

22ND
ANNUAL
REPORT
2015 - 16



SMC Global Securities Limited

Registered Office: 11/6-B, Shanti Chamber, Pusa Road, New Delhi-110005

Tel: + 91-11-30111000, 40753333 Fax: + 91-11-25754365

E-mail: smc@smcindiaonline.com Website: www.smcindiaonline.com

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22nd Annual General Meeting

Day: Saturday

Date: July 16, 2016

Time: 11.00 A.M.

Venue: "URDU GHAR" 212, Rouse Avenue
Deen Dayal Upadhyaya Marg
New Delhi-110002



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CHAIRMAN'S MESSAGE



Mr. Subhash C. Aggarwal
Chairman & Managing Director

" A good company delivers excellent products and services, and a great company does all that and strives to make the world a better place."

William Ford Jr.

DEAR SHAREHOLDERS AND PARTNERS IN GROWTH

I extend a warm welcome to all of you at this 22nd Annual General Meeting and feel honored to discuss the company's performance during the year. A combination of well envisioned management initiatives and focused attitude has proved that we are moving in the right direction, with the mission of creating a better investment environment for our stakeholders; we believe in delivering added canonical results in coming years as well.

Looking back at FY 2016: Global & Indian Economy

Financial Year 2016 was a turbulent year for the global economy. In fact, continuous appreciation in US Dollar as against all the major currencies and sharp fall in the global commodity prices were few major highlights of the year. In June 2015, Greece became the first developed country, which failed to repay the IMF loan. However, European Union remained a stark outsider, with the regions constantly battling crisis. Meanwhile, in September 2015, Chinese economy had slowed down due to contraction in the manufacturing sector.

Getting to the Indian economy, range bound stock market movement, dismal corporate earnings, sub-normal monsoons, and Central Government's inability to get approval of critical bills like Land Acquisition Amendment Bill and GST Bill in the parliament were the major setbacks in this year, which resulted in the subdued performance in the commodity segment and dropped activities and revenues in equity market.

SMC Performance

In the fiscal year 2016, the company has earned consolidated net profit of ₹ 3464.23 lacs against ₹ 4215.30 lacs in the previous year, which is

lower by 17.82% due to worldwide recession in the commodity segment & lower activity in the range bound Equity market. The Board of Directors has proposed a final dividend of 18% amounting to ₹ 407.28 lacs in addition to 12% Interim Dividend amounting to ₹ 271.52 lacs paid during the year making a total dividend of 30% amounting to ₹ 678.80 lacs in year 2016.

Despite weak performance of the Indian markets, the company has noted exceptional growth performance in NBFC segment. NBFC activities related EBIT was up by 122.10% to ₹ 2366.74 lacs. Further, in NBFC segment, the loan book swelled by 137.77% as compared to the previous year and the revenue enhanced considerably by 97.20% as compared to the previous year.

SMC has invariably increased its scale of operations at a time when most of our competitors and peers are scaling back their operations. At present, SMC has a diversified financial services business model reflecting a significant presence in almost all the important segments of the financial services sector. Backed by structural reforms such as

bankruptcy bill, investor education programs to increase investor interest in the capital market, positive market outlook, extended reach of population to bank account, initiatives such as Digital India, Make in India, favorable acknowledgement by the International Monetary Fund (IMF) "India remains a bright spot", we expect significant traction across asset mobilization, market share and revenue in FY 2017.

Looking ahead into FY 2017: Opportunities & Company Future Strategy

RBI's promise to keep inflation under check and US Federal Reserve Chief Janet Yellen's non-committal stance on increase in the interest rates in the world's largest economy boosted the confidence of the investors to some extent. Further, the prediction of above average rainfall this monsoon, after two straight years of drought in many areas in India, has already set the tone for increased activity in Indian markets.

We have invested relentlessly into our operations, manpower, and technology and distribution channels during recent quarters in the form of expansion into Indian and

International operations and we expect positive results from these initiatives. Through our new subsidiary in the USA, we are now catering to NRIs & FPIs for various financial products of SMC. With a thrust for global expansion and recognition, we have planned to issue ADRs in US and get listed either on NYSE or NASDAQ.

We believe that "Make in India" will also contribute to our sustained growth as long as enough incentives have been provided to entrepreneurs and it keeps generating the jobs for youth and new opportunities for the masses in India. Over the next ten years, India is expected to become the third largest economy in the world and with our pan India presence, we believe that the next leg of growth would give fresh impetus to the retail participation and will drive the Indian consumer demand for various financial products including Insurance, Wealth Management, Mutual Funds, Equities, etc.

On behalf of the Board and my own self, I want to acknowledge the tremendous efforts of our employees, team SMC, whose dedication, intellect, hard work and deep sense of values differentiates and drives the organization

through all tough times and our company is able to play vital role in Indian economy. I would also like to thank our customers, vendors, bankers, sub-brokers, directors, and all other partners for their continued trust, support and confidence in the Company.

With these lines

"The future belongs to the competent. Get Good, Get Better, Be the Best!"

Once again, I would like to thank you all for your faith and look forward to a long and mutually beneficial partnership together.

Warm Regards,

Subhash C. Aggarwal
(Chairman & Managing Director)

VICE CHAIRMAN'S COMMUNIQUE



Mr. Mahesh C. Gupta
Vice-Chairman & Managing Director

"Ethics in business is extremely important; your reputation is all you have in life."

Sir Freddie Laker

DEAR SHAREHOLDERS,

It is an honor for me to speak with you all about Company's growth perspective along with company's achievements in this year. FY 2016 turned out to be a volatile year. The momentum of the corporate growth was slow due to global downtrend and various other factors such as sub-normal monsoons and weak commodity market.

At this time of global economic slowdown, India has emerged as one of the most favorable markets among its peers. On the back of multiple rate cuts by the RBI, its efforts for keeping inflation under control and increased capital infusion by the overseas investors with favorable economic conditions, positive initiatives taken by the central government and increased confidence of global investors, Indian capital markets are poised to do much better in next financial year.

Company Excellence

This year SMC has performed satisfactorily despite challenging business environment, subdued capital market and recession in the commodity market. However, the recent merger of commodity market regulator FMC with SEBI is a welcome move. The Forward Contracts Regulation Act (FCRA) stands repealed, and the regulation of the commodity derivatives market shifts to SEBI under the Securities Contracts

Regulation Act (SCRA), 1956. SCRA is a stronger law, and gives more powers to SEBI than FCRA offered to FMC. Market players feel that commodity markets will now be better regulated, with more stringent processes and will thus evoke greater confidence. The merger is aimed at streamlining the regulations and curb wild speculations in the commodities market, while facilitating further growth.

Further, I would like to share that consolidation is

taking place in Equity broking industry. The latest SEBI data showed that the total number of stock brokers operating in the cash segment of the India's stock exchanges nearly halved in the current fiscal. It is expected that the industry would consolidate and would see more resilient large format brokerage houses. Today, entry barriers are very low and this has led to quality issues. Competition has driven yields to unsustainably low levels. Regulation is stricter than ever, and rightly so, all these factors have ensured the number of brokers would go down further and only those who adapt quickly to the changed paradigm will survive and grow. The consolidation is happening on the client side where there is a definite migration towards the larger and/or more established brokers. The consolidation shall benefit your Company, which is a well-known & established brand.

Diversity of the products and presence in almost all broking and financing products such as brokerage, investment banking, wealth management, distribution of third party financial products, research, financing, depository services, insurance broking, clearing services and real estate advisory to corporates and high net worth individuals is the

biggest strength of the Company. SMC is driven by excellence and values like integrity, keeping the confidentiality of the client information, innovations in business techniques are given high importance in the organization.

During the year, SMC received Best Financial Service Provider (Assocham Excellence Awards 2015) and Best Broking House for SMEs (Assocham Excellence Awards 2015), which proves the quality of the Company's broking and advisory services. It is the Company's continuous effort to deliver best products, services and excellent experience to clients. In continuation of these efforts, company has launched new HTML5 browser based platform 'SMC Easy Trade', a meticulously designed platform, which can be easily used on tablets & smartphones along with desktops with the inbuilt features of different devices. On this platform, the client can create his/her own work space where the client can have single view of streaming quotes, chart, order/trade book, funds view etc.

Internal Controls & Recent Business Developments

SMC has implemented strong internal control systems and audits across all subsidiary

companies. The internal control procedures include segregation of roles and responsibilities, independent confirmations, physical verifications and preventive checks on compliance risk involved into its various business segments. Risk based internal audits, through external audit firms, are also being conducted periodically to independently evaluate adequacy of internal controls, adherence of processes and compliance of regulatory and legal requirements. The internal audit programs are also periodically reviewed by our Audit Committee for its effectiveness and timely reporting. Over the years, the Company has also laid emphasis on training and development of employees to build a team of dedicated and competent professionals. The team SMC today is the result of continuous remarkable efforts and vision of our key management personnel and dedicated team of employees. We believe to remain uncompromising and tenacious through tough times.

Friends, we are living in such a dynamic environment in which technology is reshaping our economy in fundamental ways, by creating extraordinary business opportunities and growth ideas to exponentially increase

business operations and widen our wings through global dynamism. Your company is dedicated and committed to develop efficient business structure for its clients so that they can explore more opportunities in real manner. Unique business development opportunities along with well driven team takes the company to newer heights where it can also increase strength and prospect towards outstanding goal achievement and social contribution through our CSR initiatives. With the vision to deliver its clients the best, the Company is confident to perform better and reach new heights in coming years.

I thank you all for your continuous support and faith in the Company. It will keep growing through its innovative ideas and ethical, dedicated, law abiding & regulated business operations.

Warm Regards,

Mahesh C. Gupta
(Vice-Chairman & Managing Director)

SMC GLOBAL SECURITIES LIMITED

BOARD OF DIRECTORS

MR. SUBHASH C. AGGARWAL
(Chairman & Managing Director)

MR. MAHESH C. GUPTA
(Vice-Chairman & Managing Director)

MR. AJAY GARG
(Whole-Time Director)

MR. ANURAG BANSAL
(Whole-Time Director)

MR. PRADEEP AGGARWAL
(Whole-Time Director)

MR. N .D. GUPTA
(Independent & Non-Executive Director)

MR. R. C. JINDAL
(Independent & Non-Executive Director)

MR. K. M. AGARWAL
(Independent & Non-Executive Director)

MR. SATISH CHANDRA GUPTA
(Independent & Non-Executive Director)

MR. HARI DAS KHUNTETA
(Independent & Non-Executive Director)

MR. CHANDRA WADHWA
(Independent & Non-Executive Director)

DR. MADHU VIJ
(Independent & Non-Executive Director)

MR. FINNEY CHERIAN
(Non-Executive Director)

***MR. JHP VAN DER MERWE**
(Non- Executive Director)

****MR. G.S. SUNDARARAJAN**
(Non- Executive Director)

COMPANY SECRETARY & COMPLIANCE OFFICER

MR. SUMAN KUMAR
E-mail: sumankumar@smcindiaonline.com

CHIEF FINANCIAL OFFICER

MR. VINOD KUMAR JAMAR
E-mail: vinodjamar@smcindiaonline.com

STATUTORY AUDITORS

R. GOPAL & ASSOCIATES
Chartered Accountants

REGISTERED OFFICE

11/6-B, Shanti Chamber, Pusa Road
New Delhi-110005.
Tel + 91-11-30111000, 40753333
Fax + 91-11-25754365
E-mail: smc@smcindiaonline.com
Website: www.smcindiaonline.com

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA PVT. LTD.

44, Community Centre, 2nd Floor
Naraina Industrial Area Phase- I
Near PVR Naraina, New Delhi-110028
Tel. 011-41410592, 93
Fax. 011-41410591
E-mail id: delhi@linkintime.co.in

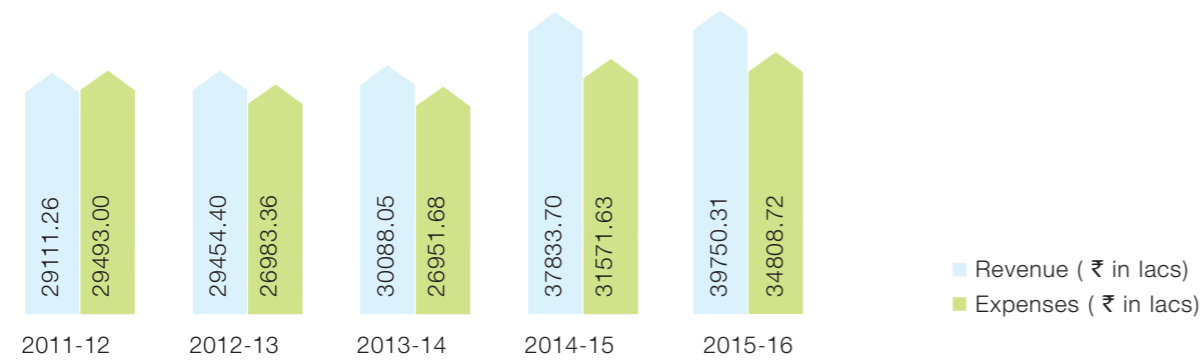
* Resigned from the Directorship, subject to approval of stock exchange, which is awaited.
** Appointed as the Additional Director, subject to approval of stock exchange, which is awaited.

BANKERS:

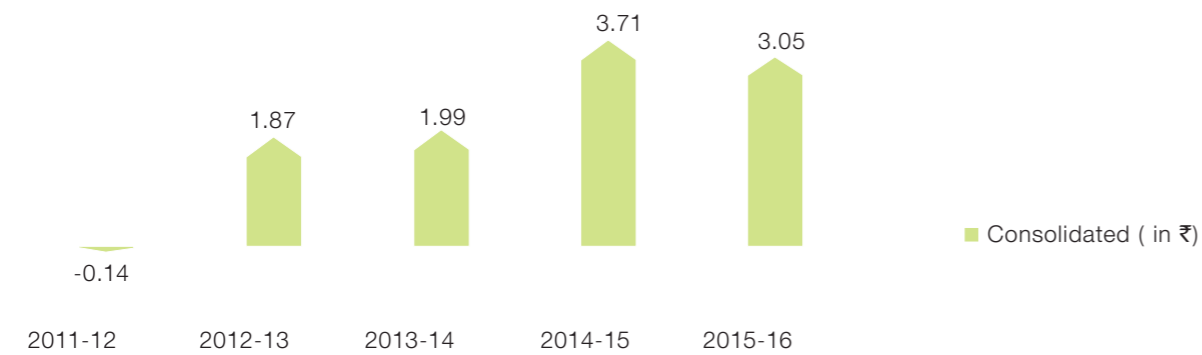
HDFC Bank, ICICI Bank, Axis Bank, Citi Bank, Yes Bank, Punjab National Bank, State Bank of India, Canara Bank, IDBI Bank, IndusInd Bank, Kotak Mahindra Bank, State Bank of Bikaner & Jaipur, DCB Bank, The Federal Bank, Bank of Nova Scotia.

FINANCIAL HIGHLIGHTS

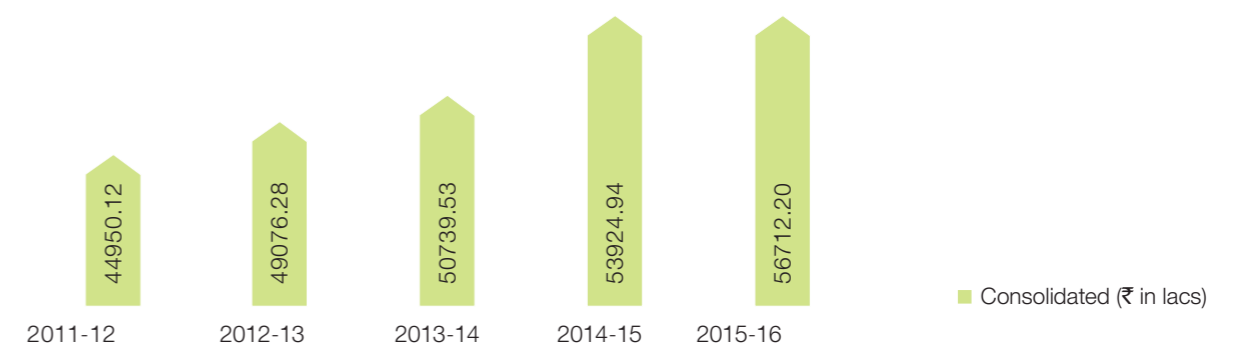
CONSOLIDATED REVENUE V/S EXPENSES



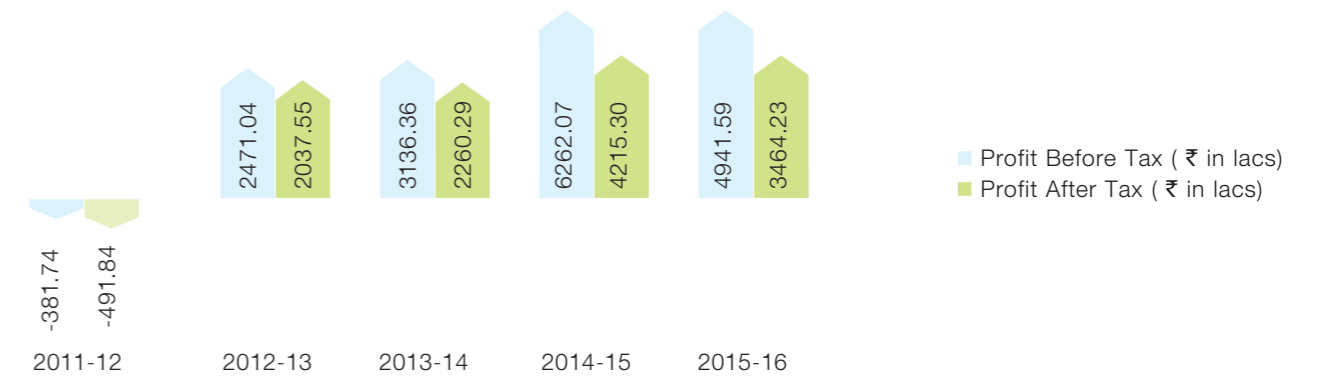
CONSOLIDATED EARNING PER SHARE



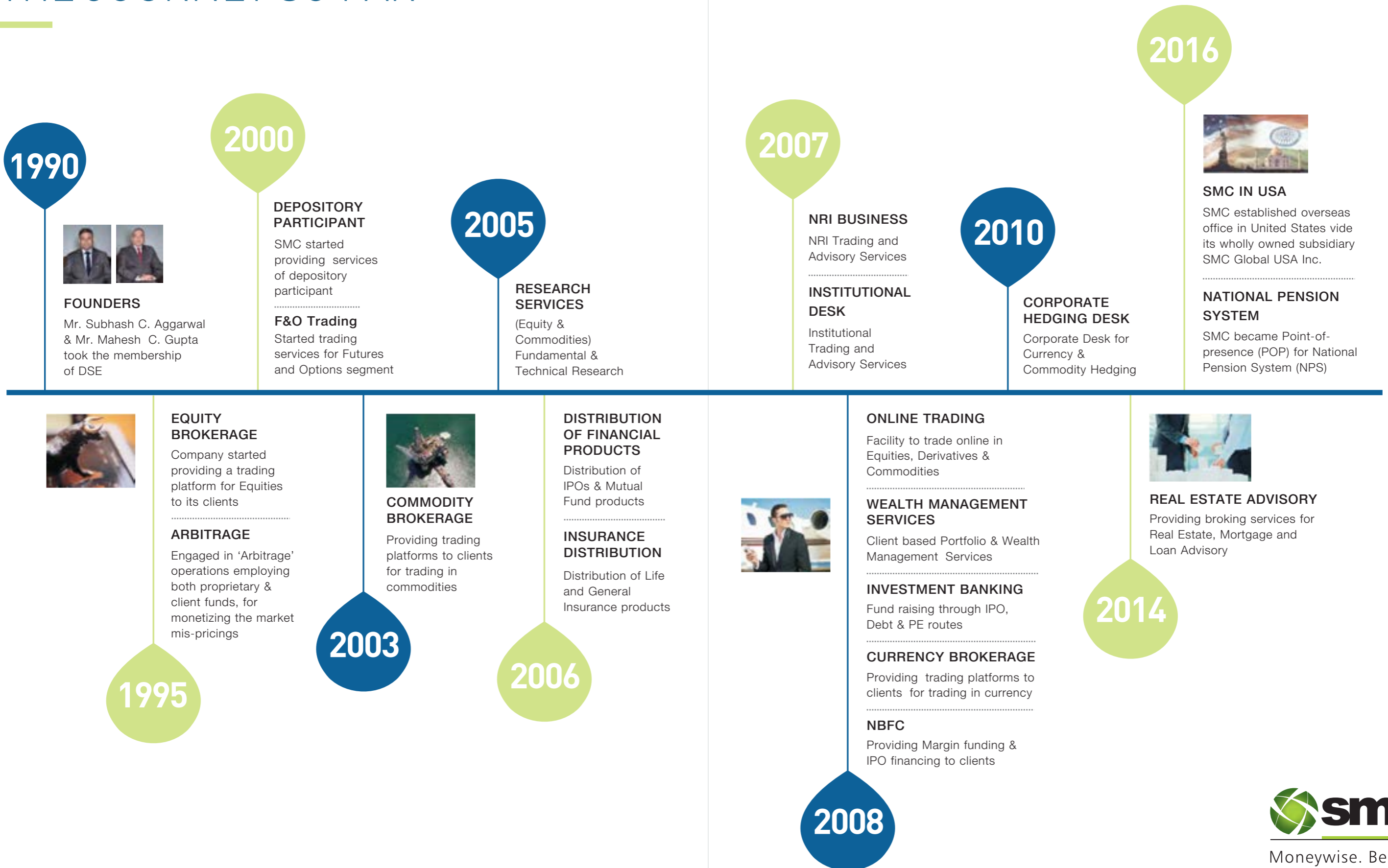
CONSOLIDATED NET WORTH



CONSOLIDATED PBT V/S PAT



THE JOURNEY SO FAR



CORPORATE OVERVIEW

SMC: VISION

WE ASPIRE TO BE A GLOBAL ORGANISATION HAVING DOMINANT POSITION IN FINANCIAL & INVESTMENT SERVICES THROUGH A CUSTOMER CENTRIC APPROACH.



SMC: MISSION

TO HELP PEOPLE MAKE THE RIGHT INVESTMENT, THE RIGHT WAY.





ESTABLISHED
IN 1990

WIDE RANGE
OF FINANCIAL PRODUCTS & SERVICES

IN-HOUSE RESEARCH
TEAM

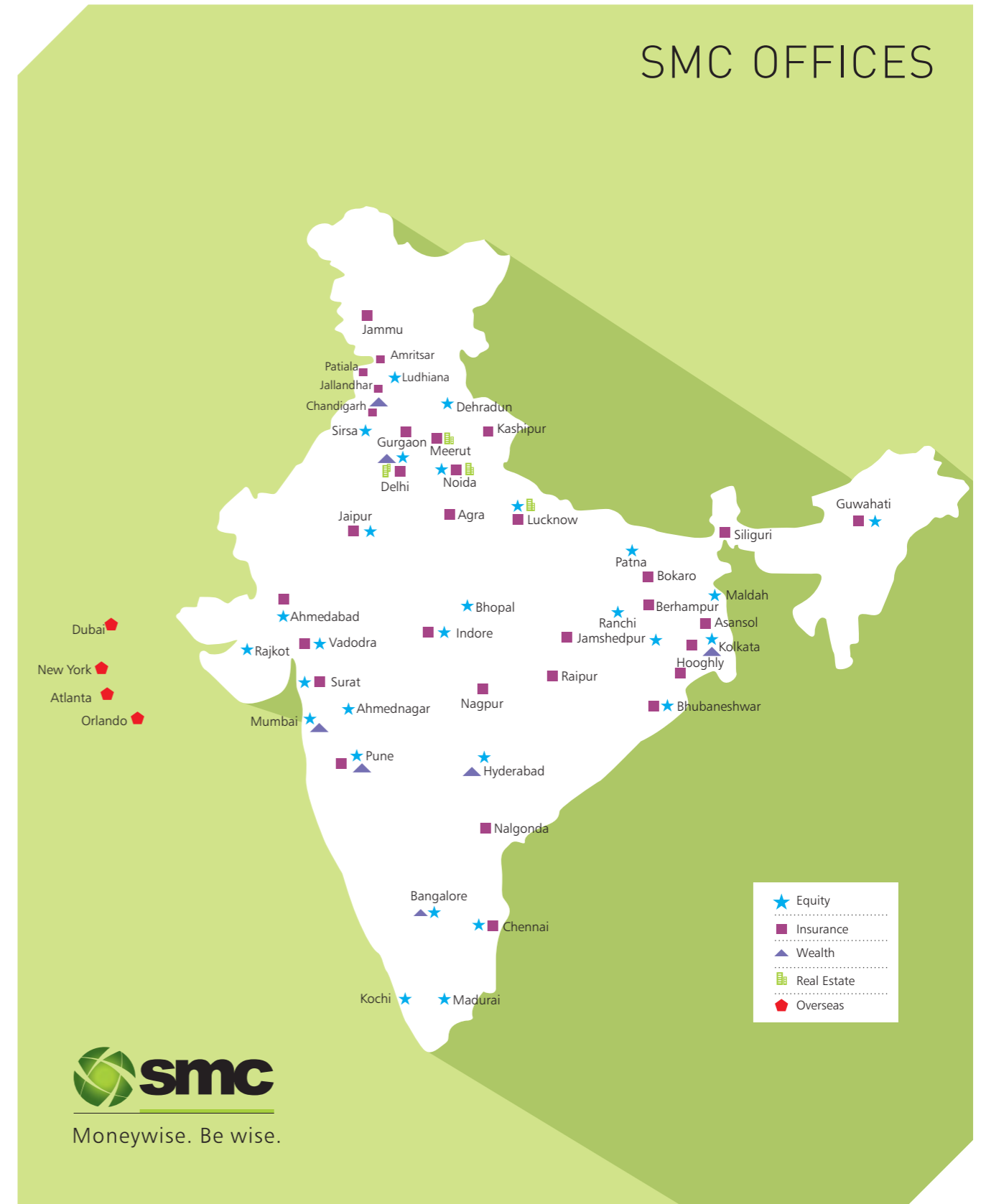
LARGE NETWORK
OF REGISTERED ASSOCIATES
AND SUB-BROKER

STRONG PRESENCE
IN INDIA & OVERSEAS IN UAE, USA



Moneywise. Be wise.

SMC IN NUMBERS



FOR ALL YOUR INVESTMENTS NEED

BROKING & CLEARING

Trading and Clearing member of Equity, Commodity & Currency segments of various exchanges



DISTRIBUTION

Distribution of IPOs & Mutual Funds, Fund Mobilization through distribution of Debt Instruments, Corporate Fixed Deposits



FINANCING & LOAN SYNDICATION

Providing loans against Securities & loan against Properties. Debt syndication and loan facilitation to Corporate, HNI & retail clients



INVESTMENT BANKING

Category 1 Merchant Banker- Private Equity, M&A, Corporate Advisory, Debt Syndication, FCCB, IPO, FPO, Rights Issue



REAL ESTATE ADVISORY

Providing Real Estate solutions to Investors, Corporates and property owners across the country



WEALTH MANAGEMENT

SEBI Registered Portfolio Manager-Providing Client Specific Portfolio & Wealth Management Services and Corporate Advisory



INSURANCE BROKING

Insurance Broking - Life & General



INSTITUTIONAL DESK

Institutional Trading and Advisory Services



NRI & FPI SERVICES

Providing Trading facilities to NRI & FPI



DEPOSITORY SERVICES

Depository Services for both Equities & Commodities

INNOVATION

BEING AHEAD
WITH RESEARCH
& TECHNOLOGY



INTEGRITY

BEING ETHICAL
BUILDS TRUST



THE CHRONICLE OF SMC

“Good things come to those who believe, better things come to those who are patient and the best things come to those who don’t give up.”

SMC Global Securities Limited is the holding company of SMC Group, a diversified financial conglomerate, focused on wealth creation through capital market activities. The Group was founded by Mr. Subhash C. Aggrawal and Mr. Mahesh C. Gupta over 26 years back, in 1990. The Group has obtained the membership of DSE in 1990 and NSE in 1995 and started its operations.

During the journey, the Group has garnered many a firsts. Over the years, SMC has consolidated its position and emerged as a strong and diversified financial services player. It has been a steady and remarkable journey leading to growth and success.

Some of the key milestones and highlights of the group are listed below.

- **1990**- SMC established in Delhi and obtained the membership of DSE.
- **1995**- Obtained the membership of NSE and commenced operations.
- **2000**- Obtained the Trading & Clearing Membership of derivatives segment of the National Stock Exchange (NSE).
- **2003**- Initiated the Service to provide trading platform in commodities segments to clients.
- **2006**- SMC started as AMFI Registered Mutual Fund advisor and with various Mutual fund Asset

Management Companies.

Initiated expansion of business in Insurance Broking Services for Life & General Insurance product.

- **2007**- Establishment of NRI trading desk and advisory services and Institutional desk for institutional trading and advisory services.
- **2008**- Ventured in new businesses- wealth management services, currency brokerage services and Non- Banking Financial Services (NBFC).
- **2010**- Established Corporate Hedging Desk.
- **2014**- Ventured in Real Estate Advisory.
- **2016**- SMC established overseas office in United States via its wholly owned subsidiary SMC Global USA Inc.

Today, a one time small seed has developed into a multi- faceted financial services Company managed by a team of more than **3,000 employees**.

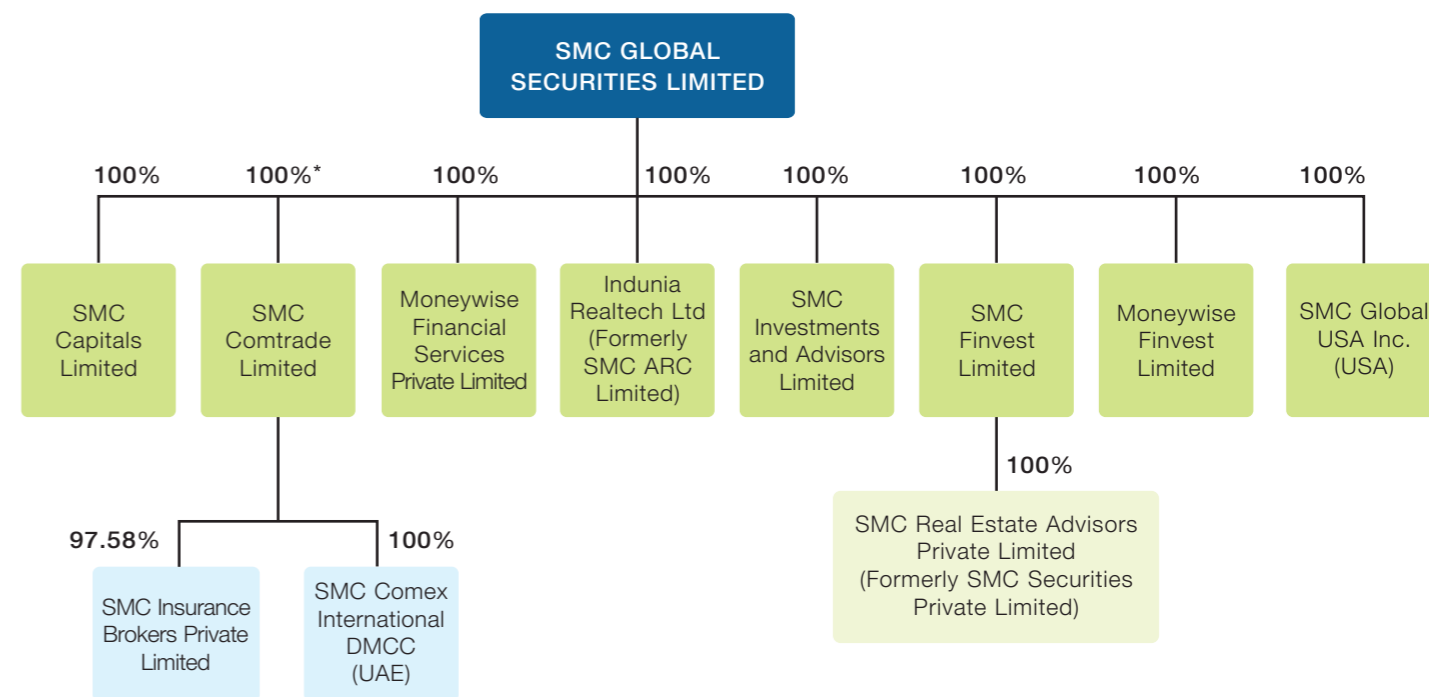
Its network of business locations coupled with people across business units and a diverse range of financial products, ably backed by solid knowledge and expertise, works synergistically to provide a whole host of products and services across brokerage in equities, derivatives, commodities and currency, investment banking, wealth management, distribution of third party financial products, research, financing, depository services, insurance broking and clearing services and real estate advisory services.

Its Subsidiaries

SMC is integrated financial services group, offering wide range of services. Our subsidiaries are rendering services in investment banking, NBFC (Non- Banking Finance Company) activities, wealth management, real estate advisory, research based advisory services, distribution of mutual funds, IPOs and insurance broking services. While each of these

business is independent in itself. The subsidiaries belief of trust being the most important factor for the organization is the common thread that unifies them all. The Group has 8 subsidiaries and 3 step down subsidiaries.

The structure of the SMC Group is framed in the diagram below:-



*SMC Global Securities Ltd. and SMC Finvest Ltd. are holding 85% and 15% equity shares respectively.

SMC, stepped further in its journey of awards & recognitions during the financial year 2015-16



Mr. D.K. Aggarwal (Chairman, SMC Real Estate Advisors Pvt. Ltd.) while receiving the award "India's Leading Infrastructure Companies InfraAwards 2015" organized by Dun Bradstreet.



Mr. Ajay Garg (Director, SMC Group) receiving the award "Entrepreneur of the Year – Innovation in Financial Services" organized by Entrepreneur India Awards 2015 at Hotel JW Marriot, Delhi.



SMC is awarded with the 3rd Thomas Assessment -DMA, National Award for Excellence in the field of Talent Management 2015 event held at Hotel Radisson, New Delhi. Ms. Reema Garg - Director - SMC Investments & Advisors Ltd. receiving the awards.



Mr. D.K. Aggarwal (Chairman, SMC Real Estate & Advisors Private Limited) and Himanshu Gupta (Director & CFO, Moneywise Financial Services Private Limited) receiving award at Housing for All -Summit cum Excellence Awards to be organised by ASSOCHAM, at Le Meridien, New Delhi.



Mr. D.K. Aggarwal (Chairman, SMC Real Estate & Advisors Private Limited) receiving award in SME Business Excellence Awards 2015 organized by Dun Bradstreet and Karur Vysya Bank.



Mr. Anurag Bansal (Director, SMC Group) during the presentation of the award "Top Banks & Banking Awards 2015, event organized by Dun Bradstreet India.

RECENT AWARDS

SL. No.	AWARD	YEAR	SOURCE
1	Best Financial Services Provider	2015,2014	Assocham Excellence Awards
2	Best Broking House for the SMEs	2015	3rd Assocham Excellence Awards
3	Best Real Estate Broker of the Year	2015	Assocham Excellence Awards
4	Make in India Award for Excellence	2015	K. Mantra IT
5	Property Consultant of the Year-Residential	2015	ABP News Real Estate Awards
6	Best Financial Services Provider	2014	Assocham Excellence Awards
7	Corporate Broker of the Year- National	2014	7th Annual & National Estate Summit & Awards 2014 organised by Franchise India & ET Now

ARCHIVAL

SL. No.	AWARD	YEAR	SOURCE
1	Best Commodity Broker of the Year	2014	Assocham Excellence Awards
2	Best Equity Broking house in Derivative Segment in India	2013, 2012	BSE IPF-D&B Equity Broking Awards
3	Fastest Growing Equity Broking House -Large Firm	2013	BSE IPF-D&B Equity Broking Awards
4	Emerging Investment Banker of the Year	2013	ASSOCHAM - SMEs Excellence Awards
5	Best Equity Broking House in India	2012 & 2010	BSE IPF - D&B Equity Broking Awards
6	Best Currency Broker in India	2012 & 2010	Bloomberg - UTV Financial Leadership Awards
7	Broking House with the Largest Distribution Network in India	2012, 2011 & 2010	BSE IPF-D&B Equity Broking Awards
8	Best Research Analyst Award in Equity Fundamentals -Infrastructure	2013	Zee Business - India's Best Market Analyst Awards
9	Best Equity Research Analyst in IPO segment and Best Commodity Research Analyst- Viewer's Choice	2012	Zee Business India's Best Market Analyst Awards
10	Award for Continuous Innovation in HR Strategy at Work	2013	World HRD Congress
11	Learning and Talent Technology Excellence Award	2012	Star News HR and Leadership Awards

PRODUCTS AND SERVICES

RETAIL BROKING

SMC is a Clearing & Trading member of the NSE, BSE and MSEI in equities, futures and options and currency derivatives segment. SMC is also a Depository Participant of NSDL and CDSL which facilitates smooth settlements of clients' delivery-based transactions. In the commodity segment, SMC Comtrade Ltd., wholly owned Subsidiary of SMC Global Securities Limited, is member of all major commodities exchanges in India. It also has international presence through its wholly owned subsidiary, SMC Comex International DMCC, which is a member of Dubai Gold and Commodity Exchange (DGCX).

During the year, SMC bagged Best Financial Service provider (Assocham Excellence Awards 2015) and Best Broking House for SMEs (Assocham Excellence Awards 2015), which vouches the quality of the company's broking and advisory services.

It is our continuous endeavor to provide the best-in-class products, services and experience to our esteemed customers. In continuation to these efforts, we have introduced our new HTML5 browser based platform 'SMC Easy Trade', a meticulously designed platform, which can be easily used on tablets & smart phones besides desktop with the inbuilt supported features of different devices.

On this platform the client can create his/her own work space where the client can have single view of streaming quotes, chart, order/trade book, Funds view etc. A favorite menu is an important feature where client can add his frequently used options so that every time he/she does not need to navigate on different menu pages.

SMC firmly believes that wider market participation will bring more strength to the market & this can be

achieved through disseminating education & information among various market participants.

INSTITUTIONAL BROKING

SMC's Institutional Desk is located in Mumbai and it offers research based services in cash and derivatives segment to Institutional clients which includes Mutual Funds, Bank Treasuries, Public & Private Insurance Companies and other Financial Institutions.

Our Institutional Desk comprises of a research team to analyze various sectors and the Indian economy to identify equity & trading ideas for Institutional clients. Our sales & trading team comprises of professionals with understanding of the International as well as the Indian Financial Markets which translates our research in to actionable advice for our clients.

INSURANCE BROKING

SMC Insurance Brokers Pvt. Ltd, a subsidiary of SMC Comtrade Ltd, is a Direct Insurance Broker registered with Insurance Regulatory and Development Authority of India (IRDAI) and provides a complete array of services in Life Insurance and General Insurance Category.

CLEARING SERVICES

SMC offers clearing and settlement services to around 200+ trading members in the following exchanges:

- Equity Derivative: NSE, BSE & MSEI.
- Currency Derivative: NSE, BSE & MSEI.
- Commodity Derivative: MCX, NCDEX, NCDEX SPOT, & DGCX.
- Debt segment: NSE, BSE & MSEI.
- SMC is one of the leading Clearing services provider in North India and growing its presence Pan-India.

FINANCIAL PRODUCTS DISTRIBUTION

SMC offers distribution services of IPO, Mutual Fund, other public issues, Corporate Fixed deposits and Bonds through its network of branches and associates across India.

INVESTMENT BANKING

SMC Capitals Limited is the investment banking arm of the SMC Group led by experienced professionals in this business. We provide services in the areas of Equity Capital Market, M&A advisory, Private Equity and Debt Syndication.

FINANCING BUSINESS

The Group's wholly owned subsidiary Moneywise Financial Services Private Limited (Moneywise) is registered with RBI as non-deposit taking Non-Banking Finance Company (NBFC). Moneywise has the benefit of Group's pan India network of branches and associates. Our financing business segment offers a variety of loan products primarily to individuals, and corporate clients, many of which are also clients of our trading and distribution and advisory services segments.

Moneywise offers capital markets loan products to clients, including traders and investors for capital market as well as other business purposes. Our loans against securities are secured against equity shares, mutual fund units, debt securities or other securities that are on our approved securities collateral list. Moneywise also offers property loans to both commercial and retail clients which are secured by the underlying property and may also be secured by other collateral of the borrower. In addition, Moneywise also provides short-term financing to subscribers in IPOs, NCDs, OFS issues, affordable housing applications, providing the clients to reap gains or build investments without stressing their short-term liquidity positions. The Company is the

market leader in the retail application financing segment having 8000+ clients attached to it.

The business model of the Company has proved efficient and successful over the period.

WEALTH MANAGEMENT

SMC Investments and Advisors Ltd. is wholly owned subsidiary of SMC Global Securities Ltd. and offers Financial Planning and Wealth Management solutions to HNI clients through a host of in-house and third party products. SMC Investments is SEBI registered Portfolio Manager and AMFI registered advisor for various Mutual Funds. The company also provides the Home, Business and other personal loan advisory since December, 2014 and currently has tied up with 25 plus major banks and NBFCs to provide the loan advisory to our clients.

REAL ESTATE ADVISORY

SMC Real Estate Advisors Pvt. Ltd. is subsidiary of SMC Finvest Ltd. one of the subsidiary company of SMC. The company is Real Estate Services provider offering fully integrated Real Estate solutions to Individuals and Corporate Investors besides other property owners and Developers on pan India basis. The company has already tied up with more than 100 developers of repute pan India with national as well as regional presence. The company has been bestowed upon the further recognition by Assocham as the Best Real Estate Broker of the Year and CMO Asia - Property Consultant of the year 2015.

The journey of growth and development will continue to reach the new height in coming years.

RELATIONSHIP

ONE
TRANSACTION,
LIFETIME
RELATIONSHIP.



TRUSTWORTHY

KEEPING
OUR PROMISE
EVERY TIME.



VALUES

SMC PEOPLE:
ARCHITECTS
OF
SUCCESS



Moneywise. Be wise.



"Our People are the Most Important Assets."

SMC believes that a motivated workforce defines the growth potential of an organization and we recognize and reward work inputs of personnel by way of promotions, bonuses/incentives, awards and by various other means. Management and senior leadership publicly laud important deal in presence of the team members to motivate them and also through

the congratulatory official emails. The HR Team also takes care of the various occasions/events by official emails to the concerned persons directly. This has resulted in creating an official atmosphere abuzz with the feeling of belongingness. Team efforts are also appreciated by outstation tours, picnics, celebration of festivals, gatherings and various activities.



SMC Trading Operations Team at Jogeshwari, Maharashtra

During the year, various departments have visited different exotic places, including Nainital, Jogeshwari and Pachmarhi. In Nainital the employees explored the mesmerizing beauty of the pristine lakes and majestic peaks surrounded by the forests and verdant landscapes. In Jogeshwari, Maharashtra, Smcians enjoyed the caves and shrine of the Hindu God Shiva.

