notice convening the Twenty Fifth AGM includes a resolution seeking such ratification by the members of the said re-appointment of the Auditors.

The Company has received a letter from the Statutory Auditors to the effect that the ratification of their re-appointment, if made at the forthcoming Annual General Meeting, would be in accordance with the limits prescribed under 141(3)(g) of the Act. There is no qualification, disclaimer, reservation or adverse remark made by the Statutory Auditors in Auditors' Report.

16.2. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of the Directors of the Company had appointed M/s. SVJS & Associates, Company Secretaries to undertake the Secretarial Auditors of the Company for the year ended March 31, 2015. The Secretarial Audit Report is annexed as Annexure - F.

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

16.3. Internal Auditor

The Board had appointed Smt. Jyothi Mary Jacob, Cost Accountant as Internal Auditors for the financial year 2014-15.

17. Corporate Social Responsibility

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

18. Whistle Blower Policy

Pursuant to Section 177 of the Companies Act, 2013 the rules made thereunder and the Listing Agreement with the Stock Exchanges, the Company has established a Whistle Blower Policy (Vigil Mechanism) for directors and employees to report genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. The policy has been uploaded in the Company's website http://stelholdings.com/docs/Whistleblowerpolicy.pdf

19. Related Party Transactions

There was no materially significant transaction with the Company's Promoters, Directors, Management or their relatives that could have had a potential conflict with the interests of the Company. This policy as approved by the Board is uploaded on the Company's website on the below link:

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

20. Risk Management

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

21. Particulars of Employees

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

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

22. Internal Financial Control

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms part of this Report.

23. Significant and Material Order

The Company has received an Order dated 11.02.2015 from Regional Director, Southern Region, Ministry of Corporate Affairs, Chennai rejecting the Company's petition filed seeking shifting of the Registered Office of the Company from the state of Kerala to the state of Maharashtra.

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

24. Acknowledgements

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

For and on behalf of the Board of Directors

Mumbai
August 11, 2015

Sunil Bhandari
Director

Umang Kanoria
Director

DECLARATION – CODE OF CONDUCT

I, Abraham Ittyipe, Manager, STEL Holdings Limited declare that all the members of the Board of Directors have, for the year ended March 31, 2015 affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of Clause 49 (II) (E) the Listing Agreement entered with the Stock Exchanges.

For STEL Holdings Limited

Abraham Ittyipe
Manager

May 29, 2015

ANNEXURE - A TO THE DIRECTOR'S REPORT
Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

* as per NIC -2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Doon Dooars Plantation Limited	U01132WB1994PLC062034	Subsidiary Company	100%	2(87)(ii)
2	CFL Capital Financial Services Limited	L67120WB1983PLC036805	Associate Company	48.81%	2(6)

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

i) Category-wise Share Holding as of March 31, 2015

Category of Shareholders	No. of shares at the beginning of the year				No of shares at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	90,000	-	90,000	0.49	90,000	-	90,000	0.49	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s).	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	5,292,116	-	5,292,116	28.68	5,292,116	-	5,292,116	28.68	-
e) Banks/ FI	-	-	-		-	-	-	-	-
f) Any Other									
Trusts	262,080	-	262,080	1.42	262,080	-	262,080	1.42	-
Sub-total (A) (1) :-	**5,644,196**	**-**	**5,644,196**	**30.58**	**5,644,196**	**-**	**5,644,196**	**30.58**	**-**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Others - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	3,640,000	3,640,000	19.72	-	3,640,000	3,640,000	19.72	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub- total (A) (2):-	**-**	**3,640,000**	**3,640,000**	**19.72**	**-**	**3,640,000**	**3,640,000**	**19.72**	**-**
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	**5,644,196**	**3,640,000**	**9,284,196**	**50.31**	**5,644,196**	**3,640,000**	**9,284,196**	**50.31**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	6,500	530	7,030	0.04	6,500	530	7,030	0.04	-
b) Banks/ FI	1,903	420	2,323	0.01	1,903	420	2,323	0.01	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	33,895	-	33,895	0.18	33,570	-	33,570	0.18	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of shares at the beginning of the year				No of shares at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub -total (B) (1) ;-	**42,298**	**950**	**43,248**	**0.23**	**41,973**	**950**	**42,923**	**0.23**	-
2. Non-Institutions									
a) Bodies Corp.								-	-
i) Indian	1,346,892	10,290	1,357,182	7.35	1,394,028	10,290	1,404,318	7.61	0.26
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share Capital upto ₹ 1 lakh	3,920,050	1,047,492	4,967,542	26.92	3,816,297	1,012,423	4,828,720	26.16	-0.75
ii) Individual shareholders holding nominal share Capital in excess of Rs 1 lakh	2,415,247	-	2,415,247	13.09	2,525,169	-	2,525,169	13.68	0.60
c) Others (specify)									
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Clearing Member	17,690	-	17,690	0.10	12,630	-	12,630	0.07	-0.03
Market Maker	1,356	-	1,356	0.01	9,526	-	9,526	0.05	0.04
Unclaimed Shares	-	-	186,830	1.01	186,030	-	186,030	1.01	-
Office Bearers	-	-	-	-	-	-	-	-	-
Non Resident Indian (Repatriate)	75,638	4,105	79,743	0.43	69,569	4,105	73,674	0.40	-0.03
Non Resident Indian (Non-Repatriate)	29,482	-	29482	0.16	26,655	-	26,655	0.14	-0.02
HUF	70,799	-	70,799	0.38	59,474	-	59,474	0.32	-0.06
TRUSTS	2,090	-	2,090	0.01	2,090	-	2,090	0.01	-
Sub -total (B) (2):-	**7,879,244**	**1,061,887**	**9,127,961**	**49.46**	**8,101,468**	**1,026,818**	**9,128,286**	**49.46**	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	**7,921,542**	**1,062,837**	**9,171,209**	**49.69**	**8,143,441**	**1,027,768**	**9,171,209**	**49.69**	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**13,565,738**	**4,702,837**	**18,455,405**	**100.00**	**13,787,637**	**4,667,768**	**18,455,405**	**100.00**	-

ii) **Shareholding of Promoters:**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Malayalam Plantations Holdings	3,640,000	19.72	-	3,640,000	19.72	-	-
2	Instant Holdings Limited	1,605,200	8.70	-	1,605,200	8.70	-	-
3	Carnival Investments Limited	1,363,580	7.39	-	1,363,580	7.39	-	-
4	Summit Securities Limited	878,501	4.76	-	878,501	4.76	-	-
5	Universal Industrial Fund Limited *	508,558	2.76	-	-	-	-	-
6	Rainbow Investments Limited *	-	-	-	831,438	4.51		
7	Swallow Associates LLP	613,197	3.32	-	613,197	3.32	-	-
8	Puffin Investments Limited*	320,230	1.74	-	-	-	-	-
9	Harsh Vardhan Goenka	45,000	0.24	-	45,000	0.24	-	-
10	Pradip Kumar Khaitan, Trustee of HML Trust No. I	43,680	0.24	-	43,680	0.24	-	-
11	Pradip Kumar Khaitan, Trustee of HML Trust No. II	43,680	0.24	-	43,680	0.24	-	-
12	Pradip Kumar Khaitan, Trustee of HML Trust No. III	43,680	0.24	-	43,680	0.24	-	-
13	Pradip Kumar Khaitan, Trustee of HML Trust No. IV	43,680	0.24	-	43,680	0.24	-	-
14	Pradip Kumar Khaitan, Trustee of HML Trust No. V	43,680	0.24	-	43,680	0.24	-	-
15	Pradip Kumar Khaitan, Trustee of HML Trust No. VI	43,680	0.24	-	43,680	0.24	-	-
16	Sanjiv Goenka	35,000	0.19	-	35,000	0.19	-	-
17	Rama Prasad Goenka	10,000	0.05	-	10,000	0.05	-	-
18	Peregrine Enterprises Limited*	2,650	0.01	-	-	-	-	-
19	Saregama India Limited	100	0.00	-	100	0.00	-	-
20	Zensar Technologies Limited	100	0.00	-	100	0.00	-	-
	Total	**9,284,196**	**50.31**	**-**	**9,284,196**	**50.31**	**-**	**-**

** Pursuant to the scheme of Arrangement entered into by Rainbow Investments Limited (RIL) with Universal Industrial Fund Limited (UIFL), Puffin Investments Limited (PIL), Peregrine Entreprises Limited (PEL) and other group companies wherein UIFL, PIL, PEL and other group companies had merged with RIL in the year 2013.*

iii) Change in Promoters' Shareholding:

Sl. No.		Shareholding at the beginning of the year 1.4.14 / end of the year 31.3.15		Date	Increase / decrease in shareholding	Reason	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
	At the beginning of the year	9,284,196	50.31	01.04.2014	-	-	9,284,196	50.31
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.)	#	#	#	#	#	#	#
1	Universal Industrial Fund Limited	-508,558	-2.76	09.07.2015	decrease	* Pursuant to the scheme of Arrangement entered into by Rainbow Investments Limited (RIL) with Universal Industrial Fund Limited (UIFL), Puffin Investments Limited (PIL), Peregrine Entreprises Limited (PEL) and other group companies wherein UIFL, PIL, PEL and other group companies had merged with RIL in the year 2013.	8,775,638	47.55
2	Rainbow Investments Limited	831,438	4.51	09.07.2015	Increase		9,607,076	52.06
3	Puffin Investments Limited	-320,230	-1.74	09.07.2015	decrease		9,286,846	50.32
4	Peregrine Enterprises Limited	-2,650	-0.01	09.07.2015	decrease		9,284,196	50.32
	At the end of the year	9,284,196	50.31	31.03.2015			9,284,196	50.31

iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.14 / end of the year 31.3.15		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	**HITESH RAMJI JAVERI**							
	At the beginning of the year	750000	4.06	01.04.2014			750000	4.06
	Increase on 05.09.2014 / Transfer	9601	0.05	05.09.2014	Increase	Market Purchase	759601	4.12
	Decrease on 12.09.2014 / Transfer	601	0.00	12.09.2014	Decrease	Market Sale	759000	4.11
	At the end of the year	759000	4.11	31.03.2015			759000	4.11
2	**HI - TIDE INVESTMENTS (PVT.) LTD. ****							
	At the beginning of the year	430000	2.33	01.04.2014			430000	2.33
	Decrease on 25.04.2014 / Transfer	225000	1.22	25.04.2014	Decrease	Market Sale	205000	1.11
	Decrease on 02.05.2014 / Transfer	205000	1.11	02.05.2014	Decrease	Market Sale	0	0.00
	At the end of the year	0	0.00	31.03.2015			0	0.00
3	**JAISUKH VINIMOY PVT. LTD.**							
	At the beginning of the year	338195	1.83	01.04.2014			338195	1.83
	Decrease on 25.04.2014 / Transfer	80	0.00	25.04.2014	Decrease	Market Sale	338115	1.83
	Decrease on 02.05.2014 / Transfer	3920	0.02	02.05.2014	Decrease	Market Sale	334195	1.81
	Increase on 09.05.2014 / Transfer	13702	0.07	09.05.2014	Increase	Market Purchase	347897	1.89
	Increase on 16.05.2014 / Transfer	106	0.00	16.05.2014	Increase	Market Purchase	348003	1.89
	Decrease on 23.05.2014 / Transfer	7599	0.04	23.05.2014	Decrease	Market Sale	340404	1.84
	Decrease on 30.05.2014 / Transfer	8104	0.04	30.05.2014	Decrease	Market Sale	332300	1.80
	Decrease on 06.06.2014 / Transfer	7500	0.04	06.06.2014	Decrease	Market Sale	324800	1.76
	Decrease on 13.06.2014 / Transfer	7476	0.04	13.06.2014	Decrease	Market Sale	317324	1.72
	Decrease on 30.06.2014 / Transfer	3324	0.02	30.06.2014	Decrease	Market Sale	314000	1.70
	Decrease on 04.07.2014 / Transfer	13500	0.07	04.07.2014	Decrease	Market Sale	300500	1.63
	Decrease on 21.11.2014 / Transfer	8295	0.04	21.11.2014	Decrease	Market Sale	292205	1.58
	Increase on 20.03.2015 / Transfer	6295	0.03	20.03.2015	Increase	Market Purchase	298500	1.62
	Decrease on 27.03.2015 / Transfer	4500	0.02	27.03.2015	Decrease	Market Sale	294000	1.59
	At the end of the year	294000	1.59	31.03.2015			294000	1.59
4	**CHINAPPA M B**							
	At the beginning of the year	268687	1.46	01.04.2014			268687	1.46
	Increase on 30.09.2014 / Transfer	1500	0.01	30.09.2014	Increase	Market Purchase	270187	1.46
	Increase on 10.10.2014 / Transfer	100	0.00	10.10.2014	Increase	Market Purchase	270287	1.46
	Increase on 27.02.2015 / Transfer	100	0.00	27.02.2015	Increase	Market Purchase	270387	1.47
	At the end of the year	270387	1.47	31.03.2015			270387	1.47

