

SMC GLOBAL SECURITIES LIMITED



Moneywise. Be wise.

Annual Report
2018-19

YEARS OF EXCELLENCE

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Moneywise. Be wise.

25th Annual General Meeting

Day: Saturday

Date: 28th of September, 2019

Time: 11:00 A.M.

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

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A man in a dark suit stands in profile, looking towards a futuristic, curved hallway. The walls and ceiling are composed of large, light-colored panels. A glowing, white data visualization, consisting of vertical bars and a line graph, is projected onto the wall. The floor is highly reflective, mirroring the man and the data. The overall atmosphere is clean, modern, and high-tech.

SMC'S VALUE PROPOSITION: MOVING AHEAD WITH INNOVATION

With a solid foundation based on strong numbers year after year, we are excited to achieve the next level of growth, founded on Innovation, New Service and Technology. These are our core strengths in trading and we not only deliver what is asked of us, but we take it one step further by anticipating our clients changing needs and seizing these opportunities.

FOREWORD BY THE CHAIRMAN



“

Anyone who stops learning is old, whether at twenty or eighty.

Anyone who keeps learning stays young.

- Henry Ford

Dear Stakeholders,

The year 2018-19 has left an indelible mark in the growth of SMC. Since inception, we continue to move towards achieving the vision of making SMC a world class financial services enterprise. Our motto “Growth is Life” aptly captures the ever evolving spirit of SMC Group.

Our Company has entered into its 25th year of operations. The Silver Jubilee year has been an occasion for celebration with our stakeholders & our people. Like an individual who has just turned 25, we feel young, energetic and inspired to reach the zenith.

Quality of life, here at SMC is measured with our corporate ethos of Trustworthy, Integrity, Relationship, Innovation & Passion. These are the values which have brought us where we are today and are embedded in our DNA.

Mr. Subhash C. Aggarwal
Chairman & Managing Director

PERFORMANCE REVIEW

It gives me a great pleasure to share with you that during FY 2018-19, SMC won “**Company of the year (Financial Services)- Zee Business Awards 2018** and **Best Financial Services Provider – ASSOCHAM Excellence Awards** and **Corporate Brokerage House of the year – MCX Awards, 2018**.

We have delivered splendid performances on both financial and operational parameters across all our business segments. FY 2018-19 turned out to be a watershed year in the history of SMC Group, evidenced by the performance during the last financial year, both in quantitative and qualitative terms. As far as financial performance of our company is concerned for FY 2018-19, we have achieved net profit of ₹ 7,478.25 Lakhs compared to previous year (PY 2017-18) ₹ 5,168.47 Lakhs on consolidated basis for SMC Global Securities Limited and earning per equity share (basic & diluted) have been recorded at ₹ 6.61 compared to ₹ 4.57 in the previous year.

These robust financial numbers have

enabled us to recommend a Final Dividend of 24% (i.e. ₹ 0.48 per share) this year too, apart from the interim dividend of 24% which has already been paid.

ACHIEVEMENTS DURING THE YEAR ACROSS KEY OPERATING BUSINESS

Our subsidiaries, **Moneywise Financial Services Private Limited** made a handsome revenue from operations of ₹ 9,888 Lakhs, with a net profit of ₹ 3,110 Lakhs and on the other hand **SMC Insurance Brokers Private Limited** made phenomenal revenue from operation of ₹ 17,954 Lakhs, with a net profit of ₹ 1,140 Lakhs.

This 25th year of SMC is noteworthy as we have merged two of our subsidiaries namely “**Indunia Realtech Limited**” & “**SMC Finvest Limited**” with “**SMC Global Securities Limited**”. Along with it we have, demerged undertaking of “**SMC Comtrade Limited**” & “**SMC Investments and Advisors Limited**” and vested the same in **SMC Global Securities Limited**. The entire process has “all been very well thought out” after the merger of

our regulatory body FMC (Forward Market Commission) with SEBI. Post merger our focus is to beef up our surveillance teams to monitor commodity segment and aligning all the securities and commodities dealings to uniform regulations. This step will bring clarity in rules and regulations of all sectors and ease our associates operational activities.

We have also entered into a new segment of retail discount broking through our subsidiary “**Moneywise Finvest Limited**” by brand name of “**Stoxkart**” which has empowered our traders & investors by offering an excellent trading platform.

Again it gives me immense pleasure to state that during FY 2018-19, our Company continues to be the preferred choice, as it has been recognized and awarded at national platforms by various bodies.

Today, our company is a leading and well-diversified financial services Company across the country offering services of brokerage (including the asset classes of equities (cash and derivatives), commodities and currency), investment banking, wealth management, distribution of

third party financial products, research, financing, depository services, insurance broking and clearing services and real estate advisory services to corporate, institutional, high net worth individuals and other retail clients encouraging enough to keep growing.

CSR INITIATIVES

Recognizing that business enterprises are economic organs of the society and draw on societal resources, it is SMC's belief that a Company's performance must be measured by its Triple Bottom Line contribution to building economic, social and environmental capital towards enhancing societal sustainability. In the FY 2018-19, our Company (including its subsidiaries) has spent an amount over ₹140.8 Lakhs (PY ₹ 104.3 Lakhs) on corporate social responsibility activities. The primary areas of focus

of CSR initiatives undertaken by the Company is 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 welfare for the society and community at large, more specifically for the deprived and underprivileged persons.

CUSTOMER CENTRICITY

SMC continues to provide customers with superior service, with each area of the business having clear procedures & policies, rules, and supporting mechanisms to ensure consistency during each interaction. However, SMC has delivered consistently across customer journeys to improve their 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 services at one place. For the convenience of the investors and traders we have launched SMC exclusive Mobile Trading App "SMC Easy Trade" that simplifies and brings the trading opportunity on your fingertips; empowering you to take full control of the market.

THE ROAD AHEAD

Our company is well placed to seize the long term opportunities in financial services space in India and to make a mark as world class financial services enterprise. We are in line with our plans and implementing them prudently and consistently. The opportunities ahead are enormous. By staying true to its mission and its values, and by continually investing in building newer capabilities; our Company is positioned well to become the foremost partner of choice to all forward thinking people in their

growth and transformation journeys.

While India continues to enjoy the benefits of a strong domestic consumption base, it cannot remain isolated from the external world where most of the large economies continue to exhibit weak growth trends and the demand conditions still remain uncertain.

However, our Company is geared to meet the challenges arising out of this uncertain environment and would work towards strengthening its position in the market. In today's world, when rapid change is the order of the day in all spheres of life, technology is not just an outcome of a strategic planning exercise; it is the new strategy or at least, a big part of it. For the foreseeable future, no other choices will matter to the future of a company, as much as the new

technologies it adopts and the pace at which it accelerates its transformation using these technologies. For any industry today, the future business models and value chains are much less predictable than they used to be, but they are certainly inevitable, through constant experimentation, mindsets and being open to innovative ideas, wherever they come from.

As a co-founder working with people you like on a business you believe in, means everyone can work together towards a common, meaningful goal. With these lines I conclude:

"To succeed in your mission you must have a single minded devotion to your goal."

-Dr. A.P.J. Abdul Kalam

I wish to express my deepest

gratitude to our stakeholders, employees, vendors, government regulators, partners, clients, communities and states that we operate in, for their guidance, advice and support. It is their trust that renews our belief in ourselves and our potential to do more.

With your continuous support our company embarks on the next phase of growth journey, creating ever greater value for all our stakeholders.

Warm Regards,

sd/-

Subhash C. Aggarwal

(Chairman & Managing Director)

FOREWORD BY THE VICE-CHAIRMAN



Dear Stakeholders,

“An organization, no matter how well designed, is only as good as the people who live and work in it”. I congratulate the SMC family on its 25 successful years.

With the sense of pride, on the occasion of Silver Jubilee Annual General Meeting of our Company, I am sharing my thoughts, about how well our Company has performed and grown over the years, not just in financial terms but also in terms of what we have accomplished for our clients, employees, shareholders and communities globally.

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

ECONOMY & STOCK MARKET

The growing complexity of the world around us & competition in market, demands that businesses shall develop an ever greater number of achievements in smaller time-frame in order to succeed and thrive. In this scenario, businesses can choose to be limited by their own capabilities or it may combine forces with partners having complementary and advanced skills to create a greater impact.

The domestic broking industry is expected to register moderate income growth in FY 2019-20 with a projected aggregate increase in income by 5% to 10%, after a strong performance in the previous fiscal. Factors such as corporate earnings, state election outcome, result of the

resolution of NPA and its impact on the health of the banking sector are the other determinants for investor portfolio flows.

This phase of mature and balanced growth has helped us to lay the foundation of our current phase – a phase of Gaining Scale. Over the last 25 years, we have scaled up our businesses substantially and we today occupy a sizable position in the Indian financial services market. Our focus is to keep improving quality of services.

During FY 2018-19, SMC has been successful in generating approximately a combined turnover of ₹72.7 Lakhs Crores higher by 9.7% as compared to previous year in Equity Broking and on the other hand in Commodity Broking SMC's

market share was 3.1% (PY 3.2%) of total turnover of MCX, NCDEX, ICEX and NSE & BSE commodity. In Commodity, SMC clocked approximately a combined volume of ₹2.3 Lakhs Crores higher by 21.5% as compared to previous year.

Also, we have consistently ranked among Top 10 mobilizers in IPO segment in the retail category while developing a vast network of channel partners around 12,200+ for distribution of third party products.

Our initiatives have been quite successful in building a cumulative Asset under Management (AUM) of more than ₹3,000 Crores and having over 1.96 Lakhs folios in mutual fund as on March 31, 2019.

“

Growth is never by mere chance, it is the result of forces working together

- J.C. Penny

TALENT MANAGEMENT-PEOPLE MATTERS

Companies are only as strong as their people, which is why getting talent management right is critical for today's competitive environment. As they say, "Happy Employee = Happy Customer." Therefore, from locating and recruiting to hiring and developing talent, we ensure that talent management strategies support overall strategic planning and business goals. The sole purpose of the process is to place the right

person at the right place and at the right time.

In today's scenario, talent acquisition & management has emerged as a key strategic process in an organization. In working alongside our clients on their digital journey, we are actively working with our employees to provide them a platform of learning while working and deriving an outcome that matters. Increasingly, we are taking this learning to our every vertical.

On the people front, we have a base of 3000+ talented minds associated

with us which include teams of professionals having deep skills in multitude areas. Also, we are driving significant retraining efforts to ensure that our workforce skills are in line with new business expectations. Our Human Resource Management team ensures that the organizational structure undergoes transformation to meet the needs of the present time.

COMPLIANCE WITH CORPORATE GOVERNANCE

Our primary business objectives requires adherence to local, national

and international laws and our employees show integrity and honesty in all their dealings. Risk management and internal controls are therefore embedded throughout SMC, assuring the accuracy and validity of reports and certificates that the Group provides to its customers. We have formed various Committees as per the respective guidelines to adhere to the compliances as well as other required Committees to ensure that a good corporate governance practices are followed in every vertical.

The Board of all verticals of SMC Group comprises a balance of Executive and Non-Executive Directors who bring a wide range of skills and experience for deliberations. The Non-Executive Directors play a vital role in corporate accountability and bring independent judgment to issues of strategy, performance, resources and standards of conduct.

ACKNOWLEDGEMENT

On behalf of the Board of Directors of the Company, I want to thank

you all for your continuous trust, confidence and support. SMC will keep growing through its innovative ideas with ethical, dedicated, law abiding & regulated business operations.

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. 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

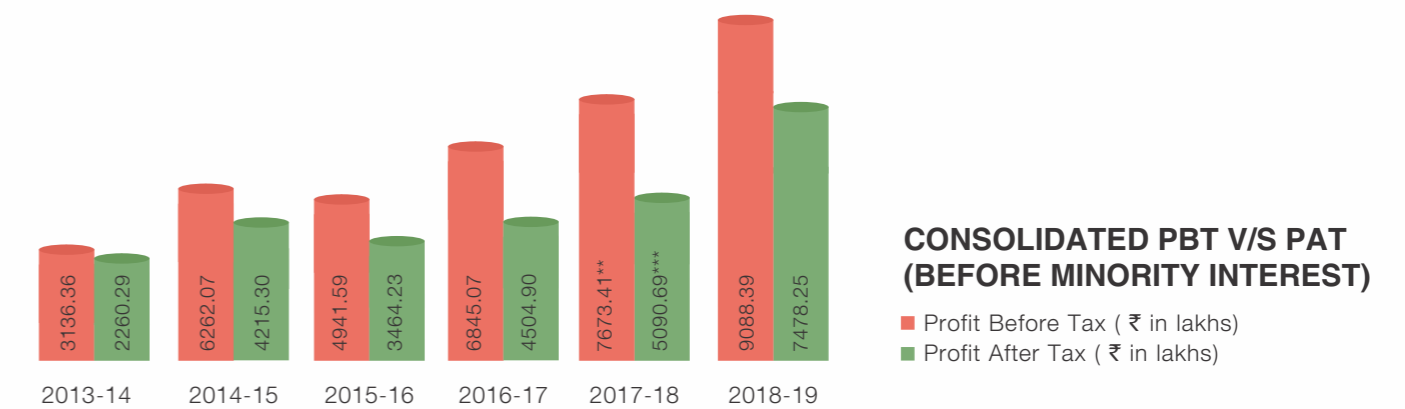
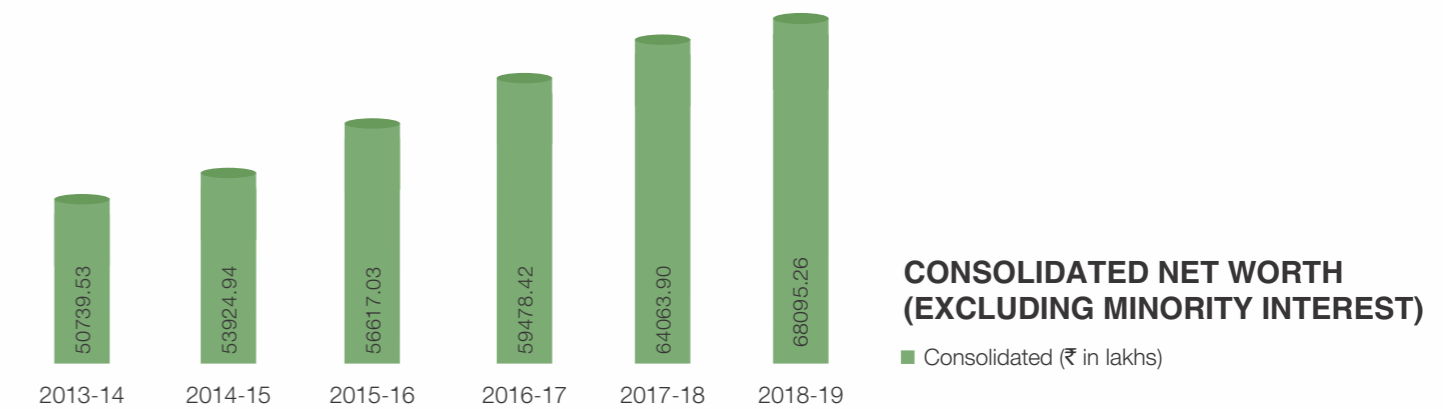
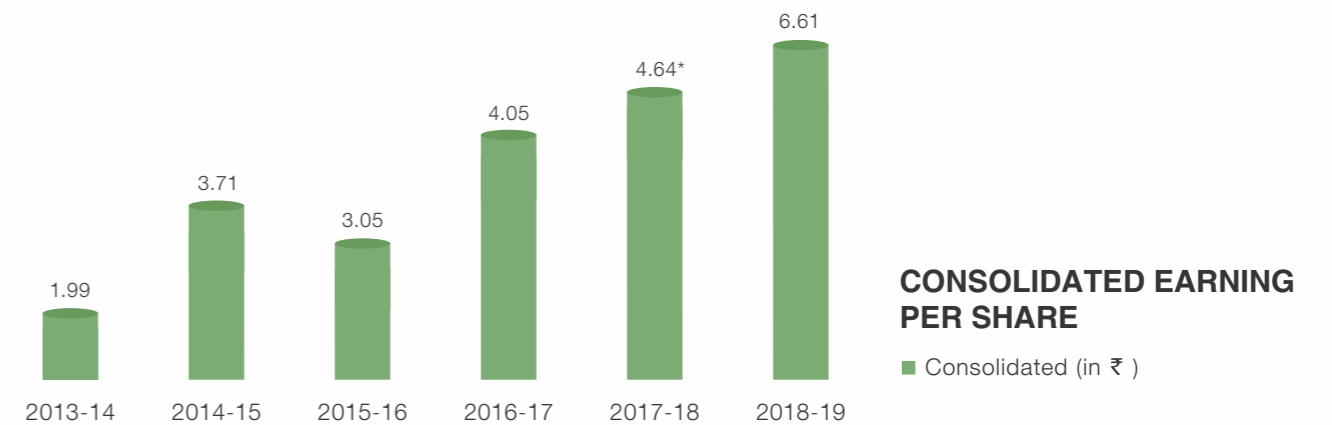
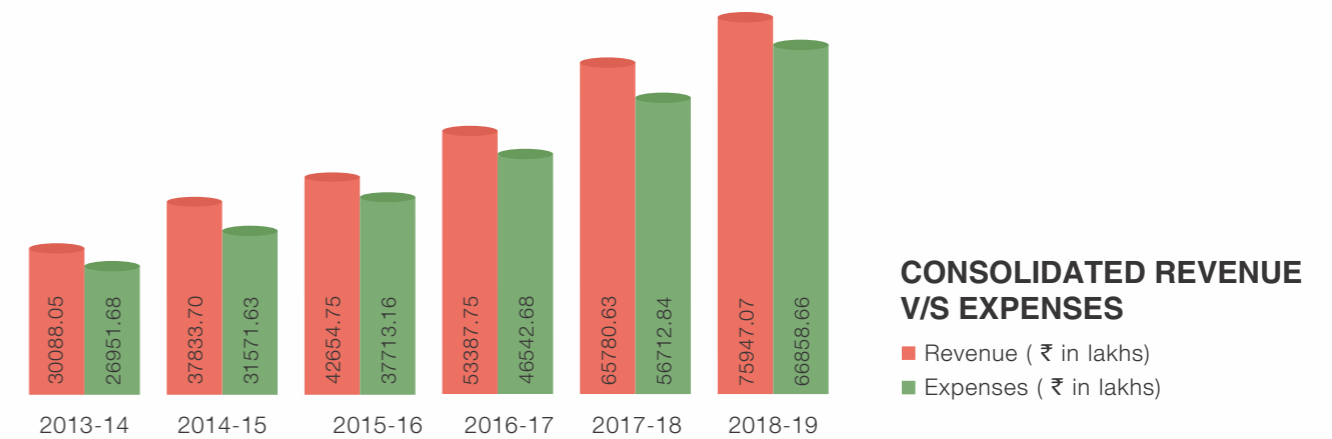
LINK INTIME INDIA PRIVATE LIMITED
Noble Heights, 1st Floor, Plot No. NH2
LSC, C-1 Block, Near Savitri Market
Janakpuri, New Delhi-110058
E-mail id: delhi@linkintime.co.in
Website: www.linkintime.co.in

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 AU Small Finance Bank Ltd.

THE FINANCIAL PERFORMANCE TRENDS

The results achieved in financial year 2018-19 across our financial services are testimony to the commitment our team has made to growth.



MOMENTS TO CHERISH- 25 YEARS OF EXCELLENCE.

THE JOURNEY OF SMC

1994



SMC Global Securities Limited was incorporated.

1996



SMC moved towards providing trading platform for equities to their clients after procurement of membership of the National Stock Exchange of India Limited in the capital market segment.

2003

SMC started providing trading platforms to clients for trading in commodities through MCX, NCDEX and ICEX. It also has international presence through its wholly owned subsidiary, SMC Comex International DMCC, which is a member of Dubai Gold and Commodity Exchange (DGCX).



Started providing NRI services, Institutional trading and advisory services.



2007



1995

SMC has started business of equity brokerage and got membership of the National Stock Exchange of India Limited. Also started Arbitrage operations.

2000



SMC ventured into depository services with CDSL registration years later in 2009. It also registered on NSDL.

2006



SMC entered into the distribution of life and general insurance products through its subsidiary SMC Insurance Brokers Pvt. Ltd., a licensed insurance broker by IRDA.



SMC went digital by providing facility to trade online in equities, derivatives and commodities.

NBFC

Started providing margin funding and IPO financing to clients.

2008

Financial year 2018 – 2019 has been made special with the introduction of a new state-of-the art discount brokerage trading platform – Stoxkart. An advanced way of trading. It is one of our leading initiatives.



2010



Launched corporate hedging desk.



2016

SMC GLOBAL IFSC

Started acting as a stock broker and clearing member on derivative segment of India International Exchange.



2018

INDIAKALOAN.COM

Started online marketplace for instant customized rate quotes on loans.

SMC GOLD DESK

Introduced ultimate service experience for exclusive clients.



Started providing broking services for real estate, mortgage and loan advisory.

2014



SMC INSURANCE POS

Enroll a new distribution partner 'POS' approved by IRDA for selling general insurance and life insurance products.

2017



STOXKART

Established business of retail discount broking, currencies and commodities trading, mutual funds, and bonds which empowers traders & investors by sharing its market expertise, new-age technology, zero brokerage advantages and excellent trading platform.

2019

SMC GROUP IN NUMBERS

Covers
550+
cities across india

Workforce of
3000+
employees

Sold
6,54,000+
Life Insurance and
General Insurance policies

Clearing settlement
service to
290+
Trading members

Running SIP's
62,000+
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

At the forefront of innovation, while we evolve our services and reach, our aim is to provide an environment for our people to deliver to their full potential.



Moneywise. Be wise.



OUR VISION AND GUIDING PRINCIPLES

SMC has been living the ethos of “Money Wise, Be Wise” and has grown into a brand which signifies trust in Investment & Finance. For the year 2020, the focus is on strengthening our business model along with tech-enabled capabilities that will gear the organization for futuristic long-term growth.

SMC VISION

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

SMC MISSION

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



Moneywise. Be wise.

SMC CORE VALUES



SMC SERVICES ONE STOP INVESTMENT SOLUTIONS



BROKERAGE & CLEARING



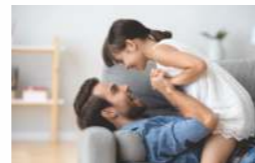
Trading and Clearing member of Equity, Commodity & Currency segments of various exchanges

FINANCING (NBFC)



Providing loans against Securities, IPO Funding, Loan against Properties, Business and Personnel Loans to Corporate & Retail clients

INSURANCE BROKING



Insurance Broking - Life & General

INSTITUTIONAL DESK



Institutional Trading and Advisory Services

REAL ESTATE ADVISORY



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



DISTRIBUTION

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



WEALTH MANAGEMENT

SEBI Registered Portfolio Manager- Providing Client Specific Portfolio & Wealth Management Services, Corporate Advisory, Debt Syndication and Loan Advisory



INVESTMENT BANKING

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



NRI & FPI SERVICES

Providing Trading facilities to NRI & FPI



DEPOSITORY SERVICES

Depository Services for both Equities & Commodities



**RECOGNISED FOR EXCELLENCE
YEAR AFTER YEAR.**

By delivering consistent financial performance in a highly competitive marketplace, SMC has been recognized in the industry, won accolades across categories for its expertise and service offerings.



EVOLUTION OF SMC

Our progress since inception is testament to our unique, robust and agile business model. By identifying opportunities and anticipating challenges early, we have been able to remain responsive, resilient and focused on achieving our objectives and have been ambit clear on our future road-maps to be accomplished. Our growth has therefore remained certain, profitable and sustainable; every year, we achieved new milestones and surpassed benchmarks that we set for ourselves.

The journey of SMC began, with incorporation of SMC Global Securities Limited in 1994 & entering 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

25 YEAR'S JOURNEY

- **1994-The beginning**

SMC Global Securities Limited was incorporated on December 19, 1994 at New Delhi

- **1995- The age of expansion**

Equity brokerage

SMC moved towards providing Equity trading platform to their clients after procurement of membership of the National Stock Exchange of India Limited in the capital market segment.

Arbitrage

SMC started engaging in 'Arbitrage operations' and continues to employ both proprietary and client funds for monetizing the market mis-pricing and gains from the price gap.

SMC has a skilled team of more than 300 plus arbitrageurs as on March 31, 2019 and all of them are specialized in arbitrage operations.

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 over 550+ cities across India and UAE. The Company provides these services through on-line and off-line distribution channel. The Company leads with the team of more than 3000+ enthusiastic workforce who are efficient, determined and passionate to take the Company to new heights.

- **2000- A pioneering approach**

Depository participant

SMC Global Securities Limited is one of the leading depository participants in India with more than 4.5 Lakh active Demat accounts. We are one of the premier Depository Participant (DP) which provides hassle free personalized services to the clients. We are the second largest DP in North India. We have been recognized as Gold DP Awarded by Central Depository Services Limited (CDSL) and Best Emerging DP by NSDL.

We as a Depository Participants (DP) of Central Depository Services Limited (CDSL), National Securities Depository Limited (NSDL) and Comtrack offering a safe & convenient way to hold securities in electronic form. SMC also provides an integrated single platform for its clients ensuring a quick, risk free and efficient process. SMC as a depository participant

offers demat account services to individual investors as well as to corporate houses, which enables them to trade in the Dematerialized environment and is now one of the few Depository Participant offering facilities for commodities. SMC is also empanelled with CCRL (CDSL Commodity Repository Limited) & NERL (National E-Repository Limited).

F&O Trading and clearing

Trading and clearing services in futures and options segments was the next service that was provided by SMC in that year.

- **2003- Good to grow**

Commodity brokerage

Providing trading platforms to clients for trading in commodities through MCX, NCDEX and ICEX. It also has international presence through our wholly owned subsidiary, SMC Comex International DMCC, which is a member of Dubai Gold and Commodity Exchange (DGCX).

- **2005- Next-Gen Leadership**

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 key players in our industry. Our team consists of 23 SEBI registered Analyst who excel in specific area of research within the three broad segment of research (Equity, Commodity and Currency).

Launch of Weekly Magazine

Launched its weekly magazine named "Wise Money" for the benefit of its investors. It is a weekly newsletter which focuses on comprehensive investment

solutions escorted by sound technical and fundamental analysis of existing and forthcoming stocks that keep investors at par with market developments. "Wise Money" has been widely appreciated by our clients and the general investors.

- **2006- Protecting our legacy**

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 ₹3000+ Crores.

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 IRDAI (Insurance Regulator and Development Authority of India). Our company offers different kinds of cost effective insurance solutions catering to customer's insurance needs by evaluating and studying the risk profile. SMC Insurance has sold over 654,000+ policies during FY 2018-19 for both Life and General Insurance.

- **2007- Extra Miles**

NRI Business

NRI and Advisory services

Institutional desk

This division is a one-stop investment gateway and knowledge repository for the domestic and foreign institutional investors, serving their unique and sophisticated needs backed by comprehensive research of trained professionals. 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- Innovation is key**

Online trading

SMC's Online Trading portal www.smctradeonline.com is a one stop financial solutions website catering to all trading & investment needs and further to cater 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 quick and secure tool to use 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 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 also offers the loan facilitation and advisory services to raise debt for SMEs & large corporate.

Currently, Company has tied up with 28 plus major banks and NBFCs to provide the loan advisory to our clients. The company have AUA/AUM of approx. ₹ 347 Crores (PY over ₹505 Crores) as on March 31, 2019.

Investment banking

Our subsidiary company SMC Capitals Limited is the Investment Banking arm of SMC group and is a SEBI registered Category I Merchant Banker with strong management and execution team to help corporate clients in achieving their financial and strategic goals. We provide services in the areas of Public Issues Management, Capital Restructuring, Private Equity, Private Treaties, Debt Syndication, Mergers & Acquisitions Advisory, Corporate Advisory, Business and ESOP Valuation Services.

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 wholly owned subsidiary, Moneywise Financial Services Pvt. Ltd. which is rated A-(stable) by an independent and professional investment Information and Credit Rating Agency (ICRA) 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- Building Dreams**

Real estate advisory

SMC Real Estate Advisors Private Limited, which 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 248 reputed developers across pan India with national as well as regional presence.

- **2016- New Ventures**

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 IM+ realty fund

A dedicated real estate fund, SMC IM+ realty fund in joint association with IM+ capitals, Mumbai, AIF(category-II)

SMC Global IFSC

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 connected**

Journey to e-learning – e-Guru

SMC Global Securities Ltd. is technologically driven, one of the fastest growing company in the financial industry with a presence in more than 550+ cities. We have always been giving utmost importance to the training and development for our employees in our organization. We cater Induction for new employees, technical, product, behavioral and motivational

training to all our employees through Classroom and Webinar. But we wanted to overcome a challenge that is to reach to our remotest locations of our organization and to facilitate uniform communication and collaboration between employees.

We introduced our e-learning platform named as e-Guru in August 2017. Since then e-Guru has proved to be economical yet successful due to our outreach to the remotest locations. The best part of our web based platform is that it can be accessed through computers, laptops as well as through mobile phones both in android and iOS.

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, 2019

- **2018- New heights achieved**

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.

NBFC

Since 2015, Moneywise has demonstrated loan book growth at CAGR of 59% p.a. and revenue growth at CAGR of 63.88% p.a. with ROAE 12.55%

(FY 2018-19) and a comfortable CAR of 42.96% (as on 31st March 2019) 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. Our loan book has crossed Rupees 500 Crores in F.Y.2018-19. Now being recognized as systematically important non-deposit accepting NBFCs.

- 2019- Way to go ahead
Stoxkart

Moneywise Finvest Limited (“Stoxkart”) is a Wholly-owned subsidiary Company of SMC that offers retail discount broking, currencies and commodities trading, mutual funds, and bonds. It empowers traders & investors by sharing its Market Expertise, New-age technology, zero brokerage advantages and excellent

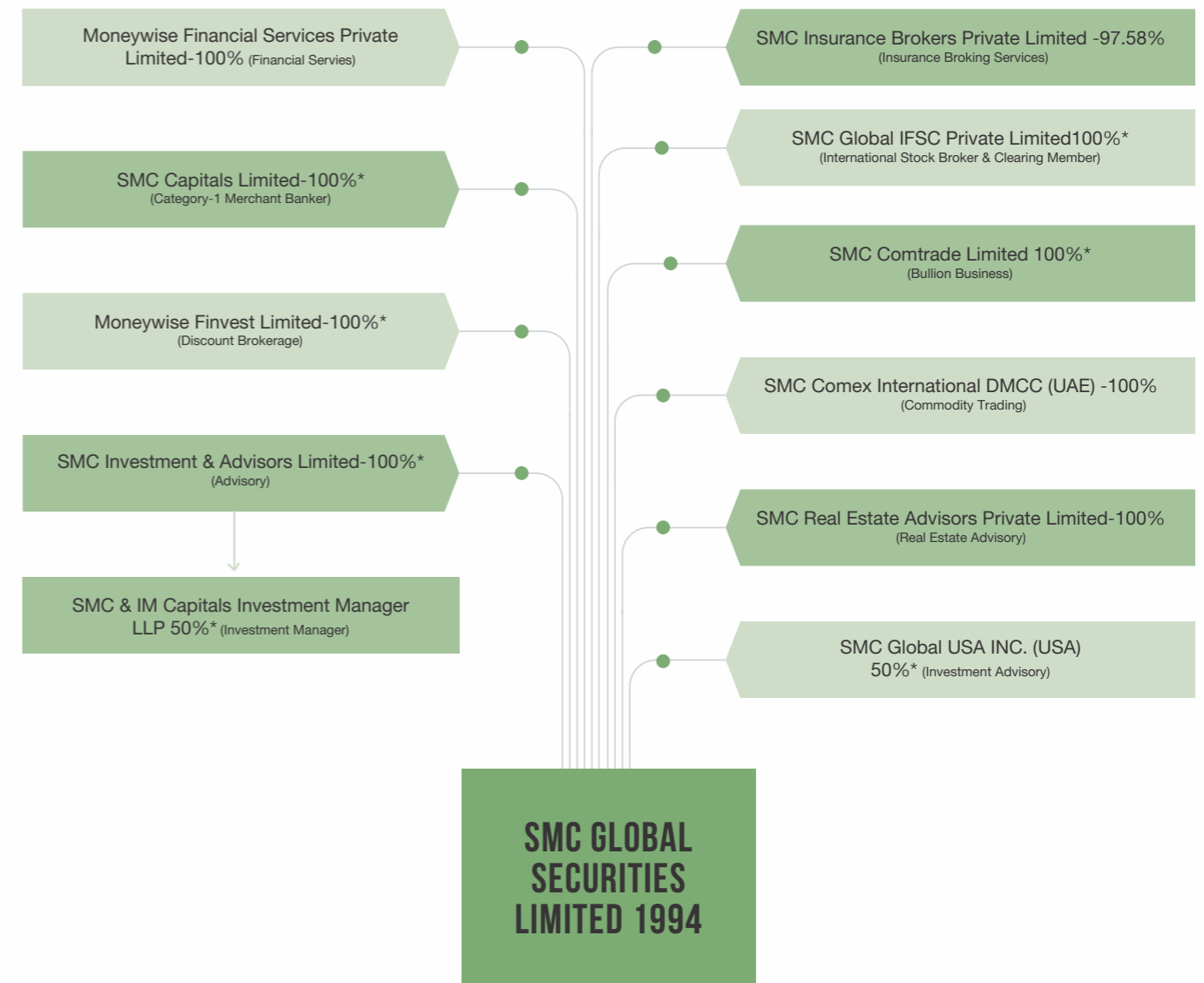
trading platform.

Merger

In July 2019, the Hon'ble National Company Law Tribunal approved the composite scheme of arrangement vide it's order dated 11th July 2019.

Merger of its two wholly owned subsidiaries, namely, SMC Finvest Limited (core investment company "CIC") and Indunia Realtech Limited (in the business of online market place) in the Company and De-merger of commodity broking and proprietary commodity trading business of the wholly owned subsidiary, SMC Comtrade Limited and vesting of the same in SMC Global Securities Ltd. and De-merger of wealth management business (including portfolio management services) of the wholly owned subsidiary, SMC Investments and Advisors Limited and vesting of the same in SMC Global Securities Limited.

OUR STRUCTURE



FAST CLEARING & SETTLEMENT SERVICES FROM VARIOUS EXCHANGES

CLEARING SERVICES

One of the leading clearing member

Clearing membership

F&O Segment: BSE, NSE & MSEI

Commodity: MCX, NCDEX, ICEX & DGCX

Currency: BSE, NSE, MSEI

Debt Segment: NSE, BSE & MSEI



Moneywise. Be wise.

CONTINUED JOURNEY OF AWARDS AND RECOGNITION

In the continued journey of excellence and recognition, we have achieved the following awards:

“

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

~Jonas Salk



SMC has been conferred upon the "Best Financial Services Provider" during ASSOCHAM Excellence Awards 2018 held on 19th July, 2018 at Hotel Le Meridien, New Delhi. The award was presented by Shri C R Chaudhary (Hon'ble Minister of State for Consumer Affairs, Food and Public Distribution, Commerce & Industry, Government of India) to Mr. S C Aggarwal (Co-Founder, CMD, SMC Group) and Dr. D K Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce).



SMC Global Securities Ltd has been conferred upon as the "Regional Retail Member of the Year (North)" during NSE's 25th Market Achievers Award 2018 held on 3rd December, 2018 at Mumbai. The award was presented by Mr. Vikram Limaye (MD & CEO, NSE) to Mr. S.C Aggarwal (CMD, SMC Group), Mr. Ajay Garg (CEO & Director, SMC Global Securities Ltd.) and Mr. Himanshu Gupta (Chairman & CEO, Moneywise Financial Services Pvt. Ltd.).



