

29th
Annual Report
2015 - 2016



STANDARD CAPITAL MARKETS LIMITED

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

STANDARD CAPITAL MARKETS LTD.
29TH ANNUAL REPORT 2015-2016
BOARD OF DIRECTORS

Mr. Narender K. Arora	Managing Director
Mr. Durga Prasad Sharma	Director
Mr. Vijay Sehgal	Director
Mr. Kapoor Chand Gupta	Director
Ms. Neelam Dhingra	Director

CHIEF FINANCIAL OFFICER

Mr. Anil Arora

AUDITORS

STIWARI & ASSOCIATES
CHARTERED ACCOUNTANTS

1ST 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, 110 085

REGISTRARS

SKYLINE FINANCIAL SERVICES PVT. LTD.
D-153A, 1ST FLOOR, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI- 110 020
PH. +91-11-64732681 to 88

REGISTERED OFFICE

8/28, W.E.A., ABDUL AZIZ ROAD
KAROL BAGH, NEW DELHI-110 005
CIN : L74899DL1987PLC027057
011-47068704, 011-28759592

Email : stancap.delhi@gmail.com WEBSITE : www.stancap.in

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NOTICE

Notice is hereby given that the 29th Annual General Meeting of Standard Capital Markets Limited (the "Company") will be held as follows:

(Note: The Company is providing facility of voting by electronic means and business of the Meeting may be transacted through electronic voting system)

Day: Friday

Date: 30th September, 2016

Time: 10:00 A.M.

Place: 94/16, Mukhmelpur Road, Zindpur, Alipur Delhi-110036

to transact the following business:

AS ORDINARY BUSINESS/(S):

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016, including the Audited Balance Sheet as at 31st March, 2016, the Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Kapoor Chand Gupta (DIN 02273116) Non-Independent & Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment as Non-Independent & Non-Executive Director.

3. Ratification of Appointment of **M/s TIWARI & ASSOCIATES**, Chartered Accountants, (Registration No. 002870N), as Statutory Auditors of the Company and to fix their remuneration as may be mutually agreed between the Board of Directors of the company and the Auditors.

AS SPECIAL BUSINESS:

4. Appointment of **Ms. Arika Chopra (DIN: 07044581) as an Independent Director**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **Ms. Arika Chopra (DIN: 07044581)**, who has submitted a declaration that she meets the criteria for independence as prescribed in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years with effect from 30th May, 2016 to 29th May, 2021."

5. Resolution for change in terms of Managing director

To consider and if thought fit, to pass, with or without modifications, the following resolutions as a ordinary resolution:

"RESOLVED THAT pursuant to the provision of section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or enactment thereof for the time being in force) and rules made thereunder, consent of the company, be and is hereby accorded to change in terms appointment of Mr. Narender Kumar Arora (DIN:00202037), Managing Director, (who was appointed as Managing Director non-rotational director), so as whose period of office shall liable to determination by retirement of directors by rotation, w.e.f. September 30, 2016 and other terms & conditions including his designation shall remain the same unless otherwise as may be decided by the Board & members of the company.

RESOLVED FURTHER THAT any one of the Directors of the company be and his hereby authorised to do all such acts, deeds & things as may be required to be under taken towards obtaining the required approvals, if any, and/or otherwise to give full effect to this resolution including to sign, execute, submit application(s), agreement(s), document(s), letter(s), & other writing etc. with the Registrar of Companies."

Place : New Delhi

Dated : 05.09.2016

By order of the Board

Sd/-

Managing Director

DIN: 00202037

Name: Narender K. Arora

**Add.: 253, Arunodaya Apartments,
Vikaspuri, New Delhi-110018**

NOTES

1. Explanatory statement pursuant to section 102(1) of the Companies Act, 2013, setting out the material facts in respect of business under item no. 2, 4 & 5 is annexed here to.

2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll, instead of himself/herself and the proxy need not be a member of the company. A proxy in order to be effective must be lodged at the registered office of the company at least 48 hours before the time of the meeting.

