

**24<sup>th</sup>**  
**Annual Report**  
**2010 - 2011**



**STANDARD CAPITAL MARKETS LIMITED**



## STANDARD CAPITAL MARKETS LIMITED

### STANDARD CAPITAL MARKETS LTD.

#### 24<sup>TH</sup> ANNUAL REPORT 2010-2011

##### BOARD OF DIRECTORS

Durga Prasad Sharma	Director
Narender K. Arora	Director
Vijay Sehgal	Director
Kapoor Chand Gupta	Director

##### AUDITORS

TIWARI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
1<sup>ST</sup> FLOOR, SEWAK BHAWAN  
16/2, W.E.A., ABDUL AZIZ ROAD,  
KAROL BAGH, NEW DELHI-110 005.

##### BANKERS

PUNJAB NATIONAL BANK  
SECTOR-5, ROHINI BRANCH, DELHI, 110 08515

##### REGISTRARS

SKYLINE FINANCIAL SERVICES PVT. LTD.  
D-153A, 1<sup>ST</sup> FLOOR, OKHLA INDUSTRIAL AREA  
PHASE-I, NEW DELHI- 110 020  
PH. +91-11-26812682 +91-11-26812683

##### REGISTERED OFFICE

8/28, W.E.A., ABDUL AZIZ ROAD  
KAROL BAGH, NEW DELHI-110 005

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## STANDARD CAPITAL MARKETS LIMITED

### NOTICE

To  
The Members,

NOTICE is hereby given that the 24<sup>th</sup> Annual General Meeting of Members of Standard Capital Markets Ltd. will be held on Friday, 30<sup>th</sup> September, 2011 at 10.00 AM at 94/16, Mukhmelpur, Zindpur, Alipur, Delhi-110036.

#### **ORDINARY BUSINESS:**

##### **AGENDA ITEM NO 1: Adoption of Annual Accounts**

To consider and adopt the audited Balance Sheet and Profit & Loss Account of the Company and the Reports of Directors and Auditors thereon for the year ended 31<sup>st</sup> March, 2011.

##### **AGENDA ITEM NO. 2: Re-appointment of Retiring Director**

To appoint a Director in place of Shri Kapoor Chand Gupta who retires by rotation, and being eligible, offers himself for re-appointment.

##### **AGENDA ITEM NO. 3 : Re-appointment of Statutory Auditors**

To appoint **M/S TIWARI & ASSOCIATES**, Chartered Accountants, (Registration No. 002870N) the retiring Auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Place : New Delhi  
Dated : 23<sup>rd</sup> August, 2011

By order of the Board of Directors  
**STANDARD CAPITAL MARKETS LTD.**

**Narender K. Arora**  
Director

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## NOTES

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy and vote in his stead. The proxy need not be a member of the Company. Proxy in the order to be valid, must be lodged at the Registered office of the Company not less than 48 hours, before the commencement of Meeting.
2. A Member or his Proxy is requested to produce at the entrance of the Registered Office, Attendance Slip forwarded to them along with this Annual Report, to facilitate their attendance at the AGM.
3. Members desirous of getting any information related to the accounts of the Company for the period under reference are requested to write to the Company at least ten days before the meeting, to enable it to make the requisite details available at the Meeting.
4. Members are requested to address all correspondence, including intimation of change in their addresses, if any, to M/S Skyline Financial Services Pvt. Ltd., who are Registrars & Shares Transfer Agents of the Company and whose address is given in Corporate Governance Report.
5. The Register of Members and share transfer book of the Company will remain closed from 16 09-2011 to 23.09.2011 (both days inclusive)
6. Members are requested to bring a copy of the Annual Report along with them to the Annual General Meeting since as a measure of economy as extra copies will not be supplied at the meeting.
7. Members, who hold shares in dematerialized form are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the meeting.
8. FOR SPECIAL ATTENTION OF MEMBERS : NO GIFTS / COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.

