

24TH
**ANNUAL
REPORT**
2017 - 2018



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24th Annual General Meeting

Day: Saturday

Date: 21st day of July, 2018

Time: 11:00 A.M.

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

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Moneywise. Be wise.

FROM THE DESK OF CHAIRMAN



Mr. Subhash C. Aggarwal
Chairman & Managing Director

Dear Stakeholders,

I am very pleased to address you on the occasion of our 24th AGM, and I look forward to celebrate our silver jubilee AGM next year with flying colors. You have been witness and indispensable partner to the Company's growth, prosperity and success. In financial year 2017-18 we achieved a landmark revenue of ₹647.91 Cr. (PY 2016-17 ₹521.60 Cr.) on consolidated basis and now on the same foot prints, in Moneywise Financial Services Private Limited we have achieved another landmark with loan book reaching to ₹500 Cr.

When we met last, I emphasized on the opportunities in the current economic environment and the achievements of your Company over a period of time. I am very optimistic on the current Indian economic scenario and the growth momentum which broadens the scope of opportunities. As far as financial performance of your Company is concerned below are the highlights of the same:

SMC PERFORMANCE

Your Company has shown exponential growth since its inception. The journey of your Company has been very encouraging as evidenced by the performance during the last financial years, both in quantitative and qualitative terms. During financial year 2017-18, your Company has earned consolidated net profits after tax before exceptional item of ₹ 61.63 Cr. as compared to previous year ₹45.83 Cr. with a tremendous growth of 34.48% year on year basis on account of operational efficiency and increase in revenue. On revenue from operations front we have seen an encouraging growth of 24.22% to ₹647.91 Cr. in current financial year from ₹ 521.60 Cr. in previous financial year. Stand alone profit after tax has shown a growth of 25% to ₹36.67 Cr. in the current financial year from ₹29.33 Cr. in previous financial year. In FY 2017-18, we also excelled in Moneywise Financial Services Private Limited (NBFC) with PAT grown at 144% to ₹30.28 Cr. in current financial year from ₹12.39 Cr. in last year. Wealth management business performed exceptionally well with profit growing almost 162% to ₹7.14 Cr. in current financial year from ₹2.72 Cr. in last year.

I am happy to share with you that your Company is

“

Everyone can rise above their circumstances and achieve success if they are dedicated to and passionate about what they do.

- Nelson Mandela

declaring dividend since several financial years and this year also the Company is happy to recommend a final dividend @ 24% (i.e. ₹0.48 per equity share on face value of ₹ 2/- each), apart from the interim dividend of 24% which has already been paid aggregating to 48% for the financial year 2017-18.

During the year, your Company has dropped the plan of issuance of ADRs in U.S.A. due to the regulatory issues and is now planning to list in Indian stock exchanges on NSE and BSE.

For the benefit of the stakeholders the Company has taken several steps which are listed below:

CSR INITIATIVES

Your Company's grand vision is "Growing together" with all its stakeholders in such a manner that is spiritually fulfilling, socially just and environmentally sustainable. Our Corporate Social Responsibility activities contributed to this vision by ensuring that all the initiatives are driven with this perspective in mind. In the Financial year 2017-18, your Company (including its subsidiaries) has spent an amount over ₹104.25 lakhs (₹43.46 lakhs in previous year) for Corporate

Social Responsibility activities. The Company has taken up several projects to improve the standard of living and growth in the disadvantaged communities residing in towns and villages in the vicinity of the Company's facilities.

CUSTOMER CENTRICITY

With effect from, September 28, 2015 the Forward Markets Commission which is now merged with Securities and Exchange Board of India (SEBI), it is permitted to carry commodity and equity broking activities in a single entity. Due to this development and to improve the customer experience we have taken several initiatives during the year which were not only limited to advancement of IT infrastructure and customer support services but also include consolidation of various products at one place for the convenience of the customer. In the same direction we intend to provide the commodity, currency (which is currently conducted in SMC Comtrade Limited) and equity broking on one

platform which seems to be the game changer, as the customer will get benefit in terms of better utilization of funds across all segments and the Company will also be benefited in the form of utilizing the existing customer base to the commodity broking business. In the same way we are planning to move Wealth management business to SMC Global Securities Limited from SMC Investments and Advisors Limited.

EMPLOYEE RETENTION

We at SMC believe that the employees are the real wealth of the Company. Over a period of time we have developed a confidence amongst the employees by giving them the great career opportunities in terms of growth, compensation and fun at work place. In the upcoming years we will try to maximize our wealth by reducing the attrition rate and providing required training to the employees.

During the year, Mr. Narain D. Gupta who was

Independent and Non-Executive Director of your Company since 2007 has been elected as member of Rajya Sabha. We have enjoyed the benefit of his wise counsel.

THE WAY FORWARD

When I look at the current economic scenario and the growth projections for the Indian economy and the investor confidence which is building up, I see huge volumes coming up in the Indian capital market, which will not only create opportunities for us as one of the leading broking firm but also open the huge scope for expansion of our wealth management business and financing business. With the continuous efforts of the management team having expertise of 25 years I can surely say that the opportunities can be synergized in more efficient way. We should focus more on the mobilization of client base.

ACKNOWLEDGMENT

I wish to express my deepest gratitude to our stakeholders - shareholders, employees, vendors, government, regulators, partners, clients, communities and states that we operate in, for their guidance, advice and support. It's their trust that renews our belief in ourselves and our potential to do more.

Warm Regards

sd/-

Subhash C. Aggarwal

(Chairman & Managing Director)

FROM THE DESK OF VICE-CHAIRMAN



Mr. Mahesh C. Gupta

Vice-Chairman &
Managing Director

Dear Stakeholders,

It gives me immense pleasure on the occasion of the 24th Annual General Meeting of your Company to present before you the "STAR" performance of your Company. Your Company continues to retain the "Excellent" rating in the market. The confidence reposed by our valued clients and dedicated efforts of our team has facilitated us in achieving newer heights.

“

The financial sector is vital to the economy.
A well-functioning financial sector promotes job creation,
innovation, and inclusive economic growth.

-Janet Yellen

GDP AND ECONOMY

The International Monetary Fund forecasts India's GDP Growth rate at 7.4% for 2018-19 which is inspiring and indicates visible signs of economic revival, thereby reinstating India as the world's fastest growing major economy. India requires a decisive structural reform momentum that succeeds in stimulating investment and export growth while maintaining macro-economic stability. The Government of India has done several reforms to improve the business environment, to ease inflows of foreign direct investment (FDI), and to improve the credit behavior through the introduction and strengthening of an insolvency and bankruptcy framework. With these reforms the investor confidence has built up and the new investors are coming in.

PERFORMANCE OVERVIEW

Performance of your Company during the year was encouraging. During FY 2017-18, your Company

has achieved consolidated net profits after tax (before extra ordinary items) of ₹61.63 Cr. as compared to ₹45.83 Cr. in previous FY. Revenue from operations stood at ₹647.91 Cr. in current FY as compared to ₹521.60 Cr. in the previous FY. We have seen a good growth (in broking business) during the FY 2017-18. **"Moneywise Financial Services Private Limited"** ("Moneywise"), a subsidiary of the Company, which is a registered as Non-Banking Financial Company (NBFC) with the Reserve Bank of India (RBI) has once again shown impressive performance during FY 2017-18 and achieved a profit after tax of ₹30.28 Cr. which increased by 144% over the last FY. Moneywise attained the loan book size of ₹569 Cr. as on March 31, 2018 and qualifies to be classified as Systematically Important NBFC. The Insurance broking business has also shown tremendous growth primarily backed by the special arrangement with Honda.

The Company has got short term credit rating of

"A1+" from ICRA which is the highest rating in short term rating scale.

Your Company's Board is happy to recommend a Final Dividend @24% (i.e. ₹ 0.48 per Equity Share on face value of ₹ 2/- each), apart from the interim dividend of 24% which has already been paid; aggregating to 48% for the Financial Year 2017-18.

During the year your Company was been awarded by various prestigious organizations like NSE, ASSOCHAM, NCDEX, NBFC100 Tech summit etc.

TALENT MANAGEMENT

Your Company recognizes that talent management is a constantly evolving discipline which needs to engage with a dynamic environment. Built on an

entrenched set of core principles, your Company's HR policies are designed to ensure that it remains the employer of choice. Compensation packages have been revised to ensure that superior resources are sufficiently incentivized to join and stay with the company. Your Company also offers an unmatched canvas of professional opportunity for growth and development.

COMPLIANCE WITH CORPORATE GOVERNANCE

Your Company endeavors not only to meet the statutory requirements but also to institute systems and procedures that are in accordance with the global trends of making management completely transparent and institutionally sound.

Good Corporate Governance practices and ethical business conduct remain at the core of SMC's value system. SMC's philosophy on Corporate Governance stems from the belief that timely disclosure, transparent accounting policies and strong and independent board go a long way in maximizing corporate value. Upgradation of procedures and systems is a continuous and ongoing process and your Company remains committed to maintain highest levels of transparency and standards of Corporate Governance.

ACKNOWLEDGMENT

I would like to thank our shareholders and also the employees, vendors, government, regulators,

partners, clients, communities and states that we operate in for the hard work and efforts put in towards achieving the all-round growth of the Company. I am also grateful to my colleagues on the Board for their valuable guidance and contribution in steering the Company to higher levels of achievement and for guiding us in the journey of excellence towards fortifying our Company's position as a dominant player in the Industry.

Warm Regards,

sd/-

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
(Director & CEO)

MR. ANURAG BANSAL
(Whole-Time Director)

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

MR. NAVEEN ND GUPTA
(Independent & Non-Executive Director)

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

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

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

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

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

MR. HIMANSHU GUPTA
(Non-Executive Director)

MS. SHRUTI AGGARWAL
(Non-Executive Director)

COMPANY SECRETARY & COMPLIANCE OFFICER

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

GROUP CHIEF FINANCIAL OFFICER

MR. VINOD K. 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.

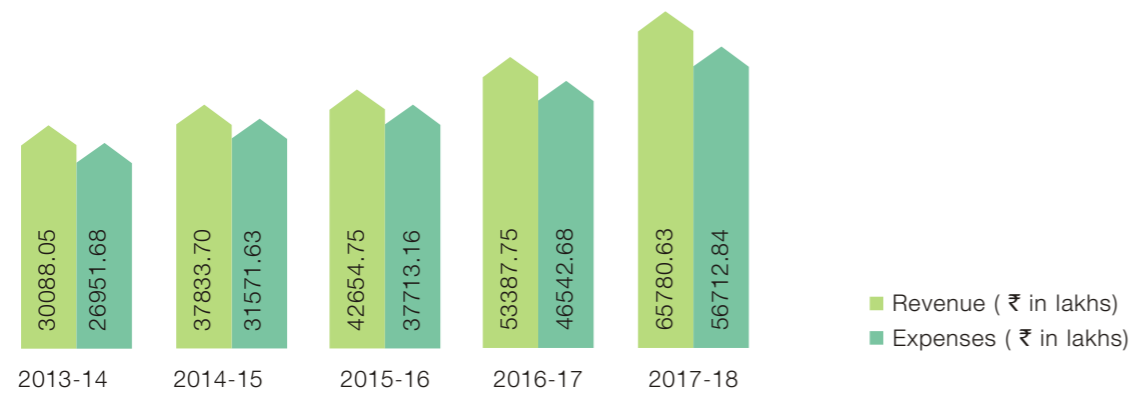
44, Community Centre, 2nd Floor
Naraina Industrial Area Phase- I
Near PVR Naraina, New Delhi-110028
Tel. 011-41410592/93/94
E-mail id: delhi@linkintime.co.in
Website: www.linkintime.co.in

BANKERS

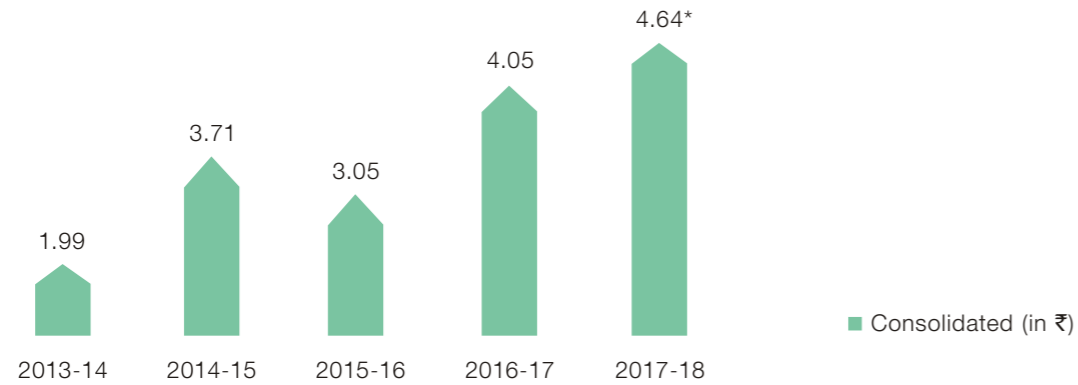
HDFC Bank, ICICI Bank, Axis Bank, Yes Bank, Punjab National Bank, State Bank of India, Canara Bank, IDBI Bank, IndusInd Bank, Kotak Mahindra Bank, RBL Bank, DCB Bank, The Federal Bank, Bank of Nova Scotia

FINANCIAL HIGHLIGHTS

CONSOLIDATED REVENUE V/S EXPENSES

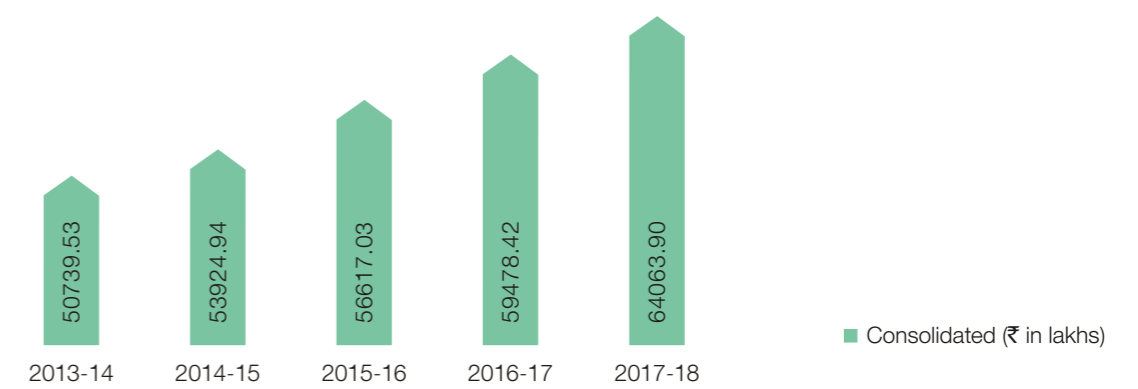


CONSOLIDATED EARNING PER SHARE

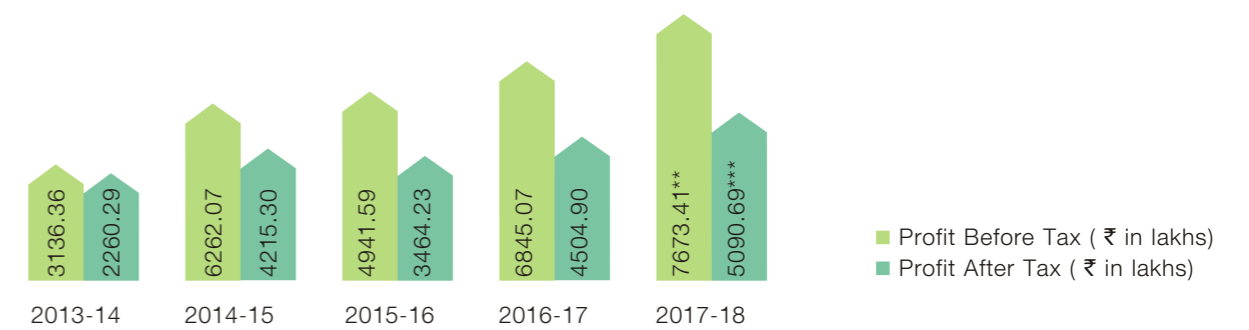


* Before extra ordinary items ₹ 5.45.

CONSOLIDATED NET WORTH (EXCLUDING MINORITY INTEREST)



CONSOLIDATED PBT V/S PAT (BEFORE MINORITY INTEREST)



** Before extra ordinary items ₹ 9067.80

*** Before extra ordinary items ₹ 6002.51

THE JOURNEY SO FAR



1995



EQUITY BROKERAGE

Company started providing a trading platform for Equities to its clients

ARBITRAGE

Engaged in 'Arbitrage' operations employing both proprietary & client funds, for monetizing the market mis-pricings

2000



DEPOSITORY PARTICIPANT

SMC started providing services of Depository Participant

F&O TRADING & CLEARING

Started trading & clearing services for Futures and Options segment

2003



COMMODITY BROKERAGE

Providing trading platforms to clients for trading in commodities

2005



RESEARCH SERVICES

(Equity & Commodities) Fundamental & Technical Research

2006



DISTRIBUTION OF FINANCIAL PRODUCTS

Distribution of IPOs & Mutual Fund products

INSURANCE DISTRIBUTION

Distribution of Life and General Insurance products

2007



NRI BUSINESS

NRI Trading and Advisory Services

INSTITUTIONAL DESK

Institutional Trading and Advisory Services

2008



ONLINE TRADING

Facility to trade online in Equities, Derivatives & Commodities

WEALTH MANAGEMENT SERVICES

Client based Portfolio & Wealth Management Services

INVESTMENT BANKING

Fund raising through IPO, Debt & PE routes

CURRENCY BROKERAGE

Providing trading platforms to clients for trading in currency

NBFC

Providing Margin funding & IPO financing to clients

2010



CORPORATE HEDGING DESK

Corporate Desk for Currency & Commodity Hedging

2014



REAL ESTATE ADVISORY

Providing broking services for Real Estate, Mortgage and Loan Advisory

2016



SMC IN USA

SMC established overseas office in United States vide its Wholly Owned Subsidiary SMC Global USA Inc.

NATIONAL PENSION SYSTEM

SMC became Point-of-presence (POP) for National Pension System (NPS)

SMC GLOBAL IFSC

Act as a Stock broker and clearing member on derivative segment of India International Exchange

2017



SMC INSURANCE POS

Enroll a new distribution partner 'POS' approved by IRDA for selling General Insurance & Life Insurance products

2018



INDIAKALOAN.COM

An online portal that gives consumers access to all types of loans, cards and investment products in India

SMC GOLD DESK

SMC Gold is a dedicated HNI clients desk for all the investment needs of clients and which aims to provide ultimate service experience to exclusive clients



SMC VISION

We aspire to be a global organisation having dominant position in financial & investment services through customer centric approach.



SMC MISSION

To help people make the right investment, the right way.



Moneywise. Be wise.

PROGRESSIVE PERFORMANCE; SMC IN NUMBERS

Covers
500+
cities across india

Workforce of
3,000+
employees

Sold
6,93,890+
Life Insurance and General Insurance policies

Clearing settlement service to
290+
trading members

Running SIP's
54,300+
in various schemes of mutual fund

Large network of
2,500+
sub-brokers & authorised persons

Serving over
18,00,000+
unique clients

Cumulative AUM under mutual funds
3,000+
crores



ONE
TRANSACTION.
LIFETIME
RELATIONSHIP.

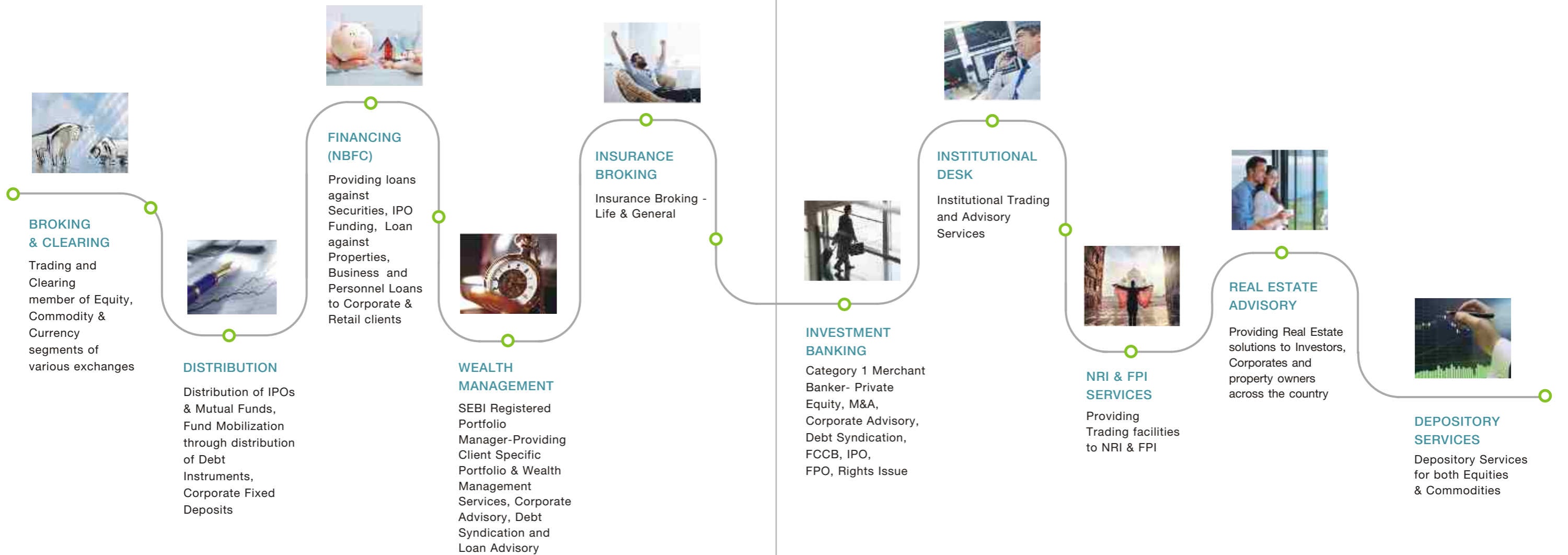
Broking - Equity, Commodity & Currency | Wealth
Management | Insurance Broking | Real Estate
Advisory | Mortgage Advisory | Distribution of IPOs,
Mutual Funds, FDs & Bonds | Investment Banking |
NBFC Financing | PMS | Institutional Broking |
Clearing Services | NRI & FPI Services | Research



Moneywise. Be wise.



FOR ALL YOUR INVESTMENT NEEDS





SMC VALUES
INNOVATION

Being ahead with research
& technology.



SMC VALUES
INTEGRITY

Being ethical builds trust.

EVOLUTION OF SMC

Our progress since inception is testament to our unique, robust and agile business model. By identifying opportunities and anticipating challenges early on, we have been able to remain responsive, resilient and focused on achieving our objectives and have been ambit clear on our future roadmaps to be accomplished.

The journey of SMC began, with its bagging of the membership of Delhi Stock Exchange (DSE) in 1990 & entered into the arena of Stock Exchange. This privilege gave the consistent momentum to the expansion & diversification of the SMC Group. Over

the span of time SMC has earned appreciable reputation and Brand recognition through its client service focused model. Presently, SMC is one of the leading financial services companies providing Broking, Distribution of mutual funds & IPOs, Insurance Broking, depository services, equity research services, Financing, Real Estate & Wealth Advisory, Commodity Broking, NRI & FPI services, Investment Banking and Alternative Investment fund with nearly over 500 cities across India and UAE. The Company leads with the team of more than 3,000 employees.

25 YEARS OF MAINTAINING TRUSTWORTHY RELATIONSHIP

- **1995 - The beginning of journey**

Founders

Mr. Subhash C. Aggarwal and Mr. Mahesh C. Gupta, founders of SMC Group started this journey after obtaining the membership of DSE and geared up themselves for equity broking business. They incorporated SMC Global Securities Limited on December 19, 1994 and further went on with climbing the ladder of success after bagging the Membership of NSE.

Equity brokerage

They further proceeded with providing trading platform for equities to their clients after procurement of membership of the National Stock Exchange of India Limited on August 30, 1995, in the capital market segment.

Arbitrage

The 'Arbitrage operations' of SMC employs both proprietary and client funds for monetizing the market mis-pricings and gains from the price gap.

SMC now has a skilled team of more than 311 arbitrageurs as on March 31, 2018. All of them are specialized in arbitrage.

- **2000 - A pioneering approach**

Depository participant

SMC ventured in providing services of depository participants after getting itself registered with CDSL and later it also got itself registered with NSDL in year 2009. At present, SMC serves around 4,50,000 clients as a depository participant.

F&O Trading and clearing

Trading and clearing services in futures and options segments was the next venture in which SMC entered in that year.

- **2003- A stepping stone**

Commodity brokerage

SMC Provides trading platforms to all our clients for trading in commodities through MCX, NCDEX, NMCE and ICEX. It has also marked its presence internationally via SMC Comex International DMCC, the wholly owned subsidiary of the Company, which is a member of Dubai Gold and Commodity Exchange (DGCX).

- **2005- A new research outlook**

Research services

SMC started its own Research wing which often serves as catalyst to business growth and with a client centric approach; we have developed a strong base and have been able to emerge as one of the strongest players in industry. Our team consists of 23 (12 SEBI registered Equity Analysts) who excel in specific area of research within the three broad segment of research (Equity, Commodity and Currency).

Launch of weekly newsletter

Launched its weekly newsletter named "Wise Money" for the benefit of its investors. It is a weekly newsletter, which is a concise on investment opportunities escorted by sound technical and fundamental analysis of existing and forthcoming stocks that keep investors at the height of market developments. Wise Money has been widely appreciated by our clients and the general investors.

- **2006 - Enters insurance broking business**

FY 2005-06 became an outstanding year for the Company, as the Net Profit before tax (PBT) saw a growth rate of 447% as compared to previous Financial Year.

Insurance distribution

SMC entered the distribution of life and general insurance products through its subsidiary SMC Insurance Brokers Pvt. Ltd., a licensed insurance broker by IRDA. Our company offers different kinds of cost effective insurance solutions catering to customer's insurance needs by evaluating and studying the risk profile. SMC have sold over 6,93,890 policies during FY 2017-18 and in the Life Insurance category added over 15,340 policies capable of generating recurring renewal revenues.

Distribution of financial products

Registered with Association of Mutual Funds of India (AMFI) and Mutual Funds AMCs and became one of the leading distributors of IPOs and mutual fund products. Now, SMC provides 10,000+ schemes across 36 AMCs and have built a cumulative Asset under Management (AUM) of more than ₹3,000 Cr.

- **2007- Institutional desk**

Institutional desk

This division is a one-stop investment gateway and knowledge repository for the domestic and foreign institutional investors, servicing their unique and sophisticated needs backed by research. 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.

- **2008 - Goes digital**

Online trading

SMC's Online Trading portal www.smctradeonline.com is a one stop financial solutions website for all trading & investment needs and meets the need of India's wide geographical demography. SMC's new website can be translated (from English) into 10 different regional languages viz. Hindi, Gujarati, Bengali, Marathi, Sindhi, Punjabi, Malayalam, Tamil, Telugu & Urdu. SMC offers SMC Easy Trade and SMC Easy go which is a user friendly online trading platform for Desktop, Mobile and Tablet that helps investors and traders to buy/sell stocks and check back office reports seamlessly.

Wealth management services

SMC Investments and Advisors Ltd. is a SEBI registered Portfolio Manager and AMFI registered distributor for various Mutual Funds and offers Financial Planning and Wealth Management solutions to HNI clients through a host of in-house and third party products. Clients based portfolio and wealth management services.

Investment banking

Our subsidiary company SMC Capitals Limited is the Investment Banking arm of SMC group and is a SEBI registered Category 1 Merchant Banker with strong management and execution team to help corporate clients achieve their financial and strategic goals. Over the period of 10 years SMC Capitals have handled more than 100 transactions spread across IPOs, NCDs,

Preferential Allotment, Buyback, Valuations, Delisting, Open Offers, Business and ESOP Valuation Services, Debt advisory, Mergers & Acquisitions Advisory, P/E transactions etc. for various corporate clients.

Currency brokerage

Our Company is a Trading cum Clearing Member of NSE, BSE and MSEI for the currency segment. We have consistently maintained our market share of over 10% during the last few financial years.

NBFC

In the year 2008, SMC started providing financing services through its subsidiary, Moneywise Financial Services Pvt. Ltd. which is ICRA rated A-(stable) and registered with RBI as Non-Deposit taking Non-Banking Finance Company (NBFC) having client base of 12000+ across India, offering a wide spectrum of financial products like LAS, LAP, IPO, Equipment, Receivable, Housing Application Financing etc to retail & corporate clients.

- **2010 - Launching of hedging desk**

Corporate hedging desk

Corporate desk for currency and commodity hedging.

- **2014 - Spreading wings**

Real estate advisory

SMC Real Estate Advisors Private Limited is registered with RERA in 10 States as corporate real estate agent for providing real estate services, mortgage facility, loan advisory and distress sale amongst others. The Company has tie ups with more than 175 developers of repute pan India with national as well as regional presence.

- **2016 - From the ground to the sky**

National pension system

SMC became point-of-presence (POP) for national pension system (NPS) through which subscriber can contribute regularly in a pension account during their working life, withdraw a part of the corpus in a lump-sum and use the remaining corpus to buy an annuity to secure a regular income after retirement.

SMC Global IFSC - GIFT City

The Company formed a subsidiary named SMC Global IFSC Private Limited in the "GIFT City", SEZ in the state of Gujarat with an objective to act as a stock broker and clearing member on the derivatives segment of the India International Exchange (India INX) in Gujarat.

- **2017 - Staying ahead**

SMC Insurance POS

SMC Insurance POS enroll a new distribution partner 'POS' approved by IRDA for selling general insurance and life insurance products. We now have more than 3326 POS already registered with SMC as on March 31, 2018.

- **2018 - Discovering new heights**

Indiakaloan.com

Indiakaloan.com is an offshoot of SMC Group and one-stop destination for all types of loans,

cards and investment products in India. It is an online portal that helps users to obtain, search and compare several loans at best rates from India's renowned lenders. We work with over 40 partners that include India's leading banks and NBFCs with operations that span over 300 cities across the country.

SMC Gold desk

SMC Gold is a dedicated HNI clients' desk for all the investment needs of clients and which aims to provide ultimate service experience to exclusive clients.

Our subsidiaries

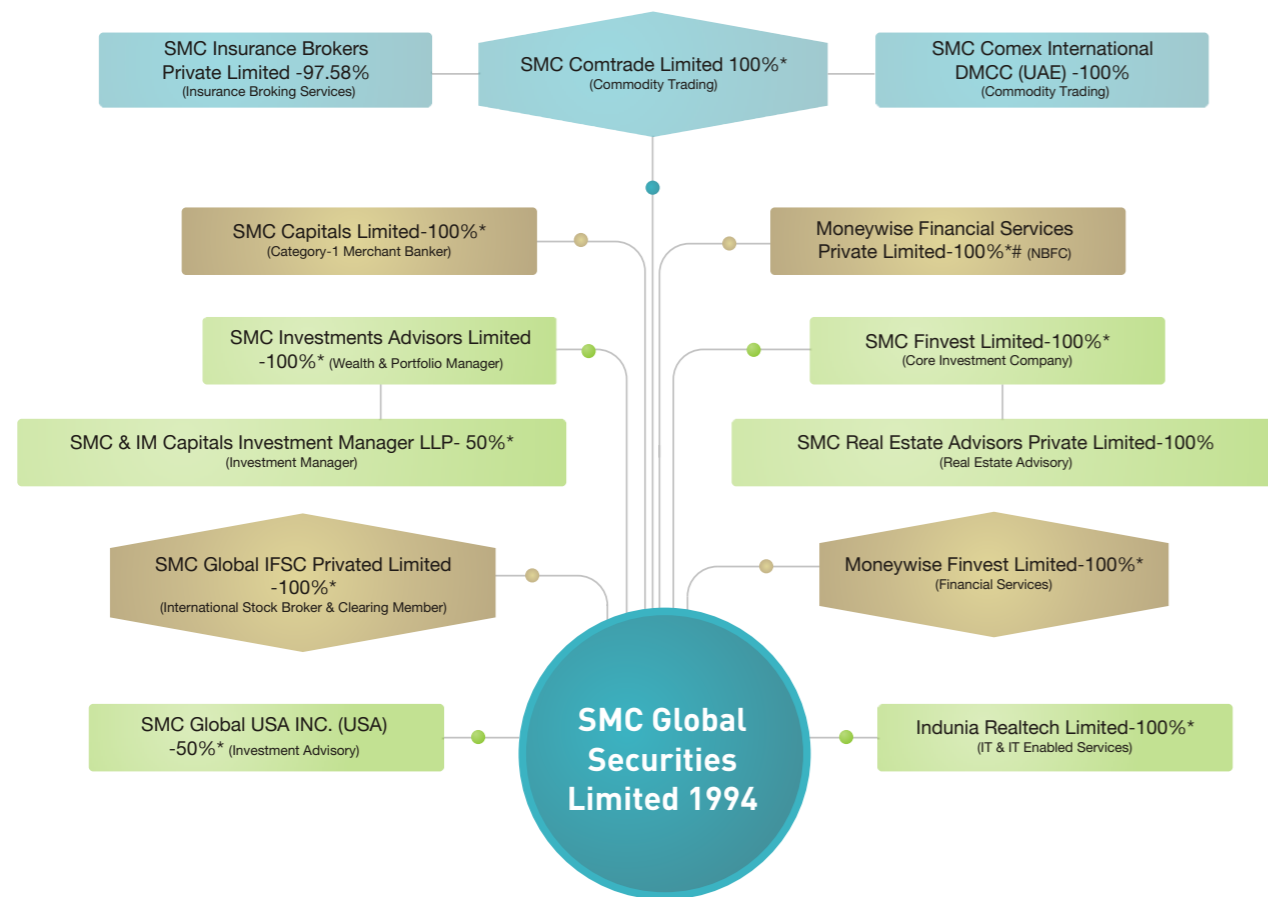
SMC Global is one of the largest and most reputed investment solution Company that provides a wide range of services to its substantial and diversified clients. SMC operates both in domestic as well as international level and has 9 subsidiaries and 3 step down subsidiaries and 1 Joint Venture Company which is which is ventured by SMC Investments and Advisors Limited, Subsidiary Company of the Company, which holds 50% of control in the Joint Venture. These subsidiaries and joint venture have added to the success of the Company. Given below is the organizational structure of SMC Global Securities Limited:

OUR STRUCTURE



Turn a perceived risk into an asset

- Aaron Patzer



* The percentage denotes the Shares held by SMC Global Securities Limited.
SMC Finvest Ltd. (Subsidiary Company) holds 8.70% shareholding.

These subsidiaries provide services like commodity broking, financial product distribution through SMC Comtrade Limited, investment banking through SMC Capitals Limited, Non- Banking Financial Business by Moneywise Financial Services Private Limited, Wealth Management by SMC Investments & Advisors Limited, Real Estate Advisory and Broking Business through SMC Real Estate Advisors Private Limited and Insurance Broking Services by SMC Insurance Brokers Private Limited. We are also amongst the first financial

Company in India to expand operations in the lucrative Gulf market, by acquiring license for broking and clearing member with Dubai Gold and Commodities exchange (DGCX). The Company has also tapped the SEZ situated in the state of Gujarat by incorporating SMC Global IFSC Private Limited a "GIFT City" Company with an objective to act as a stock broker and clearing member on the derivatives segment of the India International Exchange (India INX) and NSEIFSCExchange at GIFT City in Gujarat.

AWARDS & RECOGNITIONS DURING THE LAST FOUR YEARS

S. No.	AWARD	YEAR	SOURCE
1.	Corporate Brokerage House of the Year 2018	2018	Multi Commodity Exchange (MCX) Awards
2.	Fastest Growing Commercial NBFC	2018	NBFC 100 Tech Summit from Elets Online
3.	Best Performing Retail Broker (Northern Region)	2017	National Stock Exchange (NSE) Awards
4.	Best Robo Advisory for Financial Services	2017	Elets Digital Banking & Payments Conclave
5.	Best Online Trading Services Broker of the year	2017	Assocham Excellence Awards
6.	Best Commodity Broker of the Year	2017	Assocham Excellence Awards
7.	NBFC of the Year - Northern Region	2016	Assocham Excellence Awards
8.	Best Real Estate Broker of the Year	2016	Realty Fact Awards
9.	Order of Merit-Achieving Market Leadership	2016	Skoch-BSE Awards
10.	Best Broker with In-house Research in Bullion	2016	Assocham Excellence Awards
11.	NBFC of the Year - Northern Region	2015	Assocham Excellence Awards
12.	Best Financial Services Provider	2015	Assocham Excellence Awards
13.	Make in India Award for Excellence	2015	K. Mantra IT

INVESTMENT SOLUTIONS: ACCLAIMED AND AWARDED



Moneywise. Be wise.



CONTINUED JOURNEY OF AWARDS AND RECOGNITION

RECOGNITION & ACCOLADES

SMC has been receiving prestigious awards in Financial Markets since 2004-05. The beginning of SMC's journey on the path of glory was marked by its first award, the "Major Volume Driver Award" by Bombay Stock Exchange. They went on to receive the same award for three continuous years, in Financial Year 2004-05, 2005-06 and 2006-07 followed by numerous prestigious awards from 2010 to 2017.

We believe, awards are the returns achieved on the path of eminence. In the continued journey of excellence and recognition, we have achieved the following awards:

2017-2018

Best Performing Retail Member-2017 - Northern Region - From National Stock Exchange of India Ltd.



Mr. Subhash C. Aggarwal (CMD, SMC Group), Mr. Damodar K. Aggarwal (CMD, SMC Investment and Advisors Limited) and Mr. Ajay Garg (Director & CEO, SMC Global Securities Ltd.) receiving "Best Performing Retail Member of Northern Region" by NSE on September 11, 2017 at Hotel Hyatt Regency, Mumbai.