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.14 / end of the year 31.3.15		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
5	**R N RUBESH**							
	At the beginning of the year	246737	1.34	01.04.2014			246737	1.34
	Increase on 11.07.2014 / Transfer	1576	0.01	11.07.2014	Increase	Market Purchase	248313	1.35
	Increase on 31.12.2014 / Transfer	3024	0.02	31.12.2014	Increase	Market Purchase	251337	1.36
	Decrease on 02.01.2015 / Transfer	1722	0.01	02.01.2015	Decrease	Market Sale	249615	1.35
	Increase on 13.03.2015 / Transfer	1309	0.01	13.03.2015	Increase	Market Purchase	250924	1.36
	At the end of the year	250924	1.36	31.03.2015			250924	1.36
6	**HARSHA HITESH JAVERI**							
	At the beginning of the year	134357	0.73	01.04.2014			134357	0.73
	Increase on 05.09.2014 / Transfer	25643	0.14	05.09.2014	Increase	Market Purchase	160000	0.87
	Decrease on 12.09.2014 / Transfer	1000	0.01	12.09.2014	Decrease	Market Sale	159000	0.86
	Increase on 19.09.2014 / Transfer	1000	0.01	19.09.2014	Increase	Market Purchase	160000	0.87
	Decrease on 03.10.2014 / Transfer	1000	0.01	03.10.2014	Decrease	Market Sale	159000	0.86
	At the end of the year	159000	0.86	31.03.2015			159000	0.86
7	**MAHENDRA GIRDHARILAL**							
	At the beginning of the year	108874	0.59	01.04.2014		No change	108874	0.59
	At the end of the year	108874	0.59	31.03.2015			108874	0.59
8	**N LALITHA**							
	At the beginning of the year	69059	0.37	01.04.2014			69059	0.37
	Increase on 16.05.2014 / Transfer	10000	0.05	16.05.2014	Increase	Market Purchase	79059	0.43
	Increase on 12.09.2014 / Transfer	5964	0.03	12.09.2014	Increase	Market Purchase	85023	0.46
	Increase on 31.12.2014 / Transfer	1197	0.01	31.12.2014	Increase	Market Purchase	86220	0.47
	At the end of the year	86220	0.47	31.03.2015			86220	0.47
9	**KRUPA SAMEER THACKER**							
	At the beginning of the year	65700	0.36	01.04.2014		No change	65700	0.36
	At the end of the year	65700	0.36	31.03.2015			65700	0.36
10	**STANLEY VYAPAAR PVT LIMITED**							
	At the beginning of the year	51768	0.28	01.04.2014			51768	0.28
	Increase on 18.04.2014 / Transfer	12722	0.07	18.04.2014	Increase	Market Purchase	64490	0.35
	Increase on 25.04.2014 / Transfer	15510	0.08	25.04.2014	Increase	Market Purchase	80000	0.43
	Increase on 09.05.2014 / Transfer	4108	0.02	09.05.2014	Increase	Market Purchase	84108	0.46
	Increase on 16.05.2014 / Transfer	13892	0.08	16.05.2014	Increase	Market Purchase	98000	0.53
	At the end of the year	98000	0.53	31.03.2015			98000	0.53

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.14 / end of the year 31.3.15		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
11	**VLS FINANCE LTD ##**							
	At the beginning of the year	0	0.00	01.04.2014			0	0.00
	Increase on 02.05.2014 / Transfer	104500	0.57	02.05.2014	Increase	Market Purchase	104500	0.57
	Increase on 09.05.2014 / Transfer	95500	0.52	09.05.2014	Increase	Market Purchase	200000	1.08
	Increase on 16.05.2014 / Transfer	12250	0.07	16.05.2014	Increase	Market Purchase	212250	1.15
	Increase on 23.05.2014 / Transfer	4170	0.02	23.05.2014	Increase	Market Purchase	216420	1.17
	Increase on 30.05.2014 / Transfer	44440	0.24	30.05.2014	Increase	Market Purchase	260860	1.41
	Increase on 06.06.2014 / Transfer	22221	0.12	06.06.2014	Increase	Market Purchase	283081	1.53
	Increase on 13.06.2014 / Transfer	46690	0.25	13.06.2014	Increase	Market Purchase	329771	1.79
	Increase on 20.06.2014 / Transfer	29261	1.16	20.06.2014	Increase	Market Purchase	359032	1.95
	Decrease on 30.06.2014 / Transfer	359032	1.95	30.06.2014	Decrease	Market Sale	0	0.00
	Increase on 04.07.2014 / Transfer	20733	0.11	04.07.2014	Increase	Market Purchase	20733	0.11
	Increase on 11.07.2014 / Transfer	43253	0.23	11.07.2014	Increase	Market Purchase	63986	0.35
	Increase on 18.07.2014 / Transfer	45750	0.25	18.07.2014	Increase	Market Purchase	109736	0.59
	Increase on 25.07.2014 / Transfer	19693	0.11	25.07.2014	Increase	Market Purchase	129429	0.70
	Decrease on 01.08.2014 / Transfer	116232	0.63	01.08.2014	Decrease	Market Sale	13197	0.07
	Increase on 08.08.2014 / Transfer	3877	0.02	08.08.2014	Increase	Market Purchase	17074	0.09
	Increase on 12.12.2014 / Transfer	25000	0.14	12.12.2014	Increase	Market Purchase	42074	0.23
	Increase on 31.03.2015 / Transfer	516591	2.80	31.03.2015	Increase	Market Purchase	558665	3.03
	At the end of the year	558665	3.03	31.03.2015			558665	3.03

Notes:

1) In case of joint holding, the name of first holder has been considered.

2) The Changes in shareholding (increase / decrease) are given based on weekly beneficiary position as datewise increase / decrease in shareholding is not ascertainable.

3) The shareholding details are given on the legal ownership and not beneficial ownership.

Not in the list of Top 10 shareholders as on 01.04.2014. The same has been reflected above since the shareholder was one of the Top 10 shareholder as on 31.03.2015

** Ceased to be in the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2014

v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding		Date	increase/ decrease in shareholding	Reason	Cumulative shareholding during the year	
		No. of shares at beginning 1.4.14 /end of the year 31.3.15	% of total shares of the Company				No. of shares	% of total shares of the Company
	Shareholding of Director:							
1	Shri. Sanjiv Goenka *	35,000	0.19	01.04.2014			35,000	0.19
		35,000	0.19	31.03.2015				
	Shareholding of Key Managerial Personnel:							
1	Shri. Abraham Ittyipe, Manager	101	-	01.04.2014	-	-	101	-
		101	-	31.03.2015				
2	Shri. Shivrama Krishnan, Chief Financial Officer	8	-	01.04.2014	-	-	8	-
		8	-	31.03.2015				
3	Shri. Mithun B. Shenoy, Company Secretary	-	-	01.04.2014	-	-	-	-
		-	-	31.03.2015				

* resigned on 24.02.2015

Note: Apart from above no other Director and Key Managerial Personnel holds any shares at the beginning and end of the Financial year 2014-15 in the Company. Further apart from above there was no increase / decrease in shareholding of any other Director and Key Managerial Personnel.

V INDEBTEDNESS

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

(Amount in ₹)

Indebtedness at the beginning of the financial year - 1.4.14	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year 31.3.15				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	**Nil**	**Nil**	**Nil**	**Nil**

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of the Manager	Total Amount (₹)
		Shri. Abraham Ittyipe	
1	Gross salary	(Amount in ₹)	
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	100,000	100,000
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961*	-	-
	c. Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	-	-
2	**Stock Option**	-	-
3	**Sweat Equity**	-	-
4	**Commission:**	-	-
	- As a % of Profit	-	-
	- Others, specify	-	-
5	**Others, please specify**		
	Contribution to PF	-	-
	Contribution to Gratuity	-	-
	Contribution to Superannuation Fund	-	-
	Consolidated Allowances	-	-
	Car Perquisite	-	-
	Total (A)	**100,000**	**100,000**
	Ceiling as per the Act	41,533,27	41,533,27

Note :

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

B. Remuneration to other directors:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors								Total
		Shri. Sanjiv Goenka *	Shri. Anant Goenka	Shri. Sunil Bhandari	Shri. Umang Kanoria	Shri. H.C. Dalal	Shri. Prem Kapil	Smt. Sucharita Basu	Shri. Kaushik Roy **	
1	**Independent Directors**									
	- Fees for attending Board/ Committee Meetings	-	-	-	6,000	6,000	3,000	3,000.00	-	18,000
	- Commission	-	-	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	-	-	-	-
	Total (1)	**-**	**-**	**-**	**6,000**	**6,000**	**3,000**	**3,000**	**-**	**18,000**
2	Other Non- Executive Directors									
	- Fees for attending Board/ Committee Meetings	-	3,000	6,000	-	-	-	-	-	-
	- Commission	-	-	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	-	-	-	-
	Total (2)	**-**	**3,000**	**6,000**	**-**	**-**	**-**	**-**	**-**	**9,000**
	Total (B) = (1+2)	**-**	**3,000**	**6,000**	**6,000**	**6,000**	**3,000**	**3,000**	**-**	**27,000**
	Total Managerial Remuneration #									100,000
	Overall Ceiling as per the Act @	₹ 41,53,327 calculated as per Section 198 of the Companies Act, 2013]								

Notes:

** resigned on 24.02.2015*
*** appointed w.e.f. 16.02.2015*
#Total remuneration to Managing Director, Whole-Time Directors and other Directors (being the total of A and B).
@ Sitting fees paid have not been considered as a component for reckoning overall ceiling as per Companies Act, 2013

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Shri. Siva Rama Krishnan, Chief Financial Officer *	Shri. Mithun B. Shenoy, Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	143,548	392,280	535,828
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961*	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	Nil	Nil	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-
	- Others, , specify	-	-	-
5	Others, , please specify	None	None	-
	Total	**143,548**	**392,280**	**535,828**

Note:

* Appointed w.e.f August 11, 2014

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE B TO THE DIRECTORS' REPORT
AOC - 1

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

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

Part "A": Subsidiaries

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

Sl. No.	Particulars	1	2	3	4	5
1	Name of the subsidiary	Doon Dooars Plantations Limited				
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2014 to March 31, 2015				
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsiaiaries	Rupees				
4	Share capital	1,700,000				
5	Reserves & surplus	-994,498				
6	Total assets	795,810				
7	Total Liabilities	795,810				
8	Investments	-				
9	Turnover	51,582				
10	Profit before taxation	-43,594				
11	Provision for taxation	-				
12	Profit after taxation	-43,594				
13	Proposed Dividend	-				
14	% of shareholding	100%				

1.	Names of subsidiaries which are yet to commence operations	Nil	
2.	Name of subsidiaries which have been liquidated or sold during the year	Nil	

Part "B": Associates and Joint Ventures

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

Name of of Associates/ Joint Venture	1	2
	CFL Capital Financial Services Ltd.	
1. Latest Audited Balance sheet Date	March 31, 2015	
2. shares of Associate Company held by the Company on the year end		
i. No.	67,681,206	
ii. Amount of Investment in Associates/ Joint Venture	127,344,645	
iii. Extend of Holding %	48.81%	
3. Description of how there is significant influence	The Company has no significant influence over this Associate Company.	
4. Reason why the associate/ Joint venture is not consolidated	Please refer note as given below	
5. Networth attributable to shareholding as per latest audited balance sheet	-5,616,995,909	

6.	Profit/ Loss for the year		
	i. Considered in consolidation	Nil	
	ii. Not considered in consolidation	-654,237,728	

Note

In the opinion of the management, the investment in CFL Capital Financial Services Ltd. (CFL) does not fall under the definition of associate company within the meaning of Sec. 2(6) of the Companies Act, 2013 as the Company does not have significant influence over CFL such as representation on the Board of Directors of CFL, participation in policy making processes, transactions between the Company and CFL, interchange of managerial personnel, provision of essential technical information, etc. As a result, the Company is not treating CFL as an associate for the purpose of consolidating its financial statements.