**Registered Office:**

**STANDARD CAPITAL MARKETS LTD**  
8/28, W.E.A., Abdul Aziz Road,  
Karol Bagh, New Delhi-110 005

By order of the Board of Directors  
**STANDARD CAPITAL MARKETS LTD.**

**Narender K. Arora**  
Director

**DIRECTORS' REPORT**

Dear Shareholders

Your Directors have pleasure in presenting the 24<sup>th</sup> Annual Report and Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2011.

**FINANCIAL RESULTS**

( ₹ in Lakh)

Particulars	Current Year (2010-2011)	Previous Year (2009-2010)
Gross Income	18.19	14.28
Expenditure	10.63	15.83
Profit/ (Loss) Before Depreciation & Tax	7.56	(1.55)
Depreciation	0.66	0.83
Provision for Defferd Tax (MAT)	1.36	NIL
Profit/ (Loss) for the Year	5.54	(2.38)
Balance brought forward from the Previous Year	(72.93)	(92.26)

**APPROPRIATION**

General Reserve	NIL	NIL
Prov .for Doubtful Debts Written Back	33.53	11.70
Prov. For Doubtful Loans Written Back	0.95	NIL
Prov, For Doubtful Investment Written Back	NIL	10.00
Income Tax Paid for Earlier Years	0.15	NIL
Tftransferred to RBI Reserve Fund	1.10	NIL
Balance Carried Forward	(34.16)	(72.94)

**DIVIDEND**

In view of the accumulated losses of the Company, your Directors do not recommend any dividend for the year ended 31<sup>st</sup> March,2011.

**OPERATIONS AND FUTURE PROSPECTS**

During the year, the Company has done all efforts to consolidate its portfolio and is doing consistent efforts to increase the revenue of the Company. Management is optimistic about better results in the current year as well as in future.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Please refer to Annexure 'A' of this report.

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## AUDITORS & THEIR REPORT

M/s Tiwari & Associates, Chartered Accountants retire as Auditors of the Company at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The company has received a letter from them that their reappointment, if made would be within the prescribed limit under section 224 (1B) of Companies Act, 1956 and that they are not disqualified from being reappointed as Auditor U/s 226. The Directors and the Audit Committee recommend their re-appointment. Auditors' Report is self-explanatory and required no comments by the Directors.

## DIRCTORS

Shri Kapoor Chand Gupta, director retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The directors recommend his reappointments.

## CORPORATE GOVERNANCE

Corporate Governance Report is contained as a separate Section in the Annual Report. Certificate from the auditors of the Company M/S Tiwari & Associates confirming compliance of conditions of Corporate Governance as stipulated of under the clause 49 of Listing Agreement is annexed to this report as annexure "B"

## PARTICULARS OF EMPLOYEES

INFORMATION IN ACCORDANCE WITH SECTION 217(2A) OF THE COMPANIES ACT 1956 WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975

The Company had no employees drawing remuneration of ₹ 24 lakhs or more per annum or, if employed for a part of the year, ₹ Two lakh or more per month during the year under report.

## FIXED DEPOSITS

The company did not accept / renew any fixed deposits during the year under report within the of sec. 58A of the Companies Act 1956 and Companies (Acceptance of Deposit) Rules. The deposit outstanding as on 31<sup>st</sup> March, 2011 was Nil.

## 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.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956 as introduced by Companies (Amendment) Act, 2000, the Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) Appropriate accounting policies have been selected and applied consistently, and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and of the profits of the Company for the year ended 31<sup>st</sup> March, 2011.
- (iii) Proper and sufficient care has been taken 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.
- (iv) The annual accounts have been prepared on a going concern basis.

### **COMPLIANCE CERTIFICATES**

The Company has obtained Compliance Certificate from Practicing Company Secretary as required under provision to Section 383A(1) of the Companies Act, 1956.

### **ACKNOWLEDGEMENT**

Your directors are pleased to place on record their sincere thanks to the Bankers and business associates of the company for their continued and valuable co-operation and support to the Company.