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The rewards for work well done is the opportunity to do more.

- Jonas Salk

Corporate Brokerage House of the Year-2018 - From MCX



Mr. Damodar K. Aggarwal (CMD, SMC Investments & Advisor Ltd.) and Mr. Anurag Bansal (Whole-Time Director, SMC Global Securities Ltd.) receiving the award "Corporate Brokerage House of the Year" during MCX Awards 2018 held on May 04, 2018 at Hotel The Leela, Mumbai.

Best Online Trading Services Broker of the Year-2017 - From ASSOCHAM



Mr. Subhash C. Aggarwal (CMD, SMC Group) & Mr. Ajay Garg (Director & CEO, SMC Global Securities Ltd.) receiving "Best Online Trading Services Broker of the Year" award from Dr. Udit Raj (Hon'ble member of Parliament) during ASSOCHAM Excellence Awards held on August 25, 2017 at Hotel The Park, New Delhi.

Fastest growing Commercial NBFC-2018 - From Elets Online



Mr. Himanshu Gupta (Chairman & CEO, (Moneywise Financial Services Pvt. Ltd.) , Mr. Pranay Aggarwal (Director, Moneywise Financial Services Pvt. Ltd.) and Mr. Naveen Saini (Sr. VP, (Moneywise Financial Services Pvt. Ltd.) receiving "Fastest Growing Commercial NBFC" award during 3rd NBFC 100 Tech Summit from Elets Online on April 27, 2018 at Hotel Eros, New Delhi.

Best Performer in Account Growth Rate (Rising DP's) 2nd Position & Leader in Go-Green Initiative - 3rd Position - From National Securities Depository Ltd.



Mr. Ajay Garg (Director & CEO, SMC Global Securities Ltd.) with other senior members receiving the award "Best Performer in Account Growth Rate (Rising DP's) 2nd Position" and "Leader In Go-Green Initiative-3rd Position" from Mr. G.V. Nageswara Rao (MD & CEO) NSDL and Mr. Prashant Vagal (Senior Vice President, NSDL) during an award ceremony organized by NSDL held on December 9, 2017 at Hotel Hyatt Regency, New Delhi.

Krishi Pragati Award, 2017 - From NCDEX



Mr. Damodar K. Aggarwal (CMD, SMC Investments & Advisors Ltd.), Mr. Ajay Garg (Director & CEO, SMC Global Securities Ltd.) and Mr. V. N. Bansal (CFO, SMC Comtrade Ltd.) receiving the award "Krishi Pragati Award, 2017" by NCDEX from Shri Arjun Ram Meghwal - Union Minister of State for Parliamentary Affairs and Water Resources, River Development & Ganga Rejuvenation & Shri Ram Vilas Paswan - Union Minister, Food & Public Distribution & Consumer Affairs at Hotel Taj Mansingh, New Delhi on September 07, 2017.



SMC VALUES
PASSION

Helping people achieve financial goals.



SMC VALUES
RELATIONSHIP

One transaction.
Lifetime relationship.



SMC VALUES
TRUSTWORTHY

Keeping our promise.
Every time

HUMAN CAPITAL

Team Building And Team Social Outing

"Together we win" a slogan that we live in spirit and letter. Here in at SMC we believe that success can't only be based on a great idea but it takes a team of talented people organized in a way that truly lets them shine. Therefore we make an extra effort of empowering our employees and team building activities as, "Coming together is just a beginning. Keeping together is progress. And working together is success." Team building programs empower an individual to contribute to common goals of the company, as the success of most organizations depends on the ability of individuals to build effective teams. Team building allows employees to return to the office reinvigorated and with a new set of problem-solving skills.

Outings are a fun break and a great spark for ideation and innovation. Outing works perfectly as

as a team building activity and thus our Company is moving ahead with "Workcation" and are aligning employees and corporate excursions which increases the efficiency, removes gridlock, eliminates conflicting priorities and speeds-up the decision-making process in an industry where everyone is constantly racing against the clock.

SMC opted out for places like Rann of Kutch, Budapest, Pratapgarh Farms, Jhajjar, Haryana Ski India, Noida, Nainital, Joygaon and several other as tourism spots for different departments of the Company. This relaxed atmosphere provided by the Company helped in building strong team work amongst each department, create a sense of belonging and a healthy working relationship with each other.



"Talent wins games, but teamwork and intelligence win championships."
- Michal Jordan

Few glimpses of team building activities organized by the Company.



Head of Department meet at Hotel Jivitesh.



Corporate Affairs and Legal Department together with their family during their workcation in Rann of Kutch (Gujarat).



Team outing organized at Budapest.



SMC organized fun trip for employees at Nainital at Hotel Chevron Fairhavens and to Joygaon.



SMC organized a full day fun filled team outing for their employees on 10th & 17th February 2018 at Pratapgarh Farms, Jhajjar, Haryana and to Ski India, Noida on April 21, 2018 for NBFC Department.

Celebrating the moments

Having **“values-first approach”** as our corporate culture we firmly believe in putting our employees first as it is an integral part in creating not only a successful corporate culture but also a successful business. Creating a strong corporate culture for our employees internally has surely reaped us the rewards externally. Here our employees live with a **“warrior spirit, a serving heart and a fun-loving attitude.”** This makes our organization a work station with playful environment.

During the year SMC held various activities which was aimed to shows employees that we are paying adequate attention to what they're doing at work and value their contributions.

A celebration brings the staff members together for

one purpose. The celebration helps create a sense of team unity for the staff members, particularly if you are celebrating a team accomplishment. When your company experiences a great success, celebrating the affair with the employees who helped make it a reality goes a long way in motivating and retaining staff. SMC did the same and celebrated the event of SMC's NBFC crossing its asset size of ₹500 Crores this gave the entire team a chance to bond and reminisce on the Company's successes. SMC also encourages various trainings, departmental events and awarded the winner appropriately.

The short snap memories of the corporate events and merriments are cited below. These pictures are always good for refreshing our memories and it also helps our employees to remember their experience fondly.



Cake cutting celebration for employees birthday.



Employees celebrating the success of our Company.



Mr. Subhash C. Aggarwal (Chairman and Managing Director, SMC Group), Mr. Mahesh C. Gupta (Vice-Chairman & Managing Director, SMC Group), Mr. Ajay Garg (Director & CEO, SMC Global Securities Ltd.), Mr. Himanshu Gupta (Chairman & CEO - Moneywise Financial Services Pvt. Ltd) and other Senior Members during cake cutting ceremony as SMC's NBFC crossed asset size of ₹ 500 Cr.



Legal Department employee being awarded by Chairman & Vice-Chairman of the Company on winning the Legal Department Competition.

Training Program

“Training isn’t just important to any company, it is vital.” SMC has a robust training and development program that ensures that all employees have a consistent experience and background knowledge of the Company. This training presents a prime opportunity to expand the knowledge base of our employees and thus they are more able to perform in their job. The training imparts a greater understanding of their responsibilities within their role, and in turn builds their confidence. This confidence will enhance their overall performance and this can only benefit the Company.

Here in SMC we provide various online and offline training to our employees. The courses involve training of soft skills, product training, technical training, HR training and compliance viz sexual harassment prevention and ESI compliance. The compliance training are mandatory training. However trainings such as taking criticism, improving leadership quality, power dressing, motivation, emotional intelligence, anger management, time management, conflict resolution and personality development and team building are those training which are provided to employees pursuant to their will.



Training organized by the Company for their employees at hotel Jivitesh to make them familiarize with the working environment of the Company.

Team meeting

We must all hang together or, most assuredly, we shall hang separately." Effective meetings are not only integral to achieve team goals and successful completion of tasks, but also are reflective overall of team functioning. Despite the daily onslaughts of e-mails, phone calls and memos, we hold meetings as they serve to be one of the most effective ways that team share and exchange information, get feedback, plan, collaborate and make important decisions for

the organizations. This year SMC had organized their meeting at Kolkata where they interacted with the Kolkata team and also decided on the future aspect of the Company and reflected on the targets met by the Company.

The meeting also served the purpose or b-leisure trip for our management where they took a day-off for their own contemplation.



SMC Kolkata Team acquainting with the Management of SMC.

Holi Celebration

Holi, is one of the major Indian festivals that is celebrated in early spring. The varied hues of the festival reflect the colors of spring and the victory of good over evil. Celebrating holi with the diverse mix of one's office team mates can remove the drudgery nature of office work and a little bit of multicultural color can go a long way in enlivening the work. SMC in spirit of holi, organized best dressed employee competition on occasion of holi.



SMC organized best dressed competition on the occasion of Holi festival on 1st March 2018 at SMC Head Office, New Delhi and celebrated the holi festival at Pratap Nagar SMC Insurance office.

Diwali: Office Party

SMC celebrates Diwali as one of the biggest and most auspicious festivals. Everyone comes together for Lakshmi puja as a traditional ritual for positivity, prosperity and harmony. We decked up our office with bright diyas and distribute sweets to the employees to add to the festive mood. Further we beautify the Company by making beautiful rangoli and also reward the best rangoli prepared in the office.



SMC Employees participating in Diwali Rangoli Competition held on October 17, 2017 at SMC Head Office at Pusa Road and Chairman and Directors celebrating the Diwali Festival at Pratap Nagar Branch of SMC.

Christmas Celebration

Here in SMC we have our jolly santa distributing all our employees sweets and goodies. SMC on the special occasion of Christmas also inaugurated their new finance office at Pusa Road.



Mr. Subhash C. Aggarwal (CMD, SMC Group) and Mr. Mahesh C Gupta (Vice CMD, SMC Group) during Christmas Celebration held at SMC Premises.

Republic Day & Independence Day

SMC organized a picnic for our employees on the special day and hoisted the National Flag of our Country at the venue.

Glimpses of Republic Day Celebration



SMC Kolkata with their employees hoisting flag on the occasion of Republic Day at Prakriti Resort, Bantala, Kolkata.

On the day, the whole office was decorated with lots of tricolor balloons, ribbons & flags, which evoked the patriotic feeling in all of us. The view of the office is much pleased at the day. Nicely arranged balloons, flags and ribbons give the strong message of the patriotic feeling & love to nation.

Glimpses of Independence Day celebration in our office



Flag Hoisting ceremony with the Chairman, Vice Chairman, Directors and Independent Directors of SMC taking place at SMC Head Office, New Delhi on the occasion of Independence Day.

Nurturing Health

“Growfit Growstrong”, SMC threw light on the fact that small stretches and exercises amidst work are indeed a fun and energetic thing to make the job light and healthy. Our organization has always taken personal care for the well being of their employees and this event stands an added witness to our countless endeavours. Employees are the precious assets for our Company, so substantial concern is paid for ensuring better employee health and to provide them a healthy working environment. To meet this end SMC has adopted healthy workplace promotional approach by conducting health camps. Health checkup camps helps in maintaining sound health of our employees and fosters quality work life.

Encouraging our employees to embrace fitness as a lifestyle choice pays-off in numerous ways.

“Blood donation drives – a noble cause”, SMC Understand the relevance and need of blood donation and how donating blood could save an endangered life. Keeping in view the notion of our Company, people showcased their enthusiasm to work together with the organization during the blood donation drives held in the Company by participating in large numbers.

“Healthy teeth for happy smiles”, SMC organized dental checkup camps which provided relevant insights into dental care to the our employees.



SMC Employees participating enthusiastically in Blood Donation Camp and a Dental Check-up Camp organized for SMC employees at SMC Head Office, New Delhi.



Health Check up camp organized by leading Hospital at SMC Daryaganj Office on June 3, 2017.

Women empowerment initiative

“Women today are superwomen in the true sense.” Women Empowerment initiatives which promote gender diversity and inclusivity across all departments. Hence, this initiative is our effort towards creating a strong foundation based on best practices in gender diversity and inclusivity to ultimately help us nurture and grow female talent within the company. Given the significant role women play in society and businesses the world over, we

believe there is great merit in offering a platform that can further nurture and develop this set of talent. Through our initiative, we aim to drive our existing female talent base forward and also create opportunities for new recruits to develop and grow with the rest of the company in a conducive and inclusive environment. The working environment of our company is favorable for our women workforce which helps them to move forward in their respective field with a sense of security.



Women employees at SMC Kolkata Office.



SMC team at Hotel Jivitesh for HOD meeting.

OUR RESEARCH WING-INVESTORS- DESIRE TO MAKE A DIFFERENCE

Research comprises "creative and systematic work undertaken to increase the stock of knowledge, including knowledge of humans, culture and society, and the use of this stock of knowledge to devise new applications."

In an age characterized by the dominance of science and technology, research has obviously become a

necessary pre-condition for every organization endeavour to achieve higher standards of excellence. Keeping this in mind, SMC has set up one of the most advanced, hi-tech in house Research wings with experienced analysts, process and technology resources providing complete research solutions on Equity, Derivatives, Commodities, IPOs, Insurance and



Mr. Damodar K. Aggarwal
(CMD, SMC Investments &
Advisors Ltd.) with the SMC
Research Team.

Mutual Funds to our Clients to keep in tune with the contemporary world. The research team at SMC has vast experience and covers a large basket of tools. Our Company offers proactive and timely world-class research based advice and guidance to our clients (Equity, Commodity & Currency) through mails and SMS so that they can take informed decisions quickly.

Our Research wing serves as a catalyst to business growth and with a client centric approach; we have developed a strong base and have been able to emerge as one of the strongest players in our industry. Our research wing has started in the year 2005 has grown multi fold with respect to both quality and quantity research work undertaken.

Your Company has been registered as "Research Analysts" on October 06, 2015 as per the notification issued by Securities and Exchange Board of India (Research Analysts) Regulations, 2014. Our Research team consists of 23 analysts (12 SEBI registered Equity Analysts) who excel in specific area

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Risk come from not knowing what you are doing.

~ Warren Buffett

of research within the three broad segment of research (Equity, Commodity and Currency). We take pride in having best in class research tool (AUTOTRENDER, PORTFOLIO HEALTH CHECKUP & SMC ALGO TRADING PLATFORM) and various other research products to cater to trader and investors. Our media presence is also the best among broking houses with presence both in television and top print media.

The Commodity fundamental team brings out the opportunities in the commodity segment, which caters mainly to MCX, NCDEX and other commodity exchanges. The Commodity technical team generates the short-term technical calls in commodities and sends to investors through SMS and E-mails. Both technical analysts and fundamental analysts analyze news, events and data in order to arrive at a price outlook both on short term and long term basis for all the commodities.

"Wise Money"

SMC has launched a "Wise Money" newsletter in the financial year 2006-07 on a weekly basis and has been widely appreciated by our clients and the general investors. Your Company has recently in the Month of April, 2018 celebrated its 12 years of financial wisdom and trust.



SMC celebrated its 12 years of financial wisdom & trust.

It is a weekly newsletter, which is a concise on investment opportunities escorted by sound technical and fundamental analysis of existing and forthcoming stocks that keep investors at the height of market developments.

Our Universe- Our Investors

Our universe is centered around the people who make us what we are today- Our Investors

"You can't reach success in investment if you do not think independently" - Warren Buffett

Investor awareness and investor protection, twin areas which serve the same objective of consumer well-being, have assumed greater significance and urgency in the regime of capital market. To reach out

to people from all walks of life and create awareness about the benefits of investing in the capital markets, SMC, in order to facilitate market participation, had conducted various investor awareness program across India from time to time to make investors more confident and to provide an informative summary of changes that have been made to the very nature and structure of the capital market, how the capital markets have evolved through time and finally to try to examine how these changes have helped the market grow on account of these interventions.

Since the inception of SMC, we have been exercising principles of integrity, honesty and transparency in all our dealings. SMC also values the trust reposed in by the clients and is committed to uphold it at all costs. As the Indian capital market is the best market in terms of systems and procedures, promoting Investor Awareness and Protection have always been high priority for SEBI. On the flip side, there is an urgent need to bridge the gap, which exists in the retail level when it comes to understanding of financial products and knowledge of investor's rights.

We at SMC believe that promoting financial literacy and investor awareness remains critical to bridge this gap. We strongly believe that effective investor protection and sufficient financial awareness will make the retail financial markets efficient and transparent, thereby enhancing the depth of the markets as well. We strongly feel that financial education should also be developed hand in hand with improving access to financial markets and services. As India is multi-linguistic country with average literacy levels, our effort is to promote awareness in regional languages including visual aids.

It is the aim of SMC to help understand the current ecosystem with respect to investor awareness, education and protection. Investor awareness program are hosted in conjunction with other market participants such as NSDL, NSE, BSE, MCX and also with reputed Companies.

SMC has reached out to thousands of people and educated them about the importance of savings and investments in the capital market through our Investor Awareness sessions.

The awareness programme focuses on educating the novice investor, who might be taken for a ride by unscrupulous manipulators through guidance and awareness messages. The communication has a larger purpose as well. It seeks to enable and empower such investors by helping them take informed decisions. Demystifying myths and warn people about the dangers of being duped by rumors, half hearted knowledge and uninformed decisions are some of the themes being addressed under the programme and also information about different types of products/instruments introduced on the exchange platform and the concept thereof and Dos & Don'ts of stock market and market dynamics. These interactive financial literacy sessions are conducted by SMC's experts who cover the benefits of investing in the capital markets and how to go about making wise investment decisions.

To sum up, we, at SMC, believe in providing adequate and reliable guidance in view to uplift and garnish our investor community. We believe the objectives of enhancing investor awareness and promoting investor protection will lead to investor's well-being.

"Deciding what not to do is as important as deciding what to do" - Steve Jobs

WEALTH MANAGEMENT

WHILE YOU
LIVE YOUR
DREAMS.
WE MANAGE
YOUR WEALTH.

Portfolio Management Services | Depository services
Multi Manager Investment solutions | Trading in
Equity, Currency, Interest rate futures |
Mutual Funds & IPOs | Fixed Income products |
Near risk free Arbitrage products | Portfolio Advisory
Structured products | Real Estate Funds | Private
Equity Funds | Financial Planning | Hedging Services



Building Wealth
Enriching Lives.



EVENTS AND CONFERENCES- PARTICIPATION & PRESENCE

Events and Seminars offer the opportunity to introduce to the people various spheres and vision of the Company so that a connection can be set up with them.

Organizing and participating in Events and Conferences are the part of the communication strategy aiming to introduce to the public recognitions, achievements and active participation of our Company at diverse national and international platforms creating positive image and eminence.



Mr. Subhash C. Aggarwal (CMD, SMC Group) and Mr. Chandra Wadhwa (Independent and Non-Executive Director, SMC Global Securities Ltd.) with the Hon'ble President of India Mr. Ram Nath Kovind during a meeting with him on February 28, 2018.

“

Events and Conferences act as a medium for better connectivity, building trust, confidence and presence among the masses.



Mr. Damodar K. Aggarwal (CMD, SMC Investments & Advisors Ltd.) with Shri Venkaiah Naidu, Hon'ble Vice President of India during the inauguration of 2nd 'AERO EXPO INDIA' -2017 on November 02, 2017, Near New ATC Tower, IGI Airport, New Delhi.



Mr. Subhash C. Aggarwal (CMD, SMC Group) presenting a book on CSR activities to Mr. Arun Jaitley, the Hon'ble Finance Minister of India.



Mr. Subhash C. Aggarwal (CMD, SMC Group) with Mr. Jean-Claude Juncker, President of the European Commission during India- European Union Business Forum organized by ASSOCHAM and other Business Chambers on October 4, 2017 at Hotel Taj Mansingh, New Delhi.



Mr. Damodar K. Aggarwal (CMD, SMC Investments & Advisors Ltd.) during Indo-Hungary Business Investment Forum during signing of an MOU between PHD Chamber of Commerce and Industry on November 28, 2017 at New Delhi.



Mr. Mahesh C. Gupta (Vice CMD, SMC Group) being invited as Chief Guest during the inauguration of Karol Bagh branch of AU Small Finance Bank.



Mr. Subhash C. Aggarwal (CMD, SMC Group) during "4th India-Africa Trade & Investment forum 2017" on December 4, 2017 at Hotel Le Meridian, New Delhi.



Mr. Subhash C. Aggarwal (CMD, SMC Group) with Shri C.R. Chaudhary, Hon'ble Minister of State for Consumer Affairs, Food Public Distribution, GOI during "International Conference on Direct Selling" organized by ASSOCHAM on November 22, 2017 at Hotel Le-Meridien, New Delhi.



Mr. Damodar K. Aggarwal (CMD, SMC Investments & Advisors Ltd.) during meeting with Shri Radha Mohan Singh, Hon'ble Agriculture & Farmer Welfare Minister, GOI on November 28, 2017 at New Delhi.



SMC participated in 11th Annual Capital Market Summit organized by ASSOCHAM on December 22, 2017 at Hotel Hyatt Regency, New Delhi with Shri P. Radhakrishnan, Hon'ble Minister of State for Finance and Shipping, GOI.



Felicitation ceremony organized by SMC for Mr. Narain D. Gupta (Past Independent Director, SMC Global Securities Ltd.) on becoming Rajya Sabha MP and Mr. Naveen ND Gupta on becoming President of the Institute of Chartered Accountants of India held on April 07, 2018.



SMC participated in "National Summit on Housing Finance for All" organized by ASSOCHAM at Hotel Le Meridien, New Delhi on May 10, 2018. Mr. Subhash C. Aggarwal (CMD, SMC Group) during lighting the candles at the event along with Shri. Hardeep S. Puri, Hon'ble Minister of State (Independent Charge) for Housing and Urban Affairs, GOI.



SMC participated in Finbridge Expo (Financial Services and Technology Expo) as Platinum partners held on 3rd - 4th Feb, 2018 at Nehru Centre, Worli, Mumbai.

FINANCING (NBFC)

GET EASY
AND
FAST LOAN
WITH
SMC FINANCE.

Medical Equipment Finance | Personal Loan |
Loan Against Property | Loan Against Shares/Mutual
Funds/Bonds | MSME/SME Financing |
Lease Rental Discounting | Promoter Financing |
Debtors Financing | Structured Financing |
Affordable Housing Application Financing |
IPO/NCD Financing | Business Loan





Left to Right: **Mr. Vinod K. Jamar** (Group CFO), **Mr. Himanshu Gupta** (Chairman & CEO, Moneywise Financial Services Pvt. Ltd.), **Mr. Rajendra P. Mahipal** (Independent & Non-Exe. Director, SMC Insurance Brokers Pvt. Ltd.), **Mr. Kundan M. Agarwal** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Ms. Akanksha Gupta** (Whole-Time Director, SMC Insurance Brokers Pvt. Ltd.) **Mr. Hari D. Khunteta** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Pranay Aggarwal** (Whole Time Director- SMC Comtrade Limited), **Mr. Chandra Wadhwa** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Mahesh C. Gupta** (Vice Chairman & MD, SMC Group), **Mr. Sunil K. Agarwal** (Statutory Auditor, **R. Gopal & Associates**, Chartered Accountants- SMC Global Securities Ltd.), **Mr. Subhash C. Aggarwal** (Chairman & MD, SMC Group), **Mr. Damodar K. Aggarwal** (CMD, SMC Investment & Advisors Ltd.), **Mr. Satish C. Gupta** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Anurag Bansal** (Whole Time Director, SMC Global Securities Ltd.), **Ms. Shruti Aggarwal** (Non-Executive Director, SMC Global Securities Ltd.), **Mr. Pravin K. Agarwal** (Whole Time Director, SMC Insurance Brokers Pvt. Ltd.), **Mr. Roop C. Jindal** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Dr. Madhu Vij** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Ajay Garg** (Director & CEO, SMC Global Securities Ltd.), **Mr. Ayush Aggarwal** (Whole Time Director, SMC Real Estate Advisors Pvt. Ltd.) **Ms. Reema Garg** (CHRO, SMC Global Securities Ltd.), **Mr. Naveen ND Gupta** (Independent & Non-Executive Director, SMC Global Securities Ltd.), **Mr. Suman Kumar** (EVP Corporate Affairs & Company Secretary).

DIRECTORS OF SMC GROUP



Mr. Subhash C. Aggarwal is the Chairman and Managing Director of the Company since inception. He is co-founder 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 29 years of experience in securities market and financial services and has been the key architect of its growth. He is a fellow member of the Institute of Chartered Accountants of India (ICAI).

Mr. Aggarwal has served as the Chairman of EU Business Promotion Council and National Council on Micro Finance of ASSOCHAM, 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 (MCA) and the Cost Accounting Standards Board (CASB).

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



Mr. Mahesh C. Gupta is the Vice Chairman & Managing Director of the Company. Mr. Gupta is a co-founder, who laid down the roots of the SMC Group in 1990. With an illustrious career spanning nearly three decades and vast experience, in depth knowledge and strong analytical skill, he efficiently assures flawless operations of the Group. His exceptional leadership skills and outstanding commitment has made this Group one of the leading brokerage and distribution houses of the country. Being in the securities market business for more than three decades, he has seen all the phases of Stock market and handled all the matters efficiently. He looks after the policy, vision and a major part of the operational activities of the Group. He graduated with Bachelor's in Commerce from Delhi University and is a fellow member of the Institute of Chartered Accountants of India (ICAI).

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



Mr. Damodar K. Aggarwal is a Co-promoter and one of the key architects of success of the SMC Group. He helped the Company grow into a multi-dimensional company of present structure leading a host of businesses. He has recently been conferred upon with "The Distinguished Entrepreneurship Award" - by one of the apex business chambers of India "PHD Chamber of Commerce". Innovation in offerings, branding, research and arbitrage are his forte. He is having versatile experience of more than 26 years in Equity, Commodity, Debt, Forex, Real Estate, Fund Management and Risk Management Under his leadership SMC Group has become an established brand and has won a number of awards and recognition. He is an eminent speaker and regularly presents his views and expertise on various market related issues through print and television media. He is a fellow member of the Institute of Chartered Accountants of India (ICAI). He is also Vice President of PHD Chamber of Commerce & Industry (PHDCCI) and former President of Commodity Participants Association of India.

Mr. Damodar K. Aggarwal
CMD- SMC Investments & Advisors Ltd. and
SMC Capitals Ltd.



Mr. Ajay Garg is a rank holder and fellow member of the Institute of Chartered Accountants of India (ICAI) & a rank holder having wide and rich experience of more than 20 years in securities and commodities market. He is heading Broking Division and NRI / FPI Business of SMC. His key roles & responsibilities include business development, risk management, technological up-gradation & development and administration of day to day activities at SMC Group. He monitors the trading operations, 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 is very creative and enjoys accepting challenges. He has 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. Ajay Garg
Director & Chief Executive Officer

DIRECTORS OF SMC GROUP



Mr. Anurag Bansal, is a rank holder and fellow member of the Institute of Chartered Accountants of India (ICAI) and also a member of Institute of Cost Accountants of India (ICAI). He possesses extensive experience of over two decades in Capital Markets. His roles and responsibilities include managing, operating and supervising of various businesses including Investment banking, Institutional Equities, distribution division apart from legal and other strategic functions of the organization. In SMC, he plays a pivotal role in providing valuable inputs to the Board for taking various strategic decisions to enable the Company to achieve its vision. He is also vice chairman of BSE Brokers Forum (BBF) and also on the board of International Council of Securities Associations (ICSA).

Mr. Anurag Bansal
Whole-Time Director



Mr. Himanshu Gupta is a dynamic and versatile personality and he plays a key and active role in core strategic business decisions of the SMC Group. He began his career with SMC in 2011 as Senior Vice President (Operations). He leads the expansion of the Group's financing business (through its NBFC arm, Moneywise Financial Services Pvt. Ltd) and development of Fixed Income Securities & Bullion business. Besides the responsibilities of Finance, Accounts & Taxation, Mr. Gupta also administers overall operations of the company including, Risk Management, Surveillance and other back office operations. Mr. Himanshu Gupta is a fellow member of the Institute of Chartered Accountants of India and also a graduate in Commerce (Hons.) from Delhi University.

Mr. Himanshu Gupta
Non-Executive Director (SMC Global Securities Ltd.)
Chairman and Chief Executive Officer-
Moneywise Financial Services Pvt. Ltd.



Ms. Shruti Aggarwal is a Non- Executive Director of the Company. She holds an MBA degree from London Business School, is a member of Institute of Chartered Accountants of India (ICAI) and has cleared all levels of Chartered Financial Analyst (CFA) Programme from U.S.A. She joined Price Waterhouse & Co. as an associate and has rich experience in Transfer Pricing Advisory Compliances, Internal Audit, Risk Management and Management Consultancy.

Ms. Shruti Aggarwal
Non-Executive Director



Mr. Naveen ND Gupta is a person with unmatched sharp calculative skills and analytical bend of mind. He joined SMC Global Securities Limited on January 2018 as a Non-Executive and Independent Director of the Company. He is the incumbent and youngest president of the Institute of Chartered Accountants of India (ICAI). Mr. Gupta was widely commended for his role in making the Income Disclosure Scheme, 2016 a success, which was acknowledged by the Finance Minister. He represents ICAI as professional expert in many copernican committees constituted by the government and regulators. He has immense experience in consultancy of Direct Taxes and handling corporate affairs. He has also co-authored the book "Indian Accounting standards - Comparison to IAS & US-GAAP". He is a presiding Chairman of ICAI-ARF (Accounting Research Foundation) and XBRL India.

Mr. Naveen ND Gupta
Independent & Non-Executive Director

DIRECTORS OF SMC GROUP



Mr. Kundan M. Agarwal is an Independent and Non-Executive Director on the Board of SMC Global. He is a fellow member of Institute of Chartered Accountants of India (ICAI). He is a renowned CA and his professional expertise spans more than four decades and include stints in Taxation, Corporate Matters & Securities Market. He has rich experience in financial services industry.

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



Mr. Roop C. Jindal is an Independent and Non-Executive Director on the Board of SMC Global Securities Limited. He is a fellow member of Institute of Chartered Accountants of India (ICAI). He has a rich experience of more than 42 years in the field of Auditing & Taxation. He is also a founder and partner of renowned Practicing Chartered Accountant firm, Bubber Jindal & Co.

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



Mr. H.D Khunteta is an Independent and Non-Executive Director on the Board of SMC Global. He was associated as Director of Finance of REC Ltd. from May 2004 to July 2012 and as its CMD from April 2011 to November 2011. He has also served on the Board of NHPC as an Executive Director of Finance and Accounts. Mr. Khunteta holds Bachelor's Degree in Commerce from the University of Rajasthan and a fellow member of Institute of Chartered Accountants of India (ICAI) possessing around 42 years of active participation in the domain of Financial management, Investor servicing, Corporate Governance & Resource mobilization from Domestic as well International market.

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



Mr. Wadhwa is an Independent and Non-Executive Director on the Board of SMC Global. He is the fellow member of Institute of Cost Accountants of India (ICAI) & Institute of Company Secretaries of India (ICSI). He also received Bachelors of Law as well Masters of Commerce Degree from Delhi University. He has astounding experience of 35 years in Financial, cost & management accounting as well as in cost & management auditing sector. He is past president of "The Institute of Cost Accountant of India". Presently, he is a Central Council Member of the Institute of Chartered Accountants of India, nominated by Government of India.

Mr. Chandra Wadhwa
Independent & Non-Executive Director

DIRECTORS OF SMC GROUP



She is an Independent and Non-Executive Director on the Board of SMC Global. She holds a doctorate degree and a Master degree in Commerce. She has an academic expertise, experience and exposure of over three decades as a Professor of Finance at the Faculty of Management Studies, University of Delhi. She is also an author & has published several research papers in International and national Journals of repute in the field of banking and finance. Her research interests include asset liability management, country risk analysis, derivatives, foreign exchange risk management, treasury management, corporate valuation, credit ratings and financial crisis, currency correlation and corporate governance. She has been the part of several National and International Conferences held globally. She also served as a Member of Task Force, Department of Public Enterprises, 2006, Ministry of Heavy Industries and Public Enterprises, Government of India. She was also member in the Ad-Hoc Task Force, Results Framework Document (2011-2013). She has received the Alumni Excellence award from Shri Ram College of Commerce, University of Delhi.

Dr. Madhu Vij
Independent & Non-Executive Director



Mr. Gupta received his bachelor's degree from Agra University & Masters of Commerce from Meerut University. He is an Independent and Non-Executive Director on the Board of SMC Global and its subsidiaries. He is a doyen in the field of Banking having expertise of over 47 years. He is certified Member of Indian Bankers Association. He previously presided as Chairperson & Managing Director of Punjab National Bank & Indian Overseas Bank.

Mr. Satish C. Gupta
Independent & Non-Executive Director



Mr. Rajendra P. Mahipal is Independent and Non Executive Director on the Board of SMC Insurance Brokers Private Limited. He holds M.Com degree from Rajasthan University and is also a fellow member of the Institute of Chartered Accountants of India. He is promoter and director of Pinkcity Electronics Pvt. Ltd. and has over 38 years of experience in Import, Export, Finance, Administration and Capital Market. He is a spiritually enlightened personality and shares his spiritual wisdom in handling business matters and relationships.

Mr. Rajendra P. Mahipal
Independent & Non-Executive Director
SMC Insurance Brokers Pvt. Ltd.



Mrs. Reema Garg possesses excellent communication and interpersonal skills and plays a key and active role in strategic planning & brand building for the organization. She is young and dynamic person, having a corporate environment with having more than 10 years of experience in the Human Resources Department. She is self-motivated woman having a professional approach emphasizing on the core values of the organization. She made major contributions in the HR framework of the Company by introducing various innovative ideas for the growth and progress of the human resources, customer care and quality management functions of the company. Mrs. Garg holds B.Sc. (Computer Science) from Delhi University and Masters in Compute Applications (MCA) and pursuing PHD in HR and is in the process of thesis writing on the topic "Role of Performance management on Employee Engagement in India".

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

DIRECTORS OF SMC GROUP



Mr. Pravin K. Agarwal is currently acting as a whole time director of SMC Insurance Brokers Private Limited. Our subsidiary company is actively involved in the development of our insurance broking business. His direction contributed to SMC's expansion and led to significant cost savings as well as efforts to address the insurance needs. With more than a decade of work experience in Insurance and Financial Industry, his key strength lies in meticulous and strategic planning and implementation of radical concepts for the overall development and diversification of Insurance Broking.

Mr. Pravin K. Agarwal

Whole-Time Director - SMC Insurance Brokers Pvt. Ltd.



Mrs. Akanksha Gupta is a member of the Institute of Chartered Accountants of 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 growth and progress of the organization.

Mrs. Akanksha Gupta

Whole Time Director - SMC Insurance Brokers Pvt. Ltd.



Mr. Ayush Aggarwal is a Whole-Time Director of SMC Real Estate Advisors Private Limited and a Director in Moneywise Finvest Limited. He is taking care of SMC's Real estate advisory business, research division and SMC's Mortgage business. He is also overseeing the digital initiatives and social media strategy of the group. Mr. Aggarwal holds a Bachelor's degree from the University of Delhi and Master's Degree in Family Managed Business (PGP-FMB) from SP Jain Institute of Management & Research, Mumbai. He is also the member of young business leader form (YBLF) of PHD Chamber of Commerce & Industry.

Mr. Ayush Aggarwal

Whole Time Director - SMC Real Estate Advisors Pvt. Ltd.



Mr. Pranay Aggarwal serves as the Whole-Time Director of SMC Comtrade Limited, Director in Moneywise Financial Services Private Limited and SMC Real Estate Advisors Private Limited and is involved in strategic planning of the SMC Group. As Director his responsibility includes project planning & monitoring other organizational development interventions. He also played a pivotal role in launching of 'SMC Gold Desk'.

He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI) and a commerce graduate from the University of Delhi. He also cleared the first level of CFA (USA) and prior to joining SMC in 2016, he was associated with Price Waterhouse Coopers.

Mr. Pranay Aggarwal

Whole Time Director- SMC Comtrade Limited

MANAGEMENT TEAM OF SMC GROUP



Mr. Jamar serves as Group Chief Financial Officer of the Company and is responsible for managing financial reporting, audit and compliance of tax laws (direct and indirect). He is a fellow member of the Institute of Chartered Accountant of India (ICAI) and possess over 34 years of immense professional exposure in Taxation, Finance, Accounts, Strategic Planning, Auditing, and Fund Management. Prior to joining our group, he was working as Head Taxation and Chief Risk Officer at Bajaj Allianz General Insurance Company Limited, Pune. Due to his specialized knowledge, unmatched skills and analytical abilities, he handles all the tasks and assigned projects with great efficiency and effectiveness.

Mr. Vinod K. Jamar
(Group CFO)



Mr. Ashok K. Aggarwal is Compliance Officer and Senior Vice President. of the Company and takes care of Tax matters, SEBI and Exchanges Compliance, Depository Participant Operations and other important assignments assigned to him from time to time. Mr. Ashok K. Aggarwal is a fellow member of the Institute of Chartered Accountants of India and has 38 years of rich experience in the field of audit, taxation and corporate matters. Prior to joining the company he was a practicing Chartered Accountant.

Mr. Ashok K. Aggarwal
(Senior Vice-President)



Mr. Suman Kumar serves as the Executive Vice President (Corporate Affairs) & Company Secretary of SMC Group. He is fellow member of Institute of Company Secretaries of India (ICSI) & law graduate from University of Delhi. He has more than 17 years of experience in the industry & is associated with SMC Group for more than 13 years & with his devotion and dedication he has developed a culture of excellence among the Corporate Affairs & Legal team comprising of approx 30 Members including 9 Company Secretaries & 4 in-house counsels including other professionals & has built the department since 2005 in the SMC Group.