Employees with their families enjoyed candid moments of lovely hill resort girdled by the Satpura ranges, bridge paths, forest groves of wild bamboo, jamun, dense sal forests, delicate bamboo thickets etc., and visited the various temples and caves in Pachmarhi, state of MP.



Corporate Affairs & Legal Team has visited Pachmarhi, a hill station in Madhya Pradesh and enjoyed with their families.



The Personnels from SMC Customer Care, CCG & Research had visited Nainital, a beautiful hill station in Uttarakhand and enjoyed the trip thoroughly.

Various health camps such as blood donation, Eye Care, Skin Care and Dental Care were undertaken. For increasing employee engagement, various activities were organised within the office premises like, Salad Making Competition, Bandhandwar Competition, Frolic Friday, Fete, Meditation & Yoga sessions and many more from time to time. We ensure at SMC every festival and occasion is celebrated with zeal and passion such as Fashion show for employee's children steered on Children's Day, Fete on Holi, Rangoli Competition on Diwali, Christmas Day



Blood Donation Camp organized by SMC, New Delhi



Lenskart Camp organized by SMC, New Delhi



Celebrating Holi fete at SMC



Christmas Celebration at SMC

Celebration, New Year Celebration, Republic Day & Independence Day celebration. To boost morale of the women employees and promote them, Women's day are being celebrated where women shared their experiences and interacted with each other over the cup of tea and are also being rewarded.

SMC always give recognition to their employees and feels that it is the most important methods for improving morale, retaining good employees and encouraging performance.



Founder's Day Celebration with SMCians.



SMC had organized fashion show for their employee's kids on Children's Day

Apart from this, SMC not only encourages employee participation but also of their families. We had organized fashion show for the kids of employees on children's day.

SMC always gives priority to its employees. SMC believes, the employees participation is necessary for enthusiasm, dedication and motivation and this is the reason that this time SMC has celebrated Founder's day

PASSION

HELPING PEOPLE
ACHIEVE FINANCIAL
GOALS



MAJOR AWARDS

ACHIEVED OVER THE YEARS



EMPOWERING INVESTORS WITH KNOWLEDGE

“Awareness empowers investors, allowing them to be judicious while handling their money. The need of the hour is for stakeholders to come together to propagate financial education.”

Financial literacy and awareness is on everyone's lips. The most important contribution of financial services businesses like banks, broking, investments and insurance, in the lives of their investors is not return, risk or funding of financial goals, but is to create the awareness and educate them about fund creation and management thereof. It is customer empowerment that

leads to better financial lives. The Indian broking industry has grown significantly over the last decade in terms of both size and scope. Indian capital markets have emerged as the top preference for investments among global institutional investors in the Asia Pacific region. Since the small time investor may be new to the market, the knowledge accumulated by the broker as per his experience can be hugely beneficial to the small investor who may be a first timer and a new entrant to the stock market.



SMC has participated in Investor Education Camps organised by Zee Business.

A stable government at the Centre, new ventures coming up governments make in India initiative, Digital India , skill India, infrastructure development, enhanced FDI in the various sectors and other reasons have added advantages to be witnessed in the stock market in the near future.

Many small time investors are waiting to enter the stock market and test the waters. Since most of them will be first time investors, they will require knowledge about the market and also the details of the companies which can be provided by the brokers, for a fee and if the small investor is given good advice then he/she may introduce many more clients to the broker who in turn may invest more, thereby making the situation a win- win one for the investor and also the broker.



SMC has participated in Investor Education Camps

Bombay Stock Exchange is one of the oldest stock exchange in Asia. In India, broking firms primarily work as agents for buying and selling of stocks and other financial instruments and take commission for each transaction done by them. Right now, Indian brokerage market is going through consolidation phase. Indian stock market currently having 25,356,802 investor's accounts as per data as on March 31, 2016 (NSDL + CSDL).



SMC has organized an Investor Awareness Seminar in association with National Securities Depository Limited NSDL in Gwalior.



SMC has organized an Investor Awareness Seminar in association with Deutsche Asset Management at India Habitat Centre, Lodhi Road, New Delhi

Investor protection is one of the most important fundamentals of a thriving securities market therefore financial investment institutions focus on making sure that investors are fully informed about their

transactions. SEBI had issued guidelines for the protection of the investors through the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000.



Investor Awareness Program at West Bengal

Increasing retail participation is a must for the proper functioning of both the debt and equity markets in the country. While the regulators and the Government have taken a series of steps to increase investor awareness and also safeguard the interests of investors, retail participation in the markets still remains muted. In this context, rating agencies, by providing independent, credible and unbiased opinions on companies issuing debt securities or raising money through IPOs, have an important role to play in assisting investors gauge credit risks and the fundamentals of issue.



Investor Awareness Program at Vadodara

SMC offers services, such as, stock broking, commodity broking and currency broking, investment banking, wealth management, distribution of third party financial products, research, financing, depository services, insurance broking, clearing services and real estate advisory services to corporate, institutional, high net worth individuals and other retail clients. SMC is a leading online stock broker and has a tie-up with Punjab National Bank for providing share trading facility to its clients.



Mr. Ajay Garg (Director, SMC Group) addressing the audience during the "Investor Awareness Programme" organized by SMC at Mumbai



Investor Awareness Programme at Surat (Gujarat)

Investor awareness conferences conducted by SMC is a places for new investors to understand the market and to learn about new asset classes with latest information available in market, where you could find retail equity investors. Retail investors of different investing acumen attend such investor awareness conventions.

SMC's investors' awareness and protection programs aim at promoting financial education among investors to reach their personal financial goals and shift from reactive to proactive decision-making and work towards fulfilling these goals. Under this initiative, several special types of financial awareness programs are organized from time to time, which aim to educate market participants about the investment opportunities available in the equity market.

So far, we have organized several seminars and have successfully emerged as one of the leading equity broking houses for the investment community.



FINANCIAL HEALTH CHECK-UP TOOL FOR YOUR EQUITY HOLDINGS.

DETAILED PORTFOLIO ANALYSIS

CUSTOMISED MODEL PORTFOLIO

LATEST NEWS AND UPDATES



Moneywise. Be wise.

EVENTS, CONFERENCES AND SEMINARS



Mr. S.C. Aggarwal (CMD, SMC Group) with Maneka Sanjay Gandhi (Indian Union Cabinet Minister for Women & Child Development) during the Inauguration of "Conference on Women at Workplace" at New Delhi.



SMC has participated in ASSOCHAM organized Business Meeting with H.E. Dr. Abdullah (Hon'ble Chief Executive of The Islamic Republic of Afghanistan) and the accompanying delegation at New Delhi.



SMC has participated in Road Safety Conference organized by ASSOCHAM in New Delhi.



Mr. Ajay Garg, (Director,SMC Group) addressing the distinguished gathering at 3rd Banker's Meet conference for Bankers' organized by TKWS New Delhi.



Mr. S.C. Aggarwal (CMD, SMC Group) in a business meeting organized by CII, FICCI ASSOCHAM with the Hon'ble President of the Republic of Seychelles, Mr. James Alix Michel in New Delhi.



Mr. S.C. Aggarwal (CMD, SMC Group) sharing his thoughts in a Conference on Water, Sanitation and Hygiene WASH for ALL organized by ASSOCHAM at Hotel Shangri-La, New Delhi.



Mr. S.C. Aggarwal (CMD, SMC Group) with other dignitaries during "India Africa Dialogue" event organized by Assocham at Assocham House, New Delhi.



Mr. Ajay Garg (Director, SMC Group) has participated in National Conference on making NBFCs relevant for 'Make in India' and Starbucks.



Mr. S.C. Aggarwal (CMD, SMC Group) with other dignitaries in "National Conference on Provident Fund in Equity Market" organized by ASSOCHAM at Four Seasons Hotel, Mumbai.



SMC has participated in ASSOCHAM'S 95th ANNUAL FUNCTION 2015 in the programme titled as "Believe in India Restoring Confidence and Conviction in India's Economy". Shri Suresh Prabhu, Hon'ble Union Minister of Railways, Shri Amitabh Kant, Secretary, Department of Industrial Policy Promotions, Shri Piyush Goyal, Hon'ble Minister of State for Power, Coal and New Renewable Energy and Shri Arun Jaitley, Hon'ble Union Minister of Finance was part of the function.



ONE
TRANSACTION.
LIFETIME
RELATIONSHIP.



Moneywise. Be wise.



Left to Right: **Mr. Vinod Kumar Jamar** (CFO, SMC Global Securities Ltd.), **Mr. Himanshu Gupta** (Director & CFO, Moneywise Financial Services Pvt. Ltd.), **Mr. Rajendra Prasad Mahipal** (Independent & Non-Exe. Director, SMC Insurance Brokers Pvt. Ltd.), **Mr. Kundan Mal Agarwal** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. G. S. Sundararajan** (Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Hari Das Khunteta** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Narain Dass Gupta** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Chandra Wadhwa** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Mahesh C. Gupta** (Vice Chairman & MD, SMC Group), **Ms. Akanksha Gupta** (Whole-Time Director, SMC Insurance Brokers Pvt. Ltd.), **Mr. Sunil Kumar Agarwal** (Statutory Auditor, **R. Gopal & Associates**, Chartered Accountants- SMC Global Securities Ltd.), **Mr. Subhash C. Aggarwal** (Chariman & MD, SMC Group), **Mr. D. K. Aggarwal** (MD, SMC Investment & Advisors Ltd.), **Mr. JHP Van Der Merwe** (Non-Exe. Director, (SMC Global Securities Ltd.)

Mr. Satish Chandra Gupta (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Anurag Bansal** (WTD, SMC Global Securities Ltd.), **Mr. Pradeep Aggarwal** (WTD, SMC Global Securities Ltd.), **Ms. Reema Garg** (Director, SMC Investment & Advisors Ltd.), **Mr. Pravin Kumar Agarwal** (WTD, SMC Insurance Brokers Pvt. Ltd.), **Dr. Madhu Vij** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Roop Chand Jindal** (Independent & Non-Exe. Director, SMC Global Securities Ltd.) **Mr. Ajay Garg** (WTD, SMC Global Securities Ltd.), **Mr. Suman Kumar** (EVP Corporate Affairs & Company Secretary, SMC Global Securities Ltd.), **Mr. Ravi Aggarwal** (Director, SMC Insurance Brokers Pvt. Ltd.), **Mr. Lalit Kumar Aggarwal** (WTD, SMC Real Estate Advisors Pvt. Ltd.)



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DIRECTORS OF SMC GROUP



Mr. Subhash C. Aggarwal
Chairman & Managing Director
SMC Group

Mr. Subhash C. Aggarwal has served as Chairman and Managing Director of the Company since January 30, 1995. He is one of the Co-founders of SMC Group and has diverse experience in the financial services industry in India and has been instrumental in building SMC into one of the leading financial conglomerate. His vision, skills and outstanding commitment has made the Company, best equity brokerage and one of the largest distribution houses of India. He has over 27 years of experience in securities market and financial services and has been the key architect of its growth. He is fellow member of the Institute of Chartered Accountants of India (ICAI).

Mr. Aggarwal is the Chairman of EU Business Promotion Council and National Council on Micro Finance of ASSOCHAM (The Associated Chambers of Commerce and Industry), Co-Chairman of the National Council of Capital Markets and a senior member of the management committee of ASSOCHAM. He has also acted as a member of the expert group on behalf of ASSOCHAM working group constituted by the Ministry of Corporate Affairs and the Cost Accounting Standards Board (CASB).



Mr. Mahesh C. Gupta
Vice-Chairman & Managing Director
SMC Group

Mr. Mahesh C. Gupta is the Vice-Chairman & Managing Director of the Company. Mr. Gupta is a fellow member of ICAI (The Institute of Chartered Accountants of India) and holds bachelor's degree in Commerce from the University of Delhi. He is a co-founder and promoter of SMC Group, with his vast experience assures flawless operation of the group. Being in the securities market business for more than 27 years, he has seen all the phases of stock market and handled all the matters efficiently. His exceptional leadership skills and outstanding commitment has made this group one of the leading brokerage and distribution house of the country. He looks after the policy, vision and major part of the operational activities of the group.



Mr. D. K. Aggarwal
CMD-SMC Capitals Ltd. and
SMC Investments & Advisors Ltd.
Director - SMC Real Estate Advisors Private Limited

Mr. D. K. Aggarwal is one of the promoters of SMC Group. He has been designated as the Chairman of SMC Comtrade Limited, SMC Real Estate Advisors Private Limited and Chairman & Managing Director of SMC Investments & Advisors Limited and SMC Capitals Limited, wholly owned subsidiary Companies. He has a rich experience of more than 24 Years in Equity, Commodity Broking and Arbitrage. He is a fellow member of Institute of Chartered Accountants of India. He is acting as director of PHD Chamber of Commerce and Industry a proactive and dynamic multi-State apex organization engaged in the promotion of industry, trade and entrepreneurship.

Mr. Aggarwal has been a recipient of following prestigious awards and have been recognized for outstanding achievement in his field: Outstanding National Citizens award by National Citizen Guild, New Delhi, Rashtriya Udhayog Ratna Award by All India Achievers Conference, New Delhi, IPE-BFSI Leader award by Asian Confederation of Businesses for setting an example of a Role Model and Exemplary Leader.



Mr. Pradeep Aggarwal
Whole-Time Director -
SMC Global Securities Limited
Managing Director - SMC Comtrade Ltd.

Mr. Pradeep Aggarwal is Whole Time Director of the Company. He has been designated as the Managing Director of SMC Comtrade Limited, and Director in SMC Real Estate Advisors Private Limited, (Subsidiary Companies). He graduated from the University of Delhi with a Bachelor of Arts. With experience of over 20 years in equity & commodity market, Mr. Aggarwal brings motivation and new professional approach. His in-depth knowledge and acumen laid to diversify the group business from stock broking and arbitrage to commodity broking.



Mr. Ajay Garg
Whole-Time Director

Mr. Ajay Garg is Whole Time Director of the Company. He is the fellow member of the Institute of Chartered Accountants of India (ICAI) and have wide and rich experience of more than 19 years in securities and commodities market. His key roles & responsibilities include business development, technological up-gradation & development and administration of day to day activities at SMC Group. He monitors the trading operation, surveillance and the risk related thereto. He played vital role in the development of SMC's state-of-art web portal & internet based trading platform. He takes care of the brand building and marketing activities of the entire group. Mr. Garg has been awarded with 'Entrepreneur of the year' during 4th Entrepreneur India Awards, 2014 organized by Franchise India.

Mr. Garg has also been recognized for his exemplary leadership and contribution to the industry with Entrepreneur of the Year - Innovation in Financial Services award during Entrepreneur India Awards, 2015 organized by Franchise India.



Mr. Anurag Bansal
Whole-Time Director

Mr. Anurag Bansal is a Whole Time Director of the Company. He has also been designated as the director and CFO of SMC Capitals Limited. He is the member of the Institute of Chartered Accountants of India and the Institute of Cost Accountants of India. He has extensive experience of over 19 years in Capital Markets. His role and responsibilities include management and supervision of business development through branches spread all over the country, Investment Banking business, Institutional Equities business and distribution business apart from legal and other strategic functions of the organization.

DIRECTORS OF SMC GROUP



Mr. N. D. Gupta
Independent & Non-Executive Director

Mr. N. D. Gupta is Independent and Non-Executive Director of the Company. He is the senior partner of Dass Gupta & Associates, Chartered Accountants having experience in Consultancy & Taxation over the last 46 years. He was past president of the Institute Chartered Accountant of India in 2001-02. He was also the member of Board of International Federation of Accountants, New York (2001-2004) & member of International Accounting Standard Committee, London in 2000-2001. He is appointed as trustee of the National Pension System (NPS).



Mr. Satish Chandra Gupta
Independent & Non-Executive Director

Mr. Satish Chandra Gupta is Independent and Non-Executive Director of the Company. He is Commerce Graduate from Agra University and has done Master of Commerce from Meerut University. Mr. Gupta is a certified associate of Indian Institute of Bankers. He was the Chairman & Managing Director of Punjab National Bank and Indian Overseas Bank. He has over 45 years of experience in banking.



Mr. K. M. Agarwal
Independent & Non-Executive Director

Mr. Kundan Mal Agarwal is Independent and Non-Executive Director of the Company. He is a fellow member of the Institute of Chartered Accountants of India and has over 41 years of experience in taxation and corporate matters, including over 24 years experience in securities market.



Mr. R. C. Jindal
Independent & Non-Executive Director

Mr. Roop Chand Jindal is Independent and Non-Executive Director of the Company. He is a fellow member of the Institute of Chartered Accountants of India and has over 41 years of experience in auditing. He is also a partner at Bubber Jindal & Co. Chartered Accountants.



Mr. H. D. Khunteta
Independent & Non-Executive Director

Mr. Hari Das Khunteta is Independent and Non-Executive Director of the Company. He is a fellow member of the Institute of Chartered Accountants of India. He has about 40 years of professional experience in the area of financial management including resource mobilization from domestic and international markets, investor servicing and corporate governance. He has been the Director (Finance) of REC Ltd. from May 2004 to July 2012 and also served as CMD from April 2011 to November 2011. He has also served as Executive Director of Finance and Accounts at NHPC.



Mr. Chandra Wadhwa
Independent & Non-Executive Director

Mr. Chandra Wadhwa is Independent and Non-Executive Director of the Company. He is a fellow member of the Institute of Cost Accountants of India and the Institute of Company Secretaries of India and holds degree of Bachelor of Laws and Master of Commerce from Delhi University. He was also President of Institute of Cost Accountants of India. He has over 34 years of experience in financial, cost and management accounting including cost and management audits. Recently, he is elected as a Government Nominee as Central Council Member of the Institute of Chartered Accountants of India.



Dr. Madhu Vij
Independent & Non-Executive Director

Dr. Madhu Vij is Independent and Non-Executive Director of the Company. She is a Professor at the Faculty of Management Studies (FMS), University of Delhi. She holds a doctorate degree and a Master degree in Commerce. She has also participated and attended various National and International Conferences including Global Colloquium of 'Participant Centered Learning' at Harvard Business School, Boston, USA, from 26th July to 5th August 2009 apart from other conferences. She had been granted with various honors and awards at national and international level. She is an the author of a number of books. She has more than three decades of experience in teaching and she is actively involved in teaching, research consultancy and training for several journals and was a Member of Task Force, Department of Public Enterprises, 2006, Ministry of Heavy Industries and Public Enterprises, Government of India.



Mr. Finney Cherian
Non-Executive Director

Mr. Finney Cherian is Non-Executive Director of the Company. He holds a Bachelor of Arts degree in Accounting Information Systems from Queens College, New York and Masters in Business Administration in International Finance from St. John's University, New York. He has over 21 years of experience in business restructuring and evaluating undervalued assets.

DIRECTORS OF SMC GROUP



Mr. G.S. Sundararajan
Proposed Non-Executive
Director

Mr. G.S. Sundararajan holds a Bachelor of Engineering degree from Coimbatore and post Graduate Diploma in Management from the Indian Institute of Management (IIM), Ahmedabad. He is the Group Director of Shriram Group. He has rich experience in financial services industry. He was the CEO & Managing Director of Fullerton India Credit Company Ltd., a registered Non Banking Finance Company. He was also the Managing Director of Fullerton Enterprises Private Limited., a KPO, which had formed a strategic alliance with the Centurion Bank of Punjab to jointly drive the SME business. He has been nominated by the Boards of two Financial Services investments of Temasek in China, one in Nanjing for the SME Business and the other in Chengdu in their Village Bank franchise.



Mr. R.P. Mahipal
Independent & Non-Executive
Director-SMC Finvest Ltd.,
SMC Insurance Brokers Pvt. Ltd.
SMC Real Estate Advisors Pvt. Ltd.

Mr. R.P. Mahipal holds M.Com degree from Rajasthan University and is also a member of the Institute of Chartered Accountants of India. He is the promoter and director of Pink city Electronics Pvt. Ltd. and has over 40 years of experience in import, export, finance, administration and capital market.



Mr. Himanshu Gupta
Director & CFO-
Moneywise Financial Services Pvt. Ltd.
Director-SMC Comtrade Ltd.
& Indunia Realtech Ltd.

Mr. Himanshu Gupta is a member of the Institute of Chartered Accountants of India and also a graduate in B.Com (Hons.) from Delhi University. Mr. Gupta has young, dynamic and versatile personality and he plays a key and active role in core strategic business decisions of SMC Group. He began his career with SMC in 2011 as Senior Vice-President (Operations) and he administers overall operations of the Company including finance, accounts & taxation, risk management, surveillance and other back office operations. He leads the expansion of the group's financing business (through its NBFC arm, Moneywise Financial Services Pvt. Ltd.) and development of Bullion and Fixed Income Securities business.



Ms. Reema Garg
Director, SMC Investments &
Advisors Ltd.)
Chief Human Resource Officer
(CHRO)- SMC Global Securities Ltd.

Mrs. Reema Garg holds B.Sc. (Computer Science) from Delhi University and Masters in Computer Applications (MCA). She possesses excellent communication and inter-personal skills and plays key and active role in strategic planning & brand building for the organization. She is self motivated woman having a professional approach emphasizing on the core values of the organization. She innovates, develops and effectively implements new ideas for the growth and progress of the human resources, customer care and quality management functions of the organization.



Ms. Akanksha Gupta
Whole Time Director-
SMC Insurance Brokers Pvt. Ltd.

Ms. Akanksha Gupta is a member of the Institute of Chartered Accountants India (ICAI) and also a member of Institute of Chartered Financial Analyst (CFA). She is full of creativity, innovation and enjoys accepting challenges. She is self motivated woman helping innovation, developing and effectively implementing new ideas for the growth and progress of the organization.



Mr. Lalit Aggarwal
Whole Time Director-
SMC Real Estate Advisors Pvt. Ltd.,
Director-Moneywise Finvest Limited.

Mr. Lalit Kumar Aggarwal has wide working experience of more than 21 years in the field of securities and commodities market. He is actively involved in the development and functioning of SMC's arbitrage business. Mr. Aggarwal is a person with unmatched sharp calculative skills and analytical bent of mind. He is a spiritually enlightened personality and shares his spiritual wisdom in handling business matters and relationships.



Mr. Pravin Kr. Agarwal
Whole-Time Director-
SMC Insurance Brokers Pvt. Ltd.

Mr. Pravin Kumar Agarwal is Whole-time director of SMC Insurance Brokers Private Limited and is actively involved in the development of insurance broking business. He has more than a decade of work experience in insurance and responsible for implementation of radical concepts for the overall development and diversification of Insurance Broking.

MANAGEMENT TEAM OF SMC GROUP



Mr. V. K. Jamar
(Group CFO)

Mr. Vinod Kumar Jamar is Chief Financial Officer (CFO) of the Company. He is a member of Institute of Chartered Accountants of India and has over 32 years of experience in Taxation, Finance, Accounts, Strategic Planning, Auditing, and Fund Management. Prior to joining our organization he was leading Bajaj Alliance General Insurance Company Ltd. in Pune as Head Taxation and Chief Risk Officer. Due to his specialized knowledge and unmatched skills, he handles all the task and assigned projects with great efficiency and effectiveness.



Mr. Suman Kumar
[E.V.P. (Corporate Affairs & Legal) & Company Secretary] and Compliance Officer

Mr. Suman Kumar is a fellow member of the Institute of Company Secretaries of India and also holds Bachelor Degree of Law from University of Delhi. He has rich experience of more than 15 years in corporate and legal affairs. He is currently acting as Executive Vice President (Corporate Affairs & Legal) & Company Secretary. Prior to joining this Company, he was associated with Elite Stock Management Limited as Company Secretary. He looks after the corporate and legal affairs of SMC Group.



Mr. Mohit Shyngle
(Senior Vice-President)

Mr. Mohit Shyngle is commerce graduate from University of Delhi and currently acting as Senior Vice President (Country Head). He looks after sub-broker network and business development. He has rich exposure of around 27 years in the field of Trading operations, Risk Management and Marketing of Financial services. Mr. Shyngle is a staunch supporter of providing quality services to the customers and always remains in search of ways of minimizing customer grievances. He is an incubator behind building many teams and providing them with the unbeatable strategies.



Mr. M. K. Gupta
(Senior Vice-President)

Mr. Mahesh Kumar Gupta holds B.Com degree from Maharshi Dayanand University, Rohtak and also has a M.B.A. (Finance & Marketing) from Sikkim Manipal University. He has over 27 years of experience in distribution of financial products. He is currently acting as Senior Vice President and looks after marketing of financial products through our distribution network. Prior to joining our Company he has worked with Edelweiss Financial Services Limited as Vice President (Syndication and retail distribution).



Mr. Ashok Kumar Aggarwal
(Senior Vice-President)

Mr. Ashok Kumar Aggarwal is a fellow member of the Institute of Chartered Accountants of India. He has 36 years of rich experience in the field of audit, taxation and corporate matters. He is currently acting as Compliance Officer of the company. He looks after Tax matters, SEBI & Exchanges compliance and depository participant operations. Prior to joining our Company, he was practicing as a Chartered



Mr. S. S. Bansal
(CFO-SMC Investments & Advisors Ltd.)

Mr. S.S. Bansal is a fellow member of the Institute of Chartered Accountants of India and holds a degree of law. He brings with him over 27 years of experience in the investment management and financial advisory, accounting, auditing and taxation. He joined SMC Investments and Advisors Limited, our subsidiary Company since the date of its incorporation. In his current role, Mr. S. S. Bansal is the Chief Financial Officer and Principal Officer of the Company responsible for investment management and the Company's finance and profitability in the business.



Mr. V. N. Bansal
(CFO-SMC Comtrade Ltd.)

Mr. Vishwanath Bansal is currently associated with us as CFO of SMC Comtrade Ltd. He is a member of Institute of Chartered Accountant of India and is a graduate in Commerce. He has wide and rich experience of more than 9 years. Before joining SMC, he was associated with Reliance Industries Ltd. Mumbai (RIL). He has proven himself as man of dedication & devotion.

MANAGEMENT TEAM OF SMC GROUP



Ms. Nidhi Bansal
(Vice-President)

Ms. Nidhi Bansal is a post graduate in commerce and a fellow member of Institute of Chartered Accountants of India. She has over one decade of experience in the banking sector and securities market. Currently, she is working as Vice President (Business Development) at our Mumbai office. She has got strong analytical and strategic skills and is always prompt in implementation of various policies. Along with business development, she also takes care of operations and HR of western region.



Mr. Om Prakash Aggarwal
Head - Debt
(SMC Capitals Ltd.)

Mr. Om Prakash Aggarwal has working experience of more than 3 decades in various organizations. He has a successful track record in restructuring of debts with banks and financial institutions, debt syndication, corporate advisory, M&A and buyout advisory



Ms. Sonal Shah
Head - M&A
(SMC Capitals Ltd.)

Ms. Sonal Shah looks after Merger & Acquisition / Joint Venture advisory and private equity syndication. She is an Economics graduate from University of Delhi and holds a PGDM from IIM Kolkata. She has in-depth knowledge in M&A advisory, private equity Syndication and capital markets. Due to past experience and vast knowledge about the capital market she plays a pivotal role behind the successful takeovers and mergers taken by the investment banking wing.



Delhi Head Office Team - From Left to Right - sitting order: M.K. Gupta, Ashok Aggarwal, Mahesh C. Gupta, S.C. Aggarwal, Vinod Jamar, Suman Kumar, **Standing Order Left to Right:** Mukesh Budhiraja, Hitesh Gupta, Arun Mehta, Rajesh Sharma, Vineet Goyal, Sangratan, Basant Sahu, Nishant Swaroop Sharma, Vinod Chauhan, Budhilal, Kuldeep Singh, Sanjay Gupta, Ankush Goyal, A. P. Agrawal, Jai Gopal, Naresh Gogia, Anil Khanna, Pawan Panwar, Vikas Ranjan, Rahul Kaushik Raj, Nitin Murarka & Vinay Tripathi.



SMC Insurance Team - from Left to Right : Mr. Gagan Tondon (Senior Vice-President-General Insurance) Mr. Dheeraj Bhalla (Head Life), Ms. Divya Narang (Head Operation), Mr. Vikramjeet Singh (Vice-President- General Insurance) Mr. Pravin Kumar Agarwal (Whole Time Director), Ms. Sakshi Mehta (CFO), Mr. Vimal Goyal (Head Corporate), Ms. Akanksha Gupta (Whole Time Director), Mr. Pushkar Amar (Senior Vice-President - Head { E-Commerce & Technology})



Mumbai (Vile Parle) Office Team Names Left to Right: Mr. Anurag Bansal Whole Time Director, SMC Global Securities Ltd., Mr. Om Prakash Agrawal, Head - Investment Banking, Ms. Sonal Shah - Head M&A SMC Capitals Ltd. and Mr. Vipul Sharma- Asst. Vice President- Institutional Sales, SMC Global Securities Ltd.,



Kolkata Team - Group Photo of Key Personnel with Mr. Narendra Balasia - Operation Head and Pulin Behari Das- Vice President (B. D. Sub Broker)



Mumbai (Malad) Office Team From Left to Right: Mr. Uday Powale - Regional Manager - Western Region, Ms. Kuntal Vijayendra Bhat - AVP - Business Development Sub Broker, Ms. Nidhi Bansal - Vice President - Business Development, Ms. Tushita Bhutani General Manager - Arbitrage, & Operations, Mr. Mamraj Yogi Vice President - Risk Management



SMC Investments & Advisors Team - From Left to Right: Mr. Vipin Chaudhary, (Head Sales-SMC Real Estate Advisors Pvt. Ltd.), Mr. D.K. Aggarwal (CMD), Mr. S.S Bansal (CFO) and Mr. Ashwani Mehta (Head Sales - SMC Investments & Advisors Ltd.



DIVERSIFY YOUR PORTFOLIO WITH COMMODITIES

LONGEST TRADING TIME

PAN INDIA PRESENCE

OFFLINE & ONLINE TRADING FACILITIES

STRONG DELIVERY HANDLING TEAM

DEDICATED RESEARCH TEAM



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WE HAVE GOT YOU COVERED

LIFE INSURANCE

CAR INSURANCE

HEALTH INSURANCE

CHILD INSURANCE

TRAVEL INSURANCE

HOME INSURANCE

OTHER INSURANCE



IRDA REGISTERED INSURANCE BROKER

DIRECTOR'S REPORT

Dear Shareholders,

Your Board of Directors feels privileged to present the 22nd Annual Report of the Company together with the Audited Financial Statements for the financial year ended on 31st March, 2016.

1. FINANCIAL PERFORMANCE

The salient features of the Company's Standalone and Consolidated Financial Results for the year under review are as follows:

PARTICULARS	Standalone (₹ In lacs)		Consolidated (₹ in lacs)	
	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2016	Year ended 31.03.2015
Revenue from operations	22,430.45	23,637.86	39,068.33	37,252.63
Other Income	469.64	512.80	681.98	581.07
Total Revenue	22,900.10	24,150.66	39,750.31	37,833.70
Stock Exchange & other operating expenses	9,711.45	10,004.30	12,443.61	1,2152.07
Employee Benefit expense	4,561.11	3,698.01	11,553.38	9,363.65
Finance Cost	1,401.83	1,181.75	1,755.62	1,296.39
Depreciation and amortization expense	367.23	577.61	681.90	1,092.11
Other Expense	5,488.20	5,406.54	8,374.21	7,667.41
Total Expense	21,529.82	20,868.21	34,808.72	31,571.63
Profit before Tax (PBT)	1,370.28	3,282.45	4,941.59	6,262.07
Tax Expenses -				
Current Tax	863.48	1,429.44	1,854.51	2,311.55
Deferred Tax	(352.21)	(284.64)	(47.47)	(24.90)
Prior Year Tax	(0.58)	(16.40)	(21.09)	(14.16)
Wealth Tax	-	0.60	-	1.11
MAT credit Entitlement	-	-	(308.58)	(226.82)
Net Profit after tax & before adjustments for minority interest (PAT)	859.59	2,153.44	3,464.23	4,215.30
Earning per Equity Share of ₹ 2 each Basic & Diluted	0.76	1.90	3.05	3.71



Board Meeting of SMC Global Securities Limited dated May 18, 2016 at Roshanara Hall - Taj Palace Hotel, New Delhi

2.DETAILED REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES

(Amount in ₹)

Name of Subsidiaries Company	Total Revenue			Total Expense			PBT			TAX			PAT		
	2015-16	2014-15	% Change	2015-16	2014-15	% Change	2015-16	2014-15	% Change	2015-16	2014-15	% Change	2015-16	2014-15	% Change
SMC Capitals Limited	119,011,378	588,492,90	102.23%	52,447,035	40,379,201	29.89%	66,564,343	18,470,089	260.39%	20,373,140	5,707,256	256.97%	46,191,203	12,762,833	261.92%
SMC Comtrade Limited	419,824,497	547,756,316	(23.36%)	468,225,040	464,030,649	0.90%	(48,400,543)	83,725,667	(157.81%)	(14,408,060)	27,838,919	(151.76%)	(33,992,483)	55,886,748	(160.82%)
Indunia Realtech Limited	2,172,459	8,342,353	(73.96%)	3,043,737	848,105	258.89%	(871,278)	7,494,248	(111.63%)	(696,003)	327,976	(312.21%)	(175,275)	7,166,272	(102.45%)
SMC Real Estate Advisors Private Limited	215,758,354	92,076,755	134.32%	212,719,659	95,060,636	123.77%	3,038,695	(2,983,881)	203.84%	879,866	(901,769)	197.57%	2,158,829	(2,082,112)	203.68%
Moneywise Finvest Limited	1,625,324	3,719,688	(56.30%)	131,078	233,533	(43.87%)	1,494,246	3,486,155	(57.14%)	201,339	662,082	(69.59%)	1,292,907	2,824,073	(54.22%)
SMC Finvest Limited	12,479,805	12,031,993	3.72%	3,408,655	6,086,340	(43.99%)	9,071,150	5,945,653	52.57%	2,829,415	1,900,296	48.89%	6,241,735	4,045,357	54.29%
SMC Investments & Advisors Limited	189,887,502	143,324,053	32.49%	185,919,600	126,284,241	47.22%	3,967,903	17,039,812	(76.71%)	-	-	-	3,967,903	17,039,812	(76.71%)
SMC Insurance Brokers Private Limited	424,930,829	364,564,426	16.6%	331,005,486	271,970,252	21.71%	93,925,343	92,594,173	1.44%	29,198,268	30,112,956	(3.04%)	64,727,075	62,481,217	3.59%
Moneywise Financial Services Private Limited	270,164,020	137,003,214	97.20%	96,526,886	61,065,823	58.07%	173,637,134	75,937,390	128.66%	58,289,549	26,128,568	123.09%	115,347,585	49,808,822	131.58%
SMC Comex International DMCC	162,503,586	77,583,770	109.46%	97,735,869	81,370,722	20.11%	64,767,717	(3,786,952)	1810.29%	-	-	-	64,767,717	(3,786,952)	1810.29%
SMC Global USA Inc	-	-	-	8,417,645	-	-	(8,417,645)	-	-	-	-	-	(8,417,645)	-	-

The amount shown in bracket () in the above table are negative or decrease in value.

3. INFORMATION ON STATUS OF AFFAIRS OF THE COMPANY

The total standalone income of the Company for the financial year ended on March 31, 2016 is ₹22,900.10 lacs which is lowered by 5.18% as compared to previous year which was ₹ 24,150.66 lacs. This was largely on account of decrease in income from Brokerage & Capital Market operations and Income from depository business but slightly offset by increase in Income from Distribution of Financial Products & other Operating Income. Profit after tax for the year was at ₹ 859.59 lacs, which is lowered by 60.08% over ₹ 2,153.44 lacs in the previous year due to lower revenue and higher expenses.

4. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the financial year 2015-16.

5. DIVIDEND

The Board of Directors has recommended a final dividend of 18% on the Face Value of the Equity Share (i.e. ₹ 0.36 per Equity Shares of Face Value of ₹ 2/- each) to be appropriated from the profits of the financial year 2015-16, subject to the approval of the shareholders at the ensuing Annual General Meeting. The Dividend will be paid in compliance with applicable regulations.

Further, pursuant to the approval of the Board of Directors in its meeting held on November 3, 2015. Your Company had distributed an interim dividend of 12% on the Face Value of the equity share (i.e. ₹ 0.24 per Equity Shares of Face Value of ₹ 2/- each) to shareholders,

whose names appeared in the Register of Members of the Company on November 18, 2015, being the record date fixed by the Board of Directors for this purpose.

6. DETAILS OF DEPOSITS COVERED UNDER CHAPTER V OF COMPANIES ACT, 2013

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

7. CHANGE IN SHARE CAPITAL DURING THE FINANCIAL YEAR 2015-16

There is no change in the total authorized Share Capital of the company during the financial year 2015-16. However, the company has reclassified Authorized Preference Share Capital of ₹ 5 crores into Authorized Equity Share Capital and consequently, amended its Memorandum of Association pursuant to reclassification of authorized share capital. Now, the authorized share capital of the Company is ₹ 330,100,000/- comprising of 165,050,000 equity shares of ₹ 2/- each.

8. DIRECTORS

Mr. Finney Cherian, (DIN 02011132) Non-Executive Director of the Company, who retires by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013 at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Pradeep Aggarwal, (DIN 00203822) Whole Time Director of the Company, who retires by rotation in accordance with the provisions of Section 152 of the Companies

Act, 2013 at the ensuing Annual General Meeting and does not offers himself for reappointment.

Mr. JHP Van Der Merwe (DIN 030487240) has resigned from the Company and his resignation has been accepted by the Board of Directors of the Company in its meeting held on May 18, 2016 and same has been forwarded to the stock exchange for their approval. His resignation shall be effective from the date of last approval granted by the concerned stock exchange.

Mr. G. S. Sundararajan (DIN 00361030) has been appointed as the Additional Director (Non-Executive) of the Company by the Board of Directors in its meeting held on May 18, 2016 and same has been forwarded to the stock exchange for their approval. His appointment shall be effective from the date of last approval granted by the concerned stock exchange.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Section 134 (5) of the Companies Act, 2013, your Directors, based on the representation received from the Operating Management and after due enquiry, confirm that:

- (i) In the preparation of the annual accounts for the financial year ended on March 31, 2016 the applicable Accounting Standards have been followed and there are no material departures from the same;
- (ii) The selected accounting policies were applied consistently and the Directors 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, 2016 and of the profit of the Company for that period.

- (iii) Proper and sufficient care has been taken 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;
- (iv) The annual accounts have been prepared on a 'Going Concern' basis.
- (v) The Internal financial controls have been laid by the Company and such financial controls are adequate and were operating effectively.
- (vi) Proper systems had been devised in compliance with the provision of the all applicable laws and such systems were adequate and operating effectively.

10. CORPORATE GOVERNANCE REPORT

Your Company has been practicing the principles of good Corporate Governance over the years and it is a continuous and ongoing process. Pursuant to Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report on Corporate Governance together with the Auditors' Certificate on compliance in this regard is attached and forms part of this Annual Report.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 is annexed and forms part of this Annual Report.

12. TRANSFER TO RESERVES

During the year under review, your Company has transferred a sum of ₹2 crores to General Reserve.

13. NAME OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the year, SMC Global USA Inc. is incorporated as wholly owned subsidiary of the Company under the Business Law Corporation in State of New York. Now, your Company has 8 subsidiaries and 3 step down subsidiaries.

14. EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT-9 as on March 31, 2016 is attached as **Annexure I** to this Report.

15. NUMBER OF MEETINGS OF THE BOARD

During the year, Five (5) meetings of the Board of Directors were held. For further details, please refer Report on Corporate Governance, which forms part of this Annual Report.

16. INDEPENDENT DIRECTORS DECLARATION

Presently the Company has Seven Independent and Non- Executive Directors namely Mr. Satish Chandra Gupta, Mr. Kundan Mal Agarwal, Mr. Hari Das Khunteta, Mr. Roop Chand Jindal, Mr. Narain Dass Gupta, Mr. Chandra Wadhwa and Dr. Madhu Vij who have given declaration that they meet the eligibility criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

17. RISK MANAGEMENT POLICY

The Company has formulated a Risk Management Policy. The Company through the Policy identifies, evaluates, analyses and prioritizes risks in order to address and minimize such risks. This facilitates identifying high level risks and implement appropriate solutions for minimizing the impact of such risks on the business of the Company. For further details, please refer Corporate Governance Report, which forms part of this Annual Report.

18. DISCLOSURE IN MATERIAL SUBSIDIARY POLICY (INCLUDING ARCHIVAL POLICY)

The Board of Directors of your Company in its meeting held on November 3, 2015 has adopted the Material Subsidiary Policy as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Material Subsidiary Policy (including archival policy) is disclosed on the Company's website <http://www.smcindiaonline.com/Investor-Corner.aspx> Details of the Material Subsidiary Policy have been provided under Corporate Governance Report, which forms part of this Annual Report.

19. FORM OF STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES UNDER SECTION 129(3) (1) OF THE COMPANIES ACT, 2013:

The statement containing the salient features of the financial statement of a company's subsidiary or associate company and joint venture have been annexed with this Board's Report in Form AOC-1 as **Annexure -II**.

20. DISCLOSURE ON THE NOMINATION AND REMUNERATION POLICY OF THE COMPANY PURSUANT TO SECTION 134(3) (e) AND SECTION 178(3) OF THE COMPANIES ACT, 2013

The Board of the Directors has framed the policy which lays down a framework in relation to Remuneration of Directors, Key Managerial Personnel and Senior Management of the

Company. This policy also lays down criteria for selection and appointment of Board Members. The Remuneration Policy is disclosed on the Company's website <http://www.smcindiaonline.com/Investor-Corner.aspx>

The Remuneration Policy is annexed to the Corporate Governance Report, which forms part of this Annual Report.

21. COMPOSITION OF AUDIT COMMITTEE

The composition of Audit Committee as on March 31, 2016 is as under:

Name of the Director(s)	Mr. Satish Chandra Gupta (DIN 00025780)	Mr. Kundan Mal Agarwal (DIN 00043115)	Mr. Roop Chand Jindal (DIN 01450916)	Mr. Narain Das Gupta (DIN 01522375)	Mr. Hari Das Khunteta (DIN 00061925)
Designation	Chairman	Member	Member	Member	Member
Category	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director

Details of the composition of the Audit Committee, its meeting, power, role etc. have been provided under Corporate Governance Report, which forms part of this Annual Report.

22. CORPORATE SOCIAL RESPONSIBILITY POLICY

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy is disclosed on the Company's website <http://www.smcindiaonline.com/Investor-Corner.aspx>

The report on CSR activities is attached as **Annexure -III** to this Report.

23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to Section 22 and Section 28 of The Sexual Harassment of Woman at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Board of Directors of the Company has approved and adopted the "Policy on Prevention of Sexual Harassment at Workplace". No sexual harassment complaint has been received by the Company during the

financial year 2015-2016. More details regarding this have been provided under Corporate Governance Report, which forms part of this Annual Report.

