

STEL Holdings Limited

(CIN: L65993KL1990PLC005811)

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

Tel No.0484 2668023, 6624335 Fax: 0484 2668024

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

May 29, 2023

The Secretary BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 <u>Scrip code : 533316</u>	The Secretary National Stock Exchange of India Ltd. "Exchange Plaza", 5 th Floor, C-1, Block G, Bandra - Kurla Complex Bandra (E) Mumbai - 400 051 Maharashtra <u>Scrip Code : STEL</u>
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Dear Sirs/Madam,

Sub : Submission of Annual Secretarial Compliance Report for the Financial Year ended March 31,2023

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith the Annual Secretarial Compliance Report of **M/s. STEL Holdings Limited** issued by M/s. SEP & Associates, Practising Company Secretaries, Kochi for the financial year ended March 31, 2023.

You are requested to take the above information on records.

Thanking you,

Yours faithfully,

For **STEL Holdings Limited**

Lakshmi P.S
Company Secretary

Encl: as above

Partners:

CS Puzhankara Sivakumar. M.com, FCMA, FCS
CS Syam Kumar R. BSc, FCS, LLB, IP
CS Madhusudhanan E.P. M.com, FCMA, FCS, IP
CS Anju Panicker. BA, LLB (Hons.), ACS

Reg. Office:
Building No. C.C 56/172
K.C. Abraham Master Road,
Panampilly Nagar, Kochi-682036
0484 4873636/ 4874242

Secretarial Compliance Report of
STEL Holdings Limited for the Financial Year ended March 31 2023

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

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by *M/s. STEL Holdings Limited (CIN: L65993KL1990PLC005811)* (hereinafter referred as 'the listed entity'), having its Registered Office at 24/1624 Bristow Road, Willingdon Island, Ernakulam Kerala-682003. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the financial year ended on 31st March 2023 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

We **SEP & Associates, Company Secretaries** have examined:

- (a) all the documents and records made available to us and explanation provided by *M/s. STEL Holdings Limited (CIN: L65993KL1990PLC005811)* ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) the website of the listed entity,
- (d) all other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended **31.03.2023** ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations (including amendments, modifications from time to time), whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (to the extent applicable)
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (f) Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993
and circulars/ guidelines issued thereunder;

and based on the above examination, We hereby report that, during the Review Period:

- I. (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

S r . N o .	Compliance Requirement (Regulations /circulars/ guidelines including specific clause	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action (Advisory / Clarification/Fine /Show Cause Notice/ Warning, etc.)	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NIL										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action (Advisory / Clarification / Fine / Show Cause Notice / Warning, etc.)	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1	SEBI(Listing Obligations and Disclosure Requirements Regulation) 2015 - Composition of Audit Committee	Regulation 18(1)	Two-third of the members of Audit Committee were not independent directors from June 24, 2021 to August 12, 2021	National Stock Exchange Limited	Fine	The Company has constituted its Audit committee with less than two-third of the members as Independent Directors from June 24, 2021 to August 12, 2021	Fine of Rs. 1,00,000/- (i.e., Rs. 14,000/- for the Quarter ended 30.06.2021 and Rs. 86,000/- for the Quarter ended 30.09.2021)	It was noted that the decimal point that arose while calculating the minimum number of Independent Directors in the Audit Committee, which was 3.33, was rounded down by the company. This resulted in the number of Independent Directors on the Audit Committee during the mentioned period to be below two-third.	The Audit Committee was reconstituted with effect from August 13, 2021 by inducting one more Independent Director as a member in the Committee, thereby making the composition of Audit Committee in line with Regulation 18(1) of SEBI (LODR) Regulation 2015	Nil
2				BSE Limited			Fine of Rs. 1,01,480/- (i.e., Rs. 2,000/- per day till 30.09.2021) including GST			

II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance status (Yes/ No/ NA)	Observations/ Remarks by PCS*
1	Compliances with the following conditions while appointing/re-appointing an auditor		
	<p>i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or</p> <p>ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</p> <p>iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	NA	<p>There were no such instances of resignation during the period under review.</p> <p>However, the company has appointed auditors' firm, M/s. G. Joseph and Associates (FRN: 006310S) for a period of 5 years at the 32nd AGM held on 29.09.2022 as the term of M/s. J. Krishnan & Associates has expired at the conclusion of the 32nd AGM.</p>
2	Other conditions relating to resignation of statutory auditor		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without</p>	NA	There were no such instances during the period under review.

	<p>specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information:</p> <p>The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>		
3	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure-A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	There were no such instances during the period under review.

*Observations/Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'

III. We hereby report that, during the Review Period the compliance status of the listed entity is appended below;

Sr. No.	Particulars	Compliance status (Yes/ No/ NA)	Observations/ Remarks by PCS*
1	<p><u>Secretarial Standards:</u></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	
2	<p><u>Adoption and timely updation of the Policies:</u></p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI. 	Yes	
3	<p><u>Maintenance and disclosures on Website:</u></p> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the 	Yes	

	website		
4	<p><u>Disqualification of Director:</u></p> <p>None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013</p>	Yes	
5	<p><u>Details related to Subsidiaries of listed entities have examined w.r.t.:</u></p> <p>(a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries</p>	Yes	
6	<p><u>Preservation of Documents:</u></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	
7	<p><u>Performance Evaluation:</u></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	Yes	
8	<p><u>Related Party Transactions:</u></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.</p>	Yes	
9	<p><u>Disclosure of events or information:</u></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule</p>	Yes	

	III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.		
10	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	The Listed entity has maintained structured digital database and has changed its software w.e.f. November 2022 and ensured that the same is functional and satisfies all the conditions as required to be adhered under the applicable regulations.
11	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	
12	<u>Additional Non-compliances, if any:</u> No additional non-compliance observed for all SEBI regulation/ circular/ guidance note etc.	Yes	

*Observations/Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For SEP & Associates
Company Secretaries
(Peer Review Certificate no. 2763/2022)

UDIN: F003050E000402603

Digitally signed by
PUZHANKARA
SIVAKUMAR
Date: 2023.05.29 10:32:40
+05'30'

CS Puzhankara Sivakumar
Managing Partner
COP: 2210 FCS: 3050

Date: 29.05.2023

Place: Kochi