Mr. Mahesh C Gupta (Co-Founder, Vice CMD, SMC Group) and Dr. D K Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce) receiving the award "Broking House of The Year for Non Agricultural Commodities" conferred upon SMC Comtrade Ltd. during MCX Awards 2019 held on Friday, 26th April, 2019 at Hotel The Leela, Mumbai. The award was presented by Mr. Mrugank Paranjape (MD & CEO, MCX) accompanied by other dignitaries.



Dr. D K Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce), Mr. Ayush Aggarwal (Director, SMC Real Estate Advisors Pvt Ltd) and Mr. Maneesh Kumar (CEO, SMC Wealth) receiving the award "The Company of The Year" financial services award at the Zee Business Dare to Dream Awards.



Mr. Anurag Bansal (Director, SMC Group) receiving the 1st position award in Fixed Deposit mobilization for Shriram Transport during a ceremony held on 3rd June, 2018 at Bangkok.



Mr. Ajay Garg, Mr. Anurag Bansal, Mr. Pranay Aggarwal & Mr. M K Gupta during the Annual Sales Meet of Distribution Team held between 7th to 9th September, 2018 at The Golden Palm, Mussoorie.



Mr. Ajay Garg (CEO & Director, SMC Global) & Mr. Mohit Shyngle (SR. V.P. & Country Head - Business Development - Sub Broker, SMC Global) receiving the award from Ms. Ashita Marya (CEO, Franchise India) "Franchisor of the Year - Business Services 2018" during the 16th Franchise & Star Retailer Awards, 2018 held on 22nd October, 2018 at Hotel The Lalit, New Delhi.



Dr. D K Aggarwal (CMD, SMC Investments & Advisors Ltd. & Sr. Vice President, PHDCCI) received “Wealth Creator-Financial & Consulting Sector” leadership award from Mr. Uttam Prakash Agarwal (Past President, ICAI) during SME Leader Awards organised by ICAI on 26th October, 2018 at Hotel Lalit, Mumbai.



SMC Global Securities Ltd has been conferred upon as the “Premier Depository Participant in Gold Category” on Tuesday, 19th March, 2019 at SMC Head Office, New Delhi. The award was presented by Mr. P. S. Reddy (Managing Director & CEO, CDSL) to Mr. S.C Aggarwal (Co-Founder, CMD, SMC Group) & Mr. Mahesh C Gupta (Co-Founder, Vice CMD, SMC Group).



SMC Global Securities Ltd has been conferred upon as the “Best Performer in Account Growth Rate (Rising DPs) -1st Position” during NSDL Star Performer Awards 2018 held on 15th December, 2018 at Hotel Taj Mahal, New Delhi. Award was received by Mr. Ajay Garg (CEO & Director, SMC Global Securities Ltd, Mr. Pranay Aggarwal (Director, Moneywise Finvest Limited) and Mr. Dev Roy Chowdhury (AVP, DP Division, SMC Global Securities Limited) and Mr. Nishant Agrawal (AVP, Account Opening Department).



Mr. V N Bansal (CFO, SMC Comtrade Ltd.) & Mr. Prem Nath (VP, SMC Comtrade Ltd.) receiving the award "Best Bullion of the year - 2018" during ASSOCHAM's 11th International Gold Summit held at Shangri-La's Eros Hotel, New Delhi on 19th September, 2018.

HUMAN CAPITAL

People & Culture- making SMC a brilliant place to work

“

If everyone is moving forward together, then success takes care of itself."

~Henry Ford

At SMC we ensure to cultivate & encourage solidarity among our employees. As it is wisely said that, "Individually we are a drop of water but together we can be an ocean". Our Human Capital interventions are driven by the dynamic business landscape we operate in. Our people are our intellectual capital who leads us to the transformation and upliftment of our business. The outcomes of these people involvement are reflected in our performance thus contributing to the intellectual, social, natural and financial capital of SMC.

We focus on rejuvenating the values by fostering good culture. Our people strategy is geared to create learning opportunities & shaping their careers. We aim to be a brilliant place to work by strengthening our work culture and developing team spirit among our employees to achieve the common goal. To create value for our organization we are moving away from being process-centric to becoming experience-centric in order to attract, nurture and retain the best talent. We aspire to build SMC a place where our people feel engaged and inspired to be at their best. We thrive to reshape our workforce profile to meet the evolving needs of our people and the changing technology landscape.



EMPLOYEES FIRST

"Alone we can do so little, together we can do so much."

~Helen Keller

At SMC, all along we interact with our employees and take note of their opinions consistently and transparently. Our goal is to continuously adapt approaches and feed backs given by our employees

and foster the employee participation and efficacy. Also, we operate SMC E-Guru application, a global platform that enables our employees to keep learning and stay versed with present time.



SMC Insurance has organized an interactive training session "Yes It's Possible" for its employees taken by Mr. Suresh Mohan Semwal held on Saturday 5th January 2019 at Hotel Jivitesh, Pusa Road, New Delhi.

Nurturing a Culture of Wellness

A culture of wellness will make health a part of your company's mission and empower employees to get healthier, happier and more productive by creating healthy habits. Creating a culture of wellness means fostering a workplace that encourages and promotes the well-being of SMCians. We at SMC implement various ways for employees to be healthier and helping them create healthy habits in both their personal and professional lives. As when it comes to human life, there can be no compromise. As a responsible organization, SMC is committed towards health concerns of its manpower.

Our Endeavor is to have a healthy workplace through healthy processes, conducting health awareness events, health checkup camps, laughter sessions etc.



Health check up camp organized in association with Medanta Hospital for SMC Employees on 4th August, 2018 at SMC Head Office, New Delhi.



SMC organized Health Camp for its employees held on 15th September, 2018, at Mumbai office.

Performance Awards

At SMC we reward our employees to recognize exemplary performance of the staff members and recognize their services through appreciation and awards. During the year winners with highest sales were announced and were awarded.



Mr. Ayush Aggarwal (Director, SMC Real Estate Advisors Pvt. Ltd) and Mr. Shyam S. Bansal (Director & CFO-SMC Investments & Advisors Ltd.) along with the Winners - Mortgage with highest sales - Most Popular Stall at Diwali Mela 2018



SMC Eastern Zenith 2018- Training and Awards Ceremony held in association with CDSL, MCX and ICICI Prudential on 12th May 2018 at Kolkata.

Leisure with Pleasure at SMC



SMC Employees during their trip to Greece.



SMC organised a full day fun filled team outing for their employees on Saturday, 19th January, 2019 at Pratapgarh Farms, Jhajjar, Haryana.

Run to salute marathon



SMC Group in association with Rajasthan Club and Khalsa College organised Run to Salute Marathon held on Sunday, 21st April, 2019 at SGTB Khalsa College, Delhi University.

Moment's of delights at SMC

“Our flag does not fly, because the wind moves it, It flies with the last breath of soldier who died protecting it.”
 The time when echoes of our National Anthem and National Song come from SMC Addressing Systems. A time when the 52-second chant of “Jana-gana-mana” brings a chill down to every Indian’s spine and “Vande Mataram” leaving again with a feeling of Proud towards our Mother Land.

Independence Day & Republic Day



Flag hoisting Ceremony and Dress code competition held at SMC Head office on the eve of 72nd Independence Day of India on 14th August, 2018.

Shri Krishna Janmashtami celebration



Matki Decoration Competition held on the occasion of Shri Krishna Janmashtami Celebration at SMC Head Office on 3rd September, 2018 at New Delhi.

Diwali Celebration

"Sparkling row of lamps, and brilliant firework together make a spectacular show, in the festival of light, hope that the blessing of almighty remains forever with us"

SMC Celebrates this auspicious festival with their employees .Every one come together to worship Lord Ganesh for welfare and prosperity and Goddess Lakshmi for wealth and wisdom. At night, building of SMC are illuminated with earthen lamps, candle-sticks and electric bulbs. The festival, which coincides with the Hindu calendar which states beginning of New Year, celebrates new beginnings and the triumph of good over evil and light over darkness.



Some Joyful glimpses of Diwali Mela organised by SMC at its office on 5th November, 2018.

Birthday Blast 2018



Mr. Mahesh C Gupta (Co-Founder, Vice CMD, SMC Group), Mr. Ajay Garg (CEO & Director, SMC Global Securities Ltd) and Mrs. Reema Garg (Director & CHRO, SMC Group) along with SMC employees during the December month birthday celebration held at SMC Head Office.



Mr. Mahesh C Gupta (Co- Founder, Vice CMD, SMC Group), Mrs. Reema Garg (Director & CHRO, SMC Group) and Mr. Pranay Aggarwal (Director, Moneywise Finvest Limited) along with SMC employees during the November month birthday celebration held at SMC Head Office, New Delhi.

Winter Carnival & Christmas celebration

This year SMC organized winter Carnival to “warm their hearts during the cold season”. Winter carnival, Christmas celebration and with New year round the corner, festivity was in the air. And to enjoy fully the festive season various activities were organized indoors as well as outdoors of SMC. The activities were clustered at Punjabi Bagh Club where our people gathered with their families & friends. The entire ground buzzed with various activities & loads of fun. There were events like, Couple Fashion show, Dance Troupe, Freebies, Tambola, Game zone were enticing enough to make everybody try hand at it. Fancy Dress competition was organized to keeps the Kids entertained and make them participate in the evening. Sense of enjoyment completely took over everything. Apart from the games, there were variety drooling of food stops to give a mouthwatering experience to all. And evening turned the mood of everyone into Ecstasy with organized music concert and DJ was such that they couldn't help tapping their feet



Joyful glimpses of SMC Winter Carnival 2018 attended by around 2000 SMCians and their family members held on 22nd December 2018 at Punjabi Bagh Club, New Delhi.

Women at SMC

There is no force more powerful than a woman determined to rise. Here at SMC we make sure our women are empowered and are able to access the opportunities available to them, without limitations and restrictions such as in education, profession and lifestyle. Women plays a vital role in development and economics. We have created a work culture that understands and encourages women to be as active as a man, by providing them with the necessary training and stimulating their capabilities by enrolling them in women leadership programmes.





Glimpse of International Women's Day Celebration held on Friday, 8th March at different Offices of SMC.

Holi Celebration



Some joyful glimpses of 'Holi Celebration' organised by SMC held on Wednesday, 20th March, 2019 at different Offices of SMC.



WHILE
WE MANAGE
YOUR WEALTH.
YOU CHASE
YOUR PASSION.

WEALTH MANAGEMENT

Portfolio Management Services | Multi Manager
Investment Solutions | Trading in Equity, Currency,
Interest Rate Futures | Depository Services | Mutual
Funds & IPOs | Fixed Income Products | Near Risk
Free Arbitrage Products | Structured Products |
Portfolio Advisory | Real Estate Funds | Private Equity
Funds | Financial Planning | Hedging Services



Building Wealth
Enriching Lives.

EVENTS AND CONFERENCES- PARTICIPATION & PRESENCE

“

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

Events are organized to have an overarching view of with our end goal. Similarly, Conferences and trade shows are part of SMC culture, to introduce our vision and to attract like minded people who want to grow in same sphere which can also be intimidating and overwhelming. Featuring a wide range of events and conferences, so people can keep up to date with latest trends and development in Standards and topics related to our industry.



Dr. D. K. Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce) and the PHD Chamber delegation with the Honourable President of India Shri Ram Nath Kovind Ji at the Rashtrapati Bhavan, New Delhi on 18th September, 2018.



Dr. D. K. Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce) with Shri Amit Shah (then President of the Bharatiya Janata Party & Member of the Rajya Sabha) on 3rd June 2018 at New Delhi.



Mr. S. C. Aggarwal (Co-Founder, CMD, SMC Group) speaking at "8th International Conference on Electricals and Electronics Manufacturing" organized by ASSOCHAM held on 30th May, 2018 at Hotel Shangri La, New Delhi.



Mr. Ajay Garg (CEO & Director SMC Global Securities Ltd) meeting with Mr. Naveen ND Gupta (President, ICAI and Independent Director on SMC's Board) held on Friday, 8th February, 2019 at ICAI Office, New Delhi.



Mr. S. C. Aggarwal (Co-Founder, CMD, SMC Group) & Dr. D. K. Aggarwal (CMD, SMC Investments & Senior VP - PHD Chamber of Commerce) presenting the award during Annual Convention on "Capital Market & Commodity Market - Moving Towards \$5 Trillion Economy" held at Hotel Taj Palace, New Delhi on 15th September, 2018.



Mr. S. C. Aggarwal (Co-Founder, CMD, SMC Group) addressing the audience during ASSOCHAM's 11th International Gold Summit held on 19th September, 2018 at Shangri-La's Eros Hotel, New Delhi.



Mr. S. C. Aggarwal (Co-Founder, CMD, SMC Group) with H.E. Mr. Danny Faure (President of Seychelles) and the accompanying delegation during India- Seychelles Business Forum on 25th June, 2018 at Hotel The Oberoi, New Delhi.



Mr. S. C. Aggarwal (Co-Founder, CMD, SMC Group) addressing the audience during ASSOCHAM National Summit on Capital Alternatives for SMEs & Startups held on 12th October, 2018 at Hotel The Lalit, New Delhi



Mr. S. C. Aggarwal (Co-Founder, CMD, SMC Group), Mr. Mahesh C Gupta (Co-Founder, Vice CMD, SMC Group) & other key directors while celebrating 29th Founder's Day on 16th July, 2018 at SMC Head Office, New Delhi.



Dr. D. K. Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce) during Call on Meeting with H.E. Ms. Harinder Kaur Sidhu (High Commissioner of Australia to India) held on Friday, 1st February 2019 at New Delhi.



Mr. Ajay Garg (CEO & Director, SMC Global Securities Ltd.) addressing the audience during the Investor Awareness Program organized in association with NSE and NSDL held at Hotel India Awadh, Lucknow on 22nd September, 2018.



Mr. O. P. Agrawal (Director Investment Banking) and Mr. Milind Pujari (Chief Financial Officer of Bharat Gears Ltd) during the SAMPARK Meeting held on 27th September, 2018 at SMC Mumbai



Dr. D. K. Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce) during the Interactive Session on Equality for Women - A Pre-Requisite for Global Prosperity with Dr. Augusto Lopez Claros held on 16th November, 2018 at PHD House, New Delhi.



Mr. Ajay Garg (CEO & Director, SMC Global Securities Ltd.), Ms. Nidhi Bansal (Whole Time Director, SMC Comtrade Limited), Mr. Uday Prabhakar Powale (Zonal Head, SMC Global Securities Ltd.) and Ms. Kuntal V Bhat (Deputy Vice President, SMC Global Securities Ltd.) during the ANMI 10th International Convention - "Capital Markets in the Age of Disruption" held on Saturday, 12th January, 2019 at Hotel Grand Hyatt, Mumbai.



Dr. D. K. Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce) with Mr. Suresh Prabhu (Minister for Commerce & Industry and Civil Aviation) during 4th Air Cargo Summit 2018 held on 20th November, 2018 at PHD House, New Delhi.



Dr. D. K. Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce) during a Call on Meeting with Shri Sunil Arora, Chief Election Commissioner of India held on 10th December, 2018 at Nirvachan Sadan, Janpath, New Delhi



Mr. S. C. Aggarwal (Co-Founder, CMD, SMC Group) presenting the memento to Mr. Ashish Kumar Chauhan (Managing Director & CEO, Bombay Stock Exchange) during the Association of National Exchanges Members of India (ANMI) 10th International Convention - "Capital Markets in the Age of Disruption" held on 12th January, 2019 at Hotel Grand Hyatt, Mumbai.



Dr. D. K. Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce) with H. E. Mark Rutte, Prime Minister of the Netherland during a MoU signing between PHDCCI and The Netherland-India Chamber of Commerce and Trade held on 24th May, 2018.



Dr. D. K. Aggarwal (CMD, SMC Investments & Senior VP – PHD Chamber of Commerce) along with Mr. Mukhtar Abbas Naqvi (Union Minister for Minority Affairs Govt. of India) and Mr. Ramesh Sippy (Indian Film Director and Producer) during Global Film Tourism Conclave held on Friday, 11th January, 2019 at JW Marriott, Juhu, Mumbai.



Mr. S. C. Aggarwal (Co-Founder, CMD, SMC Group) during Earth Day Celebration held on Monday, 22nd April, 2019 at Vishwa Bharati Public School, Sector 28, Noida.



Mr. S. C. Aggarwal (Co-Founder, CMD, SMC Group), Mr. Mahesh C Gupta (Co-Founder, Vice CMD, SMC Group) and other officials during meeting with Mr. Shyam Srinivasan (Managing Director & CEO, The Federal Bank Limited) held on Thursday, 11th April, 2019 at SMC Head Office, New Delhi.



Mr. Ajay Garg (CEO & Director, SMC Global Securities Ltd.), Mr. Pranay Aggarwal (Whole Time Director, Moneywise Finvest Limited) and Mr. Narendra Balasia (Regional Director, SMC Comtrade Ltd.) during Annual Budget Meet held on 12th & 13th April, 2019 at Kolkata Office.

GET EASY & FAST LOAN WITH SMC FINANCE



NBFC FINANCING

Attractive rate of interest

Hassle-free documentation process

Quick loan approval & disbursal

Professional and transparent approach





Left to Right: **Ms. Shruti Aggarwal** (Non- Executive Director, SMC Global Securities Ltd.), **Mr. Chandra Wadhwa** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Pranay Aggarwal** (Whole Time Director- Moneywise Finvest Limited), **Mr. Ayush Aggarwal** (Whole Time Director, SMC Real Estate Advisors Pvt. Ltd.) **Ms. Reema Garg** (CHRO, 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. Hari D. Khunteta** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Mr. Rajendra P. Mahipal** (Independent & Non-Exe. Director, SMC Insurance Brokers Pvt. Ltd.), **Mr. Subhash C. Aggarwal** (Chairman & MD, SMC Group), **Mr. Mahesh C. Gupta** (Vice Chairman & MD, SMC Group), **Dr. Damodar K. Aggarwal** (CMD, SMC Investment & Advisors Ltd.) **Mr. Naveen ND Gupta**

(Independent & Non-Executive Director, SMC Global Securities Ltd.), **Mr. Himanshu Gupta** (Chairman & CEO, Moneywise Financial Services Pvt. Ltd.), **Mr. Pravin K. Agarwal** (Whole Time Director, SMC Insurance Brokers Pvt. Ltd.), **Mr. Vinod K. Jamar** (Group CFO), **Mr. Shyam S. Bansal** (Director & CFO- SMC Investments & Advisor Ltd.) , **Mr. Anurag Bansal** (Whole Time Director, SMC Global Securities Ltd.), **Mr. Sunil K. Agarwal** (Statutory Auditor, **R. Gopal & Associates**, Chartered Accountants), **Mr. Roop C. Jindal** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Ms. Akanksha Gupta** (Whole-Time Director, SMC Insurance Brokers Pvt. Ltd.) , **Mr. Suman Kumar** (EVP Corporate Affairs & Company Secretary). **Mr. Kundan M. Agarwal** (Independent & Non-Exe. Director, SMC Global Securities Ltd.), **Ms. Nidhi Bansal** (Whole-Time Director, SMC Comtrade Limited)

DIRECTORS OF SMC GROUP



Mr. Subhash C. Aggarwal is the Chairman and Managing Director of the Company since inception. He is a fellow member of the Institute of Chartered Accountants of India (ICAI). He is one of the co-founder of SMC Group having over three decades of diverse experience in the financial, stock broking industry in India and abroad. His visionary and astute leadership has resulted in building SMC's reputation as a leading financial confection. Mr. Aggarwal is widely recognized for his path-breaking and visionary contributions to the building of SMC as one of the finest financial services conglomerate having retail presence pan India and through his pioneering role as a corporate leader and a dedicated professional. He believes in building and maintaining credibility, transparency and good governance. He is having excellent leadership skills, discipline and robust governance ability and under his leadership, the SMC Group has successfully established and proved its prudence, strategic might and to emerged resilient and more able from every potential challenge.

Mr. Aggarwal is a senior member of the management committee of ASSOCHAM and 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). He has also served as the Chairman of EU Business Promotion Council and National Council on Micro Finance of ASSOCHAM, Chairman of the National Council of Capital Markets.

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



Mr. Mahesh C. Gupta is the Vice Chairman & Managing Director of SMC Global Securities Limited. He has been associated with the Company as the backbone of the SMC Group since its inception as co-promoter. He is responsible for the overall working of the Company and is instrumental in making strategic decisions for the Company. He graduated with Bachelor's in Commerce from Delhi University and is fellow member of the Institute of Chartered Accountants of India (ICAI). He is also an optimistic leader, administrator and contributor in various Fora, having specialization in the area of equity brokerage, stock market, Distribution, Corporate Social Responsibility and Corporate Governance etc.

Mr. Gupta has been a key architect and a path enlightener of the SMC's Journey since the seed phase. He has an acclaimed exposure and experiences of stock market of about three decades and being an idealistic leader he has handled all the matters and phases of the dynamic stock market effectively. He passionately evangelizes the power of leadership and commitment creates commercial value and social impact. He oversees the policy, vision and a major part of the operational activities and ensures flawless performance of the Group.

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



Dr. D.K. Aggarwal is associated with SMC since its inception as a promoter and has led SMC to grow into a multi-dimensional Company. He is a fellow member of the Institute of Chartered Accountants of India (ICAI), Sr. Vice President of PHD Chamber of Commerce & Industry (PHDCCI) and former President of Commodity Participants Association of India.

With a versatile experience of more than 27 years in Equity, Capital, Commodity, Debt, Forex, Real Estate, Fund Management and Risk Management Innovation in offerings; Dr. Aggarwal's forte lies in branding, research and arbitrage. His leadership qualities help him manage, control and supervise a large number of businesses in these market segments. He is an eminent speaker and his views are highly sought across varied media channels. He serves as Member of Advisory Committee at MCX LTD, MSEI & NCDEX LTD.

In nutshell, Dr. Aggarwal's strengths can be articulated but not limited to research based advisory for investment, fund management and activities related thereto, strong analytical competence and insightful expertise in research based product development and ideas for investments, long term exposure & expertise for research based advisory on portfolio of high net worth investors, in-depth knowledge & strong understanding of various intricacies of the securities & commodities market & financial services, exceptional leadership skills, exposure in the activities related to merchant banking and adeptness to manage, control and supervise all the affairs of the Company.

Dr. Aggarwal has recently been awarded with "The Distinguished Entrepreneurship Award" by PHDCCI and has also been conferred "SME Leader 2018 Award" by The ICAI.

Dr. Damodar K. Aggarwal
CMD-SMC Investments & Advisors Limited
CMD-SMC Capitals Limited
Chairman & Director-
SMC Real Estate Advisors Private Limited
Director-SMC Comtrade Limited



Mr. Ajay Garg is a Chartered Accountant (FCA) and rank holder of Institute of Chartered Accountants of India (ICAI). He has spent more than two decades building a range of operating in Securities and commodities market and played a vital role in substantial expansion of SMC Group. He is the one who created SMC's state-of-art web portal & internet based trading platform. 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. He has achieved accelerated growth by taking care of brand building and marketing activities.

His visionary efforts were crowned with success and he became the "Entrepreneur of the Year-Innovation in Financial Service award during Entrepreneur India Awards 2015 organized by Franchise India.

Mr. Ajay Garg
Director & Chief Executive Officer
MD-SMC Global IFSC Pvt. Ltd.
Director SMC Insurance Brokers Pvt. Ltd. and
Moneywise Financial Services Pvt. Ltd.

DIRECTORS OF SMC GROUP



Mr. Anurag Bansal is the Whole Time Director of the Company and has over two decades experience in the Capital market. He is responsible for the managing, operating and supervising of various businesses including Investment Banking, Institutional equities, Distribution Division & other strategic functions of the organization of the Company and is instrumental in making various strategic decisions for the company decides this. He is also Vice Chairman of BSE Brokers Forum (and also on the board of International Council of Securities Associations.)

He is a rank holder and fellow member of the Institute of Chartered Accountants of India (ICAI) and also a member of Institute of Cost and Works Accountants of India (ICAI)

Mr. Anurag Bansal

Whole Time Director -
SMC Global Securities Limited
Director - SMC Capital Limited
Director - Moneywise Finvest Limited



Mr. Himanshu Gupta is a with his vibrant and versatile charisma, plays an active role in devising of core business strategic and undertaking business development responsibilities of the SMC Group. He embarked his career with SMC Group in 2011 as Senior Vice President (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. He consistently pioneers new ideas and opportunities for the furtherance of the Group. He is Director and CEO of Moneywise Financial Services Private Limited and is playing a pragmatic role in scaling up the financial business and thus contributing significantly towards Group revenue. He is also heading Fixed Income Securities & Bullion business apart from overseeing the overall functioning of the Group. He believes in vigorous fundamentals and strong foundation to capitalize and steal the business opportunities and navigate through industrial and market challenges.

Mr. Himanshu Gupta

Chairman & CEO -
Moneywise Financial Services Private Limited
Director - SMC Global Securities Limited
Director - SMC Comtrade Limited



Ms. Shruti Aggarwal is an MBA from London Business School. She is also a member of Institute of Chartered Accountants of India (ICAI) and has cleared all three levels of CFA course from the CFA Institute, USA. She is currently leading the Innovation and Planning for Foodservice UK and Ireland at Kraft Heinz. She has more than eight years of working experience, in areas such as management advisory, financial services, international taxation, strategic planning and has worked with PWC, Vedanta Resources and SMC Group.

Ms. Shruti Aggarwal

Non-Executive Director



Mr. Naveen ND Gupta, who has been a Chartered Accountant for more than 20 years is widely recommended for his role in making the Income Disclosure Scheme, 2016 a success. He represents ICAI in many important committees constituted by the government and regulators. He was the ICAI vice president in 2017-2018 and former president of ICAI and Director in various Companies.

He joined SMC Global Securities Limited in January, 2018 as a Non Executive and Independent Director of the Company. 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 was 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 a person with meticulous bend of mind and unmatched sharp knowledge in Taxation, Corporate Matters & Securities Market. He is serving and nurturing the Board of SMC Global as Independent and Non Executive Director. He is a fellow member of Institute of Chartered Accountants of India (ICAI) and has experience and professional expertise of more than four decades in financial services industry. Mr. Agarwal is the Chairperson of Stakeholders Relationship Committee and also a member of various other Statutory Committees of the Company.

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 also a founder and partner of proverbial practicing Chartered Accountant firm, Bubber Jindal & Co. He is a fellow member of Institute of Chartered Accountants of India (ICAI). He is fostering our Board with his rich and meticulous exposure and knowledge of more than 43 years in the field of Financial Reporting, Risk Management, Auditing & Taxation.

Mr. Roop C. Jindal

Independent & Non-Executive Director



Mr. Hari D. Khunteta is the Non Executive Independent Director of the Company. He is a fellow member of the Institute of Chartered Accountants of India (ICAI) and is a commerce graduate from University of Rajasthan who has the experience of over 43 years in the field of Financial Management, Investor Servicing, Corporate Governance & Resource Mobilization from domestic as well International market.

He had worked 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. Hari D. Khunteta

Independent & Non-Executive Director



Mr. Wadhwa has rich and varied exposure of over 37 years in the field of Financial Cost Management Accounting as well as in Cost Management Auditing sector. He is the fellow member of Institute of Cost Accountant 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. Mr. Chandra Wadhwa was the member of the Expert Committee constituted by the Ministry of Corporate Affairs to examine the issues relating to maintenance of Cost Records and Cost Audit in the year 2014. Mr. Wadhwa chaired the working group to examine the requirement and make suggestions for an Institutional Framework for Corporate Valuations, constituted by the MCA. He served as member of Indo-UK Task Force on Corporate Governance, constituted by MCA, as member of Expert Group to review Cost Accounting Record Rules, Cost Audit Report Rules and Cost Accounting Standards. Mr. Chandra Wadhwa has made more than 150 presentations on various topics at Regional, National & International seminars and also represented the Institute on various national and international forums.

He is an independent and Non-Executive Director on the SMC Board and he is also Chairman of the Nomination and Remuneration Committee of the Company. He also serves in the Board of several Companies and was a nominated member of Central Council of the Institute of Chartered Accountants of India of Northern Region.

Mr. Chandra Wadhwa

Independent & Non-Executive Director

DIRECTORS OF SMC GROUP



Dr. Madhu Vij is the owner of eminent personality and is a role model for many youths and professionals. She serves the company as an Independent and Non Executive Director on the Board of SMC Global. 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 and her area of specialization includes Banking, Corporate Finance, Financial Accounting, Risk Management, Behavioral Finance, Foreign Exchange Risk Management, Treasury Management, Corporate Valuation, Credit ratings and Financial Crisis, Currency Correlation and Corporate Governance. She holds a Master degree in Commerce and a doctorate degree. She has received the Alumni Excellence award from Shri Ram College of Commerce, University of Delhi. She was also Member of Academic Council, Indian Institute of Foreign Trade, 2008, 2009, 2010 and also in Ad-Hoc Task Force, Results Framework Document (2011-2013). Also she is an renowned author & has published several research papers in International and national journals of great repute in the field of Banking, 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 various 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 is associated with our Group since 2014.

Dr. Madhu Vij

Independent & Non-Executive Director



Mr. Rajendra P Mahipal is an Independent and Non Executive Director on the Board of SMC Insurance Brokers Private Limited, Moneywise Financial Services 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 a promoter and director of Pinkcity Electronics Pvt Ltd and has over 39 years of experience in Import Export, Finance, Administration and Capital Market. He is a doyen personality in the field of taxation, handling business matters and relationships and shares his diverse expertise and fosters the Board of our Company.

Mr. Rajendra P Mahipal

Independent & Non-Executive Director
SMC insurance Brokers Pvt. Ltd.



Mr. Pravin K. Agarwal is a possess of a dynamic and versatile personality, currently playing the role of the whole time director of SMC Insurance Brokers Private Limited. Actively handling the development and operations of our insurance broking business his commitment and contribution to our subsidiary has led to SMC's substantial expansion and diversification. Having more than a decade of work experience in Insurance and Financial Industry and with his unmatched analytical skills and effective strategies he handles all the tasks and workings of the said division efficiently. His team building ability, optimistic approach, coordination and support is remarkable.

Mr. Pravin K. Agarwal

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



Mrs. Reema Garg is a Chief Human Resource Officer (CHRO) of SMC Global Securities Limited and Director of SMC Investments & Advisors Ltd, Moneywise Finvest Limited. She possesses excellent communication and interpersonal skills and plays a key and active role in strategic planning for the organization. She is a young and dynamic lady, having a more than 11 years of experience Human Resources. She is self motivated woman with 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 function of the company. Mrs. Garg holds B.Sc. (Computer Science) from Delhi University and Masters in Computer Applications (MCA) and pursuing PHD in HR and is in the process of writing a thesis on the "Role of Performance management on Employee Engagement in India".

Mrs. Reema Garg

Chief Human Resource Officer
Director-SMC Investments and Advisors Limited
Director-Moneywise Finvest Limited

DIRECTORS OF SMC GROUP



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 believes in a strong culture with shared values and focuses on sustainable growth approach. She is well versed with capability of effective implementation, innovation, development of business and administration ideas, accepting challenges for growth and progress of the organization.

Mrs. Akanksha Gupta

Whole Time Director-
SMC Insurance Brokers Pvt. Ltd.



Mr. Ayush Agarwal is regarded as an enthusiastic young business leader from (YBLF) of PHD Chamber of Commerce & Industry. He holds Bachelor's degree from the University of Delhi and Masters Degree in Family Managed Business (PGP-FMB) from SP Jain Institute of Management Research Mumbai.

He joined SMC as Head Digital Initiatives and now serves as the Director of SMC Real Estate Advisors Private Limited. He is heading 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. Ayush Agarwal

Director:
SMC Real Estate Advisors Private Limited
Director: Moneywise Finvest Limited



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

He is a remarkable young talent who has played a key role in launching of Stoxkart (Discount brokerage platform) and who inspires everyone with his innovative ideas, conviction and new perspectives to things be it operations, finance or business development that he is accountable for.

Mr. Pranay Agarwal

Whole Time Director –
Moneywise Finvest Limited
Director-
Moneywise Financial Services Private Limited
Director-
SMC Real Estate Advisors Private Limited



Mrs. Nidhi Bansal is a Whole-time Director of the SMC Comtrade Limited (a subsidiary of SMC Global Securities Limited) and handling the business development, operations and human resource section of the Western Zone. She consistently explores new avenues for enhancing the growth of the organization. She is a post-graduate in commerce and a fellow member of Institute of Chartered Accountants of India.

Mrs. Nidhi Bansal

Whole Time Director –
SMC Comtrade Limited



“Mr. Pankaj Gupta, with more than 21 years of experience in three different continents, serving clients with their specific requirements. Pankaj Understands global financial sphere as well as regional market trends to assist clients get most out of their money.

Pankaj joined SMC group in 2006 and is the Director of SMC Comex International DMCC, a broker & clearing member of Dubai Gold & Commodity Exchange. He is a seasoned player having dealt with vast array of global financial products & markets. He has been actively involved in managing commodity portfolio for a large number of clients. He is handling a team of over 12 traders in SMC Dubai.

Pankaj is a certified SAP consultant & Economics Honors Graduate

Mr. Pankaj Gupta

Director-SMC Comex
International DMCC

MANAGEMENT OF SMC GROUP



Mr. Jamar, a man with robust governance qualities, is associated with the Company as Group Chief Financial Officer. He has successfully established prudence and strategic might and has decisively demonstrated these attributes time and again for the Company, as he is responsible for managing financial reporting, audit, compliance of tax laws (direct and indirect), planning and capital structure. He is having a rich legacy of professional exposure of over 34 years in Taxation, Finance, Accounts, Strategic Planning, Auditing, and Fund Management. He is a fellow member of the Institute of Chartered Accountants of India (ICAI) and with such a diverse exposure he handles all the tasks and assigned projects with great efficiency and effectiveness. Prior to joining the Company, he was Head Taxation and Chief Risk Officer at Bajaj Allianz General Insurance Company Limited, Pune.

Mr. Vinod K. Jamar

(Group CFO)
Member: Risk Management Committee



Mr. Ashok K. Aggarwal is Compliance Officer and Senior Vice President of the Company. He is a fellow member of the Institute of Chartered Accountants of India and has 39 years of well-endowed experience in the field of audit, taxation and corporate matters. His commitment, expertise and diversity in the field of Tax matters, SEBI and Exchanges Compliance and, Depository Participant Operations contribute as the key to the success and growth of our Company. Prior to joining the company he was a practicing Chartered Accountant. He believes in capitalizing on new business opportunities and delivering industry-leading operational efficiency in order to support our goal of delivering sustainable growth in value.

Mr. Ashok K. Aggarwal

(Senior Vice-President)



Mr. Suman Kumar leads the Corporate Affairs & legal team of SMC Group. He serves as the Executive Vice President (Corporate Affairs) & Company Secretary of the SMC Group. He is also a co-founder of Unmukt Udaan Education Council, which is framed with the objective of social welfare. He is fellow member of Institute of Company Secretaries of India (ICSI) & a law graduate from University of Delhi. He has refined experience of 18 years and more in the industry and has been associated with SMC Group since 2005. With his devotion and dedication, he has developed a culture of excellence and built the department of Corporate Affairs & legal team comprising of approximately 30 Members comprising Company Secretaries, in-house counsels and others.