Mr. Kumar is heavily involved in implementing the laws, building the policies & procedures & taking care of Secretarial Wing, Investor Grievances & Arbitration Wing & also the entire Civil & Criminal litigations of the Group along with Corporate Compliance & advisory. He has played a pivotal role since beginning of his career in SMC Group & has made excellent contribution in compliance along with growth of the Organization by diversifying his role in different dimensions including Secretarial Compliances, handling investor grievances, arbitration, managing litigation, Branding, work culture, compliance, business risks & to ensure best corporate practices & compliance for the purpose of effective operations of the Group & its continued growth. He is known for his consistent achievements, credentials, values, devotion and dedication, ability to win, proactive approach & for developing the model for effective & efficient handling of corporate litigations & compliance with the help of team of Company Secretaries, In-house Counsels & other professionals by resolving & minimizing significantly the corporate disputes & protecting & defending the Group as well as the right of the stakeholders. He is blessed with in depth skill & capacity of drafting, presenting, negotiating, convincing and arguing. He has presented & argued the matters before the various Arbitral Panel, Appellate Arbitral Panel, Consumer Forum on different level, District Courts, Session Courts, High Courts, Regional Directors, Appellate Tribunals, Regulators, Exchanges, Authorities as Authorized Representative & Company Secretary of the Group & have assisted them in reaching to the right conclusion and have substantially succeeded in most of the matters. He is equipped with reverse thinking against the traditional approach, critical analysis of law, its objective & philosophy & expertise in interpreting the law. He has been an eminent speaker of the Group & has addressed more than 125 locations across Pan India for creating awareness about the Indian Stock Market, different products, instruments and concepts thereof under the banner of National Stock Exchange of India Limited (NSEIL), Bombay Stock Exchange Limited (BSE), ICSI, ICAI, Ministry of Corporate Affairs and SMC Group. He has recently addressed the Orientation Program on Arbitration for the Arbitrators of Delhi (Delhi Region) & for the Arbitrators of Dehradun Region organized by Bombay Stock Exchange (BSE Limited). He has shared his experience and expertise with different management institutions of the Country. He has the proficient knowledge of Companies Act, 2013, SEBI Rules and Regulations, Exchange norms and market dynamics & in depth understanding of Law of Arbitration, Corporate Laws, Civil and Criminal laws. Throughout, Mr. Kumar have added value to the business & he gets satisfied only when he contributes beyond legal advice and resolves the business problems efficiently.

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

MANAGEMENT TEAM OF SMC GROUP



He is a Senior Vice President and looks after marketing of financial products through Company's distribution network. Mr. Gupta is a commerce graduate from Maharishi Dayanand University and M.B.A. in Finance & Marketing from Sikkim Manipal University. He has over 28 years of experience in distribution of financial products.

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



Mr. Mohit Shyngle, Senior Vice-President (Country Head) of the Company & supervises the Sub-Broker network and business development in SMC Group. He holds bachelor degree in Commerce from Delhi University. He is well versed in the domain of trading, risk management & marketing of financial services. An incubator par excellence, he is behind building many teams and providing them with the unbeatable strategies. He has been with the group since 1999.

Mr. Mohit Shyngle
(Senior Vice-President)



Mrs. Nidhi Bansal is currently working as a Regional Director (Western Zone) and handling the business development, operations and human resource section of the Western Zone. She also oversees the income validation, internal audit and cost reduction operations of Western region of SMC Group. She is a post graduate in commerce and a fellow member of Institute of Chartered Accountants of India. Her strong logistic and tactical skill has made her an expert in the field of portfolio management, risk management, vendor management & retail banking.

Mrs. Nidhi Bansal
(Regional Director)



Mr. Vishwanath Bansal is associated with us as CFO - SMC Comtrade Limited. He is also a fellow member of The Institute of Chartered Accountants of India and is a graduate in commerce. He has wide and rich experience of more than 10 years in finance, accounting and taxation. Along with this, his experience also lies in corporate debt syndication, arbitrage and hedging. Before joining SMC, he was associated with Reliance Industries Limited. He consistently explores new avenues for enhancing the growth of the organization. He has proven himself as man of dedication & devotion.

Mr. Vishwanath Bansal
(CFO-SMC Comtrade Ltd.)



Mr. Bansal is the Director and Chief Financial Officer of SMC Investments & Advisors Limited and serves as Principal Officer of the Company responsible for investment management and the Company's finance and profitability in the business. Mr. Bansal is a fellow member of the Institute of Chartered Accountants of India and holds a degree of law. He has over 26 years of experience in the investment management and financial advisory, accounting, auditing and taxation.

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



Mr. Om Prakash Agrawal has over three decades of rich experience in Corporate Finance. He has spearheaded various transactions both in Debt and Equity Capital Markets predominantly in the area of Debt Syndication, Restructuring, M&A, Corporate Advisory, Fund raising - PE, IPO etc. His association with SMC spans around 10 years and is currently heading ECM and Debt as part of Investment banking business. He is a Science Graduate and Fellow Member of Institute of Chartered Accountants of India and also of Institute of Company Secretaries of India (ICSI).

Mr. Om P. Aggarwal
Director & Head - ECM & Debt (SMC Capitals Ltd.)



SMC Investments & Advisors team with Mr. Damodar K. Aggarwal, Chairman & Managing Director.



SMC Insurance Team with Mr. Pravin K. Agarwal - Whole Time Director and Mrs. Akanksha Gupta - Whole Time Director at our Parsvnath office.



Mumbai Office Team with Mr. Anurag Bansal-Whole Time Director and Mrs. Nidhi Bansal-Regional Director (Western zone).

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Board Meeting of SMC Global Securities Limited dated May 14, 2018 at Kolkata

DIRECTORS' REPORT

Dear Shareholders,

Your Board of Directors are pleased to present the Twenty Fourth Annual Report and the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2018.

1.COMPANY OVERVIEW AND FINANCIAL PERFORMANCE

The Company's Standalone and Consolidated financial performance, for the year ended March 31, 2018 is summarized below:

PARTICULARS	Standalone (₹ In Lakhs)		Consolidated (₹ in Lakhs)	
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations	40,581.91	35,549.09	6,47,91.53	52,160.14
Other income	957.88	362.29	989.10	1,227.61
Total Revenue	41,539.79	35,911.38	65,780.63	53,387.75
Stock Exchange & other operating expenses	19,889.54	17,616.94	27,435.05	20,079.79
Employee benefit expense	6,371.34	5,326.45	13,624.63	12,983.99
Finance cost	3,153.43	2,088.10	4,614.22	2,845.01
Depreciation and amortization expense	506.34	350.74	868.11	735.97
Other expense	6,132.58	6,077.82	10,170.84	9,897.93
Total Expense	36,053.22	31,460.05	56,712.84	46,542.68
Profit/ (Loss) before extraordinary and tax	5,486.57	4,451.34	9,067.80	6,845.07
Extraordinary items	359.39	-	1,394.39	-
Profit before Tax (PBT)	5,127.18	4,451.34	7,673.41	6,845.07
Tax Expenses -				
Current tax	1,443.52	1,323.65	3254.61	2467.82
Deferred tax	8.34	207.78	(448.88)	(86.02)
MAT credit entitlement	-	-	(199.78)	(57.18)
Prior period tax/adjustments	8.45	(13.65)	(23.23)	15.55
Profit after tax for the year (before adjustment for minority interest)	3,666.88	2,933.56	5,090.69	4,504.91
Less: Share of (loss)/profit transferred to Minority Interest	-	-	(161.13)	(77.82)
Profit after tax for the year (after adjustment for minority interest)	-	-	5,251.82	4,582.73
Profit after tax for the year (after adjustment for minority interest but before extraordinary item (net of tax))	-	-	6,163.64	4,582.73
Earning per Equity Share of ₹ 2 each	-	-	-	-
Basic & Diluted (before extraordinary item)	3.13	2.59	5.45	4.05
Basic & Diluted (after extraordinary items)	3.24	2.59	4.64	4.05

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

2. INFORMATION ON STATUS OF AFFAIRS OF THE COMPANY

The total standalone revenue of the Company for the financial year ended on March 31, 2018 is ₹ 41,539.79 lakhs a positive growth of 15.67% as compared to previous year which was ₹ 35,911.38 lakhs. This year profit after tax has increased by 25% as increase in income from Trading and Distribution Segment and Financing Activities Segment. Profit after tax for the year was at ₹ 3,666.88 lakhs, as compared to previous year ₹ 2,933.56 lakhs.

3. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the Financial Year 2017-18.

4. CHANGE IN SHARE CAPITAL DURING THE FINANCIAL YEAR 2017-18

There is no change in the total authorized and paid-up Share capital of the Company during the Financial Year 2017-18.

5. DIVIDEND

The Board of Directors has recommended a final dividend of 24% on the Face Value of the Equity Share (i.e. ₹ 0.48 per Equity Share of Face Value of ₹ 2/- each) to be appropriated from the profits of the Financial Year 2017-18, subject to the approval of the shareholders at the ensuing Annual General Meeting. The Dividend will be paid in compliance with applicable Act and Regulations.

Further, Your Board of Directors in its meeting held on August 14, 2017 declared and distributed an interim dividend of 24% on the Face Value of the equity share (i.e. ₹ 0.48 per Equity Share of Face Value of ₹ 2/- each) to shareholders, whose name appeared in the Register of Members of the Company on August 25, 2017, being the record date fixed by the Board of Directors for this purpose.

6. TRANSFER TO RESERVES

During the year under review, your Company has not transferred any sum to General Reserve.

7. DIRECTORS AND KMP(S)

Ms. Shruti Aggarwal, (DIN-06886453) 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 herself for re-appointment.

Mr. Ajay Garg, (DIN-00003166) 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. Narain D. Gupta (DIN-01522375) Non-Executive and Independent Director has resigned from the Company w.e.f. January 12, 2018.

Mr. Finney Cherian (DIN-02011132), Non-Executive Director has resigned from the Company w.e.f. February 21, 2018.

Mr. Himanshu Gupta (DIN- 03187614) has been appointed as an Additional Director (Non-Executive) of the Company by the Board of Directors on recommendation of Nomination and Remuneration Committee w.e.f. February 21, 2018.

Mr. Naveen ND Gupta (DIN-00271748) has been appointed as an Additional Independent Director of the Company by the Board of Directors on the recommendation of Nomination and Remuneration Committee w.e.f. January 31, 2018.

8. NUMBER OF MEETINGS OF THE BOARD

During the year, Four (4) meetings of the Board of Directors were held. For further details, please

refer Report on Corporate Governance, which forms part of this Annual Report.

9. INDEPENDENT DIRECTORS DECLARATION

Presently the Company has Seven (7) Independent and Non- Executive Directors namely Mr. Satish C. Gupta, Mr. Kundan M. Agarwal, Mr. Hari D. Khunteta, Mr. Roop C. Jindal, Mr. Naveen ND 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.

10. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT

In terms of provisions of Section 134(3)(e) of the Companies Act, 2013, the Company has adopted the Nomination and Remuneration Policy. The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board, among others, will enhance the quality of decisions by utilising different skills, qualifications, professional experience and knowledge of the Board members necessary for achieving sustainable and balanced development. Accordingly, the Board has adopted a policy on 'Nomination and Remuneration', which sets out the criteria for determining qualifications, positive attributes and independence of a Director. The detailed policy is available on the Company's website at https://www.smcindiaonline.com/Nomination_and_Remuneration_Policy_SMC_Global_Securities_Ltd.pdf

11. 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 had 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 i.e. https://www.smcindiaonline.com/Nomination_and_Remuneration_Policy_SMC_Global_Securities_Ltd.pdf a complete policy is provided in the Report on Corporate Governance, which forms part of this Annual Report.

12. FAMILIARIZATION PROGRAMME

During the Financial Year 2017-18, the Company has organized a familiarization program for the Independent Directors of SMC Global Securities Limited as well as for its Subsidiaries for two hours pursuant to Regulation 25(9) and Regulation 46(2)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 149 (8) and Schedule IV of Companies Act, 2013 on May 29, 2017 at A-401/402, Lotus Corporate Park, Jai Coach Junction, Off Western Express Highway, Goregaon (East), Mumbai - 400063.

The familiarization program postulated at providing insights into the Company's affair and to enable the Independent Directors to understand the business in depth and contribute significantly to the Company. The process of familiarization consisted of presentations made by the Head of the Department to familiarize the Independent Directors with the strategy, operations and functions of the Company. The Company also apprised them of key changes in regulations impacting the Company or the functioning, roles and responsibilities of the

Board members. The presentations provided an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk

management and such other areas as may arise from time to time. At the end of presentation, Independent Directors suggested befitting inputs for improving the maneuver of the Company and how the risk can be minimized. The familiarization program also served as a suitable platform for all the Independent Directors to familiarize them about their roles, rights and responsibilities.

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

In terms of provisions of Section 134(3)(p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014, annual evaluation has been made by the Board of its own performance and that of its committees and individual directors and of the Chairman on the basis of circulation of questionnaires to the Board Members in the following manner:

Evaluation of	Respondents
Chairman	All Board members except the Chairman being evaluated
Board	All Board members
Board Committee	All Board members
Directors including Independent and Executive Directors	All Board members except the Director Non-being evaluated

Outcome of the Evaluation: As per the Board Evaluation conducted in the Company, the Board of the Company is of adequate size and structure having relevant skills, experience, knowledge and diversity, all the members of the Board and committee understand their respective roles and responsibilities, the Board helps articulate, and review as necessary, the Company's vision, values

and strategic objectives. The Board reviews Company's business plans based on the markets it operates in and the global industry trends and developments, to help achieve its strategic goals. The Board ensures that the Company has robust systems and processes that are compliant with applicable laws, statutes and regulations. The Board provides feedback to the Management on a regular basis.

14. 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 2017-18 are as follows:

Name	Ratio
Mr. Subhash C. Aggarwal	56.90:1
Mr. Mahesh C. Gupta	56.90:1
Mr. Anurag Bansal	38.27:1
Mr. Ajay Garg	34.14:1

- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, during the Financial Year 2017-18 are as follows:

Name	Designation	Percentage change in remuneration
Mr. Subhash C. Aggarwal	Chairman and Managing Director	0
Mr. Mahesh C. Gupta	Vice-Chairman and Managing Director	0
Mr. Anurag Bansal	Whole-Time Director	0
Mr. Ajay Garg	Whole-Time Director	0
Mr. Suman Kumar	Company Secretary	13.13
Mr. Vinod K. Jamar	Group Chief Financial Officer	11.30

- The percentage increase in the median remuneration of employees in the Financial Year 2017-18 is 8.64%.
- There are 1627 permanent employees on the rolls of the Company as on March 31, 2018 (Including Executive Directors)
- Average percentile increase made in the salaries of employees other than the managerial personnel in the Financial Year i.e. 2017-18 is 18.20% whereas the increase in managerial remuneration for the same Financial Year is 16.88%.
- 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.

15. COMPOSITION OF AUDIT COMMITTEE

The composition of Audit Committee as on March 31, 2018 is as under:

Composition of Audit Committee as on March 31, 2018					
Name of the Director(s)	Mr. Satish C. Gupta (DIN 00025780)	Mr. Kundan M. Agarwal (DIN 00043115)	Mr. Roop C. Jindal (DIN 01450916)	Mr. Naveen ND Gupta (DIN 00271748)	Mr. Hari D. 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.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In accordance with the provisions of section 2(76) and section 188 of the Companies Act 2013 read with Rules made there under a detailed note on procedure adopted by the Company in dealing with contracts and arrangements with Related Parties is provided in the Report on Corporate Governance, which forms part of this Annual Report.

In accordance with Accounting Standard 18, the Related Party Transactions are disclosed in the Financial Statements. Further, as per Companies Act, 2013 and rules made there under, the term "Material Transactions" has not been defined and therefore, for the purpose of material transactions as requiring disclosure in the Form AOC-2, the Company has taken the definition from Accounting Standard - 18.

The Policy on the Related Party Transactions is available on the Company's website at

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

Details of material transactions which are on arm length price are given in Form AOC-2 attached as **Annexure IV** to this Report.

17. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. The Company had appointed **M/s. Shaival & Sunil, Chartered Accountants** as Internal Auditors of the Company for the Financial Year 2017-18 pursuant to the provisions of Section 138 of the Companies Act, 2013, read with Rule 13 of Companies (Accounts) Rules, 2014.

Internal Financial Control Matrix Policy: In terms of provisions of Section 134(5)(e) of the Companies Act, 2013, the Company has adopted the Internal Financial Control Matrix

Policy on February 14, 2017. The Internal Financial Control Matrix Policy lays down the internal financial control to be followed by the Company. This policy has ensured the orderly and efficient conduct of the business, including adherence to Company's policies, the safeguarding of the assets of the Company, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

18. RISK MANAGEMENT POLICY

Risk management is embedded in the Companies operating framework. The Company believes that managing risks goes hand-in-hand with maximizing returns. To this effect, there is a robust process in place to identify key risks across the Group and priorities relevant action plans to mitigate these risks. The objective of this Policy is to have a well-defined approach to risk.

The Policy lays broad guidelines for the appropriate authority so as to be able to do timely identification, assessment, and prioritization of risks affecting the Company in the short and foreseeable future. The Policy suggests framing an appropriate response action for the key risks identified, so as to make sure that risks are adequately compensated or mitigated. The Internal Audit function is responsible to assist the Risk Management Committee on an independent basis with a full status of the risk assessments and management. Operationally, risk is being managed at the top level by Management Boards.

Detailed discussion on Risk Management has been given as a part of Management Discussion & Analysis under the section 'Risks and Concerns', 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 feature 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. NAME OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

There is no change in the structure of the Company for the Financial Year 2017-18. Currently our Company has 9 subsidiaries, 3 step down subsidiaries and 1 Joint Venture Company which is ventured by SMC Investments and Advisors Limited, Subsidiary Company of the Company, which holds 50% of control in the Joint Venture.

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

The Board of Directors of your Company has adopted a "Material Subsidiary Policy" on November 03, 2015 as required by the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The policy is available on the Company's website at https://www.smcindiaonline.com/MATERIAL_SUBSIDIARY_POLICY.pdf. A brief note on the policy is also provided in the Report on Corporate Governance, which forms part of this Annual Report.

22. 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.

23. 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.

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

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

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

No material changes and commitments, have taken place during 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.

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

Being a service providing organization, most of the information of the Company, as required under Section 134(3) of the Companies Act, 2013, read with the Rule 8 of Companies (Accounts of Companies) Rules, 2014, is not applicable. However, the information, as applicable, has been given in **Annexure VI** to this report.

27. EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT-9 as on March 31, 2018 is attached as **Annexure I** to this Report.

28. 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.

29. 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.

30. CORPORATE SOCIAL RESPONSIBILITY POLICY

At SMC Global Securities Limited, Corporate Social Responsibility (CSR) encompasses much more than social outreach programmes. It lies at the heart of the Company's business operations. Over the years, the Company has aligned its business processes and goals to make a more deep-rooted impact on the society's sustainable development.

In accordance with the requirements of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee. The composition and terms of reference of the CSR Committee is provided in the Report on Corporate Governance, which forms part of this Report.

The Company has also formulated a Corporate Social Responsibility Policy, which is available on the Company's website at https://www.smcindiaonline.com/CSR_Policy_SMC_Global_Securities_Ltd.pdf

During FY 2017-18, the Company has spent ₹ 41,25,000 (Rupees Forty One Lakh Twenty Five Thousand Only) towards the CSR activities. The Company is in the process of evaluating the focus areas / locations of intervention for CSR activities to cater to the pressing needs of society and deliver optimal impact. As a socially responsible Company, your Company is committed to increase its CSR impact and spend over the coming years, with its aim of playing a larger role in India's sustainable development by embedding wider economic, social and environmental objectives. A detailed update on the CSR initiatives of the Company is provided in the Corporate Social Responsibility and Sustainability Report as **Annexure III**, which forms part of this Annual Report.

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

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandate under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees.

In terms of provisions of Section 22 and Section 28 of The Sexual Harassment of Woman at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has duly constituted prevention of sexual harassment committee in the Company with the following Members:

S.No.	Name	Designation
1.	Ms. Reema Garg	Chairperson
2.	Ms. Vandana Bharti	Member
3.	Ms. Neha Sharma	Member
4.	Mr. Vinod K. Jamar	Member
5.	Mr. Ashok Aggarwal	Member

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".

Further, the Company has Internal Complaints Committee to redress Complaints received regarding sexual harassment during the period. Under the review no complain has been received by the Committee.

32. 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.

The Board has duly examined the Statutory Auditors' Report to the accounts for the financial year ended March 31, 2018 which is self-explanatory. There is no qualification, reservations, adverse remarks or disclaimer in the Auditors Report.

During the period under review, the auditor has not reported any frauds in terms of Section 143(12) of the Companies Act, 2013.

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

33. SECRETARIAL AUDIT REPORT

The Company had appointed M/s. AK Roy & Associates, Company Secretaries, to conduct its Secretarial Audit for the financial year ended

March 31, 2018. The Secretarial Auditors have submitted their report confirming the compliance with all the applicable provisions of various corporate laws. There is no qualification, reservations, adverse remarks or disclaimer in the Secretarial Audit Report

In terms of provisions of section 204 of the Companies Act, 2013, the Secretarial Audit Report is attached as **Annexure V** of this report.

34. VIGIL MECHANISM

A brief note on the highlights of the Vigil Mechanism Policy is provided in the Report on Corporate Governance, which forms part of this Annual Report. Further Vigil Mechanism policy of the Company is available on the Company's website at <https://www.smcindiaonline.com/Vigil-Mechanism-Policy.pdf>.

35. 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, 2018 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, 2018 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.

ACKNOWLEDGEMENT

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 C. Aggarwal

(Chairman & Managing Director)

DIN: 00003267

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

Place: Kolkata

Date: May 14, 2018

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 of the Company/ Sub-Category of the Company	Company Limited by Shares/ Non-Government Company
5.	Address of the registered office	11/6B, Shanti Chamber, Pusa Road, New Delhi-110005
6.	Contact details	011-30111000, 011-40753333
7.	Whether listed company	Yes
8.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase I, Near PVR, Naraina, New Delhi-110028 & PhNo. 011-41410592, 011-41410593, 011-41410594

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 main products / services	NIC Code of the Product/ Service	% to total turnover of the company
1	Securities Brokerage Services	66120	35.13
2	Proprietary Trading	-	30.69
3	Distribution of final product	66190	19.06

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	SMC Comtrade Limited	U67120DL1997 PLC188881	Subsidiary	100	2(87)
2	SMC Capitals Limited	U74899DL1994 PLC063201	Subsidiary	100	2(87)
3	Moneywise Financial Services Private Limited	U51909WB1996 PTC078352	Subsidiary	100*	2(87)
4	Indunia Realtech Limited	U70102DL2009 PLC190606	Subsidiary	100	2(87)
5	SMC Investments and Advisors Limited	U19201DL1997 PLC089315	Subsidiary	100	2(87)
6	SMC Finvest Limited	U67100MH2009 FLC196922	Subsidiary	100	2(87)
7	Moneywise Finvest Limited	U67100UP2009 FLC088874	Subsidiary	100	2(87)
8	SMC Insurance Brokers Private Limited	U66000DL1995 PTC172311	Subsidiary	97.58 (Held By SMC Comtrade)	2(87)
9	SMC Real Estate Advisors Private Limited	U74120UP2013 PTC054923	Subsidiary	100 (Held by SMC Finvest Limited)	2(87)
10	SMC Comex International DMCC	(Dubai Based Company)	Subsidiary	100 (Held by SMC Comtrade Limited)	2(87)
11	SMC Global USA Inc	USA Based Company	Subsidiary	50	2(87)
12	SMC Global IFSC Private Limited	U65990GJ20 16PTC094622	Subsidiary	100	2(87)
13	SMC & IM Capitals Investment Manager LLP	AAG-8181	Joint Venture	50(Held by SMC Investments and Advisors Limited)	-

*SMC Finvest Limited (subsidiary company) holds 8.70% shareholding.

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

A) 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									
Indian									
Individual/ HUF	4,07,18,670	-	4,07,18,670	35.99	4,07,18,670	-	4,07,18,670	35.99	NIL
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Bodies Corp.	2,56,04,670	-	2,56,04,670	22.63	2,56,04,670	-	2,56,04,670	22.63	NIL
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total A (1)	6,63,23,340	-	6,63,23,340	58.62	6,63,23,340	-	6,63,23,340	58.62	NIL
Foreign									
NRI/Individuals	-	-	-	-	-	-	-	-	-
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total A (2)	0	-	0	0	0	-	0	0	NIL
Total A=A(1)+A(2)	6,63,23,340	-	6,63,23,340	58.62	6,63,23,340	-	6,63,23,340	58.62	NIL
B. Public Shareholding									
Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total B (1)	0	-	0	0	0	-	0	0	NIL

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	
Non Institutions									
Bodies Corporate									
i) Indian	1,65,47,510	36,000	1,65,83,510	14.66	1,62,90,635	36,000	1,62,90,635	14.43	(0.23)
ii) Overseas	1,22,36,065	1,16,10,560	2,38,46,625	21.08	1,22,36,065	1,16,10,560	2,38,46,625	21.08	NIL
Individual shareholders holding nominal share capital upto ₹ 1 lakh	18,38,535	9,27,660	27,66,195	2.45	19,46,280	8,77,660	28,23,940	2.50	0.05
Individual shareholders holding nominal share capital in excess of ₹1 lakh	21,65,810	1,40,000	23,05,810	2.04	23,43,940	1,40,000	24,83,940	2.20	0.16
Others (specify):									
i. Non Resident Indians									
(Non repat)	20,000	-	20,000	0.02	-	-	-	-	(0.02)
(Repat)	3,51,000	-	3,51,000	0.31	3,51,000	-	3,51,000	0.31	NIL
ii. Clearing Members	-	-	-	-	-	-	-	-	NIL
iii. HUF	9,37,970	-	9,37,970	0.83	9,79,970	-	9,79,970	0.87	0.04
Sub-totalB(2)	3,40,96,890	1,27,14,220	4,68,11,110	41.38	3,41,46,890	1,26,64,220	4,68,11,110	41.38	NIL
Total B=B(1)+B(2)	3,40,96,890	1,27,14,220	4,68,11,110	41.38	3,41,46,890	1,26,64,220	4,68,11,110	41.38	NIL
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Total (A)+(B)+(C)	1,00,42,10,230	1,27,14,220	11,31,34,450	100	10,04,70,230	1,26,64,220	11,31,34,450	100	NIL

() denotes negative figures.

B) SHAREHOLDING OF PROMOTERS (INCLUDING PROMOTERS' GROUP):

S. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding
		No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% Shares pledged/ encumbered to total shares	
1	Maresh C. Gupta	1,02,48,500	9.06	Nil	1,02,48,500	9.06	Nil	Nil
2	Subhash C. Aggarwal	1,00,95,500	8.92	Nil	1,00,95,500	8.92	Nil	Nil
3	Hemlata Aggarwal	77,20,550	6.82	Nil	77,20,550	6.82	Nil	Nil
4	Sushma Gupta	75,66,550	6.69	Nil	75,66,550	6.69	Nil	Nil
5	Ginni Devi	22,00,000	1.94	Nil	22,00,000	1.94	Nil	Nil
6	Madan G. Agarwal	9,84,000	0.87	Nil	9,84,000	0.87	Nil	Nil
7	Ajay Garg	8,41,600	0.74	Nil	8,41,600	0.74	Nil	Nil
8	Damodar K. Aggarwal	7,81,970	0.69	Nil	7,81,970	0.69	Nil	Nil
9	Anurag Bansal	2,50,000	0.22	Nil	2,50,000	0.22	Nil	Nil
10	Archana Aggarwal	30,000	0.03	Nil	30,000	0.03	Nil	Nil
11	Asm Pipes Private Limited	1,86,67,140	16.5	Nil	1,86,67,140	16.5	Nil	Nil
12	Pulin Investments Private Limited	50,95,860	4.5	Nil	50,95,860	4.5	Nil	Nil
13	Jai Ambey Share Broking Limited	16,16,670	1.43	Nil	16,16,670	1.43	Nil	Nil
14	SMC Share Brokers Limited	2,25,000	0.19	Nil	2,25,000	0.19	Nil	Nil
	Total	6,63,23,340	58.62	Nil	6,63,23,340	58.62	Nil	Nil

C) CHANGE IN PROMOTERS' SHAREHOLDING :

S.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	6,63,23,340	58.62	6,63,23,340	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	6,63,23,340	58.62	6,63,23,340	58.62

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

S. No.	Shareholders' Name	Shareholding during the year		Transaction During the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date of Transaction	No. of shares	No. of shares	% of total shares of the Company
	For Each of the Top 10 Shareholders						
1	Millennium Investment and Acquisition Co. INC						
	At the beginning of the year	1,22,04,690	10.79			1,22,04,690	10.79
	Transfer during the year	0	0	June 16, 2017	(3,00,000)	1,19,04,690	10.52
	Transfer during the year	0	0	October 20, 2017	(2,00,000)	1,17,04,690	10.34
	Transfer during the year	0	0	December 8, 2017	(2,00,000)	1,15,04,690	10.17
	At the end of the year	1,15,04,690	10.17			1,15,04,690	10.17
2	Sanlam International Investment Partners Limited						
	At the beginning of the year	94,60,590	8.36			94,60,590	8.36
	Transaction during the year	0	0		0	0	0
	At the end of the year	94,60,590	8.36			94,60,590	8.36
3	Signature Global (India) Private Limited						
	At the beginning of the year	88,65,885	7.84			88,65,885	7.84
	Transaction during the year	0	0		0	0	0
	At the end of the year	88,65,885	7.84			88,65,885	7.84
4	Bennett, Coleman and Company Limited						
	At the beginning of the year	43,35,390	3.83			43,35,390	3.83
	Transaction during the year	0	0		0	0	0
	At the end of the year	43,35,390	3.83			43,35,390	3.83
5	Cresta Fund Limited						
	At the beginning of the year	21,81,345	1.93			21,81,345	1.93
	Bought during the year	0	0	June 16, 2017	3,00,000	24,81,345	2.19
	Bought during the year	0	0	October 20, 2017	2,00,000	26,81,345	2.37
	Bought during the year	0	0	December 8, 2017	2,00,000	28,81,345	2.55
	At the end of the year	28,81,345	2.55			28,81,345	2.55
6	Agbros Polymers LLP						
	At the beginning of the year	15,83,340	1.4			15,83,340	1.4
	Transaction during the year	0	0		0	0	0
	At the end of the year	15,83,340	1.4			15,83,340	1.4

S. No.	Shareholders' Name	Shareholding at the beginning of the year		Transaction During the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date of Transaction	No. of shares	No. of shares	% of total shares of the Company
7	Svan Securities Private Limited						
	At the beginning of the year	11,35,670	1.00			11,35,670	1.00
	Transfer during the year			October 20, 2017	(1,09,994)		
	At the end of the year	10,25,676	0.9			10,25,676	0.9
8	Sunil Datt						
	At the beginning of the year	3,50,000	0.31			3,50,000	0.31
	Transaction during the year	0	0		0	0	0
	At the end of the year	3,50,000	0.31			3,50,000	0.31
9	Sadhu Ram Aggarwal						
	At the beginning of the year	0	0			0	0
	Transfer (Purchase)	0	0	September 1, 2017	2,28,460	2,28,460	0.2
	At the end of the year	2,28,460	0.2			2,28,460	0.2
10	Jugal Kishor						
	At the beginning of the year	1,13,000	0.10			1,13,000	0.10
	Bought during the year	0	0	August 11, 2017	52,000	1,65,000	0.15
	At the end of the year	1,65,000	0.15			1,65,000	0.15

E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

S. 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	Subhash C. Aggarwal				
	At the beginning of the year	1,00,95,500	8.92	1,00,95,500	8.92
	Date wise increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	1,00,95,500	8.92	1,00,95,500	8.92
2	Mahesh C. Gupta				
	At the beginning of the year	1,02,48,500	9.06	1,02,48,500	9.06
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	1,02,48,500	9.06	1,02,48,500	9.06
3	Ajay Garg				
	At the beginning of the year	8,41,600	0.74	8,41,600	0.74
	Date wise increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	8,41,600	0.74	8,41,600	0.74
4	Anurag Bansal				
	At the beginning of the year	2,50,000	0.22	2,50,000	0.22
	Date wise increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	2,50,000	0.22	2,50,000	0.22

Note: 1. No other Director held any shares of the Company during the Financial Year 2017-18.

2. KMPs doesn't hold any share in the Company except mentioned above.

V. INDEBTEDNESS:

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,07,86,26,816	-	-	2,07,86,26,816
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	16,25,291	-	-	16,25,291
Total (i+ii+iii)	2,08,02,52,107	-	-	2,08,02,52,107
Change in indebtedness during the financial year				
• Addition	10,32,34,81,305	-	-	10,32,34,81,305
• Reduction	9,71,88,53,202	-	-	9,71,88,53,202
Net Change	60,46,28,103	-	-	60,46,28,103
Indebtedness at the end of the financial year				
i) Principal Amount	2,68,33,00,148	-	-	2,68,33,00,148
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	15,80,062	-	-	15,80,062
Total (i+ii+iii)	2,68,48,80,210	-	-	2,68,48,80,210

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNELS

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGERS:

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total
		Subhash C. Aggarwal (MD)	Mahesh C. Gupta (MD)	Anurag Bansal (WTD)	Ajay Garg Garg (WTD)	
1	Gross salary	97,50,000	97,50,000	65,57,335	58,49,333	3,19,06,668
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify..	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	97,50,000	97,50,000	65,57,335	58,49,333	3,19,06,668
	Ceiling as per the Act	Remuneration as per section 197 & Schedule V of the Companies Act, 2013				

B. REMUNERATION TO OTHER DIRECTORS:

(Amount in ₹)

S. No.	Particulars of Remuneration			Total
1.	Name of Independent Directors	Fee for attending board Committee Meetings	Commission	Others, please specify
	Madhu Vij	1,60,000	-	-
	Satish C. Gupta	2,35,000	-	-
	Kundan M. Agarwal	3,15,000	-	-
	Hari D. Khunteta	2,65,000	-	-
	Chandra Wadhwa	2,25,000	-	-
	Roop C. Jindal	3,05,000	-	-
	Naveen ND Gupta	40,000	-	-
	Narain D. Gupta*	1,80,000	-	-
	Total (1)	17,25,000	-	-
2.	Name of other Non-Executive Directors	Fee for attending board Committee Meetings	Commission	Others, please specify
	Shruti Aggarwal	-	-	-
	Himanshu Gupta	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	17,25,000	-	-
	Total Remuneration (A+B)	3,36,31,668	-	-
	Overall Ceiling as per the Act	Sitting fees as per Companies Act, 2013		

* Mr. Narain D. Gupta resigned from the Board with effect from January 12, 2018.

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO NA	Company Secretary (Suman Kumar)	CFO (Vinod K. Jamar)	Total
1	Gross salary	NA	41,39,761	53,77,802	95,17,563
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option*	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	NA	41,39,761	53,77,802	95,17,563

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: (Amount in ₹)

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	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty Nil	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board

Sd/-

Subhash C. Aggarwal
(Chairman & Managing Director)
DIN: 00003267
Address: House No. 67, Road No. 41
West Punjabi Bagh, Delhi - 110026

Place: Kolkata
Date: May 14, 2018

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	Date since when subsidiary was acquired incorporation	Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) Before Tax	Provision For Tax	Profit/(Loss) After Tax	Percentage Shareholding
Subsidiaries												
1.	SMC Capitals Ltd.	August 16, 2008	10,00,00,000	3,80,99,008	15,23,51,536	1,42,52,528	-	4,57,95,975	(30,77,655)	(8,41,295)	(22,36,360)	100
2.	Moneywise Financials Services Pvt. Ltd.	August 1, 2008	39,65,69,200	1,99,59,01,209	5,82,20,67,227	3,42,95,96,818	2,59,20,668	81,00,38,222	43,38,64,431	13,10,87,737	30,27,76,694	100*
3.	SMC Comtrade Ltd.	April 26, 2007	10,00,00,000	1,17,76,76,388	1,96,80,24,230	69,03,47,842	66,90,89,415	31,65,77,915	(2,41,45,564)	(77,77,502)	(1,63,68,062)	100
4.	SMC Investments and Advisors Ltd.**	April 1, 2008	25,00,00,000	10,26,20,131	37,19,10,258	1,92,90,127	2,10,00,000	16,77,54,922	7,16,28,141	1,54,859	7,14,73,282	100
5.	SMC Global USA Inc*** In USD In INR	February 29, 2016	11,53,400 7,50,21,865	(10,28,535) (6,69,00,133)	3,46,404 2,25,31,536	2,21,539 1,44,09,804	- -	1,33,525 86,85,013	(5,55,267) (3,61,16,842)	- -	(5,55,267) (3,61,16,842)	50
6.	SMC Global IFSC Pvt. Ltd.	December 8, 2016	11,99,98,000	1,25,88,599	25,91,61,337	12,65,74,738	-	2,21,90,749	2,01,80,323	7,43,677	1,94,36,646	100
7.	Indunia Realtech Ltd.	May 25, 2009	2,50,00,000	(60,01,898)	4,03,78,726	2,13,80,624	-	15,364	(23,94,962)	(6,67,363)	(17,27,599)	100
8.	SMC Finvest Ltd.	November 6, 2009	41,00,00,000	5,94,99,302	47,14,73,006	19,73,704	30,75,17,500	1,46,21,152	2,99,99,448	30,92,000	2,69,07,448	100
9.	Moneywise Finvest Ltd.	November 6, 2009	2,50,00,000	(34,40,119)	7,80,67,593	5,65,07,712	-	13,76,357	(46,37,656)	(12,66,506)	(33,71,150)	100
Step down subsidiaries												
10.	SMC Real Estate Advisors Pvt. Ltd.	February 8, 2013	10,00,00,000	(11,18,81,142)	21,01,44,390	22,20,25,532	-	10,50,17,558	(15,56,20,814)	(3,96,27,825)	(11,59,92,989)	100
11.	SMC Insurance Brokers Pvt. Ltd.	April 23, 2007	41,40,00,000	9,90,97,266	82,78,37,154	31,47,39,888	16,29,84,180	1,05,37,68,450	9,72,82,543	2,32,72,652	7,40,09,891	97.58
12.	SMC Comex International DMCC*** In USD In INR	November 16, 2005	24,05,288 15,64,49,793	(7,71,355) (5,01,72,092)	1,75,20,283 1,13,95,91,039	1,58,86,350 1,03,33,13,338	- -	14,23,151 9,25,67,576	(6,68,400) (4,34,75,476)	- -	(6,68,400) (4,34,75,476)	100

Notes :

- 1 * SMC Global Securities Limited and SMC Finvest Limited holds 91.30% and 8.70% respectively.
2 ** In SMC Investments and Advisors Ltd. share of loss of SMC & IM Capitals Investment Manager LLP has been excluded as it is shown below separately.
3 ***Converted to Indian Rupees at the exchange rate 1USD = INR 65.0441
4 The aforesaid data in respect of 9 subsidiaries and 3 step down subsidiaries are as on 31st March 2018
5 Provision for tax includes provision for deferred tax & prior period tax
6 Amount in ₹ otherwise stated specifically.