24. EVALUATION BY BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the applicable provisions of the Companies Act, 2013 and Regulation 15 of the Listing Regulations, the Company has devised the policy for performance evaluation of the Independent Directors, Board, Committees and other individual Directors, which includes criteria for performance evaluation of non-executive directors and executive directors.

The evaluation of all the directors and Board as a whole was conducted based on the criteria and framework adopted by the Board. More details regarding evaluation process have been provided under Corporate Governance Report, which forms part of this Annual Report.

25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments covered by the provisions of section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

26. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES.

All Related Party Transactions are placed before the Audit Committee for their approval and also before the Board for their confirmation and adoption.

Form AOC-2 containing particulars of contracts or arrangements entered into by the Company with related parties referred in Section 188(1) of the Companies Act, 2013 is attached as **Annexure IV**.

The details of related party disclosures form part of the notes to the financial statements.

27. THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR-

Mr. Pawan Bansal (DIN 00420629) has resigned from the directorship of the Company with effect from January 22, 2016.

28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the period under review, there were no significant and material orders passed by the regulators/courts or tribunals that would impact going concern status of the Company and its future operations.

29. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an independent Internal Control System, commensurate with the size, scale and complexity of its operations. The Audit Committee of the Company has been delegated power to review the internal control systems and its adequacy.

The Audit Committee monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its branches.

30. AUDITOR AND AUDITOR'S REPORT

M/s R. Gopal & Associates, Chartered Accountants, (Firm Registration No. 000846C) were appointed as the Statutory Auditor of the Company in the 21st Annual General Meeting till the conclusion of 25th Annual General Meeting. Your consent is required for ratification of their appointment to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting on remuneration to be fixed by the Audit Committee and approved by Board of Directors of the Company.

32. DISCLOSURES PURSUANT TO SECTION 197 (12) AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The company has given remuneration according to the remuneration policy formulated by the Company.

- The Ratio of Remuneration of each Director to the Median Employees Remuneration of the Company for the financial year 2015-2016 is as follows:

NAME	RATIO
Mr. Anurag Bansal	27.63:1
Mr. Ajay Garg	27.63:1
Mr. M. C. Gupta	50.08:1
Mr. S.C. Aggarwal	50.08:1
Mr. Satish Chandra Gupta*	1.90:1
Mr. Kundan Mal Agarwal*	2.32:1
Mr. Hari Das Khunteta*	1.73:1
Mr. Chandra Wadhwa*	1.48:1
Mr. Roop Chand Jindal*	1.97:1
Mr. Narain Das Gupta*	1.35:1
Dr. Madhu Vij*	1.07:1

*The ratio has been calculated based on sitting fees paid to the Independent Directors.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification or explanation.

31. SECRETARIAL AUDIT REPORT

Secretarial Audit of the Company has been undertaken by M/s AK Roy & Associates, a firm of Company Secretaries in Practice. The Report of the Secretarial Audit Report is included as **Annexure V** and forms an integral part of this report. The said Report does not contain any adverse observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

2. The Percentage Increase In Remuneration of Each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary Or Manager, during The Financial Year 2015-2016

The changes in the remuneration of each director, chief financial officer, chief executive Officer, company secretary or manager during the financial year 2015-16 is as follows:-

NAME	DESIGNATION	PERCENTAGE CHANGE IN REMUNERATION
Mr. S. C. Aggarwal	Chairman and Managing Director	11.54%
Mr. M. C. Gupta	Vice Chairman and Managing Director	11.54%
Mr. Anurag Bansal	Whole-Time Director	23.08%
Mr. Ajay Garg	Whole-Time Director	23.07%
Mr. Satish Chandra Gupta*	Independent Director	48.65%
Mr. Kundan Mal Agarwal*	Independent Director	81.08%
Mr. Hari Das Khunteta*	Independent Director	21.95%
Mr. Chandra Wadhwa*	Independent Director	43.33%
Mr. Roop Chand Jindal*	Independent Director	90%
Mr. Narain Das Gupta*	Independent Director	56%
Dr. Madhu Vij*	Independent Director	3.33%
Mr. Suman Kumar	Company Secretary	19.10%
Mr. Vinod Kumar Jamar	Chief Financial Officer	11.72%

*The change in percentage has been calculated based on sitting fees paid to the Independent Directors.

3. The percentage increase in the median remuneration of employees in the financial year 2015-2016 is 11.16%.

4. The number of permanent employees on the rolls of the Company as on March 31, 2016 is 1118.

5. The explanation on the relationship between average increase in remuneration and company performance:

The Profit after tax for the financial year ended March 31, 2016 lowered by 60.08%

whereas the increase in median remuneration was 4.34%.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

The total remuneration of Key Managerial Personnel increased by 5.89 % from ₹ 282.13 lakh to ₹ 298.74 lakh in 2015-16 whereas the Profit after Tax lowered by 60.08% from ₹ 2153.44 lacs to ₹ 859.59 lacs in 2015-16.

7. a) Variation in market capitalization of the Company- Not applicable (Since the shares of the Company are listed on regional stock exchanges where trading platform is not available.)
- b) Price Earnings ratio of the Company: Not Applicable (Since the shares of the Company are listed on regional stock exchanges where trading platform is not available.)
8. Average percentile increase made in the salaries of employees other than the Managerial Personnel in the financial year 2015-16 is 10.6% whereas the increase in managerial remuneration for the same financial year is 3.26%.
9. The key parameters for the variable components of remuneration availed by the directors are considered by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management.
10. The ratio of the remuneration of the highest paid director to that of the employees who are not director but receive remuneration in excess of the highest paid director during the year- Not Applicable.
11. Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of the Company.

33. DETAILS AND INFORMATION AS REQUIRED UNDER SECTION 134(3) (1) OF THE COMPANIES ACT, 2013

No material changes and commitments have taken place between the end of the financial year of the company to which the Balance Sheet relates and the date of report, which affects the financial position of the Company.

34. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

During the year, the foreign exchange earning in terms of brokerage & DP charges was ₹ 2.97 lacs, whereas the foreign exchange outgo in terms of expenses on foreign tour, investment in foreign subsidiary and on account of proposed ADRs/GDRs issue were ₹ 436.26 lacs.

Being a service industry the norms for conservation of energy, technology absorption is not applicable on the Company.

35. FURTHER PUBLIC OFFER/ADRS/GDRs ISSUE

The Company had filed a Draft Red Herring Prospectus for Further Public Offer on October 20, 2014 with SEBI for an issue aggregating to ₹ 125 crores which comprises of a fresh issue of Equity Shares upto ₹ 107 crores and an offer for sale upto ₹ 18 crores by Millennium Investments and Acquisition Company Inc. which SEBI has duly approved vide their Letter bearing no. CFD/DIL SMC GLOBAL/629/2015 dated April 7, 2015 which was valid for 12 Months from the date of its issuance. The option of Further Public Offer

was not exercised by the Company as it is looking for the better avenues and is coming up with ADR's/GDR's.

Your consent has already been accorded for the issuance of American Depository Receipts (ADRs)/ Global Depository Receipts (GDRs) for a sum not exceeding US \$ 80 Million in the EGM held on February 4, 2016.

ACKNOWLEDGMENT

Your Directors wish to express their grateful appreciation for the valuable support and co-operation received from sub-brokers, business associates, vendors, bankers, financial institutions, investors, stakeholders, registrar and share transfer agent, other business affiliates and media.

The Board places on record its sincere appreciation towards the Company's valued customers for the support and confidence reposed by them in the organization and the stakeholders for their continued co-operation

and support to the company and looks forward to the continuance of this supportive relationship in future.

Your Directors also place on record their deep sense of appreciation for the devoted services of the employees during the year under review.

For and on Behalf of the Board

Sd/-

SUBHASH CHAND AGGARWAL

(Chairman & Managing Director)

DIN: 00003267

Address:

House No. 67, Road No. 41,
West Punjabi Bagh, Delhi - 110026

Place: New Delhi

Date: May 18, 2016

ANNEXURE-I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L74899DL1994PLC063609
2.	Registration date	19/12/1994
3.	Name of the Company	SMC Global Securities Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/Non- Government Company
5.	Address of the registered office	11/6-B, Shanti Chamber, Pusa Road, New Delhi-110005
6.	Contact details	011-30111000 40753333
7.	Whether listed company	Yes
8.	Name, address & contact details of the registrar & transfer agent, if any.	Link Intime India Pvt.ltd. 44, Community Centre, 2nd floor, Naraina Industrial Area, Phase I, Near PVR, Naraina New Delhi - 110028 & Ph No.- 022-25963838

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Securities Brokerage Services	66120	38.77%
2	Proprietary Trading	-	38.23%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	SMC Capitals Limited	U74899DL199 4PLC063201	Subsidiary	100%	2(87)
2.	SMC Comtrade Limited	U67120DL199 7PLC188881	Subsidiary	100%	2(87)
3.	Moneywise Financial Services Private Limited	U51909WB199 6PTC078352	Subsidiary	100%	2(87)
4.	Indunia Realtech Limited (Formerly known as SMC ARC Limited)	U70102DL200 9PLC190606	Subsidiary	100%	2(87)
5.	SMC Investments and Advisors Limited	U19201DL199 7PLC089315	Subsidiary	100%	2(87)
6.	SMC Finvest Limited	U65999MH20 09FLC196922	Subsidiary	100%	2(87)
7.	Moneywise Finvest Limited	U67100MH20 09FLC196923	Subsidiary	100%	2(87)
8.	SMC Insurance Brokers Private Limited	U45201DL199 5PTC172311	Ultimate Subsidiary	97.58% (Held by SMC Comtrade Ltd.)	2(87)
9.	SMC Real Estate Advisors Private Limited (Formerly known as SMC Securities Limited)	U74120UP201 3PTC054923	Ultimate Subsidiary	100% (Held by SMC Finvest Ltd.)	2(87)
10.	SMC Comex International DMCC	Dubai Based Company	Ultimate Subsidiary	100% (Held by SMC Comtrade Ltd.)	2(87)
11.	SMC Global USA Inc	USA Based Company	Subsidiary	100%	2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

l) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. PROMOTERS (1) INDIAN									
a) Individual/ HUF	40,718,670		40,718,670	35.99%	40,718,670		40,718,670	35.99%	No change
b) Central Govt.									
c) State Govt (s)									
d) Bodies corp.	25,604,670		25,604,670	22.63%	25,604,670		25,604,670	22.63%	No Change
e) Banks/ FI									
f) Any Other									
Total Shareholder of Promoter (A)	66,323,340		66,323,340	58.62%	66,323,340		66,323,340	58.62%	No change
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-Total (B) (1)	0		0		0		0	0	-
2. Non-Institutions Shareholding									
i) Indian	14,003,670	3,236,010	17,239,680	15.24%	16,614,680	36,000	16,650,680	12.36%	(2.88%)
ii) Overseas	12,586,065	11,610,560	24,196,625	21.39%	12,586,065	11,610,560	24,196,625	21.39%	No Change
b) Individuals									

() denotes negative figures.

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,011,235	1,050,160	3,061,395	2.70%	2,647,735	9,946,60	3,642,395	3.22%	(0.52%)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2,152,410	14,000	2,292,410	2.03%	2,135,410	140,000	2,275,410	2.01%	(0.02%)
Others (specify)									
Non Resident Indians (Non Repat)	20,000		20,000	0.02%	20,000		20,000	0.02%	No Change
(Repat)	1,000		1,000	-	1,000		1,000	-	No Change
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members					25,000	-	25,000	0.02%	0.02%
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	30,774,380	16,036,730	46,811,110	41.38%	34,029,890	12,781,220	46,811,110	41.38%	No Change
Total Public Shareholding (B)= (B)(1)+ (B) (2)	30,774,380	16,036,730	46,811,110	41.38%	34,029,890	12,781,220	46,811,110	41.38%	No Change
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	97,097,720	16,036,730	113,134,450	100%	100,353,230	12,781,220	11,334,450	100%	No Change

() denotes negative figures.

B) SHAREHOLDING OF PROMOTERS (INCLUDING PROMOTER'S GROUP)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company to total shares	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered	
1	M.C.GUPTA	10,248,500	9.06%	0	10,248,500	9.06%	0	NO CHANGE
2	S.C.AGGARWAL	10,095,500	8.92%	0	10,095,500	8.92%	0	NO CHANGE
3	HEMLATA AGGARWAL	7,720,550	6.82%	0	7,720,550	6.82%	0	NO CHANGE
4	SUSHMA GUPTA	7,566,550	6.69%	0	7,566,550	6.69%	0	NO CHANGE
5	GINNI DEVI	2,200,000	1.94%	0	2,200,000	1.94%	0	NO CHANGE
6	MADAN GOPAL AGARWAL	984,000	0.87%	0	984,000	0.87%	0	NO CHANGE
7	AJAY GARG	841,600	0.74%	0	841,600	0.74%	0	NO CHANGE
8	D.K. AGGARWAL	781,970	0.69%	0	781,970	0.69%	0	NO CHANGE
9	ANURAG BANSAL	250,000	0.22%	0	250,000	0.22%	0	NO CHANGE
10	ARCHANA AGGARWAL	30,000	0.03%	0	30,000	0.03%	0	NO CHANGE
11	*ASM PIPES PVT. LTD.	2,699,170	2.39%	0	18,667,140	16.50%	0	14.11%
12	PULIN INVESTMENTS PVT.LTD.	5,095,860	4.50%	0	5,095,860	4.50%	0	NO CHANGE
13	JAI AMBEY SHARE BROKING LTD.	1,616,670	1.42%	0	1,616,670	1.42%	0	NO CHANGE
14	SMC SHARE BROKERS LTD.	225,000	0.19%	0	225,000	0.19%	0	NO CHANGE
	TOTAL	66,323,340	58.62%	0	66,323,340	58.62%	0	NO CHANGE

* The Promoter's Group Companies i.e. Shivraj Exim Private Limited, Mar Fashions Private Limited and Funny Time Finvest Private Limited had merged with ASM Pipes Pvt. Ltd by the order of the Hon'ble High Court of Delhi dated April 16, 2015.

**C) CHANGE IN PROMOTERS' SHAREHOLDING
(PLEASE SPECIFY, IF THERE IS NO CHANGE)**

Sl.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	66,323,340	58.62%	66,323,340	58.62%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change	No Change	No Change	No Change
	At the end of the year	66,323,340	58.62%	66,323,340	58.62%

**D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)**

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	For Each of the Top 10 Shareholders				
1.	MILLENNIUM INDIA ACQUISITION COMPANY INC				
	At the beginning of the year	14,736,035	13.03%	14,736,035	13.03%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Transfer of 1,131,345 equity shares on November 18, 2015			
	At the End of the year (or on the date of separation, if separated during the year)	13,604,690	12.02%	13,604,690	12.02%
2.	SANLAM INTERNATIONAL INVESTMENT PARTNERS LIMITED				
	At the beginning of the year	9,460,590	8.36%	9,460,590	8.36%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	9,460,590	8.36%	9,460,590	8.36%
3.	SIGNATURE GLOBAL (INDIA) PRIVATE LIMITED				
	At the beginning of the year	5,240,885	4.63%	5,240,885	4.63%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	5,240,885	4.63%	5,240,885	4.63%
4.	BENNETT, COLEMAN AND COMPANY LTD.				
	At the beginning of the year	4,335,390	3.83%	4,335,390	3.83%

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	For Each of the Top 10 Shareholders				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the end of the year (or on the date of separation, if separated during the year)	4,335,390	3.83%	4,335,390	3.83%
5	SIGNATURE GLOBAL RESOURCES PRIVATE LIMITED				
	At the beginning of the year	3,625,000	3.20%	3,625,000	3.20%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	3,625,000	3.20%	3,625,000	3.20%
6	SVAN SECURITIES PRIVATE LIMITED				
	At the beginning of the year	1,616,670	1.43%	1,616,670	1.43%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	1,616,670	1.43%	1,616,670	1.43%
7.	AGBROS POLYMERS PRIVATE LIMITED				
	At the beginning of the year	1,583,340	1.40%	1,583,340	1.40%

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	For Each of the Top 10 Shareholders				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	1,583,340	1.40%	1,583,340	1.40%
8	CRESTA FUND LIMITED				
	At the beginning of the year	Nil	Nil		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Purchase of 1,131,345 equity shares on November 18, 2015			
	At the End of the year (or on the date of separation, if separated during the year)	1,131,345	1%	1,131,345	1%
9	MSR MARKETING PRIVATE LIMITED				
	At the beginning of the year	193,421	0.17%	193,421	0.17%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	193,421	0.17%	193,421	0.17%
10	S K GUPTA (HUF)				
	At the beginning of the year	140,000	0.12%	140,000	0.12%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	140,000	0.12%	140,000	0.12%

E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year			
		No. of Shares	% of Total shares of the Company	No. of Shares	% of Total Shares of the Company
1.	MR. SUBHASH CHAND AGGARWAL CHAIRMAN & MANAGING DIRECTOR				
	At the beginning of the year	10,095,500	8.92%	10,095,500	8.92%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	10,095,500	8.92%	10,095,500	8.92%
2.	MR. MAHESH CHAND GUPTA VICE- CHAIRMAN & MANAGING DIRECTOR				
	At the beginning of the year	110,248,500	9.06%	10,248,500	9.06%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	10,248,500	9.06%	10,248,500	9.06%
3.	AJAY GARG WHOLE-TIME DIRECTOR				
	At the beginning of the year	841,600	0.74%	841,600	0.74%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	841,600	0.74%	841,600	0.74%
4.	ANURAG BANSAL WHOLE- TIME DIRECTOR				
	At the beginning of the year	250,000	0.22%	250,000	0.22%

Sl. No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year			
		No. of Shares	% of Total shares of the Company	No. of Shares	% of Total Shares of the Company
	Date wise Increase/Decrease in Shareholding during the year Specifying the reasons for increase/decrease (e.g. - allotment/transfer /bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	250,000	0.22%	250,000	0.22%
5.	MR. PRADEEP AGGARWAL WHOLE-TIME DIRECTOR				
	At the beginning of the year	107,830	0.09%	107,830	0.09%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	107,830	0.09%	107,830	0.09%

* None of the Directors and Key Managerial Personnel other than mentioned above hold any share of the Company as on March 31, 2016

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in ₹)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	275,039,700	-	-	275,039,700
l) Principal Amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	275,039,700	-	-	275,039,700
Change in Indebtedness during the financial year				
*Addition	965,474,880	-	-	965,474,880
*Reduction	(398,328,488)	-	-	(398,328,488)
Net Change	567,146,392	-	-	567,146,392
Indebtedness at the end of the financial year				
(l) Principal Amount	842,186,092	-	-	842,186,092
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due-	-	-	-	-
Total (i+ii+iii)	842,186,092	-	-	842,186,092

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNELS**A. REMUNERATION TO MANAGING DIRECTORS, WHOLE TIME DIRECTORS AND/OUR MANAGERS**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total
		Mr. S.C. Aggarwal (MD)	M. C. Gupta (MD)	Mr. Anurag Bansal (WTD)	Mr. Ajay Garg (WTD)	
1.	Gross salary					
	(a) Salary as per provisions contained in section17(1) of the Income- tax Act,1961	7,250,000	7,250,000	4,000,000	4,000,000	22,500,000
	(b) Value of perquisites u/s 17(2) Income- tax Act,1961	-	-	-	-	-
	(c) Profits in lieu of salary under section17(3) Income - tax Act,1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - Others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total(A)	7,250,000	7,250,000	4,000,000	4,000,000	22,500,000
	Ceiling as per the Act	Minimum Yearly Remuneration as per Schedule V Part II based on Effective Capital of the Company (excluding Contribution to Provident Fund, Gratuity and Encashment of Leave as per Rules of the Company)				

B REMUNERATION TO OTHER DIRECTORS

(Amount in ₹)

Particulars of Remuneration	Name of Directors							
	Mr. Hari Das Khunteta	Mr. Chandra Wadhwa	Mr. N.D. Gupta	Dr. Madhu Vij	Mr. Kundan Mal Agarwal	Mr. Roop Chand Jindal	Mr. Satish Chandra Gupta	Total
Independent Directors								
Fee for attending board committee meetings	250,000	215,000	195,000	155,000	335,000	285,000	275,000	1,710,000
Commission	-	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-	-
Total (1)	250,000	215,000	195,000	155,000	335,000	285,000	275,000	1,710,000
Other Non-Executive Directors:								
Fee for attending board committee meetings								
Commission								
Others please specify								
Total (2)	-	-	-	-	-	-	-	-
Total (B)=(1+2)	250,000	215,000	195,000	155,000	335,000	285,000	275,000	1,710,000
Total Managerial Remuneration	-	-	-	-	-	-	-	-
Overall Ceiling as per the Act	Ceiling on Sitting Fees as prescribed under the Act is Rs. 100,000/- per meeting							

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER /WTD (Amount in ₹)

SI No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary (Mr. Suman Kumar)	CFO (Mr. Vinod Kumar Jamar)
1.	Gross Salary	Not Applicable		
	a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961		3,208,753	4,165,730
	b) Value of perquisites u/s 17(2) Income-Tax Act, 1961		NIL	NIL
	c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961		NIL	NIL
2.	Stock Option		NIL	NIL
3.	Sweat Equity		NIL	NIL
4.	Commission as % of profit others, specify		NIL	NIL
5.	Others, please specify		NIL	NIL
	Total		3,208,753	4,165,730

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

Form AOC -1

(Pursuant to first provision to sub-section (3) of section 129 read with the rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies /joint ventures

Annexure- II**Part "A" Subsidiaries**

(Amount in ₹)

S. No.	Name of the subsidiaries Company	Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) Before Tax	Provision For Tax	Profit/(Loss) After Tax	Proposed Dividend	Percentage Shareholding
1.	SMC Capitals Ltd.	100,000,000	46,112,710	149,916,298	3,803,588	-	119,011,378	66,564,343	20,373,140	46,191,203	-	100
2.	Moneywise Financial Services Pvt. Ltd.	271,569,200	1,048,114,568	3,697,749,263	2,378,065,495	68,576,578	270,164,020	173,637,134	58,289,549	115,347,585	-	100
3.	SMC Comtrade Ltd.*	100,000,000	1,211,237,437	2,390,891,308	1,079,653,871	441,840,775	419,824,497	(48,400,543)	(14,408,060)	(33,992,483)	-	100
4.	SMC Insurance Brokers Pvt. Ltd.	414,000,000	(19,999,031)	434,549,736	40,548,767	227,478,749	424,930,829	93,925,343	29,198,268	64,727,075	-	97.58
5.	SMC Comex International DMCC											100
	In USD	542,035	(14,562)	13,063,150	12,535,677	-	2,449,819	976,404	-	976,404	-	
	In INR	35,954,759	(966,034)	866,516,615	831,527,890	-	162,503,586	64,767,717	-	64,767,717	-	
6.	SMC Investments and Advisors Ltd.	250,000,000	3,872,736	277,755,866	23,883,130	-	189,887,502	3,967,903	-	3,967,903	-	100
7.	Indunia Realtech Ltd. (Formally known as SMC ARC Ltd.)	25,000,000	5,191,835	47,029,329	16,837,494	-	2,172,459	(871,278)	(696,003)	(175,275)	-	100
8.	SMC Finvest Ltd.	410,000,000	25,802,000	437,339,987	1,537,987	287,500,000	12,479,805	9,071,150	2,829,415	6,241,735	-	100
9.	Moneywise Finvest Ltd.	10,000,000	5,541,545	16,001,339	459,794	14,010,119	1,625,324	1,494,246	201,339	1,292,907	-	100
10.	SMC Real Estate Advisors Pvt. Ltd.	100,000,000	4,503,024	324,596,213	220,093,189	-	215,758,354	3,038,695	879,866	2,158,829	-	100
11.	SMC Global USA Inc											100
	In USD	300,000	(126,900)	308,563	135,463	-	-	(126,900)	-	(126,900)	-	
	In INR	19,899,870	(8,417,645)	20,467,879	8,985,654	-	-	(8,417,645)	-	(8,417,645)	-	

* SMC Global Securities Limited and SMC Finvest Limited are holding 85% and 15% equity shares respectively.

Annexure III

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programs.

A brief outline of the CSR policy is provided in the table here below:

The Company has contributed the funds on Education, Health Facilities, Rural Area Projects & Slum Area Development Projects. In CSR Policy your Company has focused on eradicating hunger, poverty & malnutrition, education, gender equality & woman

2. Composition of the CSR Committee:

Sl. No.	Name of the Member	Designation
1.	Mr. Subhash C. Aggarwal	Chairman
2.	Mr. Mahesh C. Gupta	Vice-Chairman
3.	Mr. Satish C. Gupta	Member
4.	Mr. K.M. Agarwal	Member

3. Average net profit of the Company for last three financial years: ₹ 163,231,348/-
4. Prescribed CSR Expenditure (2% of amount): ₹ 3,264,627/-
5. Details of CSR spend during the financial year:
 - a. Total amount spent for the financial year: ₹ 2,700,000/-

empowerment, rural area projects, etc. including all the subject matters which has been described in Sch. VII of the Companies Act, 2013 for the purpose of its CSR activity. As per policy all the CSR activities and expenses thereof will be approved /ratified and recommended to the Board for final approval/ratification.

Further, to ensure that there is focus and maximum impact, the CSR Committee will endeavor to work on selected projects over a longer period of time so as to ensure that the outcomes of the projects can be measured.

Details of the policy can be viewed on the following weblink.

<http://www.smcindiaonline.com/Investor-Corner.aspx>

- b. Amount unspent, if any: ₹ 564,627/-
- c. Manner in which the amount spent during the financial year is detailed below

C. MANNER IN WHICH THE AMOUNT SPENT DURING THE FINANCIAL YEAR IS DETAILED BELOW:

(Amount in ₹)

Sl No.	Project Activities	Sector	Location	Amount outlay (budget) Project or Programme Wise	Amount spent on the project or programme	Cumulative Expenditure upto reporting Period	Amount spent: Direct or through Implementing agency
1.	Sewa Bharti	Earth Quake Relief Fund	New Delhi	N. A.	₹ 500,000	₹ 500,000	Direct
2.	Bharat Lok Shiksha	For Running Ekal Vidhyalaya Informal Education for of Tribal Children	New Delhi	N. A.	₹ 1,000,000	₹ 1,000,000	Direct
3.	Chatrapati Shivaji Samaj Kaly	For Promotion of Education	New Delhi	N. A.	₹ 200,000	₹ 200,000	Direct
4.	Vardan Sewa Sanstha	For Promotion Health of Facilities	Ghaziabad	N. A.	₹ 500,000	₹ 500,000	Direct
5.	Rajasthan Club	For Promotion of Education	New Delhi	N. A.	₹ 300,000	₹ 300,000	Direct
6.	Jan Kalyan Health Care Centre	For Promotion of Health Care	New Delhi	N. A.	₹ 200,000	₹ 200,000	Direct

6. Explanation for amount not spent on CSR:-
The amount accumulated in CSR provisions will be spent by the Company in its upcoming programme for CSR.

7. CSR activities are implemented and monitored in compliance with CSR objectives and policy of the Company.

Annexure IV

FORM AOC-2

Disclosure of particulars of contracts /arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a) Name(s) of the related party and nature of relationship	There are no such contracts or arrangements or transactions which are not at arm's length basis.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general	

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	Please refer Financial Statements for details of all related party transactions are in the ordinary course of business of the Company and are at arm's length basis.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e) Date(s) of approval by the Board, if any:	
(f) Amount paid as advances, if any:	

For and on Behalf of the Board

Sd/-

SUBHASH CHAND AGGARWAL

(Chairman & Managing Director)

DIN: 00003267

Address:

House No. 67, Road No. 41,
West Punjabi Bagh, Delhi - 110026

Place: New Delhi

Date: May 18, 2016

Annexure V

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2016

[Pursuant to Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

SMC Global Securities Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s SMC Global Securities Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the

rules made there under;

- The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

5. **The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');**

- The Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

6. Other Laws applicable to the Company;

- a) The Payment of Wages Act, 1936, and rules made thereunder,
- b) The Minimum Wages Act, 1948, and rules made thereunder,
- c) Employee State Insurance Act, 1948, and rules made thereunder,
- d) The Employee Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
- e) The Payment of Bonus Act, 1965, and rules made thereunder,
- f) The Payment of Gratuity Act, 1972, and rules made thereunder,
- g) The Contract Labour (Regulation and Abolition) Act, 1970
- h) The Maternity Benefits Act, 1961

- i) Prevention of Money Laundering Act, 2002

We have also examined compliance with the applicable clauses of the following;

- I. The Secretarial Standards issue by the Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with stock exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

A.K. ROY & Associates
(Practicing Company Secretary)

Sd/-

(Arvind Kumar Roy)

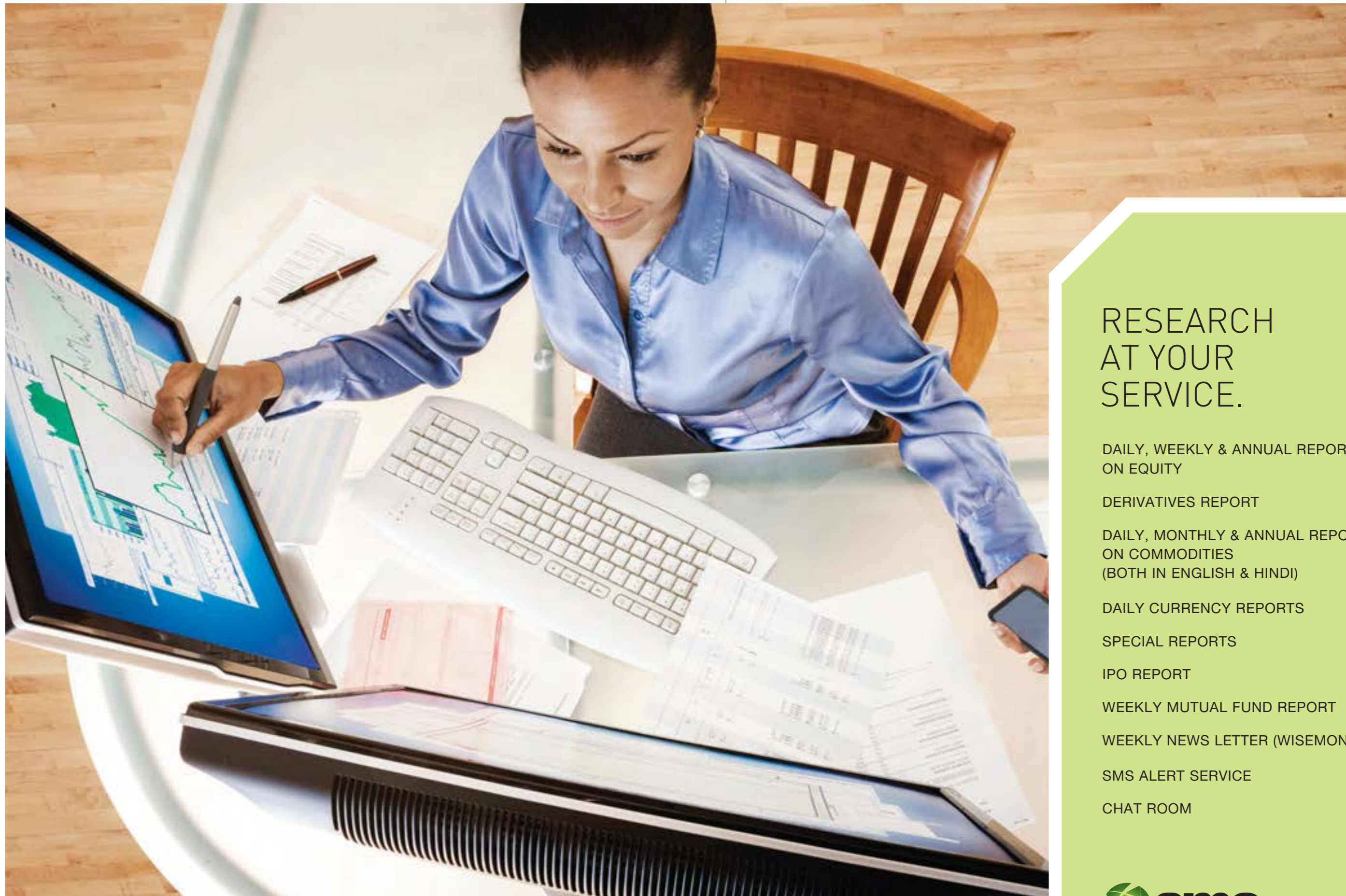
Proprietor

FCS: 8308

CP: 9147

Place: New Delhi

Date: May 18, 2016



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DERIVATIVES REPORT

DAILY, MONTHLY & ANNUAL REPORTS
ON COMMODITIES
(BOTH IN ENGLISH & HINDI)

DAILY CURRENCY REPORTS

SPECIAL REPORTS

IPO REPORT

WEEKLY MUTUAL FUND REPORT

WEEKLY NEWS LETTER (WISEMONEY)

SMS ALERT SERVICE

CHAT ROOM



Moneywise. Be wise.

CORPORATE GOVERNANCE REPORT

(PURSUANT TO REGULATION 15 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015

Corporate Governance is a framework of rules, practices and processes to ensure accountability, fairness and transparency with all the stakeholders (financiers, customers, management, employees, government and the community) by which a company is directed and controlled, which in builds strong and balanced economic development. This also ensures that the interest of all the shareholders (majority as well as minority shareholders) are safeguarded. It ensures that all shareholders have fully exercised their rights and that the organization have fully recognized their rights. Corporate Governance ensures transparency which ensures strong and balanced economic development. Corporate Governance is a set of systems, processes and principles which ensure that a Company is governed in the best interest of all stakeholders.

It aspires to the highest standards of ethical conduct: doing what we say; reporting results with accuracy and transparency; and maintaining full compliance with the laws, rules and regulations that govern the Company's businesses.

It is about promoting fairness, equity, transparency, accountability and compliance with respect to all the laws. It provides a structure that works for the benefit of everyone concerned, by ensuring that the Company adheres to ethical standards, laws and accepted best practices.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

It is the consistent mission of the Company that sound and strong Corporate Governance standards as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 should be followed in order to aspire to the highest standards of ethical conduct, reporting results with accuracy and transparency and maintaining full compliance with

the laws, rules and regulations that governs the Company's business lead to durable sustenance of business and generate long term value for all stakeholders ensuring the robust health of the corporate entity.

The Corporate Governance framework of the Company is based on the broad practices of engaging a diverse and highly experienced Board of Directors, with expertise in industry, finance, management and the law, deploying well defined governance structure that establish checks and balances and also delegates decision making to appropriate levels in the organization. The Company believes in adoption of transparent and robust systems, processes, policies and procedures and making high levels of disclosures for dissemination of corporate, financial and operational information to all its stakeholders. The Company has strong systems and processes to ensure full and timely compliance with all legal and regulatory requirements.

Stems of our governance policy aim for the satisfaction of all the stakeholders and the community we serve and it is regularly nurturing the roots of existing relationships and building new relationships with a mission to provide sustainable advanced solutions and services and working towards efficiency and growth thereby enabling value creation of our stakeholders.

At SMC, we strive to mingle governance and ethics with growth by incorporating values like trust, teamwork, reliability, honesty, responsibility, integrity, transparency etc. We accord the highest priority to our shareholder satisfaction and provide timely and relevant contribution to the society at large beyond the regulatory compliances. The Company regularly strives towards articulating good code of ethics and governance principles thereby perpetuating it into generating long term economic value.

BOARD OF DIRECTORS

Composition of the Board of Directors

The Company is enriched with highly qualified professional and responsive Board of Directors. It is composed of eminent thought-leaders and seasoned stalwarts drawn from diverse fields ensuring extensive deliberation and expertise which have bearing on the process of decision-making. "Accountability" and "transparency" are the key drivers behind the Board decision-making which inspire stakeholders' confidence. In all the actions taken by the Board, the Directors are expected to exercise their business judgment in what they reasonably believe to be the best interests of the

Company. In discharging that obligation, Directors may rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. Openness and transparency of the Company's corporate governance are reflected in the extensive disclosures made in the Company's Annual Report with a view of sharing information with stakeholders. The Board of Directors' primary responsibility is to provide effective governance over the Company's affairs for the benefit of its stakeholders, and to balance the interests of its diverse constituents around the world, including its customers, employees, suppliers and local communities. The Company has an optimum combination of Executives, Non- executive and

THE COMPOSITION OF THE BOARD OF DIRECTORS AS ON MARCH 31, 2016 IS AS FOLLOWS:

DIN/PAN	Name	Designation
00003267	Mr. Subhash Chand Aggarwal	Promoter, Chairman & Managing Director
00003082	Mr. Mahesh Chand Gupta	Promoter, Vice- Chairman & Managing Director
00003166	Mr. Ajay Garg	Whole- Time Director
00003294	Mr. Anurag Bansal	Whole- Time Director
00025006	Dr. Madhu Vij	Non- Executive Independent Director
00025780	Mr. Satish Chandra Gupta	Non- Executive Independent Director
00043115	Mr. Kundan Mal Agarwal	Non- Executive Independent Director
00061925	Mr. Hari Das Khunteta	Non- Executive Independent Director
00203822	Mr. Pradeep Aggarwal	Whole- Time Director
00764576	Mr. Chandra Wadhwa	Non- Executive Independent Director
01450916	Mr. Roop Chand Jindal	Non- Executive Independent Director
01522375	Mr. Narain Dass Gupta	Non- Executive Independent Director
02011132	Mr. Finney Cherian	Non- Executive Director
03048724	Mr. JHP Van Der Merwe*	Non- Executive Director
00361030	Mr. G. S. Sundararajan**	Non- Executive Director

Independent Directors on the board as per the requirement of Companies Act 2013. The requirement of a women director on the board of the company is also complied by the company. The key Directors is posted on our website via <http://www.smcindiaonline.com/Key-Directors.aspx>

*Mr. JHP Van Der Merwe has resigned from the Company and his resignation has been accepted by the Board of Directors of the Company in its meeting held on May 18, 2016 and the same has been forwarded to the stock exchange for their approval. His resignation shall be effective from the date of last approval granted by the concerned stock exchange.

**Mr. G. S. Sundararajan has been appointed as the Additional Director (Non-Executive) of the Company by the Board of Directors in its meeting held on May 18, 2016 and same has been forwarded to the stock exchange for their approval. His appointment shall be effective from the date of last approval granted by the concerned stock exchange.

INDEPENDENT DIRECTORS AND LIMIT OF NUMBER OF DIRECTORSHIPS

The Company has complied with terms & conditions for the appointment and re-appointment of Independent Directors of the Company. None of the independent directors are Whole-time directors, Managing Director or Nominee Director on the board. The Independent directors of the company are the persons of Integrity and all of them possess the relevant expertise, skills and experience. Further, the directorships of independent directors are within the limit as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) 2015.

During the year, Mr. Pawan Bansal had resigned from being an Independent Director of the company w.e.f. January 22, 2016.

Date of BM	Total Strength of Board	No. of Directors Present	% (percentage of Directors Presence)
May 2, 2015	15	11	73.34
August 5, 2015	15	12	80
November 3, 2015	15	10	66.67
*January 4, 2016	14	12	85.71
** February 11, 2016	14	12	85.71

* Mr. Pawan Bansal has not been considered as a director in view of his resignation pending for approval with the stock exchange.
 ** Mr. Pawan Bansal resigned from the directorship of the company w.e.f. January 22, 2016.

REVIEW OF COMPLIANCE REPORTS

The Board of Directors has periodically reviewed the compliance reports pertaining to all laws applicable to the company from time to time.

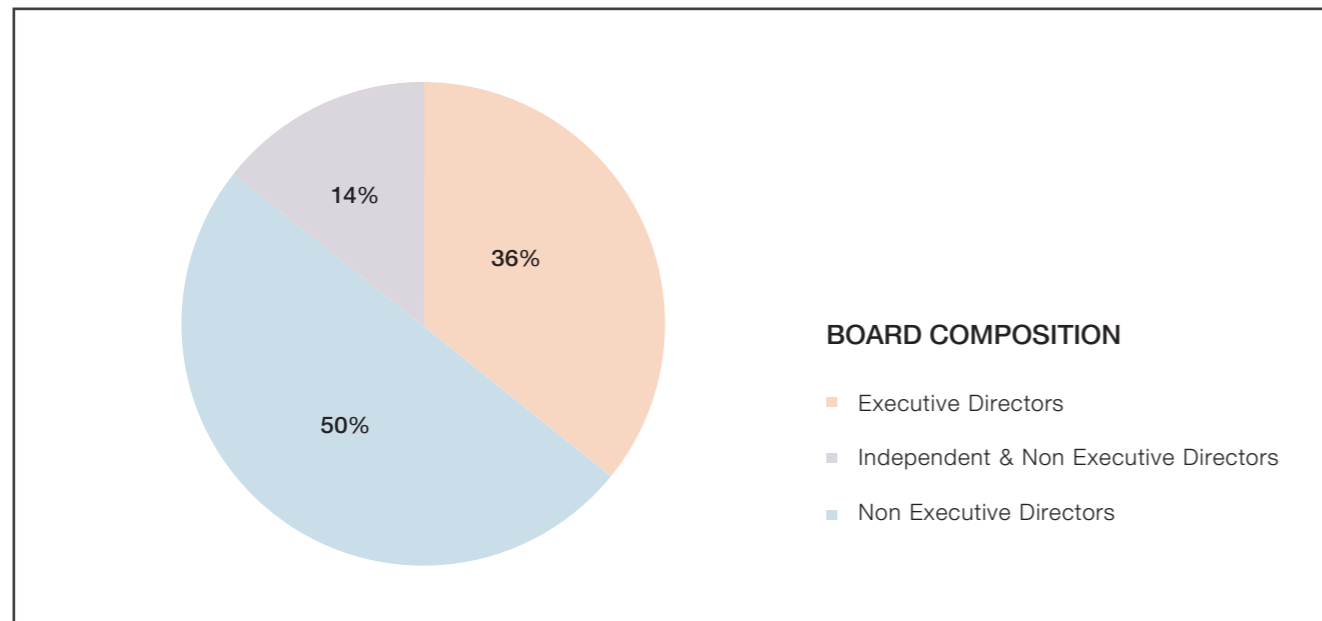
CODE OF CONDUCT

In conformity with regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) 2015, the Company has adopted a Code of Conduct for the Board and Senior Management of the Company and the compliance of the same is affirmed by the Board and the Senior Management Personnel annually. The Code has also been posted on company's website viz. www.smcindiaonline.com/SMC_CODEOF_CONDUCT_AB_21.05.PDF.

All the members of the Board and the Senior

Management Personnel have affirmed for the compliance to the said Code of Conduct during the Financial Year 2015-16.

The Board and Senior Management have acted within the bounds of the authority conferred upon them with the responsibility of taking informed decisions and creating policies in the best interests of the Company & its shareholders/stakeholders. They are entrusted with the responsibility of the oversight of the assets and business affairs of the Company in an honest, fair, diligent and ethical manner. The Board has also enumerated the terms and conditions for Independent Directors, which has been posted at the website of the company via http://www.smconlineindia.com/Terms_of_Appointmet_of_Independent%20Directors_SMC.pdf.