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

Sunil Bhandari
Director

Umang Kanoria
Director

Mithun B. Shenoy
Company Secretary

Sivarama Krishnan
CFO

Kolkata
29.05.2015

ANNEXURE – C TO THE DIRECTOR'S REPORT
Management Discussion and Analysis Report

Overview – Financial Performance

Of the total income received by the Company ('STEL'), dividend income constitutes the main earnings. The performance of the Company is directly related to the performance of the Investee Companies. The profit after tax at ₹ 376.54 lakhs is 47.77% higher than ₹ 254.82 lakhs in the previous year. STEL is an investment company.

Industry and Business Overview and Future Outlook

Last year was positive sign for the corporate sector. Indian economy witnessed slower growth but there was sign of recovery with GDP growth rising to 7.3% for the year ended March 31, 2015. The World projects India's GDP to expand to 7.5% in the current fiscal on account of economic activity and greater stability. "India's economic growth is expected to rise to 7.5% in 2015-16, followed by further acceleration to 7.90% in 2016-17 and 8% in 2017-18 the world said in its India Development update report today. However, acceleration in growth is conditional on the growth rate of investment picking upto 11% during FY2016 to FY 2018" the World Bank said. (http://economictimes.indiatimes.com)

While Global financial market remained volatile, carrying significant risks, Indian economy was better placed by virtue of its affective forex management policy.

Inflation has been on a lowest trend during the last year. There has been the advantage of lower crude oil prices along with lower food prices has resulted in reduction in consumer price inflation from an average of 8.69% between 2012 and 2015 to 5.17% in the March of 2015. The Current Account deficit is at 1.7% of GDP is much better than past. The Reserve Bank of India (RBI) tumbled the policy rate by 50 basis points and also reduced the Statutory Liquidity Ratio in 3 tranches.

The Company holds investments in Equity Shares viz., CEAT Limited, Phillips Carbon Black Limited, KEC International Limited, CESC Limited, RPG Life Sciences Limited etc., besides certain investments in other Companies. The Company continues to focus on making long-term strategic investments.

Opportunities & Threats

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

The Company's investments are predominantly in Companies engaged in Power Generation and Transmission, Auto Tyres & Rubber Products, Electric Utilities, Carbon Black, Pharmaceuticals, Retail etc. Any adverse impact on these industries could possibly have direct bearing on the performance of the Company. Any slowdown in the growth of Indian economy or any volatility in global financial markets, could also affect the business. The Company is also prone to risks pertaining to change in government regulations, tax regimes, other statutes and capital market fluctuations in respect of investments held.

Risk and Concerns

Risk Management is an important aspect of the corporate governance which aims to improvise the governance practices across the Company's activities. The Company is mainly exposed to market risks in the form of reduction in value of its investments and fall in returns due to dip in the Investee Company's performance.

Further Board has constituted risk management committee to look into all the current and future material risk exposures of the Company and it should be appropriately mitigated, minimized and managed. Board has also adopted the risk management policy and processes which will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. It will help in business growth with financial stability.

Internal Control System

The Company has an adequate system of accounting and administrative control with adequate system of internal checks that ensures safe recording of all Company's assets and their proper and authorized utilization. Board has appointed the internal auditor to conduct a risk based audit with to review not only test adherence to laid down in policies and procedures but also to suggest improvements in process and systems. Their audit program is agreed upon by the Audit Committee. Internal Audit observations and recommendations reported to the Audit Committee, which monitors the implementation of such recommendations. The Company has an Audit Committee which on a regular basis reviews the adequacy and effectiveness of internal control.

Human Resources

The Company recognizes that the manpower is the key to the success of the organisation and in meeting its aspirations. Every

Company is depended on the quality of workforce. During the year under review, the company continued with its focus on training and development of its employees. The Company believes in retaining the best talent, clearly defining their roles and responsibilities.

Segment wise or product wise performance

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

Cautionary Statement

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

ANNEXURE D TO THE DIRECTORS' REPORT
CORPORATE GOVERNANCE REPORT

The Company's Corporate Governance Philosophy

The Securities and Exchange Board of India (SEBI) has prescribed a set of standards on corporate governance for the listed companies. Corporate Governance ensures that the affairs of the Company are being conducted and managed in a way which ensures accountability, transparency and adherence to ethical standards and fairness.

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

A report, in line with the requirements of the Listing Agreement executed with Stock Exchanges for the year ended March 31, 2015 is given below:

1. Board of Directors:

1.1. Size and Composition of Board:

The Board comprises of Non-Executive and Independent Directors which is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges, in which the Company's shares are listed.

1.2. Board Meetings:

The Board of Directors meets once in a quarter to consider among other business, the quarterly performance of the Company and financial results. Four (4) Board Meetings were held during the financial year 2014 - 2015 on May 30, 2014, August 11, 2014, November 12, 2014 and February 12, 2015.

1.3. Directors' Attendance Record and Directorships

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

Composition of Board of Directors as on March 31, 2015

Name of the Director	Category of Directors	No of Directorship and Committee membership/ Chairmanships in other Indian Public Companies			No. of shares held	Attendance Particulars		
		Director (1)	Member (2)	Chairman (2)		No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM
Shri. Sanjiv Goenka (3)	Promoter & Non Executive	-	-	-	35000	4	1	No
Shri. Anant Goenka	Non Executive	12	-	-	-	4	3	No
Shri. Umang Kanoria	Non Executive & Independent	9	3	1	-	4	3	No
Shri. Sunil Bhandari	Non Executive	18	-	-	-	4	4	No
Shri. H. C. Dalal	Non Executive & Independent	2	2	1	-	4	4	Yes
Shri. Kaushik Roy (4)	Non Executive	2	-	-	-	4	-	No
Shri. Sucharita Basu	Non Executive & Independent	9	-	-	-	4	1	No
Shri. Prem Kapil	Non Executive & Independent	2	-	-	-	4	3	Yes

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

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

(3) Shri. Sanjiv Goenka resigned from the Board on 17.02.2015

(4) Shri Kaushik Roy was appointed as an Additional Director of the Company w.e.f. 16.02.2015

1.4. Code of Conduct

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

1.5. Independent Director

During 2014-15, the Independent Directors met on 12.02.2015 in order to, inter alia, review the performance of non independent directors including that of the Chairman taking into account the views of the executive and non executive directors; asses the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties and other related matters. All the independent directors attended the said meeting.

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

2. Committees of the Board

2.1. Audit Committee:

The Audit Committee comprises of three Directors viz., Shri. Umang Kanoria, Shri. Sunil Bhandari and Shri. H. C. Dalal. Shri. Umang Kanoria, Independent Director, is the Chairman of the Committee. All members of the Audit Committee have accounting and financial management expertise. Attendance at Audit Committee Meetings are as given below:

Composition	Umang Kanoria	Sunil Bhandari	H. C. Dalal
No. of Meeting attended	4	4	4

The Audit Committee was reconstituted to include Shri. Prem Kapil as a member.

Audit Committee Meetings were held on May 16, 2014, August 11, 2014, November 12, 2014 and February 12, 2015. The Company Secretary acts as the Secretary to the Audit Committee.

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

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
- Matters required to be included in the Directors Responsibility Statement to be included in the Board Report in terms of Section 134 of the Act.
- Changes, if any, in accounting policies and practices and reason for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Scrutiny of inter-corporate loans and investments;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

a) Investigate any activity within its terms of reference and to seek any information it required from any employee.

b) Obtain professional advice from external sources to carry on any investigation and have full access to information contained in the records of the Company.

c) Discuss any related issues with the internal and statutory auditors and the management of the Company.

d) Review and monitor the auditors' independence and performance and effectiveness of audit process.

e) Approve subsequent modification of transactions of the Company with related parties.

f) Scrutinize the inter-corporate loans and investments and evaluate internal financial controls and risk management systems.

g) Oversee the vigil mechanism/ whistle blower policy of the Company.

2.2. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee oversees the redressal of Investors' complaints relating to share transfers/ transmission, non-receipt of Annual reports etc. This Committee consists of 3 members, Shri. Sunil Bhandari, Shri. Umang Kanoria and Shri Abraham Ittyipe. Shri. Sunil Bhandari is the Chairman of the Committee.

The Company Secretary is the Compliance Officer of the Investors' Grievance Committee.

During the year, the Committee met once on February 12, 2015. Attendance at Stakeholders' Relationship Committee meetings is as below:

Composition	Sunil Bhandari	Umang Kanoria	Abraham Itty Ipe
No. of Meetings attended	1	1	1

During the year under review, Investor's Grievance Committee was renamed as Stakeholder's Relationship Committee at the Board Meeting held on May 30, 2014.

Status of investor complaints is as below:

No. of investor queries/ complaints received from April 01, 2014 to March 31, 2015	No. of complaints pending at the end of the financial year
22	Nil

As on March 31, 2015, there was no pending investor complaint.

2.3. Nomination and Remuneration Committee:

To ensure compliance with the provisions of Companies Act, 2013, the Board of Directors at its meeting held on May 30, 2014 has constituted the Nomination and Remuneration Committee. The terms of reference of the Audit Committee cover all applicable matters specified under Clause 49 of the Listing Agreement with the Stock Exchanges and Section 178 of the Companies Act, 2013.

The Committee comprises of 3 members, Shri. Umang Kanoria, Shri. H. C. Dalal and Shri. Sunil Bhandari. Shri. Umang Kanoria is the Chairman of the Nomination and Remuneration Committee. Company Secretary acts as the Secretary and Compliance Officer to the Committee.

Composition	Umang Kanoria	H. C. Dalal	Sunil Bhandari
No. of Meeting attended	2	2	2

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

Directors/ Manager's Remuneration:

Non-Executive Directors are paid sitting fees for attending the meetings of the Board/ Committee within the limits as prescribed under the Companies Act, 2013.

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

The Payment of remuneration to the Manager is governed by the agreements executed by the Company with him and is governed by the Nomination and Remuneration Committee, Board and shareholder's resolution.

2.4. Risk Management Committee

Risk Management Committee of the Board was constituted on 12.02.2015 consisting of Shri. Sunil Bhandari, Shri. Prem Kapil and Shri. Shivarama Krishnan as its members. Shri Sunil Bhandari is appointed as the Chairman of the Committee. The roles and responsibilities of the Committee are as prescribed under Clause 49 of the listing Agreement as amended from time to time and includes monitoring and review of the risk management plan and reporting the same to the Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred by the Board, from time to time.

3. Annual General Meetings

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

Sl.No.	AGM	Year	Date	Time	Location
1	24th	2014	30.09.2014	10:30 AM	Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Kochi – 682016
2	23rd	2013	30.09.2013	10.30 AM	Merchant Navy Officers' and Seamen's Association (MNC), No.336, Bristow Road, Willingdon Island, Cochin -682003, Kerala
3	22nd	2012	24.09.2012	10.30 AM	

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

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

AGM	Particulars of Special Resolutions passed thereat
23rd	Alteration of Articles of Association pertaining to payment of sitting fees.

4. Disclosures:

4.1. Related Party Transactions:

All Related Party Transactions are placed before the Audit Committee. The transactions with the related parties are disclosed in the Note No. 19 of the Annual Accounts in compliance with Accounting Standard 18 relating to "Related Party Disclosures" and Companies Act, 2013 read with Rules thereunder and Listing Agreement. The Board has approved a 'Policy on Related Party Transactions' web link of which forms part of Directors' Report.

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

4.2. Statutory Compliance, Penalties and Strictures:

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

4.3. Whistle Blower Policy

The Board of Directors has adopted Whistle Blower Policy. It provides for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Governance and Ethics and also provide for direct access to the chairman of Audit Committee in exceptional cases.

4.4. Disclosure of Accounting Treatment

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

4.5. Details of compliance with mandatory requirements

The Company has complied with all mandatory requirements laid down by Clause 49 of the Listing Agreement.