A person can act as proxy on behalf of members not exceeding fifty (50) members and holding in the aggregate not more than ten percent of the total share capital of the company. 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 member.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September, 2016 to 30th September, 2016 (Both days inclusive).

4. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company's Registrar and Share Transfer Agent namely SKYLINE FINANCIAL SERVICES PVT. LTD.

5. Members/Proxies should bring Attendance Slips duly filled and signed in for attending the meeting.

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

7. Corporate members intending to send their authorised representative(s) to attend the meeting are requested to send to the company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.

8. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least Seven (7) days before the date of the meeting so as to enable the management to keep the information ready.

9. Members are requested to:

(a) Notify any change in their address to the Company including PIN CODE to the Registrar and Share Transfer Agent of the Company namely:

SKYLINE FINANCIAL SERVICES PVT. LTD.
D-153A, 1ST FLOOR, OKHLA INDUSTRIAL AREA
PHASE-I, NEW DELHI- 110020
PH. +91-11-64732681 to 88
E-mail: admin@skylinerta.com

Members whose shareholding is in electronic mode are requested to direct change of address notifications and bank particulars for receiving the dividend, if declared, through electronic credit under ECS, to their respective Depository participants.

(b) Bring their copies of Annual Report with them to the meeting as the same will not be supplied again at the Meeting as a measure of economy.

10. The Company is implementing the "Green Initiative" as per Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 to enable electronic delivery of notices/ documents and annual reports to shareholders. Henceforth, the email addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL/ CDSL will be deemed to be your registered email address for serving notices/ documents including those covered under Section 136 of the Companies Act, 2013. The Notice of AGM and the copies of audited financial statements, directors' report, auditor's report etc. will also be displayed on the website www.stancap.in of the Company and the other requirements of the aforesaid MCA circular will be duly complied with.

Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Share Transfer Agent of the Company at the address mentioned above quoting their folio number(s).

Copies of the Annual Report 2016 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2016 including Attendance Slip and Proxy Form are being sent by the permitted mode.

11. The notice of AGM and copy of audited financial statements and annual report will also be available on the website of the company and on the website of stock exchange www.bseindia.com

12. As per Section 136(1) of Companies act, 2013, Physical copies of the aforesaid documents will also be available for inspection at the registered office of the company during the normal business hours on all working days excluding Saturdays up to the date of Annual General Meeting.

13. Voting through electronic means:

i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to offer facility of voting through electronic means to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. The facility of casting the votes by the members using an electronic voting system from a place other than venue of AGM ("**remote e-voting**") will be provided by CDSL (Central Depository Services (India) Limited). The remote e-voting rights of the Members /beneficial owners shall be reckoned in proportion to the equity shares held by them in the Company as on 23rd **September, 2016** (Cut-off date fixed for determining the eligibility to vote by electronic means or by ballot in the general meeting). Detailed instructions for availing the e-voting facility indicating the process and manner of e-voting are given hereunder.

The e-Voting process to be followed by the shareholders to cast their votes:

- During the voting period, the shareholders can visit the e-Voting website www.evotingindia.com and select the relevant EVSN / Company for voting.
- The shareholders having shares in the demat form can login to the e-Voting system using their user-id (i.e. demat account number), PAN and password provided. The shareholders having shares in Physical form can log-in using the folio number of the shares, PAN and the password provided.
- After logging in, demat security holders will have to mandatorily change their password. This password can be used by demat security holders for all future voting on resolutions of companies in which they are eligible to vote. Physical security holders will be provided with a fresh password for every e-voting.
- Security holders can then cast their vote on the resolutions available for voting.
- Security holders can also view the resolution details on the e-Voting website.
- Once the security holder casts the vote, the system will not allow modification of the same.
- During the voting period, security holders can login any number of times till they have voted on all the resolutions.

Instructions For E-Voting:

The instructions for shareholders voting electronically are as under:

The voting period begins on 27th September, 2016 at 10:00 A.M. and ends on 29th September, 2016 at 5:00 P.M. 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) of 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.