DETAILS OF REMUNERATION TO DIRECTORS:

The Board of Directors has delegated the responsibility for taking care of the remuneration of all the Non- Executive Directors, including the Independent Directors to Nomination and Remuneration Committee. The company is providing the payment of Sitting Fees to its non-executive & Independent Directors, within the limits described

under Company's Act 2013 and as per all the provisions, rules of the act and as per regulation 17(6) of SEBI (Listing Obligations and Disclosure Requirements) 2015.

The Details of Remuneration package, sitting fees paid, etc., to the Directors of the Company during the financial year 2015-16, for information of members, are furnished here under:

Name of the Director	Relationship with other Directors	Sitting Fees (In ₹)	Commission on profit (In ₹)	Remuneration and other allowances (In ₹)	Performance Linked Incentives (In ₹)	Monetary Value of Perquisites (In ₹)
Mr. Subhash C. Aggarwal (DIN 00003267)	None	Nil	Nil	7,250,000	Nil	Nil
Mr. Mahesh C. Gupta (DIN 00003082)	None	Nil	Nil	7,250,000	Nil	Nil
Mr. Pradeep Aggarwal (DIN 00203822)	None	Nil	Nil	-	Nil	Nil
Mr. Ajay Garg (DIN 00003166)	None	Nil	Nil	4,000,000	Nil	Nil
Mr. Anurag Bansal (DIN 00003294)	None	Nil	Nil	4,000,000	Nil	Nil
Mr. Narain Dass Gupta (DIN 01522375)	None	195,000	Nil	Nil	Nil	Nil
Mr. Roop Chand Jindal (DIN 01450916)	None	285,000	Nil	Nil	Nil	Nil
Mr. Pawan Bansal* (DIN 00420629)	None	-	Nil	Nil	Nil	Nil
Mr. Kundan Mal Agarwal (DIN00043115)	None	335,000	Nil	Nil	Nil	Nil
Mr. Satish Chandra Gupta (DIN 00025780)	None	275,000	Nil	Nil	Nil	Nil
Mr. H.D. Khunteta (DIN : 00061925)	None	250,000	Nil	Nil	Nil	Nil
Dr. Madhu Vij (DIN : 00025006)	None	155,000	Nil	Nil	Nil	Nil
Mr. Chandra Wadhwa (DIN : 00764576)	None	215,000	Nil	Nil	Nil	Nil
Finney Cherian (DIN : 02011132)	None	-	Nil	Nil	Nil	Nil
Mr. JHP Van Der Merwe (DIN : 030487240)	None	-	Nil	Nil	Nil	Nil

*Mr. Pawan Bansal has resigned from the directorship of the company w.e.f. January 22, 2016.

Notes:

- Remuneration includes salary, benefits, bonuses, stock options, pension, allowances, monetary value, and company's contribution to provident fund, leave encashment etc.
- None of the directors is the relative of any other Director of the company as defined under the provisions of Section 2 (77) of the Companies Act, 2013 and its relevant rules thereof.

COMMITTEES OF THE BOARD:

Our Board has constituted various Statutory and Non-Statutory committees for smooth and efficient operation of day to day business of our Company. These committees play a crucial role in the governance structure of the company and have been constituted to deal with specific areas /activities which concern the company and need a closure review. Each committee of the Board is guided by its terms of reference, which is in compliance with the applicable laws and which defines the scope, powers and composition of the committee. All recommendation(s) and Minutes of the each committee are placed before the Board for their information and review.

As on March 31, 2016 Company has the following 9 (Nine) committees of the Board:

Statutory Committees of the Board of Directors of the Company:

- Audit Committee;
- Nomination & Remuneration Committee;
- Stakeholders Relationship Committee;

- Corporate Social Responsibility Committee (CSR Committee);

Non-Statutory Committees of the Board of Directors of the Company:

- Public Issue and Listing Committee (PI & LC);
- Operational Decision Making Committee (ODM Committee);
- Borrowings, Investments & Loans Committee (BIL Committee);
- Risk Management Committee;
- American Depository Receipts/ Global Depository Receipts Committee (ADR/GDR) Committee.

AUDIT COMMITTEE**COMPOSITION OF THE AUDIT COMMITTEE:**

In compliance with Section 177 of the Companies Act, 2013 read with the Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and, if any other law for the time being in force, the Audit Committee has been re-constituted by the Board at its meeting held on May 26, 2014. Currently, it consists of 5 (five) Independent & Non-Executive Directors, all of them possessing knowledge of corporate finance, Accounts & Corporate laws. Mr. Suman Kumar, E.V.P. (Corporate Affairs) & Company Secretary of the Company has been designated as Secretary of the Audit Committee.

The Composition and the details of each meeting of Audit Committee is specified herewith:

AUDIT COMMITTEE COMPOSITION AND ATTENDANCE

Name of the Directors	Mr. S. C. Gupta	Mr. K. M. Agarwal	Mr. R. C. Jindal	Mr. N. D. Gupta	Mr. H. D. Khunteta
(DIN 00025780)	(DIN 00043115)	(DIN 01450916)	(DIN 01522375)	(DIN00061925)	
Designation	Chairman	Member	Member	Member	Member
Category	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director
Date of Meeting					
May 2, 2015	Y	Y	Y	Y	Y
August 5, 2015	Y	Y	Y	Y	Y
November 3, 2015	Y	Y	Y	Y	Y
February 11, 2016	Y	Y	Y	N	Y
No. of Meetings during the Financial Year	4	4	4	4	4
Attended	4	4	4	3	4
Absent	NIL	NIL	NIL	1	NIL
% of Attendance	100%	100%	100%	75%	100%

The Audit Committee of the Company acts as a link between the management, the statutory, internal auditors and the Board of Directors. The Committee provides re-assurance to the Board on the existence of an effective control environment that ensures:

- Efficiency and effectiveness of operations.
- Safeguarding of assets and adequacy of provisions for all liabilities.
- Reliability of financial and other management information and adequacy of disclosure.
- Compliance with all relevant statutes.

POWERS OF THE AUDIT COMMITTEE:

- To investigate any activity within its terms of reference or in relation to the compliance with the provisions of the Companies Act, 2013 or referred to it by the Board.
- To seek information from any employee.
- To obtain outside legal or other independent professional advice.

- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee shall act in accordance with the terms of reference, subject to the superintendence, control and directions of the Board, as follows –

- To recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- To review and monitor the auditor's independence and performance, and effectiveness of audit process;
- To examine of the financial statement and the auditors' report thereon;
- For approval or any subsequent modification of transactions of the company with related parties;
- To scrutiny of inter-corporate loans and investments;
- For the valuation of undertakings or assets of the company, wherever it is necessary;

- For the evaluation of internal financial controls and risk management systems;

- For monitoring the end use of funds raised through public offers and related matters.

ROLE OF THE AUDIT COMMITTEE:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing, with management, the annual financial statements before submission to the Board for approval, with particular reference to:

Matters required being included in the Directors' Responsibility Statement to be included in Board's Report as per the provisions of Companies Act, 2013.

Changes, if any, in accounting policies and practices and reasons for the same.

- Major accounting entries involving estimates based on exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement

of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- Reviewing with the management, performance of statutory and internal auditors and adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussions with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that

function) after assessing the qualifications, experience & background etc. of the candidate.

- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to Section 178 of Companies Act, 2013 read with the Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 the Board of Directors of the Company has constituted the Nomination and Remuneration Committee. At present, it consists of 4 (four) Independent & Non-Executive Directors of the Company.

Remuneration Policy of the Company is being displayed at the website of the Company via link "www.smcindiaonline.com/nomination & remunerationpolicy-SMC."

The composition of the Nomination and Remuneration Committee and the attendance details of the members of the Committee during the FY 2015-16 are given below:

NOMINATION AND REMUNERATION COMMITTEE COMPOSITION AND ATTENDANCES

Name of the Directors	Mr. Chandra Wadhwa DIN 00764576	Mr. Roop Chand Jindal DIN 01450916	Mr. Pawan Bansal DIN 00420629*	Mr. Narain Dass Gupta DIN 01522375	Mr. Kundan Mal Agarwal DIN 01522375
Designation	Chairman	Member	Member	Member	Member
Category	Independent & Non Executive Director	Independent & Non Executive Director	Independent & Non Executive Director	Independent & Non Executive Director	Independent & Non Executive Director
Date of Meeting					
May 2, 2015	Y	Y	N	Y	Y
November 3, 2015	Y	Y	N	Y	Y
No. of Meetings during the Financial Year	2	2	2	2	2
Attended	2	2	0	2	2
Absent	NIL	NIL	2	NIL	NIL
% of Attendance	100%	100%	NIL	100%	100%

*Mr. Pawan Bansal has resigned from the directorship of the Board as well as membership of the Committee w.e.f.

TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
2. To carry out evaluation of every director's performance;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Committee shall, while formulating the policy shall ensure that-
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
4. To recommend to the Board, the remuneration (including any modification therein) payable to the Managing Director or Whole-Time Director or Manager of the Company;
5. Such other functions/area/term as desired/referred by the Board from time to time or required under applicable law/listing agreement, for time being in force;

REMUNERATION POLICY:

A. INTRODUCTION

SMC Global Securities Limited believes in the

manner of its affairs in a fair and transparent view by adopting the ethical behavior standards, integrity, and professionalism and in compliance of laws towards the society, government & its stakeholders.

In terms of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors in their meeting held on 23.01.2015. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

This policy shall be effective from January 23, 2015.

B. OBJECTIVE

The policy is framed with the objective(s):

1. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
2. That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
3. That the remuneration to Directors, Key Managerial Personnel (KMP), and other employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
4. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and

Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration.

5. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry.
6. To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
8. To lay down criteria for appointment, removal of directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

C. DEFINITIONS

In this policy unless the context otherwise requires:

1. 'Act' means Companies Act, 2013 and rules there under
2. 'Board of Directors' or 'Board', in relation to the Company, means the collective body of the directors of the Company
3. 'Committee' means Nomination, Remuneration & Evaluation Committee of the Company as constituted or reconstituted by the Board
4. Company means SMC Global Securities Limited
5. 'Directors' means Directors of the Company
6. 'Independent Director' means a director referred to in Section 149(6) of the Companies Act, 2013
7. 'Key Managerial Personnel' (KMP) means:

- a. Chief Executive Officer and / or Managing Director
 - b. Whole-time Director
 - c. Chief Financial Officer
 - d. Company Secretary
 - e. Such other officer as may be prescribed
8. 'Ministry' means the Ministry of Corporate Affairs
 9. 'Regulations' refers to and comprises of Companies Act, 2013, The Companies (Meeting of Board and its Powers) Rules, 2014, The Companies (Appointment and Qualification of Directors) Rules, 2014, The Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Listing Agreement and such other rules and provisions as applicable to the matters dealt in by this Policy 'Senior Management Personnel' for this purpose shall mean employees of the company who are members of its core management team excluding Board of Directors. It would comprise of all the members of management one level below the executive director(s), including the functional / vertical heads. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

D. ACCOUNTABILITIES

1. The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
2. The Board has delegated responsibility for assessing and selection of persons for the role of Directors & Key Managerial Personnel of the Company to the Nomination and Remuneration

Committee which makes recommendations & nominations to the Board.

E. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is responsible for:

1. To review the structure, size and composition (including the skills, knowledge and experience) of the Board and to make recommendations to the Board to balance the Company's corporate strategy, with the objective to diversify the Board;
2. To identify the persons suitably qualified to be appointed as the KMPs of the Company;
3. To recommend to the Board on the selection of individuals nominated for directorship;
4. To recommend to the Board on the remuneration payable to the Directors & KMPs so appointed;
5. To assess/evaluate the independence of independent directors;
6. On such other key issues/matters as may be referred by the Board or as may be necessary in view of the Listing Agreement and provision of the Companies Act 2013 and Rules thereunder;
7. To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
8. To devise a policy on Board diversity;
9. To develop a succession plan for the Board and to regularly review the plan;

MEMBERS OF THE COMMITTEE

The Nomination and Remuneration Committee comprises of the following:

- a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

COMPOSITION OF THE COMMITTEE

- Mr. Chandra Wadhwa, Non-Executive Independent Director
- Mr. Roop Chand Jindal, Non-Executive Independent Director
- Mr. Narain Dass Gupta, Non-Executive Independent Director
- Mr. Kundan Mal Agarwal, Non-Executive Independent Director

CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

F. APPOINTMENT OF DIRECTORS/ KMPs/ SENIOR MANAGEMENT

Enhancing the competencies of the Board and

attracting as well as retaining talented employees for role of KMP/a level below KMP are the basis for the Nomination and Remuneration Committee to select a person for appointment to the Board. When recommending a person for appointment, the Nomination and Remuneration Committee has regarded to: -

To assess the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board in accordance with the relevant provisions of Companies Act, 2013 & rules & regulations made thereto, as amended from time to time.

The extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;

The skills and experience that the appointee brings to the role of KMP and how an appointee will enhance the skill sets and experience of the Board as a whole;

The nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;

PERSONAL SPECIFICATIONS:

- Degree holder in relevant disciplines;
- Experience of management in a diverse organization;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal

opportunities, community cohesion and health and safety in the workplace;

G. CRITERIA & FACTORS FOR APPOINTMENT OF INDEPENDENT DIRECTORS

The Committee shall consider the integrity, experience, qualifications, industrial experience and review the independence of the individual in accordance with Clause 49 of the Listing Agreement and Companies Act, 1956 and rules & regulations made thereto, as amended from time to time.

LETTERS OF APPOINTMENT: The Company shall issue appointment letter as per Companies Act, 2013 along with amendments made there under from time to time, containing the terms of appointment.

Remuneration of Directors, Key Managerial Personnel: The Directors, Key Management Personnel salary shall be based & determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

FAMILIARIZATION OF DIRECTORS

The Company shall organize the familiarization programme at least once in a year for its independent directors to familiarize with the Company, their roles, rights, responsibilities in the Company, nature of industry, business model etc.

EVALUATION

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at such time as decided by it from time to time.

REMOVAL

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the

provisions of the Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

H. MATTERS RELATING TO THE REMUNERATION, PERQUISITES FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL:

1. The remuneration / compensation / profit-linked commission, Bonus etc. to the Whole-time Director, Directors and Independent Directors will be determined by the Committee and recommended to the Board for their approval. The remuneration / compensation / profit-linked commission etc. shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company, Act and shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration of KMP will be recommended to the committee with the evaluation report thereof who will further recommend the same to the Board and the same will be effective as per the approval of the Board.
3. The remuneration of the of the Senior Management Personnel (Personnel of the Company who are members of the core management team excluding Board of Directors and KMP's) and other employees will be processed through the H.R. as per the appraisal procedure adopted by them with the feedback of reporting managers / HOD's and along with the observation of the concerned directors and a presentation has to be made before the Managing Directors who will recommend the overall evaluation and change in the remuneration thereof keeping in mind the market conditions, business prerogatives and other factors and recommend the same to the Committee and the same will be effective as per the approval of the Committee.

4. In the case of urgency or if the management deems fit the overall evaluation can be made and implemented immediately and same will be presented before the committee for their observation and post approval thereof.
5. The annual appraisal will be made in two or more cycles considering the certain number of employees as the management deem fit in the light of last appraisal and prevailing practices of the company.
6. However, if the increment / Evaluation schedule of employees or WTD or KMP or Senior Management can be changed by the Managing Directors of the company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines, give suitable directives to HR for the same.
7. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
8. The Departments Heads will evaluate their subordinates and forward the recommendations to HR for increment/incentive. H.R with the help of the reporting managers and the concerned directors can make the appraisal at any time for any employee(s) and the Committee should be appraised about overall evaluation in the coming committee meeting for their approval and observation thereof.

9. The committee should have at least one meeting in a year.
10. The salary to the employees will be given/credited by not more than 10th day of succeeding month. However the changes can be made if the circumstances required but the same can be done with the approval of the Managing directors.
11. Company will give the annual bonus including the statutory bonus thereof in every financial year but the same has to be released within four months from the end of the financial year. However, Bonus other than the statutory bonus may be deferred keeping in mind the business interest of the company with the approval of the Managing Directors.
12. The Whole Time Directors / M.D are duly empowered with the delegation herewith to take the effective decisions on the issue of remuneration within the legal framework as and when circumstances demand and effective running of the business with material updation if any to this Committee in its next meeting.

I. STATUTORY REQUIREMENTS:

- Section 197(5) provides for fee for attending meetings of the Board of Directors and Committee meetings to directors or for any other purpose as may be decided by the Board. · Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.

- The Company with the approval of the Shareholders and Central Government may authorize the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V.

The Company may with the approval of the shareholders authorise the payment of remuneration up to five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director up to one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case.

The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.
- The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.
- The remuneration payable to the Key Managerial Personnel shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.

J. CRITERIA FOR THE EVALUATION OF INDEPENDENT DIRECTORS INCLUDING EXECUTIVE DIRECTORS & BOARD

BRIEF OUTLINE OF THE LEGAL/STATUTORY REQUIREMENTS

COMPANIES ACT, 2013/LISTING AGREEMENT	PROVISIONS
Section 178 read with Companies (meeting of Board and Its Powers) Rules, 2014	The nomination and remuneration committee shall..... and shall carry out evaluation of every director's performance.
Section 134 read with Companies (Accounts) Rules, 2014	In the Board Report, a statement has to be given stating that the manner in which formal annual evaluation has been made by the Board of its own performance, committees and individual directors.
Section 149 read with Schedule IV of Companies Act, 2013	The performance evaluation of independent directors shall be done by the entire Board of Directors of the Company, excluding the director being evaluated. On the basis of report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the
Clause 49 of Listing Agreement	<ul style="list-style-type: none"> • Monitoring and reviewing Board Evaluation framework. • The Nomination Committee shall lay down the evaluation criteria for performance evaluation of independent directors. • The company shall disclose the criteria for performance evaluation, as laid down by the Nomination Committee, in its Annual Report. • The performance evaluation of independent directors shall be done by the entire Board of Directors (excluding the director being evaluated). • On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

PERFORMANCE EVALUATION PROCESS

1. Performance evaluation of Independent Directors:

The performance evaluation shall be done on an annual basis, each director shall be provided an evaluation sheet except the independent director being evaluated based on including but not limited to criteria as follows:

S.No.	Particulars
1.	Whether he/she actively participated in board meetings including committee & general meetings.
2.	What he/she bring an objective view in the evaluation of the Board & Management.
3.	Whether he/she acted objectively and constructively while exercising his/her duties in the Board/Committee meetings.
4.	Whether he/she assisted the Company in implementing the best corporate governance practices.
5.	Whether he/she helped the Board by giving an independent judgment on Board deliberations especially on strategy, performance, risk management & standards of conduct.
6.	Whether he/she scrutinize the performance of the management monitored the report of Company's performance.
7.	Whether he/she well informed about the Company and the external environment in which it operates.
8.	Whether he/she participated in the familiarization program of directors of the Company.
9.	Whether he/she has given sufficient attention and ensured on the approval of related party transactions and assured that the same are in the best interest of the Company.
10.	Whether he/she ascertained that the policies of the Company and its implementation are adequate and proper and has complied with Code of Conduct.

2. Performance Evaluation of the Board

The performance evaluation shall be done on an annual basis, each director shall be provided an evaluation sheet based on including but not limited to criteria as follows:

S.No.	Particulars
1.	Whether the Shareholders of the Company were sufficiently informed on the key concerns of the Company including on Board Meetings/General Meetings, Policies of the Company and enhancing information/opportunity to attend General Meetings through newspapers notice or website of the Company.
2.	Whether the Company have an transparent & adequate mechanism to resolve/address the grievances of the Shareholders.

S.No.	Particulars
3.	Whether the Board encouraged its KMPs, Senior Management & facilitate the independent directors in view of better corporate governance & their duties.
4.	Whether they are satisfied with the financial performance in terms of revenue, PBT, PAT etc. of the Company in comparison to the previous financial year & recommended the appropriate dividend on shares.
5.	Whether the Board has approved the appropriate annual budget and the budgeted figure was in line of actual performance of the Company.
6.	Whether the Board recommended the appropriate dividend after consideration of diversification & expansion of its business in the best interest of the Stakeholders.
7.	Whether the Board discussed and taken decision on penetration & diversification in view of expansion of its business.
8.	Whether the Board acted and taken decisions on well informed basis and duly discussed the agenda items and the meetings are held timely to fulfill their duties.
9.	Whether the Board had followed the ethical standards.
10.	Whether the Board has used the resources of the Company for maximization of wealth.

3. Performance Evaluation of Executive & Non Executive Directors (not Independent Directors)

S.No.	Particulars
1.	Whether he/she actively participated in board meetings including committee & general meetings.
2.	What he/she brings an objective view in the evaluation of the Board & Management?
3.	Whether he/she acted objectively and constructively while exercising his/her duties in the Board/Committee meetings.
4.	Whether he/she assisted the Company in implementing the best corporate governance practices.
5.	Whether he/she helped the Board by giving a prudent judgment on Board deliberations especially on strategy, performance, risk management & standards of conduct.
6.	Whether he/she scrutinize the performance of the management monitored the report of Company's performance.
7.	Whether he/she well informed about the Company and the external environment in which it operates.
8.	Whether he/she had participated in the familiarization program of directors of the Company.

S.No.	Particulars
9.	Whether he/she has given sufficient attention and ensured on the approval of related party transactions and assured that the same are in the best interest of the Company.
10.	Whether he/she has ascertained that the policies of the Company and its implementation are adequate and proper and has complied with Code of Conduct.

4. Performance Evaluation of the Committee

The performance evaluation shall be done on an annual basis, each director shall be provided an evaluation sheet based on including but not limited to criteria as follows:

S.No.	Particulars
1.	Whether the Committee is exercising all its powers delegated by the Board of Directors with due care and diligence.
2.	What is the level of working of Committee in line with its terms of reference.
3.	Whether the frequency of the meetings are sufficient to discharge its duties properly.
4.	Whether the recommendation made by the Committee is a proper and adequate.

The evaluation criteria shall be reviewed by the Committee and Board from time to time and shall be in accordance with Clause 49 of the Listing Agreement, the Companies Act, 2013 and rules and regulations made there under as amended from time to time.

STAKEHOLDERS RELATIONSHIP COMMITTEE: COMPOSITION OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligation & Disclosure Requirements) 2015 the Board of

Directors of the Company has constituted the Stakeholders and Relationship Committee. Currently, it consists of 3 (three) Independent & Non-Executive Director of the Company.

The composition of the Stakeholder's Relationship Committee and the attendance details of the members of the Committee during the FY 2015-16 are given below:

ROLE OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE:

Grievances of the security holders of the listed entity including,

STAKEHOLDERS RELATIONSHIP COMMITTEE COMPOSITION AND ATTENDANCE

Name of the Directors	Mr. Kundan Mal Agarwal (DIN 00043115)	Mr. Pawan Bansal (DIN 00420629*)	Mr. Roop Chand Jindal (DIN 01450916)	Mr. Hari Das Khunteta (DIN 00061925)
Designation	Chairman	Member	Member	Member
Category	Independent & Non Executive Director	Independent & Non Executive Director	Independent & Non Executive Director	Independent & Non Executive Director
Date of Meeting				
May 2, 2015	Y	N	Y	Y
August 5, 2015	Y	N	Y	Y
November 3, 2015	Y	N	Y	Y
February 11, 2016	Y	N.A	Y	Y
No of Stakeholders Relationship Committee Meetings the Financial Year	4	3	4	4
Attended	4	0	4	4

*Mr. Pawan Bansal has resigned from the directorship of the Board as well as membership of the Committee w.e.f. January 22, 2016.

Complaints related to:

- Transfer of shares
- Non-receipt of annual report and
- Non-receipt of declared dividends

For the purpose to expedite the process of transfer and transmission of securities and other matters like consolidation of share certificates, issue of duplicate share certificates, de-materialization / re-materialization of share, the Board of the Company shall delegate the power to the Registrar and Share Transfer Agent of the Company.

NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER:

Following are the details with regards to the Compliance Officer:

Mr. Suman Kumar
E.V.P. (Corporate Affairs) & Company Secretary & Compliance Officer

SMC Global Securities Ltd.
11/6-B, Shanti Chamber, Pusa Road,
New Delhi-110005
Tel.: 91 11 3011 1333, 3012 0966
Fax: 91 11 3012 6061
E-mail: sumankumar@smcindiaonline.com

SHAREHOLDER'S GRIEVANCES:

A regular system of monitoring and redressal of the pending complaints / queries is being followed by the Company

A detail of shareholder's Complaints received during the financial year 2015-16 is as under:			
(a)	Number of Shareholder's complaints received during the year	:	06
(b)	Number of Shareholder's complaints resolved during the year	:	06
(c)	Number of complaints not solved to the satisfaction of shareholders	:	NIL
(d)	Number of complaints pending	:	NIL

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**COMPOSITION OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 the Board of Directors of the Company has constituted the

Corporate Social Responsibility (CSR) Committee. Presently, it consists of 4 (four) Directors out of them 2 (two) are Executive Directors and 2 (two) are Independent & Non-Executive Directors of the Company.

The composition of CSR Committee and attendance of each member of the Committee during the financial year 2015-16 is as follows:

Corporate Social Responsibility Committee Composition and Attendance

Name of the Directors	Mr. S. C. Aggarwal	Mr. M. C. Gupta	Mr. S. C. Gupta	Mr. K. M. Agarwal
	(DIN 00003267)	(DIN 00003082)	(DIN 00025780)	(DIN 00043115)
Designation	Chairman	Vice Chairman	Member	Member
Category	Chairman & Managing Director	Vice Chairman & Managing Director	Independent Director	Independent Director
Date of Meeting				
May 2, 2015	Y	Y	Y	Y
August 5, 2015	Y	Y	Y	Y
November 3, 2015	Y	Y	Y	Y
February 11, 2016	Y	Y	Y	N
No. of Corporate Social Responsibility Committee Meetings during the Financial Year	4	4	4	4
Attended	4	4	4	4
Absent	NIL	NIL	NIL	NIL
% of Attendance	100%	100%	100%	100%

TERMS OF REFERENCE OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
2. Recommend and monitor the amount of expenditure to be incurred on the activities.
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

PUBLIC ISSUE AND LISTING COMMITTEE (PI & LC):**COMPOSITION OF PUBLIC ISSUE AND LISTING COMMITTEE (PI & LC):**

The Public Issue and Listing Committee (PI & LC) has been formed and constituted by the Board, for the purpose of Further Public Offer of the Company.

The Composition of the Public Issue and Listing Committee (PI & LC) is as follows:**Public Issue And Listing Committee Composition**

Sr. No.	Name of the Member(s)	Designation
1.	Mr. Hari Das Khunteta	Chairman
2.	Mr. Subhash C. Aggarwal	Member
3.	Mr. Mahesh C. Gupta	Member
4.	Mr. K.M. Agarwal	Member
5.	Mr. Satish Chandra Gupta	Member
6.	Mr. Chandra Wadhwa	Member
7.	Mr. Anurag Bansal	Member
8.	Mr. Finney Cherian	Member
9.	Mr. Himanshu Gupta	Member

OPERATIONAL DECISION MAKING COMMITTEE (ODM COMMITTEE):

The ODM Committee is constituted for the purpose of various operational and routine matters arising in the day to day affairs of the Company. The minutes of every ODM Committee meeting are ratified and taken on record by the Board of Directors of the Company in its immediate following meeting.

This Committee looks into various operational and routine matters under the supervision, control and directions of the Board between two Board meetings relating to:

- To open/close current account(s) / demat account(s) / trading account(s) and all the operations related therewith and authorization to operate.
- To apply for internet banking / corporate internet banking / payment gateway(s) from various banks.
- To apply for electricity connection(s) / telephone connection(s).
- Any other work relating to the routine operations of the company which is not specified herewith.

The composition of the ODM Committee as on March 31, 2016 is as under:

Name	Designation	Category
Mr. Subhash Chand Aggarwal (DIN 00003267)	Chairman	Chairman & Managing Director
Mr. Mahesh Chand Gupta (DIN 00003082)	Member	Vice-Chairman & Managing Director

BORROWINGS, INVESTMENTS & LOANS COMMITTEE (BIL COMMITTEE):

The BIL Committee is constituted for the purpose of handling various matters of the Company with respect to borrowings, investments and loans. The minutes of every BIL committee meeting are ratified and taken on record by the Board of Directors of the Company in its immediate following meeting.

This Committee looks into various matters of the Company with respect to borrowings, investments and loans under the supervision, control and directions of the Board between two Board meetings relating to:

To avail bank guarantee, overdraft facility, borrowings and other credit facilities from the bankers;

To borrow money;

To acquire, by way of subscription, purchase or otherwise the securities of any other body corporate or to otherwise invest the funds of the company;

To make any loan(s);

To provide corporate guarantee/other guarantee, security in favour of bankers for the facilities availed by its group companies/subsidiary companies/business associates;

The composition of the BIL Committee as on March 31, 2016 is as under:

Name	Designation	Category
Mr. Subhash Chand Aggarwal (DIN 00003267)	Chairman	Chairman & Managing Director
Mr. Mahesh Chand Gupta (DIN 00003082)	Member	Vice-Chairman & Managing Director

AMERICAN DEPOSITORY RECEIPTS / GLOBAL DEPOSITORY RECEIPTS COMMITTEE (ADR/GDR COMMITTEE)

The ADR/GDR Committee has been formed and constituted by the Board for the purpose of issuance of global receipts. The composition of ADR/GDR Committee is as follows:

1.	Mr. H.D. Khunteta	Chairman
2.	Mr. N. D. Gupta	Member
3.	Mr. S.C. Gupta	Member
4.	Mr. Subhash C. Aggarwal	Member
5.	Mr. Mahesh C. Gupta	Member
6.	Mr. Anurag Bansal	Member
7.	Mr. Finney Cherian	Member
8.	Mr. Himanshu Gupta	Member

RISK MANAGEMENT COMMITTEE:

COMPOSITION OF THE RISK MANAGEMENT COMMITTEE:

Risk Management Committee of the Company is formed and constituted by the Board of Directors

Name of the Director	Mr. Subhash C. Aggarwal	Mr. Mahesh C. Gupta	Mr. Ajay Garg	Mr. Anurag Bansal	Mr. Himansu Gupta	Mr. Vinod Kumar Jamar
Designation	Chairman	Member	Member	Member	Member	Member

VIGIL MECHANISM POLICY:

The Company has laid down a Vigil Mechanism Policy (formerly known as Whistle Blower Policy) and the same has been posted on the official Website of the Company via http://www.smcindiaonline.com/VIGIL_MECHANISM_POLICY.pdf. Any employee may make a disclosure regarding malpractices and events covered under this policy by presenting the same in writing before any of the members of the Audit Committee or through addressing an e-mail at whistleblower@smcindiaonline.com which will be accessible to all the members of the Committee. No employee is denied of opportunity to meet the members of the Audit Committee of the Company.

RELATED PARTY

Related Party Transactions:

During the year under review, the Company has disclosed the transactions of a materially significant nature with any related party, as defined under the provisions of the Companies Act, 2013 and as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 that may have potential conflict with the interest of the Company at large. The Company has obtained requisite declarations from all directors and key managerial personnel in

of the Company for the purpose of identifying the risk and setting up process to mitigate the risk with the formulation of Risk Management Policy.

The composition of Risk Management Committee is as follows:

this regard and the same were placed before the Board of Directors.

The Related Party Transactions Policy has also been posted on company's website and also made available on the following link:

http://www.smcindiaonline.com/RELATED_PARTY_TRANSACTIONS_POLICY.pdf

COMPOSITION OF BOARD OF DIRECTORS OF UNLISTED SUBSIDIARY COMPANY

During the financial year 2015-16, our Company has only one Material Non-Listed Indian Subsidiary Company namely SMC Comtrade Limited. The Company has complied with the requirement of appointment of at least one of its independent director on the Board of Directors of a Material Non-Listed Indian Subsidiary Company.

The Audit Committee of the Company has also reviewed the financial statements of all the subsidiary companies on quarterly basis.

The minutes of the Board meetings of the all the Subsidiary Companies were placed at the Board meetings of the Company for its review.

The Chief Financial Officer (CFO) of the Company presents a report on a half year basis before the Board of Directors of the Company, a statement of all significant transactions and arrangements

entered into by its Subsidiary Companies.

The Chief Financial Officer (CFO) of the Company shall present to the Audit Committee, whenever there is a change in the existing Material Subsidiary or any Company whenever falling within the criteria of Material Listed Indian Subsidiary / Material Non Listed Indian Subsidiary on the basis of quarterly / annual financial statement. The Audit Committee shall review the same and make suitable recommendations to the Board.

The policy for determining 'material' subsidiaries has also been posted on company's website and also made available on the following link:

http://www.smcindiaonline.com/MATERIAL_SUBSIDIARY_POLICY.pdf

SEPARATE MEETINGS OF THE INDEPENDENT DIRECTORS:

Pursuant to Schedule IV read with Section 149 of the Companies Act, 2013 the Independent Directors of the Company met separately on March 30, 2016 at Taj Mahal Hotel, 1, Mansingh Road, New Delhi. All the Independent Directors of the Company were present at the meeting except Mr. H.D. Khunteta and discussed the following agenda items:

- a.i. review the performance of non-independent directors and the Board as a whole;
- a.ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- a.iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR:

The Company had organized a familiarization program for the Independent Directors of the Company on Tuesday, the 30th Day of March, 2016 at Taj Mahal Hotel, 1, Mansingh Road, New Delhi. The objective of the workshop was to enhance the leadership skills and motivation and to familiarize them with the Company and its business activities.

MEMBERSHIP IN COMMITTEES

The Board functions either as Board on a whole or through delegation to its Committees. The Board and its Committees meet at regular intervals.

a) Attendance of Directors at Board Meetings during the Financial year 2015-16, last Annual General Meeting (AGM) and number of other Directorship(s) and Chairmanship(s)/ Membership(s) of committee(s) in various Companies are as follows:

Name of the Director	Designation	Attendance		No. of Directorships in other Companies ##	Committee Memberships ###	
		Board Meeting	AGM for the year 2014-15 #		Chairman	Member
Mr. Subhash Chand Aggarwal (DIN 00003267)	Promoters and Chairman & Managing Director	5	Y	1	NIL	1
Mr. Mahesh Chand Gupta (DIN 00003082)	Promoters & Vice - Chairman & Managing Director	5	Y	2	NIL	1

Name of the Director	Designation	Attendance		No. of Directorships in other Companies ##	Committee Memberships ###	
		Board Meeting	AGM for the year 2014-15 #		Chairman	Member
Mr. Pradeep Aggarwal (DIN 00203822)	Whole-time Director	5	Y	2	NIL	1
Mr. Ajay Garg (DIN 00003166)	Whole-time Director	4	Y	3	NIL	1
Mr. Anurag Bansal (DIN 00003294)	Whole-time Director	3	N	4	NIL	NIL
Mr. Kundan Mal Agarwal (DIN 00043115)	Independent & Non - Executive Director	5	Y	5	3	2
Mr. Narain Dass Gupta (DIN 01522375)	Independent & Non - Executive Director	4	N	1	1	1
*Mr. Pawan Bansal (DIN 00420629)	Independent & Non - Executive Director	-	Y	2	NIL	NIL
Mr. Roop Chand Jindal (DIN 01450916)	Independent & Non - Executive Director	5	Y	NIL	NIL	2
Mr. S. C Gupta (DIN 00025780)	Independent & Non - Executive Director	5	Y	12	4	6
Mr. Hari Das Khunteta (DIN 00061925)	Independent & Non - Executive Director	5	N	10	1	6
Mr. Chandra Wadhwa (DIN 00764576)	Independent & Non - Executive Director	5	Y	2	1	1
Dr. Madhu Vij (00025006)	Independent & Non - Executive Director	4	Y	4	NIL	2
Mr. Finney Cherian (DIN 02011132)	Nominee Director & Non - Executive Director (Representative of Millennium India Acquisition Company Inc)	2	N	1	NIL	NIL
Mr. J. H. P. Van Der Merwe (DIN 03048724)	Non - Executive Director	1	N	NIL	NIL	NIL

Y stands for Yes, N stands for No.

Excludes directorship in Foreign Companies, Private Limited Companies and Alternate Directorships. However Private limited Company which is Subsidiary of a Public company is considered in counting the Directorship as per the provision of Section 2 (71) of Companies Act 2013.

Only the following Board Committees have been considered for this purpose: Audit Committee and Stakeholder's Relationship Committee.

* Mr. Pawan Bansal resigned from the directorship of the Company w.e.f. January 22, 2016.

4. GENERAL BODY MEETINGS DETAILS OF LAST THREE ANNUAL GENERAL MEETING AND SPECIAL RESOLUTION(S) PASSED

Year	Location	Date	Day	Time	Detail of Special Resolution(s) Passed
2012-13	"URDU GHAR" 212, Rouse Avenue, Deen Dayal Upadhyaya Marg, New Delhi-110002	September 28, 2013	Saturday	10:15 A.M.	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Ajay Garg as whole-time Director of the company. 2. Re-appointment of Mr. Anurag Bansal as whole-time director of the company.
2013-14	"URDU GHAR" 212, Rouse Avenue, Deen Dayal Upadhyaya Marg, New Delhi-110002	September 26, 2014	Friday	10:30 A.M.	<ol style="list-style-type: none"> 1. Approval for the follow on public offer by the company: 2. Re-appointment of Mr. Subhash Chand Aggarwal (Din 00003267) as Managing Director of the company. 3. Authorization to hold office or place of profit by Mrs. Reema Garg, wife (relative) of Mr. Ajay Garg, Director of the Company, as Chief Financial Officer (CFO) of Moneywise Financial Services Private Limited, wholly owned subsidiary of the company. 4. Authorization to hold office or place of profit by Ms. Shruti Aggarwal, Daughter (relative) of Mr. Subhash Chand Aggarwal, Chairman and Managing Director of the Company, as Chief Financial Officer (CFO) of SMC Capitals Ltd., wholly owned subsidiary of the Company. 5. Authorization to hold office or place of profit by Mrs. Hemlata Aggarwal, wife (relative) of Mr. Subhash Chand Aggarwal, Chairman and Managing Director of the Company, as Vice President - Business Development of SMC Comtrade Ltd., subsidiary of the company. 6. Authorization to hold Office or Place of Profit by Mrs. Sushma Gupta, wife (relative) of Mr. Mahesh Chand Gupta, Vice-Chairman and Managing Director of

Year	Location	Date	Day	Time	Detail of Special Resolution(s) Passed
					<p>the Company, as Vice President - strategic planning of SMC. Comtrade Ltd., Subsidiary of The Company.</p> <ol style="list-style-type: none"> 7. Authorization to Hold Office Or Place of Profit by Mr. Himanshu Gupta, Son (relative) of Mr. Mahesh Chand Gupta, Vice-chairman and Managing Director of the Company, as Chief Financial Officer (CFO) of SMC Comtrade Ltd., Subsidiary of the Company. 8. Authorization to Hold Office or Place of Profit by Mrs. Akanksha Gupta, Son's wife (relative) of Mr. Mahesh Chand Gupta, Vice-chairman and Managing Director of The Company, as Director (Finance) of SMC Insurance Brokers Pvt. Ltd., Subsidiary of The Company. 9. Authorization to Hold Office or Place of Profit by Mr. Lalit Kumar Aggarwal, Brother (relative) of Mr. Pradeep Kumar Aggarwal, Whole Time Director of The Company, as whole Time Director (WTD) of SMC Real Estate Advisors Pvt. Ltd. (Formerly known as SMC Securities Pvt. Ltd.), Subsidiary of SMC Finvest Limited and ultimate subsidiary of the Company. 10. Authorisation for Drawal of Remuneration of Mr. Damodar Krishnan Aggarwal, Brother (relative) of Mr. Subhash Chand Aggarwal, Chairman and Managing Director of the Company, in the Capacity of Managing Director of SMC Investments and Advisors Limited Instead of SMC Comtrade Limited. 11. Authorization to hold Office or Place of Profit by Mrs. Nidhi Bansal, wife (relative) of Mr. Anurag Bansal, Whole Time Director of the Company, as Vice President - Business Development of the Company. 12. Authorization For Related Party Transactions. 13. Increase the Borrowing Powers in Excess of Paid-up Capital and free reserves. 14. Increase the Limit of Inter-corporate Loans and Investments:

Year	Location	Date	Day	Time	Detail of Special Resolution(s) Passed
2014-15	"URDU GHAR" 212, Rouse Avenue, Deen Dayal Upadhyaya Marg, New Delhi-110002	June 1, 2015	Monday	10:30 A.M.	1. Authorization for Related Party

During the financial year 2015-16 the company has convened an Extra-ordinary General Meeting on February 4, 2016, the details of which are as follows:-

2015-16	"URDU GHAR" 212, Rouse Avenue, Deen Dayal Upadhyaya Marg, New Delhi-110002	February 4, 2016	Thursday	11:00 A.M.	<ol style="list-style-type: none"> 1. Reclassification of authorized preference share capital of ₹.5 crores into authorized equity share capital 2. Amendment to the memorandum of association of the company pursuant to reclassification of authorised share capital 3. Issuance of American Depository Receipts ("ADRS") against fresh equity / sponsored equity i.e. against existing equity shares for listing at NYSE/NASDAQ, subject to regulatory approvals. 4. Increase in remuneration of Mr. Ajay Garg, whole time director of the company 5. Increase in remuneration of Mr. Anurag Bansal, whole time Director of the Company 6. Increase in remuneration of Mr. Subhash Chand Aggarwal, Chairman & Managing Director of the company 7. Increase In Remuneration of Mr. Mahesh Chand Gupta, Vice- Chairman & Managing
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None of the Special Resolutions were passed were passed during the financial year 2015-16 through Postal Ballot.

MEANS OF COMMUNICATION:

QUARTERLY RESULTS:

The Quarterly Results of the Company as per the statutory requirements under regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) 2015 with the Stock Exchanges are published in the English Newspapers "Economic Times" and also in Newspapers of vernacular language "Navbharat Times" (Hindi) and are sent to the Stock Exchanges.

WEBSITE:

Company's website www.smcindiaonline.com provides comprehensive information on Company's portfolio of businesses. The website has entire section dedicated to Company's profile, its core values, corporate governance, business lines and industry sections. An exclusive section on 'Investors Relations' enables them to access information at their convenience. The entire Reports as well as Quarterly, Half yearly, Annual Financial Statements, Releases, Notice of General Meetings, Code of Conduct and Policies are available in downloadable format as a measure of added convenience to the investors.

News Releases, Presentations, etc.:

Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website www.smcindiaonline.com. Official media releases are also sent to the Stock Exchanges.

ANNUAL REPORT:

Annual Report containing, inter-alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditor's Report, Management Discussion and Analysis Statement, Corporate Governance Report and other important information is circulated to members and others entitled thereto. The Annual Report of the Company is available on the Company's website in a user-friendly and downloadable form.