Mr. Kumar has played a pivotal role in SMC Group since the beginning, by making an excellent contribution in compliance accompanying growth of the Organization. He is a multi-dimensional personality. He takes care of Corporate Compliance & advisory unit of the group which comprises of Secretarial Wing, Arbitration Wing & Investor Grievances, Litigation's especially Civil & Criminal, Branding, Work culture, Business risks. He ensures the best corporate practices and compliances followed towards achieving effective operations & continuing growth of the Group. He is blessed with methodical skill & capacity of drafting, presenting, convincing, arguing and negotiating. In his supervision corporate disputes has minimized significantly. He is heavily involved in implementing the laws, implementing policies & procedures. He is

known for his consistent achievements, credentials, values, devotion and dedication, ability to win, proactive approach & especially for his skills to develop effective and efficient models to handle corporate litigation & compliance with his team. He has been protecting & defending the Group as well as the right of the stakeholder before various forums. He has presented & argued innumerable matters before the Arbitral Tribunal, Appellate Arbitral Tribunal, Consumer Forum, District Courts, Session Courts, High Courts, Regional Directors, Appellate Tribunals, Regulators, Exchange Authorities as Authorized Representative & Company Secretary of the Group and has achieved tremendous success in most of the matters. He has 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. He holds expertise in interpreting the law. He is equipped with reverse thinking against the traditional approach, while critically analyzing the law, its objective & philosophy. He has been an eminent speaker of the Group & has addressed more than 125 locations across the 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 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 been sharing his experience and expertise at well-known management institutes of the Country. Throughout, Mr. Suman Kumar work reflects his best practices. He has been adding value to the business by resolving the business problems efficiently & gets satisfied only when he contributes beyond legal advice.

Mr. Suman Kumar

(E.V.P- Corporate Affairs & Company secretary)

MANAGEMENT OF SMC GROUP



Mr. Gupta is a Senior Vice President and oversees the marketing of financial products, through the Company's distribution network. He is a commerce graduate from Maharishi Dayanand University and MBA in Finance & Marketing from Sikkim Manipal University. He has over 30 years of experience in the distribution of financial products. Prior to joining SMC, he was associated with Edelweiss Financial Services Limited as Vice President (Syndication and retail distribution).

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



Mr. Mohit Shyngle is the Senior Vice-President (Country Head) of the Company & work for creating a simplified, leaner and more agile business and steer and superintends the Sub-Broker network and business development of SMC Group. He is having a bachelor degree in Commerce from Delhi University. He has been with associated with the group since 1999. With his intelligence, strategies and experience he solicits the support of team thereby boosts effectiveness in running and a positive result for the group. He is well acquainted in the realm of trading, risk management & marketing of financial services and instruments.

Mr. Mohit Shyngle
(Senior Vice-President)



Mr. Vishwanath Bansal is associated with us as CFO - SMC Comtrade Limited. He is also a 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 Ltd., Mumbai (RIL). He consistently explores new avenues for enhancing the growth of the organization. He has proven himself as a 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. He has over 27 years of astounding experience in the field of financial advisory, accounting, auditing, taxation and investment management and serves as Principal Officer of the Company at helm for investment management and overseeing the Company's finance and profitability. Mr. Bansal is a fellow member of the Institute of Chartered Accountants of India and holds a degree of law. He has proven himself as a man of strong commitment, devotion and dedication.

Mr. Shyam S. Bansal
(Director & CFO- SMC Investment & Advisor Ltd.)



Mr. Om Prakash Agrawal is a Science Graduate and Fellow Member of Institute of Chartered Accountants of India and also of Institute of Company Secretaries of India (ICSI). His association with SMC spans around 11 years and is currently heading ECM and Debt as part of Investment banking business. He 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, Fundraising PEIPO etc.

Mr. Om P. Agrawal
Director-Investment Banking
(SMC Capitals Ltd.)

BE INSURED WITH LIFE & NON-LIFE INSURANCE PRODUCTS



INSURANCE BROKING

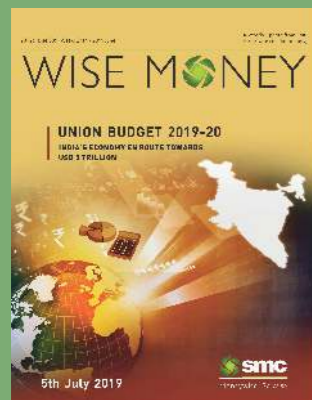
Life Insurance | Car Insurance
Health Insurance | Child Insurance
Travel Insurance | Home Insurance
Other Insurance



IRDA REGISTERED INSURANCE BROKER

SMC BRANDS CREATING A 360-DEGREE BRAND VISIBILITY

WISE MONEY WEEKLY MAGAZINE

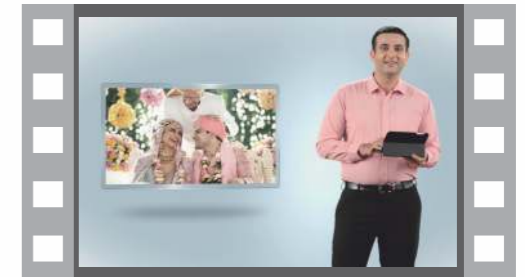


SMC offers multiple trading & financial investment solutions, new technology led products for active traders & investors, and as a brand, continues to expand its presence on TV, press and the digital media.

TV ADVERTISEMENT



BUSY WITH LIFE



FINANCIAL PLANNING



FINANCIAL PLANNING



RETIREMENT

ONLINE ADVERTISING IN MONEY CONTROL WEB & APP PLATFORM



INTRODUCING STOXKART THE NEW STATE-OF-THE-ART DISCOUNT BROKERAGE TRADING PLATFORM



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Board Meeting of SMC Global Securities Limited dated May 11, 2019 at Gurugram.

DIRECTOR'S REPORT

Dear Members,

Your Board of Directors is pleased to present the Twenty Fifth Annual Report and the Standalone as well as Consolidated Audited Financial Statements of the Company for the Financial Year ended on March 31, 2019.

1. COMPANY OVERVIEW AND FINANCIAL PERFORMANCE

The Company's Standalone and Consolidated financial performance, for the year ended March 31, 2019 is summarized below:

PARTICULARS	Standalone (₹ In Lakhs)		Consolidated (₹ in Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations	42,475.30	40,552.92	75,274.83	64,392.24
Other Income	1,853.29	2,007.92	672.24	1,143.82
Total Revenue	44,328.59	42,560.84	75,947.07	65,536.06
Total Expenses	40,998.74	37,745.13	66,858.66	57,488.06
Profit before Tax (PBT)	3,329.85	4,815.71	9,088.39	7,940.80
Tax Expenses -				
Current Tax	666.78	1,451.97	2,559.26	3,230.43
Deferred Tax	(636.43)	90.04	(949.12)	(458.10)
Profit After Tax	3,299.50	3,273.70	7,478.25	5,168.47
Total other comprehensive income, net of tax	80.97	147.69	211.68	151.75
Total Comprehensive income for the year (Comprising profit and other comprehensive income for the year)	3,380.47	3,421.39	7,689.93	5,320.22
Earning per Equity Share of ₹ 2 each (Basic and Diluted)	2.92	2.89	6.61	4.57

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

The financial statements for the year ended March 31, 2019 and March 31, 2018 have been updated so as to give effect to the composite schemes of arrangement for merger and demerger. For details, refer Notes to Accounts forming part of this Annual Report.

2. INFORMATION ON STATUS OF AFFAIRS OF THE COMPANY

The total standalone revenue of the Company for the financial year ended on March 31, 2019 is ₹ 44,328.59 Lakhs a increase in revenue by 4.15% as compared to previous year which was ₹ 42,560.84 Lakhs and Consolidated revenue of the Company for the financial year ended on March 31, 2019 is ₹ 75,947.07 Lakhs and increase in revenue by 15.89% as compared to previous year which was ₹ 65,536.06 Lakhs, the increase in consolidated revenue due to high performance and contribution of Moneywise Financial Services Private Limited (NBFC) and SMC Insurance Brokers Private Limited (Insurance Brokers). Total comprehensive income for the year (comprising of profit and other comprehensive income for the year) standalone and consolidated for the FY 2018-19 is ₹ 3,380.47 Lakhs and ₹ 7,689.93 Lakhs respectively.

3. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the main business of the Company during the Financial Year 2018-19, however due to the Composite scheme of Arrangement effect, the business of commodity broking and wealth management business from two of its wholly owned subsidiary companies merges into the Company.

4. CHANGE IN SHARE CAPITAL DURING THE FINANCIAL YEAR 2018-19

There is no change in paid up share capital of the Company during the Financial Year 2018-19. Further the Authorised share capital of the company has been increased pursuant to the order of Hon'ble National Company Law Tribunal and same has been filed with the ROC.

The revised authorized share capital of the company is ₹ 95,51,00,000/- (Rupees Ninety Five Crores and Fifty One Lakhs Only) divided into 47,75,50,000 (Forty Seven Crores Seventy

Five Lakhs Fifty Thousand Only) Equity Shares of ₹ 2/- (Rupee Two) each.

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 2018-19, 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 December 7, 2018 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 December 19, 2018, being the record date fixed by the Board of Directors for this purpose.

6. TRANSFER TO RESERVES

During the year under review, pursuant to merger amounting to ₹ 904.48 Lakhs has transferred to General Reserve.

7. DIRECTORS AND KMP(S)

Directors

Mr. Anurag Bansal, (DIN: 00003294) Whole Time Director of the Company, who retires by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013 at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

During the year under review, Mr. Satish Chandra Gupta (DIN: 00025780), has vacated the office of Independent Director in the Company with effect from March 25, 2019 pursuant to provisions of section 167(1) of the Companies Act, 2013. The Board of Directors took the same on record. The Board of Directors placed on record its

appreciation for the services rendered by him during the tenure as Non-Executive and Independent Director of company. Independent Directors namely Mr. Kundan Mal Agarwal, Mr. Roop Chand Jindal, Mr. Hari Das Khunteta, Mr. Chandra Wadhwa and Dr. Madhu Vij have been re-appointed for the further term of five years which shall expire on March 31, 2024.

Mr. Naveen ND Gupta has been appointed as Independent and Non Executive Director in 24th AGM held on July 21, 2018 for the term of 5 years.

KMP

Mr. Anurag Bansal (DIN 00003294), Whole Time Director of the company has been re-appointed as Whole Time Director of the company for further term of 5 years and his term shall be expired on March 27, 2024.

Mr. Ajay Garg (DIN 00003166), Director have been appointed as Chief Executive officer w.e.f. May 14, 2018 and also his directorship changed from Whole Time Director to Director w.e.f. May 14, 2018.

8. NUMBER OF MEETINGS OF THE BOARD

During the year under review, Four (4) meetings of the Board of Directors were held and two Resolutions were passed by Circulation dated March 27, 2019 and March 31, 2019. For further details, please refer Report on Corporate Governance, which forms part of this Annual Report.

9. INDEPENDENT DIRECTORS DECLARATION

Presently the Company has Six (6) Independent and Non- Executive Directors namely Mr. Kundan Mal Agarwal, Mr. Hari Das Khunteta, Mr. Roop Chand 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, as amended and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board took on record the declaration and confirmation submitted by the Independent Directors regarding their meeting the prescribed criteria of independence, after undertaking due assessment of the veracity of the same as required under Regulation 25 of the Listing Regulations.

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 on the website of the company and silent features are mentioned in the Report on Corporate Governance, which forms part of this Annual Report.

12. FAMILIARIZATION PROGRAMME

During the Financial Year 2018-19, the Company had conducted one familiarization program pursuant Regulation 25(7) 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 Companies Act, 2013 for the Independent Directors of SMC Global Securities Limited as well as for its Subsidiaries and the Company management organizes presentations

to the Independent Directors to apprise them of key changes in regulations impacting the Company or the functioning, roles and responsibilities of the Board members. On promulgation of the Companies Act, 2013 and consequent changes to the SEBI regulations, such presentations and updates were provided to the members of the Board.

The Two and half an hour familiarization program was held on May 14, 2018 at 18, Rabindra Sarani, Poddar Court Gate No. 4, 5th Floor, Kolkata-700001 in which all the Independent Directors marked their presence till the end of session.

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, formal annual evaluation of performance of the Board, its Committee and of individual directors are 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 Non-Executive Directors	All Board members except the Director being evaluated

Outcome of the Evaluation: As per the Board Evaluation conducted by 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 2018-19 are as follows:

NAME	RATIO
Mr. Subhash Chand Aggarwal	50.04:1
Mr. Mahesh Chand Gupta	50.04:1
Mr. Anurag Bansal	33.36:1
Mr. Ajay Garg	30.02:1

- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, during the Financial Year 2018-19 are as follows: -

Name	Designation	Percentage change in remuneration
Mr. Subhash Chand Aggarwal	Chairman and Managing Director	0
Mr. Mahesh Chand Gupta	Vice-Chairman and Managing Director	0
Mr. Anurag Bansal	Whole-Time Director	(0.88)
Mr. Ajay Garg	Chief Executive Officer	0.01
Mr. Suman Kumar	Company Secretary	16.33
Mr. Vinod Kumar Jamar	Group Chief Financial Officer	12.17

- The percentage increase in the median remuneration of employees in the Financial Year 2018-19 is 9.87%.
- There are 1759 permanent employees on the rolls of the Company as on March 31, 2019 (Including Executive Directors).
- Average percentile increase made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2018-19 is approx 12.15% whereas the increase in managerial remuneration for the same Financial Year is approx 4.61%.
- 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.

7. The details of top ten employee, as Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as follows:-

S. No.	Name of the Employee	Designation	Remuneration received (in ₹)	Nature of employment whether contractual or otherwise	Qualifications	Experience of the employee (years)	Date of commencement of employment;	Age of such employee; (Years)	the last employment held by such employee before joining the company;
1	Mr. Abhinav Aggarwal	Vice President	59,83,645	Full time	MS/M Tech (Computer Science)	11	01-Apr-2015	34	Citadel LLC
2	Mr. Roopesh Ramaprasad	Vice President	59,46,059	Full time	MS/M Tech (Computer Science)	11	13-Apr-2015	33	Citadel LLC
3	Mr. Mahesh Kumar Gupta	Senior Vice President	58,52,593	Full time	MBA/ PGDM	11	08-Dec-2008	51	Edelweiss Capital Ltd
4	Mr. Mohit Shyngle	Senior Vice President	45,28,987	Full time	Bachelors of Commerce	25	01-Apr-2004	46	S&F Securities Pvt. Ltd.
5	Mr. Honi Jain	Vice President	38,99,194	Full time	M.B.A.	9	01-Feb-2018	38	RBS
6	Mr. Manish Gupta	Quantitative Researcher	30,87,065	Full time	M.B.A./ PGDM	5	12-Jul-2017	33	iRage Capital
7	Mr. Ashok Kumar Aggarwal	Senior Vice President	35,19,182	Full time	C.A	39	01-Aug-2012	63	Practicing CA
8	Mr. Vivek Kathiriyai	Vice President	31,81,910	Full time	M.C.A	5	01-Oct-2014	31	NA
9	Mr. Deen Dayal Goyal	Senior Vice President	33,02,615	Full time	M.Com	14.5	01-Jun-2015	53	Pioneer Sec Pvt Ltd
10	Ms. Reema Garg	Chief Human Resource Officer	30,79,855	Full time	M.C.A	6.5	01-Jan-2016	43	Deen Dayal Upadhaya College

None of abovementioned Top Ten employees are relative of any director of the Company except Mrs. Reema Garg, who is wife of Mr. Ajay Garg, CEO and Director of the company.

15. EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT-9 in terms of Section 92(3) of the Companies Act, 2013 for the financial year ended on March 31, 2019 forms part of this annual report as **Annexure I** and same is also available on the website of the Company at www.smcindiaonline.com

16. COMPOSITION OF AUDIT COMMITTEE

The composition of Audit Committee during the Financial Year 2018-19 is as under:-

Composition of Audit Committee as on March 31, 2019					
Name of the Director(s)	Mr. Satish Chandra Gupta* (DIN 00025780)	Mr. Kundan Mal Agarwal (DIN 00043115)	Mr. Roop Chand Jindal (DIN 01450916)	Mr. Naveen ND Gupta (DIN 00271748)	Mr. Hari Das Khunteta (DIN 00061925)
Designation	Chairman	Member	Member	Member	Member
Category	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director

*Mr. Satish Chandra Gupta has become disqualified director and his office has been vacated w.e.f March 25, 2019.

Further the Board in its meeting held on May 11, 2019 has re-constituted the committee and appointed Mr. Hari Das Khunteta as Chairman of the Audit Committee.

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.

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 2018-19 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. 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

Pursuant to order of Hon'ble NCLT vide order dated July 11, 2019 pertaining to composite scheme of arrangement the group structure of your company has been changed and two of our Wholly Owned Subsidiary companies namely SMC Finvest Limited and Indunia Realtech Limited amalgamated with the company, further your 3 step down subsidiaries company became the direct subsidiary companies. Currently your Company has 10 subsidiaries, and 1 Joint Venture Company which is Joint 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" 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 or 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. Further your companies has filed Composite scheme of arrangement of SMC Comtrade Limited (Demerge 1), SMC Investments and Advisors Limited (Demerge 2), SMC Finvest Limited (Transferor 1), Indunia Realtech Limited (Transferor 2) with SMC Global Securities Limited (Transferee Company) and same has been approved by the Hon'ble NCLT vide order dated July 11, 2019.

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

Composite Scheme of Arrangement

During the year under review, your company has filed the composite scheme of arrangement and the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi has approved the composite scheme of arrangement vide its order dated 11th July, 2019. The financial statements approved by the Board of Directors in their meeting held on May 11, 2019, have been updated by the company only to give effect to the Scheme with effect from the appointed date of April 1, 2018 in keeping with the scheme and applicable accounting standards. The aforesaid updated accounts have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on August 7, 2019.

A composite scheme of arrangement which comprised of:-

1. Merger of its two wholly owned subsidiary companies, namely, SMC Finvest Limited and Indunia Realtech Limited in the Company;

2. De-merger of commodity broking and proprietary commodity trading business of the its wholly owned subsidiary company namely SMC Comtrade Limited and vesting of the same in SMC Global Securities Ltd.; and
3. De-merger of wealth management business including portfolio management services of its wholly owned subsidiary company namely, SMC Investments and Advisors Limited and vesting of the same in SMC Global Securities Ltd.

26. 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.

27. 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.

28. 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 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 http://www.smcindiaonline.com/CSR_Policy_SMC_Global_Securities_Ltd.pdf

During FY 2018-19, the Company has spent ₹ 87,00,000 (Rupees Eighty Seven Lakhs only) towards the CSR activities. The Company was 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.

29. 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 provisions of applicable Accounting Standard, 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 applicable Accounting Standard.

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.

30. 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 women 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 28 of The Sexual Harassment of Women 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. Neha Sharma	Presiding Officer
2.	Ms. Supriya Rawat	Member
3.	Mr. Naveen Saini	Member
4.	Mr. Ranjit Parmar	Member
5.	Dr. Madhu Vij	External Member/Independent Director

The Company has in place 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 complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress Complaints received regarding sexual harassment during the period. Under the review no complain has been received by the Committee.

31. STATUTORY AUDITORS 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. Further the term of statutory auditors has been expired in ensuing Annual General Meeting and your board of directors recommend for the re-appointment of statutory auditor for next term of 5 years, subject to your approval.

The Board has duly examined the Statutory

Auditors' Report to the accounts for the financial year ended March 31, 2019 which is self-explanatory. There is no qualification, reservations, adverse remarks or disclaimer in the Auditors Report which require any clarification or explanation.

32. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

During the year under review, pursuant to section 204 of the Companies Act, 2013 read with the rules made thereunder, your Company had appointed M/s A. K. Roy & Associates, Company Secretaries, to conduct its Secretarial Audit for

the financial year ended March 31, 2019. The Secretarial Auditors have submitted their report confirming the compliance with all the applicable provisions of various corporate laws.

The Board has duly examined the Secretarial Auditors' Report and 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.

33. COST RECORDS AND COST AUDIT

During the year under review, Maintenance of cost records and requirements of cost audit as prescribed in the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

34. REPORTING OF FRAUD BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee under section 143(12) of the Companies Act, 2013 any instances of fraud committed against the company by its officers or employees, the details of which need to be mentioned in the Board Report.

35. 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.

36. 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>.

37. 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, 2019 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, 2019 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 Chand Aggarwal)

Chairman & Managing Director

DIN: 00003267

Place: New Delhi

Date: August 7, 2019.

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	11/6-B, 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, Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058 Ph No. 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 of main products / services	NIC Code of the Product/ Service	% to total turnover of the company
1	Securities Brokerage Services	66120	34.82
2	Proprietary Trading	-	29.61
3	Distribution of final product	66190	15.02
4	Interest Income	-	18.55

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	U51909DL1996 PTC353582	Subsidiary	100	2(87)
4	SMC Investments and Advisors Limited	U19201DL1997 PLC089315	Subsidiary	100	2(87)
5	Moneywise Finvest Limited	U67100UP2009 FLC088874	Subsidiary	100	2(87)
6	SMC Insurance Brokers Private Limited	U66000DL1995 PTC172311	Subsidiary	97.58	2(87)
7	SMC Real Estate Advisors Private Limited	U74120UP2013 PTC054923	Subsidiary	100	2(87)
8	SMC Comex International DMCC	(Dubai Based Company)	Subsidiary	100	2(87)
9	SMC Global USA Inc Company	USA Based	Subsidiary	50	2(87)
10	SMC Global IFSC Private Limited	U65990GJ2016 PTC094622	Subsidiary	100	2(87)
11	SMC & IM Capitals Investment Manager LLP	AAG-8181	Joint Venture	50*	-

*Contribution held by SMC Investments and Advisors Limited (subsidiary company).

Further SMC Finvest Limited and Indunia Realtech Limited amalgamated with company pursuant to order of NCLT vide order dated July 11, 2019 the certified copy of which has since been filed with the Registrar of Companies, Delhi. With that the Scheme has become effective on July 20, 2019 from the Appointed Date, viz., April 1, 2018.

IV. SHARE HOLDING 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	40718670	-	40718670	35.99	40718670	0	40718670	35.99	-
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Bodies Corp.	25604670	-	25604670	22.63	28386015	0	28386015	25.09	2.46
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total A (1)	66323340	-	66323340	58.62	69104685	0	69104685	61.08	2.46
Foreign									
NRI/Individuals	-	-	-	-	-	-	-	-	-
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total A (2)	-	-	-	-	-	-	-	-	-
Total A=A(1)+A(2)	66323340	-	66323340	58.62	69104685	0	69104685	61.08	2.46
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)	-	-	-	-	-	-	-	-	-

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	16290635	36000	16326635	14.43	16241248	36000	16277248	14.39	-0.04
ii) Foreign Companies	12236065	11610560	23846625	21.08	9454720	11610560	21065280	18.62	-2.46
Individual share holders holding nominal share capital upto Rs. 1 lakh	1946280	877660	2823940	2.50	2046917	833660	2880577	2.55	0.05
Individual share holders holding nominal share capital in excess of Rs. 1 lakh	2343940	140000	2483940	2.20	2343940	140000	2483940	2.20	
Others (specify):									
I. Non Resident Indians									
(Non repat)									
(Repat)	350000	0	350000	0.31	350000	0	350000	0.31	-
ii. Clearing Members									
iii. HUF	979970	0	979970	0.87	972720	0	972720	0.86	-0.01
Sub-total B (2)	34146890	12664220	46811110	41.38	31409545	12620220	44029765	38.92	-2.46
Total B=B(1)+B(2)	34146890	12664220	46811110	41.38	31409545	12620220	44029765	38.92	-2.46
C. Shares held by Custodian for GDRs & ADRs									
Total (A)+(B)+(C)	100470230	12664220	113134450	100	100514230	12620220	113134450	100	

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	Mahesh Chand Gupta	10248500	9.06	-	10248500	9.06	2.57	-
2	Subhash Chand Aggarwal	10095500	8.92	-	10095500	8.92	2.57	-
3	Hemlata Aggarwal	7720550	6.82	-	6920550	6.12	-	-0.71
4	Sushma Gupta	7566550	6.69	-	7566550	6.69	-	-
5	Ginni Devi	2200000	1.94	-	2200000	1.94	-	-
6	Madan Gopal Agarwal	984000	0.87	-	984000	0.87	-	-
7	Ajay Garg	841600	0.74	-	841600	0.74	-	-
8	Damodar Krishan Aggarwal	781970	0.69	-	781970	0.69	-	-
9	Anurag Bansal	250000	0.22	-	250000	0.22	-	-
10	Archana Aggarwal	30000	0.03	-	30000	0.03	-	-
11	Asm Pipes Private Limited	18667140	16.5	-	18667140	16.5	-	-
12	Pulin Investments Private Limited	5095860	4.50	-	7877205	6.96	4.86	2.46
13	Jai Ambey Share Broking Limited	1616670	1.43	-	1616670	1.43	-	-
14	SMC Share Brokers Limited	225000	0.19	-	225000	0.19	-	-
15	Pranay Aggarwal	-	-	-	800000	0.71	-	0.71
	Total	66323340	58.62	-	69104685	61.08	-	2.46

C) CHANGE IN PROMOTERS' SHAREHOLDING :

S.No.	Name & Type of Transaction	Shareholding at the beginning of the year 2018		Transactions 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
1	ASM Pipes Private Limited at the end of the year	18667140	16.50	-	-	18667140	16.50
2	Mahesh Chand Gupta at the end of the year	10248500	9.06	-	-	10248500	9.06
3	Subhash C. Aggarwal at the end of the year	10095500	8.92	-	-	10095500	8.92
4	Pulin Investments Pvt. Ltd.	5095860	4.50			5095860	4.50
	Transfer			01.02.2019	200000	5295860	4.68
	Transfer			01.03.2019	200000	5495860	4.86
	Transfer			29.03.2019	2381345	7877205	6.96
	at the end of the year					7877205	6.96
5	Sushma Gupta at the end of the year	7566550	6.69	-	-	7566550	6.69
6	Hemlata Aggarwal at the end of the year	7720550	6.82	14.12.2018	(800000)	6920550	6.12
	Transfer					6920550	6.12
7	Ginni Devi at the end of the year	2200000	1.94	-	-	2200000	1.94
8	Jai Ambey Share Broking Ltd.	1616670	1.43			1616670	1.43
	Transfer	-	-	27.04.2018	(1616670)	0	-
	Transfer			04.05.2018	1616670	1616670	1.43
	at the end of the year					1616670	1.43
9	Madan Gopal Aggarwal at the end of the year	984000	0.87	-	-	984000	0.87
10	Ajay Garg at the end of the year	841600	0.74	-	-	841600	0.74
11	Pranay Aggarwal at the end of the year	0	0.00	14.12.2018	800000	800000	0.71
	Transfer					800000	0.71
12	Damodar Krishan Aggarwal at the end of the year	781970	0.69	-	-	781970	0.69
13	Anurag Bansal at the end of the year	250000	0.22	-	-	250000	0.22
14	SMC Share Brokers Ltd. at the end of the year	225000	0.20	-	-	225000	0.20
15	Archana Aggarwal at the end of the year	30000	0.03	-	-	30000	0.03
						30000	0.0

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

S. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transaction During the Year		Cumulative Shareholding at the end of the year - 2019	
		No. of shares held	% of total shares of the Company	Date of Transaction	No. of shares	No. of shares held	% of total shares of the Company
1	Millennium Investment And Acquisition Co Inc.	11504690	10.17			11504690	10.17
	Transfer			18.01.2019	(3571000)	7933690	7.0
	Transfer			01.02.2019	3371000	11304690	9.99
	Transfer			01.03.2019	(200000)	11104690	9.82
	Transfer			29.03.2019	(900000)	10204690	9.02
	at the end of the year					10204690	9.02
2	Sanlam International Investment Inc.	9460590	8.36	-	-	9460590	8.36
	at the end of the year					9460590	8.36
3	Signature Global (India) Pvt. Ltd.	8865885	7.84	-	-	8865885	7.84
	At the end of the year					8865885	7.84
4	Bennett, Coleman and Company Limited	4335390	3.83	-	-	4335390	3.83
	at the end of the year					4335390	3.83
5	Agbros Polymers LLP	1583340	1.40	-	-	1583340	1.40
	Transfer			18.05.2018	(10000)	1573340	1.39
	at the end of the year					1573340	1.39
6	Cresta Fund Ltd	2881345	2.55			2881345	2.55
	Transfer			29.03.2019	(1481345)	1400000	1.24
	at the end of the year					1400000	1.24
7	Svan Securities Pvt. Ltd.	1025676	0.91	-	-	1025676	0.91
	Transfer			02.11.2018	(193710)	831966	0.74
	at the end of the year					831966	0.74
8	Teena Bhatia	0	0.00			0	0.00
	Transfer			19.10.2018	350000	350000	0.31
	at the end of the year					350000	0.31
9	TV18 Broadcast Limited	109994	0.10			109994	0.10
	Transfer			02.11.2018	93710	303704	0.27
	at the end of the year					303704	0.27
10	Sadhu Ram Aggarwal	228460	0.20			228460	0.20
	at the end of the year					228460	0.20

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
	For Each of the Directors and KMP*				
1	Subhash Chand Aggarwal				
	At the beginning of the year	10095500	8.92	10095500	8.92
	Date wise Increase / Decrease in Share holding during the year decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	10095500	8.92	10095500	8.92
2	Mahesh Chand Gupta				
	At the beginning of the year	10248500	9.06	10248500	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	10248500	9.06	10248500	9.06
3	Ajay Garg				
	At the beginning of the year	841600	0.74	841600	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	841600	0.74	841600	0.74
4	Anurag Bansal				
	At the beginning of the year	250000	0.22	250000	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	250000	0.22	250000	0.22

Note: 1. No other Director held any shares of the Company during the Financial Year 2018-19.

2. KMPs doesn't hold any share in the Company, other than 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	2,72,80,73,656	-	-	2,72,80,73,656
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	15,80,062	-	-	15,80,062
Total (i+ii+iii)	2,72,96,53,718	-	-	2,72,96,53,718
Change in Indebtedness during the financial year				
· Addition	2,31,07,51,46,285	1,33,09,759	-	2,31,08,84,56,044
· Reduction	2,28,65,27,05,807	-	-	2,28,65,27,05,807
Net Change	2,42,24,40,477	1,33,09,759	-	2,43,57,50,236
Indebtedness at the end of the financial year				
i) Principal Amount	5,14,80,83,236	1,30,68,547	-	5,16,11,51,783
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	40,10,959	2,41,212	-	42,52,171
Total (i+ii+iii)	5,15,20,94,195	1,33,09,759	-	5,16,54,03,954

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 Chand Aggarwal (MD)	Mahesh Chand Gupta (MD)	Anurag Bansal (WTD)	Ajay Garg (Director & CEO)	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	97,50,000	97,50,000	64,99,701	58,49,701	3,18,49,402
	(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	64,99,701	58,49,701	3,18,49,402
	Ceiling as per the Act	Remuneration as per 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	1,85,000	-	-	1,85,000
	Satish Chandra Gupta*	2,20,000	-	-	2,20,000
	Kundan Mal Agarwal	3,05,000	-	-	3,05,000
	Hari Das Khunteta	2,65,000	-	-	2,65,000
	Chandra Wadhwa	2,05,000	-	-	2,05,000
	Roop Chand Jindal	2,85,000	-	-	2,85,000
	Naveen ND Gupta	75,000	-	-	75,000
	Total (1)	15,40,000			15,40,000
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)	15,40,000	-	-	15,40,000
	Total Remuneration (A+B)				
	Overall Ceiling as per Companies Act, 2013	Sitting fees as per Companies Act, 2013			

* Office of Mr. Satish Chand Gupta, Non-Executive & Independent Director was vacated w.e.f. March 25, 2019

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

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary (Suman Kumar)	Group CFO (Vinod K. Jamar)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	48,15,974	60,32,432	1,08,48,406
	(b) Value of perquisites u/s 7(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	48,15,974	60,32,432	1,08,48,406

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	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
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on Behalf of the Board

Sd/-

(Subhash Chand Aggarwal)

Chairman & Managing Director

DIN: 00003267

Place: New Delhi

Date: August 7, 2019

Form AOC-1

(Pursuant to first proviso 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**

(₹ in Lakhs)

S. No.	Name of the Subsidiary/Step down subsidiary company of SMC Global Securities Limited	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	1,000.00	392.41	1,480.15	87.74	-	417.40	28.77	8.00	20.78	100
2	Moneywise Financials Services Pvt. Ltd.	August 1, 2008	3,965.69	21,645.10	58,509.83	32,899.04	31.50	9,888.12	4,398.88	1,289.26	3,109.62	100
3	SMC Comtrade Ltd.	April 26, 2007	250.00	0.48	266.22	15.74	35.00	30.80	2.97	2.49	0.48	100
4	SMC Investments and Advisors Ltd. **	April 1, 2008	750.00	479.66	1,605.07	375.41	150.00	1,361.82	622.29	166.63	455.66	100
5	SMC Global USA Inc***	February 29, 2016										50
	In USD		11.53	(12.79)	0.96	2.22	-	-	(2.51)	-	(2.51)	
	In INR		779.71	(866.73)	66.23	153.24	-	-	(175.27)	-	(175.27)	
6	SMC Global IFSC Pvt. Ltd.	December 8, 2016	1,199.98	720.11	2,641.93	721.84	-	552.49	512.65	0.28	512.37	100
7	Moneywise Finvest Ltd.	November 6, 2009	250.00	(24.72)	369.72	144.43	-	80.63	13.22	3.53	9.69	100
8	SMC Real Estate Advisors Pvt. Ltd.	February 8, 2013	1,000.00	(2,306.24)	2,665.31	3,971.56	-	1,817.91	(1,351.94)	(351.07)	(1,000.87)	100
9	SMC Insurance Brokers Pvt. Ltd.	April 23, 2007	4,140.00	2,023.74	8,924.33	2,760.59	715.13	17,953.65	1,600.41	460.66	1,139.75	97.58
10	SMC Comex International DMCC***	November 16, 2005										100
	In USD		24.05	(9.57)	135.53	121.05	-	22.19	(0.88)	-	(0.88)	
	In INR		1,538.28	(536.54)	9,375.04	8,373.30	-	1,551.50	(61.70)	-	(61.70)	

Notes :

- ** 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.
- ***Converted to Indian Rupees at the exchange rate 1USD = INR 69.1713
- The aforesaid data in respect of 9 subsidiaries as on 31st March 2019
- Provision for tax includes provision for deferred tax & prior period tax
- Amount ₹ in Lakhs otherwise stated specifically.

Part "B" Joint Venture

(₹ in Lakhs)

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 Contribution
								Considered in Consolidation	Not Considered in Consolidation	
1	SMC & IM Capitals Investment Manager LLP	March 31, 2019	N.A.	150.00	N.A.	-	1.62	(0.02)	(0.02)	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 Companies Act, 2013 & Rules made thereunder)

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 endeavored 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 are in the following areas:-

- I. Promoting girl child education including special education, employment enhancing vocation skills especially among children and livelihood

enhancement projects.

- II. Promoting preventive health care and sanitation and making available safe drinking water, Environment Sustainability, Kerala Relief (Flood) and clean Ganga.

- III. Promoting of education for tribal and rural children.

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 Chand Aggarwal	Chairman
2.	Mr. Mahesh Chand Gupta	Vice-Chairman
3.	Mr. Kundan Mal Agarwal	Member
4.	Mr. Satish Chandra Gupta*	Member

*Mr. Satish Chandra Gupta (Non-executive & Independent Director) due to disqualification vacated the office w.e.f. 25th March, 2019.