Part "B" Joint Venture

(Amount in ₹)

S. No.	Name of the entity	Latest audited Balance Sheet Date	Shares/Capital of Associate/Joint Ventures held by the Company on the year end	Amount of Investments	Reason why the associate/Joint Venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Turnover	Profit/(Loss) For the Year		Percentage Shareholding
								Considered in Consolidation	Not Considered in Consolidation	
1	SMC and IM Capitals Investment Manager LLP	March 31, 2018	N.A.	2,10,00,000	N.A.	14,26,435	1,00,000	(1,07,19,472)	(1,07,19,472)	50

* it includes ₹ 1,50,00,000 as fixed capital and ₹ 60,00,000 as current account capital

Annexure III

ANNUAL REPORT ON CSR ACTIVITIES

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

1. Brief Outline of Company's CSR Policy

At SMC, business success is not just about profits and shareholder returns. We believe in pursuing wider socio-economic and cultural objectives and have always endeavoured to not just live up to it, but to try and exceed the expectations of the communities in which we operate. At SMC, the CSR and welfare activities centers around the following areas:

- I. Promoting education including special education, employment enhancing vocation

skills especially among children and livelihood enhancement projects.

- II. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
- III. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.

The detailed CSR Policy of the Company is available on Company's website at: https://www.smcindiaonline.com/CSR_Policy_SMC_Global_Securities_Ltd.pdf

2. Composition of the CSR Committee:

S. 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. Kundan M. Agarwal	Member

2. Average net profit before tax of the Company for last three (3) Financial Years: ₹ 28,26,11,489
3. Prescribed CSR Expenditure (2% of the amount as above): ₹ 56,52,230
4. Details of CSR spent during the year

- a) Total amount to be spent for the Financial Year ₹ 41,25,000
- b) Amount Unspent ₹ 42,46,007 (view Statutory Reports Financial Statements)

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

(Amount in ₹)

S. No.	CSR Project or Activity Identified	Sector in which the Project is Covered	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	Chatrapati Shivaji Samaj Kalyan	Promotion of social activity	Delhi	N.A.	1,25,000	1,25,000	Direct
2	Ashadeep	Preservation of environment	Rajasthan	N.A.	49,000	1,74,000	Direct
3	Help Us Help Them	Promotion of education amount underprivileged Student	Kolkata	N.A.	5,00,000	6,74,000	Direct
4	Institute of Applied Systems & Rural Development	Skill development	Noida	N.A.	3,00,000	9,74,000	Direct
5	Bharat Lok Shiksha Parishad	For Running Ekal Vidhyalaya For informal education of tribal children	Delhi	N.A.	5,00,000	14,74,000	Direct
6	Rotary Borivali East Foundation	Humanitarian services	Mumbai	N.A.	2,00,000	16,74,000	Direct
7	Rajasthan Club	Promotion of education (Beti Bachao Beti Padhao Project)	New Delhi	N.A.	2,51,000	19,25,000	Direct
8	Samarth Shiksha Samiti	Educating underprivileged children	New Delhi	N.A.	12,00,000	31,25,000	Direct
9	Vanvasi Raksha Parivar	Protection tribe	New Delhi	N.A.	5,00,000	36,25,000	Direct
10	Swami Vivekanand Medical Mission	Free medical aid to financially poor and needy people	New Delhi	N.A.	5,00,000	41,25,000	Direct

5. Reason for not spending the prescribed 2% amount

During FY 2017-18, the Company has spent ₹. 41,25,000 (Rupees Forty One Lakh Twenty Five Thousand Only) towards the CSR activities. The Company is in the process of evaluating the focus areas / locations of intervention for CSR activities to cater to the pressing needs of society and deliver optimal impact. As a socially responsible company, your Company is committed to increase its CSR impact and spend over the coming years, with its aim of playing a larger role in India's sustainable development by embedding wider economic, social and environmental objectives.

6. Responsibility statement of the CSR Committee

The Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board

Sd/-

Subhash C. Aggarwal

(Chairman & Managing Director)

DIN: 00003267

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

Place: Kolkata

Date: May 14, 2018

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 meeting as required under first proviso to section 188	

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 Standalone Financial Statements for details of all related party transactions which in the opinion of the Board, 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 C. Aggarwal

(Chairman & Managing Director)

DIN: 00003267

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

Place: Kolkata

Date: May 14, 2018

Annexure V

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2018.

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Member,

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 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, 2018 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, 2018 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act,

3. 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) 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 Calcutta Stock Exchange.

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)

(Arvind Kumar Roy)

Proprietor

FCS: 8308

CP: 9147

Place: New Delhi

Date: May 7, 2018

Annexure VI

INFORMATION RELATING TO ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUT GO FORMING PART OF DIRECTORS' REPORT IN TERMS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	NA
(ii)	the steps taken by the Company for utilizing alternate sources of energy	NA
(iii)	the capital investment on energy conservation equipments	NA

(b) Technology absorption

(i)	the efforts made towards technology absorption	NA
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	NA
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NA
	(a) the details of technology imported	NA
	(b) the year of import;	NA
	(c) whether the technology been fully absorbed	NA
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
(iv)	the expenditure incurred on Research and Development	NA
(iv)	the expenditure incurred on Research and Development	NA

(c) Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year: ₹ 8,71,548/-

The Foreign Exchange outgo during the year in terms of actual outflows: ₹ 6,01,30,586/-

For and on Behalf of the Board

Sd/-

Subhash C. Aggarwal

(Chairman & Managing Director)

DIN: 00003267

Address: House No. 67, Road No. 41

West Punjabi Bagh, Delhi - 110026

Place: Kolkata

Date: May 14, 2018

PORTFOLIO HEALTH CHECK-UP

CHECK YOUR
PORTFOLIO IN
TWO MINUTES
(FOR BOTH EQUITY &
MUTUAL FUND HOLDINGS)

Detailed equity & mutual fund portfolio analysis |
Restructure investment portfolio based on risk-return profile |
Latest news and updates on regular investments



Moneywise. Be wise.



CORPORATE GOVERNANCE REPORT

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

Corporate Governance refers to the way a corporation is governed. It is the technique by which companies are directed and managed. It means carrying the business as per the stakeholders' (financiers, customers, management, employees, government and the community) desires. It is actually conducted by the Board of Directors and the concerned committees for the company's stakeholder's benefit. It is all about balancing individual as well as economic and social goals.

The relationship between the owners and the management in an organization must be healthy and there should be no conflict between the two. The management must see that individual's actual performance is according to the standard performance. These dimensions of corporate governance should not be overlooked.

Corporate Governance deals with determining ways to take effective strategic decisions. It gives ultimate authority and complete responsibility to the Board of Directors. In today's market-oriented economy, the need for corporate governance arises. Also, efficiency as well as globalization is significant factors urging corporate governance. Corporate Governance is essential to develop added value to the stakeholders.

Corporate Governance ensures transparency which ensures strong and balanced economic development. It ensures that all shareholders fully exercise their rights and that the organization fully recognizes their rights. Corporate Governance has a broad scope. It includes both social and institutional aspects. Corporate Governance encourages a trustworthy, moral, as well as ethical environment.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

- In SMC, Corporate Governance philosophy stems from our belief that Corporate Governance is an integral element in improving efficiency and growth as well as enhancing investor confidence.
- The Company believes in sustainable corporate growth that emanates from the top leadership down through the organization to the various stakeholders which is reflected in its sound financial system, enhanced market reputation and improved efficiency.
- We believe that our Company shall go beyond adherence to regulatory framework. Our corporate structure, business, operations and disclosure practices have been strictly aligned to our Corporate Governance Philosophy. Transparency, accountability, fairness and intensive communication with stakeholders are integral to our functioning. We believe in system driven performance and performance oriented systems. We accord highest priority to these systems and protect the interests of all our shareholders, particularly the minority shareholders.
- We have tried to blend growth and efficiency with governance and ethics. Our Board of Directors, guided by the mission statement, formulate strategies and policies having focus on optimizing value for various stakeholders like consumers, shareholders and the society at large.

BOARD OF DIRECTORS

COMPOSITION OF THE BOARD OF DIRECTORS

We believe that your Board has an optimum combination of Executives, Non- Executives and Independent Directors on the Board as per the requirement of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The requirement of a Women director on the Board of the company is also complied by the company. The details of all the Directors is

posted on our website via <http://www.smcindiaonline.com/Investors/>.

During the FY 2017-18 your Board met Four (4) times dated **May 29, 2017, August 14, 2017, November 7, 2017 and January 31, 2018**. Details of composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), number of other Directorships and Committee positions as on March 31, 2018 are given below:

Name of the Director	Category & Designation	Attendance		No. of Directorships in other Companies ##	Committee Memberships ###	
		Board Meeting	AGM for the year 2016-17 #		Chairman	Member
Mr. Subhash C. Aggarwal (DIN 00003267)	Promoter, Executive, Chairman & Managing Director	4	Y	1	NIL	NIL
Mr. Mahesh C. Gupta (DIN 00003082)	Promoter, Executive, Vice-Chairman & Managing Director	4	Y	1	NIL	1
Mr. Ajay Garg (DIN 00003166)	Executive, Director & CEO	4	N	5	NIL	1
Mr. Anurag Bansal (DIN 00003294)	Executive, Whole-time Director	4	N	5	NIL	NIL
Mr. Kundan M. Agarwal (DIN 00043115)	Independent & Non-Executive Director	4	Y	5	1	1
Mr. Narain D. Gupta* (DIN 01522375)	Independent & Non-Executive Director	3	N	NIL	NIL	NIL
Mr. Roop C. Jindal (DIN 01450916)	Independent & Non-Executive Director	4	N	NIL	NIL	2
Mr. Satish C. Gupta (DIN 00025780)	Independent & Non-Executive Director	4	Y	7	3	5
Mr. Hari D. Khunteta (DIN 00061925)	Independent & Non-Executive Director	4	N	4	NIL	2

Name of the Director	Designation	Attendance		No. of Directorships in other Companies ##	Committee Memberships ###	
		Board Meeting	AGM for the year 2016-17 #		Chairman	Member
Mr. Chandra Wadhwa (DIN 00764576)	Independent & Non-Executive Director	4	Y	3	1	NIL
Dr. Madhu Vij (DIN 00025006)	Independent & Non-Executive Director	4	Y	4	NIL	3
**Mr. Himanshu Gupta (DIN 03187614)	Non-Executive Director	1 (as special invitee)	Y (as special invitee)	3	NIL	NIL
***Mr. Finney Cherian (DIN 02011132)	Non-Executive Director	2	N	NIL	NIL	NIL
@Mr. Naveen ND Gupta (DIN 00271748)	Independent & Non-Executive Director	1	NA	2	NIL	1
@@Ms. Shruti Aggarwal (DIN 06886453)	Non-Executive Director	1	N	NIL	NIL	NIL

* Mr. Narain D. Gupta, Non-Executive and Independent Director has resigned from the Directorship of the Company w.e.f. January 12, 2018.

** Mr. Himanshu Gupta has been appointed as Non-Executive Director of the Company w.e.f. February 21, 2018.

*** Mr. Finney Cherian, Non-Executive and Independent Director has resigned from the Directorship of the Company w.e.f. February 21, 2018.

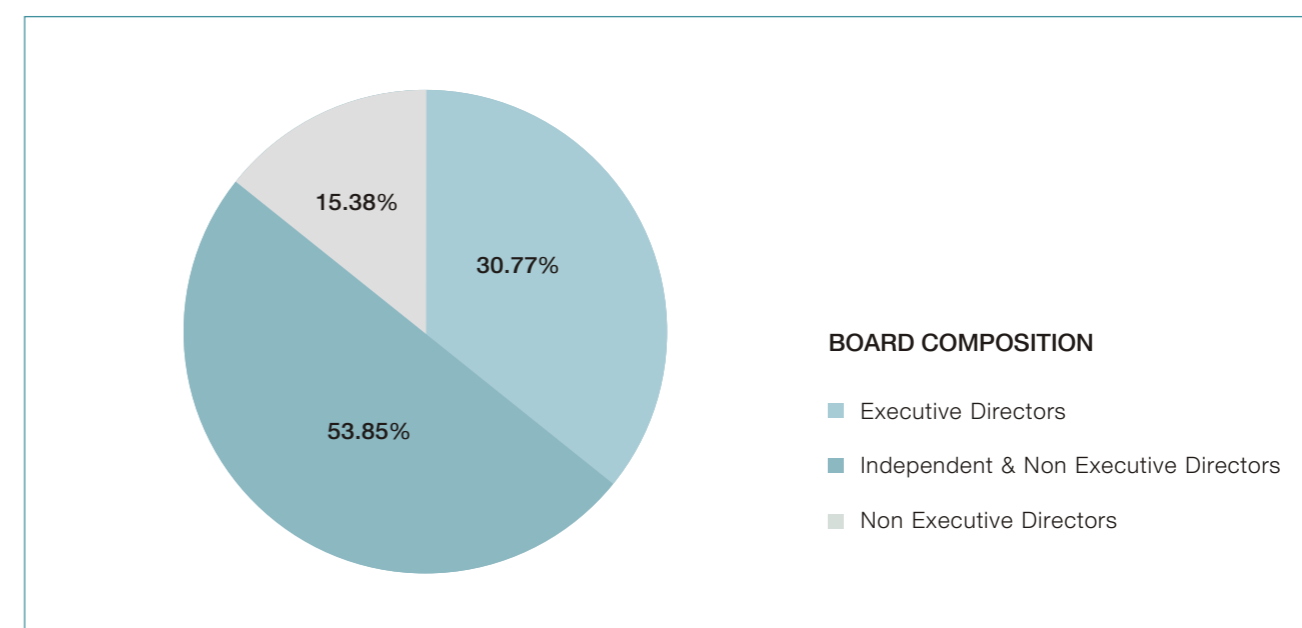
@Mr. Naveen ND Gupta has been appointed as an Additional (Non-Executive) and Independent Director of the Company w.e.f. January 31, 2018.

@@Ms. Shruti Aggarwal has been appointed as Non-Executive Director of the Company w.e.f. June 16, 2017.

Y stands for Yes, N stands for No and NA stands for Not Applicable.

Excludes directorship in Foreign Companies, Alternate Directorships and Section 8 Companies.

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



REVIEW OF COMPLIANCE REPORTS

In conformity with Regulation 17(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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

The Board of Directors has laid down a Code of Conduct for all Board members and senior management of the Company. All the Directors and senior management have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors and a declaration to this effect signed by the Managing Director has been annexed to

the Corporate Governance Report. The code of conduct has been posted on the website of the Company at http://www.smcindiaonline.com/wp-content/uploads/2018/04/Code_of_Conduct.pdf

DETAILS OF REMUNERATION TO DIRECTORS

In pursuance to the Companies Act, 2013 and rules made there under and as per the Regulation 17(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of the remuneration policy, the Board of Directors has paid remuneration to the Executive Directors and sitting fees to the Independent Directors. The payment of remuneration and sitting fees is within a limit as per Section 197 and other applicable provisions of the Companies Act, 2013.

The Details of Remuneration package, sitting fees paid etc., to the Directors of the Company during the Financial Year 2017-18, 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	Yes	Nil	Nil	97,50,000	Nil	Nil
Mr. Mahesh C. Gupta	Yes	Nil	Nil	97,50,000	Nil	Nil
Mr. Ajay Garg	None	Nil	Nil	58,49,333	Nil	Nil
Mr. Anurag Bansal	None	Nil	Nil	65,57,335	Nil	Nil
*Mr. Narain D. Gupta	None	1,80,000	Nil	Nil	Nil	Nil
Mr. Roop C. Jindal	None	3,05,000	Nil	Nil	Nil	Nil
Mr. Kundan M. Agarwal	None	3,15,000	Nil	Nil	Nil	Nil
Mr. Satish C. Gupta	None	2,35,000	Nil	Nil	Nil	Nil
Mr. Hari D. Khunteta	None	2,65,000	Nil	Nil	Nil	Nil
Dr. Madhu Vij	None	1,60,000	Nil	Nil	Nil	Nil
Mr. Chandra Wadhwa	None	2,25,000	Nil	Nil	Nil	Nil
**Mr. Himanshu Gupta	Yes	Nil	Nil	Nil	Nil	Nil
***Mr. Finney Cherian	None	Nil	Nil	Nil	Nil	Nil
@Mr. Naveen ND Gupta	None	40,000	Nil	Nil	Nil	Nil
@@Ms. Shruti Aggarwal	Yes	Nil	Nil	Nil	Nil	Nil

* Mr. Narain D. Gupta, Non-Executive and Independent Director of the Company has resigned from the Directorship of the Company w.e.f. January 12, 2018.

**Mr. Himanshu Gupta has been appointed as Non-Executive Director (Additional) of the Company w.e.f. February 21, 2018.

***Mr. Finney Cherian, Non-Executive and Independent Director has resigned from the Directorship of the Company w.e.f. February 21, 2018.

@Mr. Naveen ND Gupta has been appointed as Additional (Non-Executive) and Independent Director of the Company w.e.f. January 31, 2018.

@@Ms. Shruti Aggarwal has been appointed as Non-Executive Director of the Company w.e.f. June 16, 2017.

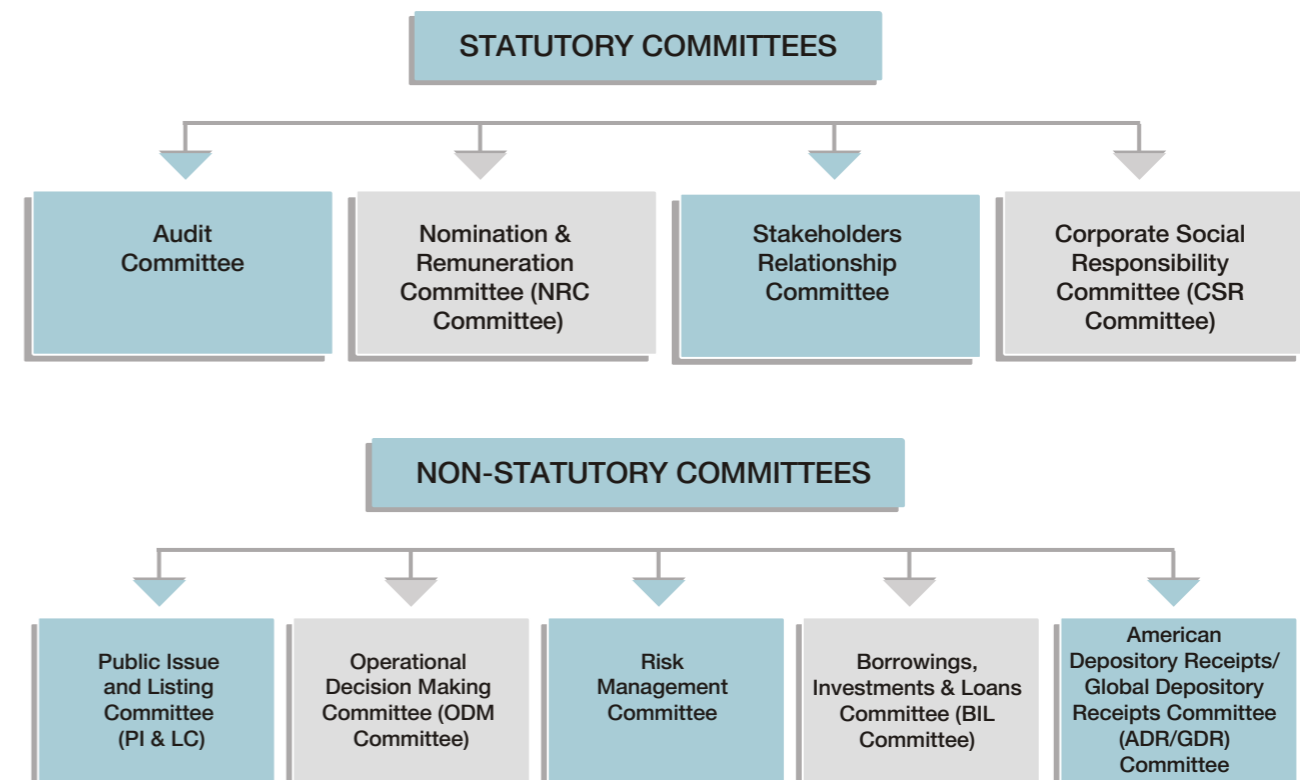
Notes

- Remuneration includes salary, benefits, bonuses, pension, allowances, monetary value, and company's contribution to provident fund, leave encashment etc.
- Sitting fees paid to the Independent Directors excludes Conveyance.
- None of the Director 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 except Mr. Subhash C. Aggarwal is father of Ms. Shruti Aggarwal, Mr. Mahesh C. Gupta is father of Mr. Himanshu Gupta.

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, 2018 Company has the following 9 (Nine) Committees of the Board divided into Statutory and Non- Statutory Committees:



COMPOSITION OF THE AUDIT COMMITTEE:

In compliance with Section 177 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and, if any, other law for the time being in force, currently, it consists of 5 (Five) Independent & Non-Executive Directors, all of them possessing knowledge of Corporate finance, Accounts & Corporate laws.

The Composition and the attendance details of each meeting of members of Audit Committee for FY 2017-18 are specified herewith:

Name of the Directors	Mr. Satish C. Gupta	Mr. Kundan M . Agarwal	Mr. Roop C. Jindal	*Mr. Narain D. Gupta	Mr. Hari D. Khunteta	**Mr. Naveen ND Gupta
Designation	Chairman	Member	Member	Member	Member	Member
Category	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Additional Non-Executive Independent Director
Date of Meeting						
May 29, 2017	Y	Y	Y	Y	Y	Not eligible
August 14, 2017	Y	Y	Y	Y	Y	Not eligible
November 7, 2017	Y	Y	Y	Y	Y	Not eligible
January 31, 2018	Y	Y	Y	Not eligible	Y	Not eligible
No. of Meetings during the Financial Year	4	4	4	3	4	Not eligible
Attended	4	4	4	3	4	Not eligible
Absent	NIL	NIL	NIL	NIL	NIL	Not eligible
% of Attendance	100	100	100	100	100	Not eligible

*Mr. Narain D. Gupta, Non-Executive and Independent Director has resigned from the Directorship of the Company w.e.f. January 12, 2018.

** Mr. Naveen ND Gupta has been appointed as an Additional (Non-Executive) and Independent Director of the Company w.e.f. January 31, 2018.

The Audit Committee of the Company acts as a link between the management, the Statutory Auditor, 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.

TERMS OF REFERENCE:

- 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 right 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 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 "http://smcindiaonline.com/wp-content/uploads/2018/04/Nomination_and_Remuneration_Policy_SMC_Global_Securities_Ltd.pdf" and also attached as Annexure I.

THE COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE AND THE ATTENDANCE DETAILS OF THE MEMBERS OF THE COMMITTEE DURING THE FY 2017-18 ARE GIVEN BELOW:

Name of the Directors	Mr. Chandra Wadhwa	Mr. Kundan M. Agarwal	Mr. Roop C. Jindal	*Mr. Narain D. Gupta	**Mr. Naveen ND Gupta
Designation	Chairman	Member	Member	Member	Member
Category	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Additional Non-Executive Independent Director
Date of Meeting					
May 29, 2017	Y	Y	Y	Y	Not eligible
August 14, 2017	Y	Y	Y	Y	Not eligible
November 7, 2017	Y	Y	Y	Y	Not eligible
January 31, 2018	Y	Y	Y	Not eligible	Not eligible
No. of Meetings during the Financial Year	4	4	4	3	Not eligible
Attended	4	4	4	3	Not eligible
Absent	NIL	NIL	NIL	NIL	Not eligible
% of Attendance	100	100	100	100	Not eligible

*Mr. Narain D. Gupta, Non-Executive and Independent Director has resigned from the Directorship of the Company w.e.f. January 12, 2018.

** Mr. Naveen ND Gupta has been appointed as Additional (Non-Executive) and Independent Director of the Company w.e.f. January 31, 2018.

INDEPENDENT DIRECTORS

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 Wednesday, March 28, 2018 at Ethiopian Cultural Centre at 7/50 G, Niti Marg, Chanakya Puri, New Delhi-110021. All the Independent Directors of the Company were present at the meeting except Mr. Naveen ND Gupta due to his occupancy in his schedule and meetings.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR:

During the Financial Year 2017-18, the Company had conducted a familiarization program pursuant Regulation 25(7) and Regulation 46(2)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per provisions of Section 149 (8) read with Schedule IV of the Companies Act, 2013 for the Independent Directors of SMC Global Securities Limited as well as for its Subsidiaries.

The familiarization program postulated at providing insights into the Company's affair and to enable the Independent Directors to understand the business in depth and contribute significantly to the Company. The process of familiarization consisted of presentations made by the Head of the Department to familiarize the Independent Directors with the strategy, operations and functions of the Company. The Company also apprised them of key changes in regulations impacting the Company or the functioning, roles and responsibilities of the Board members. The presentations provided an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time. At the

end of presentation, Independent Directors suggested befitting Inputs for improving the maneuver of the Company and how the risk can be minimized. The familiarization program also served as a suitable platform for all the Independent Directors to familiarize them about their roles, rights and responsibilities.

The two hour familiarization program was held at A-401/402, Lotus Corporate Park, Jai Coach Junction, Off Western Express Highway, Goregaon (East), Mumbai - 400063 on May 29, 2017, in which all the Independent Directors marked their presences till the end of session.

The Familiarization programme for Independent Directors have also been posted on company's website and also made available on the following link:

"<http://smcindiaonline.com/wp-content/uploads/2018/04/Familiarization-of-ID-2018.pdf>".

CRITERIA FOR THE EVALUATION OF INDEPENDENT DIRECTORS PERFORMANCE EVALUATION PROCESS

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 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 have complied with Code of Conduct.

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) Regulations, 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 and Mr. Kundan M. Agarwal is the Chairman of the Committee.

The composition and attendance details of each meeting of the members of Stakeholder's Relationship Committee during the FY 2017-18 are specified herewith

Name of the Directors	Mr. Kundan M. Agarwal	Mr. Roop C. Jindal	Mr. Hari D. Khunteta
Designation	Chairman	Member	Member
Category			
Date of Meeting	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director
May 29, 2017	Y	Y	Y
August 14, 2017	Y	Y	Y
November 7, 2017	Y	Y	Y
January 31, 2018	Y	Y	Y
No. of Stakeholders Relationship Committee Meetings during the Financial Year	4	4	4
Attended	4	4	4
Absent	NIL	NIL	NIL
% of Attendance	100	100	100

ROLE OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE:

- **Grievances of the security holders of the listed entity including,**
- **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 shares, 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:**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 30111333, 30120966

Fax: 91 11 30126061

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 2017-18 is as under:

(a) Number of Shareholder's complaints received during the year	:	NIL
(b) Number of Shareholder's complaints resolved during the year	:	NIL
(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 and attendance details of each meeting of CSR Committee during the Financial Year 2017-18 is as follows:

Name of the Directors	Mr. Subhash C. Aggarwal	Mr. Mahesh C. Gupta	Mr. Satish C. Gupta	Mr. Kundan M. Agarwal
Designation	Chairman	Member	Member	Member
Category	Chairman and Managing Director	Vice-Chairman and Managing Director	Non-Executive Independent Director	Non-Executive Independent Director
Date of Meeting				
May 29, 2017	Y	Y	Y	Y
No. of Corporate Social Responsibility Committee Meetings during the				
Financial Year	1	1	1	1
Attended	1	1	1	1
Absent	NIL	NIL	NIL	NIL
% of Attendance	100	100	100	100

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://smcindiaonline.com/wp-content/uploads/2018/04/Vigil-Mecchanism-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 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://smcindiaonline.com/wp-content/uploads/2018/04/RELATED_PARTY_TRANSACTIONS_POLICY.pdf.

COMPOSITION OF BOARD OF DIRECTORS OF UNLISTED SUBSIDIARY COMPANY

In conformity with Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the Financial Year 2017-18, our Company has 3 (Three) Key Material Non-Listed Indian Subsidiaries Company namely SMC Comtrade Limited, SMC Insurance Brokers Private Limited and Moneywise Financial Services Private 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 policy for determining 'material' subsidiaries has also been posted on company's website and also made available on the following link:

http://smcindiaonline.com/wpcontent/uploads/2018/04/MATERIAL_SUBSIDIARY_POLICY.pdf.

GENERAL BODY MEETINGS:

DETAILS OF LAST THREE ANNUAL GENERAL MEETING AND SPECIAL RESOLUTION(S) PASSED:

YEAR	LOCATION	DATE	DAY	TIME
2014-2015	URDU GHAR" 212, ROUSE AVENUE, DEEN DAYAL UPADHYAYA MARG, NEW DELHI-110002	JUNE 1, 2015	MONDAY	10:30 A.M.
2015-2016	URDU GHAR" 212, ROUSE AVENUE, DEEN DAYAL UPADHYAYA MARG, NEW DELHI-110002	JULY 16, 2016	SATURDAY	11:00 A.M.
2016-2017	URDU GHAR" 212, ROUSE AVENUE, DEEN DAYAL UPADHYAYA MARG, NEW DELHI-110002	JULY 29, 2017	SATURDAY	11:00 A.M.

FY 2014-15

1 (One) Special resolution passed during the FY 2014-15:

1. Authorization for related party transaction

FY 2015-16

No special resolution passed during the year.

FY 2016-17

4 (Four) Special resolution passed during FY 2016-17:

1. Increase the limit of borrowing powers of the Company.
2. Creation of charge(s)/mortgage(s) on the movable and immovable properties of the Company both present and future.
3. Increase the limit of inter-corporate loans and Investments.
4. Re-appointment of Mr. Mahesh C. Gupta (DIN : 00003082) as Managing Director of the Company.

POSTAL BALLOT

1 (One) Special Resolution was passed during the Financial Year 2017-18 through Postal Ballot:

1. To consider, discuss and approve the revised limit from US\$ 80 million to US\$ 100 million for the proposed issuance of American Depository Receipts ("ADRs") against fresh equity / sponsored equity i.e. Against existing equity shares for listing at NYSE/NASDAQ.

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) Regulation, 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' enables them to access information at their convenience. The Reports as well as quarterly, half yearly, annual financial statements, releases, notice of board meeting and general meetings, code of conduct and policies are available in downloadable format as a measure of added convenience to the investors.

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 i.e. www.smcindiaonline.com.

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.

GENERAL SHAREHOLDER INFORMATION

a.	Annual General Meeting	
	Day & Date	: Saturday, July 21, 2018
	Time	: 11:00 A.M.
	Venue	: Urdu Ghar" 212, Rouse Avenue, Deen Dayal Upadhyaya Marg New Delhi-110002
b.	Financial Year	: April 1, 2017 to March 31, 2018
c.	Date of Book Closure	: July 10, 2018 to July 11, 2018
d.	Dividend Payment Date	: The Board has declared a Interim Dividend during the Financial Year 2017-18 @ 24% (₹0.48/- Per Equity Share of ₹ 2/- each) and made the payment on August 28, 2017 and has recommended the Final Dividend for FY 2017-18 @ 24% (₹ 0.48/- Per Equity Share of ₹ 2/- each) and payout within 30 days but not later than August 20, 2018 (subject to approval of members).
e.	Listing of Equity Shares on Stock Exchanges in India at	: The Calcutta Stock Exchange Ltd.(CSE) 7, Lyons Range, Kolkata, West Bengal- 700001
f.	Stock Codes	: CSE 2918610029186
g.	ISIN for Equity Shares	: INE103C01036
h.	Listing Fees	: Paid for the FY 2018-19
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 in our scrip due to non availability of trading platform, where the equity shares of our Company are listed.
k.	Performance in comparison to of broad-based indices	: No trading has been observed in our scrip, where the equity shares of our Company are listed. So performance comparison not possible.

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: 91-11-41410592,93,94 Fax: 91-11-41410591 E-mail: delhi@linkintime.co.in Web: www.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 as shares and liquidity	: 88.81% shares of the company have been in dematerialized form on March 31, 2018
p.	Shareholding Pattern	: Promoters 58.62% and Non Promoters 41.38 % as on March 31, 2018

OTHER DISCLOSURES

- **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, and 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 3 (three) years. No penalties and strictures 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.

- **Criteria of making payment to Non-Executive Directors:**

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 and also posted on website of the Company at <http://smcindiaonline.com/investors/>.

Further no shares, pecuniary relationship and convertible instruments held by the Non-Executive Directors of the Company.

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

The Company has complied with the mandatory requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Board has adopted the non-mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 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://smcindiaonline.com/wp-content/uploads/2018/04/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.

FINAL DIVIDEND

During the period under review the company has declared the Final Dividend of 24% (i.e. ₹ 0.48/- per Equity Share of ₹ 2/- each) amounting to ₹ 5,43,04,536/- out of the profits of the company for the Financial Year 2017-18 to all the equity shareholders of the company whose names appeared on the Register of Members of the Company on July 9, 2018.

POLICIES

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

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) Regulations, 2015.

The Concerned policy in this regard is also published in company's website via http://smcindiaonline.com/wp-content/uploads/2018/03/Preservation_of_Documents_and_Archival_Policy.pdf.

- **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) Regulations, 2015 and also posted on website of the Company i.e. http://www.smcindiaonline.com/wp-content/uploads/2018/03/Preservation_of_Documents_and_Archival_Policy.pdf

- **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 on company's website i.e. <http://smcindiaonline.com/wp-content/uploads/2018/05/PMLA-POLICY.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. Neha Sharma (Member)
4. Mr. Vinod K. Jamar (Member)
5. Mr. Ashok Aggarwal (Member)

During the FY 2017-18 no complaints of sexual harassment has been received by the Company.

- **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 Paper or by E-Voting.

- **POSTAL BALLOT:**

1 (One) resolution had been passed through Postal Ballot during the Financial Year 2017-18.

- **DISCLOSURES:**

The company has Complied with the provision of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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, 2018:**By Size**

Shareholding of Shares (Range)	Number of Shareholders	Shareholders (In %)	Total shares for the range	Issued capital (In %)
1-500	332	23.38	43240	0.04
501 - 1000	545	38.38	540201	0.48
1,001 - 2,000	233	16.41	452880	0.40
2,001 - 3,000	45	3.17	128094	0.11
3,001 - 4,000	30	2.11	118460	0.10
4,001 - 5,000	43	3.03	211405	0.19
5,001 - 10,000	68	4.79	540850	0.48
10,001 & above	124	8.73	111099320	98.20
TOTAL	1420	100	113134450	100

By Category

Category	No. of shares	Equity (in %)
Promoters & Promoters Group	6,63,23,340	58.62
NRI and Foreign Body Corporate	2,41,96,625	21.39
Corporate Bodies (other than Promoters)	1,63,26,635	14.43
Indian Public and Others	62,87,850	5.56
Total	11,31,34,450	100

DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on March 31, 2018 a total of 10,04,70,230 Equity Shares of the Company representing 88.81% of total Equity Share Capital was held in dematerialized form.

The bifurcation of shares held in Physical and Demat form as on March 31, 2018 is as under:

Status of Dematerialization	No. of Equity shares	% of total shares
Shares held in NSDL	1,66,16,714	14.69
Shares held in CDSL	8,38,53,516	74.12
Shares held in physical Form	1,26,64,220	11.19
Total	11,31,34,450	100

COMPLIANCE WITH THE MANDATORY REQUIREMENTS OF THE LISTING REGULATIONS

The Company has complied with all the mandatory requirements of the Code of Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (l) of sub regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It has obtained a certificate affirming the compliance from R. Gopal & Associates, Chartered Accountants; the Company's Statutory Auditor's and same is attached to the Report.

ANNEXURE - 1**Nomination & Remuneration Policy****NOMINATION, REMUNERATION & EVALUATION POLICY OF SMC GLOBAL SECURITIES LIMITED****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 Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015, 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 23.01.2015.

B. OBJECTIVE

The policy is framed with the objective(s):

- 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.
- That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- 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.
- 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.

- 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.
- 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.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 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:

- 'Act' means Companies Act, 2013 and rules there under.
- 'Board of Directors' or 'Board', in relation to the Company, means the collective body of the directors of the Company.
- 'Committee' means Nomination, Remuneration & Evaluation Committee of the Company as constituted or reconstituted by the Board.
- Company means SMC Global Securities Limited.
- 'Directors' means Directors of the Company.
- 'Independent Director' means a director referred to in Section 149(6) of the Companies Act, 2013.
- 'Key Managerial Personnel' (KMP) means:
 - Chief Executive Officer and / or Managing Director
 - Whole-time Director
 - Chief Financial Officer
 - Company Secretary
 - Such other officer as may be prescribed
- 'Ministry' means the Ministry of Corporate Affairs.