- (ii) Click on “Shareholders”.
- (iii) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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 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 sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach 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 for the relevant Standard Capital Markets Limited on which you choose 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.
- (xiii) 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.
- (xiv) 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 and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed 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 on.
 - 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.
- (xviii) 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.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xix) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 23rd September, 2016 may obtain login ID and password by sending a request at www.evotingindia.com. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
- (xx) **The Remote e-voting period commences on 27th September, 2016 (10:00 A.M.) and ends on 29th September, 2016 (5:00 P.M.).** During this period, members of the Company holding shares either in physical or dematerialized form, as on the cut-off date of 23rd September, 2016 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (xxi) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (xxii) The members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote through ballot paper at the meeting in terms of Companies (Management and Administration) Amendment Rules, 2015.
- (xxiii) Mr. Anil Kumar Nandwani of M/s. A. K. Nandwani & Associates, Company Secretaries in Practice (Membership No. FCS 4754) & failing him Ms. Kavita of M/s. A. K. Nandwani & Associates, Company Secretaries in Practice (Membership No. ACS 29535), have been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (xxiv) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of polling paper for all those members present at the AGM but have not cast their vote by availing remote e-voting facility.

- (xxv) Immediately after the conclusion of voting at the AGM, the scrutinizer will first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of company. the scrutinizer will prepare a consolidated scrutinizer's Report of the total votes cast in favour or against, if any, not later than three days after the conclusion of the AGM. This report shall be made to the Chairman or any other person authorized by the Chairman, who will then declare the result of the voting.
- (xxvi) The Results declared along with the Scrutinizer's Report(s) shall be placed on the website of the CDSL's website viz. www.evotingindia.com immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Shares of the Company are listed.

14. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013 and the Certificate from Auditors of the Company will be available for inspection at the Annual General Meeting.

15. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 A.M to 5:30 P.M) on all working days up to and including the date of the Annual General Meeting of the Company.

16. Details of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting (Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

PROFILE OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT AT THE ENSUING (29th) AGM

(Refer Item No. 2, 4 & 5 of the Notice for AGM)

Name of the Director	Sh. Kapoor Chand Gupta	Ms. Arika Chopra	Mr. Narender Kumar Arora
DIN	02273116	07044581	00202037
Date of Birth	08.04.1958	17.02.1986	08.08.1956
Date of Appointment	27.05.2008	30.05.2016	19.02.1987
Profile/Expertise in Specific functional Areas	Sh. Kapoor Chand Gupta is a Chartered Accountant with 30 years' experience in the field of shares and security market and allied fields.	She is a Chartered Accountant qualified in year 2009 and has 4 years' experience of working various International Banks in finance related activities.	He is an FCA with more than 34 years experience in various field including finance and Industry.
Qualifications	Chartered Accountant	Chartered Accountant	Chartered Accountant
List of directorships in other Public Companies As on 31 st March, 2016	Nil	Pawan Finvest Private Limited.	ADL International Ltd. Parthy & Widge Securities Ltd.
Membership of Committee of Board in other Public Companies.(As on 31 st March, 2016)	Nil	Nil	Nil
Shareholding in the Company	Nil	Nil	187953 (4.70%)
Relation with the Company	Nil	Nil	Promoter

By order of the Board

Place: New Delhi
Dated: 05.09.2016

Managing Director
DIN: 00202037
Name: Narender K. Arora
Add.: 253, Arunodaya Appts.,
Vikaspuri, New Delhi-110018

Annexure to the Notice

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

ITEM NO. 4

Pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is proposed to appoint **Ms. Arika Chopra (DIN: 07044581)** as an Independent Director of the Company for a term of 5 (five) consecutive years from 30th September, 2016 to 29th September, 2021 who was appointed as an Additional director (Independent Non-executive) in terms of Section 161 of the Act and Articles of Association of the Company w.e.f. 30th May, 2016 by the Board of Directors whose term of office expires at the ensuing 29th Annual General Meeting. The Company has received a declaration in writing from **Ms. Arika Chopra (DIN: 07044581)** that he meets the criteria of independence as provided in sub-Section (6) of Section 149 of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, **Ms. Arika Chopra (DIN: 07044581)** fulfills the conditions specified in the Companies Act, 2013 and rules made there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company. The Board also considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director on the Board of the Company.