3. Average net profit before tax of the Company for last three (3) Financial Years: ₹ 35,59,74,835/-

4. Prescribed CSR Expenditure (2% of the amount as above) : ₹ 71,19,497/-

5. Details of CSR spent during the year

a) Total amount to be spent for the Financial Year ₹1,21,61,448/-

b) Amount spent is ₹ 87,00,000/- and unspent is ₹ 34,61,453/- during the year

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	Project or Programme's 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	Social Activity	Promotion of social activity	Delhi	1,25,000	1,25,000	1,25,000	Indirect
2	Clean Ganga Project	maintaining quality of soil, air and water	Noida	1,00,000	1,00,000	2,25,000	Indirect
3	Promoting health care	Medical Aids	Delhi	1,50,000	1,50,000	3,75,000	Indirect
4	Education	Promotion of Education	Manipur	2,00,000	2,00,000	5,75,000	Indirect
5	Education	Promotion of Education	Delhi	1,50,000	1,50,000	7,25,000	Indirect
6	Disaster Management	Keral Relief (Flood)	Delhi	5,00,000	5,00,000	12,25,000	Indirect
7	Art and Culture	Promotion of Art and Culture	Rajasthan	2,00,000	2,00,000	14,25,000	Indirect
8	Education	Promotion of Education	Delhi	10,00,000	10,00,000	24,25,000	Indirect
9	Education	Girl Child Education	Hyderabad	25,000	25,000	24,50,000	Indirect
10	Rural Development	Upliftment of Rural / Tribal Population	Delhi	5,00,000	5,00,000	29,50,000	Indirect
11	Education	Health and education	Delhi	32,00,000	32,00,000	61,50,000	Indirect
12	Rural Development	Promotion of Education for tribal & rural children	Delhi	20,00,000	20,00,000	81,50,000	Indirect
13	Environment Sustainability	Ensuring Environment Sustainability	Noida	1,00,000	1,00,000	82,50,000	Indirect
14	Special Education & Employment	Enhancing vocational skills especially for differently abled	Delhi	1,50,000	1,50,000	84,00,000	Indirect
15	Promotion of Health Care	Health and education	Delhi	3,00,000	3,00,000	87,00,000	Indirect

6. Reason for not spending the prescribed 2% amount

During FY 2018-19, the Company has spent ₹87,00,000/- (Rupees Eighty Seven Lakh 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.

7. 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 Chand Aggarwal)

Chairperson, CSR
Committee and Chairman
& Managing Director

DIN: 00003267

Place: New Delhi

Date: August 7, 2019

sd/-

(Ajay Garg)

Director & CEO
DIN: 00003166

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 arm's 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 as per Omnibus Approval and in the ordinary course of business at arm's length basis. Further the Audit Committee and Board review the related party transaction in each quarterly meeting held on May 14, 2018, September 6, 2018, December 7, 2018 and January 30, 2019.
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e)	Date(s) of approval by the Board, if any:	
(f)	Amount paid as advances, if any:	

For and on Behalf of the Board

Sd/-

(Subhash Chand Aggarwal)

Chairman & Managing Director

DIN: 00003267

Place: New Delhi

Date: August 7, 2019

Form No. MR-3

Annexure V

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2019.

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration of Managerial 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, 2019 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, 2019 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines

prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');

- (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 there under,
 - b) The Minimum Wages Act, 1948, and rules made there under,
 - c) Employee State Insurance Act, 1948, and rules made there under,
 - d) The Employee Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
 - e) The Payment of Bonus Act, 1965, and rules made there under,

- f) The Payment of Gratuity Act, 1972, and rules made there under,
- 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

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

A.K. ROY & Associates

(Practicing Company Secretary)

Sd/-

(Arvind Kumar Roy)

Proprietor

FCS: 8308**CP: 9147****Place: New Delhi****Date: May 10, 2019**

“Annexure A”

To,
The Member,
SMC GLOBAL SECURITIES LIMITED

Our report of even date is to be read along with this letter.

- Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

- The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Sd/-
(Arvind Kumar Roy)
Proprietor
FCS: 8308
CP: 9147

Place: New Delhi
Date: May 10, 2019

Annexure VI

INFORMATION RELATING TO ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO 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

(c) Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year: ₹ 6,09,927/-

The Foreign Exchange outgo during the year in terms of actual outflows: ₹ 29,86,974/-

Sd/-
(Subhash Chand Aggarwal)
Chairman & Managing Director
DIN: 00003267
Place: New Delhi
Date: August 7, 2019

For and on Behalf of the Board

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CORPORATE GOVERNANCE REPORT

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

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 ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the public at large.
- Our Corporate governance is a reflection of our ethos which are Trustworthy, Integrity, Relationship, Innovation & Passion.
- 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.
- Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding financial and performance, as well as disclosure related to leadership and governance of the Company.
- 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.
- The Company has adopted a Code of Conduct for its Senior Management including the Executive Directors and Independent directors as laid down in the Companies Act, 2013 ("the Act"). The Company's corporate governance philosophy has been further strengthened through Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code").

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 are posted on our website at <https://smcindiaonline.com/investors/> in Boards of Directors Tab.

As on March 31, 2019, the company has Twelve Directors. Of the Twelve Directors, Eight (66.67%) are Non Executive Directors out of which Six (50%) are

Independent Directors. During the FY 2018-19 your Board met Four (4) times and the gap between two meetings did not exceed One Hundred Twenty Days. The said meetings were held on May 14, 2018, September 6, 2018, December 7, 2018 and January 30, 2019. The names and categories of the Directors on the Board, their attendance at Board Meetings

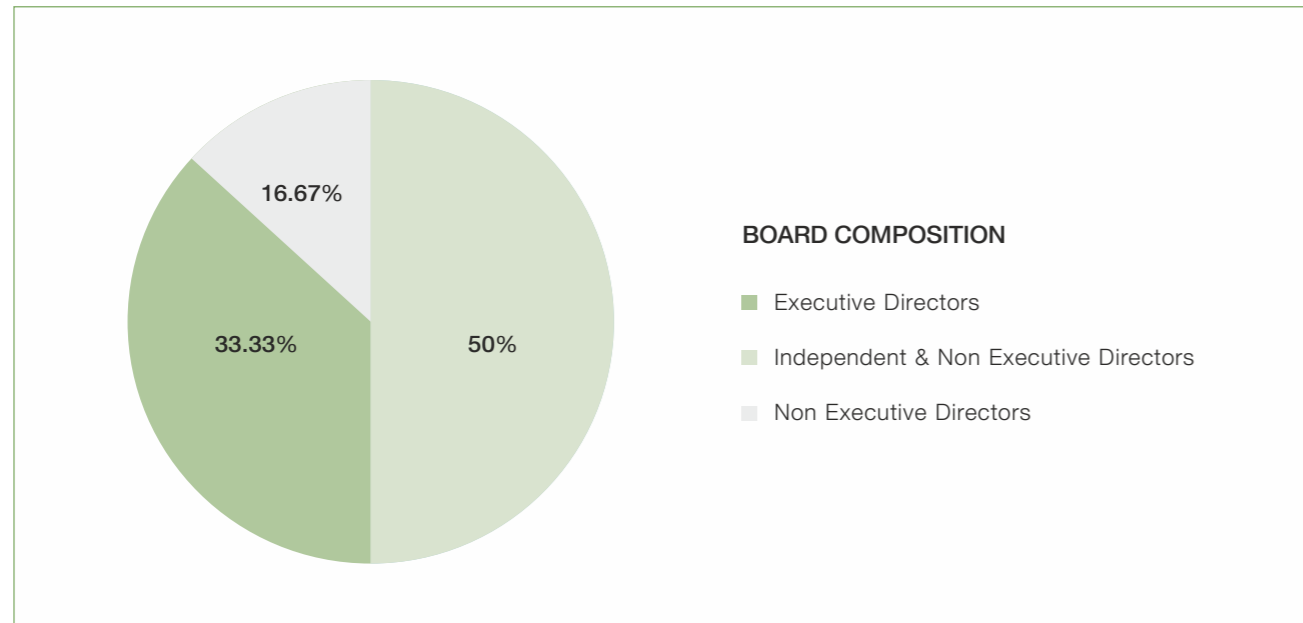
held during the year under review and at the last Annual General Meeting ("AGM") name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2019 are given herein below:

Name of the Director	Category & Designation	Number of Board Meeting attended during the FY 2018-19	Whether attended last AGM held on July 21, 2018#	No. of Directorships in other Companies ##	Committee Memberships ###		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	
Mr. Subhash C. Aggarwal	Promoter, Executive, Chairman & Managing Director	4	N	1	NIL	NIL	None
Mr. Mahesh C. Gupta	Promoter, Executive, Vice-Chairman & Managing Director	4	N	1	NIL	1	None
Mr. Ajay Garg	Executive Director & CEO	2	N	5	NIL	1	None
Mr. Anurag Bansal	Executive, Whole-time Director	1	N	5	NIL	NIL	None
Mr. Kundan M. Agarwal	Independent & Non-Executive Director	4	Y	5	1	3	None
Mr. Roop C. Jindal	Independent & Non-Executive Director	4	N	NIL	NIL	2	None
Mr. Hari D. Khunteta	Independent & Non-Executive Director	4	N	4	NIL	2	None
Mr. Chandra Wadhwa	Independent & Non-Executive Director	4	Y	3	NIL	1	None
Dr. Madhu Vij	Independent & Non-Executive Director	4	Y	4	NIL	3	1. Singer India Limited (Independent, Non-Executive Director) 2. Solar Industries India Limited (Independent, Non-Executive Director)
Mr. Himanshu Gupta	Non-Executive Director	4	N	3	NIL	NIL	None
Mr. Naveen ND Gupta	Independent & Non-Executive Director	1	N	2	NIL	1	None
Ms. Shruti Aggarwal	Non-Executive Director	1	N	NIL	NIL	NIL	None

Y stands for Yes and N stands for No.

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

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



DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE

None of the Directors are related to each other except Mr. Subhash Chand Aggarwal is Father of Ms. Shruti Aggarwal and Mr. Mahesh Chand Gupta, Father of Mr. Himanshu Gupta.

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 Chief Executive Officer has been annexed to the Corporate Governance Report. The code of conduct has been posted on the website of the Company at <https://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 2018-19, for information of members, are furnished here under:

Name of the Director	Sitting Fees (In ₹)	Commission on profit (In ₹)	Remuneration and other allowances (In ₹)	Performance Linked Incentives (In ₹)	Monetary Value of Perquisites (In ₹)
Mr. Subhash Chand Aggarwal	-	-	97,50,000	Nil	-
Mr. Mahesh Chand Gupta	-	-	97,50,000	Nil	-
Mr. Ajay Garg	-	-	58,49,701	Nil	-
Mr. Anurag Bansal	-	-	64,99,701	Nil	-
Mr. Roop Chand Jindal	2,85,000	-	-	-	-
Mr. Kundan Mal Agarwal	3,05,000	-	-	-	-
Mr. Hari Das Khunteta	2,65,000	-	-	-	-
Dr. Madhu Vij	1,85,000	-	-	-	-
Mr. Chandra Wadhwa	2,05,000	-	-	-	-
Mr. Himanshu Gupta	-	-	-	-	-
Mr. Naveen ND Gupta	75,000	-	-	-	-
Ms. Shruti Aggarwal	-	-	-	-	-
Mr. Satish Chandra Gupta*	2,20,000	-	-	-	-

*Mr. Satish Chandra Gupta, Non-Executive and Independent Director has become disqualified under section 164(2) and his office has been vacated w.e.f. March 25, 2019.

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.

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 <https://smcindiaonline.com/investors/> Further no shares pecuniary relationships and convertible instruments held by the Non-Executive Directors of the Company. It has been noted that the Service Contracts, Notice period and severance fees are as per the Companies Act, 2013 and according to terms of appointment.

KEY BOARD QUALIFICATIONS, EXPERTISE AND ATTRIBUTES

The SMC Global Securities Limited majority Board comprises qualified professionals who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its Committee. The Board members are committed to ensuring that the SMC Global Board is in compliance with the highest standard of Corporate Governance.

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.

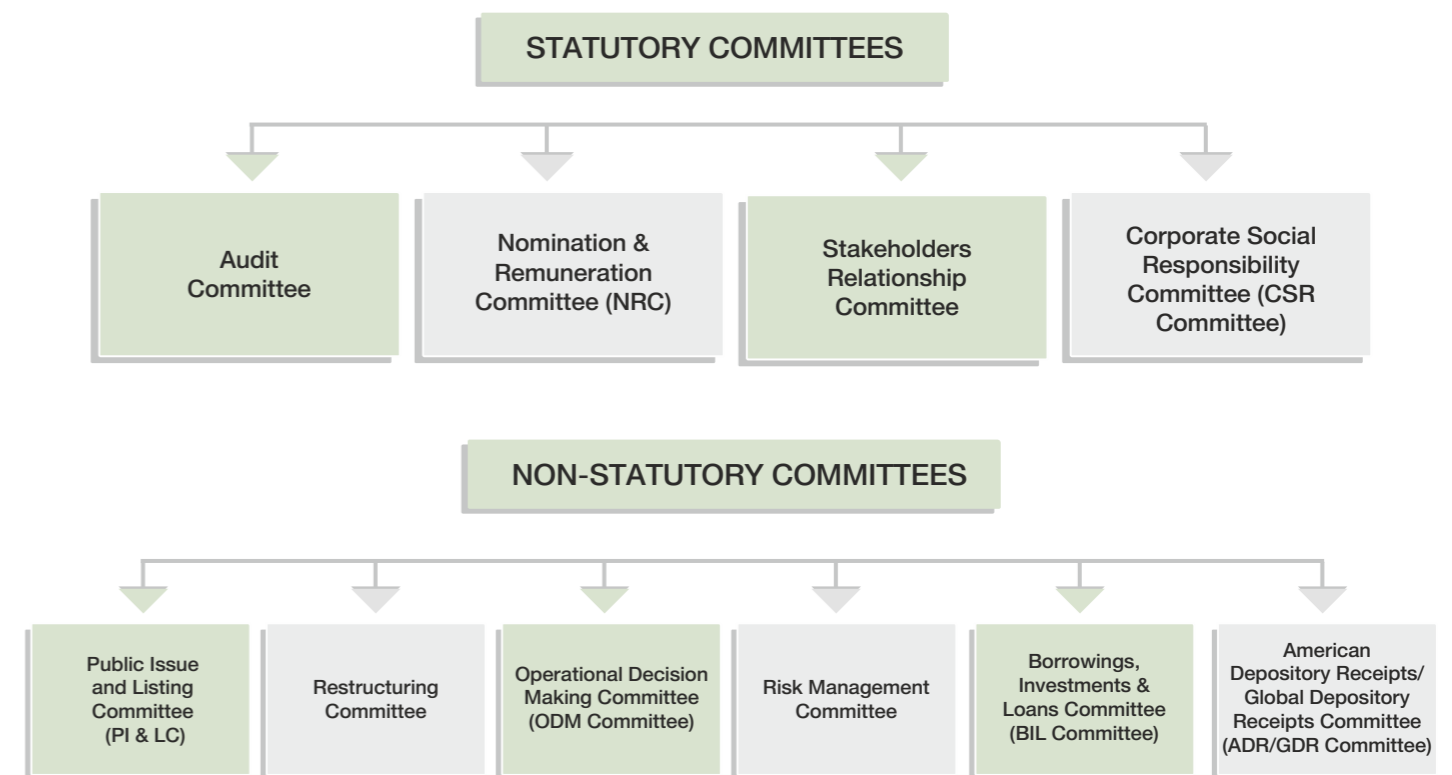
The key qualifications, skills and attributes which are taken into consideration while nominating candidates to serve on the Board are following skills/expertise/competence:

Sr.No	Skills and Attributes
1.	Finance Acumen
2.	Executive Leadership
3.	Board Service
4.	Merger & Acquisition
5.	Legal, Corporate Governance, Risk and Compliance
6.	Information & Technology

BOARD DECLARATION FOR INDEPENDENT DIRECTORS'

In the opinion of the Board, the independent directors fulfill the conditions as specified in the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and are independent of the management.

As on March 31, 2019 Company has the following 10 (Ten) committees of the Board divided into Statutory and Non- Statutory Committees:



AUDIT COMMITTEE

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, All members of Audit Committee are Independent & Non-Executive Directors and all of are adequate knowledge of Corporate finance, Accounts & Corporate laws.

The Composition and the attendance details of each meeting of members of Audit Committee for FY 2018-19 are specified herewith:

Name of the Members	*Mr. Satish Chandra Gupta	Mr. Kundan Mal Agarwal	Mr. Roop Chand Jindal	Mr. Naveen ND Gupta
Designation	Chairman	Member	Member	Member
Category	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director
Date of Meeting				
May 14, 2018	Y	Y	Y	N
September 6, 2018	Y	Y	Y	N
December 7, 2018	Y	Y	Y	N
January 30, 2019	Y	Y	Y	Y
No. of Meetings during the Financial Year	4	4	4	4
Attended	4	4	4	1
Absent	NIL	NIL	NIL	3
% of Attendance	100	100	100	25

*Mr. Satish Chandra Gupta, Non-Executive and Independent Director has become disqualified under section 164(2) and his office has been vacated w.e.f. March 25, 2019.

Further the Board of Directors has appointed Mr. Hari Das Khunteta as Chairman of the Audit Committee of the Company in its meeting held on May 11, 2019.

EXTRACT OF 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:

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 2018-19 ARE GIVEN BELOW:

Name of the Directors	Mr. Chandra Wadhwa	Mr. Kundan Mal Agarwal	Mr. Roop Chand Jindal	Mr. Naveen ND Gupta
Designation	Chairman	Member	Member	Member
Category	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director
Date of Meeting				
May 14, 2018	Y	Y	Y	N
December 7, 2018	Y	Y	Y	N
No. of Meetings during the Financial Year	2	2	2	2
Attended	2	2	2	Nil
Absent	NIL	NIL	NIL	2
% of Attendance	100	100	100	0

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 Thursday, the 28th Day of March, 2019 at India International Centre, 40, Max Mueller Marg, New Delhi – 110003. All the Independent Directors of the Company were present at the meeting.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

During the Financial Year 2018-19, the Company had conducted one 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 Companies Act, 2013 for the Independent

Directors of SMC Global Securities Limited as well as for its Subsidiaries and the Company management organizes presentations to the Independent Directors to apprise them of key changes in regulations impacting the Company or the functioning, roles and responsibilities of the Board members. On promulgation of the Companies Act, 2013 and consequent changes to the SEBI regulations, such presentations and updates were provided to the members of the Board.

The Two and half an hour familiarization program was held at 18, Rabindra Sarani, Poddar Court Gate No. 4, 5th Floor, Kolkata-700001 on 14th May, 2018 in which all the Independent Directors marked their presence 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 website i.e. www.smcindiaonline.com

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) Regulation, 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 2018-19 are specified herewith

Name of the Directors	Mr. Kundan Mal Agarwal	Mr. Roop Chand Jindal	Mr. Hari Das Khunteta
Designation	Chairman	Member	Member
Category	Non Executive Independent Director	Non Executive Independent Director	Non Executive Independent Director
Date of Meeting			
May 14, 2018	Y	Y	Y
September 6, 2018	Y	Y	Y
December 7, 2018	Y	Y	Y
January 30, 2019	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:

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 2018-19 is as under:	
(a) Number of Shareholder's complaints received during the year	: 2
(b) Number of Shareholder's complaints resolved during the year	: 2
(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 3 (Three) Directors out of them 2 (two) are Executive Directors and 1 (One) is Independent & Non-Executive Directors of the Company.

The composition and attendance details of each meeting of CSR Committee during the financial year 2018-19 is as follows:

Name of the Directors	Mr. Subhash Chand Aggarwal	Mr. Mahesh Chand Gupta	Mr. Satish Chandra Gupta*	Mr. Kundan Mal 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 14, 2018	Y	Y	Y	Y
January 30, 2019	Y	Y	Y	Y
No. of Corporate Social Responsibility Committee Meetings during the Financial Year	2	2	2	2
Attended	2	2	2	2
Absent	Nil	Nil	Nil	Nil
% of Attendance	100	100	100	100

*Mr. Satish Chandra Gupta, Non-Executive and Independent Director has become disqualified under section 164(2) and his office has been vacated w.e.f. March 25, 2019.

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 [//smcindiaonline.com/wp-content/uploads/2018/04/Vigil-Mechanism-Policy.pdf](http://smcindiaonline.com/wp-content/uploads/2018/04/Vigil-Mechanism-Policy.pdf). Any employee may make a disclosure regarding malpractices and events covered under this policy by presenting the same in writing before any of the members of the Audit Committee or through addressing an e-mail at whistleblower@smcindiaonline.com. 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_TRANSACTION_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 2018-19, our Company has 2 (Two) Key Material Non-Listed Indian Subsidiaries Company namely 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	WHETHER ANY SPECIAL RESOLUTION PASSED
2016	URDU GHAR" 212,	16th July, 2016	Saturday	11:00 A.M.	NO
2017	ROUSE AVENUE,	29th July, 2017	Saturday	11:00 A.M.	YES
2018	DEEN DAYAL UPADHYAYA MARG, NEW DELHI-110002	21st July, 2018	Saturday	11:00 A.M.	YES

FY 2015-16

No Special resolution passed during the year.

FY 2016-17

4 (Four) Special resolution passed during the year:

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.

FY 2017-18

8 (Eight) Special resolution passed during the year

1. Re-appointment of Mr. Satish C. Gupta (DIN 00025780) as an Independent Director of the Company.
2. Re-appointment of Mr. Hari D. Khunteta (DIN 00061925) as an Independent Director of the Company.
3. Re-appointment of Mr. Chandra Wadhwa (DIN 00764576) as an Independent Director of the Company.
4. Re-appointment of Mr. Roop C. Jindal (DIN 01450916) as an Independent Director of the Company.
5. Re-appointment of Dr. Madhu Vij (DIN 00025006) as an Independent Director of the Company.
6. Re-appointment of Mr. Anurag Bansal (DIN 00003294) as Whole Time Director of the Company.
7. Approval for the follow-on public offer of the company.
8. Authorization to hold office or place of profit by Mr. Himanshu Gupta, son (relative) of Mr. Mahesh C. Gupta, Vice-Chairman and Managing Director of the company, as Chairman and Chief Executive officer of Moneywise Financial Services Private Limited, subsidiary of the Company

POSTAL BALLOT

No Resolution was passed during the financial year 2018-19 through Postal Ballot.

MEANS OF COMMUNICATION**Financial Results:**

The Quarterly, half yearly and Annual Financial Results of the Company as per the statutory requirements under Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, are published in the English Newspapers "Economic Times" and also in Newspapers of vernacular language "Navbharat Times" (Hindi), Presentations made to the institutional investors, if required after the declaration of the results are submitted to Calcutta Stock Exchange (CSE) as well as uploaded at Company's website i.e. www.smcindiaonline.com

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

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.

GENERAL SHAREHOLDER INFORMATION

a.	Annual General Meeting	
	Day & Date	: Saturday, September 28, 2019
	Time	: 11:00 A.M.
	Venue	: Urdu Ghar" 212, Rouse Avenue, Deen Dayal Upadhyaya Marg, New Delhi-110002
b.	Financial Year	: April 1 to March 31
c.	Date of Book Closure	: September 11, 2019 to September 13, 2019
d.	Dividend Payment Date	: Final Dividend for FY 2018-19 @ 24% (₹ 0.48 Per Share of ₹ 2 each) and payout within 30 days (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, Murgighata, Dalhousie, Kolkata, West Bengal-700001
f.	Stock Codes	: CSE 029186
g.	ISIN for Equity Shares	: INE103C01036
h.	Listing Fees	: Paid
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 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 Noble Heights, 1st Floor, Plot NH-2 C-1 Block LSC, Near Savitri Market Janakpuri, New Delhi - 110058 Tel: 91-11-41410592,93,94, Fax:91-11-41410591 E-mail: delhi@linkintime.co.in Web: www.linkintime.co.in

GENERAL SHAREHOLDER INFORMATION

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 Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013
o.	Dematerialization of shares and liquidity	: 88.85% shares of the company have been in dematerialized form as on March 31, 2019.
p.	Shareholding Pattern	: Promoters 61.08% and Non Promoters 38.92 % as on March 31, 2019.
q.	Plant Location	: Not Applicable
r.	Address of correspondence	: 8B, (Corporate Affairs & Legal Department), Netaji Subhash Marg, Daryaganj, New Delhi-110002.
s.	Credit Rating	: ICRA has assigned an issuer rating of [ICRA]A (pronounced ICRA - A) to SMC Global Securities Limited (SMC) 1 . The outlook on the issuer rating is "Stable". ICRA also has a rating outstanding of [ICRA]A1+ (pronounced ICRA A one plus) for the ₹ 50 crore commercial paper programme of SMC.

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.
- 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 recommended 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 2018-2019 to all the eligible equity shareholders of the company as on Record date whose names appeared on the Register of Members of the company.

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/wcontent/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 the 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.
- 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 via <http://smcindi>

online.com/wpcontent/uploads/2018/05/PMLA-POLICY.pdf

Sexual Harassment

The complete disclosure in relation to sexual harassment of women at workplace (Prevention, Prohibition, and Redressal) Act, 2013, and no complaint has been received during the financial year and complete details are given in Board Report which forms part and parcel of this Annual Report.

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.

Detail of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis to the Statutory auditor :

S.No.	Particulars	Amount (in ₹)
1.	As Statutory Auditor	21,50,000
2.	As Tax Auditor	2,50,000
3.	As Fees for other Services	-
	Total	24,00,000

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, 2019:

By Size

Shareholding of Shares (Range)	Number of Shareholders	Shareholders (In %)	Total shares for the Range	Issued capital (In %)
1-500	389	25.8816	52222	0.0462
501 - 1000	547	36.3939	541701	0.4788
1,001- 2,000	252	16.7665	484668	0.4284
2,001 - 3,000	48	3.1936	136959	0.1211
3,001 - 4,000	30	1.996	118400	0.1047
4,001 - 5,000	41	2.7279	201555	0.1782
5,001 - 10,000	73	4.857	568725	0.5027
10,001 & above	123	8.1836	111030220	98.1401
TOTAL	1503	100	113134450	100

By Category

Category	No. of Shares	Equity (in %)
Promoters & Promoters Group	6,91,04,685	61.08
NRI and Foreign Body Corporate	2,14,15,280	18.93
Corporate Bodies (other than Promoters)	1,62,77,248	14.39
Indian Public and Others	63,37,237	5.60
Total	11,31,34,450	100

DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on March 31, 2019 a total of 10,05,14,230 equity shares of the Company representing 88.85% of total Equity Share Capital was held in dematerialized form.

The bifurcation of shares held in Physical and Demat form as on March 31, 2019 is as under:

Status of Dematerialization	No. of Equity Shares	% of total shares
Shares held in NSDL	1,51,90,836	13.43
Shares held in CDSL	8,53,23,394	75.42
Shares held in Physical Form	1,26,20,220	11.15
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 CS Priyank Kukreja, Practicing Company Secretaries and same is attached to the Report.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

TO

THE BOARD OF DIRECTORS

SMC GLOBAL SECURITIES LIMITED

I, Ajay Garg, Director and Chief Executive Officer of the Company hereby certify that:

This is to confirm that the Company has adopted a Code of Conduct for its Senior Management including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2019, received from the Members of the Board and Senior Management Personnel of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

For SMC Global Securities Ltd.

Sd/-

(Ajay Garg)

Director and Chief Executive Officer

Date: August 7, 2019

Place: New Delhi

CERTIFICATE OF 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, 2019**, 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, 2019**.

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.

Place: New Delhi**Date: August 7, 2019**

For CS Priyank Kukreja
Practising Company secretary
 sd/-
Priyank Kukreja
M. No: A40585
CP. No.: 19465

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to regulation 34(3) and schedule V Para C clause (10)(i) of the SEBI (Listing and Disclosure Requirements) Regulation, 2015)

To,
The Members,
SMC Global Securities Limited.

This certificate is issued pursuant to Clause 10(i) of Part C of Schedule V of SEBI (Listing and Disclosure Requirement) (Amendment) Regulation, 2018.

On the basis of the documents and explanations given to us by Company/Director, we hereby certify that none of the following directors on the Board of **SMC Global Securities Limited** ("the Company) have been debarred or disqualified from being appointed or continuing as directors of the company by the SEBI, Ministry of Corporate Affairs and Reserve Bank of India or any other statutory Authority as on **March 31, 2019**.

Mr. Subhash Chand Aggarwal
 Mr. Mahesh Chand Gupta
 Mr. Ajay Garg
 Mr. Anurag Bansal
 Mr. Roop Chand Jindal
 Mr. Hari Das Khunteta
 Mr. Chandra Wadhwa
 Mr. Kundan Mal Agarwal
 Dr. Madhu Vij
 Mr. Himanshu Gupta
 Mr. Naveen ND Gupta
 Ms. Shruti Aggarwal

Place: New Delhi**Date: August 7, 2019**

For CS Priyank Kukreja
Practising Company secretary

sd/-
Priyank Kukreja
M. No: A40585
CP. No.: 19465

BE AHEAD WITH SMC ADVANCED RESEARCH TOOLS

RESEARCH TOOL

Daily, Weekly & Annual Reports on Equity |
Derivatives Report | Daily, Monthly & Annual Reports
on Commodity (Both in English & Hindi) |
Daily Currency Reports | Special Reports
IPO Report | Weekly Mutual Fund Report
Weekly Newsletter (Wise money)
SMS Alert Service | Chat Room



Moneywise. Be wise.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



1. OVERVIEW & OUTLOOK

1.1 Global and Indian Economy

After strong growth in FY 2017 and early FY 2018, the world economy has been slowing, reflecting a convergence of factors upsetting major economies. The Euro area economy lost momentum; consumer and business confidence weakened and investment dropped in Italy as sovereign spreads widened. The growth in China too declined due to regulatory tightening to rein in shadow banking and an increase in trade tensions with the United States. IMF has cut its global growth forecast for FY 2019 to 3.2%, the lowest since the financial crisis in FY 2008, due to trade tensions between the US and China, loss of momentum in Europe and uncertainty surrounding Brexit. The US Fed, the European Central Bank, the Bank of Japan, and the Bank of England have all shifted to a more accommodative stance. Actually, trade tensions increasingly took a toll on business confidence across the globe and so financial market sentiment worsened.

Back at home, IMF has projected growth to pick up to 7.0 percent in 2019 and 7.2 percent in 2020, supported by the continued growth of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy. With recovery in government capex, expectation of softer interest rates, with improvement in the earnings, stronger consumption, and stable export growth, domestic market will continue to have joy ride. India is aiming to improve its ranking within top

50's in Ease of Doing Business Index in the coming years and definitely an improved ranking will help India to provide a better investment climate for investors. On the flip side, spiralling crude oil prices, India's increasing import, is likely to pose threat to the improving financial economics of India as the swelling inflation may act as an impediment for the Reserve Bank of India to further axe interest rates.

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong demography and partnerships. India's GDP has increased to 7.2 per cent in FY 2017-18 and 6.8 per cent in FY 2018-19, on the other hand the world output growth declined from 3.8 per cent in year 2017 to 3.6 per cent in year 2018. The government has projected the real GDP growth for the year 2019-20 at 7 per cent on the back of anticipated pickup in the growth of investment and acceleration in the growth of consumption. The 'Financial, Real Estate and Professional Services' sector which amounts for more than 20 per cent of overall Gross Value Added (GVA) grew at 7.4 per cent in 2018-19, higher as compared to 6.2 per cent in 2017-18.

Some of the important recent developments in Indian economy are as follows:

- Net direct tax collection for FY 2018-19 had crossed ₹10 trillion (₹11.17 lakh crores), while goods and services tax (GST) collection stood at ₹11.77 trillion (₹11.77 lakh crores). Also GST collection for March 2019 crossed Rupees One Lakh Crores

and recorded as the highest collection in the FY2018-19.

- India's Foreign Direct Investment (FDI) equity inflows reached US\$ 409.15 billion between April 2000 and December 2018, with maximum contribution from services, computer software and hardware, telecommunications, construction,

trading and automobiles.

- Net employment generation in the country reached a 17-month high in January 2019.
- India has retained its position as the third largest start-up base in the world with over 4,750 technology start-ups.

GDP Growth Rate Forecast (in per cent) - India vs Global (Source: SEBI Bulletin March 2019)

	Global			India		
	2018*	2019#	2020#	2019*	2020#	2021#
IMF	3.7	3.5	3.6	7.3	7.5	7.7
OECD	3.6	3.3	3.4	7.0	7.2	7.3
World Bank	3.0	2.9	2.8	7.3	7.5	7.5
CSO	-	-	-	7.2	-	-
RBI	-	-	-	7.4	7.4	-

Note - * indicates estimates, # indicates forecasts

Source: RBI- Minutes of the Monetary Policy Committee, CSO – Press Note, IMF- World Economic Outlook, World Bank – Global Economic Prospects, OECD- Economic Outlook

1.2 Industry structure and developments

Capital Market

Indian stock market showed steep gains in FY 2018-19, with Sensex up by 17.3 per cent and Nifty by 14.9 per cent. Domestic markets have outperformed several major global markets, including the US and the UK, China and Brazil, with double-digit returns in the fiscal ended March 2019 despite numerous global and domestic headwinds such as high crude oil prices, rupee faltering to new record lows, liquidity crisis in the NBFCs and US-China trade tensions among others. The sentiments of the investors got boost due to the eventual easing of liquidity concerns

by the major central banks and a sustained rise in foreign fund inflows. With encouraging performance by the domestic markets and increasing fund raising from the market, the size of the Indian capital markets continued to expand during FY19, with the market capitalisation up by over 6% to over ₹151 lakh crores. After remaining several months in selling side, Foreign Institutional Investors (FIIs) returned to the Indian capital markets with ₹48,751 crores investments in March alone, hopping for deeper economic reforms and more monetary policy easing.

The on-going rally is expected to continue and Indian markets will continue to outperform its emerging

market peers. The increase of pace of structural reforms (expected) and measures by the government at the center and the proper macroeconomic management will push the market higher. With the accommodative stance of the major central banks, there will be no constraint on the liquidity front across the globe. India is among the world's fastest growing economies and will continue to be the global investors' preferred destination. The retail participation in equity investments is gathering pace in the country and other asset classes including currency, interest rate and commodity derivatives, bonds and ETFs are also expected to witness a strong growth.

Besides, mutual fund assets under management grew by 11.4 percent to nearly ₹24 lakh crores and Foreign Portfolio Investors' asset under custody expanded by 8.6 percent to close to ₹30 lakh crores.

Fundraising from the capital market also continued its positive trend during FY 2018-19, with funds raised through debt and equity rising by 5.3 percent to nearly ₹9 lakh crores.

Net fund inflows in equity-oriented and other types of mutual funds together were to the tune of ₹1.58 lakh crores in FY 2018-19 as against ₹2.84 lakh crores in FY2017-18.

2. SMC- ONE OF THE LEADING INVESTMENT SOLUTIONS GROUP

With around three decades of expertise, SMC Global Securities Ltd. (SMC), with its subsidiaries has a **well-diversified financial services business** model reflecting a significant presence in almost all the important segments of the financial services section such as Broking, Distribution of Mutual funds, IPOs & other third party products, Insurance Broking, Financing (NBFC), Real Estate Advisory, Wealth

Management, Investment Banking, Clearing Services, Depository Participant Services, NRI and FPI Services etc.

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. During FY 2018-19, SMC won the following awards:

- Best Performance DP Account Growth Rate- 1st (Position) - NSDL star performer award 2018
- Best Performing Retail Broker (Northern Region)-National Stock Exchange (NSE) Awards
- Company of the year (Financial Services) - Zee Business Awards 2018
- Best Broker with in-house Research in Bullion- ASSOCHAM Excellence Awards
- Franchisor of the year – Business services - 16th Franchise & Star Retailer Awards, 2018
- Corporate Brokerage House of the year -MCX Awards 2018
- Best Financial Services Provider-ASSOCHAM Excellence Awards

The diversified business of SMC is being conducted through an organizational structure consisting of ten subsidiaries and one joint venture including one foreign subsidiary at Dubai (U.A.E.). These subsidiaries are regulated by various regulators in India & respective jurisdiction, depending upon business handled by them. We have a 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 550 cities across India. SMC group employs more than 3,000 employees (as on March 31, 2019), 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.