9. 'Regulations' refers to and comprise 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 all 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 Regulations 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
- Roop C. Jindal, Non-Executive & Independent Director
- Kundan M. 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 Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015 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 thereunder 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 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 atleast 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 upto 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 upto 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 REGULATIONS	PROVISIONS
Section 178 read with Companies (meeting of Board and Its Powers) Rules, 2014	The nomination and remuneration committee shall carry out evaluation of every director's performance.
Section 134 read with Companies (Accounts) Rules, 2014 Section 149 read with Schedule IV of Companies Act, 2013	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. 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 independent director.
Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015	<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 the 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	Did 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 gave 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 comply 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 has a transparent & adequate mechanism to resolve/address the grievances of the Shareholders.
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 took decisions on penetration & diversification in view of expansion of its business.
8	Whether the Board acted and took 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 followed the ethical standards.
10	Whether the Board used the resources of the Company for maximization of wealth.

3. Performance Evaluation of Executive & Non-Executive Directors (Not Independent Director):

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 and monitored the report of Company's performance
7	Whether he/she was 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 gave sufficient attention to and ensured on the approval of related party transactions in the best interest of the Company.
10	Whether he/she ascertained that the policies of the Company and its implementation are adequate, proper and have complied with the 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 meeting is sufficient to discharge its duties properly.
4	Whether the recommendation made by the Committee are 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 Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015 and the Companies Act, 2013 and rules and regulations made there under as amended from time to time.

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

TO
THE BOARD OF DIRECTORS
SMC GLOBAL SECURITIES LIMITED

We Ajay Garg, Director & Chief Executive Officer and Vinod K. Jamar, Group 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 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 Management Personnel have affirmed compliance with the Code of Conduct for the year covered by this report.

For SMC Global Securities Ltd.
Sd/-
Ajay Garg
(Director & Chief Executive Officer)

Date: May 14, 2018
Place: Kolkata

For SMC Global Securities Ltd.
Sd/-
Vinod K. Jamar
(Group Chief Financial Officer)

Date: May 14, 2018
Place: Kolkata

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
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, 2018**, 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 **March 31, 2018**.

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 14, 2018
Place: Kolkata

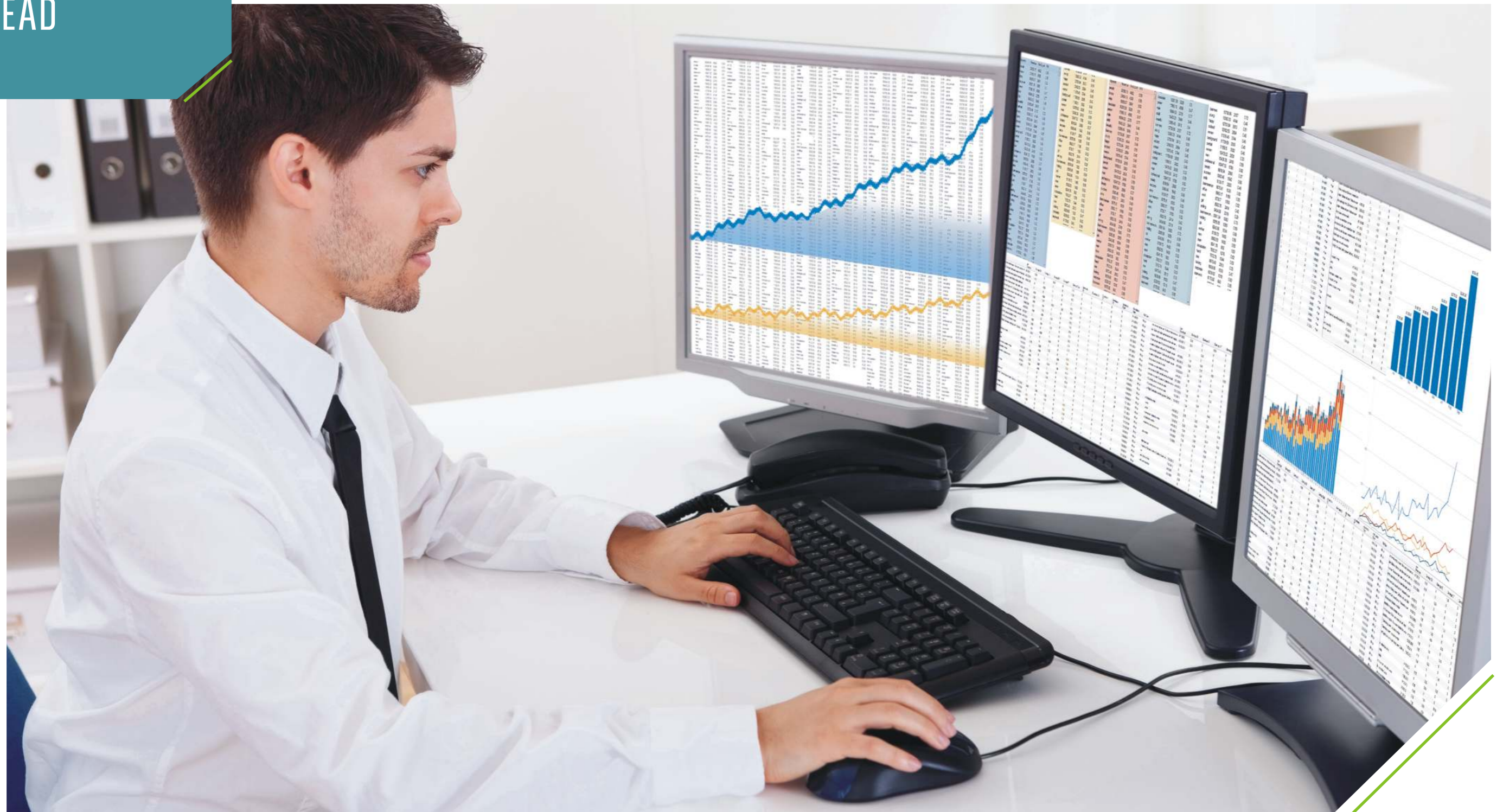
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MANAGEMENT DISCUSSION AND ANALYSIS REPORT



Board Meeting of SMC Global Securities Limited, dated May 14, 2018 at Kolkata Office.

1. OVERVIEW & OUTLOOK

1.1 World and Indian Economy

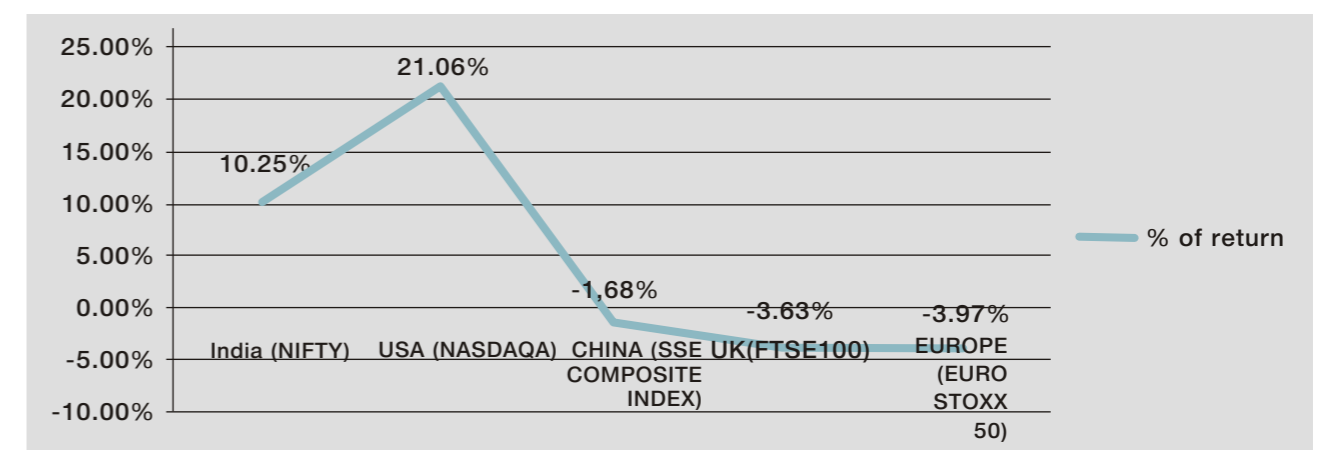
In 2017 world economies are growing at the fastest rate of 3.8%, since 2011. Although during late months of FY 2017-18 global economies have suffered a bit on account of monetary policy normalisation in the US, fears of trade war between US and China and political un-stability in the specific regions. Despite all hurdles the world economies are expected to grow at 3.9% as per the latest IMF report on account of strong momentum, favorable market sentiment, and accommodative financial conditions. India being world's fastest growing economy grew at 7.4% p.a. during the fiscal year 2017-18 and is expected to grow at 7.4% and 7.7% in FY 2018-19 and FY 2019-20 respectively as per the RBI monetary policy which is very conservative as compared to IMF projection of 7.8% for FY 2018-19. In the Fiscal year 2017-18 India has become world 6th largest economy with GDP of \$2.61 trillion, leaving France behind at \$2.58 trillion and is expected to become the 5th largest economy in Fiscal year 2018-19 by beating UK. As headwinds from the global financial crisis subside, policymakers have more scope to tackle longer-term issues that hold back sustainable development. In the continuous endeavor toward the economic and

social reforms Mr. Narendra Modi led Government of India has put continuous efforts to improve the business environment, to ease inflows of foreign direct investment (FDI), and to improve the credit behavior through the introduction and strengthening of an insolvency and bankruptcy framework. These reforms have been complemented by measures to widen access to financial services, promote digital payment systems, and the implementation of the historic GST Act. GST collection in April 2018 crossed a historical figure of ₹1 Lakh Crore. Though the Indian growth forecast for FY 2018-19 is robust, one has to be very skeptical at the global economic growth, global crude prices, inflation rate and fiscal slippage. Considering the current economic scenario and the willingness of the government to adopt reforms, the growth projections seem to be much achievable.

1.2 Capital market

Indian capital market showed a steep growth in FY 2017-18, with the Indian benchmark index NIFTY closing at above 10 thousand mark on March 31, 2018 from 9 thousand mark on March 31, 2017 after touching a high of over 11 thousand mark giving a return of over 10%. NIFTY clearly outperformed in FY 2017-18 after US index NASDAQ.

Chart 1.2.a Comparison of different market index return



In FY 2017-18 around 38 companies raised over ₹ 1,77,000 crores through initial public offer in the equity market as compared to ₹ 51,000 crores in FY 2016-17. The Indian government has exceeded the disinvestment target and collected ₹ 1,00,000 crores in the FY 2017-18. In FY 2017-18, eight issues raised around ₹ 5,000 crores in the bond market, lower than 16 issues raising around ₹ 30 thousand crores in FY 2016-17. Although the Foreign portfolio investment (FPI) in stock markets more than halved to around ₹ 26 thousand crores in FY 2017-18 as compared to around ₹ 56 thousand crores in FY 2016-2017, the volume in equity market marked a tremendous growth of 22% in NSE at ₹ 61.7 lakhs crores in FY 2017-18 from ₹ 50.5 lakhs crores in previous year. The financial year ended with a high volatility on account of the Capital gain tax introduced by finance minister in Budget 2018, trade war between US and China, High valuations and Banking frauds.

There is optimism that the market will continue to move higher, with the earning expectations turning into reality, backed by an improvement in capacity utilization, pick up in credit cycle and the government's continued thrust towards growth. Given the expectations of a normal monsoon and the fact that rural spending and rural economy is moving up, this too will support the economy. The recent RBI's decision to withdraw a restriction that limited foreign investors to invest only in government and corporate bonds with tenures of three years or more will continue to support the sentiments of the market and is expected to give a fillip to the domestic bond market and can help soften yields to some extent from their currently-elevated levels. However, one cannot deny the fact that global risks, emanating from geopolitical tensions, volatile oil prices, and domestic risks like state election results and government's execution of various reforms could also impact the

markets.

2. SMC- A LEADING FINANCIAL SERVICES GROUP

With over 25 years of expertise, SMC Global Securities Ltd. (SMC), is a well-diversified financial services group, offering wide range of services, namely:

- 2.1 **Trading & Distribution** comprising of Broking & Commission Business of Equity, Commodity, Currency, Insurance Broking, Real Estate advisory, Depository and clearing services (trading members), Distribution of Financial Products, Trading and Arbitrage Business & Treasury.
- 2.2 **Financing** comprising of Loan against Shares, Loan against Property, Receivable Financing, IPO and NCD financing (Retail and HNI), Housing application finance to retail and corporate clients, medical equipment financing, corporate funding, personal loan etc.
- 2.3 **Advisory Business** comprising of Investment Banking, Wealth Management and Research Services.

The Company's growth has been powered by strategic vision, strong belief and adherence to its core values and guiding principles, ability to attract and retain talent, strong focus on technology, corporate governance and risk management. SMC has been recognised at national platforms by various bodies and during FY 2017-18, SMC won the following awards:

- Best Performing Retail Broking House of North India 2017 - NSE
- Best Broker with in-house Research in Bullion

Industry 2017 - ASSOCHAM

- Krishi Pragati Award 2017 - NCDEX
- NBFC of the Year for Northern Region 2017 - ASSOCHAM
- Commodity Broker of the Year 2017 - ASSOCHAM
- Fastest Growing Commercial NBFC 2018 - NBFC 100 Tech Summit

The diversified business of SMC is being conducted through an organizational structure consisting of nine Subsidiaries, one Joint Venture and three steps down Subsidiary companies, including one from Dubai (U.A.E.) and another from 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. Through a strong network of approx. 2,500 authorized persons and sub brokers, SMC footprints cover nearly over 500 cities across India. The SMC group employs around 3,000 employees (as on March 31, 2018), leveraging a strong partnership and ownership culture. Our equity shares are currently listed in India on the Calcutta Stock Exchange (CSE), which is a regional stock exchange.

2.4 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 3.a: Statement of Profit and Loss-Consolidated

(₹ in lakhs)

Particulars	FY 2017-18	% to Total Revenue	FY 2016-17	% to Total Revenue	%Increase/ (Decrease)
Total Revenue	65,781	100.00	53,388	100.00	23.21
Total Expenditure	56,713	86.22	46,543	87.18	21.85
Profit before extraordinary items and tax	9,068	13.78	6,845	12.82	32.47
Extraordinary items (net)	1,394	2.12	-	-	-
Profit before tax	7,673	11.67	6,845	12.82	12.10
Less: Tax expense	2,583	3.93	2,340	4.38	10.36
Profit After Tax (PAT) Before Minority Interest	5,091	7.74	4,505	8.44	13
Share of Minority Interest in Profit (Loss)	-161	-0.24	-78	-0.15	107.05
Net Profit After Tax, Minority Interest	5,252	7.98	4,583	8.58	14.60
Net Profit After Tax, Minority Interest but before Extraordinary items	6,164	9.37	4,583	8.58	34.50
Earnings per Share (Basic) in ₹ before extraordinary items	5.45		4.05		
Earnings per Share (Basic) in ₹ after extraordinary items	4.64		4.05		

Table 3.b: Statement of Profit and Loss - Standalone SMC Global Securities Limited

(₹ in lakhs)

PARTICULARS	FY 2017-18	% to Total Revenue	FY 2016-17	% to Total Revenue	%Increase/ (Decrease)
REVENUE					
Total Revenue	41,540	100.00	35,911	100.00	15.67
Total Expenditure	36,053	86.79	31,460	87.60	14.60
Profit before extraordinary items and tax	5,487	13.21	4,451	12.40	23.26
Extraordinary items (net)	359	0.87	-		
Profit before tax	5,127	12.34	4,451	12.40	15.18
Less: Tax expense	1,460	3.52	1,518	4.23	-3.79
Profit After Tax (PAT)	3,667	8.83	2,934	8.17	25.00
Earnings per Share (Basic) (in ₹)	3.24		2.59		

3.1 Segment wise Performance

SMC's revenue from operations largely comprises of income from equity, commodity and currency brokerage & trading, clearing services, income from depository business, income from distribution of

third-party financial products, income from insurance brokerage & real estate advisory, Financing, capital market operations, etc. A comparison of the segment wise revenue and profit before tax in FY 2017-18 and FY 2016-17 is tabulated below:

Table 3.c : Segment-wise performance-Consolidated

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Segment Revenue		
(1) Trading and distribution	56,394	46,518
(2) Advisory services	3,273	4,287
(3) Financing activities	8,247	4,345
Total	67,914	55,150
Less: Inter Segment Revenue	2,133	1,762
Total Revenue	65,781	53,388
Segment Profit/(Loss) before tax		
(1) Trading and distribution	9,330	7,371
(2) Advisory services	-1318	-280
(3) Financing activities	5,670	2,599
Total	13,682	9,690
Less: Interest	4,615	2,845
Less: Extraordinary item	1,394	-
Total Profit/(Loss) Before Tax	7,673	6,845

Table 3.d Performance-Key Subsidiaries- Standalone (for the year ended March 31, 2018) (₹ in lakhs)

Company Name	Revenue from Operations	Profit before Tax	Profit after Tax
Moneywise Financial Services Private Limited	8,100	4,339	3,028
SMC Insurance Brokers Private Limited	10,538	973	740
SMC Investments and Advisors Limited	1,678	609	516

3.2 BUSINESS PERFORMANCE HIGHLIGHTS

3.2.1 BROKING BUSINESS

EQUITY BROKING

SMC's market share was approximately 3.83 % (PY 4.57 %) of total turnover of NSE & BSE in FY 2017-18. It has been successful in generating a combined turnover of approx. ₹ 66.31 lakhs crores (PY ₹ 45.86 lakhs crores) higher by 44.59% as compared to previous year.

CURRENCY BROKING

SMC's market share in currency segment was 10.06 % (PY 12.18 %) of total turnover of NSE, BSE and MSEI in FY 2017-18. SMC clocked combined volume of ₹10.39 lakhs crores (PY ₹ 10.68 lakhs crores) lower by 2.72% as compared to previous year.

COMMODITY BROKING

During FY 2017-18, SMC's market share was 3.15 % (PY 3.53 %) of total turnover of MCX, NCDEX, NMCE & ICEX. SMC clocked a combined volume of ₹ 1.90 Lakhs crores (PY ₹ 2.30 lakhs crores) lower by 17.39 % as compared to previous year.

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.

The Company has special arrangement with Honda Car India to sell insurance policies to Honda customers, under which we have sold approx 5,00,000+ policies in FY 2017-18 as against 4,77,000+ policies in last FY 2016-17. During the year under review, the total revenue stood at ₹10,538 lakhs as compared to ₹4,706 lakhs in previous years Profit after tax stood at ₹740 lakhs in FY 2017-18 as compared to ₹ 451 lakhs in previous year showing a growth of 64.15% year on year.

3.2.2 CLEARING SERVICES

SMC offers clearing and settlement services to over 290 trading members in the following exchanges:

- Equity Derivatives: NSE, BSE, MSEI, INX & NSE IFSC.
- Currency Derivatives: NSE, BSE, MSEI INX & NSE-IFSC.
- Commodity Derivatives: MCX, NCDEX, NMCE, ICEX, DGXINX & NSE-IFSC

SMC is one of the leading clearing services provider on Pan-India basis.

3.2.3 FINANCIAL PRODUCTS DISTRIBUTION

SMC offers distribution services of IPOs, Mutual Funds, other public issues, Corporate Fixed Deposits and Bonds through its network of branches and channel partners across India. Our initiatives have been quite successful and we are/have:

- Consistently ranked among top 10 mobilizers in IPO segment in the retail category.
- Developed vast network of channel partners for distribution of third party products.
- Built a cumulative Asset under Management (AUM) of more than ₹ 3,000 crores (PY ₹ 2,800 crores) and having over 3.49 lakhs (PY 3.08 lakhs) Folios in Mutual Fund segment as on March 31, 2018.

3.2.4 INVESTMENT BANKING

SMC Capitals Limited, the investment banking arm of the SMC Group, is category 1 merchant banker registered with SEBI. SMC Capitals is led by professionals having collective experience of more than 75 years in this business. We provide services in the areas of Equity Capital Market, M&A advisory, Private Equity and Debt Syndication.

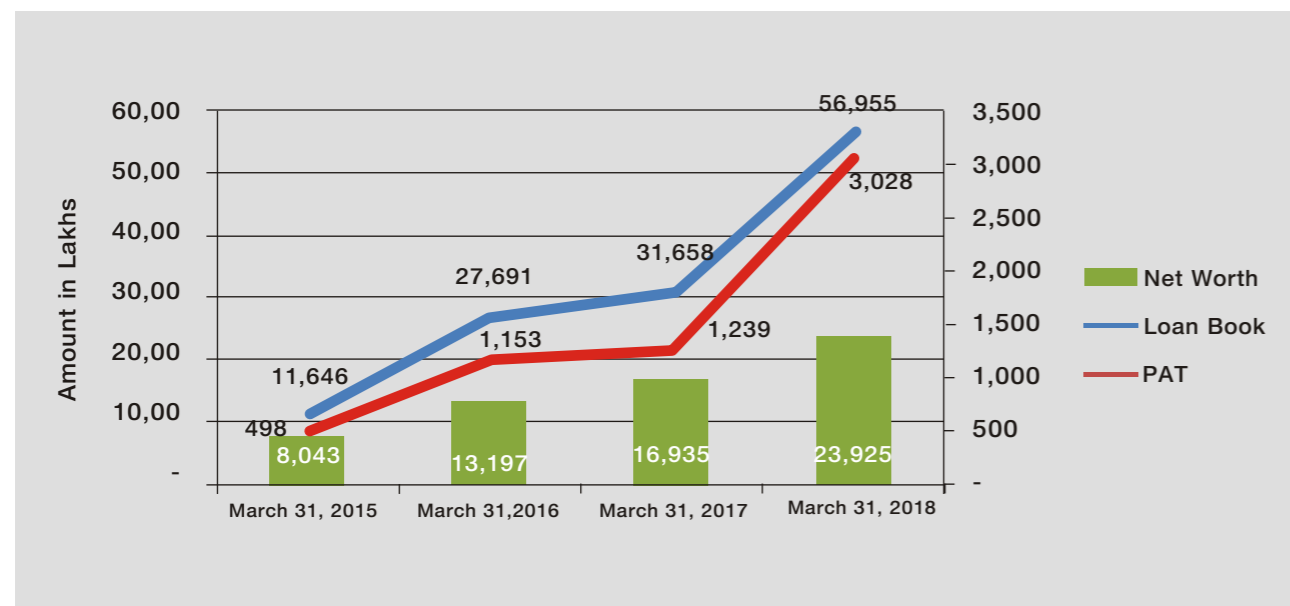
SMC Capitals acted as the Manager to the Delisting Offer of a listed entity and also provided valuation services to number of corporates during the year. On the advisory side we continue to engage with various corporates for providing advisory services on acquisitions, divestments, joint ventures, IPO preparation, fund raising and corporate restructuring. Recently, we were Book running lead manager in the issue of BSE (Bombay Stock Exchange).

3.2.5 FINANCING BUSINESS

The Company's subsidiary Moneywise Financial Services Private Limited (Moneywise) is ICRA rated A-(stable) and registered with RBI as non-deposit taking non-banking finance company (NBFC) having client base of 12000+ across India, offering wide spectrum of financial products like LAS, LAP, IPO,

Equipment, Receivable, Housing Application Financing etc to retail & corporate clients. Moneywise is leveraging Group's Pan - India network of branches and associates.

Since 2015, Moneywise has demonstrated loan book growth at CAGR of 98% p.a. and revenue growth at CAGR of 147% p.a. with ROAE 14.11% (FY 2017-18), strong asset quality having NNPA<1% and a comfortable CAR of 41.66% (as on March 31, 2018) due to strong focus on Controlled OpEx, low borrowing cost by using diversified funding mix from top bank/FIs & addressing the credit needs of MSME, retail & corporate clients. We have expanded our business keeping the sceptical eye on the inherent risk of the business. Below chart shows the growth in our financing business.



3.2.6 WEALTH MANAGEMENT

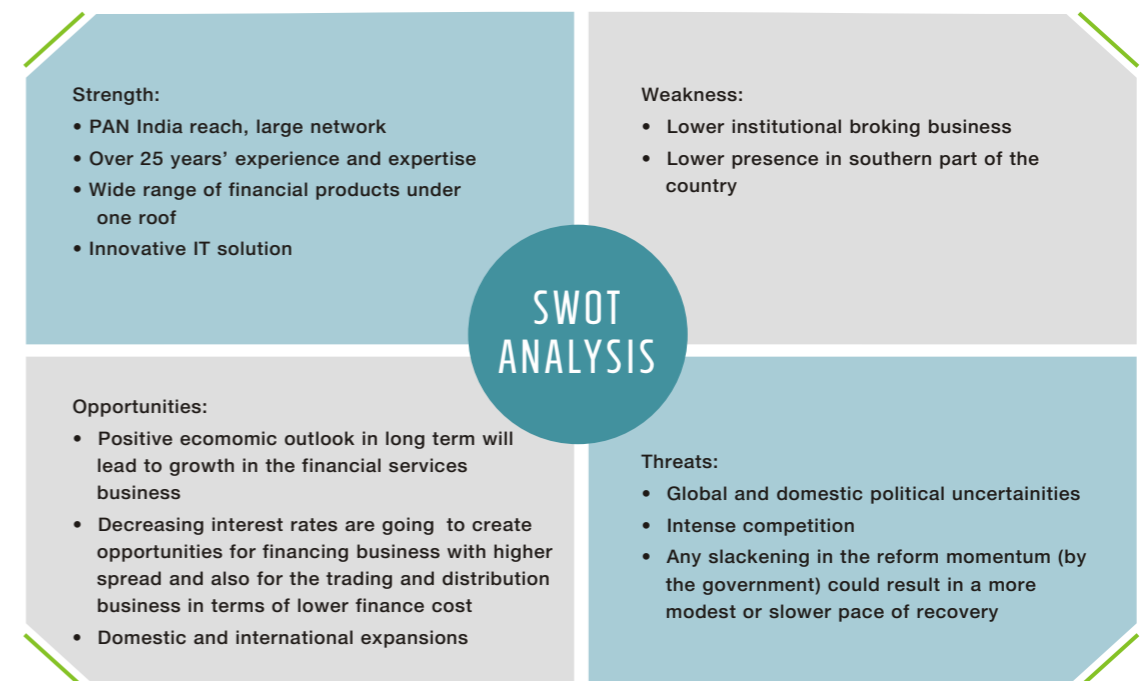
SMC Investments and Advisors Ltd. is wholly owned subsidiary of SMC Global Securities Ltd. and offers Financial Planning and Wealth Management solutions to HNI clients through a host of in-house and third party products. SMC Investments is SEBI registered Portfolio Manager and AMFI registered distributor for various Mutual Funds. SMC Investments' robust business model helps it to constantly manage, preserve and grow the wealth of its clients. SMC's Investment, Advisory and Research professionals innovatively develop and closely monitor new investment ideas, trends and needs to cater multiple investment solutions to its high net worth clients. The company is also offering the loan facilitation and advisory to clients through tie ups with various Banks, NBFC's and other financial institutions since December, 2014 and recently in 2016-17 company started the business of offering the facilitation services to raise debt for SMEs & large

corporates. Currently, Company has tied up with 25 plus major banks and NBFCs to provide the loan advisory to clients. The Company has AUA/AUM of approx. ₹ 505 Crores (PY over ₹537 Crores) as on March 31, 2018.

3.2.7 REAL ESTATE ADVISORY

SMC Real Estate Advisors Pvt. Ltd. is a subsidiary of SMC Finvest Ltd, one of the wholly owned subsidiary of SMC Global Securities Limited. The Company is registered with Real Estate Regulatory Authority in 10 states as corporate real estate agent for providing Real Estate Services. Its core objective is to offer fully integrated Real Estate solutions best suited to the needs and requirements of our valued clients including Individuals, Corporates and other property owners and Developers across the country. The Company has already tied up with more than 175 developers of repute pan India with national as well as regional presence.

4. SWOT ANALYSIS



5. RISK MANAGEMENT

SMC has adequate Risk Management techniques and safeguards in place to ensure that major risks are properly assessed, analyzed and that 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 counterparties, the organization is exposed to numerous risks. These risks can be broadly classified as market risks, credit risks and operational risks. SMC risk teams constantly evaluate these risks & put necessary mitigation measures in place on near real time basis.

Market Risk

SMC actively participates in various asset classes such as equities, fixed income securities, commodities and foreign exchange markets. These asset classes experience volatility from time to time due to various 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 cushions overnight to meet unforeseen circumstances.

Credit Risk

In our broking business trade is open to the investor only when the investor deposits the margin as prescribed by the stock exchanges on different stock, so there is very limited credit risk.

In our financing business, 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 the 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 actions are being taken immediately. Enough importance is attached to compliance related issues in order to keep reputation risks at bay.

Apart from the above risks, management perceives others risks too like technology risk, compliance risk and human resource risk. SMC has put in place a strong management team and risk management committee with active involvement to set the overall strategic moves and it regularly reviews risks to ensure that it is commensurate with the appetite.

6. INTERNAL CONTROLS

SMC has adequate internal audit and control systems across all companies / business segments. Risk based internal audits, through external audit firms, are being conducted periodically to independently evaluate the 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 the Board, which is chaired by independent Directors Shri Satish Chandra Gupta (former Chairman and Managing Director of Punjab National Bank), and comprises of other members namely Shri Kundan Mal Agarwal (over 40 years of experience in audit, taxation and corporate matters), Shri Roop Chand Jindal (over 40 years of experience in auditing), Shri Naveen ND Gupta (President of the Institute of Chartered

Accountants of India) and Shri Hari Das Khunteta (having over 39 years of experience in Financial Management and corporate governance) for its effectiveness and timely reporting. The scope of internal audit covers all aspects of business including regular front-end and back-end operations and internal compliances. The internal control procedures include segregation of roles and responsibilities, independent confirmations, physical verifications and preventive checks on compliance risk. Every time, a compliance audit of earlier audit observations is conducted by external audit firms to assess the implementation status and improvements in Internal control systems.

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. The Audit Committee reviews the instances of fraud, if any, and takes appropriate action to strengthen the system and prevent such recurrence.

The Company employs specialized audit firms to carry out specific audit of some critical functions, such as half yearly internal audit of broking business mandated by SEBI/Exchanges, DP Process, Know Your Customer (KYC) verifications, demat transfers, pay-out verifications, systems audit, branches and sub brokers audit, PMS, mutual fund and alternative investment funds operation audit, credit audit, loan documentation audits, pre/post disbursement audit, end use verification audit and verification of related party transactions, among others.

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

6.1 INTERNAL FINANCIAL CONTROLS

As per the requirement of the Companies Act' 2013, the Board of Directors are required to lay down Internal Financial Controls to be followed by the company such Internal Financial controls must be adequate and operating effectively. As per the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India (ICAI), the respective Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining Internal Financial Controls.

The group assigned this task to an Independent professionally competent Chartered Accountants firm (hereinafter "consulting firm") for improving the existing Risk registers and designed and documented the Internal Financial Controls based on internal controls over Financial reporting criteria considering the essential components of the Internal controls stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by ICAI.

The consulting firm has already designed and documented the Internal Financial Controls for the holding Company, seven wholly owned subsidiaries and two step down subsidiaries incorporated in India in the form of Entity Level Controls, Process Narratives, Process Flow Charts and Risk and Control Matrix for all major processes and sub processes running across the subsidiaries and step down subsidiaries.

7. CORPORATE SOCIAL RESPONSIBILITY

The Company's Corporate Social Responsibility (CSR) Policy encompasses the Company's philosophy for delineating its responsibility as Corporate citizen and lays down the guidelines and

mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large in alignment with the vision of the company. The Company's CSR initiative strives to create and enhance value in the society and in the community in which it operates, through its services, conducts & initiatives, so as to promote sustained growth and development and welfare for the society and community at large, more specifically for the deprived and underprivileged persons. CSR activities identified are related to the activities included in the Companies Act 2013 (the Act) and the Companies (CSR Policy Rules) 2014 and exclude the activities undertaken in the normal course of business as well as exclude projects or programmes or activities that benefit only the employees of the Company and their families.

SMC is required to spend 2.0% of its average net profits during three immediately preceding financial years on corporate social responsibility activities as required by the Companies Act, 2013. We have a corporate social responsibility committee comprising of Shri Subhash C. Aggarwal (Chairman), Shri Mahesh C. Gupta (Vice Chairman), Shri Satish Chandra Gupta (Independent Director) and Shri Kundan M. Agarwal (Independent Director). Our corporate social responsibility committee oversees corporate social initiatives undertaken by our company. During the FY 2017-18, the group has spent ₹ 104.25 lakhs (PY ₹43.46 lakhs) on CSR activities.

8. Financial Reporting

The country is gearing up for the International financial reporting standards in the form of Ind AS and the same

shall be applicable to Stock brokers, NBFCs from the year beginning on or after April 1, 2018. We are also in the process of transition to Ind AS. Major changes in the current financials will include the fair valuation of assets and liabilities, Expected Credit Loss (ECL) model for impairment of financial assets and the classification of various assets and liabilities in to financial assets and liabilities.

9. HUMAN RESOURCES

At SMC we believe that "company grows when its people grow". SMC offers every employee a very congenial & vibrant working environment conducive to bringing out the best in them. We enable, encourage and empower people to learn and 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. Competitive incentive plans were laid down for the sales team for better productivity.

Technology, Training and Development

We have an internal Human Resource Information System called ADVANCE MITR (My Information & Technology Resource) wherein all HR related needs of the employees are integrated. We continued the 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.

Employee welfare

As a part of employee welfare initiatives, SMC has been consistently making lot of efforts to train the employees on various behavioural, product and technical aspects. Apart from Induction training, various in-house training modules were prepared and delivered by the HR team to the employees to enhance their competencies and skills. At SMC we believe in employee satisfaction; in our continuous endeavour toward the same we have taken many steps which include organising picnics and various cultural events at SMC campus.

Focus on enhancing employee engagement

On the front of employee engagement and employee connect to management, lot of motivational activities were planned for the employees throughout the year. We have R&R division in HR to undertake the same. Various donation & health camps such as blood donation, newspaper fancy dress competition were undertaken. Fitness exercise during working hours is also being done on regular basis to keep a tab on employees' health. 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 is around 3,000 as on March 31, 2018.

10. THE WAY FORWARD

Indian economy is poised for fastest growth in the world, benefits of which eventually will trickle down to common man. Such positive environment will help in consistent and robust growth to our company in Broking (Equity, Commodity, Currency) Insurance, Distribution and Financing verticals. We expect faster growth in financing vertical led by a strong base which we have created during last 2 years. Similarly our broking vertical is poised for good growth due to technological advancement, PAN India presence and experienced manpower. The experienced board and dedicated team will further add to the growth momentum in other verticals.

11. Disclaimer

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 realized. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. There are various factors like conditions in global financial markets, regulatory intervention, terrorist attacks and other acts of violence which may lead to situations unpredictable for anyone.

SMC COMEX

CONNECT TO
DGCX DUBAI
BY
SMC COMEX

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 ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF SMC GLOBAL SECURITIES LIMITED 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"), its jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2018, 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 and of jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for

safeguarding the assets of the Group and jointly controlled entity 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 consolidated 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. In 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. 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 and its jointly controlled entity as at 31st March, 2018, and its consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matters

- a. We did not audit the financial statements / financial information of nine subsidiaries, three step down subsidiaries and one Jointly controlled entity whose financial statements / financial information reflect total assets of ₹ 1,13,652.87 lakhs as at 31st March, 2018, total revenues of ₹ 26,385.09 lakhs and net cash outflow amounting to ₹ 2,001.59 lakhs 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, step down subsidiaries and Jointly controlled entity, 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, step down

subsidiaries and Jointly controlled entity , 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.

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, 2018 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, 2018 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group and jointly controlled entity 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 and jointly controlled entity 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 : 14th May, 2018

Place : Kolkata

Annexure - A to the Independent Auditors' 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 2018, 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.

