

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 30th Annual Report together with the Audited Financial Statements of Accounts and Auditor's Report for the year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS

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

	(₹ in Lakhs)	
	31.03.2017	31.03.2016
Revenue from Operations:	103.88	26.47
Other Income:	0.07	0.11
Total Revenue:	103.95	26.58
Total Expenditure:	97.03	20.75
Profit before Exceptional Items and Tax:	6.92	5.83
Tax Expenses:	2.41	2.13
Profit after Tax:	4.51	3.70
Earning Per Share (In Rupees):	0.11	0.09

DIVIDEND

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

PERFORMANCE REVIEW & OUTLOOK

During the period, the Company earned total revenue of Rs. 103.88 Lacs for the year ended 31st March, 2017 as against Rs. 26.47/- Lacs for the year ended 31st March, 2016. Net profit after tax for the year under review was Rs. 4.51 lakhs against the profits of Rs. 3.70 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 held on 30/05/2016, 13/08/2016, 05/09/2016, 14/11/2016, 26/12/2016, 14/02/2017 and the same were convened and held in Compliance with the provisions of the law. 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

As required in terms of Section 134(5) of the Companies Act, 2013, your Directors wish to state as under-

1. That in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed and there were not material departures;
2. That 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 31st March 2017 and of the profit or loss of the Company for the year ended on that date;

3. 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;
4. The Directors have prepared the annual accounts of the Company on a 'going concern' basis;
5. The Directors have laid down internal financial controls in the company that are adequate and were operating effectively;
6. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy of the Company, inter-alia, includes the aims and objectives, principles of remuneration, criteria for identification of Board Members and senior management has been adopted by the board, and is being followed completely.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There were no transactions of the Company of material nature with related parties that may have potential conflict with the interest of the Company at large and which fall under the scope of Section 188(1) of the Companies Act, 2013. However, related party disclosure as required by AS-18 had been reported in the notes to the financial statements in this report. Policy on dealing with related party transactions is available on the website of the Company at www.stancap.in

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN OUTGO

The particulars under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 with regard to conservation of energy and technology absorption are not applicable to your Company being a Non banking finance company. During the year under review, there were no earnings or outgo in foreign exchange.

RISK MANAGEMENT POLICY- DEVELOPMENT AND IMPLEMENTATION

Your Company has been following the principle of risk minimization as a significant norm in every industry which has now become mandatory under Section 134(3)(n) of the Companies Act, 2013. The Board of Directors has adopted a Risk Management Policy which emphasis on the risk assessment and minimization procedures, steps for Annual Report 2016-17

framing, implementing and monitoring the risk management plan for the company. The contents of the policy have been included in the "Management Discussion and Analysis" forming part of this report.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of its committees. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Narender Kumar Arora, Director of the Company would retire by rotation and being eligible, offers himself for re-appointment. His appointment will be considered at the ensuing Annual General Meeting.

During the Year Mr. Durga Prasad Sharma and Mr. Vijay Sehgal were resigned from the Board with effect from 13th August 2016 due to personal preoccupation and Mr. Kapoor Chand Gupta had resigned from the Board with effect from 26th December, 2016. The Board expressed appreciation for the services rendered by him during their respective tenure with the Company.

Mr. Ghanshyam Prashad Gupta (DIN: 00287019) was appointed as an Additional Independent Director on the Board of the Company with effect from 12.05.2017 to hold office upto the date of the Annual General Meeting. 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. Further the Board of Director of the Company proposed to appoint Mr. Ghanshyam Prashad Gupta (DIN: 00287019) as Managing Director, so as whose period of office shall liable to determination by retirement of directors by rotation, w.e.f. September 30, 2017. The Board of Director of the Company recommend to regularise the appointment of Mr. Ghanshyam Prashad Gupta (DIN: 00287019) as Non Independent Director.

During the Year Ms. Arika Chopra was appointed as an Independent Director of the Company at the Annual General Meeting held on 30th September, 2016

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and there has been no change in the circumstances which may affect their status as Independent Director during the year.

Mr. Ghanshyam Prashad Gupta (DIN: 00287019) was appointed as Independent Director by the Board but now the Board has proposed to appoint him as Managing Director. Therefore, Mr. Ghanshyam Prashad Gupta (DIN: 00287019) not be included in category of Independent Director from the date of his appointment as Managing Director. He has already informed the Company to that effect.

During the year, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company.

(b) Remuneration of the Directors / Key Managerial Personnel (KMP) and Particulars of Employees

The provisions of Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable, as there are no such employee who were drawing / in receipt of remuneration of prescribed amount during the period under review.

The Company has One Executive Director, Mr. Narender K. Arora who is also Managing Director of the Company. No remuneration is paid to him.