The Company has received notice in writing from member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of **Ms. Arika Chopra (DIN: 07044581)** as an Independent Director of the Company.

Accordingly, the Board recommends the resolution set out at Item No.4 of the Notice, for the approval of the members of the Company. Brief Profile of **Ms. Arika Chopra (DIN: 07044581)** is provided in the annexure to director's report.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives Except **Ms. Arika Chopra (DIN: 07044581)** is in any way concerned or interested in the resolutions set out at Item No. 4 of the Notice.

Item no 5:

As per Section 152 of the Companies Act, 2013 at least two third of the Board of Director ("the Board") of the company shall be liable to retire by rotation. Section 149 of the Companies Act, 2013 makes independent director out of the purview of directors who are liable to retire by rotation. Due to recent change in composition of Director & in order to comply with the provisions of section 152 of the said Act, the Board has proposed the change in terms appointment of **Mr. Narender Kumar Arora (DIN:00202037)**, Managing Director, (who was appointed as Managing Director non-rotational director), so as whose period of office shall liable to determination by retirement of directors by rotation, w.e.f. September 30, 2016 and other terms & conditions including his designation shall remain the same unless otherwise as may be decided by the Board & members of the company. The change in terms appointment of **Mr. Narender Kumar Arora (DIN: 00202037)** not be deemed to constitute as break in his terms of Managing Director and he will be eligible to continue as Managing Director of company.

The Board recommends the resolution to the members for their approval.

None of the Directors of the Company or their respective relatives except **Mr. Narender Kumar Arora (DIN: 00202037)** and **CFO Mr. Anil Arora** are in any way concerned or interested in the resolution.

Place: New Delhi
Dated: 05.09.2016

By order of the Board

Sd/-
Managing Director
DIN: 00202037
Name: Narender K. Arora
Add.: 253, Arunodaya Apartments,
Vikaspuri, New Delhi-110018

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 29th Annual Report together with the Audited Financial Statements of Accounts and Auditor's Report for the year ended 31st March, 2016.

FINANCIAL HIGHLIGHTS

The summarized financial performance of the Company during the year under review is as under:

	(₹ in Lakhs)	
	31.03.2016	31.03.2015
Revenue from Operations :	26.47	26.54
Other Income :	0.11	0.26
Total Revenue :	26.58	26.81
Total Expenditure :	20.75	22.47
Profit before Exceptional Items and Tax :	5.83	4.33
Tax Expenses :	2.13	1.75
Profit after Tax :	3.70	2.58
Earning Per Share:	0.09	0.06

DIVIDEND

In view of the brought forward losses, your Directors regret their inability to recommend dividend for the year under review.

PERFORMANCE REVIEW & OUTLOOK

The year under review was marked high volatility mainly in the stock market. Since major portfolio of the company is in the shape of Loans bearing interest, no adverse effect of the high volatility in the market was felt. Company posted a gross profit before depreciation of Rs.5.85 lakhs as compared to Rs. 4.38 lakhs in the previous year. Net profit after tax for the year under review was Rs. 3.70 lakhs against the profits of Rs. 2.58 lakhs in the previous year.

The long term prospects for the economy is optimistic Industry Trends and its future prospects have been summed up in the Management Discussion and Analysis Report which forms part of this report.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return under sub-section (3) of Section 92 of the Companies Act, 2013 in **Form MGT-9** in annexed herewith as "**Annexure A**"

MEETINGS OF THE BOARD

During the year, Six (6) Board Meetings were convened and held. The details of the Board Meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and sub-section (5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- in the preparation of the Annual Accounts for the year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- they 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 at the end of the financial year and of the profit of the company for the same period;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls in the company that are adequate and were operating effectively.
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.