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") 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 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 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 at 31st March 2018, 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 of the Holding company, insofar as it relates to eight subsidiaries and two step down subsidiaries which are companies incorporated in India, is based solely 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 : 14th May, 2018

Place : Kolkata

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2018

(Amount in ₹)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.01	22,62,68,900	22,62,68,900
Reserves and surplus	2.02	6,18,01,21,160	5,72,15,72,904
		6,40,63,90,060	5,94,78,41,804
Minority interest		1,52,02,355	3,14,07,164
Non-current liabilities			
Long-term borrowings	2.03	36,38,41,016	4,17,50,515
Long-term provisions	2.04	16,38,07,631	18,44,82,113
Other long-term liabilities	2.05	10,16,87,307	2,17,87,130
		62,93,35,954	24,80,19,758
Current liabilities			
Short-term borrowings	2.06	4,58,50,29,076	3,26,56,76,287
Trade payables	2.07	2,80,96,76,289	2,47,91,05,539
Other current liabilities	2.08	3,80,43,44,735	3,73,35,59,917
Short-term provisions	2.09	2,69,92,996	10,36,12,435
		11,22,60,43,096	9,58,19,54,178
TOTAL		18,27,69,71,465	15,80,92,22,904
ASSETS			
Non-current assets			
Property, plant and equipment	2.10	36,59,78,032	34,33,14,930
Intangible assets	2.10	3,41,03,007	7,58,30,509
Software WIP	2.10	-	3,00,000
Non-current investments	2.11	19,46,91,812	33,54,41,817
Deferred tax assets (net)	2.12	19,59,24,329	15,10,36,453
Long-term loans and advances	2.13	2,91,14,03,286	1,58,55,41,435
Trade receivables	2.14	8,89,66,954	10,63,30,742
		3,79,10,67,420	2,59,77,95,886
Current assets			
Current investments	2.11	12,89,26,067	55,39,76,541
Inventories	2.15	1,09,29,87,863	1,24,26,83,143
Trade receivables	2.16	4,78,99,62,659	4,27,12,71,332
Cash and bank balances	2.17	4,63,64,77,516	4,49,79,04,264
Short-term loans and advances	2.18	3,78,34,28,236	2,59,40,54,120
Other current assets	2.19	5,41,21,704	5,15,37,618
		14,48,59,04,045	13,21,14,27,018
TOTAL		18,27,69,71,465	15,80,92,22,904

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
(GROUP CFO)

sd/-
SUMAN KUMAR
(COMPANY SECRETARY)

PLACE : Kolkata
DATE : May 14, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2018

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue:			
Revenue from operations	2.20	6,47,91,53,348	5,21,60,14,282
Other income	2.21	9,89,09,730	12,27,61,300
Total revenue		6,57,80,63,078	5,33,87,75,582
Expenses:			
Exchange & other operating expenses	2.22	2,74,35,05,123	2,00,79,78,781
Employee benefits expense	2.23	1,36,24,62,574	1,29,83,98,897
Finance cost	2.24	46,14,21,775	28,45,01,405
Depreciation and amortization expense	2.25	8,68,10,556	7,35,96,712
Other expenses	2.26	1,01,70,83,534	98,97,92,517
Total expenses		5,67,12,83,562	4,65,42,68,312
Profit before extraordinary item and tax		90,67,79,516	68,45,07,270
Extraordinary item	2.28	13,94,38,879	-
Profit before tax		76,73,40,637	68,45,07,270
Tax expenses:			
Current tax		32,54,60,721	24,67,82,115
Deferred tax		(4,48,87,877)	(86,02,189)
MAT credit entitlement		(1,99,77,867)	(57,18,374)
Prior period tax/adjustments		(23,23,341)	15,55,109
Profit after tax for the year (before adjustment for minority interest)		50,90,69,001	45,04,90,609
Less: Share of (loss)/profit transferred to Minority Interest		(1,61,13,444)	(77,82,444)
Profit after tax for the year (after adjustment for minority interest)		52,51,82,445	45,82,73,053
Profit after tax for the year (after adjustment for minority interest but before extraordinary item (net of tax))		61,63,64,317	45,82,73,053
Earnings per equity share of ₹ 2/- each	2.34		
Before extraordinary item			
- Basic & Diluted		5.45	4.05
After extraordinary item			
- -Basic & Diluted		4.64	4.05
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
(GROUP CFO)

sd/-
SUMAN KUMAR
(COMPANY SECRETARY)

PLACE : Kolkata
DATE : May 14, 2018

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2018

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
A Cash flow from operational activities		
Profit before tax	76,73,40,637	68,45,07,270
Adjusted for:		
Provision for doubtful debts / advances	6,80,92,835	9,23,52,224
Provision for non performing assets	1,18,55,786	2,35,47,438
Provision for standard assets	1,10,80,187	32,31,267
Provision for impairment of property, plant and equipment	45,00,000	-
Provision for diminution in value of investment	(30,00,000)	1,90,00,000
Depreciation & amortization expenses	8,68,10,556	7,35,96,712
Interest expenses	41,51,64,843	24,89,33,035
Income from investment in PMS (net)	(1,25,78,094)	(1,94,08,687)
(Profit) on sale of investment	(4,08,30,381)	(1,25,81,110)
Loss on sale of property, plant and equipment and intangible assets	3,63,04,779	7,30,410
Interest income	(2,22,13,971)	(3,29,01,721)
Dividend income	(23,91,242)	(34,63,832)
	55,27,95,298	39,30,35,736
Operating profit before working capital changes*	1,32,01,35,935	1,07,75,43,006
*(refer Note No. 2 below of cash flow statement)		
Increase / (Decrease) in liabilities and provisions	43,39,89,549	36,02,51,845
(Increase) / Decrease in trade receivables	(56,94,20,297)	(1,09,01,49,032)
(Increase) / Decrease in inventories	14,96,95,280	94,78,16,840
(Increase) / Decrease in loans & advances and other assets	(2,44,91,20,739)	(29,28,98,759)
(Increase) / Decrease in bank term deposit	(67,78,19,578)	(85,37,33,789)
	(3,11,26,75,785)	(92,87,12,895)
Cash generated from operations	(1,79,25,39,850)	14,88,30,111
Direct taxes paid (net of refunds)	(38,56,04,748)	(23,03,40,459)
Net cash (used in) operating activities	(2,17,81,44,598)	(8,15,10,348)
B Cash flow from investing activities		
(Purchase) of property, plant and equipment	(12,30,21,095)	(28,83,66,192)
Sale of property, plant and equipment	1,92,70,160	30,31,046
(Purchase) of non current / current investments	(73,94,92,321)	2,09,48,31,568)
Sale of non current / current investments	1,36,17,01,277	1,66,04,07,151
Interest income	2,22,13,971	3,06,42,725
Dividend income	23,76,592	34,63,832
Capital reserve on consolidation	(10,35,000)	-
Net cash from / (used in) investing activities	54,20,13,584	(68,56,53,006)

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
C Cash flow from financing activities		
Interest paid	(41,31,31,879)	(24,92,50,904)
Proceeds from borrowings (net)	1,64,14,43,272	1,49,13,89,927
Interim/Final dividend paid and tax thereon	(13,13,35,340)	(9,80,39,270)
Net cash from financing activities	1,09,69,76,053	1,14,40,99,753
	(53,91,54,961)	37,69,36,399
Adjustment on account of change in minority interest	(91,365)	2,96,72,677
	(53,92,46,326)	40,66,09,076
Net Increase in cash and cash equivalents (A+B+C)	(53,92,46,326)	40,66,09,076
Cash and cash equivalent at the beginning of the year	1,27,60,23,550	86,94,14,474
Cash and cash equivalent at the end of the year	73,67,77,224	1,27,60,23,550
(refer Note No. 2.17)		

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.
- Operating profit before working capital changes ₹ 1,32,01,35,935/- is after extraordinary item ADR expense ₹ 13,94,38,879/-
- 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

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
(GROUP CFO)

sd/-
SUMAN KUMAR
(COMPANY SECRETARY)

PLACE : Kolkata
DATE : May 14, 2018

**SMC GLOBAL SECURITIES LIMITED
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

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 ("mSXI") 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 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 ("DGCC") 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 which is engaged in the business of portfolio management and wealth management & advisory services. On May 2, 2016, SMC Investments and Advisors Limited entered into a Memorandum of Understanding (MOU) with IM+ Capital Group to incorporate a Limited Liability Partnership namely SMC & IM Capitals Investment Manager LLP ("LLP") wherein both the entities will be equal business partners. The LLP was incorporated on June 30, 2016 and the required regulatory SEBI approval was obtained on October 18, 2016. Investment manager ("LLP") will be responsible for management of assets and schemes of trust, identifying and appraising investment opportunities, negotiating terms of investments and making investment decisions. The Company is also holding Company of SMC Capitals Limited, registered

as Category 1 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 on December 08, 2016 has also formed a wholly owned subsidiary named SMC Global IFSC Private Limited to carry out Equity and Commodity Broking in India International Exchange and NSE IFSC Exchange at GIFT City, Gandhinagar, Gujarat.

The Company offers a wide range of services to meet client's needs including brokerage services, clearing member 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, step down subsidiaries and joint venture (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 Private Limited.

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

Name Of Subsidiary	Country of Incorporation	As at March 31, 2018	As at March 31, 2017
Subsidiaries of SMC Global Securities Limited			
a) SMC Comtrade Limited	India	100%	100%*
b) SMC Investments and Advisors Limited	India	100%	100%
c) Moneywise Financial Services Private Limited	India	100%**	100%
d) SMC Capitals Limited	India	100%	100%
e) Indunia Realtech Limited	India	100%	100%
f) SMC Finvest Limited	India	100%	100%
g) Moneywise Finvest Limited	India	100%	100%
h) SMC Global USA Inc.	USA	50%	50% [§]
i) SMC Global IFSC Private Limited	India	100%	100% [^]
Subsidiaries of SMC Comtrade Limited			
j) SMC Insurance Brokers Private Limited	India	97.58%	97.58%
k) SMC Comex International DMCC	UAE	100%	100%
Subsidiary of SMC Finvest Limited			
l) SMC Real Estate Advisors Private Limited	India	100%	100%
Joint venture of SMC Investments and Advisors Limited			
m) SMC & IM Capitals Investment Manager LLP	India	50%	50%#

* directly holds 85% and balance 15% through wholly owned subsidiary SMC Finvest Limited

** directly holds 91.30% and balance 8.70% through wholly owned subsidiary SMC Finvest Limited

§ w.e.f 01/07/2016, ^ w.e.f 06/01/2017, # w.e.f 30/06/2016

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) The financial statements of the Company and its joint venture are combined on a proportionate 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.
- d) 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.
- e) The separate financial statements of the company, its subsidiaries, step-down subsidiaries and joint venture have been drawn for the period from April 1, 2017 to March 31, 2018 and have been consolidated on the basis of their audited financial statements.
- f) 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.
- g) 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.
- h) 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.
- i) 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. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (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/GST claimed thereon.

Additions to the property, plant and equipment (including intangible assets) have been accounted for on the date of installation and its use irrespective of date of invoice.

CAPITAL WORK IN PROGRESS

Capital work in progress comprises the cost of assets that are not yet ready for their intended use are carried at cost, comprising direct cost and related incidental expenses.

In case of foreign subsidiary:

Depreciation on property, plant and equipment has been provided on straight line basis as under:-

• SMC Comex International DMCC, UAE	:	Office Equipments	:	20 %
	:	Furniture & Fixtures	:	20 %
	:	Office Building	:	2%
• SMC Global USA Inc, USA	:	Computer Hardware	:	20 %

Intangible Assets:

Depreciation on intangible 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 being amortized over a period of seven years starting from 15-10-2016.

VI. DEPRECIATION/AMORTISATION

In case of the Company and its Indian Subsidiaries:

Depreciation on property, plant and equipment is computed on written down value method, except for one Indian Subsidiary namely SMC Capitals Limited, one Indian step down subsidiary SMC Insurance Brokers Private Limited, one foreign step down subsidiary SMC Comex International DMCC 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.

VII. INVESTMENTS

Investments are classified into non-current investments and current investments based on the 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. Income from broking in real estate is recognized when right to receive is established, as per the terms with developers / builders and confirmation to raise invoice is received.

- 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) Income from distribution of financial products is recognized on accrual basis.
- g) Depository income is accounted for on accrual basis.
- h) Revenue from management & advisory services is accounted for when the rendering of service under a contract is completed or substantially completed.
- i) Loan processing fees is recognized when due.
- j) 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.
- k) Interest on delay payment and margin trading has been accounted as other operating income on accrual basis.

- l) Dividend is accounted for as income when the right to receive dividend is established.

- m) In respect of other heads of income, companies follow the practice of recognizing income on accrual basis.

- n) 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 holding company, exchange difference on loan receivable in foreign currency has been adjusted against specific reserve created for the purpose. Also refer to Accounting Policy III (h).

XI. EMPLOYEE BENEFITS

- a) Provident Fund is a defined contribution scheme and the contributions as 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. 'k' of accounting policy II where the liability for Gratuity is being accounted on estimated basis and for subsidiaries listed at serial no. 'e, g, h, i & m' of accounting policy II where the liability for gratuity is being accounted on payment basis wherever required by the statute, since the number of employees are below prescribed limit.
- 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 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. 'k' 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, h, i & m' of accounting policy II where the liability for un-availed leave is being accounted on payment basis, as either there are no employees or no leave outstanding at year end.

XII. LEASES

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

XIII. 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 assets are recognized using the tax rates laid down by the law, that has been enacted or substantially enacted by the balance sheet date.

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. 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.

XVI. 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.

XVII. IMPAIRMENT OF ASSETS

Wherever events or changes in circumstances indicate that the carrying value of property, plant and equipment 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.

XVIII. 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.

XIX. RESERVE BANK OF INDIA PRUDENTIAL NORMS

Moneywise Financials Services Private Limited, 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.

XX. 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 March 31, 2018	As at March 31, 2017
a Authorised		
16,50,50,000 (Previous Year 16,50,50,000) equity shares of ₹ 2/- each	33,01,00,000 33,01,00,000	33,01,00,000 33,01,00,000
b Issued, subscribed & paid up		
11,31,34,450 (Previous Year 11,31,34,450) equity shares of ₹ 2/- each fully paid up	22,62,68,900 22,62,68,900	22,62,68,900 22,62,68,900
Total	22,62,68,900	22,62,68,900
c Reconciliation of number of equity shares outstanding		
Particulars	Number of Shares	Amount in ₹
As at March 31, 2018		
At the beginning of the year	11,31,34,450	22,62,68,900
Issued during the year	-	-
At the end of the year	11,31,34,450	22,62,68,900
As at March 31, 2017		
At the beginning of the year	11,31,34,450	22,62,68,900
Issued during the year	-	-
At the end of the year	11,31,34,450	22,62,68,900
d Shares held by shareholders holding more than 5% shares		
Name of shareholder	No. of Shares held	% of Holding
As at March 31, 2018		
ASM Pipes Pvt Ltd	1,86,67,140	16.50
Millennium Investment And Acquisition Co. Inc.	1,15,04,690	10.17
Mahesh C. Gupta	1,02,48,500	9.06
Subhash Chand Aggarwal	1,00,95,500	8.92
Sanlam International Investment Partners Ltd.	94,60,590	8.36
Signature Global (India) Pvt Limited	88,65,885	7.84
Hemlata Aggarwal	77,20,550	6.82
Sushma Gupta	75,66,550	6.69

NOTE NO. 2.01

SHARE CAPITAL

(Amount in ₹)

Particulars	No. of Shares held	% of Holding
As at March 31, 2017		
ASM Pipes Pvt Ltd	1,86,67,140	16.50
Millennium Investment And Acquisition Co. Inc.	1,22,04,690	10.79
Mahesh C. Gupta	1,02,48,500	9.06
Subhash Chand Aggarwal	1,00,95,500	8.92
Sanlam International Investment Partners Ltd.	94,60,590	8.36
Hemlata Aggarwal	77,20,550	6.82
Sushma Gupta	75,66,550	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 Board of Directors has proposed an equity dividend @ 24% i.e. ₹ 0.48 (P.Y. ₹ 0.48) per share for the financial year ending March 31, 2018 at their meeting held on dated May 14, 2018, which is subject to approval by the shareholders in the ensuing Annual General Meeting. The amount of per share dividend recognised as distribution to equity shareholders for Interim dividend is ₹ 0.48 (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 shareholders.

NOTE NO. 2.02**RESERVES & SURPLUS**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
a Securities premium reserve		
As at beginning and at the end of the year	3,44,48,90,890	3,44,48,90,890
Closing balance	3,44,48,90,890	3,44,48,90,890
b Capital reserve (on amalgamation)		
As at beginning and at the end of the year	10,41,02,620	10,41,02,620
Closing balance	10,41,02,620	10,41,02,620
c Capital reserve (on consolidation)		
Opening balance	3,51,14,300	3,51,14,300
Deletion during the year	(10,35,000)	-
Closing balance	3,40,79,300	3,51,14,300
d Capital reserve (on forfeiture)		
As at beginning and at the end of the year	12,39,98,200	12,39,98,200
Closing balance	12,39,98,200	12,39,98,200
e Foreign currency fluctuation reserve		
Opening balance	(2,74,00,069)	3,03,54,567
Addition during the year	3,76,489	(1,00,69,139)
Deletion during the year	-	(4,76,85,497)
Closing balance	(2,70,23,580)	(2,74,00,069)
f Statutory reserve (Reserve Fund u/s 45- IC of RBI Act 1934)		
Opening balance	6,83,73,964	4,36,01,975
Addition during the year	6,05,55,339	2,47,71,989
Closing balance	12,89,29,303	6,83,73,964
g General reserve		
Opening balance	71,12,97,127	68,12,97,127
Addition during the year	-	3,00,00,000
Closing balance	71,12,97,127	71,12,97,127
h Surplus		
Opening balance	1,26,11,95,872	97,20,74,234
Profit for the year	52,51,82,445	45,82,73,053
Amount available for appropriation	1,78,63,78,317	1,43,03,47,287
Less : Appropriations		
Transfer to general reserve	-	(3,00,00,000)
Transfer to statutory reserve	(6,05,55,339)	(2,47,71,989)
Interim dividend	(5,43,04,536)	(4,07,28,402)
Proposed dividend*	-	(5,43,04,536)
Tax on dividend	(1,16,71,142)	(1,93,46,488)
Closing balance	1,65,98,47,300	1,26,11,95,872
Total	6,18,01,21,160	5,72,15,72,904

The Board of Directors has proposed an equity dividend @ 24% i.e. ₹ 0.48 per share for the financial year ending March 31, 2018 at their meeting held on dated May 14, 2018, which is subject to approval by the shareholders in the ensuing Annual General Meeting.

In accordance with the revised Accounting Standard - 4 'Contingencies and Events occurring after the Balance Sheet Date', proposed dividend for distribution of profit in the current year's accounts ₹ 5,43,04,536 and Corporate Dividend Tax ₹ 1,14,96,811 thereon has not been recognized as a distribution of profit in the current year's accounts.

NOTE NO. 2.03**LONG TERM BORROWINGS**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Term loans (secured) *		
From banks	55,88,72,357	6,34,69,511
From others	-	6,05,721
Less: Current maturities disclosed under the head "other current liabilities" (refer Note No. 2.08)	(19,50,31,341)	(2,23,24,717)
	36,38,41,016	4,17,50,515
Total	36,38,41,016	4,17,50,515

* Secured against vehicles / specific book debts and / or personal guarantee of promoter directors, repayable in equated monthly instalments bearing interest @ 8.25% to 10.50% p.a.

NOTE NO. 2.04**LONG TERM PROVISIONS**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits		
Gratuity #	5,93,34,436	10,66,43,820
Leave encashment #	4,03,33,179	3,66,34,250
	9,96,67,615	14,32,78,070
Provision for non performing assets*	4,16,85,313	2,98,29,527
Provision for standard assets	2,24,54,703	1,13,74,516
Total	16,38,07,631	18,44,82,113

refer Note No. 2.09, 2.23 & 2.35

* refer Note No. 2.13

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

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Security deposits received	10,16,87,307	2,17,87,130
Total	10,16,87,307	2,17,87,130

NOTE NO. 2.06**SHORT TERM BORROWINGS**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Secured *		
Short term loan from NBFC	1,23,95,96,525	93,43,00,000
Short term loan from Banks	2,69,02,96,731	1,89,74,94,055
	3,92,98,93,256	2,83,17,94,055
Unsecured		
-from others	65,51,35,820	43,38,82,232
	65,51,35,820	43,38,82,232
Total	4,58,50,29,076	3,26,56,76,287

* Amount secured either against FDR / bonds / shares / commodities / book debts (on pari passu/specific basis) and / or personal guarantee of promoter directors.

NOTE NO. 2.07**TRADE PAYABLES**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
- Due to micro and small enterprises*	-	-
- Others	2,80,96,76,289	2,47,91,05,539
Total	2,80,96,76,289	2,47,91,05,539

* The group 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 group, 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 March 31, 2018 and March 31, 2017.

NOTE NO. 2.08**OTHER CURRENT LIABILITIES**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Margin received from clients	3,28,96,03,576	3,16,33,03,842
Book overdraft from banks	11,64,50,630	43,31,15,915
Current maturities of long term borrowings (Refer note no. 2.03)	19,50,31,341	2,23,24,717
Security & deposits received from clients	59,15,521	8,18,481
Employee benefits payable	5,55,60,410	4,94,00,556
Payable to statutory authorities	11,49,39,268	4,16,30,933
Interest accrued but not due	64,30,998	43,98,034
Payable to related party*	2,50,000	-
PMS payable	3,41,421	14,67,435
Unpaid dividend	19,93,910	1,38,444
Unearned income	1,78,27,660	1,69,61,560
Total	3,80,43,44,735	3,73,35,59,917

* refer Note No. 2.33

NOTE NO. 2.09**SHORT TERM PROVISIONS**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits		
Gratuity #	39,76,535	34,26,869
Leave encashment #	62,74,516	44,28,669
	1,02,51,051	78,55,538
Others		
For income tax (Net of Advance tax & TDS of ₹ 14,59,37,585 ; PY ₹20,13,59,379)	80,34,004	2,21,71,001
Provision for CSR	87,07,941	82,26,234
Proposed dividend*	-	5,43,04,536
Tax on dividend	-	1,10,55,126
	1,67,41,945	9,57,56,897
Total	2,69,92,996	10,36,12,435

refer Note No. 2.04, 2.23 & 2.35

* refer Note No. 2.02

NOTE NO. 2.10 PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS CARRYING VALUE			DEPRECIATION			NET CARRYING VALUE		
	As at April 1, 2017	Additions	Disposals	As at April 1, 2017	Charged for the year	On Disposals	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
PROPERTY, PLANT AND EQUIPMENT									
Office Building	20,20,06,006	4,29,31,451	-	2,45,22,903	1,10,44,853	-	3,55,67,756	20,89,69,701	17,74,83,103
Office Equipment	12,96,58,847	88,31,972	72,55,645	10,73,78,634	84,68,984	57,24,489	11,01,23,129	2,11,12,045	2,22,80,213
Furniture & Fixtures	21,37,18,405	1,20,79,732	85,90,550	14,70,06,214	1,96,11,305	69,86,937	15,96,30,582	5,75,77,005	6,67,12,191
Computer Hardware	28,36,96,195	3,88,37,772	87,89,117	23,72,32,516	2,78,16,476	82,45,578	25,68,03,414	5,69,41,436	4,64,63,679
Temporary Infrastructure	1,10,00,603	72,270	17,69,897	68,47,931	14,74,144	6,84,319	76,37,756	16,65,220	41,52,672
Vehicle	5,82,02,121	10,11,185	29,82,807	3,60,49,896	66,83,669	28,10,362	3,99,23,203	1,63,07,296	2,21,52,225
VSAT	3,68,22,236	-	-	3,27,51,389	10,65,518	-	3,38,16,907	30,05,329	40,70,847
Total (A)	93,51,04,413	10,37,64,382	2,93,88,016	59,17,89,483	7,61,64,949	2,44,51,685	64,35,02,747	36,59,78,032	34,33,14,930
INTANGIBLE ASSETS									
Computer Software	8,83,55,110	1,92,56,712	1,01,84,212	8,11,35,530	64,69,713	1,00,37,542	7,75,67,701	1,98,59,909	72,19,580
Trade Mark Logo	20,000	-	-	19,756	96	-	19,852	148	244
Goodwill	6,46,81,223	-	3,98,06,989	78,22,534	28,08,750	-	1,06,31,284	1,42,42,950	5,68,58,689
Customer relationship	1,29,67,720	-	1,29,67,720	12,15,724	13,67,048	25,82,772	-	-	1,17,51,996
Total (B)	16,60,24,053	1,92,56,712	6,29,58,921	9,01,93,544	1,06,45,607	1,26,20,314	8,82,18,837	3,41,03,007	7,58,30,509
Software WIP (C)	3,00,000	-	3,00,000	-	-	-	-	-	3,00,000
Grand Total (A+B+C)	1,10,14,28,466	12,30,21,094	9,26,46,937	68,19,83,027	8,68,10,556	3,70,71,999	73,17,21,584	40,00,81,039	41,94,45,439
Previous Year	84,85,06,994	28,89,26,192	3,60,04,720	64,00,69,580	7,35,96,712	3,16,83,265	68,19,83,027	41,94,45,439	20,84,37,414

NOTE NO. 2.11

INVESTMENTS

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
A. Non-current investments		
Investment in property	1,70,02,661	1,06,86,191
Non- trade investments (valued at cost)		
Equity instruments (quoted)	2,42,64,206	8,14,59,618
Mutual funds (quoted)	10,00,000	10,00,000
Bonds (quoted)	14,83,51,795	24,12,22,858
Less: Provision for diminution in value of investment	-	(50,00,000)
	17,36,16,001	31,86,82,476
Investment in equity instruments (Unquoted)		
In related companies	1,00,00,000	1,00,00,000
In other companies	2,97,73,150	3,97,73,150
Less: Provision for diminution in value of investment	(3,57,00,000)	(4,37,00,000)
	40,73,150	60,73,150
Total	19,46,91,812	33,54,41,817
Aggregate market value of quoted equity	2,16,18,172	5,97,51,135
Aggregate book value of quoted equity	2,42,64,206	8,14,59,618
Aggregate market value of quoted mutual fund	10,44,500	10,02,200
Aggregate book value of quoted mutual fund	10,00,000	10,00,000
Aggregate market value of quoted bond	15,10,69,699	24,24,44,624
Aggregate book value of quoted bond	14,83,51,795	24,12,22,858
Aggregate book value of unquoted investment	3,97,73,150	4,97,73,150
Aggregate provision for diminution in value of quoted investment	-	50,00,000
Aggregate provision for diminution in value of unquoted investment	3,57,00,000	4,37,00,000
B. Current investments (at lower of cost or fair value)		
Investment in Portfolio Management Service		
Equity (Quoted)	11,73,79,152	14,66,14,838
Mutual funds (Unquoted)	1,07,20,378	77,94,618
Bonds (Quoted)	8,26,537	39,95,67,085
	12,89,26,067	55,39,76,541
Total	12,89,26,067	55,39,76,541
Aggregate market value of quoted equity	12,77,47,630	16,34,81,887
Aggregate book value of quoted equity	11,73,79,152	14,66,14,838
Aggregate net asset value of unquoted mutual fund	1,11,38,914	79,63,047
Aggregate book value of unquoted mutual fund	1,07,20,378	77,94,618
Aggregate market value of quoted bond	8,26,537	39,99,74,463
Aggregate book value of quoted bond	8,26,537	39,95,67,085

NOTE NO. 2.12**DEFERRED TAX ASSETS (NET)**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred tax assets :		
Disallowances under Income Tax Act	9,22,45,262	9,77,29,062
Carried forward losses	8,45,51,474	4,14,55,655
Related to fixed assets	2,58,60,502	2,41,16,378
A	20,26,57,238	16,33,01,095
Deferred tax liabilities :		
ICDS impact	67,32,909	1,22,64,642
B	67,32,909	1,22,64,642
Deferred tax assets (net) (A-B)	19,59,24,329	15,10,36,453

NOTE NO. 2.13**LONG TERM LOANS AND ADVANCES**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Security deposits	10,87,29,106	10,90,69,839
Advances recoverable in cash or in kind	9,59,30,279	12,94,09,268
Capital advances	3,25,00,000	6,23,30,617
Unsecured, considered doubtful		
Advances recoverable in cash or in kind	56,45,512	1,09,21,662
Less: Provision for doubtful advances	(56,45,512)	(1,09,21,662)
	-	-
Receivable under financing activities		
Secured, considered good	1,71,12,46,692	86,84,98,413
Unsecured, considered good	61,36,82,230	12,68,41,138
Secured, considered sub-standard*	-	5,00,02,301
Unsecured, considered sub-standard*	1,46,897	-
Secured, considered doubtful*	5,00,07,522	3,73,34,485
Unsecured, considered doubtful*	3,16,69,118	1,73,62,400
	2,40,67,52,459	1,10,00,38,737
Balance with government authorities	8,43,96,871	6,74,98,651
Advance tax and TDS	8,69,46,264	3,55,36,246
(Net of Provision for Income Tax of ₹ 17,14,89,132 ; P.Y. ₹ 2,32,51,735)		
MAT credit entitlement	9,61,48,307	8,16,58,077
	26,74,91,442	18,46,92,974
Total	2,91,14,03,286	1,58,55,41,435

* refer Note No. 2.04

NOTE NO. 2.14**TRADE RECEIVABLES (NON-CURRENT)**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Outstanding for a period exceeding one year		
Secured, considered good	4,48,58,968	4,27,43,100
Unsecured, considered good	4,41,07,986	6,35,87,642
Unsecured, considered doubtful	8,83,41,934	12,33,05,849
Less: Provision for doubtful debts*	(8,83,41,934)	(12,33,05,849)
Total	8,89,66,954	10,63,30,742

* refer Note No. 2.31

NOTE NO. 2.15**INVENTORIES #**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Shares	1,03,72,13,196	70,83,15,069
Commodities	5,48,87,832	2,77,86,582
Bonds	8,86,835	50,65,81,492
Total	1,09,29,87,863	1,24,26,83,143

refer accounting policy VIII of note 1

NOTE NO. 2.16**TRADE RECEIVABLES (CURRENT)**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Debts outstanding for more than six months		
Secured, considered good	1,19,80,374	1,32,02,682
Unsecured, considered good	7,92,05,644	10,96,91,477
	9,11,86,018	12,28,94,159
Other debts		
Secured, considered good	2,80,93,43,146	2,31,76,53,520
Unsecured, considered good	1,88,94,33,495	1,83,07,23,653
Unsecured, considered doubtful	-	1,77,537
Less: Provision for doubtful debts	-	(1,77,537)
	4,69,87,76,641	4,14,83,77,173
Total	4,78,99,62,659	4,27,12,71,332

NOTE NO. 2.17**CASH AND BANK BALANCES**

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
Cash and bank balances		
Cash & cash equivalents (A)		
Cash in hand	32,99,062	27,10,265
Bank balances		
Balance with banks in current accounts	73,14,06,016	89,46,59,299
Cheque in hand	15,00,000	37,79,93,048
Foreign currency in hand	5,72,146	6,60,938
	73,67,77,224	1,27,60,23,550
Other bank balances (B)*		
In fixed deposit against commitment to IRDA	12,00,000	12,00,000
Bank deposits with maturity more than 12 months but within one year from the reporting date	75,00,000	75,00,000
Placed under lien with banks	3,59,02,59,404	2,94,79,53,904
Placed under arbitration	97,80,808	1,37,83,456
Placed with pension fund regulatory and development authority	20,00,000	20,00,000
Placed under lien with court	4,37,500	1,08,389
Placed under lien with statutory authority	7,40,000	7,40,000
Pledged with the clearing corporations and stock exchanges as margin	28,76,80,571	19,89,02,956
Deposits in hand	1,02,009	4,96,92,009
	3,89,97,00,292	3,22,18,80,714
Total (A+B)	4,63,64,77,516	4,49,79,04,264

* refer Note No. 2.30

NOTE NO. 2.18**SHORT-TERM LOANS AND ADVANCES**

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Loans and advances to related party*	-	3,09,180
Advances recoverable in cash or in kind	44,22,46,543	51,63,92,690
Unsecured, considered doubtful		
Advances recoverable in cash or in kind	6,72,752	10,51,252
Less: Provision for doubtful advances	(6,72,752)	(10,51,252)
	-	-
Loans under financing activities		
Secured, considered good	2,68,26,91,128	1,65,45,04,807
Unsecured, considered good	60,60,55,671	41,12,89,278
	3,28,87,46,799	2,06,57,94,085
Balance with government authorities	5,24,34,894	1,15,58,165
Total	3,78,34,28,236	2,59,40,54,120

* refer Note No. 2.33

NOTE NO. 2.19**OTHER CURRENT ASSETS**

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
Accrued interest on FDR	2,74,45,910	2,35,28,115
Accrued interest on bonds	17,57,884	2,16,92,895
Accrued interest on loans	1,93,44,133	62,82,678
Brokerage and commission receivable	55,25,197	-
Dividend receivable	48,580	33,930
Total	5,41,21,704	5,15,37,618

NOTE NO. 2.20**REVENUE FROM OPERATIONS**

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Income from brokerage	2,69,12,64,409	1,89,64,64,294
Income from proprietary trading	1,42,94,26,961	1,60,82,95,020
Treasury income	25,16,59,342	20,89,31,697
Interest income from financing activities	70,29,87,477	38,64,27,510
Income from distribution of financial products (net)	89,06,46,088	77,26,62,325
Income from depository business	5,57,50,387	3,06,53,647
Income from management and advisory services	3,68,39,229	3,54,28,723
Income from reverse book building	-	1,50,000
Dividend income	88,59,476	65,37,090
Interest earned	38,15,000	-
	6,07,12,48,369	4,94,55,50,306
Other operating income		
Profit/ (Loss) on sale of investment	-	(12,98,986)
Loan processing fees	6,38,37,882	1,46,59,311
Income from investment in PMS (net)	1,25,78,094	1,94,08,687
Income from research support services	99,63,750	2,20,51,871
Dividend on investment	23,91,242	34,63,832
Income from exchange	31,98,643	-
Interest on delay payment and margin trading	31,59,35,368	21,21,79,261
	40,79,04,979	27,04,63,976
Total	6,47,91,53,348	5,21,60,14,282

NOTE NO. 2.21**OTHER INCOME**

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income	2,22,13,971	3,29,01,721
Profit on sale of investment	4,08,30,381	1,38,80,096
Liability no longer required written back	2,40,47,915	1,11,02,949
Miscellaneous income	1,18,17,463	6,48,76,534
Total	9,89,09,730	12,27,61,300

NOTE NO. 2.22**EXCHANGE AND OTHER OPERATING EXPENSES**

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Client introduction charges	1,28,65,50,744	61,49,91,778
Expense for distribution of financial products	58,56,38,700	50,95,65,846
Exchange & other regulatory charges	45,55,13,459	44,76,89,853
Securities & commodities transaction tax	38,33,24,373	40,52,30,573
VPN, lease line, internet & VSAT expenses (net)	3,24,77,847	3,05,00,731
Total	2,74,35,05,123	2,00,79,78,781

NOTE NO. 2.23**EMPLOYEE BENEFIT EXPENSE ***

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and incentives	1,23,44,70,588	1,18,58,97,634
Employers' contributions to provident & other funds	5,78,52,344	4,71,59,939
Gratuity	2,96,14,986	2,91,66,873
Staff welfare	4,05,24,656	3,61,74,451
Total	1,36,24,62,574	1,29,83,98,897

* refer Note No. 2.04, 2.09 & 2.35

NOTE NO. 2.24**FINANCE COST**

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest to bank (term loan)	2,29,33,774	22,91,225
Interest to bank (others)	17,90,79,776	6,83,43,341
Interest - others	21,31,51,293	17,82,98,469
Other charges	4,62,56,932	3,55,68,370
Total	46,14,21,775	28,45,01,405

NOTE NO. 2.25**DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on property, plant and equipment	7,61,64,949	6,72,10,316
Amortization of intangible assets	1,06,45,607	63,86,396
Total	8,68,10,556	7,35,96,712

NOTE NO. 2.26**OTHER EXPENSES**

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Advertisement	19,74,81,309	15,51,82,563
Bank charges	1,03,58,365	34,90,142
Business promotion	17,83,88,021	19,84,36,586
Communication expenses	4,31,70,000	3,88,57,457
Computer repair & maintenance	3,69,18,971	2,69,57,595
Conveyance & traveling expenses	4,59,48,087	3,79,16,114
CSR expenses	1,06,56,707	75,88,467
Directors' sitting fees	29,75,000	37,15,000
Electricity & water charges	5,69,50,253	5,70,13,067
Insurance expenses	36,86,557	44,76,110
Legal & professional charges	5,17,28,333	4,01,71,298
Loss on sale of property, plant and equipment and intangible assets	3,63,04,779	7,30,410
Meeting & conference expenses	2,14,936	4,43,076
Membership fees & subscription	27,44,026	17,09,290
Miscellaneous expenses	1,80,22,325	2,00,58,551
Office repair & maintenance	4,57,68,785	4,82,65,934
Printing and stationery	2,52,26,004	2,08,65,024
Provision for diminution in value of investment	(30,00,000)	1,90,00,000
Provision for doubtful debts/advances #	6,80,92,835	9,23,52,224
Provision for non performing assets	1,18,55,786	2,35,47,438
Provision for standard assets	1,10,80,187	32,31,267
Provision for impairment of property, plant and equipment	45,00,000	-
Preliminary expenses	-	41,44,982
Rent	14,03,52,971	15,52,37,485
Rates & taxes	64,26,638	22,27,191
Research expenses	27,12,421	24,20,087
Stamp & other expenses	29,755	86,815
Irrecoverable balance written off	-	1,26,89,437
Vehicle running & maintenance	45,72,101	45,75,808
Auditor's remuneration:		
As statutory auditor	29,33,882	36,39,449
As tax auditor	4,47,500	3,99,750
As fees for other services	5,37,000	3,63,900
Total	1,01,70,83,534	98,97,92,517

refer Note No. 2.31

NOTE NO. 2.27**a) CONTINGENT LIABILITIES**

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
1. Corporate guarantee executed by the holding company for credit facility extended to subsidiaries	1,91,00,00,000	1,01,00,00,000
2. ESI demand in dispute (Total amount paid under protest ₹ 12,42,581/- (P.Y. ₹12,42,581/-))	31,06,450	31,06,450
3. Service Tax demand	9,63,79,122	6,74,73,978
4. Provident Fund	-	-
5. Stamp Duty	-	-
6. Income Tax demand	1,19,13,818	92,30,664

Note:

- The holding company has given counter guarantee towards credit facility of subsidiaries, SMC Comtrade Limited and Moneywise Financial Services Private Limited.
- An ESI demand is being agitated by the holding company before Additional Senior Civil Judge, Tis Hajari Court, Delhi.
- Service Tax demand of ₹ 45,65,609/- is being agitated by the Company before Commissioner of Service Tax, Audit 1, Delhi and of ₹ 9,18,13,513/- is being agitated by the Company before Additional Director General of Directorate General of GST Intelligence, Delhi Zonal Unit.
- 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 in the matter of WP/C/516/2015 and matter was adjourned to 17th May, 2018. In view of the legal opinion of the counsel, the amount of contingent liability in this regard is: Nil
- Income Tax demand has been agitated by the Companies as per details:

Name of Company	Amount (₹)	Amount paid under protest	Assessment Year	Forum where agitated
SMC Global Securities Limited	31,46,625	31,46,625	2013-14	Commissioner of Income Tax (Appeals)
SMC Global Securities Limited	56,81,359	56,81,359	2014-15	Commissioner of Income Tax (Appeals)
SMC Global Securities Limited	27,50,524	10,00,000	2015-16	Commissioner of Income Tax (Appeals)
Moneywise Financial Services (P) Limited	47,710	-	2008-09	Commissioner of Income Tax (Appeals) I, Kolkata
Moneywise Financial Services (P) Limited	2,87,600	-	2010-11	Commissioner of Income Tax (Appeals) I, Kolkata

Assessment u/s 143(3) for the A.Y 2013-14, 2014-15 & 2015-16 has completed and disallowance made on account of section 14A for which appeal filed before the Commissioner of Income Tax (Appeals) in Holding Company. In Moneywise Financial Services (P) Limited assessment u/s 143(3) for the A.Y 2008-09 & 2010-11 has completed and application for rectification for short credit of TDS filed, not yet disposed off.

b) OTHER LITIGATIONS

- 1 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.
- 2 The Companies are 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

EXTRAORDINARY ITEM

The holding company had started making efforts for proposed ADR issue in USA for expansion of business in the year 2015, however, the same has been called off during the year due to regulatory issues with Ministry of Finance, Government of India and accordingly ADR expenses incurred in all these years starting from October 2015 till the end of March 2018 ₹13,94,38,879/- has been charged to statement of profit & loss for the year.