INTIMATION TO THE STOCK EXCHANGES:

The Company intimates the Stock Exchanges all price sensitive information or such other matters which in its opinion are material and of relevance to the Shareholders.

DESIGNATED EXCLUSIVE EMAIL-ID:

The Company has the following designated email-id smc.care@smcindiaonline.com exclusively for investors servicing.

7. GENERAL SHAREHOLDER INFORMATION

A	Annual General Meeting Day & Date Time Venue	Saturday July 16, 2016 11:00 AM Urdu Ghar, 212, Rouse Avenue, Deen Dayal Upadhyaya Marg, New Delhi-110002
B	Financial Year	April 1, 2015 to March 31, 2016
C	Date of Book Closure	July 5, 2016 to July 7, 2016
D	Dividend Payment Date	The Board has declared an Interim Dividend during the financial year 2015- 2016 @ 12% (₹ 0.24 Per Share of ₹ 2 each) and has recommended the final dividend of 18% i.e. ₹ 0.36 per Share for the Face Value of ₹ 2/- per Share for the FY 2015-16.
E	Listing of Equity Shares on Stock Exchanges in India at	1. Delhi Stock Exchange Ltd (DSE) DSE House, 3/1, Asaf Ali Road, New Delhi - 110002 2. Calcutta Stock Exchange Ltd. (CSE) 7, Lyons Range, Kolkata, West Bengal- 700001 3. Ahmadabad Stock Exchange Ltd. (ASE) A-2, Kamdhenu Complex, Opposite Sahajanand College, Panjara Pol, Ahmedabad, Gujarat- 380015
F	Stock Codes	1. DSE 19509 2. CSE 2918610029186 3. ASE 55500
G	ISIN for Equity Shares	INE103C01036
H	Listing Fees	Paid to Calcutta Stock Exchange for the FY 2016-17. DSE & ASE are not raising bills due to their recognition issues.
I	Registered Office	11/6-B, Shanti Chamber, Pusa Road, New Delhi-110005. Tel.: 91-11-30111000, 40753333 Fax: 91-11-25754365 E-mail: smc@smcindiaonline.com Website: www.smcindiaonline.com

J	Market Price Data	No trading has been observed on DSE / CSE / ASE in our scrip, where the equity shares of our Company are listed.
K	Performance in comparison to board based indices	No trading has been observed on DSE / CSE / ASE in our scrip, where the equity shares of our Company are listed.
L	Registrar and Share Transfer Agent (RTA)	Link Intime India Private Limited 44, Community Centre, 2nd floor, Naraina Industrial Area, Phase I, Near PVR Naraina, Delhi-110028. Tel: 91-11-41410592-94 Fax: 91-11-41410591 E-mail: delhi@linkintime.co.in
M	Share transfer system	As per the agreement between the Company and Registrar and Share Transfer Agents (RTA) of the Company, process of every transfer and transmission of shares and other matters like consolidation of share certificates, issue of duplicate share certificates, dematerialization / re- materialization of shares has been handled and carried out by the RTA and further approved and authenticated by the Company Secretary of the Company. Thereafter, the said matters were ratified and taken on record by the Stakeholders Relationship Committee of the Company on quarterly basis.
N	Depositories	National Securities Depository Limited Trade World, 'A' Wing, 4th & 5th Floor Kamala Mills Compound, Lower Parel Mumbai-400013. Central Depository Services (India) Limited Phiroze Jeejeebhoy Towers, 16th Floor, Dalal Street Mumbai -400001
O	Dematerialization of and liquidity	88.71% shares of the Company have been in dematerialized form as on March 31, 2016.
P	Shareholding Pattern	Promoters 58.62% and Non Promoters 41.38% as on March 31, 2016.

- **INTERNAL AUDIT OF THE COMPANY:**

In compliance with Section 138 of the Companies Act, 2013 read with the Rules made there under and other applicable provisions (including any modifications or re-enactments thereof), if any, in any other law for the time being in force, the Company has appointed M/s Shaival & Sunil (Chartered Accountants) (Firm Registration No. 008576N), as its Internal Auditor for the Financial Year 2015-16, in its meeting held on May 2, 2015. The Company's system of the internal controls covering financial, operational, compliance, IT, HR, Service, etc., are reviewed by the internal Auditors from time to time and presentations are made by them before the Audit Committee on quarterly basis.

Our Company's Audit Committee inter alia, reviews the adequacy of the Internal Audit function, the Internal Audit Reports and reviews the internal control processes and systems. The Audit Committee is provided necessary assistance and information to render its function efficiently.

- **OTHER DISCLOSURES:**

Non-executive Directors' compensation and disclosures:

The Company has not paid any compensation and stock option to any of its Non-Executive Directors, including Independent Directors of the Company. Except, the sitting fees paid to its independent directors, as per the provisions of the Companies Act, 2013.

- **Remuneration of Directors:**

The Details of Remuneration package, sitting fees paid, etc., to the Directors of the

Company during the financial year 2015-16 have been explained under the heading Nomination and Remuneration Committee of Corporate Governance Report.

The Non - Executive Directors of the Company does not hold any share or convertible instrument of the Company.

Sitting fees is paid to the Independent Directors of the Company, which is approved at the duly convened meeting of Nomination and Remuneration Committee and Board of Directors of the Company, from time to time.

Proceeds from public issues, rights issue, preferential issues, etc.:

During the year under review, the Company has not received any proceeds from Public Issue, Rights Issue, Preferential Issues etc.

- **Compliance by the Company:**

The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties and structures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities with respect to the listed equity shares of the Company.

- **Mandatory and Non-mandatory Requirements:**

The Company has complied with the mandatory requirements of the SEBI (Listing Obligations & Disclosure Requirements) 2015. The Board has adopted the non-mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) 2015 by the Company, whenever applicable.

- **Code of Conduct for Prohibition of Insider Trading:**

The Company, in pursuance of Regulation 8 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 has formulated a "Code of Fair Disclosure" on August 5, 2015 for the prevention of Insider Trading. The code lays down the guidelines, which advices on the procedures to be followed and disclosures to be made while dealing in shares of the Company and indicates the consequences of non-compliance. The same has been posted on the website of the Company via http://www.smcindiaonline.com/Code_of_Fair_Disclosure_SMC_Global_Securities_Ltd.pdf.

Simultaneously, this code is also applicable for all the employees and other connected persons of the company as well.

- **INTERIM DIVIDEND**

During the period under review the Company has declared the Interim Dividend of 12% (i.e. ₹ 0.24 per equity share of the face value of ₹ 2 each) amounting to ₹ 27,152,268/- out of the profits of the Company for the financial year 2015-2016 to all the equity shareholders of the Company whose names appeared on the Register of Members of the Company on November 18, 2015.

POLICIES

- **Policy for Preservation of Documents of the Company**

During the financial year the Company has framed the policy for the Preservation of Documents of the Company which is required to be formulated under Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) 2015.

- **Policy for Determining of Materiality of an Event (Including Archival Policy)**

During the financial year the Company has framed the policy for Determining of Materiality of an Event of the Company which is required to be formulated under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) 2015.

- **DIVIDEND POLICY**

During the period under review the Company has formulated Dividend Policy - as per the Companies Act 2013 read with Companies (Declaration and Payment of Dividend) Rules 2014.

- **MONEY LAUNDERING**

The Company is also keeping a track of the regulations of Money Laundering. The Concerned policy in this regard is also published in Company's website via http://www.smcindiaonline.com/PMLAPOLICY_6.pdf

- **SEXUAL HARASSMENT**

Pursuant to Section 22 and Section 28 of The Sexual Harassment of Woman at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Board of Directors of the Company has approved and adopted the "Policy on Prevention of Sexual Harassment at Workplace". The policy is made with the objective to provide equal employment opportunity and is committed to provide a work environment that ensures every woman employee is treated with dignity and respect and afforded equitable treatment. The Company has adopted the policy under the direction of the Hon'ble Supreme Court of India and Sexual Harassment of Woman at Workplace (Prevention, Prohibition and

Redressal) Act, 2013 for dealing with the sexual harassment cases. To bring the policy into effect the Company has made a committee in this regard which will be responsible for implementing the policy and making modifications in the policy from time to time. It is also responsibility of the committee to redress the complaints within the time as prescribed in the policy. Present composition of the committee is as follows:

1. Ms. Reema Garg (Chairperson)
2. Ms. Vandana Bharti (Member)
3. Ms. Rashmi Atri (Member)
4. Mr. Vinod Kumar Jamar (Member)
5. Mr. Ashok Aggarwal (Member)

During the FY 2015-16 no Complaints of sexual harassment has been received by the company.

Annual Compliance Report on Corporate Governance

Name of the listed entity: SMC Global Securities Limited Financial Year: 2015-16

I. Disclosure on website in terms of Listing Regulations

Item	Compliance status (Yes/No/NA) refer note below
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	N.A.
New name and the old name of the listed entity	N.A.

II Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA) refer note below
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk Management Committee	21(1),(2),(3),(4)	N.A.
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4) (5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes

II Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA) refer note below
Meeting of Independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

Note:

- In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated.
- If status is "No" details of non-compliance may be given here.
- If the Listed Entity would like to provide any other information the same may be indicated here.

III Affirmations:

The Listed Entity has approved Material Subsidiary Policy and the Corporate Governance requirements with respect to subsidiary of Listed Entity have been complied.

E-VOTING FACILITY:

In compliance with aforesaid provisions, our Company offered E-Voting facility as an alternate / option, for voting by the Shareholders, in addition to the option of physical voting, to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Each Shareholder / Member had to opt for exercising only one mode for voting i.e. either by Physical Ballot or by E-Voting.

POSTAL BALLOT:

No resolution had been passed through Postal Ballot during the financial year 2015-16.

DISCLOSURES:

The company has complied with the provision of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) 2015 and submitted at the required details to Stock Exchange on time with all the required details and disclosures.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2016:

By Size

Shareholding of Shares (Range)	Number of Shareholders	Shareholders (in %)	No. of Shares	Shares (in %)
1-500	290	21.60	33,950	0.03
501 - 1000	537	40.01	532,996	0.47
1,001- 2,000	215	16.02	425,270	0.37
2,001 - 3,000	39	2.91	112,659	0.09
3,001 - 4,000	26	1.94	102,860	0.09
4,001 - 5,000	42	3.13	207,405	0.18
5,001 - 10,000	63	4.69	506,090	0.44
10,001 & above	130	9.68	111,213,220	98.30

By Category

Category	No. of Shares	Equity (in %)
Promoters & Promoters Group	66,323,340	58.62
NRI and Foreign Body Corporate	24,217,625	21.40
Corporate Bodies (other than Promoters)	16,650,680	14.72
Indian Public and Others	5,917,755	5.26

DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on March 31, 2016 a total of 100, 353,230 equity shares of the Company representing 88.71% of total Equity Share Capital was held in dematerialized form.

The bifurcation of shares held in Physical and Demat form as on March 31, 2016 is as under:

Status of Dematerialization	No. of Equity Shares	% of total shares
Shares held in NSDL	14,833,225	13.11
Shares held in CDSL	85,520,005	75.60
Shares held in Physical Form	12,781,220	11.29

- FURTHER PUBLIC OFFER**

The Company has filed a Draft Red Herring Prospectus for Further Public offer on October 20, 2014 with SEBI for an issue aggregating to ₹125 Crores which comprises a fresh issue of Equity Shares upto ₹107 Crores and an offer for sale upto ₹18 Crores by Millennium Investments and Acquisition Company Inc. which SEBI has duly approved vide their Letter bearing no. CFD/DIL SMC GLOBAL/ 629/2015 dated April 7, 2015 which was valid for 12 Months from the date of its issuance. The option of Further Public Offer was not exercised by the Company as it is looking for the better avenues and is coming up with ADR's/GDR's.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of SMC Global Securities Limited.

We have examined the compliance of conditions of Corporate Governance by SMC Global Securities Ltd. (the Company) for the year ended on March 31, 2016, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) 2015 of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and according to the information and explanations given to us, we certify that the Company has complied with mandatory conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

No investor grievances are pending as on 31st March, 2016.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR R. GOPAL & ASSOCIATES
F.R.N. 000846C
(Chartered Accountants)

Sd/-

CA Sunil Kumar Agarwal
(Partner)
(M. No. 093209)

Date: May 18, 2016
Place: New Delhi

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

To,

The Board of Directors,

SMC Global Securities Limited

We Subhash C. Aggarwal, Chairman and Managing Director and Vinod Kumar Jamar, Chief Financial Officer of the Company hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
 - (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the

For SMC Global Securities Ltd.

Sd/-

Subhash C. Aggarwal
(Chairman & Managing Director)
(DIN 00003267)

Date: May 18, 2016
Place: New Delhi

effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify those deficiencies.

- D. We have indicated to the auditors and the Audit committee
 - (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- E. We further declare that all Board Members and Senior Personnel have affirmed compliance with the Code of Conduct for the year covered by this report.

For SMC Global Securities Ltd.

Sd/-

Vinod Kumar Jamar
(Chief Financial Officer)



Building Wealth,
Enriching Lives.



THE ART OF MANAGING WEALTH.

- PORTFOLIO MANAGEMENT SERVICES
- MULTI MANAGER INVESTMENT SOLUTIONS
- TRADING IN EQUITY, CURRENCY,
INTEREST RATE FUTURES
- DEPOSITORY SERVICES
- MUTUAL FUNDS & IPOs
- FIXED INCOME PRODUCTS
- NEAR RISK FREE ARBITRAGE PRODUCTS
- STRUCTURED PRODUCTS
- PORTFOLIO ADVISORY
- REAL ESTATE FUNDS
- PRIVATE EQUITY FUNDS
- FINANCIAL PLANNING
- HEDGING SERVICES

MANAGEMENT DISCUSSION & ANALYSIS REPORT

FORWARD - LOOKING STATEMENT

All statements that address expectations or projections about future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results may be forward – looking statements within the meaning of applicable rules and regulations. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

MACRO-ECONOMIC ENVIRONMENT

ECONOMY: REVIEW AND OUTLOOK

The International Monetary Fund (IMF) chief Cristine Lagarde (source: PTI April 5, 2016) has acknowledged that India continues to remain a bright spot among its peers. Actually, the policy reforms and ease of doing business initiative of the government has improved the confidence of the foreign market participants. Moreover, the study from IMF also said that India would grow ahead of China. While, global economy continues to be very uncertain and volatile.

On the back of robust private consumption, the revival of sentiment and pick-up in industrial activity, amid a recovery of private investment, it is expected that India will continue to see good growth going forward. If data are to be believed India's GDP stood at \$477 billion in 2000 and in the year 2015 it has increased to \$2,091 billion, showing more than four-fold increase over a period of 15 years.

Indian economy has seen a good growth in the recent

years, after Modi government came in the centre, on the back of strength of public investment, highest foreign direct investment (FDI) and urban demand. It is largely expected that if the prediction for monsoon comes true, it would revive the rural consumption. Besides monsoon, the measures announced by the government in the Budget to boost rural economy would also help the rural demand to revive. The revival of rural demand leads to a turn in the investment cycle and this would take the economy to a higher trajectory of growth.

By implementing its various policy initiatives; with speedier decision-making and better governance, the Modi led government is expected to set in motion a worthy cycle of growth. Meanwhile, the lower commodity prices, a range of supply-side measures, and a relatively tight monetary stance adopted by Reserve Bank of India (RBI) have helped a lot to cool inflation, making room for nominal interest rate cuts. It is expected that a good monsoon will help keep inflation pressures in check and allow room for an additional rate cuts during the current fiscal year. This too would give much needed boost to the Indian economy going forward.

INDIAN CAPITAL MARKET

In the FY 2015-16, India has witnessed a volatile stock market movement, dismal corporate earnings, sub-normal monsoons, and plunge in commodity and oil prices. The Central Govt. could not get approval of the critical bills like Land Acquisition Amendment Bill and GST Bill in the parliament.

However, silver lining was that India saw a continued flows from domestic institutions, particularly mutual funds and from retail participants. And among the Emerging Market (EM) peers, India remained in a bright spot amid a slowdown in global economy on



Board Meeting of SMC Global Securities Limited, dated May 18, 2016 at - Roshanara Hall Taj Palace Hotel, New Delhi

the back of multiple rate cuts by the RBI and capital infusion by the domestic investors. The Reserve Bank of India slashed interest rates by 125 bps in 2015.

On the global front, during 2015, US investors' decisions were influenced by the timing of the first rate hike in a decade. However, in 2016, the Fed has been quite cautious about the timing of a further rate hike. The Eurozone and Japan have entered into negative interest rate policies. Moreover, the Chinese economic slowdown, the downturn in commodity prices, and the growing debt burden on the Chinese economy spooked investors' confidence badly in the year gone by.

Even though the Indian stock market witnessed a rough start at the beginning of 2016, it will remain one of the most focused business centers among its peers. In this fiscal year, the performance of the Indian stock market is expected to drive more by real performance of the initiatives so far taken by the government and other factors like improving investment demand, consumption etc., than by expectations like the premium attributed earlier to global excess liquidity and political strength of the government at the center or any other major trigger. Though the banking sector is struggling from its huge Non-Performing assets, but the various initiative taken by the government and the central bank is likely to give much needed support. Sectors like consumer durables goods, Automobile industry, and Infrastructure are vital to watch for.

SMC OVERVIEW

A LEADING FINANCIAL SERVICES GROUP

SMC Global Securities Ltd. (SMC), established in

1994, has over a period become a well-diversified financial services group, offering wide range of services, through its subsidiaries, namely:

- **Trading & Distribution** comprising of Broking & Commission Business of Equity, Commodity, Currency, Insurance Broking, Depository and clearing services (trading members), Distribution of Financial Products, Trading and Arbitrage Business & Treasury.
- **Financing** comprising of Loan against Shares, Loan against Property, Loan against IPO / OFS / Affordable housing applications.
- **Advisory Business** comprising of Investment Banking, Wealth Management, Real Estate Advisory and Research Services.

The Company's growth has been powered by strategic vision, strong belief and adherence to its core values and guiding principles, to attract and retain talent and a strong focus on technology, corporate governance and risk management.

AWARDS & RECOGNITIONS

- Best Financial Services Provider 2015 - Assocham Excellence Awards
- Best Broking House for SMEs 2015 - 3rd Assocham Excellence Awards
- Best Real Estate Broker of the Year 2015 - Assocham Excellence Awards
- Make in India Award for Excellence 2015 - K. Mantra IT
- Property Consultant of the Year Residential 2015 - ABP News - Real Estate Awards

ORGANISATIONAL OVERVIEW

At SMC it has been our constant endeavour to manage our growth in most efficient and effective manner. This involves creating strong organization, empowering leaders out of internal resources and having robust back office support system. In order to meet the expectations of our ever growing and demanding customer base, we strive hard to find innovative ways to come up to provide them with world class services.

The diversified business of SMC is being conducted through an organizational structure consisting of eight subsidiaries and three step down subsidiary companies, including one at Dubai (U.A.E.) and another at U.S.A. These subsidiaries are regulated by various regulators in India, U.A.E and U.S.A. respectively, depending upon business handled by them. We have presence in major cities in India through various offices apart from having subsidiary companies at Dubai (U.A.E.) and U.S.A. Through a strong network of 2400+ authorized persons and sub brokers, SMC footprints cover nearly 550+ cities across India. SMC group employs 3000+ employees (as on March 31, 2016), leveraging a strong partnership and ownership culture.

SMC STRATEGY

SMC has, since inception, successfully followed the strategy of synergetic diversification, while focusing on people, processes, products and structure. This strategy has stood us in good stead as demonstrated by the resilience of our business model across cycles.

- Our strategy, which has resulted in our success over the years, revolves around following key areas:
- Capitalizing on human resources with conducive environment for development of strong leaders.
- Commitment towards excellent customer services.
- Strong governance & compliance culture.
- Focus on Risk Management.
- Leveraging Technology for strategic advantage.
- Good quality Research.

The strategy has proved to be our key strength in standing us apart vis-à-vis competition. It has facilitated us diversify into new businesses, gaining market share, establishing a strong and visible Brand and achieving leadership position.

FINANCIAL PERFORMANCE HIGHLIGHTS

SMC FINANCIAL INFORMATION-CONSOLIDATED AND STANDALONE

Table 1: Abridged Profit and Loss Account (₹ in lacs)-Consolidated

PARTICULARS	FY 2015-16	% to Total Income	FY 2014-15	% to Total Income	Increase/ (Decrease)%
REVENUE					
Revenue From Operations	39,068.33	98.28%	37,252.63	98.46%	4.87%
Other Income	681.98	1.72%	581.07	1.54%	17.37%
TOTAL REVENUE	39,750.31	100.00%	37,833.70	100.00%	5.07%
EXPENDITURE					
Exchange & Other operating expenses	12,443.61	31.29%	12,152.07	32.12%	2.40%
Employee benefits expenses	11,553.38	29.06%	9,363.65	24.75%	23.39%
Finance Cost	1,755.62	4.42%	1,296.39	3.43%	35.42%
Depreciation	681.90	1.72%	1,092.11	2.89%	-37.56%
Other Expenses	8,374.21	21.08%	7,667.41	20.27%	9.22%
TOTAL EXPENDITURE	34,808.72	87.57%	31,571.63	83.45%	10.25%
Net Profit/(Loss) for The Year	4,941.59	12.43%	6,262.07	16.55%	-21.09%
Less: Tax expense	1,477.36	3.72%	2,046.77	5.41%	-27.82%
PROFIT AFTER TAX (PAT)					
BEFORE ADJUSTMENT FOR MINORITY INTEREST	3,464.23	8.71	4,215.30	11.14%	-17.82%
Earnings per Share	3.05		3.71		

SMC's consolidated revenue from operations for FY 2015-16 was ₹ 39,068.33 lacs, an increase of 4.87% in comparison to previous year. Consolidated profit after tax before adjustment for minority interest was ₹ 3,464.23 lacs, a decrease of 17.82% against ₹ 4,215.30 lacs in the previous year. EPS on consolidated basis for the year was at ₹ 3.05 as against ₹ 3.71 in the previous year. The profit during the year has decreased because the revenue increased only by 5.07%, whereas the expenditure increased by 10.25%, contributed by increase in Employee Benefit Expenses & Finance Cost. Employee benefit Expenses were higher at ₹ 11,553.38 Lacs as against 9,363.65 Lacs in the

previous year, due to increase in Statutory Bonus, annual appraisal & new hiring. Interest cost was higher at ₹ 1,755.62 lacs as against ₹ 1,296.39 lacs in the previous year. Tax expenses for the year decreased to ₹ 1,477.36 lacs as compared to ₹ 2,046.77 lacs in the previous year, primarily due to lower operating profit.

SMC's gross debt on consolidated basis was at ₹ 14,444.24 lacs. This includes standalone gross debt of ₹ 8,279.37 lacs.

Consolidated cash and marketable securities were at ₹ 59,255.53 lacs.

Table 2: Abridged Profit and Loss Account (₹ in lacs)- Standalone

PARTICULARS	FY 2015-16	% to Total Income	FY 2014-15	% to Total Income	Increase/ (Decrease)%
REVENUE					
Revenue From Operations	22,430.46	97.95%	23,637.86	97.88%	-5.11%
Other Income	469.64	2.05%	512.80	2.12%	-8.42%
TOTAL REVENUE	22,900.10	100.00%	24,150.66	100.00%	-5.18%
EXPENDITURE					
Stock Exchange & Other Operating Expenses	9,711.45	42.41%	10,004.30	41.42%	-2.93%
Employee benefits expenses	4,561.11	19.92%	3,698.01	15.32%	23.34%
Finance Cost	1,401.83	6.12%	1,181.75	4.89%	18.62%
Depreciation	367.23	1.60%	577.61	2.39%	-36.42%
Other Expenses	5,488.20	23.97%	5,406.54	22.39%	1.51%
TOTAL EXPENDITURE	21,529.82	94.02%	20,868.21	86.41%	3.17%
Net Profit/(Loss) for The Year	1,370.28	5.98%	3,282.45	13.59%	-58.25%
Less: Tax expense	510.69	2.23%	1,129.01	4.67%	-54.77%
PROFIT AFTER TAX (PAT)	859.59	3.75%	2,153.44	8.92%	-60.08%
Earnings per Share (Basic) (in ₹)	0.76		1.90		

During the year under review, the revenue from operations for the year was ₹22,430.46 lacs, a negative growth of 5.11% as compared to previous year. This was largely on account of decrease in income from Brokerage & Capital Market operations and income from depository business but slightly offset by increase in Income from Distribution of Financial Products & other operating Income.

The total expenditure increased by 3.17% due to increase in Employee Benefit Expenses & Finance Cost. Employee benefit Expenses were higher at ₹4,561.11 as against ₹3,698.01 Lacs in the previous year, due to increase in Statutory Bonus, annual appraisal & new hiring. Interest cost was higher at ₹1,401.83 lacs as against ₹1,181.75 lacs in the previous year. Tax expenses for the year decreased to ₹510.69 lacs as compared to ₹1,129.01 lacs in the previous year, primarily due to lower operating profit.

Profit after tax for the year was at ₹859.59 lacs, which

is lower by 60.08% over ₹2,153.44 lacs in the previous year due to lower revenue and higher expenses.

The Board of Directors has recommended, subject to approval of shareholders, final dividend of 18% amounting to ₹407.28 lacs, exclusive of dividend distribution tax, in addition to 12% Interim Dividend amounting to ₹271.52 lacs paid during the FY 2015-16. This makes total Dividend @ 30% amounting to ₹678.80 lacs.

Break up of standalone revenue

Our revenue from operations largely comprises of commissions from equity and currency trading, clearing services, income from depository business, income from distribution of third-party financial products, income from capital market operations, etc. A comparison of the income from our operations in FY 2015-16 and FY 2014-15 is tabulated below:

₹ in lacs

PARTICULARS	FY 2015-16	FY 2014-15	% Difference
Revenue From Operations			
Income from equity & currency brokerage and capital market operations	17,632.97	18,970.32	-7.05%
Income from Distribution of Financial products	726.50	563.05	29.03%
Income from Depository Business	483.30	539.69	-10.45%
Treasury Income	1,816.45	1,817.95	-0.08%
Dividend Earned	100.16	430.49	-76.73%
Income from Exchange	8.83	14.82	-40.41%
Income from Reverse Book Building	11.00	51.33	-78.57%
Other Operating Income	1,651.25	1,250.21	32.08%
Total	22430.46	23,637.86	-5.11%

Key Subsidiaries

Particulars (loss)	Revenue from Operations	PBDIT	Profit/after Tax
SMC Comtrade Limited	3,645.74	-56.48	-339.92
SMC Insurance Brokers Private Limited	4,008.30	1,010.48	647.27
Moneywise Financial Services Private Limited	2,545.89	2,382.42	1,153.48

BUSINESS PERFORMANCE HIGHLIGHTS

BROKING BUSINESS

RETAIL BROKING

SMC is a Clearing & Trading member of the NSE, BSE and MSEI inequities, futures and options and currency derivatives segment. SMC is also a Depository Participant of NSDL and CDSL which facilitates smooth settlements of clients' delivery-based transactions. In the commodity segment, SMC Comtrade Ltd., wholly owned Subsidiary of SMC Global Securities Limited, is member of all major commodities exchanges in India. It also has international presence through its wholly owned subsidiary, SMC Comex International DMCC, which is a member of Dubai Gold and Commodity Exchange (DGEX).

During the year, SMC bagged Best Financial Service provider (Assocham Excellence Awards 2015) and Best Broking House for SMEs (Assocham Excellence Awards 2015), which vouches the quality of the company's broking and advisory services.

It is our continuous endeavor to provide the best-in-class products, services and experience to our esteemed customers. In continuation to these efforts, we have introduced our new HTML5 browser based platform 'SMC Easy Trade', a meticulously designed platform, which can be easily used on tablets & smartphones besides desktop with the inbuilt supported features of different devices.

On this platform the client can create his/her own work space where the client can have single view of streaming quotes, chart, order/trade book, Funds view etc. A favorite menu is an important feature where client can add his frequently used options so that every time he/she does not need to navigate on different menu pages.

EQUITY BROKING

SMC's market share was approximately 5.59 % (PY

4.96%) of total turnover of NSE, BSE & MSEI in FY 15-16. It has been successful in generating a combined turnover of approx. ₹ 41.51 lac crores (PY ₹ 40.26 lac crores) higher by 2.36% as compared to previous year.

CURRENCY BROKING

SMC firmly believes that wider market participation will bring more strength to the market & this can be achieved through disseminating education & information among various market participants.

SMC's market share is 13.18% (PY 15.25%) of total turnover of MSEI, BSE Currency and NSE Currency in FY 15-16. SMC has clocked combined volume of ₹ 10.88 lac crores (PY ₹ 9.32 lac crores) higher by 15.67 % as compared to previous year.

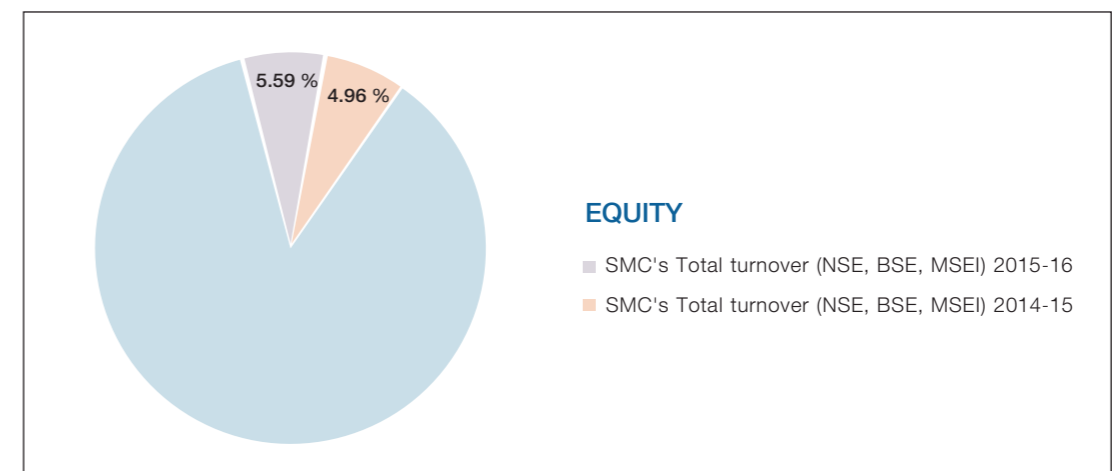
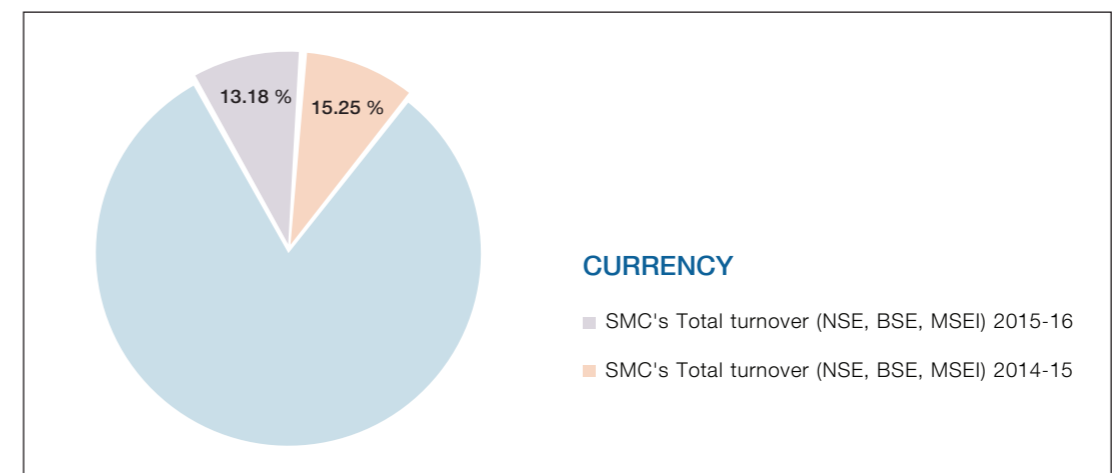
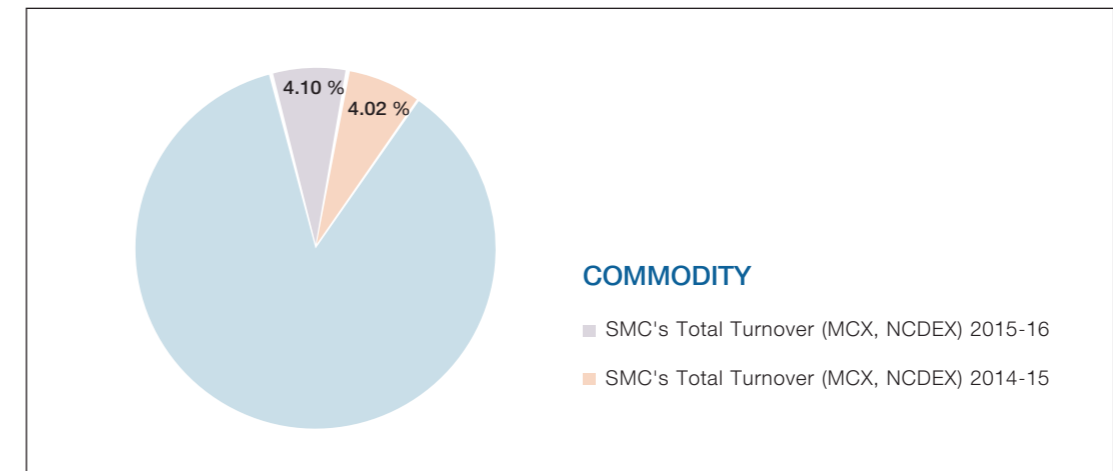
COMMODITY BROKING

During FY 2015-16, SMC's market share is 4.10% (PY 4.02%) of total turnover on MCX and NCDEX & clocked a combined volume of ₹ 2.76 lacs crores (PY ₹ 2.46 lac crores) which is higher by 12.20% as compared to previous year.

INSTITUTIONAL BROKING

SMC's Institutional Desk is located in Mumbai and it offers research based services in cash and derivatives segment to Institutional clients which includes Mutual Funds, Bank Treasuries, Public & Private Insurance Companies and other Financial Institutions.

Our Institutional Desk comprises of a research team to analyze various sectors and the Indian economy to identify equity & trading ideas for Institutional clients. Our sales & trading team comprises of professionals with understanding of the International as well as the Indian Financial Markets which translates our research in to actionable advice for our clients.



INSURANCE BROKING

SMC Insurance Brokers Pvt. Ltd, a subsidiary of SMC Comtrade Ltd, is a Direct Insurance Broker registered with Insurance Regulatory and Development Authority of India (IRDAI) and provides a complete array of services in Life Insurance and General Insurance Category.

We at SMC have sold over 6,78,000 policies during FY 2015-16 (PY 5,50,000 policies) and in the Life Insurance category added over 7,500 policies (PY 6200 policies) capable of generating recurring renewal revenues. For the FY 2015-16 in Honda Assure, (exclusive arrangement between Honda Cars India Ltd and SMC Insurance), we have sold more than 4,44,700 policies against 3,46,000 policies in last FY 2014-15.

CLEARING SERVICES

SMC offers clearing and settlement services to around 200+ trading members in the following exchanges:

- Equity Derivative: NSE F&O, BSE F&O & MSEI F&O.
- Currency Derivative: NSE (Currency), BSE & MSEI (Currency).
- Commodity Derivative: MCX, NCDEX, NCDEX SPOT, & DGCX.
- Debt segment: NSE, BSE & MSEI.

SMC is one of the leading Clearing services provider in North India and growing its presence Pan- India.

FINANCIAL PRODUCTS DISTRIBUTION

SMC offers distribution services of IPO, Mutual Fund, other public issues, Corporate Fixed deposits and Bonds through its network of branches across India. Our initiatives have been quite successful:

- Consistently among Top 10 mobilisers in IPO segment in the retail category. During FY 2015-16, SMC mobilized ₹ 1190 crores in various schemes of Mutual Funds, over ₹ 1600 crores in Tax Free Bonds, ₹ 1286 crores in Corporate fixed deposits segment, ₹ 20 crores in NCD with 1485 applications, ₹ 970 crores in Capital gain bonds and ₹ 194 crores with 89195 applications in IPO & FPO segment.
- Developed network of 13,000+ channel partners for distribution of third party products.
- We have built a cumulative Asset under Management (AUM) of more than ₹ 1865 crores and having over 2.69 Lacs Folios in Mutual Fund segment as on 31st Mar'2016.
- Over 27000+ running SIPs in various schemes of Mutual Funds.

INVESTMENT BANKING

SMC Capitals Limited is the investment banking arm of the SMC Group led by experienced professionals in this business. We provide services in the areas of Equity Capital Market, M&A advisory, Private Equity and Debt Syndication.

During FY 2015-16, we managed Public Issue / private placements of NCDs as sole Lead Manager / Co-Lead Manager. SMC Capitals acted as the Manager to the Delisting Offer of a listed entity and also provided valuation services to number of corporates during the year. On the advisory side we continue to engage with various corporates for providing advisory services on acquisitions, divestments, joint ventures, IPO preparation, fund raising and corporate restructuring.

FINANCING BUSINESS

Moneywise Financial Services Private Limited (Moneywise) is wholly owned subsidiary of SMC Global Securities Limited and registered with RBI as non-deposit taking non-banking finance company (NBFC). Moneywise has the benefit of Group's pan India network of branches and associates. Our financing business segment offers a variety of loan products primarily to individuals, and corporate clients, many of which are also clients of our trading and distribution and advisory services segments.

Moneywise offer capital markets loan products to clients, including traders and investors for capital market as well as other business purposes. Our loans against securities are secured against equity shares, mutual fund units, debt securities or other securities

that are on our approved securities collateral list. Moneywise also offers property loans to both commercial and retail clients which are secured by the underlying property and may also be secured by other collateral of the borrower. In addition, Moneywise also provides short-term financing to subscribers in IPOs, NCDs, OFS issues, affordable housing applications, providing the clients to reap gains or build investments without stressing their short-term liquidity positions. The Company is the market leader in the retail application financing segment having 8000+ clients attached to it.

The business model of the Company has proved efficient and successful over the period, which is evident from following table showing growth of the company:

(₹ In Lacs)

Loan Book			Profit after Tax		
31.03.2016	31.03.2015	Growth %	31.03.2016	31.03.2015	Growth %
27,691.37	11,646.26	137.77%	1,153.48	498.09	131.59%

The Company has a net worth of ₹1320 million approx. A proposal to infuse further ₹250 million is under consideration of the Parent Company.

WEALTH MANAGEMENT

SMC Investments and Advisors Ltd. is wholly owned subsidiary of SMC Global Securities Ltd. and offers Financial Planning and Wealth Management solutions to HNI clients through a host of in-house and third party products. SMC Investments is SEBI registered Portfolio Manager and AMFI registered distributor for various Mutual Funds. The company also provides the Home, Business and other personal loan distribution business since December, 2014 and currently has tied up with 25 plus major banks and NBFCs to provide the loan advisory to our clients. The company have AUA/AUM of over ₹510 Cr as on March 31, 2016.

REAL ESTATE ADVISORY

SMC Real Estate Advisors Pvt. Ltd. is wholly owned subsidiary of SMC Finvest Ltd. (wholly owned subsidiary Company of SMC). The company is Real Estate Services provider offering fully integrated Real Estate solutions to Individuals and Corporate Investors besides other property owners and Developers on pan India basis. The company has already tied up with more than 100 developers of reputed pan India with national as well as regional presence. The company has been bestowed upon the further recognition by Assocham as the Best Real Estate Broker of the Year and CMO Asia - Property Consultant of the year 2015.

OUTLOOK & STRATEGY

In the growth starved world, Indian economy is among the few bright spots for the investors all over the globe. Low inflation, fiscal prudence, accommodative monetary policy and above all government's intention and acumen are some the strong factors that are blended to support the sub-par economic growth that Indian economy is experiencing. Lot of efforts are put in by the Indian authorities to instil confidence among the various stakeholders, making business environment conducive to begin the investment cycle, attract foreign investors and efforts to deal with the non-performing loans in the Indian banks. While the efforts are in the right direction but at the same time the yields of the same may take some time because of the concerns pertaining to global growth that impacts the Indian economy through various channels namely; confidence, trade, flow of funds, etc.

OPPORTUNITIES

It is believed that the stepping stone for the next leg of growth has been initiated and more efforts are being done by the authorities to boost more inclusive growth. Government spending especially on the rural side of the economy called "Bharat", lower interest rate, rising confidence among the Indian corporate, rise in retail spending, government initiatives for financial inclusion like Pradhan Mantri Jan Dhan Yojna and above all expectations of good monsoon this year after two consecutive years of drought is likely to open up plethora of opportunities for various stakeholders in every sphere and sector of the economy especially related to Indian demand and consumerism.

We as a established player in the financial domain having pan India presence believe that the next leg of growth would give fresh impetus to the retail participation and will drive the Indian consumer demand for investments for various financial products including insurance, wealth, Mutual funds,

equities, etc. It is being observed that retail participation accelerates when rate of interest are on the declining trend.

THREATS

At the same time, we perceive following threats for growth of financial service sector:

- Indian stock market will continue to take cues from the global stock market. The global economy especially taking about Europe and Japan, they are entering into a period of recession.
- India will find it tough to obtain foreign capital flows, if Fed chooses to go for frequent interest rate hike.
- India will have another tough year on exports, but imported inflation will also be under control.
- Implementation of Goods and Services Tax (GST) is vital to further boost the confidence of the market participants.
- Banks are dragging India down. Need serious efforts to clear huge NPA.

RISK MANAGEMENT

SMC has adequate Risk Management techniques and safeguards in place, to ensure that major risks are properly assessed, analyzed and mitigation tools are applied and that the identified risks are commensurate with the potential returns.

SMC is active in various markets and in its course of doing business with various counter parties the organization is exposed to various risks. These risks can be broadly classified as market risk, credit risk and operational risk. SMC risk team constantly evaluates these risks & puts necessary mitigation measures in place on near real time basis.

MARKET RISK

SMC actively participates in various asset classes such as equity, fixed income securities, commodities and foreign exchange markets. These asset classes experience volatility from time to time due to economic growth levels, inflation, prices, interest rates, foreign exchange rates and other macro-economic factors. A robust system of monitoring daily positions, durations and value at risk helps in managing market risks. Limits on concentration, liquidity mismatches between asset & liabilities and limits on margin utilization, ensures that market risk is monitored and mitigated in an effective manner. Care is taken to maintain enough liquidity cushion overnight and to meet unforeseen circumstances.

CREDIT RISK

Since SMC deals with large number of clients, we have a system in place to assess creditworthiness of counterparties, prior to taking exposure on them. Accordingly limits are assigned and our monitoring mechanism ensures that exposure to single client does not cross the laid down threshold limit. Besides we also collect extra margin /collateral from clients to adequately cover the exposure.

OPERATIONAL RISK

SMC faces operational risks arising from people, systems and processes through which it operates. Operational risk broadly encapsulates other category of risks; inter alia, reputation risk, fraud risk, legal risk and environment risk.