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors / Key Managerial Personnel (KMP) and Employees of the Company is furnished hereunder:

- (i) the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year &
- (ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.
- (iii) the percentage increase in median remuneration of employees of the financial year.

Sr. No.	Name	Category	Ratio/Time per median of employee remuneration	% Increase in remuneration
1.	Mr. Narender K. Arora	Managing Director	NIL	NIL
2.	Ms. Neelam Dhingra	Director	NIL	NIL
3.	Mr. Ghanshyam Prashad Gupta	Director	NIL	NIL
4.	Ms. Arika Chopra	Director	NIL	NIL
5.	Mr. Anil Arora	CFO	NIL	NIL

(iv) the number of permanent employees on the rolls of Company. Two (2)

(v) 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.

Nil

(vi) The remuneration paid to the Key Managerial Personnel (KMP) is in accordance with the remuneration policy of the Company.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Your Company has adequate system of Internal Controls with reference to financial statements. The detail of the adequacy of Internal Financial Control forms a part of the Management Discussion and Analysis Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has also implemented several best Corporate Governance practices as prevalent in the industry. The report on Corporate Governance as stipulated under the Listing Regulation, 2015 forms an integral part of this Report. The requisite certificate from the Practising Chartered confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company has Two (2) Subsidiaries as on date

S. No	Name of the Company	Relationship	Shareholding (No. of Shares)
1.	Epibo Technologies India Pvt. Ltd.	Wholly owned Subsidiaries	10,000
2.	AJNR Trading Enterprises Limited	Wholly owned Subsidiaries	75,000

This disclosure of Particulars with respect to information related to performance & Financial Position of Subsidiary Company Subject to Rule 8 (1) of Companies (Accounts) Rules, 2014 shall be disclosed in Form No. AOC-1 is attached as "Annexure B"

STATEMENT PURSUANT TO LISTING AGREEMENT

The Company's Equity Shares are listed at Bombay Stock Exchange Ltd. (BSE), Mumbai. The listing fee for the year the financial year 2017-18 has been paid to BSE timely.

AUDITORS & AUDITOR'S REPORT**a) STATUTORY AUDITORS**

M/s. Tiwari and Associates, Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion 30th Annual General Meeting of the Company. The Board has recommended the appointment of M/s Krishan Rakesh & Co., Chartered Accountants as Statutory Auditors of the Company for period commencing from the conclusion of this Annual General Meeting of the Company till the conclusion of Sixth Annual General Meeting from hereof. The proposed Auditor have given their written consent for appointment and a certificate that the appointment, if made, shall be in accordance with the conditions as prescribed under the provisions of the Companies Act, 2013.

b) INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and Rules related thereto, M/s. Batra Sapra & Company, Chartered Accountants, New Delhi acts as the Internal Auditors of the Company and their report is duly reviewed by the Audit Committee on quarterly basis.

c) SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014, the Company has appointed M/s. A. K. Nandwani Associates, Company secretaries in Practice to undertake the Secretarial Audit of the company. The Report of the Secretarial Audit in **Form MR-3** is enclosed as a part of this report as "**Annexure C**".

Statutory Auditor's and Secretarial Auditor's observations, if any, in their respective report(s), have been suitably explained by way of appropriate notes to accounts and also in the Directors' Report wherever necessary.

AUDIT COMMITTEE

The composition of the committee consists of Ms. Neelam Dhingra as its Chairman, Mr. Narender K Arora and Ms. Arika Chopra as its members. The functions of the Audit Committee are mentioned in the Corporate Governance Report.

VIGIL MECHANISM - WHISTLE BLOWER POLICY

In terms of the provisions of the Companies Act, 2013 and read SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the whistle blower policy is in place and is being adhered. The Whistle Blower Policy duly approved by the Board of Directors has been uploaded on the website of the Company viz. www.stancap.in.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,, the Board of Directors, , has formulated a Policy on Related Party Transaction Policy which is also available on Company's website viz. www.stancap.in. All Related Party Transactions are placed before the Audit Committee for review and approval. None of the Directors has any pecuniary relationships or transactions with the Company during the year under review. All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. There were no materially significant Related Party Transactions entered into by the Company during the year under review.

CORPORATE SOCIAL RESPONSIBILITY

No disclosures on Corporate Social Responsibility are required as provision under Section 135 of the Companies Act, 2013 and Rules made thereunder are not applicable to the Company.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GENERAL

Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme ESOS.
4. Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees
5. Bonus Shares
6. Significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company operations in future.
7. Material changes and commitments, affecting the financial position of the Company occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

ACKNOWLEDGMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government authorities, customers and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Place: New Delhi
Dated: 5th September, 2017

By order of the Board

Sd/-
Managing Director
DIN: 00287019
Ghanshyam Prasad Gupta
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Ashok Vihar, Phase-III, Delhi 110052