NOTE NO. 2.29

The holding company has converted investment in property amounting to ₹1,06,86,191/- and current / non-current (quoted) investment (excluding investment in portfolio management service) amounting to ₹ 6,52,77,154/- into building under the head property plant & equipment and inventories respectively during the year at book value and one of its subsidiary Moneywise Financial Services (P) Limited has also converted inventories amounting to ₹36,41,76,696/- into current (quoted) investment during the year at book value.

NOTE NO. 2.30

Fixed deposit with scheduled bank includes ₹3,59,02,59,404/- (PY ₹2,94,79,53,904/-) under lien in favour of the bank as margin deposit for the guarantees issued of ₹ 7,06,93,40,000/- (PY ₹ 5,89,46,29,000/-)/credit facilities or otherwise, ₹ 7,40,000/- (PY ₹ 7,40,000/-) under lien with sales tax authorities, ₹28,76,80,571/- (PY ₹ 19,89,02,956/-) pledged with stock and commodity exchanges as margin, which does not include margins paid by client constituents on their own behalf, ₹ 4,37,500/- (PY ₹1,08,389/-) pledged with Court, ₹ 20,00,000/- (PY ₹ 20,00,000/-) pledged with pension fund regulatory and development authority to become POP of NPS, and ₹97,80,808/- (PY ₹ 1,37,83,456/-) pledged with exchange for arbitration. 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 Private Limited where lien has been marked in favour of Insurance Regulatory and Development Authority.

NOTE NO. 2.31

Unsecured Non-Current trade receivables (considered good) includes amount due from parties including on whom legal action initiated for recovery and are net of doubtful portion, disclosed separately and necessary provision made thereof.

NOTE NO. 2.32

COMMITMENTS

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
Contracts remaining to be executed on account of capital (net of advances)	1,75,00,000	2,64,78,283

NOTE NO. 2.33

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
		Mr. Mahesh Chand Gupta
		Mr. D.K Aggarwal
		Mr. Ajay Garg
		Mr. Anurag Bansal
		Mr. Himanshu Gupta
		Mr. Pravin Kumar Aggarwal
		Mr. Shyam Sunder Bansal
		Ms. Akanksha Gupta
		Mr. Pranay Aggarwal (w.e.f May 22, 2017)
		Ms. Shruti Aggarwal (w.e.f June 16, 2017)
		Mr. Ayush Aggarwal
		Executive Officers
Mr. Suman Kumar		
Mr. Manoj Kumar		
Mr. Jai Gopal		
Mr. Deepak Aggarwal (w.e.f August 11, 2017)		
Mr. Vishwanath Bansal		
Ms. Sakshi Mehta		
Mr. Shamsher Ansari		
Ms. Vaishali Gupta		
Ms. Vandana Jhinjheria		
Ms. Jyoti Kumari		
Mr. Kashish Bhatia		
Ms. Saniya Hussain		

Nature of Relationship	Name of Related Parties
Relatives of key managerial personnel	Ms. Sushma Gupta
	Ms. Hemlata Aggarwal
	Ms. Reema Garg
	Ms. Shilpi
	Ms. Archana Aggarwal
	Ms. Anuradha Goel
	Ms. Priyanka Gupta
	Ms. Meetu Goel
	Mr. Amit Sharma
	Ms. Nidhi Bansal
Jointly controlled entity	SMC & IM Capitals Investment Manager LLP
Other related parties in which key managerial personnel are able to exercise significant influence:	Pulin Investments Private Limited SMC Share Brokers 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 March 31, 2018	For the year ended March 31, 2017
Expenses: Remuneration		
Whole Time Directors	5,32,79,411	7,16,95,012
Executive officers	2,05,40,993	1,78,37,619
Relatives of KMP	1,69,49,169	1,61,68,458
Income: Advisory services		
Mr. D. K. Aggarwal	16,535	13,516
Interest expense (net)		
Pulin Investments Private Limited	33,361	2,87,763
SMC Share Brokers Limited	79,929	1,56,673

* Note: Transactions with KMPs and their relatives through stock exchanges / depositories in the normal course of business have not been disclosed as the same have been transacted at prevailing market prices under online trade mechanism and not material in nature.

C. Balance Outstanding

Party Name	Included in	(Amount in ₹)	
		As at March 31, 2018	As at March 31, 2017
SMC & IM Capitals	Other current liabilities	2,50,000	Nil
Investment Manager LLP			
Pulin Investments Private Limited	Short term loans & advances	Nil	3,09,180

NOTE NO. 2.34

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 earnings per share is being calculated as under:-

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Net profit attributable to equity shareholders before extraordinary item (net of tax)	61,63,64,317	45,82,73,053
Net profit attributable to equity shareholders after extraordinary item (net of tax)	52,51,82,445	45,82,73,053
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 before extraordinary items (₹)	5.45	4.05
Basic & Diluted EPS after extraordinary items (₹)	4.64	4.05

NOTE NO. 2.35

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 March 31, 2018	For the year ended March 31, 2017
a. Change in present value of obligation		
As per actuarial report		
Present value of the obligation at the beginning of the year	11,86,35,385	9,64,86,516
Interest cost	74,63,266	81,20,552
Current service cost	2,09,42,229	1,76,69,398
Past service cost	1,31,62,264	-
Benefits paid	(1,25,92,164)	(91,66,070)
Actuarial (gain)/loss on obligations	(91,68,184)	31,29,215
	(A)	13,84,42,796
As per management estimation		
Provision for the year	4,94,160	26,71,585
Foreign currency fluctuation reserve	37,148	(2,75,811)
	(B)	5,31,308
Present value of the obligation at the end of the year (A + B)	13,89,74,104	11,86,35,385

(Amount in ₹)		
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
b. Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	85,64,696	91,70,639
Expected return on plan assets	30,35,591	10,92,561
Contributions	6,86,83,943	50,52,096
Benefits paid	(48,64,255)	(80,81,916)
Actuarial gain/(loss) on plan assets	2,43,158	13,31,316
Fair value of plan assets at the end of the year	7,56,63,133	85,64,696
Total actuarial (gain)/loss to be recognized	(94,11,342)	17,97,899
Actual return on plan assets		
Expected return on plan assets	30,35,591	10,92,561
Actuarial gain/(loss) on plan assets	2,43,158	13,31,316
Actual return on plan assets	32,78,749	24,23,877
c. Amount recognized in the Balance Sheet		
Present value of the obligation at the end of the year	13,89,74,104	11,86,35,385
Fair value of plan assets at the end of the year	(7,56,63,133)	(85,64,696)
Net liability recognized in balance sheet	6,33,10,971	11,00,70,689
d. Amount recognized in the statement of profit and loss		
As per actuarial report		
Interest cost	74,63,266	81,20,552
Current service cost	2,09,42,229	1,76,69,398
Expected return on plan assets	(30,35,591)	(10,92,561)
Past service cost	1,31,62,264	-
Actuarial (gain)/loss on obligations	(94,11,342)	17,97,899
(A)	2,91,20,826	2,64,95,288
As per management estimation		
Provision for the year	4,94,160	26,71,585
(B)	4,94,160	26,71,585
(A+B)	2,96,14,986	2,91,66,873
Total expense recognized in the statement of profit and loss		

(Amount in ₹)		
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
e. Reconciliation of balance sheet		
As per actuarial report		
Present value of the obligation at the beginning of the year	11,86,35,385	9,64,86,516
Total expense recognized in the statement of profit and loss	2,91,20,826	2,64,95,288
Actual return on plan assets	32,78,749	24,23,877
Benefits paid	(1,25,92,164)	(91,66,070)
(A)	13,84,42,796	11,62,39,611
As per management estimation	(B) 5,31,308	23,95,774
(A+B)	13,89,74,104	11,86,35,385
Present value of the obligation at the end of the year		
Less: Fair value of plan assets at the end of the year	(7,56,63,133)	(85,64,696)
Net liability	6,33,10,971	11,00,70,689
f. Bifurcation of present value of the obligation at the end of the year		
Non-current liability	13,49,97,569	11,52,08,516
Less: Fair value of plan assets at the end of the year	(7,56,63,133)	(85,64,696)
(A)	5,93,34,436	10,66,43,820
Current liability	39,76,535	34,26,869
Less: Fair value of plan assets at the end of the year	-	-
(B)	39,76,535	34,26,869
(A+B)	6,33,10,971	11,00,70,689
Total		

B. Leave Encashment (unfunded)

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March, 2017
a. Bifurcation of present value of the obligation at the end of the year		
Non-current liability	4,03,33,179	3,66,34,250
Current liability	62,74,516	44,28,669
Total	4,66,07,695	4,10,62,919

NOTE NO. 2.36**SEGMENT REPORTING****Business Segment:**

The Group has three reportable segments, as described below, which are the Group's Lines of Business (LoBs). The LoBs offer different products and services, and are managed separately because the nature of products and method used to distribute the services are different.

The following summary describes the operations in each of the Group's reportable segments:

1. Trading and distribution primarily comprises
 - a. Brokerage on dealing in shares, commodities, derivatives and other securities on behalf of customers;
 - b. Proprietary trading in shares, commodities, derivatives and other securities;
 - c. Clearing services;
 - d. Depository services rendered as depository participant;
 - e. Distribution of third party financial products and
 - f. Insurance broking services
2. Advisory services primarily comprises portfolio and wealth management, mortgage and loan advisory, real estate broking and investment banking services.
3. Financing services primarily comprises business of providing loans.

For these LoBs, the Group's leadership team comprising of Chairman, Vice-Chairman, Group Chief Operating Officer and Group Chief Financial Officer, reviews internal management reports. Accordingly, the leadership team is construed to be the Chief Operating Decision Maker (CODM).

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. 2.37

Based on the nature of the services / activities of the company and the normal time between acquisition of assets and their realization in cash and cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTE NO. 2.38

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 : Kolkata
DATE : May 14, 2018

For and on behalf of the Board

sd/-
S. C. AGGARWAL
(CHAIRMAN & MANAGING
DIRECTOR)
Din No.: 00003267

sd/-
VINOD KUMAR JAMAR
(GROUP CFO)

sd/-
MAHESH C. GUPTA
(VICE-CHAIRMAN & MANAGING
DIRECTOR)
Din No.: 00003082

sd/-
SUMAN KUMAR
(COMPANY SECRETARY)

Annexure I to Note No. 2.36 of Notes forming part of the consolidated financial statements
Information about Segment:

(Amount in ₹)

Description	Trading and Distribution		Advisory		Financing		Elimination		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
I. Primary Segment-Business										
Revenue										
External revenue	5,49,21,76,641	4,52,28,75,243	29,02,85,123	41,79,72,121	79,56,01,314	39,79,28,218			6,57,80,63,078	5,33,87,75,582
Inter segment revenue	14,72,24,642	12,89,09,068	3,70,05,026	1,07,17,685	2,90,58,060	3,66,18,489	(21,32,87,728)	(17,62,45,242)		
Total	5,63,94,01,283	4,65,17,84,311	32,72,90,149	42,86,89,806	82,46,59,374	43,45,46,707	(21,32,87,728)	(17,62,45,242)	6,57,80,63,078	5,33,87,75,582
Expenses										
Stock Exchange & Other Regulatory Expenses	2,69,51,94,315	1,97,51,52,334	5,03,39,934	4,70,62,073	2,87,86,955	1,01,85,448	(3,08,16,081)	(2,44,21,074)	2,74,35,05,123	2,00,79,78,781
Employee benefits expense	1,08,43,05,547	1,04,21,70,087	23,53,11,178	23,30,95,631	4,28,45,849	2,31,33,179	-	-	1,36,24,62,574	1,29,83,98,897
Finance costs	37,87,81,722	27,54,52,378	1,92,25,028	2,42,27,793	23,48,95,838	12,59,23,605	(17,14,80,813)	(14,11,02,371)	46,14,21,775	28,45,01,405
Depreciation and amortization expense	7,70,79,295	6,29,32,070	71,24,463	82,14,199	26,06,798	24,50,443	-	-	8,68,10,556	7,35,96,712
Other expenses	80,98,20,236	79,97,36,659	14,70,94,077	14,41,50,323	7,11,60,055	5,66,27,332	(1,09,90,834)	(1,07,21,797)	1,01,70,83,534	98,97,92,517
Segment Expense	5,04,51,81,115	4,15,54,43,528	45,90,94,680	45,67,50,019	38,02,95,495	21,83,20,007	(21,32,87,728)	(17,62,45,242)	5,67,12,83,562	4,65,42,68,312
Segment Profit/(Loss) {before extraordinary item and tax}	59,42,20,168	49,63,40,783	(13,18,04,531)	(2,80,60,213)	44,43,63,879	21,62,26,700	-	-	90,67,79,516	68,45,07,270
Extra ordinary Item									13,94,38,879	-
Segment Profit/(Loss) {before tax}	59,42,20,168	49,63,40,783	(13,18,04,531)	(2,80,60,213)	44,43,63,879	21,62,26,700	-	-	76,73,40,637	68,45,07,270
Other Information										
Segment assets	11,96,01,20,171	11,53,94,98,251	30,77,91,069	46,88,75,945	5,81,31,35,896	3,64,98,12,255	-	-	18,08,10,47,136	15,65,81,86,451
Other unallocated assets										
Total Assets	11,96,01,20,171	11,53,94,98,251	30,77,91,069	46,88,75,945	5,81,31,35,896	3,64,98,12,255	-	-	18,08,10,47,136	15,65,81,86,451
Segment liabilities	9,71,93,67,150	8,51,24,22,813	9,79,31,618	11,17,56,158	2,05,32,82,637	1,23,72,02,129	-	-	11,87,05,81,405	9,86,13,81,100
Other unallocated liabilities										
Total Liabilities	9,71,93,67,150	8,51,24,22,813	9,79,31,618	11,17,56,158	2,05,32,82,637	1,23,72,02,129	-	-	11,87,05,81,405	9,86,13,81,100
II. Secondary Segment - Geographical										
			Within India	Outside	India		Elimination		Total	
			2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Revenue										
External revenue			6,47,77,27,738	5,19,36,96,781	10,03,35,340	14,50,78,801			6,57,80,63,078	5,33,87,75,582
Inter segment revenue			21,32,87,728	17,62,45,242	-	-	(21,32,87,728)	(17,62,45,242)	-	-
Total			6,69,10,15,466	5,36,99,42,023	10,03,35,340	14,50,78,801	(21,32,87,728)	(17,62,45,242)	6,57,80,63,078	5,33,87,75,582
Expenses										
Stock Exchange & Other Regulatory Expenses			2,71,99,73,527	1,97,52,00,061	5,43,47,677	5,71,99,794	(3,08,16,081)	(2,44,21,074)	2,74,35,05,123	2,00,79,78,781
Employee benefits expense			1,32,65,49,239	1,24,27,25,882	3,59,13,335	5,56,73,015	-	-	1,36,24,62,574	1,29,83,98,897
Finance costs			59,78,64,400	38,75,73,067	3,50,38,188	3,80,30,709	(17,14,80,813)	(14,11,02,371)	46,14,21,775	28,45,01,405
Depreciation and amortization expense			8,17,21,027	7,00,04,287	50,89,529	35,92,425	-	-	8,68,10,556	7,35,96,712
Other expenses			97,93,20,595	98,09,14,384	4,87,53,773	1,95,99,930	(1,09,90,834)	(1,07,21,797)	1,01,70,83,534	98,97,92,517
Segment Expense			5,70,54,28,788	4,65,64,17,681	17,91,42,502	17,40,95,873	(21,32,87,728)	(17,62,45,242)	5,67,12,83,562	4,65,42,68,312
Segment Profit/(Loss) {before extraordinary item and tax}			98,55,86,678	71,35,24,342	(7,88,07,162)	(2,90,17,072)	-	-	90,67,79,516	68,45,07,270
Extra ordinary Item									13,94,38,879	-
Segment Profit/(Loss) {before tax}			98,55,86,678	71,35,24,342	(7,88,07,162)	(2,90,17,072)	-	-	76,73,40,637	68,45,07,270
Other Information										
Segment assets			16,92,01,47,343	14,63,63,41,508	1,16,08,99,793	1,02,18,44,943			18,08,10,47,136	15,65,81,86,451
Other unallocated assets										
Total Assets			16,92,01,47,343	14,63,63,41,508	1,16,08,99,793	1,02,18,44,943	-	-	18,08,10,47,136	15,65,81,86,451
Segment liabilities			10,83,44,59,317	9,02,45,28,152	1,03,61,22,088	83,68,52,948			11,87,05,81,405	9,86,13,81,100
Other unallocated liabilities										
Total Liabilities			10,83,44,59,317	9,02,45,28,152	1,03,61,22,088	83,68,52,948	-	-	11,87,05,81,405	9,86,13,81,100

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SMC GLOBAL SECURITIES LIMITED 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 at 31st March 2018, 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.

Management's 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 standalone 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 of standalone financial statement 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes 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 standalone financial statements.

We believe that the audit evidence obtained by us 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 31st March 2018 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.

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 of the Company as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 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 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 Company has disclosed the impact of pending litigations on its financial position in its standalone 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

Firm Registration No.: 000846C

sd/-

S.K. Agarwal

Partner

Membership No.: 093209

Date : 14th May, 2018

Place : Kolkata

Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2018, 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 three 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 five bodies corporate 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 except for one subsidiary which is long term in nature.
- (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 and in case of one subsidiary terms of repayment are long term in nature.
- (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, Company has generally been regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, service tax, goods and service tax, cess and other material statutory dues applicable to it 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.

There were no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, service tax, goods and service tax cess and other material statutory dues were in arrears as at 31st March 2018 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	45,65,609	FY 2009-10 To FY 2012-13	Commissioner, Delhi-I
Finance Act, 1994	Service Tax	9,18,13,513	01-07-2012 To 30-06-2017	Additional Director General of GST Intelligence, Delhi Zonal Unit
Income Tax Act, 1961	Disallowance u/s 14A	17,50,524	A.Y 2015-16	Additional 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) or term loan and hence clause (ix) not applicable to the company.
- (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 given 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

Firm Registration No.: 000846C

sd/-

S.K. Agarwal

Partner

Membership No.: 093209

Date : 14th May, 2018

Place : Kolkata

Annexure - B to the Auditors' 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 31st March 2018 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. The 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 31st March 2018, 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

Firm Registration No.: 000846C

sd/-

S.K. Agarwal

Partner

Membership No.: 093209

Date : 14th May, 2018

Place : Kolkata

BALANCE SHEET

AS AT MARCH 31, 2018

(Amount in ₹)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.01	22,62,68,900	22,62,68,900
Reserves and surplus	2.02	5,63,52,55,216	5,33,44,89,419
Non-current liabilities			
Long-term borrowings	2.03	34,49,098	59,97,310
Long-term provisions	2.04	2,70,99,885	6,25,71,439
Other long-term liabilities	2.05	2,16,79,628	1,91,87,528
Current liabilities			
Short-term borrowings	2.06	2,67,73,02,838	2,06,94,94,055
Trade payables	2.07	2,00,23,15,605	1,83,32,15,653
Other current liabilities	2.08	2,91,22,53,004	2,80,31,60,311
Short-term provisions	2.09	71,42,248	8,22,36,217
Total		13,51,27,66,422	12,43,66,20,832
ASSETS			
Non-current assets			
Property, plant & equipment	2.10	27,61,51,170	23,55,29,022
Intangible assets	2.10	1,03,13,451	63,86,967
WIP	2.10	-	3,00,000
Non-current investments	2.11	3,97,52,79,091	3,51,01,16,491
Deferred tax assets (net)	2.12	6,88,07,624	6,96,41,259
Long-term loans and advances	2.13	19,32,07,344	18,11,69,700
Trade receivables	2.14	6,76,48,284	9,98,67,182

AS AT MARCH 31, 2018

(Amount in ₹)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
Current assets			
Current investments	2.11	2,08,37,691	5,58,18,557
Inventories	2.15	1,03,56,31,834	84,97,00,803
Trade receivables	2.16	3,73,44,29,468	3,44,46,00,576
Cash and bank balances	2.17	3,42,45,72,553	3,23,86,24,463
Short-term loans and advances	2.18	68,42,24,573	72,27,78,459
Other current assets	2.19	2,16,63,339	2,20,87,353
Total		13,51,27,66,422	12,43,66,20,832

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
(GROUP CFO)

sd/-
SUMAN KUMAR
(COMPANY SECRETARY)

PLACE : Kolkata
DATE : May 14, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Amount in ₹)			
Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue:			
Revenue from operations	2.20	4,05,81,90,876	3,55,49,09,142
Other income	2.21	9,57,87,599	3,62,29,335
Total revenue		4,15,39,78,475	3,59,11,38,477
Expenses:			
Stock exchange & other operating expenses	2.22	1,98,89,54,009	1,76,16,93,544
Employee benefit expenses	2.23	63,71,33,582	53,26,45,449
Finance cost	2.24	31,53,43,049	20,88,10,292
Depreciation and amortization expenses	2.25	5,06,33,552	3,50,73,736
Other expenses	2.26	61,32,57,518	60,77,81,873
Total expenses		3,60,53,21,710	3,14,60,04,894
Profit before extraordinary items and tax		54,86,56,765	44,51,33,583
Extraordinary items (net)	2.28	3,59,38,879	-
Profit before tax		51,27,17,886	44,51,33,583
Tax expenses:			
Current tax		14,43,51,691	13,23,64,607
Deferred tax		8,33,634	2,07,77,840
Prior period tax/adjustment		8,44,727	(13,64,645)
Profit after tax		36,66,87,834	29,33,55,781
Earnings per equity share of ₹ 2 /- each	2.37		
Before extraordinary items			
Basic & Diluted		3.13	2.59
After extraordinary items			
Basic & Diluted		3.24	2.59
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
(GROUP CFO)

sd/-
SUMAN KUMAR
(COMPANY SECRETARY)

PLACE : Kolkata
DATE : May 14, 2018

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2018

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A Cash flow from operating activities		
Profit before tax	51,27,17,886	44,51,33,583
Adjusted for:		
Depreciation & amortization	5,06,33,552	3,50,73,736
Loss/(Profit) on sale of investment	-	12,98,986
Provision for doubtful debts	3,76,13,903	7,33,77,243
Provision for doubtful advances	6,12,495	19,15,418
Provision for diminution of value of investment	(50,00,000)	50,00,000
Provision for impairment of property, plant and equipment	45,00,000	-
Income from investment in PMS (net)	(11,66,259)	(1,33,84,602)
Loss on sale / discarded property, plant and equipment (net)	54,958	75,122
Intangible assets written off	1,46,977	-
Dividend on investment	(3,49,317)	(6,16,712)
Extraordinary item - profit on sale of investment in subsidiary	(10,35,00,000)	-
Interest received	(5,68,35,399)	(75,54,509)
Interest expenses	27,47,54,233	17,69,64,656
Operating profit before working capital changes*	71,41,83,029	71,72,82,921
*(Refer note No.2 below of cash flow statement)		
Increase / (Decrease) in Liabilities and Provisions	24,32,04,067	31,96,76,415
(Increase) / Decrease in Trade Receivables	(29,52,23,897)	(1,16,52,84,341)
(Increase) / Decrease in Inventories	(18,59,31,031)	61,86,76,794
(Increase) / Decrease in Loans & advances and Other Assets	6,08,23,729	(35,91,51,981)
(Increase) / Decrease in Bank term deposit	(52,50,35,463)	(60,09,39,140)
Cash generated from operations	1,20,20,434	(46,97,39,332)
Direct taxes paid (net of refunds)	(19,18,25,551)	(11,64,10,849)
Net cash (used in) operating activities	(17,98,05,117)	(58,61,50,181)
B Cash flow from investing activities		
(Purchase) of property, plant and equipment	(9,64,67,314)	(15,99,74,714)
Sale of property, plant and equipment	13,83,197	11,27,766
(Purchase) of non current investments in subsidiaries	(60,36,67,500)	(44,11,26,517)
Sale of non current investment in a subsidiary	20,70,00,000	-
Sale of non current investments others	4,00,04,900	92,72,202
(Purchase) of current investments	(93,89,311)	(14,86,42,560)
Sale of current investments	4,55,36,437	19,14,61,087
Dividend on investment	3,56,167	6,31,596
Net cash (used in) investing activities	(41,52,43,424)	(54,72,51,140)

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
C Cash flow from financing activities		
Interim/final dividend paid and tax thereon	(13,13,35,340)	(9,80,39,528)
Interest received	5,68,35,399	52,95,513
Interest paid	(27,47,99,462)	(17,76,71,737)
(Payment) / proceeds of short term borrowings	60,78,08,783	1,23,84,37,320
(Payment) / proceeds from secured loan from banks (net)	(25,48,212)	(6,11,540)
Net cash from financing activities	C	96,74,10,028
Net decrease in cash and cash Equivalents	(A+B+C)	(16,59,91,293)
Cash and cash equivalent at the beginning of the year	52,82,88,609	69,42,79,902
Cash and cash equivalent at the end of the year	18,92,01,236	52,82,88,609
(refer Note No. 2.17)		

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.
- Operating profit before working capital changes ₹ 71,41,83,029/- is after extraordinary item ADR expense ₹ 13,94,38,879/-
- 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

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/-

VINOD KUMAR JAMAR
(GROUP CFO)

sd/-

MAHESH C. GUPTA
(VICE-CHAIRMAN & MANAGING
DIRECTOR)

Din No.: 00003082

sd/-

SUMAN KUMAR
(COMPANY SECRETARY)

PLACE : Kolkata

DATE : May 14, 2018

Company Overview

SMC Global Securities Limited ("the Company" or "SMC Global"), a limited liability company, is domiciled in India incorporated in the year 1994 having its registered office at 11/6B, Shanti Chambers, Pusa Road, New Delhi-110005. 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 ("MSEI") 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 has nine subsidiaries, three step down subsidiaries and one joint venture.

The Company offers a wide range of services to meet client's 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

1.01 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 (the Act), read with Rule 7 of the Companies (Accounts) Rule, 2014.

1.02 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.

1.03 PROPERTY, PLANT & EQUIPMENT

Property, plant & equipment 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/GST claimed thereon.

Additions to the property, plant & equipment and intangible assets have been accounted for on the date of installation and its use irrespective of date of invoice.

CAPITAL WORK IN PROGRESS

Capital work in progress comprises the cost of assets that are not yet ready for their intended use are carried at cost, comprising direct cost and related incidental expenses.

1.04 DEPRECIATION

Depreciation on property, plant & equipment is computed on written down value method at such rate as computed considering useful life provided in the Schedule - II of the Act.

Intangible Assets

Depreciation on intangible Property, plant & equipment 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%

1.05 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.

1.06 INVENTORIES

1.06.1 Inventories of shares are valued at market value and of bonds are valued at lower of cost or market value.

1.06.2 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.

1.07 REVENUE RECOGNITION

1.07.1 Revenue from broking activities is accounted for on the trade date of transaction.

1.07.2 Revenue on account of trading in securities is

recognized on the basis of each trade executed at the stock exchange during the financial year.

1.07.3 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.

1.07.4 Income from Distribution of Financial Products is recognized on accrual basis.

1.07.5 Depository income is accounted for on accrual basis.

1.07.6 Treasury income from interest on fixed deposits is recognized on accrual basis.

1.07.7 Dividend is accounted for as income when the right to receive dividend is established.

1.07.8 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.

1.07.9 Interest on delay payment and margin trading has been accounted as other operating income on accrual basis.

1.07.10 In respect of other heads of income the company follows the practice of recognizing income on accrual basis.

1.07.11 Revenue excludes indirect taxes.

1.08 FOREIGN CURRENCY TRANSACTIONS & TRANSLATION

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.

The exchange differences relating to non-integral foreign operations are recognized in the "Foreign Currency Fluctuation Reserve" classified under Reserves & Surplus.

1.09 EMPLOYEE BENEFITS

- 1.09.1 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.
- 1.09.2 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.
- 1.09.3 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.
- 1.09.4 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 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.

1.12 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.

1.13 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.

1.14 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.

1.15 IMPAIRMENT OF ASSET

Wherever events or changes in circumstances indicate that the carrying value of Property, plant & equipment 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.

1.16 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.

1.17 OTHER ACCOUNTING POLICIES

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

2. NOTES TO THE FINANCIAL STATEMENTS

NOTE NO. 2.01

SHARE CAPITAL

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
a Authorised		
16,50,50,000 (Previous Year 16,50,50,000) Equity Shares of ₹ 2/- each	33,01,00,000	33,01,00,000
	33,01,00,000	33,01,00,000
b Issued, Subscribed & Fully Paid up		
11,31,34,450 (Previous Year 11,31,34,450) Equity Shares of ₹ 2/- each fully paid up	22,62,68,900	22,62,68,900
	22,62,68,900	22,62,68,900

c Reconciliation of number of equity shares outstanding

Particulars	Number of Shares	Amount in ₹
As at March 31, 2018		
At the beginning of the year	11,31,34,450	22,62,68,900
Issued during the year	-	-
At the end of the year	11,31,34,450	22,62,68,900
As at March 31, 2017		
At the beginning of the year	11,31,34,450	22,62,68,900
Issued during the year	-	-
At the end of the year	11,31,34,450	22,62,68,900

d Shares held by shareholders holding more than 5% shares

Name of Shareholder	No. of Shares held	No. of Shares held (%)
As at March 31, 2018		
ASM Pipes Pvt Ltd	1,86,67,140	16.50%
Millennium Investment And Acquisition Co. Inc.	1,15,04,690	10.17%
Mahesh C. Gupta	1,02,48,500	9.06%
Subhash Chand Aggarwal	1,00,95,500	8.92%
Sanlam International Investment Partners Ltd.	94,60,590	8.36%
Signature Global (India) Pvt. Limited	88,65,885	7.84%
Hemlata Aggarwal	77,20,550	6.82%
Sushma Gupta	75,66,550	6.69%
As at March 31, 2017		
ASM Pipes Pvt Ltd	1,86,67,140	16.50%
Millennium Investment And Acquisition Co. Inc.	1,22,04,690	10.79%
Mahesh C. Gupta	1,02,48,500	9.06%
Subhash Chand Aggarwal	1,00,95,500	8.92%
Sanlam International Investment Partners Ltd.	94,60,590	8.36%
Hemlata Aggarwal	77,20,550	6.82%
Sushma Gupta	75,66,550	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 Board of Directors has proposed an Equity dividend @ 24% i.e. ₹ 0.48/- (P.Y. ₹ 0.48/-) per share for the financial year ending March 31, 2018 at their meeting held on dated May 14, 2018, which is subject to approval by the shareholders in the ensuing Annual General Meeting. The amount of per share dividend recognised as distribution to equity shareholders for Interim dividend is ₹ 0.48 (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 shareholders.

NOTE NO. 2.02

RESERVES & SURPLUS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Securities Premium Reserve		
As at beginning and at the end of the year	3,44,44,49,991	3,44,44,49,991
Capital Reserve (On Amalgamation)		
As at beginning and at the end of the year	10,41,02,620	10,41,02,620
Capital Reserve (On Forfeiture)		
As at beginning and at the end of the year	12,39,98,200	12,39,98,200
Foreign Currency Fluctuation Reserve		
Opening Balance	(4,69,853)	-
Addition during the year	53,641	(4,69,853)
Closing Balance	(4,16,212)	(4,69,853)
General Reserve		
Opening Balance	69,40,11,539	66,40,11,539
Add: Addition during the Year	-	3,00,00,000
Closing Balance	69,40,11,539	69,40,11,539
Surplus		
Opening balance	96,83,96,922	81,94,20,567
Add : Transfer from statement of profit and loss	36,66,87,834	29,33,55,781
Amount available for appropriation	1,33,50,84,756	1,11,27,76,348
Less : Appropriations		
Transfer to General Reserve	-	(3,00,00,000)
Interim dividend @24%, PY @18%	(5,43,04,536)	(4,07,28,402)
Proposed dividend - Final*	-	(5,43,04,536)
Tax on dividend	(1,16,71,142)	(1,93,46,488)
Closing Balance	1,26,91,09,078	96,83,96,922
Total	5,63,52,55,216	5,33,44,89,419

* The Board of Directors has proposed an Equity dividend @ 24% i.e. ₹ 0.48/- per share for the financial year ending March 31, 2018 at their meeting held on dated May 14, 2018, which is subject to approval by the shareholders in the ensuing Annual General Meeting.

In accordance with the revised Accounting Standard - 4 'Contingencies and Events occurring after the Balance Sheet Date', proposed dividend for distribution of profit in the current year's accounts ₹ 5,43,04,536 and Corporate Dividend Tax ₹ 1,14,96,811 thereon has not been recognized as a distribution of profit in the current year's accounts.

NOTE NO. 2.03

LONG TERM BORROWINGS

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
Term loans		
From banks*	59,97,310	91,32,761
Less: Current maturities disclosed under the head "Other Current Liabilities"		
(Refer note No. 2.08)	(25,48,212)	(31,35,451)
Total	34,49,098	59,97,310

* Secured against Vehicles, repayable in 48 to 60 equated monthly instalments bearing interest @ 9.50% to 9.85% p.a.

NOTE NO. 2.04

LONG TERM PROVISIONS

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits		
Provision for gratuity #	76,46,734	4,73,58,761
Provision for leave encashment #	1,94,53,151	1,52,12,678
Total	2,70,99,885	6,25,71,439

also refer to Note No. 2.09 & 2.23

NOTE NO. 2.05 OTHER LONG-TERM LIABILITIES

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
Security deposits *	2,16,79,628	1,91,87,528
Total	2,16,79,628	1,91,87,528

* also refer to Note No. 2.38

NOTE NO. 2.06 SHORT TERM BORROWINGS

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
Secured		
Short term loan from NBFC*	37,00,00,000	19,50,00,000
Short term loan from Banks**	2,30,73,02,838	1,87,44,94,055
Total	2,67,73,02,838	2,06,94,94,055

* amount secured either against shares/ bonds and / or personal guarantee of promoter directors .

** amount secured either against shares / book debts (on pari passu basis) and / or personal guarantee of promoter directors .

NOTE NO. 2.07**TRADE PAYABLES**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
- Due to micro and small enterprises *	-	-
- Others	2,00,23,15,605	1,83,32,15,653
Total	2,00,23,15,605	1,83,32,15,653

*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 March 31, 2018 and March 31, 2017.