Your Directors also express their appreciation for the hard work and sincere services rendered by workers, staff and executives of the Company during the year.



## STANDARD CAPITAL MARKETS LIMITED

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

Place : New Delhi

Dated : 23<sup>rd</sup> August, 2011

By order of the Board of Directors  
**STANDARD CAPITAL MARKETS LTD.**

**Durga Prasad Sharma**  
Director

**Narender K. Arora**  
Director





## ANNEXURE-A

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Please refer to Annexure A to this Report.

#### 1. Operating Results

The Company earned a gross income of ₹ 18.19 Lacs during the year under review compared to ₹ 14.28 lacs in the previous year. Net profit before tax earned by the Company during the current year is ₹ 6.91 lacs (previous year loss 2.38 lacs)

#### 2. Industry Trends and Business Analysis

During the year under review 2010-11 Indian stock market was volatile and the BSE Sensitive Index which was 17692 at the start of the financial year, made a low of 15960 in May 2010 and a high of 21,108 in November 2010 ended at 19,445 on 31<sup>st</sup> March, 2011.

The NBFC sector in India has become mature with reduced dependence on the acceptance of public deposit as part of overall funding. The NBFC sector is now represented by a mix of few large companies with nationwide presence and a large number of small and medium sized companies with regional focus. Management of the Company is in the deep thinking process to come out with some ideas/ solution to increase scale of business by having strategic tie up, which is need of the hour.

#### 3. Opportunities and Threats

With the globalization and electronic age, Indian Stock market changed over the past decade. Nearly 100% of all transactions are executed through electronic media online trading system, the developments of high-tech and transparent markets with an increasingly wide geographic footprint have increased the number of trading venues offering diverse pools of liquidity. Current elevated rates of inflation pose significant risks to future growth. With the attention of Government focused in containing the inflation, the economic growth may see a deceleration with corporate turning in moderate growth.

#### 4. Future Prospects and Outlook

Though the Indian economy is one of the fastest growing economies to recover from the global crisis, the overall risks to the outlook however remain slanted to the downside, High oil and other commodity prices and the impact of the Reserve Bank's anti-inflationary monetary policy will moderate growth. High inflation is inimical to sustained growth as it harms investment by creating uncertainty.



Further, uncertainties about the path of future global recovery and risks arising from large sovereign debt continue to threaten the return to stability in the international financial markets. These developments in the global financial markets transmitted to the domestic financial markets could give way to volatility in stock prices and the exchange rate.

### 5. Risks and Concerns

The Company like any other Company is exposed to specific risks that are particular to its business and the environment within which it operates. The company is exposed to the market risk ( including liquidity risk) and also the factors that are associated with capital market, which inter alia includes economic/ business cycle, fluctuations in the stock prices in the markets. besides the interest rate volatility, and credit risk.

The Company is confident of managing these risks by maintaining a conservative financial profile, and by following prudent business and risk management practices.

### 6. Internal Control system and their adequacy

The Company has proper and adequate system of internal controls to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition of assets and that the transactions are recorded and reported.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

### 7. Financial Performance

**Share Capital** The Company's issued and subscribed share capital consists of Equity Share Capital only, the paid-up share capital of the company as at 31<sup>st</sup> March, 2011 stood at 40,001,000/- Lakhs comprising of 40,00,100/- Equity Shares of ₹ 10 each Reserve & Surplus : During the year under review, the reserves and surplus increased to ₹ Lakhs as against ₹ 3.86 lakhs during previous year. 2.75 lakhs.

**Current Assets & Current Liabilities :** The current assets and current liabilities at the end of the year under review stood at ₹ 359.98 Lakhs and ₹ 3.82 Lakhs respectively against ₹ 357.03 Lakhs and ₹ 4.14 Lakhs for the last year.

### 8. Human Resources

The Company has adequate qualified and trained employees which is commensurate with the size of operations. The Company recognizes the role and importance of human resources in the future prospects of the company and follows good man management practices.