4.6. Adoption of the non-mandatory requirements.

Clause 49 of the Listing Agreement states that the non mandatory requirements may be implemented as per the discretion of the Company. Details of compliance of non-mandatory requirements are listed below:

4.6.1. Shareholders Rights – Furnishing of quarterly results

Details of the shareholders' rights in this regard are given in the section 'General Shareholder information'.

4.6.2. Audit qualifications

During the current financial year, there are no audit qualifications in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements.

5. Certificate from CEO/CFO

The CFO certification of the financial statements for the year has been submitted to the Board of Directors, in its meeting held on May 29, 2015 as required under listing agreement.

6. Means of Communication

The Unaudited Quarterly Results are announced within 45 days from the end of the quarter and the Annual Audited Results are announced within 60 days from the end of the financial year as per the listing agreement entered into with the stock exchanges. The Company provides the information to the stock exchange where shares of the Company are listed. The results are also published in one English newspaper having national circulation and one Malayalam Newspaper.

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

A. Business Standard (English Language)

B. Deshabhimani (Malayalam Language)

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

7. General Shareholder information:

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

As indicated in the notice accompany this Annual Report, the Twenty Fifth Annual General Meeting of the Company will be held on September 28, 2015, at the Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Kochi – 682016 at 2.30 P.M.

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

7.3. Book Closure Dates: The Company's Register of Members and Share Transfer Books will remain closed for the purpose of dividend from September 22, 2015 to September 28, 2015 (both days inclusive).

7.4. Dividend payment: The Board has not recommended any dividend for the FY 2014-15.

7.5. Details of Stock Exchanges where listed

Stock Exchanges	Stock Code
Bombay Stock Exchange Ltd., Mumbai (BSE)	533316
National Stock Exchange of India Limited, Mumbai (NSE)	STEL

Listing fees have been paid for the Financial Year 2015-16.

7.6. Financial calendar

For the year ended March 31, 2015, results were announced on:

First quarter: August 11, 2014,

Second quarter: November 12, 2014

Third Quarter: February 12, 2015

Forth Quarter: May 29, 2015

For the year ending March 31, 2016, the results will be announced on:

Event	Due Date
quarter ending 30th June, 2015	14th August, 2015
quarter ending 30th September, 2015	15th November, 2015
quarter ending 31st December, 2015	15th February, 2016
quarter ending 31st March, 2016	30th May, 2016 (Audited)

7.7. Market Price Data

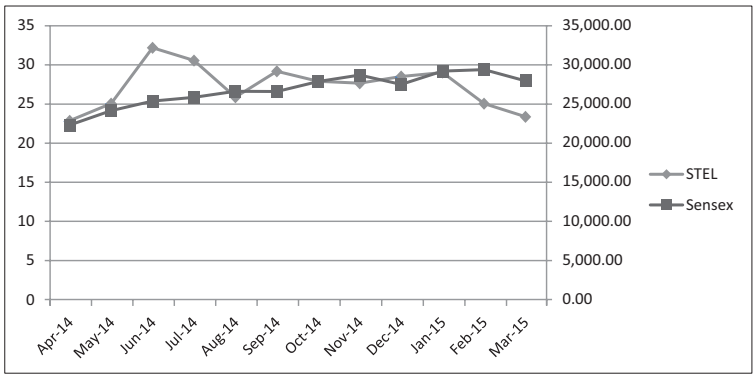
Market Price and Volume of the Company's Shares of face value of Rs. 10 each traded in the major stock exchanges where Company's shares are listed during the financial year 2014-15:

Year	BSE		NSE		Volume	
(2014-15)	(Amount in Rs.)		(Amount in Rs.)		(nos.)	
Months	High	Low	High	Low	BSE	NSE
April	28.15	15.85	28.25	15.20	5,65,583	1,55,807
May	25.10	15.45	25.10	15.15	3,16,001	2,14,385
June	32.10	22.55	31.80	22.00	2,99,988	2,12,415
July	37.25	28.70	37.75	28.75	2,58,572	1,76,126
August	31.35	24.90	31.45	25.05	74,199	1,00,695
September	33.05	26.95	32.50	26.00	81,419	1,97,230
October	31.00	26.65	31.95	27.00	58,096	1,05,178
November	31.55	26.95	32.00	27.05	71,773	1,14,325
December	29.50	24.10	29.55	23.45	68,860	84,309
January	31.00	26.65	31.95	27.00	58,096	1,05,178
February	31.55	26.95	32.00	27.05	71,773	1,14,325
March	29.50	24.10	29.55	23.45	68,860	84,309

Source – Websites: Bombay Stock Exchange Ltd. (www.bseindia.com) and The National Stock Exchange of India Ltd. (www.nseindia.com)

7.8. A performance chart showing Share Price of the Company in comparison with BSE SENSEX during the year 2014-15 is as below:

Year 2014-15	STEL	Sensex
April	22.95	22,417.80
May	25.1	24,217.34
June	32.1	25,413.78
July	30.5	25,894.97
August	25.9	26,638.11
September	29.15	26,630.51
October	27.9	27,865.83
November	27.65	28,693.99
December	28.5	27,499.42
January	29	29,182.95
February	25.1	29,361.50
March	23.45	27,957.49



7.9. Share Transfer Process

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

7.10. Distribution of Shareholding as on March 31, 2015

Range	No. of Shareholders	No. of Shares held	% of shareholding
1-500	23909	2778543	15.06
501-1000	868	684199	3.71
1001-2000	361	533020	2.89
2001-3000	100	259134	1.40
3001-4000	57	207909	1.13
4001-5000	45	209970	1.14
5001-10000	73	547950	2.96
10001- above	86	13234680	71.71
Total	**25499**	**18455405**	**100.00**

7.11. Dematerialisation of Shares

The Company has entered into a tripartite agreement with the National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) to provide trading of shares in dematerialized form. International Securities Identification Number (ISIN) allotted to the equity shares of the Company is INE577L01016. As on March 31, 2015, 13787637 shares of the company, constituting 74.71% were in dematerialized form.

7.12. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments:

As of March 31, 2015, the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity of the Company.

7.13. Equity shares of STEL Holdings Ltd –Unclaimed securities suspense Account

The Securities and Exchange Board of India (SEBI) vide its circular no. CIR/CFD/DIL/10/2010 dated 16 December 2010, inserted new Clause 5A II containing uniform procedure for dealing with unclaimed shares. In compliance with the amendment to Clause 5A of the Listing Agreement issued by SEBI, the Company has opened a demat account in the name of "STEL Holdings

Limited - Unclaimed Suspense Account" for the purpose of transferring the unclaimed shares. As per the said circular, the Company sent the 3 reminders to all those shareholders, whose shares remained unclaimed with the Company, requesting them to submit necessary documents and claim the shares; so as to avoid transfer of such unclaimed shares to the "Unclaimed Suspense Account".

As and when any shareholder approaches the Company or the Registrar and Transfer Agent (RTA) to claim the above said shares, after proper verification, the shares lying in the Unclaimed suspense account shall either be credited to the demat account of the shareholder or the physical certificates shall be delivered after rematerialising the same, depending on what has been opted by the Shareholder.

As on March 31, 2015, the total unclaimed equity shares were 186030. The Voting rights on the equity shares lying in the Suspense Account as on March 31, 2015 shall remain frozen till the rightful owner of such shares claim the shares.

7.14. Address for correspondence

Registered Office
STEL Holdings Limited
(CIN: L65993KL1990PLC005811)
24/1624, Bristow Road, Willingdon Island,
Cochin -682003
Ph: 0484 6624335, 2668023;
Fax: 0484 - 2668024
Email: secretarial@stelholdings.com
Website: www.stelholdings.com

Registrar and Share Transfer Agent
Link Intime India Private Limited

Surya, 35, Mayflower Avenue Behind Senthil Nagar,
Sowripalayam Road Coimbatore – 641028
Phone No: 0422 2314792, 2315792
Fax: +91 422 2314792
Email: coimbatore@linkintime.co.in
Website: www.linkintime.co.in

For and on behalf of the Board of Directors

Mumbai
August 11, 2015

Sunil Bhandari
Director

Umang Kanoria
Director

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members
STEL Holdings Limited

We have examined the compliance of the conditions of Corporate Governance by STEL Holdings Limited ("the Company"), for the year ended 31st March 2015, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement. All the directors of the Company are non- executive Directors.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVJS & Associates
Company Secretaries

Kochi
04.08.2015

Sd/-
CS. Sivakumar P
Managing Partner
CP No:2210, FCS:3050

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

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

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

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

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

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

A) Criteria for Selection of Directors

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

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

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

c) the candidate meet the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges in case of appointment of an independent director;

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

B) Criteria for Selection of Senior Management Personnel

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

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

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

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

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

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

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

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

The Committee while considering the remuneration of the Managing Director, the Whole Time Director and Manager

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

B) Remuneration of Non-Executive Director (NED)

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

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

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

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

C) Remuneration of Senior Management Personnel and KMPs

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

III. Evaluation of performance of directors

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

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

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

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

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

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

c) Other companies in which NED is a Chairperson

d) Participation at Board/Committee meetings

e) Input in strategy decisions

f) Review of Financial Statements, risks and business performance

g) Time devoted towards discussion with Management

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

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

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

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

ANNEXURE - F TO THE DIRECTOR'S REPORT
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

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

To

The Members
STEL Holdings Limited
24/1624, Bristow Road, Willingdon Island
Ernakulam -682003, Kerala

We, SVJS & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. STEL Holdings Limited [CIN: L65993KL1990PLC005811]** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2015 according to the provisions of:

(i) The Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable) (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 thereunderto the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. However, there is no new Foreign Direct Investment during the period under review. Moreover, there are no Overseas Direct Investments and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992;

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,1993 regarding the Companies Act and dealing with client;

We have also examined compliance with respect to the following:

- The Equity Listing Agreement entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange Limited.

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

We further report that:

The Board of Directors of the Company is duly constituted. All the Directors of the Company are Non- executive Directors. The Company has Independent Directors as per the provisions of the Companies Act, 2013 and Listing Agreement. 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 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.

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

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

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

(i) Public / Right / Preferential issue of shares / debentures / sweat equity etc.

(ii) Redemption / buy-back of securities.

(iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.

(iv) Merger / amalgamation / reconstruction, etc.

(v) Foreign technical collaborations.

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this Report.

For SVJS & Associates
Company Secretaries

Kochi
04.08.2015

Sd/-
CS. Sivakumar P
Managing Partner
CP No:2210, FCS:3050

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members
STEL Holdings Limited
24/1624, Bristow Road, Willingdon Island
Ernakulam
Kerala-682003

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

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc., wherever required.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2015 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations, especially since the financial year ended 31st March 2015 was the first full financial year in which the Companies Act, 2013 has become operational.

For SVJS & Associates
Company Secretaries

Kochi
04.08.2015

Sd/-
CS. Sivakumar P
Managing Partner
CP No:2210, FCS:3050

ANNEXURE - G TO THE DIRECTOR'S REPORT

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

1	The ratio of the remuneration of each director to the median remuneration of the employees of the company excluding Managing Director for the financial year	Shri. Sanjiv Goenka	-
		Shri. Anant Goenka	0.02
		Shri. Sunil Bhandari	0.04
		Shri. Umang Kanoria	0.04
		Shri. H.C. Dalal	0.04
		Shri. Prem Kapil	0.02
		Smt. Sucharita Basu	0.02
		Shri. Kaushik Roy	-
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Shri. Sanjiv Goenka	-
		Shri. Anant Goenka	-
		Shri. Sunil Bhandari	-
		Shri. Umang Kanoria	-
		Shri. H.C. Dalal	-
		Shri. Prem Kapil	-
		Smt. Sucharita Basu	-
		Shri. Kaushik Roy	-
		Shri. Abraham Ittyipe, Manager	66.67%
		Shri. Sivarama Krishnan, CFO	-
		Shri. Mithun B. Shenoy, Company Secretary	46.85%
3	The percentage Increase/ Decrease in the median remuneration of employees	-12.24%	
4	The number of permanent employees on the rolls of company	3	
5	The explanation on the relationship between average increase in remuneration and company performance	The profit before tax for the financial year ended March 31, 2015 on standalone basis increased by 48.89%. The increments were also decided based on salaries prevailing in the industry in which company operates	
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Average increase in remuneration of Key Managerial Personnel was based partly on the results of the Company for the year ended March 31, 2014 and partly on the individual employee's performance	

7	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year		**March 31, 2015**	**March 31, 2014**
		Market Capitalisation (Rs. in lacs	4,327.79	2,790.46
		PE ratio	11.50	10.96
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Not applicable as there are no employees other than Key Managerial Personnel		
9	The key parameters for any variable component of remuneration availed by the directors	Not applicable		
10	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	0.02		
11	Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended March 31, 2015 is as per the Remuneration policy of the Company		

INDEPENDENT AUDITORS' REPORT

The Members
STEL Holdings Ltd
Cochin

Report on the financial statements

We have audited the accompanying financial statements of STEL Holdings Ltd ('the Company'), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;

b. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   c. There are no branch offices for the Company to audit under Section 143(8) of the Act by branch auditors.

   d. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   e. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   f. On the basis of written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

   g. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivatives 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.