NOTE NO. 2.08**OTHER CURRENT LIABILITIES**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Book overdraft from banks	1,96,41,744	7,80,52,187
Current maturities of long term borrowing (Refer note No. 2.03)	25,48,212	31,35,451
Security deposits received from clients	57,459	68,481
Margin received from clients	2,77,77,54,283	2,65,62,12,417
Interest accrued but not due	15,80,062	16,25,291
Unpaid dividend	19,93,910	1,38,444
Unearned income	1,76,48,620	1,46,55,446
Employee benefit payable	3,05,27,605	2,55,28,525
PMS payable	1,78,800	2,26,301
Payable to statutory authorities	6,03,22,309	2,35,17,768
Total	2,91,22,53,004	2,80,31,60,311

NOTE NO. 2.09**SHORT TERM PROVISIONS**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits		
Provision for leave encashment #	28,96,241	19,77,821
Others		
Provision for income tax (Net of Advance tax & TDS P.Y. ₹12,01,84,652)	-	1,21,79,955
Provision for CSR	42,46,007	27,18,779
Proposed dividend *	-	5,43,04,536
Tax on dividend	-	1,10,55,126
Total	71,42,248	8,22,36,217

also refer to Note No. 2.04 & 2.23

* also refer to Note No. 2.02

NOTE NO. 2.10
PROPERTY, PLANT & EQUIPMENT

PARTICULARS	Gross carrying value		Depreciation		Net carrying value	
	As at April 1, 2017	As at March 31, 2018	As at April 1, 2017	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Property, plant & equipment						
Office building	17,51,05,968	21,80,37,419	2,18,80,155	3,22,92,421	18,57,44,998	15,32,25,813
Office equipment	9,39,43,580	9,46,52,571	8,19,26,833	8,19,53,195	1,26,99,376	1,20,16,747
Furniture & fixtures	13,30,26,829	13,63,14,227	10,04,50,797	10,41,96,033	3,21,18,194	3,25,76,032
Computer hardware	15,15,34,816	17,20,98,477	13,06,12,463	13,82,32,726	3,38,65,751	2,09,22,353
Vehicle	3,21,33,534	3,15,47,848	1,93,89,727	2,28,09,601	87,38,247	1,27,43,807
VSAT	3,67,42,236	3,67,42,236	3,26,97,966	3,37,57,632	29,84,604	40,44,270
Total Property, plant & equipment (A)	62,24,86,963	68,93,92,778	38,69,57,941	41,32,41,608	27,61,51,170	23,55,29,022
Intangible Assets						
Computer software	4,70,55,186	4,57,52,136	4,38,32,525	4,01,69,952	79,40,256	32,22,661
Trade mark logo	20,000	20,000	19,756	96	148	244
Goodwill	1,00,00,000	1,00,00,000	68,35,938	7,91,015	23,73,047	31,64,062
Total Intangible (B)	5,70,75,186	5,57,72,136	5,06,88,219	4,80,063	1,03,13,451	63,86,967
assets						
Software WIP (C)	3,00,000	-	-	-	-	3,00,000
Current Year (A+B+C)	67,98,62,149	74,51,64,914	43,76,46,160	46,13,552	28,64,64,621	24,22,15,989
Previous Year	53,71,23,649	67,98,62,149	41,86,05,751	3,50,73,736	24,22,15,989	11,85,17,898

NOTE NO. 2.11
INVESTMENTS

(Amount in ₹)

Particulars	Face Value	As at March 31, 2018		As at March 31, 2017	
		No. of shares/ Units	Value	No. of shares/ Units	Value
A. Non-Current Investments					
Investment in Gold Bonds (Quoted)		500	15,59,500	500	15,59,500
Investment in Mutual Fund (Quoted)		1,00,000	10,00,000	1,00,000	10,00,000
Investment in Property			-		1,06,86,191
Sub- Total (A)		1,00,500	25,59,500	1,00,500	1,32,45,691
Trade Investments (valued at cost)					
Investment in Equity Instruments (Unquoted)					
Investment in Subsidiaries					
SMC Comtrade Limited	10	1,00,00,000	94,29,17,500	85,00,000	73,54,00,000
Moneywise Financial Services (P) Limited	10	3,62,06,920	1,59,49,42,979	3,21,56,920	1,30,22,92,979
SMC Capitals Limited	10	1,00,00,000	12,48,76,767	1,00,00,000	12,48,76,767
SMC Investment & Advisors Limited	10	2,50,00,000	70,00,00,000	2,50,00,000	70,00,00,000
Indunia Realtech Limited	10	25,00,000	2,50,00,000	25,00,000	2,50,00,000
Moneywise Finvest Limited	10	25,00,000	3,75,48,700	25,00,000	3,75,48,700
SMC Global USA Inc.	\$5000	140	4,73,93,645	140	4,73,93,645
SMC Finvest Limited	10	4,10,00,000	37,99,88,000	4,10,00,000	37,99,88,000
SMC Global IFSC (P) Limited	10	1,19,99,800	11,99,98,000	1,19,99,800	11,99,98,000
Sub- Total (B)		13,92,06,860	3,97,26,65,591	13,36,56,860	3,47,24,98,091
Investment in equity instruments (Unquoted)					
Ludhiana Stock Exchange Association Limited	10	2,000	54,000	2,000	54,000
Priknit Retails Limited	10	2,50,000	2,50,00,000	2,50,000	2,50,00,000
The Great Logistic & Parking Services (P) Limited	10	1,00,000	47,00,000	1,00,000	47,00,000
		3,52,000	2,97,54,000	3,52,000	2,97,54,000
Less: Provision for diminution in value of Investment			(2,97,00,000)		(2,97,00,000)
Sub- Total (C)		3,52,000	54,000	3,52,000	54,000

NOTE NO. 2.11**INVESTMENTS**

(Amount in ₹)

Particulars	Face Value	No. of shares/ Units	As at March 31, 2018	No. of shares/ Units	As at March 31, 2017
Non- Trade Investments (valued at cost)					
Investment in equity instruments (Quoted)					
Shipping Corporation of India Limited	10	-	-	43,955	62,06,641
Pradip Overseas Limited	10	-	-	4,24,108	94,47,024
Khandwala Securities Limited	10	-	-	2,56,912	42,77,481
Larsen & Toubro Limited	2	-	-	72	73,967
Reliance Capital Limited	10	-	-	576	2,72,892
Ore India	10	-	-	4,100	27,470
HB Portfolio Limited	10	-	-	100	2,575
Peacock Industries Limited	4	-	-	200	950
TRF Limited	10	-	-	31,000	90,09,709
				7,61,023	2,93,18,709
Less: Provision for diminution in value of Investment				-	(50,00,000)
Sub- Total (D)				7,61,023	2,43,18,709
Total	(A+B+C+D)			3,97,52,79,091	3,51,01,16,491

1. Aggregate market value of quoted investment in Gold Bond is ₹ 13,90,000 (Previous Year is ₹ 13,87,350)
2. Aggregate book value of quoted investment in Gold Bond is ₹ 15,59,500 (Previous Year is ₹ 15,59,500)
3. Aggregate net asset value of quoted investment in Mutual Fund is ₹ 10,44,500 (Previous Year is ₹ 10,02,200)
4. Aggregate book value of quoted investment in Mutual Fund is ₹ 10,00,000 (Previous Year is ₹ 10,00,000)
5. Aggregate book value of unquoted investment is ₹ 4,00,24,19,591 (Previous Year is ₹ 3,50,22,52,091)
6. Aggregate provision for diminution in value of unquoted investment is ₹ 2,97,00,000 (Previous Year is ₹ 2,97,00,000)
7. Aggregate market value of quoted investment is ₹ Nil (Previous Year is ₹ 1,62,91,179)
8. Aggregate book value of quoted investment is ₹ Nil (Previous Year is ₹ 2,93,18,709)
9. Aggregate provision for diminution in value of quoted investment is ₹ Nil (Previous Year is ₹ 50,00,000)

NOTE NO. 2.11**INVESTMENTS**

(Amount in ₹)

Particulars	Face Value	No. of shares/ Units	As at March 31, 2018	No. of shares/ Units	As at March 31, 2017
B. Current Investments					
(at lower of cost or fair value)					
Investment in equity instruments (Quoted)					
Amara Raja Batteries Limited	1	-	-	600	4,99,242
Force Motors Limited	10	-	-	477	21,28,124
Piramal Enterprises Limited	2	-	-	515	9,74,040
Tata Elxsi (I)	10	-	-	680	9,96,132
Fag Bearings Limited	10	-	-	223	9,85,887
Cosmo Films Limited	10	-	-	5,400	20,14,200
Berger Paints (I) Limited	1	-	-	4,400	9,99,584
Dewan Housing Fin Corp Limited	10	-	-	2,662	9,77,353
Pennar Industries Limited	5	-	-	23,765	9,73,177
Mothersun Sumi	1	-	-	4,672	17,05,034
Symphony Limited	2	-	-	648	9,86,354
Sona Steering Systems	1	-	-	12,200	9,96,130
Nilkamal Plastics	10	-	-	499	9,73,998
Relaxo Footwears Limited	1	-	-	1,453	7,04,503
Indusind Bank	10	-	-	598	8,40,891
Shiva Cement Limited	2	-	-	10,800	2,00,177
Cera Sanitaryware Limited	5	-	-	248	7,01,274
Maruti Udyog Limited	5	-	-	164	9,82,248
Minda Industries	10	-	-	2,232	9,80,874
Karnatka Bank Limited	10	-	-	60,350	82,52,240
Edelweiss	1	-	-	17,249	24,82,394
Godrej Properties Limited	5	-	-	4,073	14,90,287
Triveni Turbine Limited	1	-	-	7,236	9,91,283
Crompton Greaves Consumer Electrical Limited	2	-	-	5,454	11,21,110
Max Ventures And Industries Limited	10	-	-	11,500	10,05,615
Bajaj Finserv Limited	5	-	-	260	9,96,294
				1,78,358	3,59,58,445

NOTE NO. 2.11**INVESTMENTS**

(Amount in ₹)

Particulars	Face Value	No. of shares/ Units	As at March 31, 2018	No. of shares/ Units	As at March 31, 2017
Investment in equity instruments under portfolio management service					
Gateway Distriparks Limited	2	-	-	3,930	9,84,485
L&T Finance Holdings Limited	2	13,419	7,93,807	13,419	7,93,807
Yes Bank Limited	10	6,865	7,89,491	1,373	7,89,491
Whirlpool Of India Limited	10	1,357	5,92,478	1,809	7,89,825
Reliance Industries Limited	10	2,484	12,07,310	1,242	12,07,310
Housing Development Finance Corporation Limited	2	938	9,91,961	938	9,91,961
Indusind Bank Limited	10	951	5,91,867	951	5,91,867
Mahindra Cie Automotive Limited	10	6,081	12,05,622	6,081	12,05,622
NTPC Limited	2	7,310	10,00,759	7,310	10,00,759
Vip Industries Limited	1	5,427	5,80,619	5,427	5,80,619
The Indian Hotels Co	10	10,773	11,53,502	8,554	9,87,077
Engineers India Limited	10	6,508	7,85,364	6,508	7,85,364
Axis Bank Limited	10	2,003	7,93,131	2,003	7,93,131
Larsen & Toubro Limited	5	801	7,88,217	534	7,88,217
NLC India Limited	10	12,364	10,36,721	9,456	8,06,460
Phoenix Mills Limited	2	-	-	1,659	5,95,593
Jain Irrigation Systems Limited	1	7,950	6,94,726	7,950	6,94,726
Elecon Engineering Company Limited	2	-	-	15,549	7,85,423
State Bank Of India	2	6,170	15,43,117	2,740	6,97,389
Il & Fs Transportation Networks Limited	5	8,262	5,01,917	8,262	9,03,863
Mahindra & Mahindra Limited	10	890	6,05,079	445	5,71,692
Gujarat Mineral Development Company Limited	2	-	-	4,108	5,04,257
Tata Consultancy Services Limited	10	223	5,91,185	223	5,42,135
Tata Power Co Limited	1	15,216	12,07,390	-	-
IDFC Bank Limited	10	31,004	14,68,039	7,018	3,97,507
IDFC Limited	10	7,018	3,41,426	7,018	3,82,481
ITC Limited	1	4,465	11,42,594	-	-
		1,58,479	2,04,06,322	1,24,507	1,91,71,061

NOTE NO. 2.11**INVESTMENTS**

(Amount in ₹)

Particulars	Face Value	No. of shares/ Units	As at March 31, 2018	No. of shares/ Units	As at March 31, 2017
Sub- Total	(A)	1,58,479	2,04,06,322	3,02,865	5,51,29,506
Investment in Mutual Fund (Unquoted)					
Reliance Money Manager Fund-Growth Option		184	4,31,369	320	6,89,051
Sub- Total	(B)	184	4,31,369	320	6,89,051
Total	(A+B)	1,58,663	2,08,37,691	3,03,185	5,58,18,557

1. Aggregate market value of quoted investment is ₹ 2,99,90,349 (Previous Year is ₹ 6,31,55,107)
2. Aggregate book value of quoted investment is ₹ 2,04,06,322 (Previous Year is ₹ 5,51,29,506)
3. Aggregate net asset value of unquoted investment is ₹ 4,39,722 (Previous Year is ₹ 7,18,189)
4. Aggregate book value of unquoted investment is ₹ 4,31,369 (Previous Year is ₹ 6,89,051)

NOTE NO. 2.12**DEFERRED TAX ASSETS**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for doubtful debts	2,52,23,614	3,70,00,671
Provision for doubtful advances	2,10,536	6,62,888
Provision for gratuity	26,72,075	60,07,520
Provision for diminution in value of investments	-	34,26,192
Provision for impairment of property, plant and equipment	15,72,480	-
Disallowances / others	2,15,28,972	65,04,092
Difference between carrying cost of fixed assets as per Companies Act, 2013 and Income Tax Act, 1961	1,87,96,612	1,96,66,936
(A)	7,00,04,289	7,32,68,299
Deferred Tax Liability		
ICDS Impact	11,96,665	36,27,040
(B)	11,96,665	36,27,040
Total	(A-B) 6,88,07,624	6,96,41,259

NOTE NO. 2.13**LONG TERM LOANS AND ADVANCES**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Security deposits	4,92,40,984	4,62,13,127
Loans and advances to related party*	1,44,09,824	1,35,33,808
Advances recoverable in cash or in kind	6,24,92,238	6,50,27,028
Capital advance	3,25,00,000	5,62,80,617
Balance with government authorities	19,55,711	1,15,120
Advance tax and TDS	3,26,08,587	-
(Net of provision for income tax of ₹14,43,51,691)		
(A)	19,32,07,344	18,11,69,700
Unsecured, considered doubtful		
Advances recoverable in cash or in kind	6,02,495	19,15,418
Less: Provision for doubtful advances	(6,02,495)	(19,15,418)
(B)	-	-
Total	(A+B) 19,32,07,344	18,11,69,700

*also refer to Note No. 2.38

NOTE NO. 2.14**TRADE RECEIVABLES (NON CURRENT)**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Outstanding for a period exceeding one year		
Secured, considered good	(A) 4,48,58,968	4,27,43,100
Unsecured, considered good	2,27,89,316	5,71,24,082
Unsecured, considered doubtful	7,21,82,961	10,69,13,637
	9,49,72,277	16,40,37,719
Less: Provision for doubtful debts #	(7,21,82,961)	(10,69,13,637)
(B)	2,27,89,316	5,71,24,082
Total	(A+B) 6,76,48,284	9,98,67,182

also refer to Note No. 2.35

NOTE NO. 2.15**INVENTORIES**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Shares (valued at market price)	1,03,47,44,999	70,72,96,006
Bonds (valued at lower of cost or market price)	8,86,835	14,24,04,797
Total	1,03,56,31,834	84,97,00,803

NOTE NO. 2.16**TRADE RECEIVABLES (CURRENT)**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Debts outstanding for more than six months		
Secured, considered good	1,19,80,374	1,32,02,682
Unsecured, considered good	33,07,326	83,81,930
Other debts		
Secured, considered good	2,17,90,03,041	1,94,71,55,534
Unsecured, considered good	1,54,01,38,727	1,47,58,60,430
Total	3,73,44,29,468	3,44,46,00,576

NOTE NO. 2.17**CASH AND BANK BALANCES**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Cash & cash equivalents		
Balance with banks in current accounts	18,67,47,767	50,97,77,560
Cheque in hand	-	1,60,49,627
Cash in hand	18,81,323	18,00,484
Foreign currency in hand	5,72,146	6,60,938
(A)	18,92,01,236	52,82,88,609
Other bank balances*		
- Placed under lien with banks	3,16,36,50,000	2,61,55,52,000
- Pledged with the clearing corporations and stock exchanges as margin	5,95,01,000	2,93,00,000
- Placed under lien with consumer court	4,37,500	1,08,389
- Placed with pension fund regulatory and development authority	20,00,000	20,00,000
- Placed under arbitration	97,80,808	1,37,83,456
- Deposits in hand	2,009	4,95,92,009
(B)	3,23,53,71,317	2,71,03,35,854
Total	3,42,45,72,553	3,23,86,24,463

* Other bank balance includes fixed deposit amounting to ₹ 1,14,82,31,000 (P.Y. ₹ 88,89,70,000) having maturity period more than one year.

*also refer to Note No. 2.34

NOTE NO. 2.18**SHORT-TERM LOANS AND ADVANCES**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Loans and advances to related parties *	54,01,25,891	52,38,66,396
Advances recoverable in cash or in kind	11,46,97,276	19,59,66,316
Balance with government authorities	2,94,01,406	29,45,747
Total	68,42,24,573	72,27,78,459

*also refer to Note No. 2.38

NOTE NO. 2.19**OTHER CURRENT ASSETS**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Accrued interest on FDR	2,16,08,394	1,89,56,555
Accrued interest on bonds	27,865	30,96,868
Dividend receivable	27,080	33,930
Total	2,16,63,339	2,20,87,353

NOTE NO. 2.20

REVENUE FROM OPERATIONS

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Income from brokerage	1,42,58,45,987	1,13,62,87,664
Income from proprietary trading	1,24,56,27,923	1,29,02,24,413
Income from distribution of financial products	77,35,87,361	66,31,20,647
Income from depository business	5,59,79,970	3,07,40,381
Treasury income	21,72,09,205	18,45,14,884
Dividend earned	88,59,476	57,58,090
Interest earned	38,15,000	-
Income from reverse book building	-	1,50,000
Other operating income		
Income from investment in PMS (net)	11,66,259	1,33,84,602
Income from research support services	99,63,150	2,00,70,871
Dividend on investment	3,49,317	6,16,712
Profit/(loss) on sale of investment	-	(12,98,986)
Interest on delay payment and margin trading	31,57,87,228	21,13,39,864
Total	4,05,81,90,876	3,55,49,09,142

NOTE NO. 2.21

OTHER INCOME

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income	5,68,35,399	75,54,509
Rent income	1,78,88,526	1,76,43,316
Liability no longer required to be written back	1,92,56,679	41,54,590
Miscellaneous income	18,06,995	68,76,920
Total	9,57,87,599	3,62,29,335

NOTE NO. 2.22

STOCK EXCHANGE AND OTHER OPERATING EXPENSES

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Client introduction charges	66,08,95,494	52,16,60,015
Exchange & other regulatory charges	36,03,07,648	33,68,16,079
Expense for distribution of financial products	58,57,17,199	51,00,84,682
VPN, leaseline, internet & VSAT expenses (net)	97,10,314	1,12,57,682
Securities transaction tax	37,07,16,733	38,06,63,086
Demat charges	16,06,621	12,12,000
Total	1,98,89,54,009	1,76,16,93,544

NOTE NO. 2.23

EMPLOYEE BENEFIT EXPENSES

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and incentives	58,18,19,702	49,04,51,052
Employers' contributions towards statutory fund	3,12,94,914	2,26,41,621
Gratuity	1,45,33,572	1,36,18,714
Staff welfare	94,85,394	59,34,062
Total	63,71,33,582	53,26,45,449

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 March 31, 2018	For the year ended March 31, 2017
Present value of the obligation as at the beginning of the year	5,50,47,118	4,42,11,949
Interest cost	39,39,971	39,59,028
Current service cost	89,68,970	69,31,004
Liability assumed on acquisition/ (settled on divestiture)	-	2,14,255
Plan amendments cost/(credit)	86,74,410	-
Acquisitions cost/(credit)	1,19,38,344	-
Benefits paid	(21,49,813)	(48,08,058)
Actuarial (gain)/loss on obligations	(44,58,271)	45,38,940
Present value of the obligation as at the end of the year	8,19,60,729	5,50,47,118

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gratuity (Partly Funded) cont...		
Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	76,88,357	56,86,157
Expected return on plan assets	29,77,907	6,97,894
Contributions	6,61,83,943	50,00,000
Benefits paid	(21,49,813)	(48,08,058)
Actuarial gain/(loss) on plan assets	(3,86,398)	11,12,364
Fair value of plan assets at the end of the year	7,43,13,995	76,88,357
Total Actuarial (gain)/loss to be recognised	(40,71,873)	34,26,576
Actual return on plan assets		
Expected return on plan assets	29,77,907	6,97,894
Actuarial gain/(loss) on plan assets	(3,86,398)	11,12,364
Actual return on plan assets	25,91,509	18,10,258

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Amount recognized in the Balance Sheet		
Present Value of the Obligation as at the end of the year	8,19,60,729	55,047,118
Fair Value of Plan Assets as at the end of the year	(7,43,13,995)	(76,88,357)
Net liability recognised in Balance Sheet	76,46,734	4,73,58,761
Amount recognized in the Statement of Profit and Loss		
Interest cost	39,39,971	39,59,028
Current service cost	89,68,970	69,31,004
Past service cost	86,74,410	-
Expected return on plan assets	(29,77,906)	(6,97,894)
Net actuarial (gain)/loss recognised in year	(40,71,873)	34,26,576
Total expense recognized in the Statement of Profit and Loss	1,45,33,572	1,36,18,714
Bifurcation of the present value of the obligation as at the end of the year		
Current Liability	-	-
Non-Current Liability	76,46,734	4,73,58,761
Net Liability	76,46,734	4,73,58,761
The principal assumptions used in determining obligations for the Company's plans are shown below:		
Assumptions	Current Year	Previous Year
Discount rate	7.70%	7.30%
Expected Rate of Return on Assets (p.a)	7.50%	7.50%
Salary Escalation Rate (p.a.)	7.00%	7.00%

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)

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Bifurcation of the present value of the Obligation as on the end of the year		
Current Liability	28,96,241	19,77,821
Non-Current Liability	1,94,53,151	1,52,12,678
Total	2,23,49,392	1,71,90,499
The principal assumptions used in determining obligations for the Company's plans are shown below:		
Assumptions	Current Year	Previous Year
Discount rate	7.70%	7.30%
Salary Escalation Rate (p.a.)	7.00%	7.00%

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.

NOTE NO. 2.24**FINANCE COST**

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest to bank (term loan)	7,44,937	10,62,481
Interest to bank (others)	15,87,64,229	6,53,84,480
Interest - others	11,53,21,160	11,05,21,370
Other borrowing cost	4,05,12,723	3,18,41,961
Total	31,53,43,049	20,88,10,292

NOTE NO. 2.25**DEPRECIATION AND AMORTISATION EXPENSES**

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on property, plant and equipment	4,58,25,489	3,24,38,210
Amortisation on intangible assets	48,08,063	26,35,526
Total	5,06,33,552	3,50,73,736

NOTE NO. 2.26**OTHER EXPENSES**

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Advertisement	14,74,98,423	11,86,46,585
Business promotion	12,51,93,379	16,37,59,926
Provision for doubtful debts	(3,47,30,676)	(2,47,42,117)
Bad debts	7,23,44,579	9,81,19,360
Provision for doubtful advances	6,12,495	19,15,418
Computer repair & maintenance	2,67,23,786	1,94,49,327
Conveyance & traveling expenses	1,49,66,123	1,21,42,274
Director sitting fees	17,25,000	23,15,000
Donation	3,53,400	2,27,100
Electricity & water charges	3,03,72,789	2,88,61,543
Insurance	17,91,021	21,32,373
Legal & professional charges	3,28,96,043	1,28,73,107
Bank charges	99,43,246	30,94,039
Provision for diminution of value of investment	(50,00,000)	50,00,000
Stock exchange listing fee	52,500	52,501
Loss on sale / discarded property, plant and equipment (net)	54,958	75,122
Office repair & maintenance	2,48,53,230	2,26,41,844
Printing and stationery	1,77,54,749	1,28,91,112
Rent (net)	8,96,49,057	8,13,46,237
Rates and taxes	24,96,652	17,27,127
Intangible assets written off	1,46,977	-
Provision for impairment of property, plant and equipment	45,00,000	-
Irrecoverable balance written off	-	26,89,437
Membership fees & subscription	14,03,209	7,69,327
Communication expenses	2,83,32,199	2,12,88,749
Vehicle running & maintenance	31,88,001	27,19,047
CSR expenses	56,52,228	33,29,016
Miscellaneous expenses	80,69,650	1,24,50,919
Auditor's remuneration:		
As statutory auditor	19,00,000	16,50,000
As tax auditor	2,00,000	1,50,000
As fees for other services	3,14,500	2,07,500
Total	61,32,57,518	60,77,81,873

NOTE NO. 2.27**a) CONTINGENT LIABILITIES**

Contingent liabilities not provided in the financial statements:

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
1. Corporate guarantee executed by the company for credit facility extended to subsidiaries	1,91,00,00,000	1,01,00,00,000
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	9,63,79,122	6,74,73,978
4 (a). Income Tax Demand (A.Y. 2013-14) (Total amount paid under protest ₹ 31,46,625 (P.Y. ₹ 31,46,625))	31,46,625	31,46,625
(b). Income tax Demand (A.Y. 2014-15) (Total amount paid under protest ₹ 56,81,359 (P.Y. ₹ 56,81,359))	56,81,359	56,81,359
(c). Income tax Demand (A.Y. 2015-16) (Total amount paid under protest ₹ 10,00,000 (P.Y. ₹ Nil))	27,50,524	-
5. Provident Fund	-	-
6. Stamp Duty	-	-

Notes:

- The Company has given corporate guarantee towards credit facility of two of the subsidiaries M/s SMC Comtrade Limited and M/s Moneywise Financial Services Private Limited.
- An ESI demand is being agitated by the Company at Additional Senior Civil Judge, Tis Hajari court, Delhi.
- Service Tax demand of ₹ 45,65,609/- is being agitated by the Company before Commissioner of Service Tax, Audit 1, Delhi and of ₹ 9,18,13,513/- is being agitated by the Company before Additional Director General of Directorate General of GST Intelligence, Delhi Zonal Unit.
- Assessment u/s 143(3) for the A.Y 2013-14, AY 2014-15 and AY 2015-16 has been completed and disallowance made under section 14A of the Income Tax Act, 1961 for which appeal filed before the Commissioner of Income Tax (Appeals).
- 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 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) Other litigations

- 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 by the transferor 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**Extraordinary Items**

- a) The company had started making efforts for proposed ADR issue in USA for expansion of business in the year 2015, however, the same has been called off during the year due to regulatory issues with Ministry of Finance, Government of India and accordingly ADR Expenses incurred in all these years starting from October 2015 till the end of March 2018 ₹ 13,94,38,879/- has been charged to Profit & Loss account for the year.
- b) The company has also earned a Profit on Sale of Investment in Subsidiary Company within the group ₹ 10,35,00,000/- Extraordinary items (net) of above ₹ 3,59,38,879/-

NOTE NO. 2.29

The company has converted investment in property amounting to ₹ 1,06,86,191/- and current / non-current (quoted) investment (excluding investment in portfolio management service) amounting to ₹ 6,52,77,154/- into building under the head property plant & equipment and inventories respectively during the year at book value.

NOTE NO. 2.30**COMMITMENTS**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Contracts remaining to be executed on account of capital (net of advances)		
-For purchase of Software	-	3,00,000
-For Purchase of Office Building	1,75,00,000	2,39,28,283

NOTE NO. 2.31**EARNING AND EXPENDITURE IN FOREIGN CURRENCY**

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Earning in Foreign Currency		
- Brokerage & Commission	2,44,273	Nil
- Income From Support Service	6,27,275	Nil
b) Expenditure in Foreign Currency		
- Expense on Foreign Tour	2,10,703	41,450
- Investments in Foreign Subsidiary	Nil	2,68,75,145
- Loan to Foreign Subsidiary	Nil	1,35,33,808
- On Account of Proposed ADR Issue	5,99,19,883	1,60,22,928
- Others	Nil	2,14,175

NOTE NO. 2.32**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 March 31, 2018	For the year ended March 31, 2017
a) Number of non resident shareholders	2	2
b) Number of equity shares held by them	2,13,65,280/2,13,65,280	2,27,65,280/2,21,65,280
c) (i) Amount of dividend paid	74,79,149/74,79,149	61,13,362/58,97,362
(ii) Tax deducted at source	-	-
(iii) Year to which dividend relates	(2016-17/2017-18) (Final Dividend/ Interim Dividend)	(2015-16/2016-17) (Final Dividend/ Interim Dividend)

NOTE NO. 2.33

In the opinion of the Board, any of the assets other than Property, plant & equipment 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. 2.34

Fixed deposit with scheduled bank includes ₹ 3,16,36,50,000/- (P.Y. ₹ 2,61,55,52,000/-) under lien in favour of the bank as margin deposit for the guarantees issued of ₹ 6,32,73,00,000/- (P.Y. ₹ 5,23,01,04,000/-) credit facilities or otherwise, ₹ 5,95,01,000/- (P.Y. ₹ 2,93,00,000/-) pledged with stock exchanges as margin, which does not include margins paid by client constituents on their own behalf, ₹ 4,37,500/- (P.Y. ₹ 1,08,389/-) pledged with Court, ₹ 20,00,000 (P.Y. ₹ 20,00,000/-) pledged with pension fund regulatory and development authority" to become POP of NPS, and ₹ 97,80,808/- (P.Y. ₹ 1,37,83,456/-) pledged with exchange for arbitration.

NOTE NO. 2.35

Unsecured Non Current Trade Receivables (considered good) includes amount due from parties including on whom legal action initiated for recovery and are net of doubtful portion, disclosed separately and necessary provision made thereof.

NOTE NO. 2.36**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 different 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:

- Trading & Distribution: Comprises of brokerage income earned on secondary market transactions done on behalf of clients, proprietary trading in securities and derivatives, income from distribution of financial products and services rendered as depository participant.
- 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. 2.37**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 March 31, 2018	For the year ended March 31, 2017
Net profit attributable to equity shareholders before extraordinary items (net of tax)	35,43,69,706	29,33,55,781
Net Profit attributable to equity shareholders after extraordinary items (net of tax)	36,66,87,834	29,33,55,781
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/ Diluted EPS before extraordinary items	3.13	2.59
Basic/ Diluted EPS after extraordinary items	3.24	2.59

NOTE NO. 2.38**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 C. Aggarwal (Chairman & Managing Director)
		Mr. Mahesh C. Gupta (Vice-Chairman & Managing Director)
		Mr. Ajay Garg
		Mr. Anurag Bansal
		Mr. Himanshu Gupta
	Executive officers	Ms. Shruti Aggarwal
		Mr. Vinod K. Jamar (Group CFO)
		Mr. Suman Kumar (CS)
		Ms. Nidhi Bansal
		Ms. Reema Garg
Relative of key managerial personnel		Ms. Meetu Goel

Nature of Relationship	Name of Related Parties
Subsidiaries	SMC Comtrade Limited
	Moneywise Financial Services Private Limited
	SMC Capitals Limited
	SMC Finvest Limited
	Moneywise Fininvest Limited
	Indunia Realtech Limited
	SMC Investments & Advisors Limited
	SMC Global USA Inc.
	SMC Global IFSC Private Limited
	Step down subsidiaries
SMC Comex International DMCC	
Jointly controlled entity	SMC Real Estate Advisors Private Limited
	SMC & IM Capitals Investment Manager LLP

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 March 31, 2018

(Amount in ₹)

Nature Of Transaction	Key Managerial Personnel	Relatives of key managerial personnel	Subsidiaries	Jointly controlled entity
Investments - Purchase				
Moneywise Financial Services Private Limited			39,61,50,000 (25,00,00,000)	
Moneywise Finvest Limited			Nil (2,77,50,000)	
SMC Global IFSC Private Limited			Nil (11,99,98,000)	
SMC Finvest Limited			20,70,00,000 (Nil)	
SMC Global USA Inc.			Nil (2,68,75,145)	
Investment - Sale				
SMC Finvest Limited			20,70,00,000 (Nil)	
Loan & Advances given (net)				
SMC Comtrade Limited			Nil (50,50,02,199)	
Indunia Realtech Limited			23,80,919 (1,88,64,197)	
SMC Real Estate Advisors Private Limited			93,16,864 (Nil)	
Moneywise Financial Services Private Limited			50,14,60,911 (Nil)	
SMC Global USA Inc.			Nil (1,35,33,808)	
Loan & Advances recovered (net)				
SMC Comtrade Limited			49,68,99,199 (33,52,09,789)	
Interest on delay payment and margin trading				
SMC Real Estate Advisors Private Limited			6,193 (Nil)	
Brokerage received				
SMC Real Estate Advisors Private Limited			71,41,248 (2,42,56,679)	
SMC Comtrade Limited			6,41,438 (38,25,739)	
SMC Investments and Advisors Limited			232 (7,25,092)	

2. Significant Transactions with Related Parties for the year ended March 31, 2018

(Amount in ₹)

Nature of Transaction	Key Managerial Personnel	Relatives of Key Managerial Personnel	Subsidiaries	Jointly controlled entity
Moneywise Finvest Limited			76,37,803 (72,31,298)	
SMC Insurance Brokers Private Limited			4,139 (79,543)	
Moneywise Financial Services Private Limited			19,196 (32,488)	
Demat charges received				
SMC Comtrade Limited			2,03,615 (80,744)	
Others			25,968 (5,990)	
Rent received				
SMC Insurance Brokers Private Limited			98,00,796 (98,00,796)	
SMC & IM Capitals Investment Manager LLP				45,000 (12,500)
SMC Capitals Limited			4,23,360 (Nil)	
Moneywise Financial Service Private Limited			7,08,750 (9,07,500)	
Interest Income				
SMC Comtrade Limited			Nil (25,88,052)	
Moneywise Financial Services Private Limited			5,36,75,657 (Nil)	
Indunia Realtech Limited			18,22,951 (15,775)	
SMC Global USA Inc.			8,33,104 (5,66,088)	
Moneywise Finvest Limited			Nil (3,47,551)	
Income from distribution of financial products				
SMC Capitals Limited			2,25,07,131 (1,50,33,138)	
Extraordinary item (Profit on sale of investment in subsidiary)				
SMC Finvest Limited			10,35,00,000 (Nil)	

2. Significant Transactions with Related Parties for the year ended March 31, 2018

(Amount in ₹)

Nature of Transaction	Key Managerial Personnel	Relatives of Key Managerial Personnel	Subsidiaries	Jointly controlled entity
Remuneration				
Whole Time Director	3,19,06,668 (3,24,92,500)			
Executive officers	95,17,345 (86,87,080)			
Others		58,24,391 (53,97,500)		
Expense for distribution of financial products				
SMC Investments and Advisors Limited			78,499 (5,18,836)	
Client introduction charges paid				
SMC Investments and Advisors Limited			55,05,890 (50,13,798)	
Management Fee on PMS (Paid)				
SMC Investments and Advisors Limited			3,16,887 (9,50,360)	
Interest Expense				
SMC Investments and Advisors Limited			Nil (13,35,888)	
SMC Comtrade Limited			3,08,98,063 (2,60,45,187)	
SMC Finvest Limited			Nil (16,95,332)	
MoneywiseFinvest Limited			7,59,438 (Nil)	
SMC Real Estate Advisors Private Limited			25,46,752 (18,63,014)	
Net reimbursement of expenses (received)				
SMC Insurance Brokers Private Limited			1,23,885 (1,02,040)	
SMC Global IFSC Private Limited			1,43,579 (20,28,507)	

2. Significant Transactions with Related Parties for the year ended March31, 2018

(Amount in ₹)

Nature of Transaction	Key Managerial Personnel	Relatives of Key Managerial Personnel	Subsidiaries	Jointly controlled entity
SMC Real Estate Advisors Private Limited			1,07,700 (7,31,226)	
Moneywise Financial Services Private Limited			11,000 (2,877)	
Moneywise Finvest Limited			2,000 (Nil)	
SMC Capitals Limited			2,14,680 (2,182)	
SMC Finvest Limited			51,655 (60,710)	
Indunia Realtech Limited			Nil (139)	
SMC Comtrade Limited			Nil (16,78,794)	
Net reimbursement of expenses (paid)				
SMC Comtrade Limited			2,91,86,945 (Nil)	
SMC Capitals Limited			Nil (4,73,862)	

Note:

- Figures shown in bracket indicate previous year amount.
- Transactions with KMPs and their relatives through stock exchanges / depositories in the normal course of business have not been disclosed as the same have been transacted at prevailing market prices under online trade mechanism and not material in nature.

3. Balance Outstanding

(Amount in ₹)

Party Name	Included in	As at March 31, 2018	As at March 31, 2017
SMC Comtrade Limited	Short term loans & advances	81,03,000	50,50,02,199
	Other current liabilities (Margin received from client)	Nil	5,42,94,278
	Short term loans & advances (Advances recoverable in cash or kind)	21,600	Nil
	Trade payable	1,30,071	54,06,414
SMC Real Estate Advisors Private Limited	Trade receivable (current)	Nil	6,49,883
	Short term loans & advances	93,16,864	Nil
	Short term loans & advances (Advances recoverable in cash or kind)	2,360	3,54,924
	Other current liabilities (Margin received from client)	2,60,43,130	5,93,80,578
Moneywise Financial Services Private Limited	Trade payable (current)	14,03,751	Nil
	Short term loans & advances (Advances recoverable in cash or kind)	11,880	Nil
	Short term loans & advances	50,14,60,911	Nil
	Trade receivable (current)	36,02,284	Nil
SMC Finvest Limited	Other current liabilities (Margin received from client)	36,01,078	Nil
	Short term loans & advances (Advances recoverable in cash or kind)	43,560	Nil
	Trade payable (current)	Nil	1,40,669
	Trade receivable (current)	19,92,323	Nil
SMC Capitals Limited	Short term loans & advances (Advances recoverable in cash or kind)	7,05,974	Nil
	Trade payable (current)	Nil	1,40,669
SMC Investments and Advisors Limited	Trade receivable (current)	19,92,323	Nil
	Short term loans & advances (Advances recoverable in cash or kind)	7,05,974	Nil
SMC Global IFSC Private Limited	Trade payable (current)	5,25,008	4,26,726
	Short term loans & advances (Advances recoverable in cash or kind)	16,447	Nil
Indunia Realtech Limited	Short term loans & advances (Advances recoverable in cash or kind)	23,71,933	20,28,507
	Short term loans & advances	2,12,45,116	1,88,64,197
Moneywise Finvest Limited	Trade payable (current)	86,30,724	8,20,441
	Short term loans & advances (Advances recoverable in cash or kind)	2,160	Nil
	Other current liabilities (Margin received from client)	5,34,32,144	5,14,94,740
SMC Global USA Inc.	Long term loans & advances	1,44,09,824	1,35,33,808
SMC Insurance Brokers Private Limited	Other long-term liabilities	49,00,398	49,00,398
	Short term loans & advances (Advances recoverable in cash or kind)	14,040	Nil
	Trade payable (current)	4,320	Nil

NOTE NO. 2.39

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. 2.40

Based on the nature of the services / activities of the company and the normal time between acquisition of assets and their realization in cash and cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTE NO. 2.41

Previous year 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.: 000846Csd/-
S.K. AGARWAL
PARTNER

Membership No. : 093209

For and on behalf of the Boardsd/-
S. C. AGGARWAL
(CHAIRMAN & MANAGING
DIRECTOR)
Din No.: 00003267sd/-
MAHESH C. GUPTA
(VICE-CHAIRMAN & MANAGING
DIRECTOR)
Din No.: 00003082sd/-
VINOD KUMAR JAMAR
(GROUP CFO)sd/-
SUMAN KUMAR
(COMPANY SECRETARY)PLACE : Kolkata
DATE : May 14, 2018

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