2.1 SMC Strategy

We intend to strengthen and extend our position as a leading diversified financial services provider. Key elements of our strategy include:

- Intensify our cross-selling efforts across our client base
- Continue expanding our geographic presence and reach
- Expand our services and product portfolio through continued innovation
- Pursue additional strategic alliances and acquisitions to grow our client base and increase our revenues

3. FINANCIAL PERFORMANCE HIGHLIGHTS

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

₹ in Lakhs					
Particulars	FY 2018-19	% to Total Revenue	FY 2017-18	% to Total Revenue	Increase/ (Decrease)%
Total Revenue	75,947	100.00%	65,536	100.00%	15.89%
Total Expenditure	66,859	88.03%	57,595	87.88%	16.08%
Profit before tax	9,088	11.97%	7,941	12.12%	14.45%
Less: Tax expense	1,610	2.12%	2,772	4.23%	(41.93)%
Profit After Tax (PAT) Before Minority Interest	7,478	9.85%	5,169	7.89%	44.69%
Total other comprehensive income for the Year	212	0.28%	152	0.23%	39.47%
Total comprehensive income for the Year	7,690	10.13%	5,320	8.12%	44.55%
Share of Minority Interest in Profit (Loss)	-1	0.00%	-162	-0.25%	-99.66%
Net Profit After Tax, Minority Interest	7,479	9.85%	5,330	8.13%	40.32%
Earnings per equity Share (Basic & Diluted) in Rs.	6.61		4.57		

Table 3.b: Statement of Profit and Loss - Standalone

₹ in Lakhs					
Particulars	FY 2018-19	% to Total Revenue	FY 2017-18	% to Total Revenue	Increase/ (Decrease)%
Total Revenue	44,329	100.00%	42,561	100.00%	4.15%
Total Expenditure	40,999	92.49%	37,745	88.69%	8.62%
Profit before tax	3,330	7.51%	4,816	11.31%	(30.85)%
Less: Tax expense	30	0.07%	1,542	3.62%	(98.05)%
Profit After Tax (PAT)	3,300	7.44%	3,274	7.69%	0.80%
Total other comprehensive income for the Year	81		148		(45.17)%
Total comprehensive income for the Year	3,381		3,421		(1.17)%
Earnings per Share (Basic & Diluted) In ₹	2.92		2.89		

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 2018-19 and FY 2017-18 is tabulated below:

Table 3.c: Segment-wise Performance- Consolidated

Particulars	₹ in Lakhs	
	Year Ended March 31, 2019	March 31, 2018
Segment Revenue		
(1) Trading and distribution	64,498	57,417
(2) Advisory services	3,597	3,272
(3) Financing activities	9,888	8,205
Total	77,983	68,894
Less: Inter Segment Revenue	2,036	3,358
Total Revenue	75,947	65,536
Segment Profit/(Loss) before tax		
(1) Trading and distribution	9,894	7,912
(2) Advisory services	-876	-1,302
(3) Financing activities	6,358	5,945
Total	15,376	12,555
Less: Interest	6,288	4,615
Total Profit/(Loss) Before Tax	9,088	7,941

Table 3.d Performance of Key Subsidiaries- Standalone (for the year ended March 31, 2019)

(₹ in Lakhs)

Company Name	Revenue from Operations	Profit before tax	Profit after tax
Moneywise Financial Services Private Limited	9,888	4,399	3,110
SMC Insurance Brokers Private Limited	17,954	1,600	1,140

3.2 BUSINESS PERFORMANCE HIGHLIGHTS**3.2.1 Broking Business****Equity Broking**

SMC's market share was approximately 3.0% (PY 3.8%) of total turnover of NSE & BSE in FY 18-19. It has been successful in generating a combined turnover of approx. ₹72.7 Lakhs crores (PY ₹66.3 Lakhs crores) higher by 9.7% as compared to previous year.

Currency Broking

SMC's market share in currency segment was 11.0% (PY 10.1%) of total turnover of NSE, BSE and MSEI in FY 18-19. SMC clocked combined volume of ₹17.2 Lakhs crores (PY ₹10.4 Lakhs crores) higher by 65.3% as compared to previous year.

Commodity Broking

During FY 2018-19, SMC's market share was 3.1% (PY 3.2%) of total turnover of MCX, NCDEX, NMCE, ICEX and NSE & BSE commodity. SMC clocked a combined volume of ₹2.3 Lakhs crores (PY ₹1.9 Lakhs crores) higher by 21.5% as compared to previous year.

Insurance Broking

SMC Insurance Brokers Pvt. 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 a special arrangement as Pan-India broker with Honda Car India to sell insurance policies

to Honda customers, under which we have sold approx. 4,98,100+ policies in FY 2018-19 as against 5,00,100+ policies in FY 2017-18. During the year under review, the total revenue stood at ₹17,954 Lakhs as compared to ₹10,538 Lakhs in previous year & Profit after tax stood at ₹1,140 Lakhs as compared to ₹740 Lakhs in previous year showing a growth of 54.05% 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, DGCX INX & NSE-IFSC

SMC is one of the leading clearing services providers 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 around 12,200+ for distribution of third party products.
- Built a cumulative Asset under Management (AUM) of more than ₹2,860 crores (PY ₹2,800 crores) and having over 1.96 Lakhs (PY 3.49 Lakhs) Folios in Mutual Fund segment as on March 31, 2019.

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.

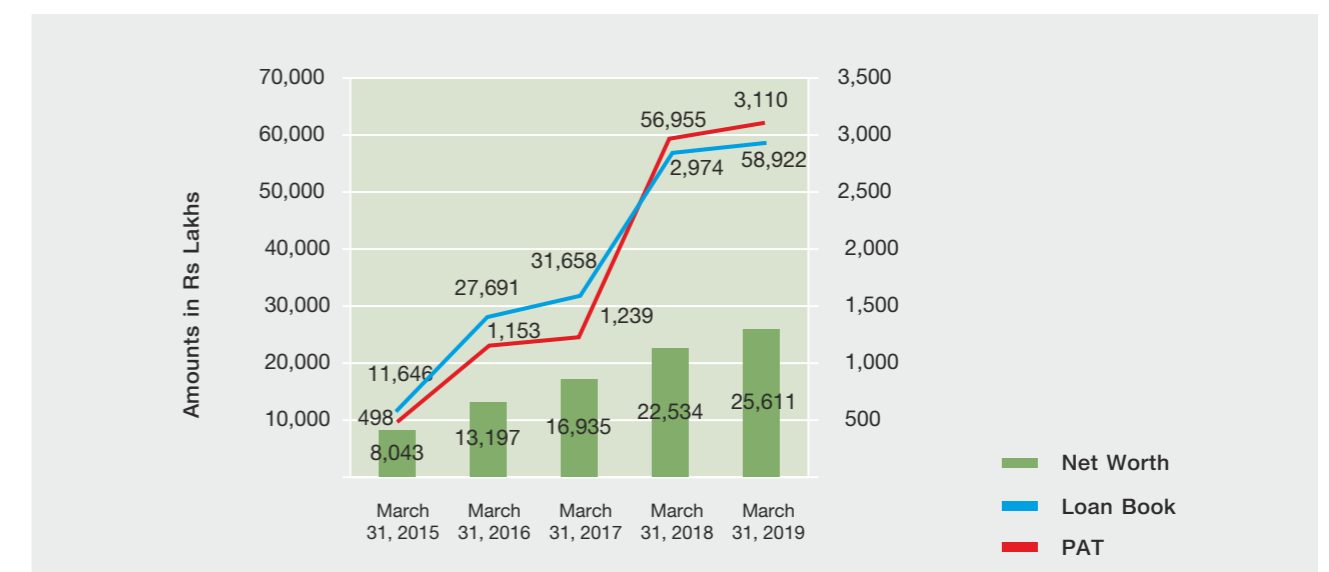
During the year, SMC Capitals has filed two DRHPs for the IPO of equity shares in the capacity of Book Running Lead Manager/Co-Book Running Lead Manager and filed one Draft Prospectus for IPO of equity shares on SME platform of Bombay stock exchange. We have also provided valuation services to number 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.

3.2.5 Financing Business

The Company's wholly owned subsidiary Moneywise Financial Services Private Limited (Moneywise) is registered with RBI as non-deposit taking systematically important non-banking finance company (NBFC) having client base of 12000+ across India, offering wide spectrum of financial products like Personal Loan, Business Loan, Loan against shares, Loan against Property, MSME, IPO, Equipment, Receivable, Housing Application Financing etc. to retail & corporate clients. Moneywise is leveraging Group's Pan-India network of branches and associates. Moneywise is long term CARE rated A(stable), ICRA rated A-(positive), short term rating

ICRAA1+ (SO).

Since 2015, Moneywise has demonstrated loan book growth at CAGR of 59% p.a. and revenue growth at CAGR of 63.88% p.a. with ROAE 12.55% (FY 2018-19) and a comfortable CAR of 42.96% (as at 31st March 2019) 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 and debt advisory services to raise debt for SMEs & large corporates. Currently, Company has tied up with 28 plus major banks and NBFCs to provide the loan advisory to clients. The company has AUA/AUM of approx. ₹347 Crores (PY ₹505 Crores) as on March 31, 2019.

3.2.7 REAL ESTATE ADVISORY

SMC Real Estate Advisors Pvt. Ltd. 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 248 developers of repute pan India with national as well as regional presence.

3.2.8 Key Ratios

The Return on Net worth during the year FY 2019 stood at 11.0% (8.6% in FY 2018). EBIT margins stood at 20.2% in FY2019 (19.2% in FY 2018) whereas the net profit margin stood at 9.8% in FY 2019 (7.9% in FY2018). Debt Equity ratio stands at 1.1x (0.8 in FY 2018) with interest coverage ratio at

2.4 in FY 2019 (2.7 in FY 2018).

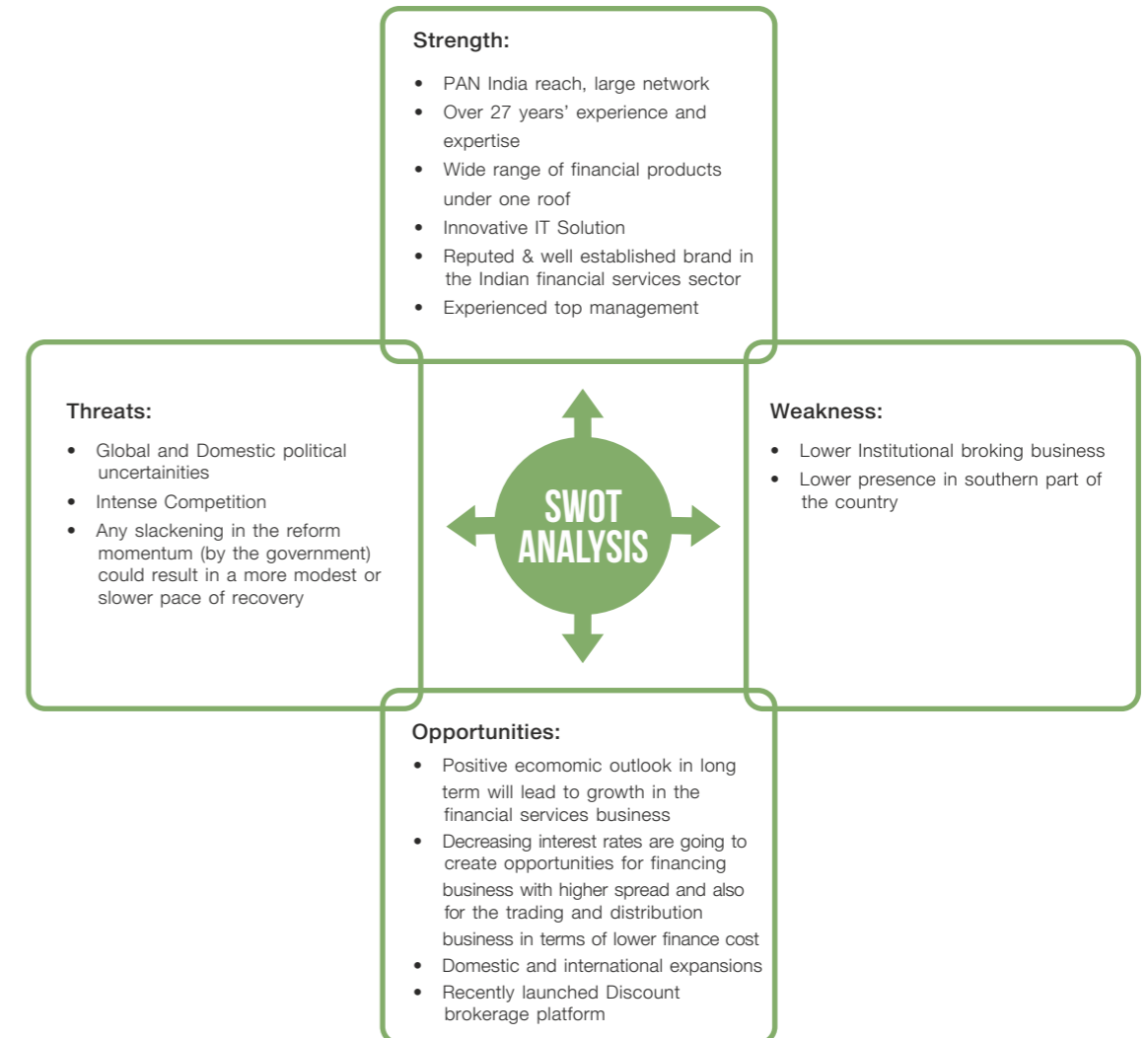
3.2.9 Composite scheme of arrangement

On May 14, 2018, the board of directors of the Company had approved a composite scheme of arrangement which comprised of:

1. Merger of its two wholly owned subsidiaries, namely, SMC Finvest Limited (core investment company "CIC") and Indunia Realtech Limited (in the business of online market place) in the Company;
2. De-merger of commodity broking and proprietary commodity trading business of the wholly owned subsidiary, SMC Comtrade Limited and vesting of the same in SMC Global Securities Ltd.; and
3. De-merger of wealth management business (including portfolio management services) of the wholly owned subsidiary, SMC Investments and Advisors Limited and vesting of the same in SMC Global Securities Ltd. the Company with effect from the appointed date April 1, 2018. The financial statements of the Company for the year ended March 31, 2019 were first approved by the Board of Directors at its meeting held on May 11, 2019 without giving effect of the Scheme, pending receipt of the order from NCLT.

The Hon'ble NCLT, Principal Bench, New Delhi has approved the composite scheme of arrangement vide its order dated 11th July, 2019 and the same has been filed by the Company with the Registrar of Companies ("ROC") on July 20, 2019, the financial statements approved on May 11, 2019 as aforesaid have been updated by the company only to give effect to the Scheme with effect from the appointed date of April 1, 2018 in keeping with the scheme and applicable accounting standards. The aforesaid updated accounts have been reviewed by the Audit Committee and approved by the Board of Directors on August 7, 2019.

4. OPPORTUNITIES AND THREATS



5. RISKS AND CONCERNS

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

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

Market Risk

Certain companies in Group participate in trading and invest in various asset classes such as equity, debt securities, commodities, foreign currency and derivatives. These assets classes experience volatility due to economic growth levels, inflation, prices, interest rates, foreign exchange rates and other macro-economic factors. Any changes in market prices of these asset classes will affect the Company's income or the value of its holdings of financial instruments. The Group segregates its exposure to market risks between price risk, interest rate risk and currency risk.

The objective of market risk management is to manage and minimize market risk exposures within acceptable parameters while optimizing the return on risk. The Company's exposure to market risk is determined by a number of factors, including size, composition and diversification of positions held and market volatility.

Credit Risk

The Company operates in a highly regulated environment which limits its credit risk against exchanges and clearing houses. The Company collects upfront margins in the form of funds and/or securities/commodities from clients and trading members against their trading positions. The Company monitors positions, margins, mark to

market losses and risks on real-time basis through risk management systems and policies specially designed to mitigate the credit risk.

The Group also runs the financing business through its wholly-owned subsidiary Moneywise Financial Services Private Limited. The Company is exposed to high credit risk due to the inherent limitation of the business. The Company lends both secured and unsecured loans to its customer. To mitigate the credit risk the Company has implemented a loan policy to identify the broad principles which the Company follows to accept borrowers and loan proposals, to manage loan portfolio, and recover its dues so as to protect business revenues with consumer satisfaction. To reduce the credit risk in the financing, the Company performs a detailed credit assessment on the prospective borrower or seeks security over some assets of the borrower or a guarantee from a third party. The Company takes all reasonable and business precautions through policies and procedures to mitigate and manage the credit risk.

While considering loan proposals, the Company also manages risk through limiting concentration of exposure to individual borrowers, industry, underlying collateral, etc. All Loans to customers are sanctioned based on various factors like financial analysis, credit worthiness of the customer, market references, historical client relations with Company and future business prospects. The Company collects upfront collateral and pledge securities for the loans and advances granted wherever required.

Operational Risk

SMC faces operational risks arising from people, systems and processes through which it operates. Operational risk broadly encapsulates other categories of risks; inter alia, reputation risk, fraud risk, legal risk and environmental 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 is reviewed regularly and remedial actions are being taken immediately. Enough importance is attached to compliance-related issues to keep reputation risk at bay.

Apart from the above risks, management perceives others risks also 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 Board, which is chaired by independent Director Shri Hari Das Khunteta (having over 39 years of experience in Financial Management and Corporate Governance), 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 (Past president of the Institute of Chartered Accountants of India) for its effectiveness and timely reporting. The scope of the 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 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 the conduct of its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

6.1 Internal Financial Controls

As per the requirement of Companies Act' 2013, the Board of Directors is required to lay down Internal Financial Controls to be followed by the company and that 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 did assign 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 holding company, eight 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.

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. 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, 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 spends 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 Chand Aggarwal (Chairman), Shri Mahesh C Gupta (Vice Chairman) and Shri Kundan Mal Agarwal (Independent Director). Our corporate social responsibility committee oversees CSR initiatives undertaken by our company. During the FY 2018-19, the group has spent ₹140.8 Lakhs (PY ₹104.3 Lakhs) on CSR activities.

8. FINANCIAL REPORTING

The country is geared up for the International financial reporting standards in the form of Ind AS and the same is applicable to Stock brokers, NBFCs from the year beginning on or after April 1, 2018. The RBI through a notification dated 22 March 2019, has further deferred the Ind AS implementation for banks till further notice. Also, Ind AS implementation date has been deferred for insurance companies by two years. Accordingly, Ind AS for Indian insurance companies would be applicable from April 1, 2020.

These financial statements are the Company's first Ind AS financial statements. The adoption of Ind AS is carried out in accordance with Ind AS 101 First Time Adoption of Indian Accounting Standards. The date of transition to Ind AS is April 1, 2017. The Company has availed certain exemptions or exceptions as permitted by Ind AS 101 First Time Adoption of Indian Accounting Standards.

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 into 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 adopted the 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 the 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. Fitness exercise during working hours is also being done on a regular basis to keep a tab on employees' health. A gala event "Winter Carnival" was organised by the company during the year for its employees and their family & friends having various activities including music concert, DJ, Couple fashion show,

Fancy dress for kids, Drooling Food Stalls, Game Zones & Lucky Draw. 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 the SMC group is more than 3,000 as on March 31, 2019.

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 a positive environment will help in consistent and robust growth to our company in Broking (Equity, Commodity, and Currency), Insurance, Distribution and Financing verticals. We expect faster growth in financing vertical led by a strong base which we have created during the last few years. Similarly our broking vertical is poised for good growth due to technological advancement, PAN India presence and experienced manpower. Our recently launched Discount broking platform will be an added advantage. 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.

TRADE IN COMMODITY EXCHANGE DGCX DUBAI BY SMC COMEX

DUBAI DGCX COMMODITY

Trading opportunities in DGCX and Arbitrage Desk

Research based advisory

Portfolio advisory services

Online trading platform for bullion



INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the accompanying consolidated financial statements of **SMC Global Securities Limited** ("the Holding Company") in which are incorporated the Ind AS financial statements / financial information of SMC Finvest Limited and Indunia Realtech Limited ("Transferor Companies"), SMC Comtrade Limited and SMC Investments and Advisors Limited ("Demerged companies") for the year ended on that date, consequent to its merger into the company which has been effected on 11th July, 2019, and filed with the Registrar of Companies on July 20, 2019 with the appointed date of 1st April, 2018, audited by other auditors and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its jointly controlled entity, which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements"). This report is issued in supersession of our earlier report dated May 11, 2019, to the extent of matters stated in emphasis of matters and other matters paragraph.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditors on the Ind AS financial statements / financial information referred in the

'Other Matters' Paragraph below, and read together with 'Emphasis of Matter' Paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and

the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors referred in 'Other Matters' Paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matters

We draw attention to Note No. 3 to the consolidated financial statements. As referred to in the said Note, the financial statements of the Company for the year ended 31st March, 2019 were earlier approved by the Board of Directors at their meeting held on 11th May, 2019 which were subject to updation by the Management of the holding Company so as to give effect to the composite Scheme of Arrangement for merger of SMC Finvest Limited and Indunia Realtech Limited ("Transferor Companies"), SMC Comtrade Limited and SMC Investments and Advisors Limited ("Demerged companies"), wholly owned subsidiaries, into the Company pursuant to order received from the National Company Law Tribunal ("NCLT") vide its order dated July 11, 2019 and filed with the Registrar of Companies on July 20, 2019 (the "Scheme") with the appointed date being 1st April 2018. Those financial statements were audited by us and other auditors and reports dated 11th May, 2019, addressed to the Members of the Company, expressed an unqualified opinion on those financial statements. Consequent to the Company obtaining the required approvals, the aforesaid financial statements are updated by the Company to give effect to the

said composite Scheme of Arrangement. The transactions of Transferor and Demerged companies relevant to the FY 2018-19 have been considered as a part of the current year operations of the Company and accounted under respective heads of accounts.

We further report that, our audit procedures on the subsequent events in so far as it relates to the updation to the consolidated Ind AS financial statements (as amended) are restricted solely to the aforesaid matter relating to the composite Scheme and no effect has been given for any other events, if any, occurring after May 11, 2019 (being the date on which the consolidated Ind AS financial statements were first approved by the Board of Directors of the Company and reported upon by us by our report of that date).

Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>Monitoring of trade receivables and adequacy of allowances for impairment</p> <p>These are the Group first Ind AS financial statements applicable from April 1, 2018 with date of transition to Ind AS April 1, 2017. The adequacy of the allowance for impairment of trade receivable is subjective due to the high degree of judgements applied by the management in determining the timing of recognition and estimation in size of impairment provisions at the balance sheet date.</p> <p>We have accordingly designated this as a focus area in the audit.</p>	<p>Audit Procedures Performed:</p> <p>Our audit included but was not limited to the following procedures:-</p> <p>We evaluated the design and tested the operating effectiveness of controls over impairment process.</p> <p>We tested management's process and control for credit as well as assessed, calculated and accounted for the allowances for credit losses.</p> <p>We have checked the ageing obtained from the system and checked it for correctness on sample basis.</p> <p>We have also checked the result of the statistical model built to compute the expected credit loss (ECL).</p> <p>We have checked the full model on the overall basis based on the category of the trade receivable and securities held with the company.</p> <p>We tested the appropriateness of the methodology & assumptions underlying the ageing buckets.</p> <p>We tested the information's used in the model, back to source systems and input data.</p> <p>The combination of these test of controls and procedures performed, gave us a sufficient evidence to enable us to rely that impairment provisions made by the management are within reasonable range of outcomes.</p>

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and Joint venture are also responsible for overseeing the financial reporting process of the Group and Joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit

procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial control system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the

audit of the financial statements of such entities included in the consolidated financial statements, which have been audited by other auditors; such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the holding company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- The Consolidated Financial statements include the financial information of SMC Finvest Limited and Indunia Realtech Limited ("Transferor Companies"), SMC Comtrade Limited and SMC Investments and Advisors Limited ("Demerged companies"), wholly owned subsidiaries consequent to its merger into the company pursuant to order received from the National Company Law Tribunal ("NCLT") vide its order dated July 11, 2019 and filed with the Registrar of Companies on July 20, 2019 (the "Scheme") with the appointed date being 1st April 2018. (Refer to Note No.3 to the consolidated financial statements). We did not audit the financial statements / financial information of Transferor and Demerged companies whose financial statements / financial information reflect total assets of ₹ 28170.54 lakhs as at 31st March 2019, total revenues of ₹ 3685.95 lakhs and net cash inflows amounting to ₹ 1527.60 lakhs for the year ended on that date.
- We did not audit the financial statements/financial information of 10 subsidiaries, and one jointly controlled entity whose financial statements/ financial information reflect total assets of ₹ 85903.82 lakhs as at 31st March 2019, total revenues of ₹ 33,654.30 lakhs and net cash outflows amounting to ₹ 2835.82 lakhs for the year ended on that date. The financial statements/financial information of one Joint venture which reflect group share of net loss of ₹ (0.02) lakhs for the year ended 31st March 2019.

Above financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and 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 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

As required by Section 143(3) of the Act, based on our audit and based on the report of other auditors for the Transferor and Demerged Companies referred in the 'Other Matters' Paragraph above, 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 of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to the 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 (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report agree with the relevant books of account maintained for preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS 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 March 31, 2019 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary

companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2019 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 with reference to financial statements of the holding company and the operating effectiveness of such controls; refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control with reference to financial statements of those companies, for reasons stated therein.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. 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, as amended 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 38 to the consolidated 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
UDIN 19093209AAAAO5318

Date : 07th August 2019
Place : New Delhi

Annexure - A to the Independent Auditors' Report

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

This Report supersedes our Report dated May 11, 2019

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2019, we have audited the internal financial controls with reference to financial statements of SMC Global Securities Limited ("the Holding Company") which includes the internal financial control with reference to financial statements of SMC Finvest Limited and Indunia Realtech Limited ("Transferor Companies"), SMC Comtrade Limited and SMC Investments and Advisors Limited ("Demerged companies") for the year ended on that audited by other auditors 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 with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements 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. Internal financial controls with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2019, based on the internal financial controls with reference to financial statements 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

We did not audit the adequacy and operating effectiveness of internal controls over financial reporting of the Transferor and Demerged Companies for the period April 1, 2018 to March 31, 2019. The adequacy and operating effectiveness of internal financial controls with reference to financial statements of the Transferor and Demerged Companies for the aforesaid period has been audited by other auditors, whose reports has been furnished to us and our opinion in so far as its relates to the adequacy and operating effectiveness of internal financial controls with reference to financial statements in respect of the Transferor and Demerged Companies and our report in so far as it relates to the Transferor and Demerged Companies is based solely on the report of other auditors.

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, in so far as

it relates to eight 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 : 07th August 2019

Place : New Delhi

UDIN: 19093209AAAAA05318

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2019

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Assets				
Financial assets				
Cash and cash equivalents	5	7,142.77	7,366.26	12,744.10
Other bank balances	6	44,903.79	38,997.00	32,218.81
Receivables				
Trade receivables	7	78,631.87	41,464.90	35,382.63
Other receivables	8	4,067.56	4,281.27	4,233.47
Loans	9	57,052.65	54,911.43	30,009.22
Investments	10	19,520.10	13,568.28	21,131.67
Other financial assets	11	9,430.25	6,931.77	9,569.81
Non-financial assets				
Inventories	12	592.59	548.88	277.87
Current tax assets (net)	35	1,951.81	1,813.34	1,126.38
Deferred tax assets (net)	35	4,656.86	3,865.12	3,507.87
Assets held for sale	13	410.79	170.03	-
Investment property	14	-	-	106.86
Property, plant and equipment	15	3,349.62	3,482.46	3,251.96
Goodwill	16	-	-	396.81
Other intangible assets	17	133.73	169.19	182.67
Intangible work-in-progress	17	25.00	-	3.00
Other non-financial assets	18	3,142.88	3,729.42	5,333.59
Total assets		2,35,012.27	1,81,299.35	1,59,476.72
Liabilities and equity				
Liabilities				
Financial liabilities				
Payables				
Trade payables				
- to micro and small enterprises		-	-	-
- to other than micro and small enterprises		24,629.46	24,983.79	22,721.21
Other payables				
- to micro and small enterprises		-	-	-
- to other than micro and small enterprises		348.55	778.55	400.40
Debt securities	19	133.10	-	-
Borrowings	20	73,843.20	51,439.02	33,090.18
Deposits	21	1,372.97	898.86	295.44
Other financial liabilities	22	63,152.79	38,333.30	42,551.89
Non-financial liabilities				
Current tax liabilities (net)	35	151.11	80.34	221.71
Provisions	23	1,893.34	1,513.16	1,728.71
Other non-financial liabilities	24	1,243.60	1,402.08	593.45
Equity				
Equity share capital	25	2,262.69	2,262.69	2,262.69
Other equity		65,832.57	59,457.94	55,298.49
Non-controlling interest		148.89	149.62	312.55
Total liabilities and equity		2,35,012.27	1,81,299.35	1,59,476.72

The accompanying notes form an integral part of the consolidated financial statements. 1-45

In terms of our 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
UDIN : 19093209AAAAAO5318

sd/-
S.C. Aggarwal
Chairman &
Managing Director
DIN: 00003267

sd/-
Mahesh C. Gupta
Vice-Chairman &
Managing Director
DIN: 00003082

sd/-
Ajay Garg
Director & CEO
DIN: 00003166

Place: New Delhi
Date: August 07, 2019

sd/-
Vinod Kumar Jamar
Group CFO

sd/-
Suman Kumar
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note No.	(₹ in Lakhs)	
		For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations			
Fees and commission income	26	43,331.25	36,909.20
Interest income	27	17,608.56	13,194.18
Dividend income		109.75	89.32
Net gain on proprietary trading		14,225.27	14,199.54
Total revenue from operations		75,274.83	64,392.24
Other income	28	672.24	1,143.82
Total income		75,947.07	65,536.06
Expenses			
Fees and commission expenses	29	34,155.88	27,426.50
Employee benefits expenses	30	14,957.47	13,677.50
Finance costs	31	6,287.79	4,614.58
Depreciation and amortisation	32	1,134.58	858.64
Impairment on financial instruments	33	779.23	236.25
Other expenses	34	9,543.71	10,674.59
Total expenses		66,858.66	57,488.06
Profit before share of profit/(loss) of joint venture, exceptional item and tax		9,088.41	8,048.00
Share in profit/(loss) in joint venture		(0.02)	(107.20)
Profit before tax		9,088.39	7,940.80
Tax expense:			
Current tax	35	2,559.26	3,230.43
Deferred tax	35	(949.12)	(458.10)
Total tax expense		1,610.14	2,772.33
Profit after tax		7,478.25	5,168.47
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset		(7.64)	94.92
Tax effect of Items that will not be reclassified subsequently to profit and loss		4.15	(27.49)
Items that will be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign operation		152.97	3.70
Fair value changes on investments		75.49	100.05

Particulars	Note No.	(₹ in Lakhs)	
		For the year ended March 31, 2019	For the year ended March 31, 2018
Tax effect of Items that will be reclassified subsequently to profit and loss		(13.29)	(19.43)
Total other comprehensive income (net of tax)		211.68	151.75
Total comprehensive income for the year (comprising of profit and other comprehensive income for the year)		7,689.93	5,320.22
Profit attributable to:			
Owners of the equity		7,478.81	5,330.02
Non controlling interest		(0.56)	(161.55)
Total comprehensive income attributable to:			
Owners of the equity		7,690.66	5,483.15
Non controlling interest		(0.73)	(162.93)
Earnings per equity share (Face value ₹ 2)			
Basic & Diluted (in ₹)	36	6.61	4.57
The accompanying notes form an integral part of the consolidated financial statements.	1-45		

In terms of our report of even date attached

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

sd/-
S.K. Agarwal
Partner
Membership No. : 093209
UDIN : 19093209AAAAO5318

For and on behalf of the Board

sd/-
S.C. Aggarwal
Chairman &
Managing Director
DIN: 00003267

sd/-
Mahesh C. Gupta
Vice-Chairman &
Managing Director
DIN: 00003082

Place: New Delhi
Date: August 07, 2019

sd/-
Vinod Kumar Jamar
Group CFO

sd/-
Suman Kumar
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(₹ in Lakhs)

Particulars	Equity share capital	Other equity						Other comprehensive income			Total attributable to equity holders	Total	Non controlling interest
		Reserves & surplus						Exchange differences on translating foreign operations	Fair value changes in investments	Tax effect of other component of equity			
		Securities premium reserve	Retained earnings	General reserve	Capital reserve	Reserve fund u/s 45-IC of RBI act 1934 *	Remeasurement of the net defined benefit liability / asset						
Balance as at April 1, 2017	2,262.69	34,448.91	10,590.60	7,112.97	2,632.15	683.74	112.85	(271.58)	7.36	(18.51)	55,298.49	57,561.18	312.55
Changes in equity for the year ended March 31, 2018													
Profit for the year	-	-	5,330.02	-	-	-	-	-	-	-	5,330.02	5,330.02	(161.55)
Addition during the year	-	-	(605.55)	-	-	605.55	94.01	4.64	101.37	(46.89)	153.13	153.13	(1.38)
Addition/(deduction) on capital reserve	-	-	-	-	(10.35)	-	-	-	-	-	(10.35)	(10.35)	-
Payment of dividend	-	-	(1,086.09)	-	-	-	-	-	-	-	(1,086.09)	(1,086.09)	-
Tax on dividend	-	-	(227.26)	-	-	-	-	-	-	-	(227.26)	(227.26)	-
Balance as at March 31, 2018	2,262.69	34,448.91	14,001.72	7,112.97	2,621.80	1,289.29	206.86	(266.94)	108.73	(65.40)	59,457.94	61,720.63	149.62
Balance as at April 1, 2018	2,262.69	34,448.91	14,001.72	7,112.97	2,621.80	1,289.29	206.86	(266.94)	108.73	(65.40)	59,457.94	61,720.63	149.62
Changes in equity for the year ended March 31, 2019													
Balance taken over pursuant to composite scheme of arrangement#	-	-	-	60.03	-	-	-	-	-	-	60.03	60.03	-
Addition / (Deletion) on account of composite scheme of arrangement #	-	-	784.97	741.09	(841.76)	-	-	-	-	-	684.30	684.30	-
Addition/(deduction) on capital reserve	-	-	-	-	(744.33)	-	-	-	-	-	(744.33)	(744.33)	-
Profit for the year	-	-	7,478.81	-	-	-	-	-	-	-	7,478.81	7,478.81	(0.56)
Addition during the year	-	-	(621.92)	-	-	621.92	(7.74)	152.97	75.76	(9.14)	211.85	211.85	(0.17)
Payment of dividend	-	-	(1,086.09)	-	-	-	-	-	-	-	(1,086.09)	(1,086.09)	-
Tax on dividend	-	-	(229.94)	-	-	-	-	-	-	-	(229.94)	(229.94)	-
Balance as at March 31, 2019	2,262.69	34,448.91	20,327.55	7,914.09	1,035.71	1,911.21	199.12	(113.97)	184.49	(74.54)	65,832.57	68,095.26	148.89

*As required by section 45-IC of the RBI Act 1934, the company listed at 'c' in note no. 1.04 is required to maintain a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. The company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date, RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1934.

#Consequent to the composite scheme of arrangement, all the reserves in the demerged entities and merged entities have been transferred to general reserve of the company except other comprehensive income. Refer note 3.
The accompanying notes form an integral part of the consolidated financial statements.