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

Reuben Joseph
Partner
M.No. 216884

Kolkata
29.05.2015

The Annexure referred to in paragraph 1 of our report of even date to the members of STEL Holdings Ltd on the accounts of the Company for the year ended March 31, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

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

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

(ii) The Company does not have any inventories. Therefore, the provisions of clauses (ii)(a) to (ii)(c) of paragraph 3 of the said Order are not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured to companies, firms, or other parties listed in the register maintained section 189 of the Act. Consequently, the provisions of clauses (iii)(a) and (iii)(b) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the Company and nature of its business, for the purchase of inventories and fixed assets and payment for expenses and for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls have been noticed.

(v) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the Company has not accepted deposits. Consequently, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevent provisions of the Companies Act and the Rules made there under are not applicable to the Company.

(vi) The provisions related to maintenance of cost records specified by Central Government under Section 148(1) of the Companies Act are not applicable to the Company.

(vii) a. According to the records of the Company, undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the informations and explanations given to us there were no outstanding statutory dues as on March 31, 2015 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

c. The Company has not declared any dividend and concequently the provisions of Companies Act, 1956 (1 of 1956) and Rules made thereunder related to investor education and protection fund are not applicable to the Company.

(viii) The company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the current financial year and in the immediately preceding financial year.

(ix) As per the information and explanations given to us, the Company has not availed any loans from banks or financial institutions or through debentures.

(x) The Company has not given any guarantee for loans taken by others from bank or financial institutions of which the terms and conditions are prejudicial to the interest of the Company.

(xi) Based on our audit procedures and on the information given by the management,we report that the Company has not raised any term loans during the year.

(xii) Based on the audit procedures performed and the information and explanation given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

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

Reuben Joseph
Partner
M. No. 216884

Kolkata
29.05.2015

Balance sheet as at March 31, 2015

(All amounts are in Indian Rupees unless otherwise stated)

	Particulars	Note	As at March 31, 2015	As at March 31, 2014
I.	**Equity & liabilities**			
	1 Shareholders' funds			
	a. Share capital	3	**184,554,050**	184,554,050
	b. Reserves & surplus	4	**1,025,630,219**	988,022,754
	2 Current liabilities			
	a. Trade payables	5	**123,317**	52,070
	b. Other current liabilities	6	**196,206**	189,409
			1,210,503,792	1,172,818,283
II.	**Assets**			
	1 Non-current assets			
	a. Fixed assets - tangible assets	7	**11,433,940**	11,874,173
	b. Non-current investments	8	**1,107,524,471**	966,069,021
	2 Current assets			
	a. Cash & bank balances	11	**39,093,516**	33,955,489
	b. Short-term loans & advances	10	**5,970,369**	39,671,103
	c. Other current assets	12	**46,481,496**	121,248,497
			1,210,503,792	1,172,818,283
	Summary of significant accounting policies	2		
	The accompanying notes form an integral part of the financial statements			

As per our report of even date attached

For G. Joseph & Associates
Chartered Accountants
(Firm Regn. No. 006310S)

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

Reuben Joseph
Partner
Membership No. 216884

Sunil Bhandari
Director

Umang Kanoria
Director

Mithun B. Shenoy
Company Secretary

Sivarama Krishnan
CFO

Kolkata
29.05.2015

Statement of Profit and Loss for the year ended March 31, 2015

(All amounts are in Indian Rupees unless otherwise stated)

	Particulars	Note	For year ended March 31, 2015	For year ended March 31, 2014
I.	**Income**			
	1 Revenue from operations		**-**	-
	2 Other income	13	**41,905,387**	32,097,833
			41,905,387	32,097,833
II.	**Expenses**			
	1 Employee benefits expense	14	**641,628**	354,595
	2 Depreciation	8	**622,454**	633,025
	3 Other expenses	15	**2,699,853**	5,627,967
			3,963,935	6,615,587
III.	**Profit before tax and exceptional items**		**37,941,452**	25,482,246
IV.	**Tax expense**	16	**287,648**	-
V.	**Profit for the year**		**37,653,804**	25,482,246
VI.	**Earnings per equity share**	17		
	[Equity shares of par value of Rs. 10/- each (2014 - Rs. 10/-)]			
	1 Basic		**2.04**	1.38
	2 Diluted		**2.04**	1.38
	Number of shares used in computing earnings per share			
	1 Basic		**18,455,405**	18,455,405
	2 Diluted		**18,455,405**	18,455,405
	Summary of significant accounting policies	2		
	The accompanying notes form an integral part of the financial statements			

As per our report of even date attached

For G. Joseph & Associates
Chartered Accountants
(Firm Regn. No. 006310S)

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

Reuben Joseph
Partner
Membership No. 216884

Sunil Bhandari
Director

Umang Kanoria
Director

Mithun B. Shenoy
Company Secretary

Sivarama Krishnan
CFO

Kolkata
29.05.2015

Cash Flow Statement for the year ended March 31, 2015

(Amount in ₹)

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Cash flow from operating activities		
Net profit before tax	**37,941,452**	25,482,246
Adjustments for:		
Depreciation	**622,454**	633,025
Income from investments	**(38,643,016)**	(30,138,897)
Interest on fixed deposits	**(3,262,371)**	(1,907,043)
Operating profit before working capital changes	**(3,341,481)**	(5,930,669)
Movement in working capital:		
(Increase) / decrease in trade and other receivables	**(330,808)**	(15,176,124)
Increase / (decrease) in trade payables	**78,044**	(225,204)
Increase / (decrease) in provisions	**-**	(28,560)
Cash generated from operations	**(3,594,245)**	(21,360,557)
Income tax paid	**-**	-
Net cash from operating activities	**(3,594,245)**	(21,360,557)
Cash flow from investing activities		
Interest received	**3,149,643**	2,016,102
Dividend received	**37,585,881**	25,945,464
Received on account of capital reduction	**1,057,135**	-
Fixed asset purchase	**(228,560)**	-
Investments acquired	**(32,831,827)**	-
Net cash from investing activities	**8,732,272**	27,961,566
Cash flow from financing activities		
Repayment of unsecured loan	**-**	(40,000)
Net cash from financing activities	**-**	(40,000)
Net increase / (decrease) in cash & cash equivalents	**5,138,027**	6,561,009
Cash & cash equivalents at the beginning of the year	**33,955,489**	27,394,480
Cash & cash equivalents at the close of the year	**39,093,516**	33,955,489
Components of cash & cash equivalents as at	**March 31, 2015**	March 31, 2014
Balance with banks: as per Note No. 13		
- in current accounts	**1,586,880**	1,201,093
- in deposit accounts	**37,506,636**	32,754,396
	39,093,516	33,955,489

As per our report of even date attached

For G. Joseph & Associates
Chartered Accountants
(Firm Regn. No. 006310S)

Reuben Joseph
Partner
Membership No. 216884

Kolkata
29.05.2015

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

Sunil Bhandari
Director

Umang Kanoria
Director

Mithun B. Shenoy
Company Secretary

Sivarama Krishnan
CFO

Notes to financial statements for the period ended March 31, 2015

1 Corporate information

STEL Holdings Limited (the "Company") is a company registered under the Indian Companies Act, 1956 and is listed on the Bombay Stock Exchange and National Stock Exchange. The Company is in the business of investments. The Company is in the process of applying to the Reserve Bank of India for registration as a Non Banking Financial Company.

2 Summary of significant accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) under the historical convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2.3 Tangible fixed assets

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

2.4 Depreciation on tangible fixed assets

Depreciation on tangible asset is provided on the written down value method over the useful lives of the asset as prescribed under Part C of Schedule II of The Companies Act, 2013.

2.5 Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

2.6 Investments

Long-Term investments are stated at cost and provision for diminution is made, if the decline in value is other than temporary in nature as required under AS 13. Pre-acquisition dividends received are reduced from the cost of investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

2.7 Revenue recognition

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

2.8 Earnings per share

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

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

2.9 Provisions

A provision is recognised when an enterprise 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 discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.10 Taxes on income

Provision for current tax is made based on the liabilities computed in accordance with the relevant tax rates and tax laws. Provision for deferred tax is made for the timing differences arising between the taxable income and accounting income computed at the rates enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only if there is a reasonable / virtual certainty that they will be realized in the foreseeable future and are reviewed for appropriateness of their respective carrying values at each balance sheet date.

2.11 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non - cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Company are segregated.

3 Share capital

(Amount in Rs.)

Particulars	**As at March 31, 2015**	As at March 31, 2014
Authorised capital	**185,000,000**	185,000,000
18,500,000 (2014 - 18,500,000) equity shares of Rs 10/- each		
Issued, subscribed and paid-up	**184,554,050**	184,554,050
18,455,405 (2014 - 18,455,405) equity shares of Rs. 10/- Each		

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	**As at March 31, 2015**		As at March 31, 2014	
	No. of shares	**Amount**	No. of shares	Amount
At the beginning of the period	**18,455,405**	**184,554,050**	18,455,405	184,554,050
Issued during the year	**Nil**	**Nil**	Nil	Nil
Outstanding at the end of the period	**18,455,405**	**184,554,050**	18,455,405	184,554,050

Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors do not propose any dividend during the currrent year. No dividend was declared in the preceding year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Aggregate number of shares issued for consideration other than cash during the five years immediately preceding the reporting date

Issued and subscribed share capital includes an aggregate of 18,455,405 (2014 - 18,455,405) equity shares of Rs. 10 each allotted as fully paid-up pursuant to a scheme of amalgamation without payment having being received in cash, for a period of five years immediately preceding March 31, 2015.

List of shareholders holding more than 5% shares in the Company

Names	March 31, 2015		March 31, 2014	
	No. of shares	**% of holding**	No. of shares	**% of holding**
Malayalam Plantations (Holdings) Ltd	**3,640,000**	**19.72%**	3,640,000	19.72%
Instant Holdings Limited	**1,605,200**	**8.70%**	1,605,200	8.70%
Carniwal Investments Ltd	**1,319,800**	**7.15%**	1,319,800	7.15%

4 Reserves & surplus

Particulars	**As at March 31, 2015**	As at March 31, 2014
Capital reserve		
At the beginning of the accounting period	**500,000**	500,000
Additions during the year	**-**	-
At the end of the accounting period	**500,000**	500,000
Securities premium		
At the beginning of the accounting period	**887,379,926**	887,379,926
Additions during the year	**-**	-
At the end of the accounting period	**887,379,926**	887,379,926
General reserve		
At the beginning of the accounting period	**4,300,000**	4,300,000
Additions during the year	**-**	-
At the end of the accounting period	**4,300,000**	4,300,000
Surplus in the statement of profit & loss		
At the beginning of the accounting period	**95,842,828**	70,360,582
Profit for the year	**37,653,804**	25,482,246
Shortfall in depreciation adjusted according to transition provisions of Companies Act, 2013	**(46,339)**	-
Balance carried forward	**133,450,293**	95,842,828
Total Reserves & Surplus	**1,025,630,219**	**988,022,754**

5 Trade payables

Particulars	**As at March 31, 2015**	As at March 31, 2014
Trade payables (Refer Note No. 25 for details of dues to micro, small and medium enterprises)	**123,317**	52,070
	123,317	52,070

6 Other current liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
Accrued expenses	**161,922**	161,919
Statutory dues	**34,284**	27,490
	196,206	189,409