SMC has well defined processes and systems to check & balance operational risks at key points. A platform for exception reporting of violations is in place, which are reviewed regularly and remedial measures are being taken immediately. Enough importance is attached to compliance related issues to keep reputation risk at bay.

INTERNAL CONTROL SYSTEMS

SMC has adequate internal audit and control system across all companies / business segments. Risk based internal audits, through external audit firms, are being conducted periodically to independently evaluate adequacy of internal controls, adherence of processes and procedures and compliance of regulatory and legal requirements. The internal audit programme is periodically reviewed by Audit committee of Board, which is chaired by independent Director, for its effectiveness and timely reporting. The internal control procedures include segregation of roles and responsibilities, independent confirmations, physical verifications and preventive checks on compliance risk.

Statutory and standard auditing practices employed include, inter alia, compliance to accounting and auditing standards, compliance of all relevant rules & regulations, tax laws and review of related party transactions.

SMC believes in conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

HUMAN RESOURCES

At SMC we believe that a "Company grows when its people grow". During the year, we continued our focus on building a performing and growing organisation by introducing many new HR policies and processes. For better talent acquisition, we used employment portals and social media and even employee referral was given priority. We have adapted latest trends followed across the industry into talent acquisition domain for creating a strong internal data base. We hired many interns from college campus this year. For facilitating a better learning environment to interns, agenda was well prepared in advance and some of the interns were

even offered full-time employment with SMC. Competitive incentive plans were laid down for the sales team for better productivity.

We started a systematic performance appraisal system based on the use of Management by Objectives technique. All the behavioural perspectives like, customer-centric approach, learning, trust, initiative, communication etc., were evaluated and appraised during appraisal cycle. HR personnel facilitated face to face discussion between the subordinate and the supervisor and various parameters such as attendance and punctuality, education and experience were introduced to facilitate bias free appraisal system. Alongside, a constructive training need analysis has been instigated as an outcome of the performance review session commenced during appraisals.

Lot of efforts were taken to train the employees on various behavioural, Product and technical aspects. Various in-house training modules were prepared and delivered by the HR team to the employees to enhance their competencies and skills. Team building, communication skills, meditation session, Selling and Negotiation Skills, Cross Sell Product training and training on goal setting and proper performance management training by in-house trainers were also imparted. Internal Trainers were identified through regular communication & circulating subject information. For senior management, leadership training was imparted to develop leadership pipeline. An outbound training on Cross Selling was organized for Sales team across the Company for rejuvenation and motivation.

On the employee engagement front, lot of motivational activities were planned for the employees throughout the year. We have R&R division in HR to undertake the same. Various outbound program like corporate trip to Manali, Mussorie, Jogeshwar, Panchmarhi and Jim Corbett were also organised to motivate the employees and rejuvenate them. Various donation & health camps such as blood donation, Eye Care, Skin care and even Dental Care were undertaken. For increasing employee engagement, various activities were organised within the office premises like, Salad Making Competition, Bandhandwar Competition, Frolic Friday, Fete, Meditation & Yoga sessions and many more from time to time. We ensure at SMC every festival and occasion is celebrated with zeal and passion such as Fashion show for employee's children steered on Children's Day, Fete on Holi, Rangoli Competition on Diwali, Christmas Day Celebration, New Year Celebration, Republic Day & Independence Day celebration. To boost morale of the women employees and promote them, Women's day was celebrated where women shared their experiences and interacted with each other over the cup of tea and were rewarded.

SMC has therefore worked on building an employer brand with strong employee value proposition and has developed a culture that promotes independent decision making. The number of persons employed by SMC group was 3000+ as on March 31, 2016.

EASY TO TRADE
ANY WHERE
ANY TIME.





BEST OF TRADING OPPORTUNITIES IN DGCX BY SMC.

TRADING OPPORTUNITIES IN DGCX
ARBITRAGE DESK

RESEARCH BASED ADVISORY

PORTFOLIO ADVISORY SERVICES

ONLINE TRADING PLATFORM FOR BULLION

FOREX, SENSEX AND COPPER
DEDICATED NRI & FPI DESK WITH
SMC GLOBAL SECURITIES LTD. (INDIA)



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SMC GLOBAL SECURITIES LIMITED ON CONSOLIDATED FINANCIAL STATEMENTS

Report on the consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SMC Global Securities Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the

provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- a. We did not audit the financial statements / financial information of eight subsidiaries and three step down subsidiaries, whose financial statements / financial information reflect total assets of ₹8,66,28,13,835 as at 31st March, 2016, total revenues of ₹1,81,83,57,754 and net cash inflows amounting to ₹8,18,34,157 for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and step down subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and step down subsidiaries, are based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries companies, incorporated in India, none of the directors of the Group companies, are disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The group has disclosed the impact of Pending litigations on its financial position in its financial statements- Refer note 2.27 to the financial statements,

- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and

Protection Fund by the Holding Company, and its subsidiaries companies incorporated in India.

For R Gopal & Associates
Chartered Accountants
Firm Registration No. : 000846C

sd/-
S.K. AGARWAL
Partner
Membership NO. 093209

Date : 18th May, 2016
Place : New Delhi

ANNEXURE-A to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2016, we have audited the internal financial controls over financial reporting of SMC Global Securities Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports u/s 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to seven subsidiaries and two step down subsidiaries which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For R Gopal & Associates

Chartered Accountants
Firm Registration No. : 000846C

sd/-

S.K. AGARWAL

Partner
Membership NO. 093209

Date : 18th May, 2016
Place : New Delhi

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2016

(Amount in ₹)

Particulars	Note No.	As at 31st March 2016	As at 31st March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.01	226,268,900	226,268,900
Reserves and surplus	2.02	5,435,433,913	5,166,225,551
		5,661,702,813	5,392,494,451
Minority Interest			
		9,516,932	7,953,476
Non-current liabilities			
Long-term borrowings	2.03	9,372,148	7,864,230
Long-term provisions	2.04	128,285,411	76,505,858
Other Long-term Liabilities	2.05	1,727,505	1,727,505
		139,385,064	86,097,593
Current liabilities			
Short-term borrowings	2.06	1,443,540,036	700,548,390
Trade Payable	2.07	3,315,761,342	1,377,633,808
Other current liabilities	2.08	2,924,797,699	2,267,959,644
Short-term provisions	2.09	86,099,939	87,468,169
		7,770,199,016	4,433,610,011
TOTAL		13,580,803,825	9,920,155,531
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.10	194,968,338	208,269,023
Intangible assets		12,909,076	12,861,794
WIP		560,000	-
Non-current investments	2.11	342,741,542	252,434,238
Deferred tax Asset (net)	2.12	142,434,262	137,686,965
Long-term loans and advances	2.13	998,921,406	618,131,858
Trade Receivables	2.14	143,889,857	205,129,996
		1,836,424,481	1,434,513,874
Current assets			
Current investments	2.11	99,262,602	156,571,541
Inventories	2.15	2,190,499,983	1,595,625,562
Trade receivables	2.16	3,204,854,714	2,360,607,543
Cash and Bank Balances	2.17	3,237,561,399	2,610,255,762
Short-term loans and advances	2.18	2,972,618,652	1,735,104,349
Other current assets	2.19	39,581,994	27,476,900
		11,744,379,344	8,485,641,657
TOTAL		13,580,803,825	9,920,155,531
Significant Accounting Policies and notes to the financial statements 1 & 2			

In terms of our Audit Report of even date attached

For R. Gopal & Associates
Chartered Accountants
Firm Registration No. : 000846C

Sd/-
S.K. Agarwal
Partner
Membership No. : 093209

Place : New Delhi
Date : 18th May, 2016

For and on behalf of the Board

Sd/-
S. C. Aggarwal
Chairman & Managing Director
Din : 00003267

Sd/-
Vinod Kumar Jamar
Chief Financial Officer

Sd/-
Mahesh C. Gupta
Vice-Chairman & Managing Director
Din : 00003082

Sd/-
Suman Kumar
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Revenue:			
Revenue from Operations	2.20	3,906,833,121	3,725,263,380
Other income	2.21	68,197,505	58,106,757
Total Revenue		3,975,030,626	3,783,370,137
Expenses:-			
Exchange & other operating expenses	2.22	1,244,360,901	1,215,207,379
Employee benefit expenses	2.23	1,155,337,856	936,364,479
Finance cost	2.24	175,562,079	129,638,874
Depreciation and amortization expenses	2.25	68,190,219	109,210,471
Other expenses	2.26	837,420,517	766,741,395
Total expenses		3,480,871,572	3,157,162,598
Profit before tax		494,159,054	626,207,539
Tax expenses:			
Current tax		185,451,101	231,154,906
Deferred tax		(4,747,299)	(2,490,196)
Wealth tax		-	111,407
MAT Credit Entitlement		(30,858,107)	(22,682,303)
Prior period tax/adjustments		(2,109,385)	(1,416,674)
Profit after tax for the year (before adjustment for Minority Interest)		346,422,744	421,530,399
Less: Share of profit transferred to Minority Interest		1,563,456	1,509,209
Profit after tax for the year (after adjustment for Minority Interest)		344,859,288	420,021,190
Earning per Equity Share of ₹ 2 /- each			
- Basic & Diluted	2.32	3.05	3.71
Significant Accounting Policies and	1 & 2		

In terms of our Audit Report of even date attached

For R. Gopal & Associates
Chartered Accountants
Firm Registration No. : 000846C

Sd/-
S.K. Agarwal
Partner
Membership No. : 093209

Place : New Delhi
Date : 18th May, 2016

For and on behalf of the Board

Sd/-
S. C. Aggarwal
Chairman & Managing Director
Din : 00003267

Sd/-
Vinod Kumar Jamar
Chief Financial Officer

Sd/-
Mahesh C. Gupta
Vice-Chairman & Managing Director
Din : 00003082

Sd/-
Suman Kumar
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
A Cash Flow From Operational Activities		
Profit before Tax	494,159,054	626,207,539
Adjusted for:		
Provision for Doubtful Debts	83,616,909	76,876,592
Provision for Gratuity	27,676,455	8,526,390
Provision for Leave Encashment	18,043,723	(1,837,697)
Provision for non performing assets	3,445,697	367,694
Provision for Standard Assets	5,243,854	1,766,086
Provision For Dimnution In Value of Investment (Expense)	17,200,000	12,500,000
Depreciation & Amortization Expenses	68,190,219	109,210,471
Interest Expenses	145,308,303	102,617,816
Income from Investment in PMS (net)	(495,936)	(31,196,129)
Loss/(Profit) on Sale of Investment	(13,871,868)	27,685,347
Loss on sale of Fixed Assets	(1,122,855)	1,789,339
Interest Income	(6,481,740)	(5,928,703)
Dividend Income	(7,971,749)	(3,926,097)
	338,781,022	298,451,109
Operating Profit before Working Capital Changes	832,940,076	924,658,648
Capital Changes		
Increase / (Decrease) in Liabilities and Provisions	2,649,342,703	220,452,673
(Increase) / Decrease in Trade Receivables	(866,623,934)	(66,006,927)
(Increase) / Decrease in Inventories	(594,874,421)	(147,595,157)
(Increase) / Decrease in Loans & advances and Other Assets	(1,627,805,960)	(479,312,655)
(Increase) / Decrease in Bank term deposit	(16,336,319)	(202,366,479)
	(456,297,931)	(674,828,545)
Cash Generated from Operations	376,642,145	249,830,103
Direct Taxes Paid (net of refunds)	(211,979,299)	(183,355,817)
Net Cash from Operating Activities	164,662,846	66,474,286
B Cash Flow from Investing Activities		
(Purchase) of Fixed Assets	(58,420,832)	(81,102,621)
Sale of Fixed Assets	4,046,871	4,938,564
(Purchase)/Sale of Non Current Investments (net)	(93,635,436)	(5,009,281)
(Purchase)/Sale of Current Investments (net)	57,804,872	(18,675,805)
Interest Income	6,481,740	5,928,703
Dividend Income	7,971,749	4,176,284
Net Cash (used in) Investing Activities	(75,751,036)	(89,744,156)

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
C Cash Flow From Financing Activities		
Interest paid	(140,890,525)	(102,617,816)
Proceeds from / (Repayment of) borrowings (net)	744,499,563	305,504,641
Interim/Final Dividend Paid and Tax thereon	(81,551,530)	(64,478,401)
Net Cash from Financing Activities	522,057,508	138,408,424
Net Increase in cash and cash Equivalents (A+B+C)	610,969,318	115,138,554
Cash and Cash Equivalent at the beginning of the year	258,445,156	143,306,602
Cash and Cash Equivalent at the end of the year (refer note no. 2.17)	869,414,474	258,445,156

Notes :

- The above Cash flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 on Cash Flow Statements notified u/s 133 of the Companies Act, 2013.
- Figures in brackets indicate cash outflow.
- The significant accounting policies and notes to the financial statement (refer note no. 1 & 2) forms an integral part of the Consolidated Cash Flow Statement.

In terms of our Audit Report of even date attached

For R. Gopal & Associates
Chartered Accountants
Firm Registration No. : 000846C

Sd/-
S.K. Agarwal
Partner
Membership No. : 093209

For and on behalf of the Board

Sd/-
S. C. Aggarwal
Chairman & Managing Director
Din : 00003267

Sd/-
Mahesh C. Gupta
Vice-Chairman & Managing Director
Din : 00003082

Place : New Delhi
Date : 18th May, 2016

Sd/-
Vinod Kumar Jamar
Chief Financial Officer

Sd/-
Suman Kumar
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

GROUP OVERVIEW

SMC Global Securities Limited ("the company" or "SMC Global") is a limited liability company incorporated in the year 1994. The company is a trading member of the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") in the capital market. Further, the company is trading and clearing member of NSE, BSE and Metropolitan Stock Exchange of India Limited ("MSE") in the futures and options segment and currency derivative segment. The Company also have depository participants registration of Central Depository Services (India) Limited and National Securities Depository Limited, participants of NCDEX Comtrack and AMFI registered mutual fund distributor. The company is governed by the SEBI.

Its wholly owned subsidiary, SMC Comtrade Limited is a trading and clearing member of National Commodity and Derivatives Exchange Limited ("NCDEX"), Multi Commodity Exchange of India ("MCX"), Indian Commodity Exchange Limited ("ICEX") and National Multi Commodity Exchange of India Limited ("NMCE") in the commodity market. SMC Comex International, DMCC ("SMC Comex"), a wholly owned subsidiary of SMC Comtrade Limited holds trading and clearing membership for Dubai Gold Commodity Exchange ("DGCX") and SMC Insurance Brokers Private Limited is subsidiary of SMC Comtrade Limited and holds direct insurance broking license from IRDA (Insurance & Regulatory Development Authority of India) in the life and non-life insurance.

The Company is the holding Company of SMC Investments and Advisors Limited (formerly known as Sanlam Investments and Advisors (India) Limited) which is engaged in the business of portfolio management and wealth management & advisory services. The Company is also holding Company of SMC Capitals Limited, registered as Category I

Merchant Banker with SEBI (Securities and Exchange Board of India) and of Moneywise Financial Services Private Limited, registered as Non-Banking financial Company with Reserve Bank of India ("RBI"). The Company has also formed a wholly owned subsidiary, Indunia Realtech Limited. The Company is holding Company of SMC Finvest Limited and Moneywise Finvest Limited engaged in the business of Financing and Investments. SMC Real Estate Advisors Private Limited, a wholly owned subsidiary of SMC Finvest Limited is engaged into real estate broking and advisory services. The Company on February 02, 2016 has also formed a subsidiary in USA named SMC Global USA Inc which is engaged in the business of investment advisory.

The company offers a wide range of services to meet client's needs including brokerage services, clearing services, distribution of financial products such as mutual funds and initial public offerings financing and also engages in proprietary transactions.

1. SIGNIFICANT ACCOUNTING POLICIES

I ACCOUNTING CONVENTION

The Consolidated Financial Statements (CFS) of the SMC Global Securities Limited ("the company") and its subsidiaries and step down subsidiaries, (together referred to as "the Group") are prepared under the historical cost convention on a going concern basis, i.e. on the accrual basis of accounting, in accordance with the Generally Accepted Accounting Principles ("GAAP") in India, Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule, 2014 and the Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007 issued by the Reserve Bank of India as applicable to a subsidiary - Moneywise Financial Services Pvt. Ltd.

II. The Consolidated Financial Statements comprise the results of the Company, its subsidiaries and step down subsidiaries which have been listed as below:-

Name of Subsidiary	Date of Investment/Acquisition and Addition thereof	Country of Incorporation	Proportion of ownership interest*
Subsidiary of SMC Global Securities Limited			
a) SMC Comtrade Limited	26.04.2007/ 30.01.2014~	India	100%
b) SMC Investments and Advisors Limited [formerly known as Sanlam Investment & Advisors (India) Limited]	01.04.2008/ 23.07.2009/ 28.12.2012/ 08.09.2015.	India	100%
c) Moneywise Financial Services Private Limited	01.08.2008/ 01.07.2009/ 18.06.2015/ 10.02.2016.	India	100%
d) SMC Capitals Limited	16.08.2008/ 02.03.2010.	India	100%
e) Indunia Realtech Limited [formerly known as SMC ARC Limited]	25.05.2009	India	100%
f) SMC Finvest Limited [formerly known as Sanlam Investment Management (India) Limited]	06.11.2009/ 14.12.2012/ 20.04.2013.	India	100%
g) Moneywise Finvest Limited [formerly known as Sanlam Trustee Company (India) Limited]	06.11.2009/ 14.12.2012.	India	100%
h) SMC Global USA Inc	29.02.2016	USA	100%
Subsidiaries of SMC Comtrade Limited			
i) SMC Insurance Brokers Private Limited	23.04.2007	India	97.58%
j) SMC Comex International DMCC, UAE	16.11.2005	Dubai, UAE	100%
Subsidiary of SMC Finvest Limited			
k) SMC Real Estate Advisors Private Limited [formerly known as SMC Securities Private Limited]	08.02.2013	India	100%

* includes shares of nominee shareholders as beneficial interest has been transferred to the company.

~ Company holds 85% equity directly and 15% through a subsidiary company.

III. CONSOLIDATION PROCEDURE

- a) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together sums of like nature, comprising assets, liabilities, income and expenses (including taxes) and after eliminating intra-group balances/ transactions.
- b) The Financial Statements of foreign step down subsidiary are prepared by them on the basis of generally accepted accounting principles, local laws and regulations as prevalent in the respective country and such financial statements are considered for consolidation. The effect of adjustments on account of variance in accounting policies of such foreign step down subsidiary vis-à-vis those of the parent is not material, and accordingly, not considered.
- c) Subsidiaries are consolidated on the date on which effective control is transferred to the Group and are no longer consolidated from the date of disposal.
- d) The separate financial statements of the company, its subsidiaries and step-down subsidiaries have been drawn for the period from April 1, 2015 to March 31, 2016 and have been consolidated on the basis of their audited financial statements.
- e) The Company's cost of its investment in its subsidiaries has been eliminated against the Company's portion of equity of each subsidiary as on the date of investment in that subsidiary. Similarly, in the case of step-down subsidiary, a subsidiary's cost of its investment in its subsidiaries has been eliminated against the subsidiary's portion of equity of each subsidiary as on the date of investment in that subsidiary. The excess/short is recognized as 'Goodwill' or 'Capital Reserve', as the case may be.

- f) Minority interest, if any, in the net profit of consolidated subsidiaries for the reporting period is identified and adjusted against the income of the group in order to arrive at the net income attributed to the owners of the parents; and the minority interest in the net assets of consolidated subsidiaries is identified and presented in the CFS separately from liabilities and the equity of the Company's shareholders. Minority interests in the net assets consist of:
- (i) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
- (ii) the minorities' share of movements in equity since the date the parents - subsidiary relationship came in existence.
- g) For the purpose of compilation of the CFS, the foreign currency assets, liabilities, income and expenditure are translated as per Accounting Standard (AS-11) on 'Accounting for the Effects of Changes in Foreign Exchange Rates', as notified u/s 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule, 2014. Exchange differences arising are recognized in the Foreign Currency Fluctuation Reserve classified under Reserves and Surplus.
- h) As far as possible, the consolidated financial statements are being prepared using uniform accounting policies (except for the depreciation) for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

IV. USE OF ESTIMATES

The presentation of Consolidated Financial Statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and

liabilities, disclosure of contingent assets and liabilities as at date of the consolidated financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates. Adjustment as a result of differences between actual results and estimates are recognized prospectively.

V. FIXED ASSETS

Fixed assets (including intangible assets) are stated at cost of acquisition including taxes, duties, identifiable direct expenses and expenses on installation, and are net of CENVAT Credit claimed thereon.

Additions to the fixed assets have been accounted for on the date of installation and its use irrespective of date of invoice.

VI. DEPRECIATION/AMORTISATION

In case of the Company and its Indian Subsidiaries:

Depreciation on tangible fixed assets is computed on written down value method, except for one Indian Subsidiary namely SMC Capitals Limited, another Indian step down subsidiary SMC Insurance Brokers Pvt. Ltd. and one foreign subsidiary SMC Global USA Inc, where it has been computed on straight line method at such rate as computed considering useful life provided in the Schedule II of the Companies Act, 2013.

Leasehold improvements are amortized over the Lease Period.

In case of foreign subsidiary:

Depreciation on tangible fixed assets has been provided on straight line basis as under:-

SMC Comex International DMCC, UAE	:	Office Equipments	:	20%
	:	Furniture & Fixtures	:	20%
SMC Global USA Inc, USA	:	Computer Hardware	:	20%

Intangible Fixed Assets:

Depreciation on intangible fixed assets continues to be computed on written down value method at the following rates:-

a. Computer Software	40%
b. Trade Mark Logo	40%
c. Goodwill	25%

In case of a subsidiary SMC Investments and Advisors Limited where Goodwill is to be amortized over a period of three years starting from 01-01-2014.

VII. INVESTMENTS

Investments are classified into non-current investments and current investments based on intent of management at the time of making the investments which are intended to be held for more than one year are classified as non-current and those which are intended to be held for less than one year are classified as current investments.

Non-current investments are valued at cost unless there is diminution, other than temporary, in their value. Diminution is considered other than temporary based on criteria that include the extent to which cost exceeds the market value, the duration of the market decline and the financial health of and specific prospects for the issuer. Diminution in value of long term investments when considered to be other than temporary is fully provided for.

Current investments are valued at lower of cost and market value. Market value for quoted shares is determined after adjusting quoted price of shares for management estimate of impact of market parameters affecting the actual sale value e.g. volume of sale, frequency of sale etc.

VIII. INVENTORIES

Inventories or stock-in-trade are valued at lower of cost and market value except inventory of the Holding Company and two subsidiary companies listed at Serial No. a & b in Accounting Policy II where inventories has been valued at market value/net realizable value. Cost comprises expenditure incurred in the normal course of business in bringing such stock to their location and conditions and has been determined following the cost formula on FIFO Basis. Closing stock of shares includes stocks pledged against secured loan from banks and kept as margin/securities with stock exchange and does not include stock held on behalf of clients/constituents.

IX. REVENUE RECOGNITION

- a) Revenue from broking activities for capital market is accounted for on the trade date of transaction and Income from rendering insurance broking business is recognized on the logging in/placement of policies with the respective insurance company irrespective of the date of policy.
- b) Revenue on account of trading in securities and commodities is recognized on the basis of each trade executed at the stock/commodity exchange during the financial year.
- c) In respect of non delivery based transactions such as derivatives, the profit or loss is accounted for on marked to market basis on the closure of each trade except for subsidiary company listed at serial no b in

Accounting policy II where Profit/loss on derivative transaction is accounted for based on the 'Announcement related to the Accounting for Derivatives' dated March 29, 2008 of the Institute of Chartered Accountants of India.

- d) Treasury income from interest on fixed deposits is recognized on accrual basis.
- e) Interest income from financing activities is recognized on accrual basis. In terms of the RBI Direction, interest income on Non-Performing assets ('NPA'), if any is recognized only when it is actually realized.
- f) Depository income is accounted for on accrual basis.
- g) Revenue from management & advisory services is accounted for when the rendering of service under a contract is completed or substantially completed.
- h) Profit/loss in the case of balance in Portfolio Management account has been accounted for as other operating income/loss on its accrual when the transaction takes place and is on the basis of monthly statement received from portfolio manager.
- i) Dividend is accounted for as income when the right to receive dividend is established.
- j) In respect of other heads of income, Companies follow the practice of recognizing income on accrual basis.
- k) Revenue excludes service tax & other recoverable taxes.

X. FOREIGN CURRENCY TRANSACTIONS

Revenue and expenses are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currencies are restated at the exchange rate prevailing on the balance sheet date. Exchange differences arising on settlement of the transaction and on account of restatement of monetary items are recognized in the Statement of Profit & Loss. In case of one of the subsidiary SMC Comtrade Limited, exchange difference on loan receivable in foreign currency has been adjusted against specific reserve created for the purpose. Also refer to Accounting Policy III (g).

XI. EMPLOYEE BENEFITS

- a) Provident Fund is a defined contribution scheme and the contribution wherever required by the statute are charged to the Statement of Profit & Loss as incurred.
- b) Gratuity Liability is a defined obligation and is non-funded except in case of the holding company and a subsidiary company listed at serial no. a in Accounting policy II where it is partly funded. Companies account for liability for future gratuity benefits based on an actuarial valuation as at the Balance Sheet date except for subsidiaries listed at serial no. f and step-down subsidiary listed at serial no. i of accounting policy II where the liability for Gratuity is being accounted on estimated basis and for subsidiaries listed at serial no. e & g of accounting policy II where the liability for Gratuity is being accounted on payment

basis wherever required by the statute.

- c) The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by an employee is recognized during the period/year when the employee renders the services.
- d) Un-availed Leave Liability is a defined obligation and is not funded. Companies account for liability for future leave benefits based on an actuarial valuation as at the Balance Sheet date except for subsidiaries listed at serial no. f and step-down subsidiary listed at serial no. i of accounting policy II where the liability for Un-availed leave is being accounted on estimated basis and for subsidiaries listed at serial no. e & g of accounting policy II where the liability for un-availed leave is being accounted on payment basis wherever required by the statute.

XII. LEASES

Lease rentals in respect of operating lease arrangements are charged to the Statement of Profit & Loss in accordance.

XIII. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Companies create a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a

present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

XIV. BORROWING COSTS

Borrowing costs that are attributable to acquisition, construction or production of qualifying assets, are capitalized as part of the cost of such qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit & Loss.

XV. IMPAIRMENT OF ASSETS

Wherever events or changes in circumstances indicate that the carrying value of fixed assets may be impaired, such assets are being subject to a test

of recoverability based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, the Group recognizes an impairment loss as a difference between the carrying value and fair value net of cost of sale in accordance with AS-28 of Impairment of Assets.

XVI. TAXATION

- a) Provision of current Tax has been measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.
- b) MAT Credit, if any, is recognized where there is convincing evidence that the same can be realized in future. MAT Credit is reviewed at each balance sheet date and written down to reflect the amount that is reasonably certain to be realized.
- c) Companies have provided for deferred tax charge/credit that reflects the tax differences because of timing differences between accounting income and taxation income for the year. The deferred tax charge or credit and corresponding deferred tax liability or asset are recognized using the tax rates laid down by the law, that has been enacted or substantially enacted by the balance sheet date.

XVII. RESERVE BANK OF INDIA PRUDENTIAL NORMS

Moneywise Financials Services Pvt. Ltd., subsidiary of the Company, is registered with the

Reserve Bank of India (RBI) as a Non-Banking Financial Company (NBFC) and thus complies with the prudential norms relating to income recognition, accounting standards, asset classification and the minimum provisioning for standard, sub-standard and bad and doubtful debts, specified in the directions issued by the RBI in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007 ("Prudential Norms"), as applicable to it.

XVIII. OTHER ACCOUNTING POLICIES

Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

2. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 2.01

SHARE CAPITAL

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
a Authorised		
Nil (Previous Year 50,00,000) Preference Shares of ₹ 10 each	-	50,000,000
16,50,50,000 (Previous Year 14,00,50,000) Equity Shares of ₹ 2/- each	330,100,000	280,100,000
	330,100,000	330,100,000
b Issued, Subscribed & Paid up		
11,31,34,450 (Previous Year 11,31,34,450) Equity Shares of ₹ 2/- each fully paid up	226,268,900	226,268,900
	226,268,900	226,268,900
Total	226,268,900	226,268,900
c Reconciliation of Number of Equity Shares Outstanding		
Particulars	Number of Shares	(Amount in ₹)
As at 31.03.2016		
At the beginning of the year	113,134,450	226,268,900
Issued during the year	-	-
At the end of the year	113,134,450	226,268,900
As at 31.03.2015		
At the beginning of the year	113,134,450	226,268,900
Issued during the year	-	-
At the end of the year	113,134,450	226,268,900
d Shares held by shareholders holding more than 5% shares		
Name of shareholder	No. of Shares held	% of Holding
As at 31.03.2016		
ASM Pipes Private Ltd.	18,667,140	16.50
Millennium India Acquisition Company Inc.	13,604,690	12.03
Mahesh C. Gupta	10,248,500	9.06
Subhash Chand Aggarwal	10,095,500	8.92
Sanlam International Investment Partners Ltd.	9,460,590	8.36
Hemlata Aggarwal	7,720,550	6.82
Sushma Gupta	7,566,550	6.69

NOTE NO. 2.01

SHARE CAPITAL

(Amount in ₹)

Particulars	No. of Shares held	% of Holding
As at 31.03.2015		
Millennium India Acquisition Company Inc.	14,736,035	13.03
Mahesh C. Gupta	10,248,500	9.06
Subhash Chand Aggarwal	10,095,500	8.92
Sanlam International Investment Partners Ltd.	9,460,590	8.36
Funnytime Finvest (P) Ltd.	9,000,000	7.96
Hemlata Aggarwal	7,720,550	6.82
Sushma Gupta	7,566,550	6.69

e Terms/Rights attached to equity shares

The Company has only one class of Equity Shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2016, the amount of per share dividend recognised as distributions to equity shareholders for interim dividend was ₹ 0.24 (31st March 2015 ₹ 0.24) and proposed dividend was ₹ 0.36 (31st March 2015 ₹ 0.36).

In the event of Liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE NO. 2.02**RESERVES & SURPLUS**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
a		
Securities Premium Reserve		
As at beginning and at the end of the year	3,444,890,890	3,444,890,890
Closing Balance	3,444,890,890	3,444,890,890
b		
Capital Reserves (On Amalgamation)		
As at beginning and at the end of the year	104,102,620	104,102,620
Closing Balance	104,102,620	104,102,620
c		
Capital Reserves (On Consolidation)		
As at beginning and at the end of the year	35,114,300	35,114,300
Closing Balance	35,114,300	35,114,300
d		
Capital Reserves (On Forfeiture)		
As at beginning and at the end of the year	123,998,200	123,998,200
Closing Balance	123,998,200	123,998,200
e		
Foreign Currency Fluctuation Reserve		
Opening Balance	24,305,886	20,843,735
Addition during the year	6,048,681	3,462,151
Closing Balance	30,354,567	24,305,886
f		
Statutory Reserves (Reserve Fund u/s 45- IC of RBI Act 1934)		
Opening Balance	20,532,458	10,570,694
Addition during the year	23,069,517	9,961,764
Closing Balance	43,601,975	20,532,458
g		
General Reserve		
Opening Balance	661,297,127	641,297,127
Addition during the Year	20,000,000	20,000,000
Closing Balance	681,297,127	661,297,127
h		
Surplus		
Opening Balance	751,984,070	466,866,247
Profit for the year	344,859,288	420,021,190
Amount Available for Appropriation	1,096,843,358	886,887,437
Less : Appropriations		
Transfer to General Reserves	(20,000,000)	(20,000,000)
Transfer to Statutory Reserves	(23,069,517)	(9,961,764)
Adjustment on account of Minority Interest of Depreciation	-	77,482
Effect of Depreciation on Retained earnings as per Companies Act 2013	-	(34,875,877)
Effect of Deferred Tax on Depreciation	-	11,440,084
Interim Dividend	(27,152,268)	(27,152,268)
Proposed Dividend	(40,728,402)	(40,728,402)
Tax on Dividend	(13,818,937)	(13,702,622)
Closing Balance	972,074,234	751,984,070
Total	5,435,433,913	5,166,225,551

NOTE NO. 2.03**LONG TERM BORROWINGS**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Term Loans (secured against vehicle) *		
From Banks	13,959,430	10,038,108
From Others	1,173,586	1,692,381
Less: Current Maturities disclosed under the head "Other Current Liabilities" (Note No. 2.08)	(5,760,868)	(3,866,259)
Total	9,372,148	7,864,230

* Repayable in equated monthly instalments bearing interest @ 9.85 % to 10.50 %

NOTE NO. 2.04**LONG TERM PROVISIONS**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits		
Gratuity #	85,983,757	56,176,898
Leave Encashment #	27,876,316	12,561,871
	113,860,073	68,738,769
Provision for Non Performing Assets*	6,282,089	4,867,694
Provision for Standard Assets	8,143,249	2,899,395
Total	128,285,411	76,505,858

refer to Note No. 2.09, 2.23 & 2.33

* refer to Note No. 2.13

NOTE NO. 2.05**OTHER LONG -TERM LIABILITIES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Security & Deposits Received	1,727,505	1,727,505
Total	1,727,505	1,727,505

NOTE NO. 2.06**SHORT TERM BORROWINGS**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Secured *		
Short Term Loan from NBFC	715,070,078	402,914,955
Short Term Loan from Banks	727,466,761	297,633,435
	1,442,536,839	700,548,390
Unsecured		
-from Related Party	1,003,197	-
	1,003,197	-
Total	1,443,540,036	700,548,390

* Amount secured either against FDR / Bonds / Shares / Book Debts / Commodities and / or personal guarantee of Directors of the company.

NOTE NO. 2.07**TRADE PAYABLES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
- Due to micro and small enterprises*	-	-
Others	33,157,61,342	1,377,633,808
Total	33,157,61,342	1,377,633,808

* The company has initiated the process of identification of suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006, by obtaining confirmations from all suppliers. Information has been collected only to the extent of information received as at balance sheet date. Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprises Development Act 2006" as at 31st March, 2016 and 31st March, 2015.

NOTE NO. 2.08**OTHER CURRENT LIABILITIES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Advances/Margin Received from Clients	1,910,948,862	2,103,980,814
Book Overdraft from Banks	913,036,202	65,103,399
Current Maturities of Long Term Borrowings (Note No. 2.03)	5,760,868	3,866,259
Security & Deposits Received from clients	12,114,906	16,505,006
Employee Benefit Payable	24,179,177	8,591,460
Payable to Statutory Authorities	43,190,308	51,489,977
Interest accrued but not due	4,417,778	-
PMS Payable	328,425	5,599,970
Unpaid Dividend	138,684	144,804
Unearned Income	10,682,489	12,677,955
Total	2,924,797,699	2,267,959,644

NOTE NO. 2.09**SHORT TERM PROVISIONS**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits		
Gratuity #	1,332,120	3,462,514
Leave Encashment #	3,479,682	750,404
	4,811,802	4,212,918
Others		
For Income Tax	27,284,606	31,699,718
(Net of Advance tax & TDS of ₹ 13,46,08,655; PY ₹ 17,38,18,909)		
Provision for Wealth Tax	-	111,406
Provision for CSR	4,983,767	2,572,441
Proposed Dividend	40,728,402	40,728,402
Tax on Dividend	8,291,362	8,143,284
	81,288,137	83,255,251
Total	86,099,939	87,468,169

refer to Note No. 2.04, 2.23 & 2.33

NOTE NO. 2.10

FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 01.04.2015	Additions/ Adjustment	Deductions/ Adjustments	As At 01.04.2015	For the year	Deductions/ Adjustments	Adjusted to Reserve & Surplus	As At 31.03.2016	As At 31.03.2015
TANGIBLE ASSETS									
Office Building	61,842,331	-	-	17,843,244	2,134,166	-	-	41,864,921	43,999,087
Office Equipment	124,475,863	5,423,407	(7,160,526)	109,456,413	5,973,164	(6,618,451)	-	13,927,618	15,019,450
Furniture & Fixtures	197,006,620	5,187,146	(2,748,830)	112,065,286	22,371,854	(2,168,446)	-	67,176,242	84,941,334
Computer Hardware	270,175,795	30,328,784	(35,387,909)	238,269,382	19,627,951	(34,125,443)	-	41,344,780	31,906,413
Temporary Infrastructure	5,866,148	1,459,321	-	5,396,035	771,233	-	-	6,167,268	470,113
Vehicle	47,680,072	10,197,110	(2,708,251)	23,363,394	9,584,129	(2,263,025)	-	30,684,498	24,316,678
VSAT	36,822,236	-	-	29,206,288	2,603,805	-	-	31,810,093	7,615,948
TOTAL (A)	743,869,065	52,595,768	(48,005,516)	535,600,042	63,066,302	(45,175,365)	-	553,490,979	208,269,023
Intangible Assets									
Computer Software	91,329,941	5,265,064	(9,898,781)	85,710,509	2,793,574	(9,804,916)	-	78,699,167	5,619,432
Trade Mark Logo	20,000	-	-	19,318	273	-	-	19,591	682
Goodwill	12,771,453	-	-	5,529,773	2,330,070	-	-	7,859,843	7,241,680
TOTAL (B)	104,121,394	5,265,064	(9,898,781)	91,259,600	5,123,917	(9,804,916)	-	86,578,601	12,861,794
Software WIP (C)		560,000						560,000	
GRAND TOTAL (A+B+C)	847,990,459	58,420,832	(57,904,297)	626,859,642	68,190,219	(54,980,281)	-	640,069,580	221,130,817
PREVIOUS YEAR	804,823,085	81,102,620	(37,935,246)	513,980,691	109,210,471	(31,207,397)	34,875,877	626,859,642	221,130,817

NOTE NO. 2.11

INVESTMENTS

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
A. Non-Current Investments		
Investment Property	10,686,191	10,686,191
Non- Trade Investments (Valued at Cost)		
Investment In Equity Instruments (Quoted)	310,901,351	201,994,047
	310,901,351	201,994,047
Investment in Equity Instruments (Unquoted)		
In related companies	10,000,000	10,000,000
In other Companies	40,854,000	42,254,000
Less: Provision for value of diminution of investment	(29,700,000)	(12,500,000)
	21,154,000	39,754,000
Total	342,741,542	252,434,238
Aggregate Market Value of Quoted Investment	254,340,028	170,009,903
Aggregate Book Value of Quoted Investment	310,901,351	201,994,047
Aggregate Book Value of Unquoted Investment	50,854,000	52,254,000
Aggregate Provision for diminution in value of Unquoted Investment	29,700,000	12,500,000
B. Current Investments (at lower of cost or fair value)		
Investment in Portfolio Management Service		
Equity (Quoted)	94,757,784	99,406,612
Mutual Funds (Unquoted)	4,504,818	57,164,929
	99,262,602	156,571,541
Total	99,262,602	156,571,541
Aggregate Market Value of Quoted Investment	102,618,178	112,578,792
Aggregate Book Value of Quoted Investment	94,757,784	99,406,612
Aggregate Net Asset Value of Unquoted Investment	4,722,246	57,419,571
Aggregate Book Value of Unquoted Investment	4,504,818	57,164,929

NOTE NO. 2.12**DEFERRED TAX ASSET (NET)**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Deferred Tax Assets :		
Disallowances under Income Tax Act	99,388,157	54,977,481
Carried Forward Losses	17,244,962	57,509,437
Related to Fixed Assets	25,801,143	25,200,047
Deferred Tax Asset (Net)	142,434,262	137,686,965

NOTE NO. 2.13**LONG TERM LOANS AND ADVANCES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Unsecured, considered good		
Security Deposits	88,458,721	91,304,505
Advances recoverable in cash or in kind	148,164,254	262,863,763
Less: Provision for doubtful advances	(1,506,244)	(3,927,510)
	146,658,010	258,936,253
Receivable under financing activities		
Secured, considered good	464,666,566	89,909,778
Unsecured, considered good	87,635,709	14,739,315
Unsecured, considered doubtful [^]	900,000	4,867,694
	553,202,275	109,516,787
Balance with Statutory Authorities	114,347,525	95,537,534
Advance tax and TDS	14,985,727	11,365,057
(Net of Provision for Income Tax of ₹ 2,24,98,356; P.Y. ₹ 2,56,36,279)		
MAT Credit Entitlement	81,269,148	51,471,722
Total	210,602,400	158,374,313
	998,921,406	618,131,858

[^]refer to Note No. 2.04**NOTE NO. 2.14****TRADE RECEIVABLES (NON-CURRENT)**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Outstanding for a period exceeding one year		
Secured, considered good	48,705,015	47,216,403
Unsecured, considered good	95,184,842	157,913,593
Unsecured, considered doubtful	137,215,790	65,027,498
Less: Provision for doubtful debts *	(137,215,790)	(65,027,498)
	143,889,857	205,129,996

* refer to Note No. 2.29

NOTE NO. 2.15**INVENTORIES #**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Shares	1,404,820,543	1,228,184,837
Commodities	124,962,799	321,411,687
Bonds	660,716,641	46,029,038
Total	2,190,499,983	1,595,625,562

refer accounting policy VIII of note 1

NOTE NO. 2.16**TRADE RECEIVABLES (CURRENT)**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Debts Outstanding for more than six months		
Secured, considered good	416,688,508	160,657,947
Unsecured, considered good	50,367,576	85,454,217
Unsecured, considered doubtful	6,966,982	6,400,206
Less: Provision for doubtful debts	(6,966,982)	(6,400,206)
	467,056,084	246,112,164
Other Debts		
Secured, considered good	1,021,876,292	1,340,188,147
Unsecured, considered good	1,715,922,338	774,307,232
	2,737,798,630	2,114,495,379
Total	3,204,854,714	2,360,607,543

NOTE NO. 2.17**CASH AND BANK BALANCES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Cash & cash equivalents (A)		
Cash in hand	4,000,218	2,927,870
Bank Balances		
Balance with Banks in current accounts	835,129,440	255,487,463
Cheque in hand	29,424,191	-
Foreign currency in hand	860,625	29,823
	869,414,474	258,445,156
Other Bank Balances (B)		
Bank deposits with maturity of more than 12 months	3,000,000	3,000,000
In fixed deposit against commitment to IRDA	1,200,000	1,200,000
Bank Deposits with maturity more than 12 months but within one year from the reporting date	1,500,000	1,500,000
Placed under lien with banks*	2,298,025,000	2,277,563,299
Placed under Arbitration	12,026,548	9,989,808
Placed with Pension Fund Regulatory and Development Authority"	2,000,000	-
Placed under lien with Court*	80,366	550,248
Placed under lien with Statutory Authority*	815,271	815,271
Pledged with the clearing corporations and stock exchanges as margin*	49,499,740	54,691,980
Deposits in Hand	-	2,500,000
	2,368,146,925	2,351,810,606
Total (A+B)	3,237,561,399	2,610,255,762