In terms of our report of even date attached

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

sd/-
S.K Agarwal
Partner
Membership No. : 093209
UDIN : 19093209AAAAA05318

Place: New Delhi
Date: August 07, 2019

For and on behalf of the Board

sd/-
S.C. Aggarwal
Chairman & Vice-Chairman &
Managing Director
DIN: 00003267

sd/-
Vinod Kumar Jamar
Group CFO

sd/-
Maresh C. Gupta
Director & CEO
Managing Director
DIN: 00003082

sd/-
Ajay Garg
DIN: 00003166

sd/-
Suman Kumar
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flows from operating activities:		
Profit after tax	7,478.25	5,168.47
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax expense	1,610.14	2,772.33
Depreciation, amortization and impairment	1,134.58	858.64
Interest expense	6,287.79	4,614.58
Dividend income	(27.03)	(23.27)
Interest income other than from financing business	(226.31)	(221.94)
Allowance for impairment of trade receivables	207.17	151.79
Allowance for impairment of loans	617.06	58.34
Allowance for impairment of deposits	(3.00)	6.12
Allowance for impairment of investment	(42.00)	20.00
Net loss/profit on derecognition of property, plant and equipment	31.57	363.04
Provision for impairment of property, plant and equipment	(44.00)	45.00
Net gain on the investments	(46.92)	(534.28)
Exchange difference on conversion of foreign currency monetary items	(9.14)	(0.54)
Operating profit before working capital changes	16,968.16	13,278.28
Changes in assets and liabilities		
Other bank balances	(5,906.79)	(6,778.19)
Trade receivables	(37,374.14)	(6,234.06)
Other receivables	216.71	(53.92)
Loans	(2,758.28)	(24,960.55)
Investment carried at fair value through profit and loss	(6,818.39)	1,845.08
Inventories	(43.71)	(271.01)
Other financial assets	(2,498.48)	2,638.04
Other non-financial assets	587.39	1,604.10
Trade payables	(354.33)	2,262.58
Other payables	(430.00)	378.15
Deposits	474.11	603.42
Other financial liabilities	24,785.80	(4,238.92)
Other non-financial liabilities	(171.18)	790.07
Provisions	416.44	(166.54)
Cash (used in) operations	(12,906.69)	(19,303.47)
Income taxes paid (net of refund)	(2,478.72)	(4,004.81)
Net cash (used in) operating activities (A)	(15,385.41)	(23,308.28)
Cash flows from investing activities:		
Expenditure on property, plant and equipment including intangible assets	(1,037.18)	(1,230.00)
Sale proceeds on property, plant and equipment including intangible assets	14.33	191.12
Interest received	226.31	221.94
Dividend received	26.18	23.34
Capital reserve on consolidation	-	(10.35)
Acquisition of assets held for sale	(240.76)	(170.03)
Change in investment in joint venture	0.02	47.19

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Conversion of investment property into property, plant and equipment	-	106.86
Payments to acquire financial assets		
Equity instruments	(4,791.08)	(4,766.68)
Bonds	-	(2,384.77)
Mutual funds	(145.90)	(226.35)
Proceeds on sale of financial assets		
Equity instruments	4,403.91	6,092.60
Bonds	1,490.08	7,367.09
Mutual funds	74.22	204.88
Net cash generated from investing activities (B)	20.13	5,466.84
Cash flow from financing activities:		
Payment of dividends (including corporate dividend tax)	(1,303.33)	(1,294.79)
Payment of interest	(6,254.10)	(4,594.25)
Proceeds from borrowings (net)	22,404.18	18,348.84
Proceeds from debt securities	133.10	-
Net cash generated from financing activities (C)	14,979.85	12,459.80
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(385.43)	(5,381.64)
Effect of change in exchange rate on foreign operations and foreign currency monetary items	162.11	5.18
Adjustment on account of change in minority interest	(0.17)	(1.38)
Cash and cash equivalents at the beginning of the year	7,366.26	12,744.10
Cash and cash equivalents at the end of the year (refer note 5)	7,142.77	7,366.26

Notes:

- The above statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 notified u/s 133 of the Companies Act, 2013.
- Interest expense includes other borrowing cost.
- Figures in brackets indicate cash outflow.
- The accompanying notes form an integral part of the consolidated financial statements (Refer note no. 1 - 45).

In terms of our 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
UDIN : 19093209AAAAA05318

sd/-
S.C. Aggarwal
Chairman &
Managing Director
DIN: 00003267

sd/-
Mahesh C. Gupta
Vice-Chairman &
Managing Director
DIN: 00003082

sd/-
Ajay Garg
Director & CEO
DIN: 00003166

Place: New Delhi
Date: August 07, 2019

sd/-
Vinod Kumar Jamar
Group CFO

sd/-
Suman Kumar
Company Secretary

SMC GLOBAL SECURITIES LIMITED

Notes to consolidated financial statements

1 Significant accounting policies and measurement basis

1.01 Company overview

SMC Global Securities Limited (the "Parent Company") together with its subsidiaries and joint venture (collectively, "the Company" or "the Group") offers its customers a wide range of services across different business segments. The Parent Company's shares are listed on The Calcutta Stock Exchange Limited in India.

The Group provides the following range of services:

Trading and distribution services includes brokerage services (in equity, derivative, commodity and currency segments on various stock exchanges in India and abroad), clearing services, depository participant services, insurance broking services, portfolio management, wealth management and distribution of financial products such as mutual funds and initial public offerings financing.

The Group also engages in proprietary transactions in equity securities, commodities, currencies and derivative. Such trading activities are entered primarily to capitalize on the pricing differences in equity, commodity and currency markets. These trades are executed in identical or similar financial instruments, on different markets or in different but analogous forms, such that the positions are generally hedged.

Financing business services offer a variety of loan products such as capital market loans, finance for onward retail lending, real estate loans (primarily to individuals, affiliated entities, commercial clients), consumer finance and medical equipment finance etc.

Advisory services comprises mortgage and loan advisory, marketing of financial products, real estate advisory/brokerage and investment banking services which advises middle class to high net worth individuals.

The Parent Company is a Limited Liability Company incorporated in the year 1994 and domiciled in India. The

registered address of the company is 11/6B, Shanti Chamber, Pusa Road, New Delhi-110005.

The Parent Company is a trading member of the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") in the capital market and 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 in the capital market. 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 Securities and Exchange Board of India ("SEBI").

During the year there was composite scheme of arrangement within the group companies with appointed date of April 1, 2018 as follows:

- (A) Demerger of commodity broking and proprietary commodity trading business of SMC Comtrade Limited and vesting of the same in SMC Global Securities Limited;
- (B) Demerger of wealth management business (including portfolio management services) of SMC Investments and Advisors Limited and vesting of the same in SMC Global Securities Limited;
- (C) Merger of SMC Finvest Limited
- (D) Merger of Indunia Realtech Limited

Consequent to approval of the composite scheme of arrangement by the National Company Law Tribunal ("NCLT") vide order dated July 11, 2019 and filing of the same with Registrar of Companies (ROC) on July 20, 2019, the holding company has become the trading and clearing member in National Commodity and Derivatives Exchange Limited ("NCDEX"), Multi Commodity Exchange of India ("MCX"), Indian Commodity Exchange Limited ("ICEX"), National Multi Commodity Exchange of India Limited ("NMCE") and also engages in business of portfolio management.

1.02 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('Act') (to the extent notified) under the historical cost convention on the accrual basis except for certain assets and liabilities which are measured at fair value / amortised cost / transaction price. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These are the Group's first Ind AS financial statements. The adoption of Ind AS is carried out in accordance with Ind AS 101 First Time Adoption. The date of transition to Ind AS is April 1, 2017. The group has availed certain exemptions or exception as permitted by Ind AS 101 First Time Adoption which are listed in Note no 4.

The financial statements are presented in Indian Rupees in lakhs and all values are rounded off to the nearest two decimal except otherwise stated.

1.03 Principles of consolidation

- (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 fully eliminating intra-group balances/ transactions.
- (b) Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment are eliminated in full.

- (c) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in other comprehensive income (OCI).
- (d) Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of disposal.
- (e) The Company's cost of its investment in its subsidiaries has been eliminated against the Company's portion of equity of each subsidiary as on the date of investment in that subsidiary. The excess/short is recognized as 'Goodwill' or 'Capital Reserve', as the case may be.
- (f) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- (g) Investment in joint venture has been accounted under equity method as per Ind AS 28 - Investments in joint ventures and associates.
- (h) Non controlling interest's share of profit/loss of consolidated subsidiaries for the years identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
- (i) Non controlling interest's share of net assets of consolidated subsidiaries is identified and presented in consolidated balance sheet.

1.04 The consolidated financial statements comprise the financial statements of the company, its subsidiaries and joint venture consolidated in accordance with Ind AS 110, which have been listed as below :

Name Of Subsidiaries/Joint venture	Country of Incorporation	As at March 31, 2019	As at March 31, 2018 & April 1, 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. SMC Insurance Brokers Private Limited*	India	97.58%	97.58%
f. SMC Comex International DMCC*	UAE	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%
j. SMC Real Estate Advisors Private Limited*	India	100%	100%
k. SMC Finvest Limited#	India	Nil	100%
l. Indunia Realtech Limited#	India	Nil	100%
Joint venture of SMC Investments and Advisors Limited			
m. SMC & IM Capitals Investment Manager LLP	India	50%	50%

* step down subsidiary in previous year.

merged with effect from April 1, 2018.

SMC Comtrade Limited is engaged in business of bullion trading.

SMC Investments and Advisors Limited is engaged in the business of mortgage advisory services.

Moneywise Financial Services Private Limited is registered as Non-Banking Financial Company with Reserve Bank of India ("RBI").

SMC Capitals Limited is registered as Category I Merchant Banker with Securities and Exchange Board of India ("SEBI").

SMC Insurance Brokers Private Limited holds direct insurance broking license from Insurance & Regulatory Development Authority of India ("IRDAI") in the life and non-life insurance.

SMC Comex International, DMCC is a trading and clearing member of Dubai Gold Commodity Exchange ("DGCX").

Moneywise Finvest Limited is a trading and self clearing member of the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") in the capital market and trading member of NSE and BSE in future and option segment and currency derivative segment. Also the company is a trading member of Multi Commodity Exchange of India Limited ("MCX") in commodity segment and having AMFI registered mutual fund distributor. The company is regulated by the Securities and Exchange Board of India ("SEBI").

SMC Global IFSC Private Limited is carrying on the business as IFSC (International Financial Service Centre) Unit in accordance with the Securities Exchange Board of India (IFSC) Guidelines, 2015 to provide financial services in International Financial Services Centre, GIFT SEZ, Gandhinagar, Gujarat.

SMC Real Estate Advisors Private Limited is engaged into real estate broking and advisory services and governed by Real Estate (Regulation and Development) Act, 2016 ("RERA").

1.05 Use of estimates

The preparation of the financial statements in conformity with Ind AS-8 requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.06 Revenue recognition

The group derives its revenue primarily from the brokerage services, clearing services, depository services, distribution of financial products such as mutual fund and Initial public offerings, proprietary trading, management and consultancy and interest from financing business. The group follows Ind AS 115 Revenue from Contract with Customer, which prescribed the core principle to recognise revenue. This core principle is delivered in a five-step model framework:

- Identify the contract(s) with a customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Based on the above principle the group recognise the revenue as follows:

- Broking:** In these types of contract performance obligation is to provide the platform to traders for trading in securities, commodities and the performance obligation satisfies point in time i.e. as and when the trade is executed. In real estate broking,

the performance obligation is satisfied as and when the property is booked by the customer and a minimum threshold amount specified in the agreement is paid to the developer. The revenue is recorded when the threshold limit is achieved and the same is confirmed by the developer. In insurance broking, the performance obligation satisfies as and when the policy is logged in/placed in case of general insurance and on Weighted Received Premium (WRP) basis in case of life insurance.

- Distribution of third party financial products:** In these types of contract performance obligation is to sell the third party financial products to the subscriber and the performance obligation satisfies point in time, i.e. as and when subscription is ensured and target based incentives are confirmed by registrar / respective companies.
- Depository:** In these types of contract performance obligation is periodic maintenance of customer account as depository participant and the performance obligation satisfies over time, i.e. over the period and there is reasonable certainty of recovery.
- Proprietary trading:** Ind AS 115 Revenue from Contract with Customer is not applicable in this business and hence the revenue is recognized as per Ind AS 109 Financial Instruments i.e. as and when trade is executed.
- Management and consultancy:** Revenue from management & advisory services is accounted for when the rendering of service under a contract is completed or substantially completed.
- Interest income:** Ind AS 115 Revenue from Contract with Customer is not applicable in this business and hence the revenue is recognized as per Ind AS 109 Financial Instrument. The interest revenue on the loans and advances are recognized based on the effective interest rate as and when due.
- Dividend:** Dividend income is recognized when the shareholders right to receive payment is established.
- All other revenue is recognised on accrual basis.

All revenues are excluding indirect taxes.

1.07 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Cost includes taxes, duties, identifiable direct expenses, expense on installation and net of GST credit thereon. Costs directly attributable to the acquisition are capitalized to the property, plant and equipment are ready for use, as intended by management. The group depreciates property, plant and equipment over their estimated useful lives on written down value method. The estimated useful lives of assets are as follows:

Office Building	60 years
Computer equipment	3-6 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8-10 years
VSAT	13 years
Leasehold asset	10 years

The useful lives for these assets is in compliance with the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed periodically, every 3 financial year end.

An addition to the, property, plant and equipment have been accounted for on the date of installation and its use irrespective of date of invoice. Depreciation on asset added/sold/discarded during the year is being provided on prorata basis from the date on which such assets are added/sold/discarded.

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date is classified as capital advances under other nonfinancial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss as and when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resulting gains or losses are recognized in the statement of profit and loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

1.08 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Cost includes taxes, duties, identifiable direct expenses, expense on installation and net of GST credit thereon. Intangible assets are amortized on a written down value basis, from the date that they are available for use. The rates used are as follows:

Computer software	40%
Trademark logo	40%

1.09 Inventories

The group mainly has an inventory of commodities (agri and non-agri), which is held for the purpose of trading. The group follows Ind AS - 2 "Inventories" for valuation of inventory held in the trade, accordingly, the company value its inventories at fair value, since marked to market adjustment of matching counter trade is already accounted for in the books.

1.10 Income tax

The income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in the statement of profit and loss and the corresponding impact is taken to the current tax asset/ liability and deferred tax asset/liability respectively in the balance sheet. The tax impact on the item of OCI are recognized in OCI.

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the group's income tax obligation for the year are recognized in the balance sheet as current income tax assets / liabilities.

Deferred tax is recognized based on the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying

values in the financial statements. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

1.11 Financial instruments

(a) Initial recognition

The group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. The transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchase and sale of financial assets are accounted for at trade date.

(b) Subsequent measurement

(i) Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Advances, security deposits, rental deposits, cash and cash equivalents etc. are classified for measurement at amortised cost. Investment in subsidiaries and joint venture is carried at cost less accumulated impairment, if any.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Equity instrument held as investment are carried at fair value through other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. All investment held for trading, derivative financial instruments are valued at fair value through profit and loss. All the debt instrument held for trading purpose is designated as fair value through profit and loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(c) Hedge accounting

The group complies with the principles of hedge accounting where derivative contracts are

designated as hedge instruments. At the inception of the hedge relationship, the company identifies the relationship between the hedge instrument and the hedged item, whether it is effective or not, which can be a fair value hedge or a cash flow hedge.

(i) Fair value hedges

The Company designates the derivative financial instrument as fair value hedges if those are held for hedging the fair value in the assets and liabilities. Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. In case the asset or liability is designated through fair value through other comprehensive income, the gain or loss on the hedge instrument is recognized in the other comprehensive income along with the gain or loss on hedge item.

(ii) Cash flow hedges

The Company designates foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or

exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the year the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in the cash flow hedging reserve is reclassified to net profit in the statement of profit and loss.

(d) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(e) Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Less allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversed) that is required to adjust the loss allowance at the reporting date to the amount that is required to

be recognized is recognized as an impairment gain or loss in the statement of profit and loss.

1.12 Foreign currency translations

The functional and presentation currency of the Company is Indian Rupee. However, there are certain companies in the group which have USD as their functional currency.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of monetary items are recognized in the statement of profit and loss.

Translation difference on conversion of foreign operation is recognized in the other comprehensive income.

1.13 Employee benefits**(a) Defined contribution plans**

Obligations for contributions to defined contribution plans (provident fund and employees state insurance) are recognized as a employee benefit expense in the statement of profit or loss in the years during which services are rendered by employees.

(b) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is a defined benefit plan and in accordance with the Payment of Gratuity Act, 1972. As per the plan, the employee is entitled to get 15 days of basic salary for each completed year of service with a condition of minimum tenure of 5 years subject to a maximum amount of INR 20.00 lakhs. Gratuity liability is a defined obligation and is non-funded except in case of the holding company where it is partly funded.

The calculation of defined benefit obligations are performed annually by a qualified actuary using the projected unit credit method except companies listed at serial no. 'a', 'f', 'g', 'h', 'i' and 'm' in note no. 1.04, where the liability is ascertained as per management estimation. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual year to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in employee benefits expenses in statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit or loss.

(c) Short-term employee benefits

Short-term employee benefits are expensed as the

related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(d) Other long-term employee benefits

Liability for long service leave

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior years. That benefit is discounted to determine its present value. Remeasurements are recognized in statement of profit or loss in the year in which they arise. Un-availed leave liability is a defined obligation and is not funded. The valuation of the long service leave are obtained from actuary except companies listed at serial no. 'a', 'f', 'g', 'h', 'i' and 'm' in note no. 1.04, where the liability is ascertained as per management estimation.

1.14 Leases

The Company follows the Appendix C 'Determining whether an Arrangement contains a Lease' of Ind AS 17 Leases for testing whether any arrangement is lease or not, the determination is based on whether an arrangement conveys "Right to Use" any asset. Leases where the lessor transfers substantially all the risks and rewards of ownership of the leased asset are classified as finance lease and other leases are classified as operating lease. Finance leases are capitalised at fair value or present value of minimum lease payment at the inception of lease which ever is lower.

Operating lease receipts / payments are recognised as an income / expense on a straight-line basis over

the lease term unless the lease payments increase in line with expected general inflation. The company has considered 5-10 % increase annually in lease rentals as in line with the general inflation prevailing in India.

1.15 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.

1.16 Investment properties

(a) Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The costs comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred.

(b) Subsequent measurement

Investment properties are subsequently measured at cost less accumulated depreciation and impairment

losses. Depreciation on investment properties is provided on the written down value method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act:

Asset category	Useful life (in years)
Building and related equipment	60

1.17 Assets held for sale

Assets held for sale are carried on the balance sheet at the lower of carrying value or fair value and no depreciation is charged on them as per Ind AS 105.

1.18 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits which are free from any lien and short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

1.19 Provision, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of the obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- (a) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

(b) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

1.20 Exceptional Items

When an item of income or expense within profit or loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

1.21 Statement of cash flows

Cash flows are reported using the indirect method where by the profit after tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.22 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the year. The weighted-average number of equity shares outstanding during the year is adjusted for events including a bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted-average number of shares outstanding during the year are adjusted for

the effects of all dilutive potential equity shares.

1.23 Segment reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the group's performance and allocates resources based on analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along industry classes and geographic segmentation of customers, industry being the primary segment. Secondary segmental reporting is performed on the basis of the geographical location of customers. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the note on significant accounting policies.

2 Standards issued but not yet effective

The new significant standards, amendments to Standards that are issued, but not yet made effective as on the date of financial statements, are discussed below.

The Company has not adopted these amendments early and intends to adopt when they become effective.

2.01 Ind AS 116 Leases

On March 30, 2019, Ministry of Corporate Affairs (MCA), issued Ind AS 116 Leases which is applicable from the year beginning on or after April 1, 2019, which supercedes the existing Ind AS -17 Leases.

The standard required capitalisation of lease from the lessee point of view irrespective of the type of lease viz finance lease and operating lease. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, a lessee shall measure the right-of-use asset using a cost model, unless

- i) the right-of-use asset is an investment property and the lessee fair values its investment property under Ind AS 40; or
- ii) the right-of-use asset relates to a class of PPE to which the lessee applies Ind AS 16's revaluation model, in which case all right-of-use assets relating to that class of PPE can be revalued.

Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate. The effect on adoption of Ind AS 116 would be insignificant on the financial statements.

2.02 Ind AS 12 Appendix C, Uncertainty over income tax treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income

tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is accounting year beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant on the financial statements.

2.03 Amendment to Ind AS 19 - plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to

recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is accounting year beginning on or after April 1, 2019. The effect on adoption of Ind AS 19 would be insignificant on the financial statements.

2.04 Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is accounting year beginning on or after April 1, 2019. There will be no effect on adoption of Ind AS 12 on the financial statements.

3 Business combination

3.01 Composite scheme of arrangement

On May 14, 2018, the board of directors of the Company had approved a composite scheme of arrangement which comprised of:

1. De-merger of commodity broking and proprietary commodity trading business of the wholly owned subsidiary, SMC Comtrade Limited and vesting of same into the Company;
2. De-merger of wealth management business (including portfolio management services) of the wholly owned subsidiary, SMC Investments and Advisors Limited and vesting of same into the Company; and
3. Merger of its two wholly owned subsidiaries, namely,

SMC Finvest Limited (core investment company "CIC") and Indunia Realtech Limited (in the business of online market place) in the Company

with effect from the appointed date April 1, 2018.

The composite scheme of arrangement has been approved by the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi ("NCLT") on July 11, 2019 and the same has been filed by the Company with the Registrar of Companies ("ROC") on July 20, 2019.

The Company has incorporated the accounting effects in its books of accounts as per the accounting treatment prescribed in the composite scheme of arrangement which is in compliance and accordance with the accounting standards applicable to the Company as of the appointed date of the composite scheme of arrangement. Accounting standards currently applicable to the Company are Ind AS. The Company had applied the accounting treatment in accordance with Appendix C to Ind AS 103, namely "Business Combinations of Entities Under Common Control". Accordingly, with effect from April 1, 2018, accounting treatment is as follows:

a) In case of demerger:

- (i) The Company has recorded all the assets, liabilities, free reserves and balance in profit and loss account, pertaining to the demerged undertaking, transferred to and vested in it pursuant to the composite scheme of arrangement, at the same values as appearing in the books of demerged companies.
- (ii) The value of the investments in the demerged entities appearing in the books of the Company have been reduced proportionately. The difference, if any, of value of assets over the value of liabilities, free reserves and balance in profit and loss account

acquired as part of the demerged undertakings and as reduced by the reduction in the value of investments, if any, has been adjusted / credited to Capital Reserve by the Resulting Company.

b) In case of merger:

- (i) The Company has recorded all the assets, liabilities, reserves and balance in profit and loss account of transferor companies vested in it at their respective book values as appearing in the books of accounts of transferor companies.
- (ii) The investment in the equity share capital of Transferor Companies as appearing in the books of accounts of the Transferee Company, shall stand cancelled. The difference between the book value of assets, liabilities, reserves and balance in profit and loss account and after considering the cancellation of the Investments in the equity shares of Transferor Companies and the cancellation of inter-se loan/advances payable or receivable, if any, is credited / adjusted to the Capital Reserve of the Transferee Company.

- c) Business combinations which are effected after the balance sheet date but before approval of financial statements are not incorporated in the financial statements but only disclosures required by Ind AS 10 "Events after the reporting period" are made. In current case, the Company has recorded the business combination on the appointed date, i.e. April 1, 2018, defined in the composite scheme of arrangement.

3.02 Updated books after approval of composite scheme

The consolidated financial statements of the Company for the year ended March 31, 2019 were first approved by the Board of Directors at its meeting held on May 11, 2019 and reported upon by the statutory auditors vide their report dated May 11, 2019. These consolidated financial statements did not include the effect of the composite scheme of arrangement for merger of SMC Finvest Limited and Indunia Realtech Limited [together referred to as 'merged entities'] and demerger of commodity broking and proprietary commodity trading business of SMC Comtrade Limited and demerger of wealth management business (including portfolio management services) of SMC Investments and Advisors Limited into the Company, which was then pending for approval before the NCLT. On receipt of order dated July 11, 2019 from NCLT sanctioning the composite scheme of arrangement and filing the same with ROC on July 20, 2019, the financial statements approved on May 11, 2019 as aforesaid have been updated by the Company only to give effect to the aforesaid composite scheme of arrangement with effect from the appointed date of April 1, 2018 in keeping with the composite scheme of arrangement and with the applicable Indian Accounting Standards (Ind AS).

3.03 SMC Global USA Inc.

Currently the company is not conducting any operation due to the operational and the financial constraints.

SMC GLOBAL SECURITIES LIMITED
Notes to consolidated financial statements

4 First time adoption of Ind AS

4.01 Transition to Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides guidance for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2017 (the transition date) by:

- a. recognising all assets and liabilities whose recognition is required by Ind AS,
- b. not recognising items of assets or liabilities which are not permitted by Ind AS,
- c. reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and
- d. applying Ind AS in measurement of recognised assets and liabilities

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosure in the notes thereto and accounting policies and principles.

4.02 Exemptions availed on first-time adoption of Ind AS 101

Ind AS 101 allows to first time adopters to certain exemptions from other Ind ASs & exceptions to the retrospective application of other Ind AS. The company has accordingly applied the following exemptions:

(a) Business combinations: Ind AS 103 (Business Combinations) has not been applied retrospectively to business combinations that occurred prior to 1st April, 2017. Use of this exemption means that in the opening Balance Sheet, goodwill and other assets and liabilities acquired in previous business combinations remain at the previous GAAP carrying values.

(b) Deemed cost: IND AS 101 gives option to choose from fair value as its deemed cost or carrying value in previous gaap as deemed cost, on the date of transition to Ind AS for property, plant & equipment, intangible assets and investment property, accordingly the company has taken the carrying value in previous gaap as deemed cost. Although the company has tested goodwill for impairment and impaired the goodwill.

(c) Cumulative translation differences: The company has elected to apply Ind AS 21- The Effects of changes in Foreign Exchange Rates prospectively. Under previous GAAP, the Company accumulated exchange differences arising on monetary items that, in substance, formed part of Company's net investment in non-integral foreign operations in a foreign currency translation reserve. Such balances are to be recognised in the statement of profit and loss on disposal of the net investment. Ind AS allows an entity an option to reset the cumulative translation differences arising on monetary items that exist as of the transition date to zero. However the exchange difference on foreign currency monetary items has been taken to the profit and loss as required by Ind AS 21, the Effects of Changes in Foreign Exchange Rates which was earlier taken to foreign currency translation reserve.

(d) Investments in subsidiaries and joint venture: The Company has elected to measure investment in subsidiaries and joint venture at cost. Ind AS 27 Separate financial statements requires the

investment in subsidiaries and joint venture should be measured at cost or fair value in accordance with Ind AS 109 Financial Instrument, however as per Ind AS 101 First time adoption, the carrying value in previous gaap may be used as deemed cost.

(e) Share based payment: Ind AS 101 First time adoption gives exemption from Ind AS 102 Share based payments, to equity instruments that remain unvested as of transition date. Although this standard is not applicable on company as of now, as the company does not offer any share based payments, however the company intends to opt for the exemption.

(f) Revenue from contracts with customers: Ind AS 101 gives option for the application of Appendix C, Service Concession Arrangement to Ind AS 115 Revenue from contract with customer. As the company does not deal in such kind of contract the company intends to avail the exemption from this appendix.

4.03 Reconciliations

The following reconciliations provide the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101:

- Equity as at April 1, 2017 & March 31, 2018
- Net profit for the year ended March 31, 2018

Reconciliation of equity as previously reported under IGAAP to Ind AS

(₹ in Lakhs)

Particulars	Note	Opening Balance Sheet as at April 1, 2017			Balance sheet as at March 31, 2018		
		IGAAP	Effect of transition to Ind AS	Ind AS	IGAAP	Effect of transition to Ind AS	Ind AS
Assets							
Financial Assets							
Cash and cash equivalents	J	12,760.24	(16.14)	12,744.10	7,367.77	(1.51)	7,366.26
Other bank balances		32,218.81	-	32,218.81	38,997.00	-	38,997.00
Receivables							
Trade receivables	A	36,831.21	(1,448.58)	35,382.63	42,535.33	(1,070.43)	41,464.90
Other receivables	A	4,263.40	(29.93)	4,233.47	4,311.20	(29.93)	4,281.27
Loans		32,107.94	(2,098.72)	30,009.22	56,861.55	(1,950.12)	54,911.43
Investments	A,B,J	20,936.28	195.39	21,131.67	13,447.15	121.13	13,568.28
Other financial assets		9,569.81	-	9,569.81	6,931.77	-	6,931.77
Non-financial Assets							
Inventories		277.87	-	277.87	548.88	-	548.88
Current tax assets (net)		1,126.38	-	1,126.38	1,813.34	-	1,813.34
Deferred tax assets (net)	C,J	2,326.94	1,180.93	3,507.87	2,920.73	944.39	3,865.12
Assets held for sale		-	-	-	170.03	-	170.03
Investment property		106.86	-	106.86	-	-	-
Property, plant and equipment	E	3,433.15	(181.19)	3,251.96	3,659.77	(177.31)	3,482.46
Goodwill	D	568.58	(171.77)	396.81	142.43	(142.43)	-
Other intangible assets	E	189.71	(7.04)	182.67	198.60	(29.41)	169.19
Intangible work-in-progress		3.00	-	3.00	-	-	-
Other non-financial assets	J	5,346.52	(12.93)	5,333.59	3,745.39	(15.97)	3,729.42
Total Assets		1,62,066.70	(2,589.98)	1,59,476.72	1,83,650.94	(2,351.59)	1,81,299.35
Liabilities and Equity							
Liabilities							
Financial liabilities							
Payables							
Trade payables							
- to micro and small enterprises		-	-	-	-	-	-
- to other than micro and small enterprises	J	22,732.03	(10.82)	22,721.21	24,989.51	(5.72)	24,983.79
Other payables							
- to micro and small enterprises		-	-	-	-	-	-
- to other than micro and small enterprises	B	407.21	(6.81)	400.40	778.74	(0.19)	778.55
Borrowings		33,090.18	-	33,090.18	51,439.02	-	51,439.02
Deposits		295.44	-	295.44	898.86	-	898.86
Other financial liabilities		42,551.89	-	42,551.89	38,333.30	-	38,333.30
Non-financial liabilities							
Current tax liabilities (net)		221.71	-	221.71	80.34	-	80.34
Provisions		1,728.71	-	1,728.71	1,513.16	-	1,513.16
Other non-financial liabilities	F	1,247.05	(653.60)	593.45	1,402.08	-	1,402.08
Equity							
Equity share capital		2,262.69	-	2,262.69	2,262.69	-	2,262.69
Other equity		57,215.73	(1,917.24)	55,298.49	61,801.21	(2,343.27)	59,457.94
Non-controlling interest		314.06	(1.51)	312.55	152.03	(2.41)	149.62
Total liabilities and equity		1,62,066.70	(2,589.98)	1,59,476.72	1,83,650.94	(2,351.59)	1,81,299.35

Reconciliation of statement of profit & loss as previously reported under IGAAP to Ind AS

(₹ in Lakhs)

Particulars	Note	Year ended March 31, 2018		
		IGAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations				
Fees and commission income	J	36,910.20	(1.00)	36,909.20
Interest income	I	13,361.47	(167.29)	13,194.18
Dividend income		89.32	-	89.32
Net gain on proprietary trading	B	14,283.26	(83.72)	14,199.54
Total revenue from operations		64,644.25	(252.01)	64,392.24
Other income		1,143.82	-	1,143.82
Total income		65,788.07	(252.01)	65,536.06
Expenses				
Fee and commission expenses		27,426.50	-	27,426.50
Employee benefits expenses	G,J	13,627.38	50.12	13,677.50
Finance costs		4,614.58	-	4,614.58
Depreciation, amortization and impairment	D,E	868.11	(9.47)	858.64
Impairment on financial instruments	A	880.29	(644.04)	236.25
Other expenses	H,J	10,697.81	(23.22)	10,674.59
Total expenses		58,114.67	(626.61)	57,488.06
Profit before share of profit/(loss) of joint venture, exceptional item and tax		7,673.40	374.60	8,048.00
Share in profit/(loss) in joint venture	J	-	(107.20)	(107.20)
Profit before tax		7,673.40	267.40	7,940.80
Tax expense:				
Current tax		3,230.43	-	3,230.43
Deferred tax	C,J	(647.72)	189.62	(458.10)
Total tax expense		2,582.71	189.62	2,772.33
Profit after tax		5,090.69	77.78	5,168.47
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of the net defined benefit liability / asset	G	-	94.92	94.92
Tax effect of items that will not be reclassified subsequently to profit and loss	C	-	(27.49)	(27.49)
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	H	-	3.70	3.70
Fair value changes on investments	B	-	100.05	100.05
Tax effect of items that will be reclassified subsequently to profit and loss	C	-	(19.43)	(19.43)
Total other comprehensive income, net of tax		-	151.75	151.75
Total comprehensive income for the year (comprising of profit and other comprehensive income for the year)		5,090.69	229.53	5,320.22

Explanations for reconciliation of balance sheet and statement of profit and loss as previously reported under IGAAP to Ind AS:

A. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

The company has recognised the expected credit loss for all the financial assets based on the probability of default in any repayment for the particular asset. In earlier standard the provision was recognised based on the past trend, for each category of the financial asset.

B. Fair valuation

The Company has valued financial assets (other than investment in joint venture which are accounted at cost) at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes there after are recognised in statement of profit and loss or other comprehensive income, as the case may be. The parent company was creating provision on unhedge

securities in IGAAP which is reversed in Ind AS as investment securities are fair valued.

C. Deferred tax

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the reserves, on the date of transition, with consequential impact to the statement of profit and loss for the subsequent periods. Tax impact of items pertaining to OCI is taken into OCI.

D. Impairment of goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount, based on a number of factors including operating results, business plans, future cash flows and economic conditions.

E. Change in method of depreciation

As the group has adopted Ind AS, the subsidiary company

listed as 'd', 'e' and 'f' in note no. 1.04, has changed the method of depreciation from straight line method to written down value method retrospectively.

F. Dividend

In earlier standard the dividend declared by board was recognised as liability but now the dividend is recognised as liability as an when approved by shareholders.

G. Actuary gain/loss

As per Ind AS 19, actuarial gain and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.

H. Exchange difference

As per Ind AS 21 exchange difference on foreign currency monetary item is recognised in statement of profit and loss and exchange difference on conversion of foreign operation is recognised in other comprehensive income as compared

to earlier standard in foreign currency translation reserve.

I. Amortisation of loans

As per Ind AS 109, Financial Instruments, the financials assets carried at amortised cost should be measured using the effective interest rate. In IGAAP the income received from processing fee was recognised as and when received now in Ind AS it is deferred to the loan period.

J. Equity method of accounting

As per Ind AS 28, the company accounts for investment in joint venture using equity method of accounting, wherein, investment is adjusted for profit or loss of the joint venture and corresponding impact is recognised in statement of profit or loss as separate line item. However, in IGAAP the same was proportionately consolidated on line by line item basis.

Note:

Indian GAAP (IGAAP) numbers are not directly comparable with previously published numbers because of regrouping of the same in Ind AS format.

SMC GLOBAL SECURITIES LIMITED

Notes to consolidated financial statements

NOTE NO. 5

Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Cheque in hand	-	-	3,779.93
Cash in hand	31.34	47.98	27.08
Foreign currency in hand	1.44	5.72	6.61
Balances with banks			
In current and deposit accounts*	7,109.99	7,312.56	8,930.48
Total cash and cash equivalent	7,142.77	7,366.26	12,744.10

* Includes unclaimed dividend of ₹ 32.64 lakhs, ₹ 19.94 lakhs and ₹ 1.38 lakhs as of March 31, 2019, March 31, 2018 and April 1, 2017, respectively.