7 Fixed assets & depreciation

Particulars	Gross carrying amount				Accumulated depreciation			Net carrying amount	
	As at April 1, 2014	Additions	Deletions	As at March 31, 2015	As at April 1, 2014	For the period	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
A. **Tangible Assets**									
Buildings	14,872,669	-	-	**14,872,669**	3,072,556	590,006	**3,662,562**	**11,210,107**	11,800,113
Furniture	-	228,560	-	**228,560**	-	24,896	**24,896**	**203,664**	-
Plant & equipment	403,390	-	-	**403,390**	329,330	53,891	**383,221**	**20,169**	74,060
Total	15,276,059	228,560	-	**15,504,619**	3,401,886	668,793	**4,070,679**	**11,433,940**	11,874,173
Previous year	15,276,059	-	-	**15,276,059**	2,768,861	633,025	**3,401,886**	**11,874,173**	12,507,198

8 Non current investments

Description	Face Value (₹/-)	As at March 31, 2015 Holdings (Nos)	As at March 31, 2015 Amount	As at March 31, 2014 Holdings (Nos)	As at March 31, 2014 Amount
Long term investments					
Quoted equity shares, fully paid-up					
Ceat Ltd.	10	**1,372,835**	**51,004,610**	1,372,835	51,004,610
Phillips Carbon Black Ltd.	10	**90,383**	**3,253,788**	90,383	3,253,788
KEC International Ltd.	2	**4,685,880**	**147,340,257**	4,685,880	147,340,257
CESC Ltd.	10	**2,493,470**	**543,332,561**	2,493,470	543,332,561
CFL Capital Financial Services Limited	10	**67,681,206**	**127,344,645**	47,664,340	81,506,021
RPG Life Sciences Ltd.	8	**502,550**	**12,287,348**	502,550	12,287,348
Summit Securities Ltd.	10	**69,815**	**6,393,315**	69,815	6,393,315
SAREGAMA (India) Ltd.	10	**160**	**8,184**	160	8,184
Sub-total : Quoted investments			**890,964,708**		845,126,083
Unquoted equity shares, fully paid-up in subsidiaries					
Doon Dooars Plantations Ltd.	10	**170,000**	**863,000**	170,000	863,000
			863,000		863,000
Unquoted equity shares, fully paid-up					
Spencer & Company Ltd.	9	**1,057,135**	**45,561,478**	1,057,135	45,561,478
Cochin International Airport Limited	10	**500**	**2,500**	500	2,500
Rainbow Investmnets Ltd.	10	**271**	**6,300,000**	-	-
Noida Power Company Ltd	10	**3,000,000**	**30,000,000**	3,000,000	30,000,000
Subhrashi Vinimay Private Ltd.	10	**9,008,000**	**90,305,200**	-	-
			172,169,178		75,563,978

Description	Face Value (₹/-)	As at March 31, 2015 Holdings (Nos)	As at March 31, 2015 Amount	As at March 31, 2014 Holdings (Nos)	As at March 31, 2014 Amount
1% Redeemable cumulative preference shares, fully paid-up					
Easy Fincorp Ltd.	10	**475,000**	**13,333,250**	-	-
			13,333,250		-
Redeemable non-cumulative preference shares, fully paid-up					
Universal Industrial Fund Ltd.	100	**-**	**-**	63,000	6,300,000
			-		6,300,000
Zero percent interest fully convertible debentures, fully paid-up					
Off -Shore India Ltd	100	**-**	**-**	374,450	37,445,000
Kutub Properties Private Ltd.	100	**293,500**	**29,423,375**	-	-
			29,423,375		37,445,000
Equity shares in Sri Lankan companies, fully paid-up (face value - LKR)					
Creasy Plantations Management Ltd.	10	**60,000**	**385,480**	60,000	385,480
Lankem Plantations Services Ltd.	10	**60,000**	**385,480**	60,000	385,480
			770,960		770,960
Total of investments			**1,107,524,471**		**966,069,021**
Notes:					
1. Market value of quoted investments			**3,182,839,821**		2,326,106,345
2. Book value of quoted investments			**890,964,708**		845,126,083
3. Book value of unquoted investments			**216,559,763**		120,942,938

9 Deferred tax

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

10 Loans & advances

(Unsecured, considered good)	Long term		Short term	
Particulars	**As at March 31, 2015**	As at March 31, 2014	**As at March 31, 2015**	As at March 31, 2014
Advances recoverable in cash or kind	**-**	-	**4,637,600**	4,360,498
Other loans and advances	**-**	-	**827,807**	34,790,756
Prepaid taxes (net of provision)	**-**	-	**504,962**	519,849
	-	-	**5,970,369**	39,671,103

Note:

Particulars	As at March 31, 2015	As at March 31, 2014
Tax deducted at source	**642,725**	519,849
Less : Income tax advance paid	**-**	-
Less : Provision for income tax	**(137,763)**	-
	504,962	519,849

11 Cash & bank balances

Particulars	As at March 31, 2015	As at March 31, 2014
Cash and cash equivalents		
Balance with bank in current account	**1,586,880**	1,201,093
Deposits with original maturity of less than three months	**18,360,994**	32,704,396
Other bank balances		
In deposit accounts (Refer notes below)	**19,145,642**	50,000
	39,093,516	33,955,489

Notes:

1 Cash and cash equivalents as on March 31, 2015 include restricted cash and bank balance of Rs. 50,000 (2014 - Rs. 50,000). The restriction is on account of lien being marked on the deposit as the same was given as a security deposit.

2 Deposit include deposits with original maturity of more than 3 months and includes deposits with remaining maturity of more than 12 months from the balance sheet date.

3 Includes deposits with original maturity of more than 3 months but less than 12 months from the balance sheet date Rs. 5,645,642 (2014 - Rs. 50,000).

12 Other current assets

(Unsecured, considered good)

Particulars	As at March 31, 2015	As at March 31, 2014
Receivable against sale of shares	**8,281,533**	120,606,262
Receivable against redemption of debentures	**37,445,000**	-
Interest accrued on fixed deposits	**754,963**	642,235
	46,481,496	121,248,497

13 Other income

Particulars	For the year ended March 31, 2015	March 31, 2014
Net gain on sale of long term investments	**-**	4,193,433
Dividend income on long term investments	**37,585,881**	25,945,464
Income from investments on account of capital reduction	**1,057,135**	-
Provision no longer required written back	**-**	51,893
Interest on bank deposits	**3,262,371**	1,907,043
	41,905,387	32,097,833

14 Employee benefits expenses

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Salaries & allowances	**641,628**	354,595
	641,628	354,595

15 Other expenses

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Legal & professional charges	**973,323**	1,336,868
Auditors' remuneration (Refer note below)	**218,968**	213,484
Directors' sitting fee	**27,000**	-
Travelling & conveyance	**167,122**	152,979
Communication expenses	**23,426**	329,531
Repairs & maintenance		
- Building	**657,238**	2,432,625
Printing & stationery	**124,635**	439,978
Rates & taxes	**5,572**	100,370
Advertisement expenses	**366,170**	456,536
Miscellaneous expenses	**136,399**	165,596
	2,699,853	5,627,967

Notes:

i Payments to the auditors comprises:

a. As auditors		
Statutory audit fee	**150,000**	150,000
Limited review	**30,000**	30,000
Tax audit fee	**10,000**	10,000
b. In other capacity		
Taxation services	**5,000**	-
Other services (including service tax)	**23,968**	23,484
	218,968	213,484

16 Taxes on income

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Current tax		
Current tax expense for current year	**137,763**	-
Tax expense relating to prior years	**149,885**	-
	287,648	-

17 Earnings per equity share

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Basic earnings per share		
Net profit / (loss) for the year	**37,653,804**	25,482,246
Weighted average number of equity shares	**18,455,405**	18,455,405
Par value per share	**10**	10
Earnings per share - basic	**2.04**	1.38
Diluted earnings per share		
Net profit / (loss) for the year	**37,653,804**	25,482,246
Weighted average number of equity shares for basic EPS	**18,455,405**	18,455,405
Add: Effect of dilutive instruments	**-**	-
Weighted average number of equity shares - for diluted EPS	**18,455,405**	18,455,405
Par value per share	**10**	10
Earnings per share - diluted	**2.04**	1.38

18 Segement information

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

19 Related party transactions

1 **Details of related parties:**

Description of relationship	Names of related parties
Enterprise under common control	Harrisons Malayalam Ltd. ('HML')
Subsidiary	Doon Dooars Plantations Ltd. ('DDPL')
Key managerial personnel	Abraham Itty Ipe, Sivaram Neelakantan Krishnan, Mithun B Shenoy

2 Details of related party transactions during the year ended March 31, 2015 and balances outstanding as at March 31, 2015:

Transactions	March 31, 2015	March 31, 2014
Transactions during the year		
Remuneration to key managerial personnel		
- Abraham Itty Ipe, Manager	**100,000**	47,742
- Sivaram Neelakantan Krishnan, Chief Financial Officer *	**143,548**	-
- Mithun B. Shenoy, Company Secretary	**392,280**	-
Sitting fees of Director		
- Anant Goenka	**3,000**	
- Umang Kanoria	**6,000**	
- Sunil Bhandari	**6,000**	
- H. C. Dalal	**6,000**	
- Prem Kapil	**3,000**	
- Sucharita Basu	**3,000**	
Balance Due from / (to) as at the year end		
- HML	**-**	-
- DDPL	**84,689**	28,848

* appointed w.e.f. August 11, 2014

20 Loans and advances in the nature of loans given to subsidiaries and associates and firms/companies in which directors are interested.

Advance to Rainbow Investments Limited for purchase of shares *	-	34,790,756
Amount receivable from Rainbow Investments Limited against sale of shares	-	10,340,603
Amount receivable on redemption of debentures from Rainbow Investments Ltd.	**37,445,000**	-
Maximum amount outstanding during the year	**82,576,359**	45,131,359

* Pursuant to the scheme of Arrangement entered into by Rainbow Investments Limited (RIL) with Universal Industrial Fund Limited (UIFL) and other group companies wherein UIFL had merged with RIL in the year 2013.

21 Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006

The Company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, required under the said Act have not been made.

Other disclosures

	Particulars	**As at March 31, 2015**	As at March 31, 2014
22	Contingent liabilities	**Nil**	Nil
23	Derivative instruments and unhedged foreign currency exposure	**Nil**	Nil
24	Value of imports calculated on CIF basis	**Nil**	Nil
25	Expenditure in foreign currency (accrual basis)	**Nil**	Nil
26	Net dividend remitted in foreign exchange	**Nil**	Nil
27	Earnings in foreign currency (accrual basis)	**Nil**	Nil
28	Previous year figures have been regrouped / reclassified wherever necessary to suit current year layout.		

As per our report of even date attached

For G. Joseph & Associates
Chartered Accountants
(Firm Regn. No. 006310S)

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

Reuben Joseph
Partner
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Mithun B. Shenoy
Company Secretary

Sivarama Krishnan
CFO

Kolkata
29.05.2015

INDEPENDENT AUDITORS' REPORT

To

The Members of
STEL Holdings Ltd.

Report on the Consolidated Financial StatementS

We have audited the accompanying consolidated financial statements of STEL Holdings Ltd. ('the Holding Company') and its subsidiary, Doon Dooars Plantations Ltd (the Holding Company and its subsidiary together referred to as 'the Group') comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. 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; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of matter

We draw attention to Note No. 2.3 on 'Principles of consolidation' and Note No. 22 to the consolidated financial statements, in which the Holding Company, in accordance with accounting standard (AS) 23, 'Accounting for Investment in Associate in Consolidated Financial Statements', consolidates those entities in which Group has significant influence, but not control. Accordingly, the Holding Company has not considered CFL Capital Financial Services Ltd. ('CFL') as an associate as it believes that it does not have significant influence over CFL, notwithstanding that it holds 48.81% of the share capital of CFL. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section143 (3) of the Act, 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 of the 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.
   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and its subsidiary company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
   f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. There were no 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.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary company incorporated in India.

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

Reuben Joseph,
Partner
Membership No. 216884

Kolkata
29.05.2015

The Annexure referred to in under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of STEL Holdings Limited on the accounts of the Group for the year ended March 31, 2015

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

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

(ii) The Group does not have any inventories. Therefore, the provisions of clauses (ii)(a) to (ii)(c) of paragraph 3 of the said Order are not applicable to the Group.

(iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Group has not granted any loans, secured or unsecured to companies, firms, or other parties listed in the register maintained section 189 of the Act. Consequently, the provisions of clauses (iii)(a) and (iii)(b) of the Order are not applicable to the Group.

(iv) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the Group and nature of its business, for the purchase of inventories and fixed assets and payment for expenses and for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls have been noticed.

(v) The Group has not accepted any deposit from public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.

(vi) The provisions regarding maintenance of cost records under sub-section (1) of section 148 of the Act are not applicable to the Group.

(vii) a. According to the records of the Group, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on March 31, 2015 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

c. The Group has not declared any dividend and consequently the provisions of Companies Act, 1956 (1 of 1956) and Rules made thereunder related to investor education and protection fund are not applicable to the Group.

(viii) The Group does not have any accumulated loss and have not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

(ix) As per the information and explanations given to us, the Group has not availed any loans from banks or financial institutions or through debentures.

(x) According to the information and explanations given to us, the Group has, not given any guarantee for loans taken by others from a bank or financial institution.

(xi) Based on our audit procedures and on the information given by the management, we report that the Group has not raised any term loans during the year.

(xii) Based on the audit procedures performed and the information and explanation given to us, we report that no fraud on or by the Group has been noticed or reported during the year, nor have we been informed of such case by the management.

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

Reuben Joseph
Partner
Membership No. 216884

Kolkata
29.05.2015

Consolidated Balance Sheet as at March 31, 2015

(All amounts are in Indian Rupees unless otherwise stated)

	Particulars	Note	As at March 31, 2015	As at March 31, 2014
I.	**Equity & liabilities**			
	1 Shareholders' funds			
	a. Share capital	3	**184,554,050**	184,554,050
	b. Reserves & surplus	4	**1,025,472,723**	987,908,850
	2 Current liabilities			
	a. Trade payables	5	**123,317**	103,652
	b. Other current liabilities	6	**201,824**	195,027
			1,210,351,914	1,172,761,579
II.	**Assets**			
	1 Non-current assets			
	a. Fixed assets - tangible assets	7	**12,181,282**	12,660,848
	b. Non-current investments	8	**1,106,661,471**	965,206,021
	2 Current assets			
	a. Cash & bank balances	11	**39,141,984**	34,003,957
	b. Short term loans & advances	10	**5,885,681**	39,642,256
	c. Other current assets	12	**46,481,496**	121,248,497
			1,210,351,914	1,172,761,579
	Summary of significant accounting policies	2		
	The accompanying notes form an integral part of the financial statements			

As per our report of even date attached

For G. Joseph & Associates
Chartered Accountants
(Firm Regn. No. 006310S)

Reuben Joseph
Partner
Membership No. 216884

Kolkata
29.05.2015

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

Sunil Bhandari
Director

Umang Kanoria
Director

Mithun B. Shenoy
Company Secretary

Sivarama Krishnan
CFO

Consolidated Statement of Profit and Loss for the year ended March 31, 2015

(All amounts are in Indian Rupees unless otherwise stated)

	Particulars	Note	For year ended March 31, 2015	For year ended March 31, 2014
I.	**Income**			
	1 Revenue from operations		-	-
	2 Other income	13	**41,956,969**	32,111,585
			41,956,969	32,111,585
II.	**Expenses**			
	1 Employee benefits expenses	14	**641,628**	354,595
	2 Depreciation	7	**661,788**	674,429
	3 Other expenses	15	**2,755,693**	5,646,140
			4,059,109	6,675,164
III.	**Profit before tax and exceptional items**		**37,897,860**	25,436,421
IV.	**Tax expense**	16		
	1 Income tax		**287,648**	-
V	**Profit for the year**		**37,610,212**	25,436,421
VI.	**Earnings per equity share**	17		
	[Equity shares of par value of Rs. 10/- each (2014 - Rs. 10/-)]			
	1 Basic		**2.04**	1.38
	2 Diluted		**2.04**	1.38
	Number of shares used in computing earnings per share			
	1 Basic		**18,455,405**	18,455,405
	2 Diluted		**18,455,405**	18,455,405
	Summary of significant accounting policies	2		
	The accompanying notes form an integral part of the financial statements			

As per our report of even date attached

For G. Joseph & Associates
Chartered Accountants
(Firm Regn. No. 006310S)

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

Reuben Joseph
Partner
Membership No. 216884

Sunil Bhandari
Director

Umang Kanoria
Director

Mithun B. Shenoy
Company Secretary

Sivarama Krishnan
CFO

Kolkata
29.05.2015

Consolidated Cash Flow Statement for the year ended March 31, 2015

(Amount in ₹)

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Cash flow from operating activities		
Net profit before tax	**37,897,860**	25,436,421
Adjustments for:		
Depreciation	**661,788**	674,429
Income from investments	**(38,643,016)**	(30,138,897)
Interest on fixed deposits	**(3,262,371)**	(1,907,043)
Operating profit before working capital changes	**(3,345,739)**	(5,935,090)
Movement in working capital:		
(Increase) / decrease in trade and other receivables	**(274,967)**	(15,158,453)
Increase / (decrease) in trade payables	**26,462**	(224,703)
Increase / (decrease) in provisions	**-**	(28,561)
Cash generated from operations	**(3,594,244)**	(21,346,807)
Income tax paid	**-**	-
Net cash from operating activities	**(3,594,244)**	(21,346,807)
Cash flow from investing activities		
Purchase of fixed assets (payments against capital commitments)	**(228,561)**	-
Interest received	**3,149,643**	2,016,104
Received on account of capital reduction	**1,057,135**	-
Purchase of investments	**(32,831,827)**	-
Dividend received	**37,585,881**	25,945,464
Net cash from investing activities	**8,732,271**	27,961,568
Cash flow from financing activities		
Net cash from financing activities	**-**	(40,000)
Net increase / (decrease) in cash & cash equivalents	**5,138,027**	6,574,761
Cash & cash equivalents at the beginning of the year	**34,003,957**	27,429,196
Cash & cash equivalents at the close of the year	**39,141,984**	34,003,957
Components of cash & cash equivalents as at	**March 31, 2015**	March 31, 2014
Balance with banks as per Note No. 13		
- in current accounts	**1,635,348**	1,249,561
- in deposit accounts	**37,506,636**	32,754,396
	39,141,984	34,003,957

As per our report of even date attached

For G. Joseph & Associates
Chartered Accountants
(Firm Regn. No. 006310S)

Reuben Joseph
Partner
Membership No. 216884

Kolkata
29.05.2015

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

Sunil Bhandari
Director

Umang Kanoria
Director

Mithun B. Shenoy
Company Secretary

Sivarama Krishnan
CFO

Notes to Consolidated financial statements for the year ended March 31, 2015

1 Corporate information

STEL Holdings Limited (the "Company") is a company registered under the Indian Companies Act, 1956 and is listed on the Bombay Stock Exchange. The Company is in the business of investments. The Company is in the process of applying to the Reserve Bank of India for registration as a Non Banking Financial Company.

2 Summary of significant accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) under the historical convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2.3 Principles of consolidation

"The financial statements are prepared in accordance with the pricniples and procedures required for the preparation and presentation of consolidated financial statements as laid down under the accounting standared (AS21), ""Consolidated Financial Statements"". Consolidated financial statment of STEL Holdings Limited and its subsidiary company are prepared based on line by line consolidation by adding together the book values of the like items of assets, liabilities, income, and expenditure as per audited financial statements of the subsidiary. Inter-company receivables and payables, income and expenses are eliminated. The financial statements have been considered for consolidation along with its interest in other Subsidiaries/Associates. Associates are entities over which the group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting as laid down under accounting standard (AS) 23, Accounting for Investment is Associate in Consolidated Financial Statements". The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The group's investment in associates includes capital reserve identified on acquisition.

Name of the subsidiary / Associate	Country of incorporation	Shareholding	
		2014 - 15	2013 - 14
Doon Dooars Plantations Ltd.	India	**100%**	100%
Capital Financial Services Ltd.	India	**49%**	34%

The difference between the costs of investments in subsidiary over the book value of the subsidiary's net assets on the date of acquisition is recognized in the consolidated financial statements as goodwill where there is positive difference and as capital reserve where there the difference is negative.

2.4 Tangible fixed assets

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

2.5 Depreciation on tangible fixed assets

Depreciation on tangible asset is provided on the written down value method over the useful lives of the asset as prescribed under Part C of Schedule II of The Companies Act, 2013.

2.6 Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

2.7 Investments

Long Term investments are stated at cost and provision for diminution is made, if the decline in value is other than temporary in nature as required under AS 13. Pre-acquisition dividends received are reduced from the cost of investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

2.8 Revenue recognition

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

2.9 Earnings per share

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

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

2.10 Provisions

A provision is recognised when an enterprise 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 discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.11 Taxes on income

Provision for current tax is made based on the liabilities computed in accordance with the relevant tax rates and tax laws. Provision for deferred tax is made for the timing differences arising between the taxable income and accounting income computed at the rates enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only if there is a reasonable / virtual certainty that they will be realized in the foreseeable future and are reviewed for appropriateness of their respective carrying values at each balance sheet date.

2.12 Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3 Share capital

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Authorised capital	**185,000,000**	185,000,000
18,500,000 (2014 - 18,500,000) equity shares of Rs 10/- each		
Issued, subscribed and paid-up	**184,554,050**	184,554,050
18,455,405 (2014 - 18,455,405) equity shares of Rs. 10/- Each		

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of shares	**Amount**	No. of shares	Amount
At the beginning of the period	**18,455,405**	**184,554,050**	18,455,405	184,554,050
Issued during the year	**Nil**	**Nil**	Nil	Nil
Outstanding at the end of the period	**18,455,405**	**184,554,050**	18,455,405	184,554,050

Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors do not propose any dividend during the currrent year. No dividend was declared in the preceding year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Aggregate number of shares issued for consideration other than cash during the five years immediately preceding the reporting date

Particulars	As at March 31, 2015	As at March 31, 2014
Shares are alloted as fully paid-up pursuant to a scheme of amalgamation without payments being received in cash	**18,455,405**	18,455,405

List of shareholders holding more than 5% shares in the Company

Names	March 31, 2015		March 31, 2014	
	No. of shares	**% of holding**	No. of shares	% of holding
Malayalam Plantations (Holdings) Ltd	**3,640,000**	**19.72%**	3,640,000	19.72%
Instant Holdings Limited	**1,605,200**	**8.70%**	1,605,200	8.70%
Carniwal Investments Ltd	**1,319,800**	**7.15%**	1,319,800	7.15%

4 Reserves & surplus

Particulars	As at March 31, 2015	As at March 31, 2014
Capital reserve		
At the beginning of the accounting period	**500,000**	500,000
Additions during the year	**-**	-
At the end of the accounting period	**500,000**	500,000
Capital reserve on consolidation		
At the beginning of the accounting period	**95,235**	95,235
Additions during the year	-	-
At the end of the accounting period	**95,235**	95,235
Securities premium		
At the beginning of the accounting period	**887,379,926**	887,379,926
Additions during the year	**-**	-
At the end of the accounting period	**887,379,926**	887,379,926
General reserve		
At the beginning of the accounting period	**4,300,000**	4,300,000
Additions during the year	**-**	-
At the end of the accounting period	**4,300,000**	4,300,000
Surplus in the statement of profit & loss		
At the beginning of the accounting period	**95,633,689**	70,197,269
Profit for the year	**37,610,212**	25,436,420
Shortfall in depreciation adjusted according to transition provisions of Companies Act, 2013	**(46,339)**	-
Balance carried forward	**133,197,562**	95,633,689
Total Reserves & Surplus	**1,025,472,723**	987,908,850

5 Trade payables

Particulars	As at March 31, 2015	As at March 31, 2014
Trade payables (Refer Note No. 25 for details of dues to micro, small and medium enterprises)	**123,317**	103,652
	123,317	103,652

6 Other current liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
Accrued Expenses	**167,540**	167,537
Statutory dues	**34,284**	27,490
	201,824	195,027