* refer to Note no. 2.28

NOTE NO. 2.18**SHORT-TERM LOANS AND ADVANCES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Unsecured, considered good		
Loans and advances to Related Party *	45,662,432	45,951,853
Loans under financing activities		
Secured, considered good	1,773,857,270	947,487,189
Unsecured, considered good	388,256,927	107,621,641
Secured, considered sub standard	25,000,000	-
Unsecured, considered sub standard	28,820,886	-
	2,215,935,083	1,055,108,830
Balance with Statutory Authorities	17,167,094	32,915,885
Advances Recoverable in cash or in kind	693,854,043	601,127,781
Total	2,972,618,652	1,735,104,349

* refer to Note no. 2.31

NOTE NO. 2.19**OTHER CURRENT ASSETS**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Accrued Interest on FDR	31,324,290	26,052,174
Accrued Interest on Bonds	1,973,364	1,400,871
Sale proceeds of investment receivable	6,235,526	-
Dividend receivable	48,814	23,855
Total	39,581,994	27,476,900

NOTE NO. 2.20**REVENUE FROM OPERATIONS**

(Amount in ₹)

Particulars	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Income from Brokerage	1,645,014,074	1,499,052,231
Income from Proprietary Trading	1,238,220,927	1,419,903,599
Treasury Income	205,180,376	211,664,880
Interest Income from Financing Activities	241,762,675	124,532,360
Income from Distribution of Financial products (net)	229,552,894	161,264,301
Income from Depository Business	47,801,066	53,604,500
Income from management and advisory services	113,275,656	60,582,724
Income from Reverse Book Building	1,100,000	5,132,956
Dividend Earned	11,134,162	44,146,324
Incentive from Exchange	883,019	1,481,788
	3,733,924,849	3,581,365,663
Other Operating Income		
Profit/ (Loss) on sale of Investment	184,201	(25,293,216)
Loan Processing Fees	1,948,804	1,250,000
Income from Investment in PMS (net)	495,936	31,196,129
Dividend on Investment	1,577,939	1,892,336
Delay Payment Charges	168,701,392	134,852,468
	172,908,272	143,897,717
Total	3,906,833,121	3,725,263,380

NOTE NO. 2.21**OTHER INCOMES**

(Amount in ₹)

Particulars	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Income from Dividend	6,393,810	2,033,761
Interest Income	6,481,740	5,928,703
Research Services	411,152	344,564
Profit on sale of Investment	13,687,667	-
Liability no Longer Required written back	26,813,237	22,443,569
Miscellaneous Income	14,409,899	27,356,160
Total	68,197,505	58,106,757

NOTE NO. 2.22**EXCHANGE AND OTHER OPERATING EXPENSES**

(Amount in ₹)

Particulars	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Client Introduction Charges	516,416,682	519,887,562
Exchange & Other Regulatory Charges	409,238,252	378,289,059
Securities & Commodities Transaction Tax	299,816,576	301,137,151
VPN, Leaseline, Internet & VSAT Expenses (net)	18,889,391	15,893,607
Total	1,244,360,901	1,215,207,379

NOTE NO. 2.23**EMPLOYEE BENEFIT EXPENSES ***

(Amount in ₹)

Particulars	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Salaries and incentives	1,053,732,846	859,232,255
Employers' contributions to provident & other funds	39,535,751	27,300,457
Gratuity	32,619,681	24,386,892
Staff welfare	29,449,578	25,444,875
Total	1,155,337,856	936,364,479

* also refer to Note no. 2.04, 2.09 & 2.33

NOTE NO. 2.24**FINANCE COST**

(Amount in ₹)

Particulars	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Interest to Bank (Term Loan)	3,084,162	907,416
Interest to Bank (Others)	15,769,167	15,166,553
Interest - others	126,454,974	86,543,847
Other Charges	30,253,776	27,021,058
Total	175,562,079	129,638,874

NOTE NO. 2.25**DEPRECIATION AND AMORTISATION EXPENSES**

(Amount in ₹)

Particulars	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Depreciation on tangible assets	63,066,302	98,525,531
Amortization of intangible assets	5,123,917	10,684,940
Total	68,190,219	109,210,471

NOTE NO. 2.26**OTHER EXPENSES**

Particulars	(Amount in ₹)	
	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Advertisement	93,276,565	138,710,970
Bank charges	1,262,042	806,835
Business Promotion	189,143,655	138,730,425
Communication Expenses	37,082,743	37,230,353
Computer Repair & Maintenance	20,000,908	18,283,608
Conveyance & Traveling Expenses	38,979,130	33,238,223
CSR Expenses	6,711,326	2,882,538
Directors' Sitting Fees	2,815,000	1,870,000
Electricity & Water Charges	55,990,660	51,442,014
Insurance Expenses	4,289,018	3,508,134
Legal & Professional Charges	50,364,327	32,376,113
Loss on Sale of Investments	-	2,392,131
Loss on Sale of Fixed Assets	-	1,789,339
Meeting & Conference Expenses	258,029	241,901
Membership Fees & Subscription	2,364,125	2,264,570
Miscellaneous Expenses	12,196,240	10,211,090
Office Repair & Maintenance	43,958,743	42,448,452
Printing and Stationery	16,803,482	14,433,766
Prior Period Expenses	-	4,087,946
Provision For Dimnution In Value Of Investment (Expense)	17,200,000	12,500,000
Provision for Doubtful Debts/Advances #	83,616,909	76,876,592
Provision for Non Performing Assets #	3,445,697	367,694
Provision for Standard Assets	5,243,854	1,766,086
Rent	129,067,519	114,510,277
Rates & Taxes	5,135,800	2,470,263
Research Expenses	2,541,501	2,167,168
Stamp & Other Expenses	107,840	109,312
Irrecoverable Balance written off	7,187,946	12,077,913
Vehicle Running & Maintenance	4,335,704	4,584,424
Auditor's remuneration:		
As Statutory Auditor	2,148,679	1,817,404
As Tax Auditor	382,175	381,854
As Fees for Other Services	1,510,900	164,000
Total	837,420,517	766,741,395

refer to Note No. 2.29

NOTE NO. 2.27**a) CONTINGENT LIABILITIES**

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
1. Corporate guarantee executed by the company for credit facility extended to a subsidiary	91,00,00,000	46,00,50,000
2. ESI demand (Total amount Paid under protest ₹12,42,581 (P.Y. ₹12,42,581))	31,06,450	31,06,450
3. Service Tax Demand	6,74,73,978	6,66,19,280
4. Provident Fund	-	-
5. Stamp Duty	-	-
6. Income Tax Demand	839,970	1,709,101

Note:

- The holding company has given counter guarantee towards credit facility of Subsidiary Company, SMC Comtrade Limited.
- An ESI demand is being agitated by the holding company before Additional Senior Civil Judge Tis Hajari, Delhi.
- Service Tax demand of ₹ 3,56,67,295/- is being agitated by the Holding Company before Commissioner of Service Tax, Audit 1, Delhi, of ₹ 11,21,400/- is being agitated by the Company before Additional Commissioner (Service Tax), Delhi of ₹ 2,98,30,585/- is being agitated by the Company before CESTAT, Delhi and of ₹ 8,54,698/- (P.Y : Nil) is being agitated by the Holding Company before Additional Commissioner Service Tax, Delhi-I.
- PF matter related to holding company is pending before High Court and amount is not quantifiable.
- (a) The holding company has received a notice dated 21.11.2014 from the Collector of Stamp (HQ) Delhi on account of verification of records pertaining to Stamp duty chargeable on the basis of broker s Note for the Period 2010 to 21/11/2014. Matter is sub-judice and has been stayed by jurisdictional High Court at Delhi vide its order dated 09/12/2014 until further order.
(b) One of the subsidiary company SMC Comtrade Limited has received a notice dated 05/01/2015 from the Office of The Collector of Stamps, Delhi, on account of levy of stamp duty on commodity transactions. The matter is sub-judice and has been stayed by jurisdictional High Court at Delhi vide its order dated 19/01/2015.
- Income Tax demand has been agitated by the Companies as per details:

Name of Company	Amount (₹)	Forum where agitated
SMC Comtrade Limited	4,37,290	CIT (Appeals) - 2, Kolkata
Moneywise Financial Services (P) Ltd.	4,02,680	Commissioner of Income Tax (Appeals) I, Kolkata

Assessment u/s 143(3) for the A.Y 2013-14 has completed and disallowance made on account of section 14A for which appeal filed before the Commissioner of Income Tax (Appeals) in Holding Company. Income Tax demand for ₹ 6,09,285/- in previous year being agitated by the Company before Commissioner of Income Tax (Appeals) XII, Delhi and has been decided in favor of the holding company.

b) OTHER LITIGATIONS

- SEBI has issued us a show cause notice dated 06.01.2014 of holding company for circular trading in shares of Gangotri Textiles Ltd and dated 12.08.2015 for trading in shares of Omaxe Limited by one of our client. Necessary reply has already been filed by the company refuting the allegations.
- Title of the property located at Office no 205, 2nd Floor, Plot no 4A, Community Centre, 21st Century Plaza, Sector 8, Rohini, New Delhi having book value of ₹ 46,12,060/- is under dispute and sealed due to the allegation of acquisition of the said property from the funds of Ganga Yamuna Finvest Pvt. Ltd, which is under liquidation.
- The holding Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The company's management do not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations and financial condition.

Pending completion of the legal process the impact of liability, if any, cannot be ascertained at this stage, however, management believes that, based on legal advice, the outcome of these contingencies will be favourable and that outflow of economic resources is not probable.

NOTE NO. 2.28

Margin deposited with exchanges or against guarantees & other commitments includes ₹ 2,29,81,05,366 (PY ₹ 2,27,81,13,547) under lien in favour of the bank as margin deposit for the guarantees issued of ₹ 4,56,35,25,000 (PY ₹ 4,34,34,25,000)/credit facilities or otherwise, ₹ 8,15,271 (PY ₹ 8,15,271) under lien with sales tax authorities and ₹ 4,94,99,740 (PY ₹ 5,46,91,980) pledged with stock and commodity exchanges as margin, which does not include margins paid by client constituents on their own behalf. Also included in fixed deposits is an amount of ₹ 12,00,000 (PY ₹ 12,00,000) in one of the step down subsidiary namely SMC Insurance Brokers Pvt. Ltd. where lien has been marked in favour of Insurance Regulatory and Development Authority.

NOTE NO. 2.29

Unsecured Non Current Trade Receivables (considered good) includes amount due from parties on whom legal action initiated for recovery and are net of doubtful portion, disclosed separately and provision made

NOTE NO. 2.30**COMMITMENTS**

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Contracts remaining to be executed on account of capital (net of advances)		
- For purchase of Software "MobiGain"	2,40,000	-

NOTE NO. 2.31**RELATED PARTY DISCLOSURES**

The following are the details of transactions with related parties as defined in the Accounting Standard - 18 on Related Party Disclosures notified u/s 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014.

A. Name of Related Parties and nature of relationship:

Nature of Relationship	Name of Related Parties
Key managerial personnel	Whole Time Director
	Mr. Subhash Chand Aggarwal (Chairman Managing Director) Mr. Mahesh Chand Gupta (Vice-Chairman & Managing Director) Mr. Ajay Garg Mr. Anurag Bansal Mr. Pradeep Aggarwal Mr. Narendra Balasia (upto 22/02/2016) Mr. D.K Aggarwal Mr. Lalit Kumar Aggarwal Mr. Pravin Kumar Aggarwal
	Mr. Vinod Kumar Jamar (CFO) Mr. Suman Kumar (CS) Mr. Himanshu Gupta Mr. Shambhu Mishra Ms. Shruti Aggarwal (upto 31/07/2015) Ms. Vertika Srivastava (upto 31/12/2015) Mr. Jai Gopal Mr. Manoj Kumar Mr. Vishwanath Bansal Ms. Reema Garg (upto 31/12/2015) Mr. Dhiraj Kumar Nimwal (upto 04/06/2015) Ms. Sakshi Mehta Mr. Shamsher Ansari Mr. Shyam Sunder Bansal Mr. Vimal Kumar (upto 31/01/2016) Mr. Kashish Bhatia (w.e.f 11/01/2016) Ms. Khushboo Khandelwal (w.e.f March 10, 2016) Mr. Ashu Batra (w.e.f 01/08/2015) Ms. Saniya Hussain (w.e.f 01/08/2015)

Nature of Relationship	Name of Related Parties (remuneration period)
Relatives of key managerial personnel	Ms. Sushma Gupta
	Ms. Shweta Aggarwal
	Ms. Hemlata Aggarwal
	Ms. Shilpi
	Ms. Akanksha Gupta
	Ms. Archana Aggarwal
	Mr. Ayush Aggarwal (from 01/03/2016)
	Mr. Devender Aggarwal (upto 30/06/2015)
	Ms. Annapurna Balasia (upto 22/02/2016)
	Ms. Priyanka Gupta
	Ms. Meetu Goel
	Ms. Nidhi Bansal
	Other related parties in which key managerial personnel are able to exercise significant influence:
Pulin Investments Private Limited	
MVR Share Trading Private Limited	
Aroma Securities Limited	
Dee Faces Herbal Private Limited	

Note: Related party relationship is as identified by the company and relied upon by auditor.

B. Significant Transactions with Related Parties *

Particulars of Transactions	(Amount in ₹)	
	For the Year ended 31.03. 2016	For the Year ended 31.03.2015
Expenses: Remuneration		
Whole Time Directors	4,20,63,224	4,20,01,029
Executive Officers	2,34,96,783	1,91,28,085
Relatives of KMP	1,52,12,131	85,48,002
Income: Advisory Services		
Mr. D. K. Aggarwal	12,504	58,689
Performance Fee Reversed		
Mr. D. K. Aggarwal	47,001	Nil
Income: Interest		
MVR Share Trading Private Limited	34,74,252	10,41,435
Aroma Securities Limited	4,81,948	7,16,207
Dee Faces Herbal Private Limited	24,10,398	Nil
Loans & Advances taken (net)		
SMC Share Brokers Limited	10,03,197	Nil
Loans & Advances given (net)		
MVR Share Trading Private Limited	14,86,827	Nil
Loans & Advances recovered (net)		
MVR Share Trading Private Limited	Nil	62,709

* Note: Transactions in the normal course of business have not been disclosed as the same have been transacted at prevailing market prices under online trade mechanism.

C. Balance Outstanding

Party Name	Included in	(Amount in ₹)	
		AS AT 31st March, 2016	As at 31st March, 2015
Aroma Securities Limited	Short Term Loans & Advances	49,96,514	67,72,762
SMC Share Brokers Limited	Short Term Borrowings	10,03,197	Nil
MVR Share Trading Private Limited	Short Term Loans & Advances	4,06,65,918	3,91,79,091

NOTE NO. 2.32

EARNING PER SHARE (EPS)

In accordance with AS-20 "Earning per Share", notified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2015, the basic & diluted earning per share is being calculated as under:-

Particulars	(Amount in ₹)	
	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Net profit attributable to equity shareholders (₹)	34,48,59,288	42,00,21,190
Weighted Average No. of Equity Shares		
-For basic & diluted EPS	11,31,34,450	11,31,34,450
Nominal Value per share (₹)	2	2
Basic & Diluted EPS (₹)	3.05	3.71

NOTE NO. 2.33

The details of gross liability, contributions, value of funds and provisions for gratuity & leave encashment as under: (refer Note No. 2.04, 2.09 & 2.23)

A. Gratuity (partly funded)

Particulars	(Amount in ₹)	
	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
a. Change in Present Value of Obligation		
As per Actuarial Report		
Present Value of the Obligation at the beginning of the year	7,05,59,737	5,18,80,986
Interest Cost	62,07,197	36,75,469
Current Service Cost	1,63,59,100	1,18,56,007
Benefit Paid	(73,57,706)	(61,12,478)
Actuarial (gain)/loss on obligations	78,87,888	59,72,438
	(A)	
	9,36,56,216	6,72,72,422

A. Gratuity (partly funded)

(Amount in ₹)

Particulars	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
As per Management Estimation		
Provision for the year	19,76,096	30,35,340
Foreign Currency Fluctuation reserve	8,54,204	2,51,975
(B)	28,30,300	32,87,315
Present Value of the Obligation at the end of the year	(A + B)	7,05,59,737
b. Change in fair value of plan assets		
Fair value of plan assets at the beginning of the period	1,09,20,325	7,67,964
Expected return on plan assets	12,63,365	65,277
Contributions	26,96,329	1,00,00,000
Benefits paid	(42,56,615)	-
Actuarial gain/(loss) on plan assets	(14,52,765)	87,084
Fair value of plan assets at the end of the period	91,70,639	1,09,20,325
Total Actuarial gain/(loss) to be recognized	93,40,653	58,85,354
Actual return on plan assets		
Expected return on plan assets	12,63,365	65,277
Actuarial gain/(loss) on plan assets	(14,52,765)	87,084
Actual return on plan assets	(189,400)	1,52,361
c. Amount recognized in the Balance Sheet		
Present Value of the Obligation at the end of the year	9,64,86,516	7,05,59,737
Fair Value of Plan Assets at the end of the year	(91,70,639)	(1,09,20,325)
Net Liability recognized in Balance Sheet	8,73,15,877	5,96,39,412
d. Amount recognized in the Statement of Profit and Loss		
As per Actuarial Report		
Interest Cost	62,07,197	36,75,468
Current Service Cost	1,63,59,100	1,18,56,007
Expected Return on Plan Assets	(12,63,365)	(65,277)
Actuarial (gain)/loss on obligations	93,40,653	58,85,354
(A)	3,06,43,585	2,13,51,552
As per Management Estimation		
Provision for the year	19,76,096	30,35,340
(B)	19,76,096	30,35,340

A. Gratuity (partly funded)

(Amount in ₹)

Particulars	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Total expense recognized in the Statement of Profit and Loss	(A+B)	2,43,86,892
e. Reconciliation of Balance Sheet		
As per Actuarial Report		
Present Value of the Obligation at the beginning of the year	7,05,59,737	5,18,80,986
Total expense recognized in the Statement of Profit and Loss	3,06,43,585	2,13,51,553
Actual Return on Plan Assets	(1,89,400)	1,52,361
Benefits paid	(73,57,706)	(61,12,478)
(A)	9,36,56,216	6,72,72,422
As per Management Estimation		
(B)	28,30,300	32,87,315
Present Value of the Obligation at the end of the year	(A+B)	7,05,59,737
Less: Fair value of plan assets at the end of the year	(91,70,639)	(1,09,20,325)
Net Liability	8,73,15,877	5,96,39,412
f. Bifurcation of Present Value of the Obligation at the end of the year		
Non-Current Liability	9,51,54,396	6,68,06,005
Less: Fair Value of Plan Assets at the end of the year	(91,70,639)	(1,06,29,107)
(A)	8,59,83,757	5,61,76,898
Current Liability	13,32,120	37,53,732
Less: Fair Value of Plan Assets at the end of the year	-	(2,91,218)
(B)	13,32,120	34,62,514
Total	(A+B)	5,96,39,412

B. Leave Encashment (unfunded)

(Amount in ₹)

Particulars	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Bifurcation of Present Value of the Obligation at the end of the year		
Non-Current Liability	2,78,76,316	1,25,61,871
Current Liability	34,79,682	7,50,404
Total	3,13,55,998	1,33,12,275

NOTE NO. 2.34**SEGMENT REPORTING
Business Segment:**

The Group's business comprises of dealing in shares, commodities, securities and derivatives either on its own behalf or on behalf of its constituents, Insurance broking services, wealth management services, Financing activities and other related ancillary services. therefore reportable segments for the current year are as under:

- a) Capital Market: Comprises of brokerage income earned on primary and secondary market, transactions done on behalf of clients, services rendered as depository participant and proprietary trading in securities, commodities and derivatives.
- b) Insurance Broking Services: Comprises of selling of insurance products as Licensed Direct Broker.
- c) Wealth Management Services: Comprises of rendering of wealth management services for its constituents.
- d) Financing activities: Comprises of loans against securities.

Geographical Segment:

The geographical segments have been identified by the location of the customers and business operations of the group and the same have been considered as secondary segments viz within India and Outside India.

Segment Information is annexed and marked as Annexure – I

NOTE NO. 2.35

Previous year's figures have been rearranged and re-grouped wherever found necessary to make comparable with those of the current year and the figures have been rounded off to the nearest rupee.

In terms of our Audit Report of even date attached**For R. Gopal & Associates**

Chartered Accountants
Firm Registration No. : 000846C

Sd/-
S.K. Agarwal
Partner
Membership No. : 093209

Place : New Delhi
Date : 18th May, 2016

For and on behalf of the Board

Sd/-
S. C. Aggarwal
Chairman & Managing Director
Din : 00003267

Sd/-
Vinod Kumar Jamar
Chief Financial Officer

Sd/-
Mahesh C. Gupta
Vice-Chairman & Managing Director
Din : 00003082

Sd/-
Suman Kumar
Company Secretary

Annexure I to Note No. 2.34 of Notes forming part of the consolidated financial statements
Information about Segment:

(Amount in ₹)

Description	Capital Market		Insurance Broking Services		Wealth Management Services		Financing Services		Unallocated		Elimination		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
I. Primary Segment-Business														
Revenue														
External revenue	3,144,204,213	3,162,367,201	424,930,829	364,564,426	159,400,663	111,026,416	242,524,846	132,362,090	3,970,075	13,050,004			3,975,030,626	3,783,370,137
Inter segment revenue	81,553,221	49,418,835	-	-	19,699,078	20,456,013	27,639,174	4,641,124	(172,293)	(987,963)	(128,719,180)	(73,528,009)	-	-
Total	3,225,757,434	3,211,786,036	424,930,829	364,564,426	179,099,741	131,482,429	270,164,020	137,003,214	3,797,782	12,062,041	(128,719,180)	(73,528,009)	3,975,030,626	3,783,370,137
Segment Profit/(Loss) (before tax)	231,900,942	436,096,244	93,925,343	92,594,173	2,253,266	10,599,329	173,637,134	75,937,390	(7,557,631)	10,980,403	-	-	494,159,054	626,207,539
Income taxes (Current tax, Deferred tax & Mat Credit)									149,845,695	205,982,407			149,845,695	205,982,407
Wealth tax and Prior Period Taxes									(2,109,385)	(1,305,267)			(2,109,385)	(1,305,267)
Segment Profit/(Loss) after tax	231,900,942	436,096,244	93,925,343	92,594,173	2,253,266	10,599,329	173,637,134	75,937,390	(155,293,941)	(193,696,737)	-	-	346,422,744	421,530,399
Other Information														
Segment assets	9,352,457,672	7,935,476,175	419,784,596	312,035,738	82,233,783	58,108,523	3,503,883,705	1,432,394,347					13,358,359,756	9,738,014,783
Other unallocated assets									80,009,807	44,453,783	-	-	80,009,807	44,453,783
Total Assets	9,352,457,672	7,935,476,175	419,784,596	312,035,738	82,233,783	58,108,523	3,503,883,705	1,432,394,347	80,009,807	44,453,783	-	-	13,438,369,563	9,782,468,566
Segment liabilities	6,705,640,948	4,212,119,211	50,065,698	34,479,447	23,311,148	13,007,247	1,130,547,710	266,229,797					7,909,565,504	4,525,835,702
Other unallocated liabilities									9,535,508	1,825,378	-	-	9,535,508	1,825,378
Total Liabilities	6,705,640,948	4,212,119,211	50,065,698	34,479,447	23,311,148	13,007,247	1,130,547,710	266,229,797	9,535,508	1,825,378	-	-	7,919,101,012	4,527,661,080
II. Secondary Segment-Geographical														
							Within India		Outside India		Elimination		Total	
							2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Revenue														
External revenue							3,817,110,775	3,707,330,213	157,919,851	76,039,924	-	-	3,975,030,626	3,783,370,137
Inter segment revenue							128,719,180	73,528,009			(128,719,180)	(73,528,009)	-	-
Total							3,945,829,955	3,780,858,222	157,919,851	76,039,924	(128,719,180)	(73,528,009)	3,975,030,626	3,783,370,137
Segment Profit/(Loss) (before tax)							439,454,698	629,953,933	54,704,356	(3,746,394)	-	-	494,159,054	626,207,539
Income taxes (Current tax and Deferred tax)							149,845,695	205,982,407	-	-	-	-	149,845,695	205,982,407
Wealth tax and Prior Period Taxes							(2,109,385)	(1,305,267)	-	-	-	-	(2,109,385)	(1,305,267)
Segment Profit/(Loss) after tax							291,718,388	425,276,793	54,704,356	(3,746,394)	-	-	346,422,744	421,530,399
Other Information														
Segment assets							12,472,608,595	9,271,903,150	885,751,161	466,111,633	-	-	13,358,359,756	9,738,014,783
Other unallocated assets							80,009,807	44,453,783			-	-	80,009,807	44,453,783
Total Assets							12,552,618,402	9,316,356,933	885,751,161	466,111,633	-	-	13,438,369,563	9,782,468,566
Segment liabilities							7,192,650,628	4,147,288,811	716,914,876	378,546,891	-	-	7,909,565,504	4,525,835,702
Other unallocated liabilities							9,535,508	1,825,378			-	-	9,535,508	1,825,378
Total Liabilities							7,202,186,136	4,149,114,189	716,914,876	378,546,891	-	-	7,919,101,012	4,527,661,080

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SMC GLOBAL SECURITIES LTD.
ON STANDALONE FINANCIAL STATEMENTS

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SMC Global Securities Limited** ('the Company'), which comprise the balance sheet as on 31st March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Managements Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these

standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also include evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity

with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
- (g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.27 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses, and
 - iii. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R Gopal & Associates
Chartered Accountants
FRN. : 000846C

sd/-
S.K. AGARWAL
PARTNER
MRN. 093209

Place : New Delhi
Date : 18th May, 2016

Annexure A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The securities held as inventory have been verified from the statements of holding from the depository participants by the management during the year / at the year end. In our opinion, the frequency of verification is reasonable. There are no material discrepancies noticed between the books records and the statements of holding provided by the depository participants. The company does not hold any inventory in physical form.
- (iii) The Company has granted unsecured loans to its two subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013 (the Act).

- (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company,
- (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the schedule of repayment of principal and payment of interest is on demand.
- (c) There are no overdue amounts in respect of loan granted to a body corporate listed in the register maintained u/s 189 of the Act as the same are repayable on demand which has been realized subsequently and there is no outstanding related to above as on date.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to the loans, investments, guarantees and security made. The company has not given any loan to its directors, hence section 185 not applicable.
- (v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act, 2013 and rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income-tax, service tax, cess and other material

statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales tax, duty of custom, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, service tax, cess and other material statutory dues were in arrears as

at 31 March 2016 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no material dues of cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax and service tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Finance Act 1994	Service Tax	3,56,67,295	FY 2009-10 To FY 2012-13	Commissioner, Delhi-I
Finance Act 1994	Service Tax	11,21,400	FY 2013-14	Additional Commissioner, Delhi-I
Finance Act 1994	Service Tax	2,98,30,585	FY 2004-05 To FY 2012-13	CESTAT New Delhi
Finance Act 1994	Service Tax	8,54,698	FY 2014-15	Additional Commissioner Delhi-I
Income Tax Act, 1961	Disallowance u/s 14A	Amount not ascertained	FY 2012-13	Commissioner of Income Tax (Appeals)

Sales tax, duty of custom, duty of excise and value added tax are not applicable to the company.

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayments of dues to any financial institution and banks. The company does not have any loan and borrowings from government or dues to debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion, and according to information and explanations given to us, the term loans have been applied for the purposes for which they were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting

standards.

- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For R Gopal & Associates
Chartered Accountants
FRN. : 000846C**

sd/-
S.K. AGARWAL
PARTNER
MRN. 093209

Place : New Delhi
Date : 18th May, 2016

Annexure - B to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **SMC Global Securities Limited** ('the Company') as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial

reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:-

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding

prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based

on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R Gopal & Associates
Chartered Accountants
FRN. : 000846C

sd/-
S.K. AGARWAL
PARTNER
MRN. 093209

Place : New Delhi
Date : 18th May, 2016

BALANCE SHEET

AS AT 31ST MARCH, 2016

(Amount in ₹)

PARTICULARS	NOTE NO.	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
EQUITY AND LIABILITIES			
Shareholders funds			
Share capital	2.01	226,268,900	226,268,900
Reserves and surplus	2.02	5,155,982,917	5,151,723,617
Non-current liabilities			
Long-term borrowings	2.03	6,608,850	3,561,398
Long-term provisions	2.04	50,531,460	29,605,179
Other Long-term Liabilities	2.05	6,627,903	6,627,903
Current liabilities			
Short-term borrowings	2.06	831,354,860	565,765,660
Trade Payables	2.07	2,342,064,430	723,309,612
Other current liabilities	2.08	1,970,042,153	2,116,887,743
Short-term provisions	2.09	71,374,363	81,743,218
Total		10,660,855,836	8,905,493,230
ASSETS			
Non-current assets			
Fixed assets	2.10		
Tangible assets		110,418,661	121,246,705
Intangible assets		7,539,237	8,772,237
WIP		560,000	-
Non-current investments	2.11	3,084,561,161	2,616,572,994
Deferred tax assets (Net)	2.12	90,419,099	55,198,221
Long-term loans and advances	2.13	168,198,515	176,421,267
Trade Receivables	2.14	138,847,660	202,554,745

AS AT 31ST MARCH, 2016

(Amount in ₹)

PARTICULARS	NOTE NO.	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
Current assets			
Current Investments	2.11	85,252,481	71,780,469
Inventories	2.15	1,468,377,597	1,259,834,014
Trade receivables	2.16	2,282,652,027	1,934,115,519
Cash and bank balances	2.17	2,803,676,616	2,194,847,898
Short-term loans and advances	2.18	393,781,908	241,060,104
Other current assets	2.19	26,570,874	23,089,057
Total		10,660,855,836	8,905,493,230

Significant accounting policies and notes to the financial statements

1 & 2

In terms of our Audit Report of even date attached

For R. GOPAL & ASSOCIATES
Chartered accountants
Firm Registration No.: 000846C

For and on behalf of the board

sd/-
S.K. AGARWAL
PARTNER
Membership No. : 093209

sd/-
S. C. AGGARWAL
(CHAIRMAN & MANAGING
DIRECTOR) Din No.: 00003267

sd/-
MAHESH C. GUPTA
(VICE-CHAIRMAN & MANAGING
DIRECTOR) Din No.: 00003082

sd/-
VINOD KUMAR JAMAR
(CHIEF FINANCIAL OFFICER)

sd/-
SUMAN KUMAR
(COMPANY SECRETARY)

PLACE : NEW DELHI
DATE : 18th May 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Revenue:			
Revenue from operations	2.20	2,243,045,850	2,363,786,014
Other income	2.21	46,964,465	51,280,003
Total revenue		2,290,010,315	2,415,066,017
Expenses:			
Stock exchange & other operating expenses	2.22	971,145,581	1,000,430,308
Employee benefit expenses	2.23	456,111,080	369,801,635
Finance cost	2.24	140,183,073	118,174,742
Depreciation and amortization expenses	2.25	36,722,821	57,760,960
Other expenses	2.26	548,820,057	540,653,743
Total expenses		2,152,982,612	2,086,821,388
Profit before tax		137,027,703	328,244,629
Tax expenses:			
Current tax		86,347,500	142,944,410
Deferred tax		(35,220,878)	(28,463,530)
Wealth tax		-	60,427
Prior period tax/adjustment		(57,826)	(1,640,451)
Profit after tax		85,958,907	215,343,773
Earnings per equity share of ₹ 2/- each			
- Basic & Diluted	2.35	0.76	1.90
Significant accounting policies and notes to the financial statements			
	1 & 2		

In terms of our Audit Report of even date attached

For R. GOPAL & ASSOCIATES
Chartered accountants
Firm Registration No.: 000846C

sd/-
S.K. AGARWAL
PARTNER
Membership No. : 093209

For and on behalf of the board

sd/-
S. C. AGGARWAL
(CHAIRMAN & MANAGING
DIRECTOR) Din No.: 00003267

sd/-
MAHESH C. GUPTA
(VICE-CHAIRMAN & MANAGING
DIRECTOR) Din No.: 00003082

sd/-
VINOD KUMAR JAMAR
(CHIEF FINANCIAL OFFICER)

sd/-
SUMAN KUMAR
(COMPANY SECRETARY)

PLACE : NEW DELHI
DATE : 18th May 2016

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
A Cash Flow From Operating Activities		
Profit before Tax	137,027,703	328,244,629
Adjusted for:		
Depreciation & Amortization	36,722,821	57,760,960
Intangible Assets Written Off	89,395	-
Loss/(Profit) on sale of Investment	(184,201)	25,293,216
Provision for Doubtful Debts	70,869,086	58,698,583
Provision for Diminution of value of investment	17,200,000	12,500,000
Income from Investment in PMS (Net)	3,225,018	(14,710,038)
Loss /(Profit) on sale / Discarded Fixed assets	(2,414,089)	2,320,402
Provision for Gratuity	13,513,281	1,833,512
Provision for Leave encashment	7,660,549	(149,583)
Dividend on Investment	(1,354,832)	(1,776,250)
Interest received	(640,500)	(2,797,742)
Interest Expenses	112,840,813	94,692,838
Operating Profit (Loss) Before Working Capital Changes	394,555,044	561,910,527
Increase / (Decrease) in Liabilities and Provisions	1,470,439,921	(22,068,167)
(Increase) / Decrease in Trade Receivables	(355,698,509)	46,687,638
(Increase) / Decrease in Inventories	(208,543,586)	(77,768,474)
(Increase) / Decrease in Loans & advances and Other Assets	(147,980,870)	222,060,836
(Increase) / Decrease in Bank term deposit	(79,693,559)	(247,189,966)
Cash Generated from Operations	1,073,078,442	483,632,394
Direct Taxes Paid (net of refunds)	(97,619,094)	(91,199,851)
Net Cash from Operating Activities	975,459,348	392,432,543
B Cash Flow from Investing Activities		
(Purchase) of Fixed Assets	(27,264,235)	(36,352,731)
Sale of Fixed Assets	4,367,153	2,603,485
(Purchase)/Sale of Non Current Investments (net)	(485,003,966)	87,464,260
(Purchase)/Sale of Current Investments (net)	(13,472,012)	(43,466,857)
Income from Investment in PMS (net)	(3,225,018)	14,710,038
Dividend on Investment	1,354,832	1,776,250
Net Cash from/(used) in Investing Activities	(523,243,245)	26,734,445
C Cash Flow From Financing Activities		
Interim/Final Dividend Paid and Tax thereon	(81,551,530)	(64,478,401)
Interest received	640,500	2,797,742
Interest Paid	(110,806,566)	(94,692,838)
(Payment) / proceeds of short term borrowings	265,589,200	(123,827,658)

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(Payment) / proceeds from Secured Loan from Banks (net)	3,047,452	3,561,398
Net Cash From/(Used) in Financing Activities	76,919,056	(276,639,757)
Net Increase in cash and cash Equivalents (A+B+C)	529,135,159	142,527,231
Cash and Cash Equivalent at the beginning of the year	165,144,743	22,617,512
Cash and Cash Equivalent at the end of the year (refer Note No. 2.17)	694,279,902	165,144,743

Notes:

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in AS-3 notified u/s 133 of the Companies Act, 2013.
- Figures in brackets indicate cash outflow.
- The significant accounting policies and notes to the financial statement (refer note no. 1 & 2) forms an integral part of the Cash Flow Statement.

In terms of our Audit Report of even date attached

For R. GOPAL & ASSOCIATES
Chartered accountants
Firm Registration No.: 000846C

For and on behalf of the board

sd/-
S.K. AGARWAL
PARTNER
Membership No. : 093209

sd/-
S. C. AGGARWAL
(CHAIRMAN & MANAGING
DIRECTOR) Din No.: 00003267

sd/-
MAHESH C. GUPTA
(VICE-CHAIRMAN & MANAGING
DIRECTOR) Din No.: 00003082

sd/-
VINOD KUMAR JAMAR
(CHIEF FINANCIAL OFFICER)

sd/-
SUMAN KUMAR
(COMPANY SECRETARY)

PLACE : NEW DELHI
DATE : 18th May 2016

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

COMPANY OVERVIEW

SMC Global Securities Limited ("the company" or "SMC Global") is a limited liability company incorporated in the year 1994. The company is a trading member of the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") in the capital market. Further, the company is a trading and clearing member of NSE, BSE and Metropolitan Stock Exchange of India Limited ("mSXI") in the futures and options segment and currency derivative segment. Also having depository participants registration of Central Depository Services (India) Limited and National Securities Depository Limited, participants of NCDEX Comtrack and AMFI registered mutual fund distributor. The company is governed by the SEBI. The company also has eight subsidiaries and three step subsidiaries.

The company offers a wide range of services to meet clients needs including brokerage services, clearing services, depository services, distribution of financial products such as mutual fund and initial public offerings and also engages in proprietary transactions.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention following the going concern concept and on accrual basis of accounting, in conformity with the accounting principles generally accepted in India and

comply with the accounting standard referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule, 2014

1.2 USE OF ESTIMATES

The presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

1.3 FIXED ASSETS

Fixed assets including intangible assets are stated at cost of acquisition including taxes, duties, identifiable direct expenses and expenses on installation, and are net of CENVAT Credit claimed thereon.

Additions to the fixed assets have been accounted for on the date of installation and its use irrespective of date of invoice.

1.4 DEPRECIATION

Depreciation on tangible fixed assets is computed on written down value method at such rate as computed considering useful life provided in the Schedule - II of the Act.

Intangible Fixed Assets

Depreciation on intangible fixed assets continues to be computed on written down value method at the following rates:-

a. Computer Software	40%
b. Trade Mark Logo	40%
c. Goodwill	25%

1.5 INVESTMENTS

Investments are classified into non-current investments and current investments. Non-current investments are stated at cost and provision, wherever required, has been made to recognize any decline other than temporary in the value of such investments. Current investments if any are carried at lower of the cost and fair value.

1.6 INVENTORIES

1.6.1 Inventories of shares are valued at market value and of bonds are valued at lower of cost or market value.

1.6.2 Closing stock of shares includes stocks pledged against secured loan from banks and kept as margin/securities with stock exchange but does not include stocks held on behalf of clients/constituents.

1.7 REVENUE RECOGNITION

1.7.1 Revenue on account of trading in securities is recognized on the basis of

each trade executed at the stock exchange during the financial year.

1.7.2 In respect of non delivery based transactions such as derivatives, the profit or loss is accounted for on marked to market basis on the closure of each trading day on daily basis.

1.7.3 Revenue from broking activities is accounted for on the trade date of transaction.

1.7.4 Treasury income from interest on fixed deposits is recognized on accrual basis.

1.7.5 Dividend is accounted for as income when the right to receive dividend is established.

1.7.6 Depository income is accounted for on accrual basis.

1.7.7 Profit/Loss in the case of balance in Portfolio Management account has been accounted for as other operating income/loss on its accrual when the transaction takes place and is on the basis of monthly statement received from portfolio manager.

1.7.8 In respect of other heads of income the company follows the practice of recognizing income on accrual basis.

1.7.9 Revenue excludes service tax.

1.8 FOREIGN CURRENCY TRANSACTIONS

Revenue and expenses are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currencies are restated at the exchange rate prevailing on the balance sheet date. Exchange differences arising on settlement of the transaction and on account of restatement of monetary items are recognized in the Statement of Profit and Loss.

1.9 EMPLOYEE BENEFITS

- 1.9.1 Provident Fund is a defined contribution scheme and the contributions as required by the statute are charged to the Statement of Profit and Loss as incurred.
- 1.9.2 Gratuity Liability is a defined obligation and is partly funded. The Company accounts for liability for future gratuity benefits based on an actuarial valuation as at the Balance Sheet date.
- 1.9.3 The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by an employee is recognized during the period/year when the employee renders the services.
- 1.9.4 Unavailed Leave Liability is a defined obligation and is not funded. The company accounts for liability for future benefits based on actuarial valuation as at the Balance Sheet date.

1.10 LEASES

Lease Rentals in respect of operating lease arrangements are charged to the Statement of Profit & Loss.

1.11 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes to the financial statements and notes thereto. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.12 BORROWING COSTS

Borrowing costs that are attributable to acquisition, construction or production of qualifying assets, are capitalized as part of the cost of such qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of profit and loss.

1.13 IMPAIRMENT OF ASSET

Wherever events or changes in circumstances indicate that the carrying value of fixed assets may be impaired, such assets are being subject to a test of recoverability based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, the company recognizes an impairment loss as a difference between the carrying value and fair value net of cost of sale.

1.14 TAXATION

Provision of Current Tax has been measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

The company has provided for deferred tax charge/credit that reflects the tax differences because of timing differences between accounting income and taxation income for the year. The deferred tax charge or credit and corresponding deferred tax liability or asset are recognized using the tax rates laid down by the law, that has been enacted or substantially enacted by the balance sheet date.

1.15 EARNINGS PER SHARE

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

1.16 CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.17 OTHER ACCOUNTING POLICIES

Accounting policies not referred to otherwise are consistent with generally accepted accounting principle.

2. NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NOTE NO. 2.01

SHARE CAPITAL

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
a Authorised		
Nil (Previous Year 50,00,000) Preference Shares of ₹ 10 each/-	-	50,000,000
16,50,50,000 (Previous Year 14,00,50,000) Equity Shares of ₹ 2/- each	330,100,000	280,100,000
	330,100,000	330,100,000
b Issued, Subscribed & Fully Paid up		
11,31,34,450 (Previous Year 11,31,34,450) Equity Shares of ₹ 2/- each fully paid up	226,268,900	226,268,900
	226,268,900	226,268,900

c Reconciliation of Number of Equity Shares Outstanding

Particulars	Number of Shares	(Amount in ₹)
As At 31.03.2016		
At the beginning of the year	113,134,450	226,268,900
Issued during the year	-	-
At the end of the year	113,134,450	226,268,900
As At 31.03.2015		
At the beginning of the year	113,134,450	226,268,900
Issued during the year	-	-
At the end of the year	113,134,450	226,268,900

d Shares held by shareholders holding more than 5% shares

Name of Shareholder	No. of Shares held	No. of Shares held(%)
As At 31.03.2016		
ASM Pipes Pvt Ltd	18,667,140	16.50
Millennium India Acquisition Company Inc.	13,604,690	12.03
Mahesh C. Gupta	10,248,500	9.06
Subhash Chand Aggarwal	10,095,500	8.92
Sanlam International Investment Partners Ltd.	9,460,590	8.36
Hemlata Aggarwal	7,720,550	6.82
Sushma Gupta	7,566,550	6.69

NOTE NO. 2.01

SHARE CAPITAL

Name of Shareholder	(Amount in ₹)	
	No. of Shares held	No. of Shares held(%)
As At 31.03.2015		
Millennium India Acquisition Company Inc.	14,736,035	13.03
Mahesh C. Gupta	10,248,500	9.06
Subhash Chand Aggarwal	10,095,500	8.92
Sanlam International Investment Partners Ltd.	9,460,590	8.36
Funnytime Finvest (P) Ltd.	9,000,000	7.96
Hemlata Aggarwal	7,720,550	6.82
Sushma Gupta	7,566,550	6.69

e Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par Value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Dividend Proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ending 31st March 2016, the amount of per share dividend recognised as distributions to equity shareholders for interim dividend is ₹ 0.24 (P.Y. ₹ 0.24) and Proposed Dividend is ₹ 0.36 (P.Y. ₹ 0.36)

In the event of Liquidation of the company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the

NOTE NO. 2.02

RESERVES & SURPLUS

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Securities Premium Reserve		
As at beginning and at the end of the year	3,444,449,991	3,444,449,991
Capital Reserves (On Amalgamation)		
As at beginning and at the end of the year	104,102,620	104,102,620
Capital Reserves (On Forfeiture)		
As at beginning and at the end of the year	123,998,200	123,998,200
General Reserve		
Opening Balance	644,011,539	624,011,539

NOTE NO. 2.02**RESERVES & SURPLUS**

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Add: Addition during the Year	20,000,000	20,000,000
Closing Balance	664,011,539	644,011,539
Surplus		
Opening balance	835,161,267	739,158,184
Add : Transfer from Statement of Profit and Loss	85,958,907	215,343,773
Amount Available for Appropriation	921,120,174	954,501,957
Less : Appropriation		
Less: Effect of Depreciation on Retained earnings as per Companies Act 2013	-	(26,901,074)
Add: Effect of Deferred Tax on Depreciation	-	9,143,676
Transfer to General Reserve	(20,000,000)	(20,000,000)
Interim Dividend	(27,152,268)	(27,152,268)
Proposed Dividend-Final	(40,728,402)	(40,728,402)
Tax on Dividend	(13,818,937)	(13,702,622)
Closing Balance	819,420,567	835,161,267
Total	5,155,982,917	5,151,723,617

NOTE NO. 2.03**LONG TERM BORROWINGS**

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Term Loans* (Secured Against Vehicles)		
From Banks	10,831,232	6,034,797
Less: Current Maturities disclosed under the head "Other Current Liabilities" (Note No. 2.08)	(4,222,382)	(2,473,399)
Total	6,608,850	3,561,398

* Repayable in 36 to 60 equated monthly instalments bearing interest @ 9.85% to 10.25% p.a.

NOTE NO. 2.04**LONG TERM PROVISIONS**

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits		
Provision For Gratuity #	38,525,792	23,984,139
Provision For Leave Encashment #	12,005,668	5,621,040
Total	50,531,460	29,605,179

also refer to Note No. 2.09 & 2.23

NOTE NO. 2.05**OTHER LONG TERM LIABILITIES**

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Security Deposits *	6,627,903	6,627,903
Total	6,627,903	6,627,903

* Also refer to Note no.2.36

NOTE NO. 2.06**SHORT TERM BORROWINGS**

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Secured *		
Short Term Loan from NBFC	237,798,125	-
Short Term Loan from Banks	593,556,735	269,004,904
Unsecured		
Payable to Related Party on Current Account #	-	296,760,756
Total	831,354,860	565,765,660

* Amount Secured either against FDR/ Bonds/ Shares/ Book Debts and / or Personal Guarantee of Directors .

Also refer to Note no. 2.36

NOTE NO. 2.07**TRADE PAYABLES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
-Due to micro and small enterprises *	-	-
-Others	2,342,064,430	723,309,612
	2,342,064,430	723,309,612

* The company has initiated the process of identification of suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006, by obtaining confirmations from all suppliers information has been collected only to the extent of information received as at balance sheet date. Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprises Development Act 2006" as at 31st March 2016 and 31st March 2015.

NOTE NO. 2.08**OTHER CURRENT LIABILITIES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Book Overdraft from Banks	256,874,671	49,501,300
Current Maturities of Long Term Borrowings (Note No. 2.03)	4,222,382	2,473,399
Security Deposits Received from clients	12,114,906	16,505,006
Advances /Margin Received from Clients	1,650,516,405	1,998,411,873
Interest accrued but not due	2,034,247	-
Unpaid Dividend	138,684	144,804
Unearned Income	10,682,489	9,959,597
Employee Benefit Payable	5,409,488	2,175,085
PMS Payable	277,690	4,036,490
Payable to Statutory authorities	27,771,191	33,680,189
Total	1,970,042,153	2,116,887,743

NOTE NO. 2.09**SHORT TERM PROVISIONS**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits		
Provision For Gratuity #	-	1,028,369
Provision For Leave Encashment #	1,551,390	275,469
Others		
Provision for Income Tax (Net of Advance tax & TDS of ₹ 6,72,30,054/- , P.Y. ₹ 11,25,58,279/-)	19,117,446	30,386,131
Provision For Wealth Tax	-	60,426
Provision for CSR	1,685,763	1,121,137
Proposed Dividend	40,728,402	40,728,402
Tax on Dividend	8,291,362	8,143,284
Total	71,374,363	81,743,218

also refer to Note No. 2.04 & 2.23

NOTE NO. 2.10 FIXED ASSETS

PARTICULARS	As At		As At		As At		As At		As At		As At	
	01.04.2015	Additions	Disposals	31.03.2016	As At Charged for the period	On Disposals	Adjusted Reserve & Surplus	31.03.2016	As At 31.03.2016	As At 31.03.2016	As At 31.03.2015	As At 31.03.2015
Tangible Assets												
Office Building	54,417,068	-	-	54,417,068	1,867,190	-	-	17,782,872	36,634,196	38,501,386		
Office Equipment	94,034,775	2,985,790	6,163,990	90,856,575	3,038,843	5,780,390	-	82,880,333	7,976,242	8,412,896		
Furniture & Fixtures	124,118,639	983,825	2,172,417	122,929,947	83,438,895	1,862,333	-	94,119,801	28,810,146	40,679,644		
Computer Hardware	168,703,875	10,896,510	33,888,516	145,711,868	154,250,532	32,724,666	-	128,984,529	16,727,340	14,453,343		
Vehicle	21,365,176	10,197,110	1,248,261	30,314,025	6,437,186	1,152,732	-	15,024,522	15,289,503	11,625,108		
VSAT	36,742,236	-	-	36,742,236	2,593,094	-	-	31,761,002	4,981,234	7,574,328		
Total Tangible Assets	499,381,669	25,063,235	43,473,185	480,971,719	33,938,216	41,520,122	-	370,553,058	110,418,661	121,246,705		
Previous Year	485,712,429	36,352,731	22,683,491	499,381,669	51,287,802	17,759,604	26,901,074	378,134,964	121,246,706	168,006,738		
Intangible Assets												
Computer Software	52,941,636	1,641,000	9,010,706	45,571,930	1,378,082	8,921,311	-	42,251,852	3,320,078	3,146,555		
Trade Mark Logo	20,000	-	-	20,000	273	-	-	19,591	409	682		
Goodwill	10,000,000	-	-	10,000,000	1,406,250	-	-	5,781,250	4,218,750	5,625,000		
Total Intangible Assets	62,961,636	1,641,000	9,010,706	55,591,930	2,784,605	8,921,311	-	48,052,693	7,539,237	8,772,237		
Software WIP	-	560,000	-	560,000	-	-	-	-	560,000	-		
Previous Year	62,961,636	-	-	62,961,636	47,716,241	6,473,158	-	54,189,399	8,772,237	15,245,395		
Current Year	562,343,305	27,264,235	52,483,891	537,123,649	36,722,821	50,441,433	-	418,605,751	118,517,898	130,018,942		
Previous Year	548,674,065	36,352,731	22,683,491	562,343,305	57,760,960	17,759,604	26,901,074	432,324,363	130,018,942	183,252,133		

NOTE NO. 2.11 INVESTMENTS

Particulars	Face Value	No. of Shares	(Amount in ₹)	
			As at 31.03.2016	As at 31.03.2015
A. Non-Current Investments				
Investment in Property			10,686,191	10,686,191
Sub- Total			10,686,191	10,686,191
Trade Investments (Valued at cost)				
Investment in Equity Instruments (Un-quoted)				
Investment in Subsidiaries				
SMC Comtrade Limited	10	8,500,000	735,400,000	735,400,000
Moneywise Financial Services (P) Limited	10	27,156,920	1,052,292,979	652,293,000
SMC Capitals Limited	10	10,000,000	124,876,767	124,876,767
SMC Investment & Advisors Limited	10	25,000,000	700,000,000	600,000,000
Indunia Realtech Ltd*	10	2,500,000	25,000,000	25,000,000
Moneywise Finvest Limited	10	1,000,000	9,798,700	9,798,700
SMC Global USA Inc	USD 5000	60	20,518,500	-
SMC Finvest Limited	10	41,000,000	379,988,000	379,988,000
Sub- Total		115,156,980	3,047,874,946	2,527,356,467
* Formerly known as SMC ARC Ltd upto 23rd March, 2015				
Non- Trade Investments (Valued at cost)				
Investment in Equity Instruments (Quoted)				
NHPC Limited	10	-	-	34,366,372
Manganese Ore India Limited	10	8,398	4,784,739	4,784,739
Shipping Corporation of India Limited	10	45,584	6,436,663	6,436,663
Pradip Overseas Limited	10	424,108	9,447,024	9,447,024
Khandwala Securities Limited	10	294,279	4,899,744	4,967,093
Larsen & Toubro Limited	2	72	73,967	73,967
Reliance Capital Limited	10	576	272,892	272,892
Gayatri Sugars Limited	10	-	-	134,997

NOTE NO. 2.11**INVESTMENTS**

(Amount in ₹)

Particulars	Face Value	No. of Shares	As at 31.03.2016	No. of Shares	As at 31.03.2015
Ore India	10	4,100	27,470	4,100	27,470
Orient Abrasives Limited	1	-	-	35,490	761,594
HB Portfolio Limited	10	100	2,575	100	2,575
Peacock Industries Limited	4	200	950	200	950
Sub- Total		777,417	25,946,024	2,623,437	61,276,336
Investment In equity instruments (Unquoted)					
Ludhiyana Stock Exchange Association Limited	10	2,000	54,000	2,000	54,000
Priknit Retails Limited	10	250,000	25,000,000	250,000	25,000,000
The Great Logistic & Parking Services Pvt. Limited	10	100,000	4,700,000	100,000	4,700,000
Less: Provision for value of diminution of investment			(29,700,000)		(12,500,000)
Sub- Total		352,000	54,000	352,000	17,254,000

1. Aggregate Market Value of Quoted Investment is ₹ 1,10,07,776 (Previous Year is ₹ 4,58,19,614)
2. Aggregate Book Value of Quoted Investment is ₹ 2,59,46,024 (Previous Year is ₹ 6,12,76,336)
3. Aggregate Book Value of Unquoted Investment is ₹ 3,07,76,28,946 (Previous Year is ₹ 2,55,71,10,467)
4. Aggregate Provision for diminution in value of Unquoted Investment is ₹ 2,97,00,000 (Previous Year is ₹ 1,25,00,000)

NOTE NO. 2.11**INVESTMENTS**

(Amount in ₹)

Particulars	Face Value	No. of Shares	As at 31.03.2016	No. of Shares	As at 31.03.2015
B. Current Investments					
(at lower of cost or fair value)					
Investment in equity instrument under Portfolio Management Service					
Hindustan Unilever Ltd.	1	-	-	2,384	1,849,448
Eicher Motors Ltd.	10	-	-	112	1,570,593
Britannia Industries Ltd.	2	-	-	818	1,302,731
Cadila Healthcare Ltd	1	-	-	775	1,215,196
Shriram City Union Finance Ltd.	10	-	-	726	1,428,151
Ashok Leyland Ltd	1	-	-	225	11,577
Tech Mahindra Limited	5	-	-	1,452	913,961
HCL Technologies Ltd	2	5,417	4,410,251	-	-
Container Corporation of India Ltd	10	3,437	3,969,413	-	-
Indraprastha Gas Ltd	10	6,441	3,490,964	-	-
Glaxosmithkline Consumer Healthcare Ltd.	10	346	1,941,443	-	-
Gillette India Ltd	10	190	835,081	-	-
Pidilite Industries Ltd	1	-	-	1,907	784,942
Bosch Ltd.	10	-	-	54	970,591
Shree Cement Ltd.	10	-	-	181	1,614,121
Marico Limited	1	-	-	5,559	1,847,584
Torrent Pharmaceuticals Ltd	5	-	-	935	794,166
Bajaj Auto Finance Ltd	10	-	-	309	960,474
Bharti Infratel Ltd.	10	-	-	7,815	2,201,355
Bharti Airtel Ltd	5	20,677.00	6,597,529	-	-
Procter & Gamble Hygiene And Health Care Ltd	10	-	-	246	1,558,801
Gujarat State Petronet Ltd	10	-	-	6,986	833,822
HDFC Bank Ltd	2	-	-	772	789,640

NOTE NO. 2.11**INVESTMENTS**

(Amount in ₹)

Particulars	Face Value	No. of Shares	As at 31.03.2016	No. of Shares	As at 31.03.2015
Indusind Bank Ltd	10	-	-	1,009	859,226
The Indian Hotels Co	1	-	-	8,403	981,891
Balkrishna Industries Ltd	2	-	-	1,417	915,382
Gujrat Pipavav Port Ltd	10	-	-	4,186	866,392
Kotak Mahindra Bank Ltd	5	-	-	775	988,803
TVS Motor Company Ltd	1	-	-	3,877	1,022,559
Amara Raja Batteries Ltd	1	-	-	1,249	1,038,544
Indiabulls Housing Finance Limited	2	-	-	1,886	1,051,822
Bajaj Finserve Ltd	5	-	-	766	1,064,319
Bharat Electronics Ltd	10	-	-	327	1,094,551
Berger Paints (India) Ltd	1	-	-	5,288	1,104,134
SKF India Ltd	10	-	-	856	1,203,536
AIA Engineering Ltd	2	-	-	1,008	1,092,408
Sun Pharmaceutical Industries Ltd	1	-	-	1,337	1,248,296
Page Industries Ltd	10	-	-	100	1,172,534
Gruh Finance Ltd	2	17,644.00	4,219,563	5,705	1,386,886
Crisil Ltd	1	-	-	737	1,486,603
Mindtree Consulting Ltd	10	-	-	1,547	2,017,829
Emami Ltd	1	-	-	2,253	1,891,243
Ranbaxy Laboratories Ltd	5	-	-	3,406	2,439,279
Castrol India Ltd	5	-	-	8,405	3,987,332
United Breweries Ltd	1	8,169	6,635,542	-	-
Jubilant Foodworks Ltd	10	6,293	6,424,441	-	-
Sun Tv Network Ltd	5	19,799	6,911,103	-	-
Hexaware Technologies Ltd	2	23,298	5,736,432	-	-
Tata Motors Ltd	2	26,927	7,437,758	-	-
Gateway Distriparks Ltd	10	3,930	984,485	3,930	984,485

NOTE NO. 2.11**INVESTMENTS**

(Amount in ₹)

Particulars	Face Value	No. of Shares	As at 31.03.2016	No. of Shares	As at 31.03.2015
Whirlpool of India Ltd	10	1,809	789,825	1,809	789,825
Housing Development Finance Corporation Ltd	2	938	991,961	938	991,961
IDFC Limited - Equity	10	7,018	338,619	7,018	993,769
Axis Bank Ltd	2	2,003	793,131	2,003	793,131
Yes Bank Ltd	10	1,373	789,491	1,373	789,491
NTPC Ltd	10	7,310	941,528	7,310	1,000,759
Elecon Engineering Company Ltd	2	15,549	785,423	15,549	785,423
IL & FS Transportation Network Ltd	10	8,262	594,038	5,322	960,661
Reliance Industries Ltd	10	1,242	1,207,310	1,242	1,024,277
Larsen & Toubro Ltd	2	534	649,451	534	788,217
Indusind Bank Ltd	10	951	591,867	951	591,867
Torrent Pharmaceuticals Ltd	5	-	-	706	602,936
State Bank Of India	1	2,740	532,382	2,740	697,389
Neyveli Lignite Corporation Ltd	10	9,456	670,430	9,456	664,757
Engineers India Ltd	5	3,254	553,994	3,254	632,090
Phoenix Mills Ltd	2	1,659	497,783	1,659	583,056
Tata Consultancy Services Ltd	1	2,616	6,067,810	223	567,992
Lakshmi Machine Works Ltd	10	148	493,610	148	566,329
PNB Gilts Ltd	10	17,937	392,828	17,937	392,828
Mahindra & Mahindra Ltd	5	445	538,294	445	528,282
VIP Industries Ltd	2	5,427	569,835	5,427	505,796
Jain Irrigation Systems Ltd	2	7,950	479,385	7,950	489,720
Gujarat Mineral Development Compnay Ltd	2	4,108	268,458	4,108	460,712
L&T Finance Holdings Ltd	10	31,979	1,750,180	-	-
IDFC Bank Limited	10	7,018	283,527	-	-
NTPC Ltd (Bonds)	10	7,310	91,375	7,310	91,375

NOTE NO. 2.11**INVESTMENTS**

(Amount in ₹)

Particulars	Face Value	No. of Shares	As at 31.03.2016	No. of Shares	As at 31.03.2015
Sub- Total		291,604	81,256,540	195,135	66,837,848
Investment in Mutual Fund (Unquoted)					
Reliance Money Manager Fund-Growth Option		2,025	3,995,941	2,670	4,942,621
Sub- Total		2,025	3,995,941	2,670	4,942,621
Total		293,629	85,252,481	197,805	71,780,469

1. Aggregate Market Value of Quoted Investment is ₹ 8,80,64,910 (Previous Year is ₹ 7,57,49,800)
2. Aggregate Book Value of Quoted Investment is ₹ 8,12,56,539 (Previous Year is ₹ 6,68,37,848)
3. Aggregate Net Asset Value of Unquoted Investment is ₹ 42,01,940 (Previous Year is ₹ 51,09,846)
4. Aggregate Book Value of Unquoted Investment is ₹ 39,95,941 (Previous Year is ₹ 49,42,621)

NOTE NO. 2.12**DEFERRED TAX ASSETS**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Provision for Doubtful Debts	45,563,423	20,661,389
Provision for Gratuity	13,333,006	8,501,751
Provision for Diminution in value of Investments	3,426,192	2,832,500
Disallowances / Others	6,212,569	2,179,737
Long Term Capital Loss	-	206,597
Difference between carrying cost of fixed assets as per Companies Act, 2013 and Income Tax Act, 1961	21,883,909	20,816,247
Total	90,419,099	55,198,221

NOTE NO. 2.13**LONG TERM LOANS AND ADVANCES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Unsecured, considered good		
Security Deposits	46,963,548	51,930,177
Advances Recoverable in cash or in kind	90,686,883	93,916,677
Balance with Government Authorities	30,548,084	30,574,413
Total	168,198,515	176,421,267

NOTE NO. 2.14**TRADE RECEIVABLES (NON CURRENT)**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Outstanding for a period exceeding one year Secured, considered good	48,705,015	47,216,403
Unsecured, considered good	90,142,645	155,338,342
Unsecured, considered doubtful	131,655,754	60,786,669
	221,798,399	216,125,011
Less: Provision for doubtful debts #	(131,655,754)	(60,786,669)
	90,142,645	155,338,342
Total	138,847,660	202,554,745

also refer to Note No. 2.33

NOTE NO. 2.15**INVENTORIES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Shares (Valued at market price)	807,660,956	1,213,804,976
Bonds (Valued at lower of cost or market price)	660,716,641	46,029,038
Total	1,468,377,597	1,259,834,014

NOTE NO. 2.16**TRADE RECEIVABLES (CURRENT)**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Debts outstanding for more than six months		
Secured, considered good	16,134,487	10,724,956
Unsecured, considered good	3,397,371	60,933,453
Other Debts		
Secured, considered good	884,627,106	1,224,740,644
Unsecured, considered good	1,378,493,063	637,716,466
Total	2,282,652,027	1,934,115,519

NOTE NO. 2.17**CASH AND BANK BALANCES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Cash & Cash Equivalents		
Balance with Banks in current accounts	691,511,228	163,585,724
Cash in hand	1,909,670	1,530,728
Foreign currency in hand	859,004	28,291
A	694,279,902	165,144,743
Other Bank Balances*		
Bank Deposit #		
- Placed under lien with banks	2,085,850,000	2,010,723,299
- Pledged with the clearing corporations and stock exchanges as margin	9,500,000	6,000,000
- Placed under lien with Court	80,366	550,248
- Placed with Pension Fund Regulatory and Development Authority	2,000,000	-
- Placed under Arbitration	11,966,348	9,929,608
- Deposits in hand	-	2,500,000
B	2,109,396,714	2,029,703,155
Total (A+B)	2,803,676,616	2,194,847,898

Bank Deposit Includes Fixed Deposit amounting to ₹ 59,26,20,000 (P.Y. ₹ 29,23,00,000) having maturity period more than one year.

*also refer to Note No. 2.32

NOTE NO. 2.18**SHORT-TERMS LOANS AND ADVANCES**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Unsecured, considered good		
Loans and advances to related parties *	190,899,413	-
Advances Recoverable in cash or in kind	197,009,478	238,802,653
Balance with Government Authorities	5,873,017	2,257,451
Total	393,781,908	241,060,104

*also refer to Note No. 2.36

NOTE NO. 2.19**OTHER CURRENT ASSETS**

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Accrued Interest on FDR	25,108,300	21,669,271
Accrued Interest on Bonds	1,413,760	1,400,871
Dividend Receivable	48,814	18,915
Total	26,570,874	23,089,057

NOTE NO. 2.20**REVENUE FROM OPERATIONS**

(Amount in ₹)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Income from Brokerage	887,826,436	964,595,471
Income from Proprietary Trading	875,470,745	932,436,697
Income from Distribution of Financial Products (Net)	72,649,732	56,305,021
Income from Depository Business	48,329,660	53,969,370
Treasury Income	181,645,405	181,794,940
Dividend Earned	10,016,242	43,049,323
Income from Exchange	883,019	1,481,788
Income from Reverse Book Building	1,100,000	5,132,956
Income from Investment in PMS(Net)	(3,225,018)	14,710,038
Dividend on Investment	1,354,832	1,776,250
Profit/(loss) on Sale of Investment	184,201	(25,293,216)
Delay Payment Charges	166,810,596	133,827,376
Total	2,243,045,850	2,363,786,014

NOTE NO. 2.21**OTHER INCOME**

(Amount in ₹)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Interest Income	640,500	2,797,742
Rent Income	17,610,816	17,738,319
Liability no longer required written back	22,728,952	20,439,129
Miscellaneous Income	5,984,197	10,304,813
Total	46,964,465	51,280,003

NOTE NO. 2.22**STOCK EXCHANGE AND OTHER OPERATING EXPENSES**

(Amount in ₹)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Client Introduction Charges	405,581,410	447,221,490
Exchange & Other Regulatory Charges	279,341,317	276,807,167
VPN, Leaseline, Internet & VSAT Expenses (Net)	7,698,027	5,329,917
Securities Transaction Tax	277,367,946	269,842,908
Demat Charges	1,156,881	1,228,826
Total	971,145,581	1,000,430,308

NOTE NO. 2.23**EMPLOYEE BENEFIT EXPENSES**

(Amount in ₹)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Salaries and incentives	418,989,722	341,942,626
Employers' Contributions to Provident & other funds	15,996,486	11,432,519
Gratuity	15,238,535	11,856,120
Staff welfare	5,886,337	4,570,370
Total	456,111,080	369,801,635

As per Accounting Standard 15 " Employee Benefits",
the disclosures as defined in the Accounting Standard are given below:

A Gratuity (Partly Funded)**Change in Present Value of Obligation**

(Amount in ₹)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Present Value of the Obligation as at the beginning of the year	32,095,644	23,259,791
Interest Cost	2,971,262	1,825,894
Current Service Cost	6,414,627	5,023,650
Benefits Paid	(2,989,590)	(3,022,608)
Actuarial (gain)/loss on obligations	5,720,006	5,008,917
Present Value of the Obligation as at the end of the year	44,211,949	32,095,644
Change in Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the year	7,083,136	80,795
Expected return on plan assets	801,055	6,868
Contributions	1,725,251	10,022,608
Benefits paid	(2,989,590)	(3,022,608)
Actuarial gain/(loss) on plan assets	(933,695)	(4,527)
Fair value of plan assets at the end of the year	5,686,157	7,083,136
Total Actuarial gain/(loss) to be recognised	6,653,701	5,013,444
Actual return on plan assets		
Expected return on plan assets	801,055	6,868
Actuarial gain/(loss) on plan assets	(933,695)	(4,527)
Actual return on plan assets	(132,640)	2,341

A Gratuity (Partly Funded)**Change in Present Value of Obligation**

(Amount in ₹)

Particulars	Current Year	Previous Year
Amount recognized in the Balance Sheet		
Present Value of the Obligation as at the end of the year	44,211,949	32,095,644
Fair Value of Plan Assets as at the end of the year	(5,686,157)	(7,083,136)
Net Liability recognised in Balance Sheet	38,525,792	25,012,508
Amount recognized in the Statement of Profit and Loss		
Particulars	Current Year	Previous Year
Interest Cost	2,971,262	1,825,894
Current Service Cost	6,414,627	5,023,650
Expected Return on Plan Assets	(801,055)	(6,868)
Net Actuarial (gain)/loss Recognised in Year	6,653,701	5,013,444
Total expense recognized in the Statement of Profit and Loss	15,238,535	11,856,120
Bifurcation of the present value of the Obligation as at the end of the year		
Current Liability	-	1,028,369
Non-Current Liability	38,525,792	23,984,139
Net Liability	38,525,792	25,012,508
The principal assumptions used in determining obligations for the Company's plans are shown below:		
Assumptions	Current Year	Previous Year
Discount rate	8.05%	7.85%
Increase in compensation cost	7.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

B Leave encashment (Unfunded)

Particulars	(Amount in ₹)	
	Current Year	Previous Year
Bifurcation of the present value of the Obligation as on the end of the year		
Current Liability	1,551,390	275,469
Non-Current Liability	12,005,668	5,621,040
Total	13,557,058	5,896,509

The principal assumptions used in determining obligations for the Company's plans are shown below:

Assumptions	Current Year	Previous Year
Discount rate	8.05%	7.85%
Increase in compensation cost	7.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority,

NOTE NO. 2.24**FINANCE COST**

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Interest to Bank (Term Loan)	1,139,135	470,359
Interest to Bank (Others)	14,560,274	14,618,992
Interest-others	97,157,693	79,624,333
Other Borrowing Cost	27,325,971	23,461,058
Total	140,183,073	118,174,742

NOTE NO. 2.25**DEPRECIATION AND AMORTISATION EXPENSES**

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Depreciation on Tangible Assets	33,938,216	51,287,802
Amortisation of Intangible Assets	2,784,605	6,473,158
Total	36,722,821	57,760,960

NOTE NO. 2.26**OTHER EXPENSES**

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Advertisement	49,410,223	122,256,527
Business Promotion	162,248,369	124,632,041
Provision for Doubtful Debts	70,869,086	46,660,345
Bad Debts	5,221,270	12,038,238
Computer Repair & Maintenance	13,787,889	12,027,612
Conveyance & Traveling Expenses	11,981,640	11,064,414
Directors' Sitting Fees	1,780,000	1,225,000
Donation	16,100	47,100
Electricity & Water Charges	30,421,144	26,328,110
Insurance	2,033,312	1,489,778
Legal & Professional Charges	30,298,230	19,158,443
Bank Charges	977,900	586,543
Provision for diminution of value of investment	17,200,000	12,500,000
Prior Period Expense	-	4,087,946
Stock Exchange Listing Fee	72,500	97,500
Loss on Sale / Discarded Fixed Assets (Net)	-	2,320,402
Office Repair & Maintenance	21,261,016	20,943,954
Printing and Stationery	10,043,497	6,753,072
Rent (Net)	77,088,125	67,875,229
Rates & Taxes	1,911,933	1,689,497
Intangible Assets Written Off	89,395	-

NOTE NO. 2.26**OTHER EXPENSES**

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Irrecoverable Balance Written off	4,087,946	12,077,913
Membership Fees & Subscription	785,609	730,035
Communication Expenses	21,412,370	25,304,520
Vehicle Running & Maintenance	2,860,772	2,715,578
CSR Expenses	3,264,626	1,431,234
Miscellaneous Expenses	7,011,205	3,598,712
Auditor's remuneration:		
As Statutory Auditor	1,175,000	750,000
As Tax Auditor	150,000	150,000
As Fee for Other Services	1,360,900	114,000
Total	548,820,057	540,653,743

NOTE NO. 2.27**a) CONTINGENT LIABILITIES****Contingent liabilities not provided in the financial statements:**

Particulars	(Amount in ₹)	
	As at 31.03.2016	As at 31.03.2015
1. Corporate guarantee executed by the company for credit facility extended to a subsidiary	91,00,00,000	46,00,50,000
2. ESI demand (Total amount Paid under protest ₹ 12,42,581 (P.Y. ₹ 12,42,581))	31,06,450	31,06,450
3. Service Tax Demand	6,74,73,978	6,66,19,280
4. Income Tax Demand	-	6,09,285
5. Provident Fund	-	-
6. Stamp Duty	-	-

Notes:

- The Company has given corporate guarantee towards credit facility of one of the Subsidiary Company, M/s SMC Comtrade Limited.
- An ESI demand is being agitated by the Company in Additional Senior Civil Judge Tis Hajari, Delhi.
- Service Tax demand of ₹ 3,56,67,295/- is being agitated by the Company before Commissioner of Service Tax, Audit 1, Delhi, of ₹ 11,21,400/- is being agitated by the Company before Additional Commissioner (Service Tax), Delhi of ₹ 2,98,30,585/- is being agitated by the Company before CESTAT, Delhi and of ₹ 8,54,698/- (P.Y : Nil) is being agitated by the Company before Additional Commissioner Service Tax, Delhi-I.
- Assessment u/s 143(3) for the A.Y 2013-14 has completed and disallowance made on account of section 14A for which appeal filed before the Commissioner of Income Tax (Appeals). Income Tax demand for ₹ 6,09,285/- in P.Y. being agitated by the Company before Commissioner of Income Tax (Appeals) XII, Delhi and has been decided in favor of the Company .
- PF matter is pending before High Court and amount is not quantifiable.
- The Company has received a notice dated 21.11.2014 from the Collector of Stamp (HQ), Delhi on account of verification of records pertaining to Stamp duty chargeable on the basis of brokers Note for the period 2010 to 21.11.2014. Matter is sub-judice and has been stayed by jurisdictional High Court at Delhi vide its order dated 09/12/2014 until further order

b) OTHER LITIGATIONS

- SEBI has issued us a show cause notice dated 06.01.2014 for circular trading in shares of Gangotri Textiles Ltd and dated 12.08.2015 for Trading in Shares of Omaxe Limited by one of our client. Necessary reply has already been filed by the company refuting the allegations.
- Title of the property located at Office no 205, 2nd Floor, Plot no 4A, Community Centre, 21st Century Plaza, Sector 8, Rohini, New Delhi having book value of ₹ 46,12,060/- is under dispute and sealed due to the allegation of acquisition of the said property from the funds of Ganga Yamuna Finvest Pvt. Ltd, which is under liquidation.
- The company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations and financial condition.
Pending completion of the legal process the impact of liability, if any, cannot be ascertained at this stage, however, management believes that, based on legal advice, the outcome of these contingencies will be favorable and that outflow of economic resources is not probable.

NOTE NO. 2.28**COMMITMENTS**

(Amount in ₹)

Particulars	As at 31.03.2016	As at 31.03.2015
Contracts remaining to be executed on account of capital (net of advances)		
-For purchase of Software "MobiGain"	2,40,000	Nil

NOTE NO. 2.29**EARNING AND EXPENDITURE IN FOREIGN CURRENCY**

(Amount in ₹)

Particulars	For the Year ended 31.03. 2016	For the Year ended 31.03.2015
a) Earning in Foreign Currency		
-Brokerage & DP Charges	2,96,539	11,30,140
b) Expenditure in Foreign Currency		
-Expense on Foreign Tour	4,66,484	97,524
-Investments in Foreign Subsidiary	2,05,18,500	Nil
-On Account of Proposed ADR Issue	2,26,41,048	Nil

NOTE NO. 2.30**REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND**

The Company has paid dividend in respect of shares held by Non-Residents on repatriation basis.

The total amount remittable in this respect is given herein below:

(Amount in ₹)

Particulars	For the Year ended 31.03. 2016	For the Year ended 31.03.2015
a) Number of Non Resident Shareholders	2	2
b) Number of Equity Shares held by them	2,41,96,625	2,41,96,625
c) (i) Amount of Dividend Paid	1,07,76,218	88,38,194
(ii) Tax Deducted at Source	-	-
(iii) Year to which dividend relates	(2014-15/2015-16) (Final Dividend/ Interim Dividend)	(2013-14/2014-15) (Final Dividend/ Interim Dividend)

NOTE NO. 2.31

In the opinion of the Board, any of the assets other than Fixed Assets and Non Current Investments have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated.

NOTE NO. 2.32

Fixed Deposit with Schedule Banks includes ₹ 2,08,58,50,000/- (P.Y. ₹ 2,01,07,23,299) under lien in favor of the bank as margin deposit for the guarantees issued of ₹ 4,17,35,00,000/- (P.Y. ₹ 3,88,34,00,000)/credit facilities or otherwise, ₹ 95,00,000/- (P.Y. ₹ 60,00,000) pledge with stock exchanges as margin, which does not include margins paid by client constituents on their own behalf, ₹ 80,366/- (P.Y. ₹ 5,50,248) pledge with Court, ₹ 20,00,000/- (P.Y. ₹ Nil) pledge with Pension Fund Regulatory and Development Authority" to become POP of NPS, and ₹ 1,19,66,348/- (P.Y. ₹ 99,29,608) pledge with Exchange for Arbitration

NOTE NO. 2.33

Unsecured Non Current Trade Receivables (considered good) includes amount due from parties on whom legal action initiated for recovery and are net of doubtful portion, disclosed separately and necessary provision made thereof.

NOTE NO. 2.34**SEGMENT ACCOUNTING****a. Business Segment**

- The business segment has been considered as the primary segment.
- The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- The Company's primary business comprises of dealing in shares, securities and derivatives either on its own or on behalf of its constituents and other related ancillary services.

Accordingly the primary business segment has been identified as below:

- Capital Markets: comprises of brokerage income earned on secondary market transactions done on behalf of clients, services rendered as depository participant and proprietary trading in securities and derivatives
- And since it is the only reportable segment as envisaged in Accounting Standard 17 `Segment Reporting notified under the Companies Accounting Standard Rules, 2006. Accordingly, no separate disclosure for Segment reporting is required to be made in the financial statements of the company.

b. Geographical Segment

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

NOTE NO. 2.35 EARNING PER SHARE

In accordance with AS-20 "Earning per Share", notified u/s 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014, the basic & diluted earnings per share is being calculated as under:-

Particulars	(Amount in ₹)	
	For the Year ended 31.03. 2016	For the Year ended 31.03.2015
Net Profit attributable to Equity Shareholders	8,59,58,907	21,53,43,773
Weighted Average No. of Equity Shares		
For Basic EPS	11,31,34,450	11,31,34,450
For Diluted EPS	11,31,34,450	11,31,34,450
Nominal Value per share	₹ 2	₹ 2
Basic EPS	0.76	1.90
Diluted EPS	0.76	1.90

NOTE NO. 2.36 RELATED PARTY DISCLOSURES

The following are the details of transactions with related parties as defined in the Accounting Standard - 18 on Related Party Disclosures notified u/s 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014.

1. Name of Related Parties and nature of relationship:

Nature of Relationship	Name of Related Parties
Key managerial personnel	Whole Time Director Mr. Subhash Chand Aggarwal (Chairman & Managing Director) Mr. Mahesh Chand Gupta (Vice-Chairman & Managing Director) Mr. Ajay Garg Mr. Anurag Bansal
	Executive officers Mr. Vinod Kumar Jamar (CFO) Mr. Suman Kumar (CS)
Relative of key managerial personnel	Ms. Shweta Aggarwal Ms. Nidhi Bansal Ms. Reema Garg Ms. Meetu Goel Mr. Devender Aggarwal

Nature of Relationship	Name of Related Parties
Subsidiaries	SMC Comtrade Limited SMC Insurance Brokers Private Limited Indunia Realtech Limited (formerly known as SMC ARC Limited) SMC Investments and Advisors Limited (formerly known as Sanlam Investments and Advisors (India) Limited) Moneywise Financial Services Private Limited SMC Capitals Limited SMC Comex International DMCC Moneywise Finvest Limited (formerly known as Sanlam Trustee Company (India) Limited) SMC Finvest Limited (formerly known as Sanlam Investment Management (India) Limited) SMC Real Estate Advisors Private Limited (formerly known as SMC Securities Private Limited) SMC Global USA Inc.
Other related party in which key managerial personnel is able to exercise significant influence	MVR Share Trading Private Limited

Note: Related party relationship is as identified by the company and relied upon by the auditors.

2. Significant Transactions with Related Parties for the year ended 31st March, 2016

(Amount in ₹)				
Nature Of Transaction	Key Managerial Personnel	Relatives of Key Managerial Personnel	Subsidiaries	Other Related Parties in Which Key Managerial Personnel are Able to Exercise Significant Influence
Investments				
Moneywise Financial Services Private Limited			39,99,99,979 (Nil)	
SMC Investments & Advisors Limited			10,00,00,000 (Nil)	
SMC Global USA Inc.			2,05,18,500 (Nil)	
Loan & Advances given (net)				
SMC Comtrade Limited			19,08,99,413 (Nil)	
Loan & Advances repaid (net)				
SMC Comtrade Limited			29,67,60,756 (Nil)	
Loan & Advances recovered (net)				
MVR Share Trading Private Limited				Nil (3,92,41,800)
Brokerage Received				
SMC Real Estate Advisors Private Limited			3,49,42,437 (4,96,07,701)	
SMC Comtrade Limited			4,33,583 (19,580)	
SMC Investments and Advisors Limited			7,60,147 (1,46,252)	
SMC Insurance Brokers Private Limited			80,484 (64,747)	
Moneywise Financial Services Private Limited			10,697 (1,28,869)	
Demat Charges Received				
SMC Comtrade Limited			5,26,349 (3,40,938)	
Others			6,691 (23,932)	
Rent received				
SMC Insurance Brokers Private Limited			98,00,796 (1,37,00,199)	
Moneywise Financial Service Private Limited			9,00,000 (9,00,000)	
Interest Income Received				
SMC Comtrade Limited			6,17,383 (Nil)	
SMC Real Estate Advisors Private Limited (Formerly known as SMC Securities (P) Limited)			15,295 (Nil)	

2. Significant Transactions with Related Parties for the year ended 31st March, 2016

(Amount in ₹)				
Nature of Transaction	Key Managerial Personnel	Relatives of Key Managerial Personnel	Subsidiaries	Other Related Parties in Which Key Managerial Personnel are Able to Exercise Significant Influence
Remuneration				
Whole Time Directors	2,25,00,000 (2,17,90,045)			
Executive officers	73,74,483 (64,22,853)			
Others		49,89,536 (39,24,347)		
Commission Paid				
SMC Investments and Advisors Limited			7,27,232 (14,81,296)	
Client Introduction Charges Paid				
SMC Investments and Advisors Limited			38,08,552 (29,75,072)	
Management Fee on PMS (Paid)				
SMC Investments and Advisors Limited			8,91,748 (41,84,128)	
Interest paid				
SMC Investments and Advisors Limited			6,06,260 (3,65,103)	
SMC Comtrade Limited			1,21,88,232 (1,44,19,237)	
SMC Finvest Limited			Nil (9,46,954)	
Moneywise Financial Services Limited			Nil (45,87,425)	
SMC Real Estate Advisors Private Limited (Formerly known as SMC Securities (P) Limited)			70,32,877 (Nil)	
Net Reimbursement of Expenses (Received)				
SMC Insurance Brokers Private Limited			1,06,384 (Nil)	
SMC Investments and Advisors Limited			(Nil) (2,544)	
SMC Real Estate Advisors Private Limited (Formerly known as SMC Securities (P) Limited)			3,64,212 (Nil)	

2. Significant Transactions with Related Parties for the year ended 31st March, 2016

Nature of Transaction	Key Managerial Personnel	Relatives of Key Managerial Personnel	Subsidiaries	(Amount in ₹)
				Other Related Parties in Which Key Managerial Personnel are Able to Exercise Significant Influence
Moneywise Financial Services Private Limited			2,463 (1,925)	
SMC Finvest Limited			60,918 (3,00,755)	
Indunia Realtech Limited (Formerly known as SMC ARC Limited)			180 (60,083)	
SMC Comtrade Limited			18,94,043 (26,10,468)	
Net Reimbursement of Expenses (Paid)				
SMC Investments and Advisors Limited			2,629 (Nil)	
SMC Real Estate Advisors Private Limited			Nil (79,95,123)	
SMC Capitals Limited			3,57,727 (3,15,955)	

Note:

- Figures shown in bracket indicate previous year amount.
- The Company being a broking concern, the transaction in the normal course of business has not been disclosed as the same have been transacted at prevailing market prices under online trade mechanism.

3. Balance Outstanding

Party Name	Included in	(Amount in ₹)	
		AS AT 31.03.2016	AS AT 31.03.2015
SMC Comtrade Limited	Other Current Liabilities (Margin received from client)	6,77,46,549	Nil
	Short term Borrowings	Nil	29,67,60,756
	Short Term Loans & Advances	19,08,99,413	Nil
SMC Real Estate Advisors Private Limited	Trade Payable (Current) Other Current Liabilities (Margin received from client)	Nil 10,04,20,536	1,14,08,441 11,13,79,302
SMC Investments and Advisors Limited	Trade Payable (Current) Other Current Liabilities (Margin received from client)	2,077 3,31,27,212	13,15,979 40,00,000
SMC Insurance Brokers Private Limited	Other Long-term Liabilities Other Current Liabilities (Margin received from client) Trade Receivable	49,00,398 14,45,330 14,45,330	49,00,398 Nil Nil

NOTE NO. 2.37

The difference if any, arising due to expenditure and income provided on estimate basis in earlier years is adjusted to respective account head.

NOTE NO. 2.38

Previous years figures have been rearranged and re-grouped wherever found necessary to make comparable with those of the current year and the figures have been rounded off to the nearest rupee.

In terms of our Audit Report of even date attached

For R. GOPAL & ASSOCIATES
Chartered accountants
Firm Registration No.: 000846C

sd/-
S.K. AGARWAL
PARTNER
Membership No. : 093209

For and on behalf of the board

sd/-
S. C. AGGARWAL
(CHAIRMAN & MANAGING
DIRECTOR) **Din No.: 00003267**

sd/-
MAHESH C. GUPTA
(VICE-CHAIRMAN & MANAGING
DIRECTOR) **Din No.: 00003082**

sd/-
VINOD KUMAR JAMAR
(CHIEF FINANCIAL OFFICER)

sd/-
SUMAN KUMAR
(COMPANY SECRETARY)

PLACE : NEW DELHI
DATE : 18th May 2016



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