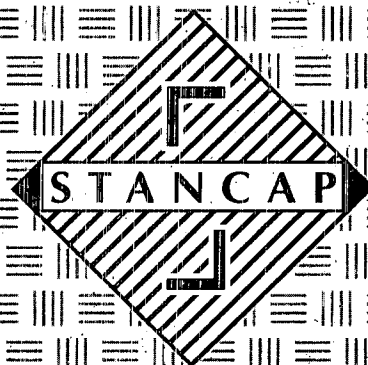


19th
ANNUAL REPORT
2005-2006



STANDARD CAPITAL MARKETS LIMITED

Chairman
Adh



STANDARD CAPITAL MARKETS LIMITED

ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH, 2006

Directors

MR. M. L. VIJ
MR. N. K. ARORA
MR. VIJAY SEHGAL

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New Delhi

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BANKERS

STANDARD CHARTERED BANK

Proxy Form
Attendance Slip

RESISTERED OFFICE

8/28, WEA, Abdul Aziz Road
Karol Bagh, New Delhi - 110 005

RESISTRAR OF COMPANY

INDUS PORTFOLIO PRIVATE LIMITED
G-65, BALI NAGAR
NEW DELHI - 110 015

Nineteenth Annual Report.....



STANDARD CAPITAL MARKETS LIMITED

NOTICE

NOTICE is hereby given that the 19th Annual General Meeting of the company will be held at 94/16, Mukhmel Pur Road, Zindpur, Alipur, Delhi-110036 on Monday the 25th September, 2006 at 10.00 A.M. to transact the following business :

AS ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2006 together with reports of the Auditors and Directors thereon;
2. To appoint a Director in place of Sh. Vijay Sehgal who retires by rotation and being eligible, offers himself for re-election;
3. To appoint M/s. TIWARI & ASSOCIATES, Chartered Accountants as Statutory Auditors to hold office from the conclusion of this Annual General Meeting upto the conclusion of next Annual General Meeting of the company and to fix their remuneration.

By order of the Board
For **STANDARD CAPITAL MARKETS LIMITED**

PLACE: NEW DELHI
DATE : 19.08.2006

SD/-
M.L.VIJ
(DIRECTOR)

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NOTES :

1. A member entitled to attend and vote at the annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before commencement of the Meeting.
2. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their Attendance Slip alongwith their copy of Annual Report to the Meeting.
4. Members are requested to notify the change of address, if any, to the company immediately.
5. For any specific query on the accounts of the company, please write to the company at its registered office at least 7 days before the date of the Annual General Meeting.

Nineteenth Annual Report.....2



STANDARD CAPITAL MARKETS LIMITED

DIRECTOR'S REPORT

To The Members

Your Directors are pleased to present the 19th Annual Report together with the Audited Accounts of the Company for the year ended March 31st, 2006.

FINANCIAL RESULTS :

The Performance of the Company for the financial year ended March 31, 2006 is summarized below :

| | For the Year ended 31.03.2006 | For the Year ended 31.03.2005 |
|---|----------------------------------|----------------------------------|
| Gross Income | 7.26 | 10.49 |
| Expenditure | 6.60 | 16.65 |
| Profit Before Depreciation & Tax | 0.66 | (6.16) |
| Depreciation | 0.39 | 1.87 |
| Provision for Tax | — | — |
| Profit for the Year | 0.27 | (8.03) |
| Balance brought forward from the Previous year | 10.71 | 18.74 |
| APPROPRIATION | | |
| General Reserve | — | — |
| Balance Carried Forward | 10.97 | 10.71 |

DIVIDEND

Due to inadequacy of profits your board has not recommended any dividend for the year ended 31st March, 2006.

AUDITORS

The observation made in the Auditor's report are self explanatory and therefore, do not call for any further comment under section 217 (3) of the Companies Act, 1956.

Your directors request you to appoint Auditors for the current year and fix their remuneration.



STANDARD CAPITAL MARKETS LIMITED

OPERATIONS

Your Company too has been hit by the general slump in the financial market and its profit has been reduced to substantial extent. This has resulted to a larger extent in the decreased activity and substantial decrease in income. With the economy looking up again your company intends to make a cautious re-entry in to other profitable areas. However the company has been able to maintain reasonable level of business in the inter-corporate loan.