NOTE NO. 6

Other bank balances

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Deposit pledged with banks*	43,851.79	37,514.68	31,086.57
Deposit pledged with the clearing corporations and stock exchanges as margin	854.27	1,276.72	394.00
Deposit placed under lien with consumer court	2.88	4.37	1.08
Placed under lien with statutory authority	7.40	7.40	7.40
Deposit placed with pension fund regulatory and development authority	20.00	20.00	20.00
Deposit placed under arbitration	103.44	97.81	137.84
Fixed deposits having maturity more than 3 months	64.01	76.02	571.92
Total other bank balances	44,903.79	38,997.00	32,218.81

* Deposit pledged with bank as margin deposit for the guarantees issued of ₹ 78,904.75 lakhs, ₹ 70,693.40 lakhs, ₹ 58,946.29 lakhs as of March 31, 2019, March 31, 2018 and April 1, 2017, respectively, credit facilities or otherwise.

NOTE NO. 7

Trade receivables

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Secured considered good	63,066.76	22,159.78	19,846.97
Secured credit impaired	547.92	198.65	184.04
Less: Provision for impairment	(547.92)	(198.65)	(184.04)
(A)	63,066.76	22,159.78	19,846.97
Unsecured considered good	15,565.11	19,305.12	15,535.66
Unsecured credit impaired	1,263.72	1,755.20	2,499.38
Less: Provision for impairment	(1,263.72)	(1,755.20)	(2,499.38)
(B)	15,565.11	19,305.12	15,535.66
Total trade receivables	(A+B)	41,464.90	35,382.63

NOTE NO. 8

Other receivables

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Security deposits	3,949.77	4,179.92	4,112.32
Other	153.17	139.73	183.07
	4,102.94	4,319.65	4,295.39
Less: Provision for impairment	(35.38)	(38.38)	(61.92)
Total other receivables	4,067.56	4,281.27	4,233.47

NOTE NO. 9

Loans

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Secured			
Carried at amortised cost			
Loans relating to financing business	38,937.67	44,268.19	26,067.92
Less: Provision for impairment	(1,843.01)	(1,189.89)	(2,344.77)
(A)	37,094.66	43,078.30	23,723.15
Unsecured			
Carried at amortised cost			
Loans relating to financing business	19,984.28	12,441.28	5,511.48
Loans to related party	-	-	3.09
Others	626.30	598.39	949.32
	20,610.58	13,039.67	6,463.89
Less: Provision for impairment	(652.59)	(1,206.54)	(177.82)
(B)	19,957.99	11,833.13	6,286.07
Net loans	(A+B)		
	57,052.65	54,911.43	30,009.22
In India	56,987.40	54,687.46	29,993.40
Outside India	65.25	223.97	15.82

NOTE NO. 10

Investments

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Quoted			
Investments carried at fair value through profit and loss			
Equity instruments	16,643.23	10,372.46	7,083.60
Debt instruments	556.49	8.87	5,142.81
(A)	17,199.72	10,381.33	12,226.41
Investments carried at fair value through other comprehensive income			
Equity instruments	731.48	216.18	967.71
Equity instruments under portfolio management service	1,310.66	1,277.48	1,264.62
Mutual funds	200.84	121.84	89.65
Debt instruments	29.93	1,518.96	6,463.59
(B)	2,272.91	3,134.46	8,785.57
Sub - Total	(A+B=C)	19,472.63	13,515.79
Unquoted			
Investments carried at amortised cost			
Investment in joint venture (partnership firm)	11.74	11.76	58.96
(D)	11.74	11.76	58.96
Investments carried at fair value through other comprehensive income			
Equity instruments	350.73	397.73	497.73
Less : Provision for impairment	(315.00)	(357.00)	(437.00)
(E)	35.73	40.73	60.73
Sub - Total	(D+E=F)	47.47	52.49
Total investments	(C+F)	19,520.10	13,568.28
In India	19,520.10	13,568.28	21,131.67
Outside India	-	-	-

NOTE NO. 11**Other financial assets**

Particulars	(₹ in Lakhs)		
	March 31, 2019	March 31, 2018	April 1, 2017
Interest accrued but not due	647.43	485.70	515.04
Derivative financial instruments	8,782.82	6,446.07	9,054.77
Total other financial assets	9,430.25	6,931.77	9,569.81

NOTE NO. 12**Inventories**

Particulars	(₹ in Lakhs)		
	March 31, 2019	March 31, 2018	April 1, 2017
Commodities	592.59	548.88	277.87
Total inventories	592.59	548.88	277.87

NOTE NO. 13**Assets held for sale**

Particulars	(₹ in Lakhs)		
	March 31, 2019	March 31, 2018	April 1, 2017
Building	410.79	170.03	-
Total assets held for sale	410.79	170.03	-
In India	410.79	170.03	-
Outside India	-	-	-

The Company classifies an asset as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The Company accounts for a non-financial assets classified as held for sale at the lower of its carrying amount and fair value less costs to sell.

The Company has acquired certain residential properties in the process of recovery from the borrowers, those property are not used in business and held for sale in the future course of action. The management is taking appropriate actions to find the right buyer for the sale of property.

NOTE NO. 14**Investment property**

Particulars	(₹ in Lakhs)	
	March 31, 2019	April 1, 2017
Opening gross carrying value as at April 1, 2017		106.86
Additions during the year		-
Deletions during the year		106.86
Closing gross carrying value as at March 31, 2018		-
Opening gross carrying value as at April 1, 2018		-
Additions during the year		-
Deletions during the year		-
Closing gross carrying value as at March 31, 2019		-
Carrying value as at April 1, 2017		106.86
Carrying value as at March 31, 2018		-
Carrying value as at March 31, 2019		-

NOTE NO. 15**Property, plant and equipment**

Particulars	(₹ in Lakhs)							
	Office Building	Computer equipment	Office equipment	Furniture and fixtures	Vehicles	VSAT	Lease hold asset	Total
Opening gross carrying value as at April 1, 2017	2,020.06	2,853.65	1,297.98	2,249.28	582.02	368.22	-	9,371.21
Additions during the year	429.31	388.17	88.32	121.52	10.11	-	-	1,037.43
Deletions during the year	-	(87.88)	(72.56)	(103.60)	(29.83)	-	-	(293.87)
Translation difference	0.62	0.67	0.05	0.18	-	-	-	1.52
Closing gross carrying value as at March 31, 2018	2,449.99	3,154.61	1,313.79	2,267.38	562.30	368.22	-	10,116.29
Opening gross carrying value as at April 1, 2018	2,449.99	3,154.61	1,313.79	2,267.38	562.30	368.22	-	10,116.29
Additions during the year	-	540.56	86.48	81.49	230.57	-	30.03	969.13
Deletions during the year	-	(444.33)	(458.33)	(59.41)	-	-	-	(962.07)
Translation difference	12.40	10.72	1.04	3.71	-	-	-	27.87
Closing gross carrying value as at March 31, 2019	2,462.39	3,261.56	942.98	2,293.17	792.87	368.22	30.03	10,151.22
Opening accumulated depreciation as at April 1, 2017	249.47	2,426.48	1,103.00	1,623.34	389.45	327.51	-	6,119.25
Depreciation for the year	120.39	288.91	86.43	189.43	62.25	10.66	-	758.07
Accumulated depreciation on deletions	-	(82.45)	(57.24)	(76.72)	(28.10)	-	-	(244.51)
Translation difference	0.15	0.63	0.05	0.19	-	-	-	1.02
Closing accumulated depreciation as at March 31, 2018	370.01	2,633.57	1,132.24	1,736.24	423.60	338.17	-	6,633.83
Opening accumulated depreciation as at April 1, 2018	370.01	2,633.57	1,132.24	1,736.24	423.60	338.17	-	6,633.83
Depreciation for the year	159.10	500.21	111.00	199.63	75.38	9.89	0.80	1,056.01
Accumulated depreciation on deletions	-	(410.37)	(434.58)	(55.64)	-	-	-	(900.59)
Translation difference	1.13	8.83	0.83	1.56	-	-	-	12.35
Closing accumulated depreciation as at March 31, 2019	530.24	2,732.24	809.49	1,881.79	498.98	348.06	0.80	6,801.60
Carrying value as at April 1, 2017	1,770.59	427.17	194.98	625.94	192.57	40.71	-	3,251.96
Carrying value as at March 31, 2018	2,079.98	521.04	181.55	531.14	138.70	30.05	-	3,482.46
Carrying value as at March 31, 2019	1,932.15	529.32	133.49	411.38	293.89	20.16	29.23	3,349.62

NOTE NO. 16

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Carrying value at the beginning	-	396.81	568.59
Addition on business combination	-	-	-
Impairment during the year	-	(396.81)	(171.78)
Carrying value at the end	-	-	396.81

NOTE NO. 17

Particulars	(₹ in Lakhs)			
	Computer software	Trademark logo	Customer contracts	Total
Opening gross carrying value as at April 1, 2017	884.32	0.20	129.68	1,014.20
Additions during the year	192.57	-	-	192.57
Deletions during the year	(101.84)	-	(128.91)	(230.75)
Translation difference	0.03	-	(0.77)	(0.74)
Closing gross carrying value as at March 31, 2018	975.08	0.20	0.00	975.28
Opening gross carrying value as at April 1, 2018	975.08	0.20	0.00	975.28
Additions during the year	43.05	-	-	43.05
Deletions during the year	(2.41)	-	-	(2.41)
Translation difference	0.50	-	-	0.50
Closing gross carrying value as at March 31, 2019	1,016.22	0.20	0.00	1,016.42
Opening accumulated amortization as at April 1, 2017	819.17	0.20	12.16	831.53
Amortization for the year	87.06	-	13.51	100.57
Accumulated amortization on deletions	(100.38)	-	(25.59)	(125.97)
Translation difference	0.04	-	(0.08)	(0.04)
Closing accumulated amortization as at March 31, 2018	805.89	0.20	0.00	806.09
Opening accumulated amortization as at April 1, 2018	805.89	0.20	0.00	806.09
Amortization for the year	78.57	-	-	78.57
Accumulated amortization on deletions	(2.40)	-	-	(2.40)
Translation difference	0.43	-	-	0.43
Closing accumulated amortization as at March 31, 2019	882.49	0.20	0.00	882.69
Carrying value as at April 1, 2017	65.15	-	117.52	182.67
Carrying value as at March 31, 2018	169.19	-	0.00	169.19
Carrying value as at March 31, 2019	133.73	-	0.00	133.73

Intangible work-in-progress

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Intangible work-in-progress	25.00	-	3.00
Total intangible work-in-progress	25.00	-	3.00

IND AS 101 gives option to choose from fair value as its deemed cost or carrying value in previous gaap as deemed cost, on the date of transition to Ind AS for property, plant & equipment and other intangible assets, accordingly the company has taken the carrying value in previous gaap as deemed cost. Although the company has tested goodwill for impairment and impaired the goodwill.

NOTE NO. 18

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Capital advances	342.91	327.16	623.31
Prepaid expenses	1,094.22	1,177.66	1,715.88
Dividend receivable	1.12	0.27	0.34
Withholding taxes and other taxes receivable	229.51	517.28	104.19
Advance payment to vendors for supply of goods	397.46	415.63	626.94
Salary advances	7.18	4.68	2.53
Unbilled revenue	1,070.48	1,286.74	2,260.40
Total other non financial assets	3,142.88	3,729.42	5,333.59

NOTE NO. 19

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Unsecured - at amortised cost			
Loan repayable within one year			
Commercial paper	135.00	-	-
Less: unamortised balance of discount on issue of commercial paper	(1.90)	-	-
Total debt securities	133.10	-	-

NOTE NO. 19.01

Details of commercial papers outstanding as on March 31, 2019 are as follows :

(₹ in Lakhs)

Sr. No	Issue date	Date of repayment	As at March 31, 2019			Rate of interest
			Gross Amount	Unamortised balance of discount	Net Amount	
1	17/01/2019	22/05/2019	100.00	(1.33)	98.67	9.80%
2	01/02/2019	04/06/2019	25.00	(0.41)	24.59	9.80%
3	01/02/2019	04/06/2019	10.00	(0.16)	9.84	9.80%
Total			135.00	(1.90)	133.10	

NOTE NO. 20

Borrowings

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Secured			
Term loan			
from banks	3,810.38	5,588.72	634.70
from others	-	-	6.06
Loan repayable on demand			
from banks	54,756.75	26,902.97	18,974.94
from others	11,054.43	12,395.97	9,343.00
(A)	69,621.56	44,887.66	28,958.70
Unsecured			
Loan repayable on demand			
from others	4,221.64	6,551.36	4,131.48
(B)	4,221.64	6,551.36	4,131.48
Total borrowings	73,843.20	51,439.02	33,090.18
In India	69,621.56	44,887.66	28,958.70
Outside India	4,221.64	6,551.36	4,131.48

- a) Term Loan amounting ₹ 215.14 lakhs, ₹ 88.72 lakhs and ₹ 140.76 lakhs as of March 31, 2019, March 31, 2018 and April 1, 2017, respectively, are secured by way of hypothecation of vehicles and are repayable over a period of five years.
- b) Term Loan amounting ₹ 3,595.24 lakhs, ₹ 5,500 lakhs and ₹ 500 lakhs as of March 31, 2019, March 31, 2018 and April 1, 2017, respectively, are secured by way of hypothecation of loan book, guarantee given by the holding company and personal guarantee of promoters directors.
- c) Loan from banks and others amounting ₹ 65,811.18 lakhs, ₹ 39,298.94 lakhs and ₹ 28,317.94 lakhs as of March 31, 2019, March 31, 2018 and April 1, 2017, respectively, are secured against shares, commodities, bonds, receivables, loan book, guarantee given by the holding company and personal guarantee of promoters directors.

Repayment terms of borrowings

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
In the first year	71,907.26	47,819.07	32,712.94
In the second year	1,411.60	1,813.90	205.67
In the third to fifth year	524.34	1,806.05	171.57
Total	73,843.20	51,439.02	33,090.18

Segregation of borrowing on the basis of fixed & floating interest rate

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Weighted average rate			
Secured			
Fixed rate borrowings	9.10%	9.60%	9.79%
Floating rate borrowings	9.97%	8.90%	9.22%
Unsecured			
Floating rate borrowings	7.63%	7.10%	8.28%
Amount borrowed			
Secured			
Fixed rate borrowings	215.14	88.72	137.53
Floating rate borrowings	69,406.42	44,798.93	28,821.17
Unsecured			
Floating rate borrowings	4,221.64	6,551.37	4,131.48
Total borrowings	73,843.20	51,439.02	33,090.18

NOTE NO. 21

Deposits

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Unsecured			
At amortised cost			
Security deposit taken from customer	986.25	797.33	275.00
Security deposit taken from others	123.19	101.53	-
Inter-corporate deposits*	263.53	-	20.44
Total deposits	1,372.97	898.86	295.44
In India	1,372.97	898.86	295.44
Outside India	-	-	-

* includes deposits from related party

NOTE NO. 22**Other financial liabilities**

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Book overdraft from banks	1,227.99	1,164.51	4,331.16
Security deposits received	236.29	169.03	143.56
Interest accrued but not due	98.00	64.31	43.98
Employee benefit payable	454.34	551.76	486.49
PMS payable	3.85	3.41	14.67
Derivative financial instruments	3,682.74	1,303.35	4,268.65
Accrued expenses	2,050.05	2,180.90	1,631.21
Margin received from client	55,399.53	32,896.03	31,632.17
Total other financial liabilities	63,152.79	38,333.30	42,551.89
Financial liability carried at amortized cost	59,470.05	37,029.95	38,283.24
Financial liability carried at fair value through profit and loss	3,682.74	1,303.35	4,268.65

NOTE NO. 23**Provisions**

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Provision for employee benefits			
Gratuity	886.01	633.11	1,100.71
Leave encashment	546.42	466.08	410.63
Provision for CSR	93.50	87.08	82.26
Provision for insurance cancellation	286.38	208.54	110.16
Others	81.03	118.35	24.95
Total provisions	1,893.34	1,513.16	1,728.71

NOTE NO. 23.01**Corporate social responsibility**

The ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) w.e.f. 1 April 2014. In accordance with the provisions of said section, the Board of Directors of the company (where CSR provisions are applicable) had constituted a Corporate Social Responsibility Committee.

a) Reconciliation of provision

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2019	March 31, 2018
Opening provision	87.08	82.26
Provision made during the year	147.22	106.57
CSR spent during the year	140.80	101.75
Closing provision	93.50	87.08

b) Details of amount spent

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2019	March 31, 2018
i) Construction/acquisition of any asset	-	-
ii) on purpose other than (a) above	140.80	101.75
Total	140.80	101.75

c) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure - NIL (PY NIL).

NOTE NO. 24**Other non-financial liabilities**

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Unearned income	127.58	211.35	170.49
Unpaid dividend	32.64	19.94	1.38
Withholding taxes and other taxes payable	1,024.97	1,161.99	414.08
Others	58.41	8.80	7.50
Total other non-financial liabilities	1,243.60	1,402.08	593.45

NOTE NO. 25

Equity share capital

NOTE NO. 25.01

Authorised issued and subscribed capital

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Authorised			
*47,75,50,000 (March 31, 2018 and April 1, 2017 : 16,50,50,000) equity shares of ₹ 2/- each	9,551.00	3,301.00	3,301.00
	9,551.00	3,301.00	3,301.00
Issued, subscribed & fully paid up			
11,31,34,450 (March 31, 2018 and April 1, 2017 : 11,31,34,450) equity shares of ₹ 2/- each	2,262.69	2,262.69	2,262.69
	2,262.69	2,262.69	2,262.69

* As per the composite scheme of arrangement referred to in Note 3 the authorised share capital of the Transferor Companies SMC Finvest Limited and Indunia Realtech Limited 6,00,00,000 and 25,00,000 shares, respectively, of ₹ 10 each is transferred to and merged with the authorised share capital of the Company.

NOTE NO. 25.02

Reconciliation of number of equity shares outstanding

(in numbers)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
At the beginning of the year	11,31,34,450	11,31,34,450	11,31,34,450
Issued during the year	-	-	-
Buyback/forfeiture during the year	-	-	-
At the end of the year	11,31,34,450	11,31,34,450	11,31,34,450

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, 2019 at their meeting held on dated May 11, 2019 (reaffirmed on August 7, 2019), 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. ₹ 0.48)

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. 25.03

Shares held by shareholders holding more than 5% shares

(in numbers)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of Shares held	% held	No. of Shares held	% held	No. of Shares held	% held
ASM Pipes Private Limited	1,86,67,140	16.50	1,86,67,140	16.50	1,86,67,140	16.50
Millennium Investment And Acquisition Co. Inc.	1,02,04,690	9.02	1,15,04,690	10.17	1,22,04,690	10.79
Mahesh Chand. Gupta	1,02,48,500	9.06	1,02,48,500	9.06	1,02,48,500	9.06
Subhash Chand Aggarwal	1,00,95,500	8.92	1,00,95,500	8.92	1,00,95,500	8.92
Sanlam International Investment Partners Limited	94,60,590	8.36	94,60,590	8.36	94,60,590	8.36
Signature Global (India) Private Limited	88,65,885	7.84	88,65,885	7.84	-	-
Hemlata Aggarwal	69,20,550	6.12	77,20,550	6.82	77,20,550	6.82
Sushma Gupta	75,66,550	6.69	75,66,550	6.69	75,66,550	6.69
Pulin Investments Private Limited	78,77,205	6.96	-	-	-	-

NOTE NO. 26

Fees and commission income

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Income from:		
Brokerage Income	34,316.74	26,800.17
Distribution of financial product	7,480.28	8,905.46
Depository activities	492.38	557.50
Treasury activities	37.19	31.83
Research support services	135.55	99.64
Portfolio management services	20.70	13.10
Management and advisory	318.34	357.04
Incentives from exchange	530.07	144.46
Total fees and commission income	43,331.25	36,909.20

NOTE NO. 27

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
Interest income		
On financial assets measured at amortised cost		
Interest on loans	9,709.89	7,501.00
Interest on deposits with banks	2,824.21	2,495.42
Interest on delayed payment/ margin trade funding	5,059.02	3,159.35
Other interest Income	-	0.26
On financial assets classified at fair value through profit or loss		
Interest income from trading investments	15.44	38.15
Total interest income	17,608.56	13,194.18

NOTE NO. 28

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
Other income		
Interest income	226.31	221.94
Net gain on derecognition of financial instruments measured at fair value through other comprehensive income	151.25	534.28
Net gain on derecognition of property, plant and equipment	12.57	2.20
Dividend income	27.03	23.27
Rent	69.61	73.79
Liability no longer required written back	124.77	252.34
Net gain on translation of foreign currency monetary items	9.14	0.54
Miscellaneous income	51.56	35.46
Total other income	672.24	1,143.82

NOTE NO. 29

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
Fees and commission expenses		
Client introduction charges	19,711.57	12,833.26
Exchange & other regulatory charges	4,548.44	4,679.76
Expense for distribution of financial products	5,304.49	5,856.39
VPN, leaseline, internet & VSAT expenses (net)	170.02	207.78
Securities/commodities transaction tax	4,409.18	3,833.24
Demat charges	12.18	16.07
Total fees and commission expenses	34,155.88	27,426.50

NOTE NO. 30

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
Employee benefits expenses		
Salaries and incentives	13,781.79	12,484.27
Staff welfare	238.07	223.13
Contribution to provident and other funds	635.59	578.41
Gratuity	302.02	391.69
Total employee benefits expenses	14,957.47	13,677.50

NOTE NO. 31

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
Finance cost		
On financial liabilities measured at amortised cost		
Interest to bank (term loan)	741.89	227.66
Interest to bank (others)	2,198.61	1,763.64
Interest-others	2,812.32	2,160.71
Other borrowing cost	534.97	462.57
Total finance cost	6,287.79	4,614.58

NOTE NO. 32**Depreciation and amortisation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Depreciation on tangible assets	1,056.01	758.07
Amortisation of intangible assets	78.57	100.57
Total depreciation and amortisation	1,134.58	858.64

NOTE NO. 33**Impairment on financial instruments**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
On financial assets measured at amortised cost/transaction price		
Trade receivable	207.17	151.79
Loans	617.06	58.34
Other receivables (deposits)	(3.00)	6.12
(A)	821.23	216.25
On financial assets measured at fair value through other comprehensive income		
Investments	(42.00)	20.00
(B)	(42.00)	20.00
Total impairment on financial instruments	779.23	236.25

NOTE NO. 34**Other expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Advertisement	2,328.25	1,975.25
Business promotion	1,999.81	1,804.49
Computer repair & maintenance	383.65	393.17
Conveyance & traveling expenses	527.49	445.04
Director sitting fees	22.40	29.75
Donation	17.85	3.73
Insurance	30.41	33.75
Legal & professional charges	411.54	505.02
Bank charges	94.57	111.67
Net loss on derecognition of property, plant and equipment	0.14	410.24
Office repair & maintenance	502.31	446.13
Printing and stationery	251.60	251.64
Rent	1,423.51	1,401.03
Electricity and water expenses	570.27	562.13
Membership fees & subscription	28.51	24.86
Communication expenses	388.60	431.49
Net loss on derecognition of financial instruments carried at fair value through other comprehensive income	104.33	-
Vehicle running & maintenance	79.08	57.38
Rates & taxes	44.58	70.71
CSR expenses	147.22	106.57
ADR expenses*	-	1,394.39
Miscellaneous expenses	137.76	177.09
Auditor's fees and expenses		
as statutory auditor	37.16	29.54
as tax auditor	5.40	4.15
as fees for other services	7.27	5.37
Total other expenses	9,543.71	10,674.59

***ADR expense**

The parent company had started making efforts for proposed ADR issue in USA for expansion of business in the year 2015, however, the same was called off during the previous 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 ₹ 1,394.39 Lakhs had been charged to statement of profit & loss in previous year.

NOTE NO. 35

Income tax

NOTE NO. 35.01

Income tax expense in the statement of profit and loss

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
	(₹ in Lakhs)	
Current tax expense		
For the year	2,545.46	3,233.59
Change in estimates relating to prior years	13.80	(3.16)
	2,559.26	3,230.43
Deferred tax charge/(benefit)		
Origination and reversal of temporary differences	(243.49)	(277.01)
Minimum alternate tax	(705.63)	(181.09)
	(949.12)	(458.10)
Total income tax expense	1,610.14	2,772.33

NOTE NO. 35.02

Tax expense recognised in other comprehensive income

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
	(₹ in Lakhs)	
Remeasurement of the net defined benefit liability / asset	(4.15)	27.49
Fair value changes on investments	13.29	19.43
Total tax expense recognised in other comprehensive income	9.14	46.92

NOTE NO. 35.03

Reconciliation of the income tax expense to the amount computed by applying the statutory income Tax rate to the income before income taxes

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
	(₹ in Lakhs)	
Profit before tax	9,088.39	7,940.80
Enacted tax rates in India	34.944%	34.608%
Computed expected tax expense	3,175.85	2,748.15
Non deductible permanent difference	108.86	316.99
Reversal of permanent difference	-	6.24
Deductible permanent difference	(0.56)	(44.30)
Income exempt from tax	(193.06)	(531.59)
Unrealised loss	-	7.31
Interest on income tax	0.40	4.45
Change in estimates relating to prior years	13.82	(23.19)
Effect of change in tax rate due to different class of income	(6.69)	7.63
Effect of differential tax rate on different subsidiaries	(295.70)	190.70
Change in statutory tax rate	(46.43)	261.84
Carry Forward of loss adjusted	(1,146.35)	(171.90)
Income tax expense	1,610.14	2,772.33

The applicable Indian statutory tax rates for fiscal 2019 and fiscal 2018 is 34.944% and 34.608%, respectively.

NOTE NO. 35.04

Details of income tax assets and income tax liabilities

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Income tax assets pertaining to current year	2,408.15	3,150.09	2,237.68
Income tax liabilities pertaining to current year	2,559.26	3,230.43	2,459.39
Net income tax assets/ (liability) pertaining to current year	(151.11)	(80.34)	(221.71)
Income tax assets pertaining to current year	1,321.30	262.58	382.66
Income tax assets pertaining to previous years	630.51	1,550.76	743.72
	1,951.81	1,813.34	1,126.38
Total income tax assets / (liability) - net	1,800.70	1,733.00	904.67

(₹ in Lakhs)

NOTE NO. 35.05

Movement in the temporary differences of deferred tax

Particulars	Movement in the temporary differences of deferred tax								
	Balance as at April 1, 2017	Recognised in profit or loss during 2017-18	Recognised in other comprehensive income	Utilization of MAT credit	Balance as at March 31, 2018	Recognised in profit or loss during 2018-19	Recognised in other comprehensive income	Utilization of MAT credit	Balance as at March 31, 2019
Employee benefits	243.74	(26.50)	(27.49)	-	189.75	109.36	4.15	-	303.26
Investment securities	(23.22)	23.93	(19.43)	-	(18.72)	(0.23)	(13.29)	-	(32.24)
ICDS	(122.65)	55.32	-	-	(67.33)	0.44	-	-	(66.89)
Provisions	166.91	169.29	-	-	336.20	(36.23)	-	-	299.97
Property, plant & equipment and intangible assets	255.05	4.82	-	-	259.87	96.57	-	-	356.44
Provision for impairment on receivable from clients	1,716.06	(497.25)	-	-	1,218.81	(115.50)	-	-	1,103.31
Other temporary differences	72.06	67.49	-	-	139.55	(50.34)	-	-	89.21
Total	2,307.95	(202.90)	(46.92)	-	2,058.13	4.07	(9.14)	-	2,053.06
Minimum alternate tax	816.58	198.83	-	(53.93)	961.48	709.05	-	(148.24)	1,522.29
Carried forward of tax losses shares & debentures	3.23	31.36	-	-	34.59	12.71	-	-	47.30
Carried forward of tax losses and unabsorbed depreciation (net of addition on account of tax losses)	380.11	430.81	-	-	810.92	223.29	-	-	1,034.21
	3,507.87	458.10	(46.92)	(53.93)	3,865.12	949.12	(9.14)	(148.24)	4,656.86

(₹ in Lakhs)

NOTE NO. 36

Earnings per share

The followings is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share.

Particulars	₹ in Lakhs except otherwise stated	
	For the year ended	
	March 31, 2019	March 31, 2018
Profit attributable to equity share holders.	7,478.25	5,168.47
Weighted average number of share outstanding during the year	11,31,34,450	11,31,34,450
Nominal value per share (₹)	2.00	2.00
Basic & Diluted (₹)	6.61	4.57

NOTE NO.37

Employee benefits

(a) Gratuity

NOTE NO. 37.01

Breakup of amount recognised in statement of profit and loss

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Interest on defined benefit obligation	39.90	45.09
Past service cost - plan amendments	-	131.62
Current service cost	239.19	209.42
Acquisitions cost	(3.19)	-
Management estimation	26.12	5.56
Total expense recognized in the statement of profit and loss	302.02	391.69

NOTE NO. 37.02

Break up of amount recognised in the statement of other comprehensive income

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Remeasurements of the net defined benefit liability/(asset)		
Opening amount recognised in OCI outside profit and loss account	(208.29)	(113.37)
Actuarial gains / losses	22.02	(91.68)
Return on plan assets (greater) / less than discount rate	(14.38)	(3.24)
	(200.65)	(208.29)

NOTE NO. 37.03

Breakup of the amount recognised in balance sheet

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Present value of the obligation as at the end of the year	1,672.38	1,389.74	1,186.36
Fair value of plan assets as at the end of the year	(786.37)	(756.63)	(85.65)
Net liability recognised in balance sheet	886.01	633.11	1,100.71

NOTE NO. 37.04

Reconciliation of defined benefit obligation and plan asset

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Change in benefit obligations			
Present value of the obligation as at the beginning of the year	1,389.74	1,186.36	964.87
Current service cost	239.19	209.42	190.92
Interest cost	96.57	74.64	66.98
Liability assumed on acquisition/ (settled on divestiture)	26.12	5.56	26.72
Actuarial (gain)/loss on obligations	22.02	(91.68)	31.29
Past service cost-plan amendments	-	131.62	-
Acquisitions (credit)/cost	(3.19)	-	-
Benefits paid	(102.64)	(126.55)	(91.66)
Effects of movement in exchange rate	4.57	0.37	(2.76)
Benefit obligations at the end (A)	1,672.38	1,389.74	1,186.36
Change in plan assets			
Fair value of plan assets at the beginning of the year	756.63	85.65	91.71
Expected return on plan assets	-	-	-
Interest income on plan assets	56.67	29.55	10.93
Contributions	7.54	686.84	50.52
Benefits paid	(48.85)	(48.65)	(80.82)
Return on plan assets greater (lesser) than discount rate	14.38	3.24	13.31
Fair value of plan assets at the end (B)	786.37	756.63	85.65
Amount recognised in balance sheet [(surplus) / deficit] (A-B)	886.01	633.11	1,100.71

NOTE NO. 37.05

Sensitivity of significant assumptions used for dbo valuation

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Effect on DBO due to 0.5% increase in discount rate	(98.35)	(81.34)
Effect on DBO due to 0.5% decrease in discount rate	108.57	89.89
Effect on DBO due to 0.5% increase in salary escalation rate	95.50	81.92
Effect on DBO due to 0.5% decrease in salary escalation rate	(88.85)	(76.13)

NOTE NO. 37.06**Maturity profile of defined benefit obligation**

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
With in one year	131.03	128.93
One to five years	355.72	327.23
More than five years	866.92	723.80

NOTE NO. 37.07**Assumptions to determine the defined benefit obligations**

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Discount rate	7.70%	7.70%	7.30%
Salary escalation rate (p.a.)	7.50%	7.00%	7.00%

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India.

The company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 50bps, keeping all other actuarial assumptions constant.

(b) Compensated absences**NOTE NO. 37.08****Breakup of the amount recognised in balance sheet**

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Present value of the obligation as at the end of the year		466.08	410.63
Fair value of plan assets as at the end of the year		-	-
Net liability recognised in balance sheet		466.08	410.63

NOTE NO. 37.09**Number of compensated leave absences outstanding**

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Total leave balance (days)	50,693.26	51,571.53	44,068.79

NOTE NO. 37.10**Assumption used in valuation**

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Discount rate	7.70%	7.70%	7.30%
Salary escalation rate (p.a.)	7.50%	7.00%	7.00%
Leave availment rate	5.00%	5.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTE NO. 38**Contingent liabilities and commitments****NOTE NO. 38.01****Contingent liabilities not provided in the financial statements:**

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
1 ESI demand (Total amount paid under protest ₹ 12.43 Lakhs (2018: ₹ 12.43 Lakhs, 2017: ₹ 12.43 Lakhs))	31.06	31.06	31.06
2 Service tax demand	963.79	963.79	674.74
3 Income tax demand	119.15	119.15	92.31
4 Provident fund	-	-	-
5 Stamp duty	-	-	-

Notes:

- An ESI demand is being agitated by the parent company at Additional Senior Civil Judge, Tis Hajari court, Delhi.
- Service Tax demand of ₹ 45.66 Lakhs is being agitated by the parent company before Commissioner of Service Tax, Audit 1, Delhi and of ₹ 918.13 Lakhs is being agitated by the holding company before Additional Director General of Directorate General of GST Intelligence, Delhi Zonal Unit.
- Income Tax demand has been agitated by the Companies as per details:

Name of company	Amount (₹ in lakhs)	Amount paid under protest	Assessment Year	Forum where agitated
SMC Global Securities Limited	31.47	31.47	2013-14	Commissioner of Income Tax (Appeals)
SMC Global Securities Limited	56.81	56.81	2014-15	Commissioner of Income Tax (Appeals)
SMC Global Securities Limited	27.51	10.00	2015-16	Commissioner of Income Tax (Appeals)
Moneywise Financial Services Private Limited	2.88	-	2008-09	Commissioner of Income Tax (Appeals) I, Kolkata
Moneywise Financial Services Private Limited	0.48	-	2010-11	Commissioner of Income Tax (Appeals) I, Kolkata

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 Income Tax Appellate Tribunal (ITAT), Delhi for A.Y 2013-14 and before Commissioner of Income Tax (Appeals) for A.Y 2014-15 and A.Y 2015-16, respectively.

In Moneywise Financial Services Private 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.

- PF matter related to parent company is pending before High Court and amount is not quantifiable.
- (a) The parent company had 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) The demerged company M/s SMC Comtrade Limited had received a show cause notice of demand 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 25th July, 2019.

NOTE NO. 38.02**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 Lakhs in parent company 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 group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The group's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the group'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. 38.03**Commitments**

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Contracts remaining to be executed on account of capital (net of advances)			
For purchase of software	32.00	-	25.50
For purchase of office building	175.00	175.00	239.28

NOTE NO. 39

Leases

The lease rentals charged during the year are as follows:

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
Lease rentals recognized during the year	1,031.08	1,037.26

The obligations on long-term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

Future minimum lease payable	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
Not later than 1 year	18.31	18.31
Later than 1 year and not later than 5 years	91.56	91.56
Later than 5 years	183.11	201.42

NOTE NO. 40

Disclosure under the Micro, Small and Medium Enterprises Development act, 2006

The Company has sent letters to vendors to confirm whether they are covered under micro, small and medium enterprise development act 2006 as well as they have filed required memorandum with prescribed authority. Out of the letter sent to the party, no confirmation have been received till the date of finalisation of balance sheet. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year end are furnished below:

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
The Principal amount remaining unpaid at the year end	-	-	-
The Interest amount remaining unpaid at the year end	-	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-	-
The amount of interest accrued and remaining unpaid at the year end	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-	-

NOTE NO. 41

Disclosure on frauds pursuant to RBI Master Direction

The company listed at "c" in note no. 1.04 has detected and reported frauds to RBI for the year amounted to ₹ 637.81 Lakhs (Previous year ₹ 1.5 Lakhs).