7 Fixed assets & depreciation

Particulars	Gross carrying amount				Accumulated depreciation			Net carrying amount	
	As at April 1, 2014	Additions	Deletions	As at March 31, 2015	As at April 1, 2014	For the period	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
A. Tangible Assets									
Buildings	16,444,423	-	-	**16,444,423**	3,857,634	629,339	**4,486,973**	**11,957,450**	12,586,789
Furniture & fixtures	-	**228,560**	-	**228,560**	-	24,897	**24,897**	**203,663**	-
Plant & equipment	403,390	-	-	**403,390**	329,330	53,891	**383,221**	**20,169**	74,060
Total	16,847,813	**228,560**	-	**17,076,373**	4,186,964	708,127	**4,895,091**	**12,181,282**	12,660,848
Previous year	16,847,813	-	-	**16,847,813**	3,512,535	674,429	**4,186,964**	**12,660,849**	13,335,278

8 Non current investments

Description	Face Value (Rs /-)	As at March 31, 2015 Holdings (Nos)	As at March 31, 2015 Amount	As at March 31, 2014 Holdings (Nos)	As at March 31, 2014 Amount
Long term investments					
Quoted equity shares, fully paid-up					
Ceat Ltd.	10	**1,372,835**	**51,004,610**	1,372,835	51,004,610
Phillips Carbon Black Ltd.	10	**90,383**	**3,253,788**	90,383	3,253,788
KEC International Ltd.	2	**4,685,880**	**147,340,257**	4,685,880	147,340,257
CESC Ltd. *	10	**2,493,470**	**543,332,561**	2,493,470	543,332,561
CFL Capital Financial Services Limited	10	**67,681,206**	**127,344,645**	47,664,340	81,506,021
RPG Life Sciences Ltd.	8	**502,550**	**12,287,348**	502,550	12,287,348
Summit Securities Ltd.	10	**69,815**	**6,393,315**	69,815	6,393,315
SAREGAMA (India) Ltd.	10	**160**	**8,184**	160	8,184
Sub-total : Quoted investments			**890,964,708**		845,126,084
Unquoted equity shares, fully paid-up					
Spencer & Company Ltd.	9	**1,057,135**	**45,561,478**	1,057,135	45,561,478
Cochin International Airport Limited	10	**500**	**2,500**	500	2,500
Rainbow Investments Ltd.	10	**271**	**6,300,000**	-	-
Subhrashi Vinimay Private Ltd.	10	**9,008,000**	**90,305,200**	-	-
Noida Power Company Ltd	10	**3,000,000**	**30,000,000**	3,000,000	30,000,000
			172,169,178		75,563,978
1% Redeemable cumulative preference shares, fully paid-up					
Easy Fincorp Ltd.	10	**475,000**	**13,333,250**	-	-
			13,333,250		-
Redeemable non-cumulative preference shares, fully paid-up					
Universal Industrial Fund Ltd. (12.50%)	100	**-**	**-**	63,000	6,300,000
			-		6,300,000
Zero percent interest fully convertible debentures, fully paid-up					
Off -Shore India Ltd	100	**-**	**-**	374,450	37,445,000
Kutub Properties Private Ltd.	10	**293,500**	**29,423,375**	-	-
			29,423,375		37,445,000
Equity shares in Srilankan companies, fully paid-up (face value - LKR)					
Creasy Plantations Management Ltd.	10	**60,000**	**385,480**	60,000	385,480
Lankem Plantations Services Ltd.	10	**60,000**	**385,480**	60,000	385,480
			770,960		770,960
Total of investments			**1,106,661,471**		965,206,022
Notes:					
1. Market value of quoted investments			**3,182,839,821**		2,326,106,345
2. Book value of quoted investments			**890,964,708**		845,126,083
3. Book value of unquoted investments			**215,696,763**		120,079,938

9 Deferred tax

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

10 Loans & advances

(Unsecured, considered good)	Long term		Short term	
Particulars	**As at March 31, 2015**	As at March 31, 2014	**As at March 31, 2015**	As at March 31, 2014
Security deposits	**-**	-	**-**	-
Advances recoverable in cash or kind	**-**	-	**4,552,911**	4,331,650
Other loans & advances	**-**	-	**827,807**	34,790,757
Prepaid taxes (net) refer note below			**504,963**	519,849
	-	-	**5,885,681**	39,642,256

Note:

Particulars	**As at March 31, 2015**	As at March 31, 2014
Tax deducted at source	**642,726**	519,849
Less: Provision for income tax	**(137,763)**	-
	504,963	519,849

11 Cash & bank balances

Particulars	**As at March 31, 2015**	As at March 31, 2014
Cash and cash equivalents		
Balance with bank in current account	**1,635,348**	1,249,561
Deposits with original maturity of less than three months	**18,360,994**	32,704,396
Other bank balances		
In deposit accounts (Refer notes below)	**19,145,642**	50,000
	39,141,984	34,003,957

Notes:

1 Cash and cash equivalents as on March 31,2015 include restricted cash and bank balance of Rs. 50,000 (2014 - Rs. 50,000). The restriction is on account of lien being marked on the deposit as the same was given as a security deposit.

2 Deposit include deposits with original maturity of more than 3 months and includes deposits with remaining maturity of more than 12 months from the balance sheet date.

3 Includes deposits with original maturity of more than 3 months but less than 12 months from the balance sheet date Rs. 5,645,642 (2014 - Rs. 50,000).

12 Other current assets

(Unsecured, considered good)

Particulars	**As at March 31, 2015**	As at March 31, 2014
Receivable against sale of shares	**8,281,533**	120,606,262
Receivable against investments	**37,445,000**	-
Interest accrued on fixed deposits	**754,963**	642,235
	46,481,496	121,248,497

13 Other income

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Net gain on sale of long term investments	**-**	4,193,433
Dividend income on long term investments	**37,585,881**	25,945,464
Income from investments on account of capital reduction	**1,057,135**	-
Provision no longer required written back	**-**	51,893
Interest on bank deposits	**3,262,371**	1,907,043
Creditors no longer required	**51,582**	-
Miscellaneous income	**-**	13,752
	41,956,969	32,111,585

14 Employee benefits expenses

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Salaries & allowances	**641,628**	354,595
	641,628	354,595

15 Other expenses

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Legal & professional charges	**978,194**	1,344,424
Auditors' remuneration (Refer note below)	**227,957**	219,102
Travelling and conveyance	**167,122**	152,979
Directors sitting fee	**27,000**	-
Communication expenses	**23,426**	329,531
Repairs & maintenance - building	**657,238**	2,432,625
Printing & stationery	**125,035**	439,978
Rates & taxes	**16,372**	105,370
Advertisement expenses	**366,170**	456,536
Miscellaneous expenses	**167,179**	165,595
	2,755,693	5,646,140

Notes:

i Payments to the auditors comprises:

a. As auditors		
Statutory audit fee	**155,000**	155,000
Limited review	**30,000**	30,000
Tax audit fee	**10,000**	10,000
b. In other capacity		
Taxation services	**8,000**	-
Other services (including service tax)	**24,957**	24,102
	227,957	219,102

16 Taxes on income

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Current tax		
Current tax expense for current year	**137,763**	-
Tax expense relating to prior years	**149,885**	-
	287,648	-

17 Earnings per equity share

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Basic earnings per Share		
Net profit / (loss) for the year	**37,610,212**	25,436,421
Weighted average number of equity shares	**18,455,405**	18,455,405
Par value per share	**10**	10
Earnings per share - basic	**2.04**	1.38
Diluted earnings per share		
Net profit / (loss) for the year	**37,610,212**	25,436,421
Weighted average number of equity shares for basic EPS	**18,455,405**	18,455,405
Add: Effect of dilutive instruments	**-**	-
Weighted average number of equity shares - for diluted EPS	**18,455,405**	18,455,405
Par value per share	**10**	10
Earnings per share - diluted	**2.04**	1.38

18 Segement information

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

19 Related party transactions

1 Details of related parties:

Description of relationship	Names of related parties
Enterprise under common control	Harrisons Malayalam Ltd. ('HML')
Subsidiary	Doon Dooars Plantations Ltd. ('DDPL')
Key Managerial Personnel	Abraham Itty Ipe, Sivaram Neelakantan Krishnan

2 Details of related party transactions during the year ended March 31,2015 and balances outstanding as at March 31, 2015:

Transactions	March 31, 2015	March 31, 2014
Transactions during the year		
Remuneration to key managerial personnel		
- Abraham Itty Ipe, Manager	**100,000**	47,742
- Sivaram Neelakantan Krishnan, Chief Financial Officer	**143,548**	-
- Mithun B. Shenoy, Company Secretary	**392,280**	-
Sitting fees of Director		
- Anant Goenka	**3,000**	-
- Umang Kanoria	**6,000**	-
- Sunil Bhandari	**6,000**	-
- H. C. Dalal	**6,000**	-
- Prem Kapil	**3,000**	-
- Sucharita Basu	**3,000**	-
Balance due from / (to) as at the year end		
- HML	**-**	-
- DDPL	**-**	-

20 Loans and advances in the nature of loans given to subsidiaries and associates and firms / companies in which directors are interested.

Advance to Rainbow Investments Limited for purchase of shares*	-	34,790,757
Amount receivable from Rainbow Investments Limited against sale of shares	-	10,340,603
Amount receivable on redemption of debentures from Rainbow Investments Ltd.	**37,445,000**	-
Maximum amount outstanding during the year	**82,576,360**	45,131,360

* Pursuant to the scheme of Arrangement entered into by Rainbow Investments Limited (RIL) with Universal Industrial Fund Limited (UIFL) and other group companies wherein UIFL had merged with RIL in the year 2013.

21 Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006

The Company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, required under the said Act have not been made.

22 In the opinion of the management, the investment in CFL Capital Financial Services Ltd. does not fall under the definition of associate company within the meaning of Sec. 2(6) of the Companies Act, 2013 as the Company does not have significant influence over CFL such as representation on the Board of Directors of CFL, participation in policy making processes, transactions between the Company and CFL, interchange of managerial personnel, provision of essential technical information, etc. As a result, the Company is not treating CFL as an associate for the purpose of consolidating its financial statements.

Other disclosures

	Particulars	**As at March 31, 2015**	As at March 31, 2014
23	Contingent liabilities	**Nil**	Nil
24	Derivative instruments and unhedged foreign currency exposure	**Nil**	Nil
25	Value of imports calculated on CIF basis	**Nil**	Nil
26	Expenditure in foreign currency (accrual basis)	**Nil**	Nil
27	Net dividend remitted in foreign exchange	**Nil**	Nil
28	Earnings in foreign currency (accrual basis)	**Nil**	Nil

29 Previous year figures have been regrouped / reclassified wherever necessary to suit current year layout.

As per our report of even date attached

For G. Joseph & Associates
Chartered Accountants
(Firm Regn. No. 006310S)

Reuben Joseph
Partner
Membership No. 216884

Kolkata
29.05.2015

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

Sunil Bhandari
Director

Umang Kanoria
Director

Mithun B. Shenoy
Company Secretary

Sivarama Krishnan
CFO

STEL Holdings Limited

(CIN: L65993KL1990PLC005811)

Regd. Office: 24/1624, Bristow Road, Willingdon Island, Cochin – 682003 • Ph: 0484 6624335 Fax: 0484 - 2668024

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

Proxy Form

(Form No. MGT – 11)

Name of the Member(s) :
Registered address:
E-mail Id:
Folio No./ Client Id& DP Id:

I /We, being the Member(s) of _____ shares of the above named Company, hereby appoint

(1) Name:……Address……

……

Email-Id……Signature…… (or failing him)

(2) Name:……Address……

……

Email-Id……Signature…… (or failing him)

(3) Name……Address ……

E-mail-id : …… Signature……

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Fifth Annual General Meeting of the Company on Monday, September 28, 2015 at Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Kochi – 682016 at 2.30 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	RESOLUTIONS
Ordinary Business	
1	Adoption of the Audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the Report of the Directors and Auditors and the Consolidated Audited Financial Statement for the year ended March 31, 2015
2	To appoint a Director in place of Shri. Sunil Bhandari who retires by rotation and being eligible, offers himself for reappointment.
3	To ratify the appointment of Messrs. G. Joseph & Associates, as the Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration.
Special Business	
4	Appointment of Shri. Kaushik Roy, as a Non Executive Director of the Company

Signed this_____day of September 2015.

Signature of shareholder(s)……..

Signature of Proxy holder(s)……..

Affix Revenue Stamp

Notes:

1. This form of proxy in order to be effective should be completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory statement and Notes, please refer to the Notice of the Twenty Fifth Annual General Meeting.

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