As the new economy unravels itself. The Technology, Media and Tele-communication (TMT) areas and related knowledge based industry are likely to be key engines for future growth. Financing to meet the debt requirement of the TMT segment has thrown up interesting opportunities which your company is gearing up to exploit.

DIRECTORS

In accordance with the requirements of section 256 of the Companies Act, 1956 and the articles of association of the company, Sh. Vijay Sehgal Director of the company retire by rotation at the ensuing Annual General Meeting.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed that :

- in the preparation of annual accounts, the applicable accounting standards have been followed and that there are no material departures from the same;
- the Directors have 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 as at March 31, 2006 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

CORPORATE GOVERNANCE

Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreements with the Stock Exchange in India forms part of the Annual Report.

Certificate from the Auditors of the Company, M/s TIWARI & ASSOCIATES., confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this Report.

PARTICULARS OF EMPLOYEES

None of the company's employees, employed throughout the Financial year under review, was in receipt of an aggregate remuneration of Rs. 24,00,000/- p.a. or more, Similarly no employees of the company, employed for a part of the financial year, received remuneration @ Rs. 2,00,000/- p.m. or more. Hence the details required under section 217 (2A) of the Companies Act, 1956 read with the companies (Particulars of Employees) Rules, 1975 is not given.

FIXED DEPOSITS :

The Company has not accepted any deposits from the public, within the meaning of Section 58-A of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 during the year under review.



STANDARD CAPITAL MARKETS LIMITED

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO :

Particulars under Companies (Disclosure of Particulars in the report of Board of Directors) Rules 1988 on conservation of energy, technology absorption and foreign exchange earnings and outgo are not applicable to the company and hence no disclosure is being made in this report.

APPRECIATION :

Your Directors thank you-our esteemed shareholders, customers, business associates, Financial/Investment Institutions and Commercial Banks for the faith reposed by them in your company and its management.

Your Directors place on record their deep appreciation of dedication and commitment of your company's employees at all levels and look forward to their continued support in the future as well.

The Board also acknowledges the faith reposed in the company by lessees, investing public and Banks for their valuable assistance, and look forward to their continued co-operation.

For and on behalf of the Board

Sd/-
M.L. VIJ
(DIRECTOR)

Sd/-
N.K. ARORA
(DIRECTOR)

PLACE : NEW DELHI
DATE : 19.08.2006



STANDARD CAPITAL MARKETS LIMITED

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. As Shareholders evince keen interest in the practices and performance of Companies, Corporate Governance has emerged on the center stage.

In accordance with Clause 49 of the listing agreement entered into with the Stock Exchange of India (Clause 49)

1. Company's philosophy on code of Governance :

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations, and in all its interactions with shareholders, including shareholders, employees, lenders and the Government. The company is committed to achieve and maintain the highest standards of Corporate Governance. The company continuously endeavors to improve on these aspects on the ongoing basis.

2. Board of Directors ("Board")

The Board of Directors comprise Three Non-Executive Directors. During the year 6 Board meetings were held on 10.05.2005, 16.07.2005, 05.08.2005, 11.10.2005, 12.01.2006 and 28.03.2006. The Composition of Board of Directors and their attendance during the year and at last Annual General Meeting as also number of other Directorships/Memberships of committees are as follows :

| Name of Director | Category of Directorship | Attendance | | No. of Directorship/Committee Membership/Chairmanship | |
|------------------|---------------------------|---------------|----------|---|--------------------------|
| | | Board Meeting | Last AGM | Other Directorship | Committee Membership |
| M.L. VIJ | Non Executive/Promoter | 6 | Yes | 3 | Audit Committee Chairman |
| N.K. ARORA | Non Executive/Promoter | 6 | Yes | 2 | Audit Committee |
| VIJAY SEHGAL | Non Executive/Independent | 5 | Yes | — | Audit Committee |

3. Board Committees

Audit Committee :

The Board has constituted Audit Committee, comprising one Independent and two Non-executive Directors. All the members of the Audit Committee possess financial/Accounting expertise and well versed in finance and general business practices. The composition of the Audit Committee meets the requirements of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreements.

The terms of reference of the Audit Committee include :

- To review financial Statement and pre publication announcements before submission to the Board.
- To ensure Compliance of Internal Control Systems and action taken on internal audit reports.
- To apprise the Board on the impact of accounting policies, accounting standard and legislation.
- To hold periodical discussions with statutory auditors on the scope and content of the audit.