NOTE NO. 42**Financial instruments****NOTE NO. 42.01****Financial instruments by category**

The carrying value and fair value of financial instruments by categories as of March 31, 2019 were as follows:

Particulars	Amortised cost / Transaction price	Financial assets/liabilities carried at fair value through profit and loss		Financial assets/liabilities carried at Fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required		
Assets:							
Cash and cash equivalents	7,142.77	-	-	-	-	7,142.77	7,142.77
Other bank balances	44,903.79	-	-	-	-	44,903.79	44,903.79
Trade receivables	78,631.87	-	-	-	-	78,631.87	78,631.87
Other receivables	4,067.56	-	-	-	-	4,067.56	4,067.56
Loans	57,052.65	-	-	-	-	57,052.65	57,052.65
Investments	11.74	556.49	16,643.23	-	2,308.64	19,520.10	19,520.10
Other financial assets	647.43	-	8,782.82	-	-	9,430.25	9,430.25
Total	1,92,457.81	556.49	25,426.05	-	2,308.64	2,20,748.99	2,20,748.99
Liabilities:							
Trade payables	24,629.46	-	-	-	-	24,629.46	24,629.46
Other payables	348.55	-	-	-	-	348.55	348.55
Debt securities	133.10	-	-	-	-	133.10	133.10
Borrowings	73,843.20	-	-	-	-	73,843.20	73,843.20
Deposits	1,372.97	-	-	-	-	1,372.97	1,372.97
Other financial liabilities	59,470.05	-	3,682.74	-	-	63,152.79	63,152.79
Total	1,59,797.33	-	3,682.74	-	-	1,63,480.07	1,63,480.07

The carrying value and fair value of financial instruments by categories as of March 31, 2018 were as follows:

Particulars	Amortised cost / Transaction price	Financial assets/liabilities carried at fair value through profit and loss		Financial assets/liabilities carried at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required		
Assets:							
Cash and cash equivalents	7,366.26	-	-	-	-	7,366.26	7,366.26
Other bank balances	38,997.00	-	-	-	-	38,997.00	38,997.00
Trade receivables	41,464.90	-	-	-	-	41,464.90	41,464.90
Other receivables	4,281.27	-	-	-	-	4,281.27	4,281.27
Loans	54,911.43	-	-	-	-	54,911.43	54,911.43
Investments	11.76	8.87	10,372.46	-	3,175.19	13,568.28	13,568.28
Other financial assets	485.70	-	6,446.07	-	-	6,931.77	6,931.77
Total	1,47,518.32	8.87	16,818.53	-	3,175.19	1,67,520.91	1,67,520.91
Liabilities:							
Trade payables	24,983.79	-	-	-	-	24,983.79	24,983.79
Other payables	778.55	-	-	-	-	778.55	778.55
Debt securities	-	-	-	-	-	-	-
Borrowings	51,439.02	-	-	-	-	51,439.02	51,439.02
Deposits	898.86	-	-	-	-	898.86	898.86
Other financial liabilities	37,029.95	-	1,303.35	-	-	38,333.30	38,333.30
Total	1,15,130.17	-	1,303.35	-	-	1,16,433.52	1,16,433.52

The carrying value and fair value of financial instruments by categories as of April 1, 2017 were as follows:

Particulars	Amortised cost / Transaction price	Financial assets/liabilities carried at fair value through profit and loss		Financial assets/liabilities carried at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required		
Assets:							
Cash and cash equivalents	12,744.10	-	-	-	-	12,744.10	12,744.10
Other bank balances	32,218.81	-	-	-	-	32,218.81	32,218.81
Trade receivables	35,382.63	-	-	-	-	35,382.63	35,382.63
Other receivables	4,233.47	-	-	-	-	4,233.47	4,233.47
Loans	30,009.22	-	-	-	-	30,009.22	30,009.22
Investments	58.96	5,142.81	7,083.60	-	8,846.30	21,131.67	21,131.67
Other financial assets	515.04	-	9,054.77	-	-	9,569.81	9,569.81
Total	1,15,162.23	5,142.81	16,138.37	-	8,846.30	1,45,289.71	1,45,289.71
Liabilities:							
Trade payables	22,721.21	-	-	-	-	22,721.21	22,721.21
Other payables	400.40	-	-	-	-	400.40	400.40
Debt securities	-	-	-	-	-	-	-
Borrowings	33,090.18	-	-	-	-	33,090.18	33,090.18
Deposits	295.44	-	-	-	-	295.44	295.44
Other financial liabilities	38,283.24	-	4,268.65	-	-	42,551.89	42,551.89
Total	94,790.47	-	4,268.65	-	-	99,059.12	99,059.12

NOTE NO. 42.02

The company derecognised investment in equity instruments measured at fair value through other comprehensive income during the year under PMS strategy / other business decisions on the basis of commercial prudence. The gain in INR is ₹ 151.25 lakhs and loss is ₹104.33 lakhs for the year ended March 31, 2019 and gain of ₹ 534.28 lakhs for the year ended March 31, 2018.

NOTE NO. 42.03

Collateral

(A) Assets pledged as collateral

The company has pledged its certain assets as collateral for liabilities for the contingent liabilities. The below table set out the assets held as collateral:

Particulars	As at					
	March 31, 2019		March 31, 2018		April 1, 2017	
	Collateral	Non-collateral	Collateral	Non-collateral	Collateral	Non-collateral
Assets:						
Cash and cash equivalents	-	7,142.77	-	7,366.26	-	12,744.10
Other bank balances	44,839.78	64.01	38,920.98	76.02	31,646.89	571.92
Trade receivables	55,739.94	22,891.93	28,406.25	13,058.65	19,905.00	15,477.63
Other receivables	-	4,067.56	-	4,281.27	-	4,233.47
Loans	9,482.39	47,570.26	12,083.58	42,827.85	710.20	29,299.02
Investments	5,594.01	13,926.09	8,116.00	5,452.28	3,900.00	17,231.67
Other financial assets	-	9,430.25	-	6,931.77	-	9,569.81
Total	1,15,656.12	1,05,092.87	87,526.81	79,994.10	56,162.09	89,127.62

(B) Asset taken as collateral

The Company holds collateral and other credit enhancements against certain of its credit exposures. The table below sets out the principal types of collateral held against different types of financial assets.

Particulars	As at					
	March 31, 2019		March 31, 2018		April 1, 2017	
	Value of asset	Fair value of collateral held	Value of asset	Fair value of collateral held	Value of asset	Fair value of collateral held
Assets:						
Cash and cash equivalents	7,142.77	-	7,366.26	-	12,744.10	-
Other bank balances	44,903.79	-	38,997.00	-	32,218.81	-
Trade receivables						
Secured	63,066.76	12,31,270.99	22,159.78	5,75,819.03	19,846.97	11,21,790.10
Unsecured	15,565.11	-	19,305.12	-	15,535.66	-
Other receivables	4,067.56	-	4,281.27	-	4,233.47	-
Loans						
Secured	37,094.66	95,310.22	43,078.30	82,592.02	23,723.15	54,639.91
Unsecured	19,957.99	-	11,833.13	-	6,286.07	-
Investments	19,520.10	-	13,568.28	-	21,131.67	-
Other financial assets	9,430.25	-	6,931.77	-	9,569.81	-
Total	2,20,748.99	13,26,581.21	1,67,520.91	6,58,411.05	1,45,289.71	11,76,430.01

NOTE NO. 42.04

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2019:

Particulars	As at March 31, 2019	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
(₹ in Lakhs)				
Assets				
Investments				
Equity instruments	18,721.10	18,685.37	-	35.73
Share in partnership firm	11.74	-	-	11.74
Mutual Funds	200.84	200.84	-	-
Bonds	586.42	586.42	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2018:

Particulars	As at March 31, 2018	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
(₹ in Lakhs)				
Assets				
Investments				
Equity instruments	11,906.85	11,866.12	-	40.73
Share in partnership firm	11.76	-	-	11.76
Mutual Funds	121.84	121.84	-	-
Bonds	1,527.83	1,527.83	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at April 1, 2017:

Particulars	As at April 1, 2017	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
(₹ in Lakhs)				
Assets				
Investments				
Equity instruments	9,376.66	9,315.93	-	60.73
Share in partnership firm	58.96	-	-	58.96
Mutual funds	89.65	89.65	-	-
Bonds	11,606.40	11,606.40	-	-

Valuation techniques used to determine fair value

Following valuation techniques has been used for fair valuation off the assets:

- For Mutual Fund investments net asset value (NAV) is used as the fair value of investment.
- For Equity instrument quoted the market value is taken as the fair value.

NOTE NO. 42.05

Financial risk management

Financial risk factors

This note presents the information about the group's exposure to financial risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital.

The group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk and
- Market risk

NOTE NO. 42.06

Financial risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Financial Risk Management within the Group is governed by policies and guidelines approved by the management. The Board has established a Risk Management Committee which is responsible for developing and monitoring the Group's risk management policies. Group's policies and guidelines cover areas such as cash management, investment of excess funds and raising of debt and are managed by segregated functions within the Group.

The Group's risk management policies and procedures are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees and stakeholders understand their roles and obligations.

Different types of risks arising from financial instruments as identified by the Group above have been explained below:

NOTE NO. 42.07

Credit risk

The credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivable from clients and exchange and trading members, loan and advances, investments other than the quoted securities given. Credit risk in respect of quoted securities is expected to have a direct correlation with the quoted market prices and risk.

The Group is exposed to the risk that third parties that owe money or securities will not perform their obligations. Such third parties include clients/customers, trading members, exchanges, clearing houses, and other financial intermediaries. These parties may default on their obligations owed to the Group due to insolvency, lack of liquidity, operational failure, government or other regulatory intervention or other reasons. In these circumstances, the Group is exposed to risks arising, for example, from holding securities of third parties; executing securities trades that fail to settle at the required time due to non-delivery by the counterparty trading members, exchanges, clearing houses or other financial intermediaries. Significant failures by third parties to timely perform their obligations owed could materially and adversely affect the Group's financial position, and ability to borrow in the credit markets and ability to operate the business.

For the risk management purposes, the Company considers and consolidates all elements of credit risk exposures such as individual obligator default risk, country and sector risk.

Management / mitigation of credit risk

The Group operates in a highly regulated environment which limits its credit risk against exchanges and clearing houses. The Group collects upfront margins in form of funds and/or securities/commodities from clients and trading members against their trading positions. The Group monitors positions, margins, mark to market losses and risks on real time basis through risk management systems and policies specially designed to mitigate the credit risk.

The Company's Board of Directors has delegated responsibility for the oversight of credit risk to the Risk Management Committee ("the Committee"). The Committee is responsible for management of the Group's credit risk, including the following:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the organizational structure for the approval of new customers or counter parties. Authorization limits are allocated to business unit credit officers or the Arbitrager as appropriate.
- Providing advice, guidance and specialised skills to business units through periodic reviews to promote best practices throughout the Company in the management of credit risk.
- The Committee assesses the credit worthiness of client or counterparties, prior to taking exposure on them. Accordingly, limits are assigned and the monitoring mechanism ensures that exposure to single client does not cross the laid down threshold limits. Collateral securities are also collected from clients to cover the exposure.
- Limiting concentrations of exposure to counterparties, geographies and industries (for loans and advances and similar exposures), and by issuer, credit rating bond, market liquidity and country (for investment securities and trading assets).

- (vi) Reviewing compliance of business units with agreed exposure limits, including those for selected industries, country risk and product types. Regular reports on the credit quality of local portfolios are provided to the management, which may require appropriate corrective action to be taken.

The Board of Directors has also constituted Audit Committee, which is responsible for evaluation of internal financial controls and risk management systems. The internal auditor of the Group conducts regular internal audits of various business units to identify scope of improvement/enhancement of the Group's processes, quality control, fraud prevention and legal compliance. The internal audit reports are reviewed by audit committee and also placed with the Board.

The Group also run the financing business through its subsidiary Moneywise Financial Services Private Limited. The Company is exposed to high credit risk due to the inherent limitation of the business. The Company lends both secured and unsecured loans to its customer. To mitigate the credit risk the Company has implemented a loan policy to identify the broad principles which the Company follows to accept borrowers and loan proposals, to manage loan portfolio, and recover its dues so as to protect business revenues with consumer satisfaction. To reduce the credit risk in financing, the Company performs a detail credit assessment on the prospective borrower or seek security over some assets of the borrower or a guarantee from a third party. The Company takes all reasonable and business precautions through policies and procedures to mitigate and manage the credit risk. The senior management in the Company is responsible for evaluation of internal financial controls and risk management systems. The Company conducts regular internal audits of various business units to identify scope of improvement/enhancement of the Company's processes, quality control, fraud prevention and legal compliance. The internal audit reports are reviewed by audit committee and also placed with the Board. While considering loan proposals, the Company also manages risk through limiting concentration of exposure to individual borrowers, industry, underlying collateral, etc. All Loans to customers are sanctioned based on various factors like financials analysis, credit worthiness of the customer, market references, and historical client relations with Company and future business prospects. The Company collects upfront collateral and pledge securities for the loans and advances granted wherever required. Despite all the measure taken by the Company and its management it is inherent in the financing business that the customer may default in the repayment of the loan granted to them. The Company employs all recovery procedures including follow up with customer for payment, legal remedies for recovery, invocation and sale of collateral.

Credit exposure:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Trade receivables	78,631.87	41,464.90	35,382.63
Other receivables	4,067.56	4,281.27	4,233.47
Loans	57,052.65	54,911.43	30,009.22
Investments	19,520.10	13,568.28	21,131.67
Other financial assets	9,430.25	6,931.77	9,569.81
Total	1,68,702.43	1,21,157.65	1,00,326.80

Loan to Value (LTV) for loan and advances to customer

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security and the Company generally requests borrowers to provide it. The Company may take collateral in the form of a charge over real estate, floating charges over pledge of securities or other assets and other liens and guarantees.

The tables below stratify credit exposures from secured loans and advances to customers which has become non performing assets by ranges of loan-to-value (LTV) ratio. LTV is calculated as the ratio of the gross amount of the loan-to the value of the collateral. The gross amounts exclude any impairment allowance. The valuation of the collateral excludes any adjustments for obtaining and selling the collateral.

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Less than equal to 50 %	1,838.68	818.23	506.02
51 - 70%	-	-	-
71 - 90%	-	-	-
91 - 100%	-	-	-
more than 100%	572.53	-	540.97
Total	2,411.21	818.23	1,046.99

Credit quality of debt securities

The Group invests/trades in the debt instruments. These debt instrument are posed to the credit risk. The table below sets out the credit quality of debt securities.

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Government bonds:			
Rated sovereign	56.13	27.95	28.14
Corporate bonds:			
Rated AAA	158.38	386.09	8,563.78
Rated AA- to AA+	45.21	523.17	1,760.36
Rated A- to A+	142.98	583.94	1,254.12
Rated BBB-	170.76	-	-
Rated C	-	6.68	-
Rated D	12.96	-	-
Fair value and carrying amount	586.42	1,527.83	11,606.40

Following are the reconciliations of the provision for impairment of financial assets

The Group monitors its financial assets for their quality and repayment. If there are any indicators of impairment on management assessment of these assets, these are provided for. The Group follows ECL method of impairment for the purpose of impairment of financial assets.

Following are the reconciliations of the provision for impairment of financial assets

(₹ in Lakhs)

Particulars	As at							
	March 31, 2019				March 31, 2018			
	Trade receivables	Other receivables	Loans	Investments	Trade receivables	Other receivables	Loans	Investments
Opening balance at the beginning of the year	1,953.85	38.38	2,396.43	357.00	2,683.42	61.92	2,522.59	437.00
Addition/reversal during the year	207.17	(3.00)	617.06	(42.00)	151.79	6.12	58.34	20.00
Exchange difference	-	-	(1.88)	-	-	-	-	-
Written off	(349.38)	-	(516.01)	-	(881.36)	(29.66)	(184.50)	(100.00)
Closing balance at the end of the year	1,811.64	35.38	2,495.60	315.00	1,953.85	38.38	2,396.43	357.00

NOTE NO. 42.08**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group require sufficient liquidity to meet their obligations. Individual companies are generally responsible for their own fund management, including the short-term investment of surpluses and the raising of loans to cover deficits from third parties/companies.

The Group's primary liquidity requirements are to finance the working capital needs, which are typically towards margin maintenance at various exchanges and repayment of borrowings and disbursement of Loans to customer. The principal portion of the working capital requirement is utilized by:

- depositing funds with banks to obtain term deposits and guarantees towards margins payable to the exchanges/clearing houses;
- payments to stock exchanges/clearing houses towards settlement obligations;
- payment towards purchase of various trading assets;
- disbursement of loans to customers;
- repayment of borrowings/credit lines taken; and
- meeting expenses incurred for operations.

Management of liquidity risk

Working capital requirements fluctuate on a regular basis depending on the business requirements. The Group's approach to managing liquidity is to ensure, as far as possible to have sufficient funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

To fund the working capital requirements, the Group currently relies principally on internal accruals and short term credit facilities from banks and financial institutions against pledge of term deposits, receivables from clients and investments carried at fair value through profit and loss. By maintaining sufficient liquid funds and drawing facilities with banks, the Group comfortably meets the foreseeable liabilities in the present and immediate future, as well as unforeseeable contingencies.

Central treasury receives information from business units regarding the liquidity profile of their financial assets and liabilities and projected cash flows. Central treasury maintains surplus funds in cash and cash equivalents including term deposits with banks and in investment securities for which there is an active and liquid market. These assets can be readily sold to meet liquidity requirements. Hence, the group believes that the above monetary mechanism adequately addresses the liquidity risk.

Maturity analysis for financial assets and financial liabilities**March 31, 2019**

(₹ in Lakhs)

Particulars	Carrying amount	1-90 days	91-180 days	181-365 days	1-2 years	2-5 years	More than 5 years
Assets:							
Cash and cash equivalents	7,142.77	7,142.77	-	-	-	-	-
Other bank balances	44,903.79	9,726.58	8,136.80	14,796.34	6,375.75	5,868.32	-
Trade receivables	78,631.87	78,561.06	-	-	70.81	-	-
Other receivables	4,067.56	268.20	-	0.20	1.80	2.63	3,794.73
Loans	57,052.65	3,361.71	3,814.75	21,368.37	22,882.33	2,411.04	3,214.45
Investments	19,520.10	18,736.74	-	-	-	771.62	11.74
Other financial assets	9,430.25	9,430.25	-	-	-	-	-
Total	2,20,748.99	1,27,227.31	11,951.55	36,164.91	29,330.69	9,053.61	7,020.92
Liabilities:							
Trade payables	24,629.46	24,629.46	-	-	-	-	-
Other payables	348.55	348.55	-	-	-	-	-
Debt securities	133.10	133.10	-	-	-	-	-
Borrowings*	73,843.20	531.58	489.62	70,886.06	1,411.60	524.34	-
Deposits	1,372.97	-	-	-	1,372.97	-	-
Other financial liabilities	63,152.79	62,844.28	24.00	-	-	-	284.51
Total	1,63,480.07	88,486.97	513.62	70,886.06	2,784.57	524.34	284.51

March 31, 2018

(₹ in Lakhs)

Particulars	Carrying amount	1-90 days	91-180 days	181-365 days	1-2 years	2-5 years	More than 5 years
Assets:							
Cash and cash equivalents	7,366.26	7,366.26	-	-	-	-	-
Other bank balances	38,997.00	5,630.17	4,053.06	14,296.17	9,873.62	5,143.98	-
Trade receivables	41,464.90	41,147.01	-	-	317.89	-	-
Other receivables	4,281.27	324.74	-	0.20	-	3.03	3,953.30
Loans	54,911.43	3,708.75	9,509.00	17,449.03	20,966.00	2,064.65	1,214.00
Investments	13,568.28	11,810.75	-	-	-	1,745.77	11.76
Other financial assets	6,931.77	6,931.77	-	-	-	-	-
Total	1,67,520.91	76,919.45	13,562.06	31,745.40	31,157.51	8,957.43	5,179.06
Liabilities:							
Trade payables	24,983.79	24,983.79	-	-	-	-	-
Other payables	778.55	778.55	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-
Borrowings*	51,439.02	377.09	525.49	46,916.49	1,813.90	1,806.05	-
Deposits	898.86	-	-	-	898.86	-	-
Other financial liabilities	38,333.30	38,091.93	24.00	-	-	-	217.37
Total	1,16,433.52	64,231.36	549.49	46,916.49	2,712.76	1,806.05	217.37

April 1, 2017

(₹ in Lakhs)

Particulars	Carrying amount	1-90 days	91-180 days	181-365 days	1-2 years	2-5 years	More than 5 years
Assets:							
Cash and cash equivalents	12,744.10	12,744.10	-	-	-	-	-
Other bank balances	32,218.81	5,525.15	2,584.13	12,931.38	8,927.65	2,250.50	-
Trade receivables	35,382.63	35,078.27	-	-	304.36	-	-
Other receivables	4,233.47	356.74	-	-	-	-	3,876.73
Loans	30,009.22	1,157.88	512.40	18,488.17	5,278.51	3,463.06	1,109.20
Investments	21,131.67	18,144.05	-	-	-	2,928.66	58.96
Other financial assets	9,569.81	9,569.81	-	-	-	-	-
Total	1,45,289.71	82,576.00	3,096.53	31,419.55	14,510.52	8,642.22	5,044.89
Liabilities:							
Trade payables	22,721.21	22,721.21	-	-	-	-	-
Other payables	400.40	400.40	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-
Borrowings*	33,090.18	71.32	74.36	32,567.26	205.67	171.57	-
Deposits	295.44	-	-	-	295.44	-	-
Other financial liabilities	42,551.89	42,335.33	24.00	-	-	-	192.56
Total	99,059.12	65,528.26	98.36	32,567.26	501.11	171.57	192.56

* Bank overdraft is considered having maturity 181-365 days, though most of the overdrafts are renewable annually.

NOTE NO. 42.09

Market risk

The certain companies in Group participates in trading and investing in various asset classes such as Equity, Debt Securities, commodities, Foreign Currency and Derivatives. These assets classes experience volatility due to economic growth levels, inflation, prices, interest rates, foreign exchange rates and other macro-economic factors. Any changes in market prices of these asset classes will affect the Company's income or the value of its holdings of financial instruments.

The Group segregates its exposure to market risks between price risk, interest rate risk and currency risk.

Management of market risks:

The objective of market risk management is to manage and minimize market risk exposures within acceptable parameters, while optimizing the return on risk. The Group's exposure to market risk is determined by a number of factors, including size, composition and diversification of positions held and market volatility.

(a) Pricerisk

Trading and investment portfolios include proprietary positions taken in equities, fixed income securities, commodities, foreign currency and their derivatives mainly for availing arbitrage opportunities. All financial assets and liabilities are accounted on fair value basis. Management actively monitors its market risk by reviewing the effectiveness of arbitrage and setting outstanding position limits. The Group manages market risk with central oversight, analysis and formation of risk policy, specific maximum risk levels to which the individual trader must adhere to and real time continuous monitoring by the senior management.

In respect of the proprietary positions, the Group is exposed to volatility in the price of the underlying securities, though substantial part of it is safeguarded by matching counter trade.

(b) Interestrate risk

Interest rate risk arises from movements in interest rates which could have effects on the Group's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk relates to the loans taken from banks, investment in term deposits placed with banks, investment in debt securities and investments of its excess funds in liquid instruments. A majority of the financing of the Company has come from overdraft facility with banks. The business of the Group is exposed to fluctuation in interest rate for the following activities:

- Term deposits placed with banks are generally for short term on fixed interest rates;
- Facilities availed from banks and other financial institutions generally include short term working capital loans on floating interest rates;
- Interest paid by Company on clients' funds earmarked as fixed margin are generally for short term on fixed interest rates.
- Loans and advances on fixed interest rate basis does not expose the Company to interest rate risk.

Management of Interest Rate Risk

Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for re-pricing bands. However the Group does not use derivative financial instruments to hedge its interest rate risk.

The Group's investments in majority of term deposits with banks are for both short and long duration, and therefore do not expose the Company to significant interest rate risk. Further significant portion of exposure on term deposits with banks is offset with clients' funds earmarked as margins on fixed rate basis. The interest rates on the overdraft facility availed are marginally higher than the interest rates on term deposits with the banks and generally linked to the term deposit rates with the bank. Accordingly, there is limited interest rate risk exposure on the company.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term and long-term debt obligations with floating / fixed interest rates, which are included in loans and borrowings. The loans and borrowings represent loans and borrowing taken both fixed and floating interest rate.

(c) Currency risk

The Group operates internationally and have two foreign subsidiary namely SMC Comex international DMCC and SMC Global USA Inc. Also the Group has one subsidiary whose functional currency is USD based out of Gift city, Gandhinagar, Gujarat, India. The Group does not take any hedge for the investment in the foreign subsidiary accordingly the Group is exposed to the foreign currency risk. However as the size of the companies is not big the foreign currency risk is contained. The Group companies also trade in the foreign currency derivatives. The Group considers the valuation changes in foreign currency derivatives it trades in as part of investment/price risk as those derivatives are exchange traded, managed and monitored based on exchange price and are settled in near term in Indian Rupees.

Exposure

The table below sets out the assets and liabilities subject to price risk.

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Assets subject to price risk			
Equity instrument fair value through profit and loss	16,643.23	10,372.46	7,083.60
Equity instrument fair value through other comprehensive income	2,077.87	1,534.39	2,293.06
Debt instrument fair value through profit and loss	556.49	8.87	5,142.81
Debt instrument fair value through other comprehensive income	29.93	1,518.96	6,463.59
Mutual fund fair value through other comprehensive income	200.84	121.84	89.65
Derivative financial assets	8,782.82	6,446.07	9,054.77
	(A)	28,291.18	20,002.59
Liabilities subject to price risk			
Derivative financial liabilities	3,682.74	1,303.35	4,268.65
	(B)	3,682.74	1,303.35
Total	(A-B)	24,608.44	18,699.24

Sensitivity analysis

Below table shows the sensitivity analysis for different financial instrument

Particulars	Risk category	% change increase	% change decrease	₹ in Lakhs except otherwise stated			
				For the year ended March 31, 2019		For the year ended March 31, 2018	
				Impact on profit before tax due to increase in parameter	Impact on profit before tax due to decrease in parameter	Impact on profit before tax due to increase in parameter	Impact on profit before tax due to decrease in parameter
Investment in equity instrument fair value through profit and loss, derivatives and inventories*	Price risk	5%	5%	20.01	(66.94)	191.01	(62.53)
Investment in equity & other instruments carried through other than fair value through profit and loss	Price risk	5%	5%	115.43	(115.43)	158.76	(158.76)
Debt instrument	Interest rate risk	1%	1%	(21.94)	23.29	(0.48)	0.56
Borrowings	Interest rate risk	1%	1%	(700.33)	700.33	(458.50)	458.50
Foreign currency (PL)	Foreign currency risk	1%	1%	3.00	(3.00)	(6.82)	6.82
Foreign currency (OCI)	Foreign currency risk	1%	1%	1.47	(1.47)	(5.96)	5.96

*The group engages in proprietary transactions into Equities, Commodities and Derivatives (equities, commodities and currencies). These transactions are primarily undertaken using various arbitrage models to capitalize pricing differences in the markets. Any change in the market prices of their underlying would result in changes in the fair value of these trading assets, trading liabilities and inventories and also result in profit/loss on futures positions.

NOTE NO. 43**Related party disclosures**

As per ind as 24, the disclosures of transactions with related parties are given below :

NOTE NO. 43.01

List of related parties where control exists and also other related parties with whom transactions have taken place and relationships :

Sr. No.	Name of related parties	Relationship
1	Mr. Subhash Chand Aggarwal	Key managerial personnel
2	Mr. Mahesh Chand Gupta	Key managerial personnel
3	Mr. Ajay Garg	Key managerial personnel
4	Mr. Anurag Bansal	Key managerial personnel
5	Mr. Vinod Kumar Jamar	Key managerial personnel
6	Mr. Suman Kumar	Key managerial personnel
7	Mr. Himanshu Gupta	Director
8	Ms. Shruti Aggarwal	Director
9	Ms. Madhu Vij	Independent director
10	Mr. Satish Chandra Gupta (upto 25/03/2019)	Independent director
11	Mr. Kundan Mal Aggarwal	Independent director
12	Mr. Hari Das Khunteta	Independent director
13	Mr. Naveen ND Gupta	Independent director
14	Mr. Chandra Wadhwa	Independent director
15	Mr. Roop Chand Jindal	Independent director
16	Mr. Rajendra Prasad Mahipal	Independent director
17	Ms. Hemlata Aggarwal	Relative of key managerial personnel
18	Ms. Sushma Gupta	Relative of key managerial personnel
19	Ms. Nidhi Bansal (remuneration paid upto 31/01/2019)	Relative of key managerial personnel
20	Ms. Reema Garg	Relative of key managerial personnel
21	Ms. Meetu Goel	Relative of key managerial personnel
22	Mr. Pranay Aggarwal (remuneration paid upto 31/12/2018)	Relative of key managerial personnel
23	Pulin Investments Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence
24	SMC Share Brokers Limited	Enterprises in which key managerial personnel are able to exercise significant influence

Note : Related party relationship is as identified by the company and relied upon by the auditors.

NOTE NO. 43.02

Disclosure of transactions between the company & related parties :-

Sr. No.	Particulars of transactions	Relationship	For the year ended	
			March 31, 2019	March 31, 2018
1	Remuneration			
	Salaries, wages & other benefits	Key managerial personnel	398.01	385.29
	Contribution to defined benefit plan	Key managerial personnel	30.12	28.95
	Total		428.13	414.24
	Directors sitting fee	Independent director	22.40	29.75
2	Remuneration			
	Salaries, wages & other benefits	Relative of key managerial personnel	128.80	53.07
	Contribution to defined benefit plan	Relative of key managerial personnel	11.94	5.17
	Total		140.74	58.24
3	Impairment on financial instruments			
	SMC Share Brokers Limited	Enterprises in which key managerial personnel are able to exercise significant influence		
	Investment		5.00	-

- 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.

NOTE NO. 43.03

Balances outstanding

Sr. No.	Particulars of transactions	Relationship	As at		
			March 31, 2019	March 31, 2018	April 1, 2017
1	Loans				
	Pulin Investments Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence	-	-	3.09
2	Deposits				
	SMC Share Brokers Limited	Enterprises in which key managerial personnel are able to exercise significant influence	-	-	20.44

NOTE NO. 44

Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements:

Name of entity	(₹ in Lakhs)							
	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount	as % of consolidated other comprehensive income	Amount	as % of consolidated total comprehensive income	Amount
SMC Global Securities Limited	88.15	60,023.41	44.12	3,299.50	38.22	80.97	43.96	3,380.47
Indian Subsidiaries								
SMC Comtrade Limited	0.37	250.47	0.01	0.48	-	-	0.01	0.48
SMC Investments and Advisors Limited	1.81	1,229.66	6.09	455.68	(0.25)	(0.54)	5.92	455.14
Moneywise Financial Services Private Limited	37.61	25,610.80	41.58	3,109.62	(15.54)	(32.93)	40.01	3,076.69
SMC Capitals Limited	2.04	1,392.41	0.28	20.78	(0.59)	(1.26)	0.25	19.52
SMC Insurance Brokers Private Limited	9.05	6,163.75	15.24	1,139.76	(3.47)	(7.36)	14.72	1,132.40
Moneywise Finvest Limited	0.33	225.28	0.13	9.69	-	-	0.13	9.69
SMC Global IFSC Private Limited	2.82	1,920.09	6.85	512.37	38.64	81.85	7.73	594.22
SMC Real Estate Advisors Private Limited	(1.92)	(1,306.24)	(13.38)	(1,000.87)	9.37	19.84	(12.76)	(981.03)
Foreign Subsidiaries								
SMC Comex International DMCC	1.47	1,001.74	(0.82)	(61.70)	30.24	64.07	0.03	2.37
SMC Global USA Inc.	(0.13)	(87.01)	(2.34)	(175.27)	3.32	7.04	(2.19)	(168.23)
Joint Venture								
SMC & IM Capitals Investment Manager LLP	-	-	(0.00)	(0.02)	-	-	(0.00)	(0.02)
Adjustment arising out of consolidation	(41.38)	(28,180.21)	2.25	168.23	-	-	2.19	168.23
	100.22	68,244.15	99.99	7,478.25	99.92	211.68	99.99	7,689.93
Non-controlling interest in subsidiaries	(0.22)	(148.89)	0.01	0.56	0.08	0.17	0.01	0.73
Total	100.00	68,095.26	100.00	7,478.81	100.00	211.85	100.00	7,690.66

NOTE NO. 45

Segment reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the group's performance and allocates resources based on analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along industry classes and geographic segmentation of customers, industry being the primary segment. Secondary segmental reporting is performed on the basis of the geographical location of customers. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the note on significant accounting policies.

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, Currency, Derivatives and other securities on behalf of customers;
 - b. Proprietary Trading in Shares, Commodities, Currency, Derivatives and other securities
 - c. Clearing Services
 - d. Depository services rendered as Depository Participant;
 - e. Distribution of third party financial products;
 - f. Portfolio and Wealth Management and
 - g. Insurance Broking Services
2. Advisory Services primarily comprises 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, Chief Executive 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.

NOTE NO. 45.01

Primary segment information

(₹ in Lakhs)

Description	Trading and Distribution		Advisory		Financing		Elimination		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Segment revenue including other income										
External revenue	62,517.36	54,914.70	3,545.67	2,901.75	9,884.04	7,719.61	-	-	75,947.07	65,536.06
Inter segment revenue	1,980.29	2,502.56	51.46	370.05	4.08	485.58	(2,035.83)	(3,358.19)	-	-
Total	64,497.65	57,417.26	3,597.13	3,271.80	9,888.12	8,205.19	(2,035.83)	(3,358.19)	75,947.07	65,536.06
Expenses										
Fees and commission expenses	33,186.41	26,943.39	541.03	503.40	599.68	287.87	(171.24)	(308.16)	34,155.88	27,426.50
Employee benefits expenses	12,185.14	10,937.56	2,191.44	2,312.14	580.89	427.80	-	-	14,957.47	13,677.50
Finance costs	4,361.05	3,788.14	223.10	192.21	3,482.14	2,348.96	(1,778.50)	(1,714.73)	6,287.79	4,614.58
Depreciation and amortization	1,043.38	781.75	48.27	50.82	42.93	26.07	-	-	1,134.58	858.64
Impairment on financial instruments	377.07	738.11	128.13	(27.59)	442.26	78.34	(168.23)	(552.61)	779.23	236.25
Other expenses	7,947.17	9,026.60	1,341.29	1,435.83	341.33	317.38	(86.08)	(105.22)	9,543.71	10,674.59
Segment expense	59,100.22	52,215.55	4,473.26	4,466.81	5,489.23	3,486.42	(2,204.05)	(2,680.72)	66,858.66	57,488.06
Profit before share of profit/(loss) of joint venture and tax	5,397.43	5,201.71	(876.13)	(1,195.01)	4,398.89	4,718.77	168.22	(677.47)	9,088.41	8,048.00
Share in profit/(loss) in joint venture accounted using equity method of accounting	-	-	(0.02)	(107.20)	-	-	-	-	(0.02)	(107.20)
Profit before tax	5,397.43	5,201.71	(876.15)	(1,302.21)	4,398.89	4,718.77	168.22	(677.47)	9,088.39	7,940.80
Tax expense	497.32	1,678.28	(176.44)	(381.94)	1,289.26	1,475.99	-	-	1,610.14	2,772.33
Profit after tax	4,900.11	3,523.43	(699.71)	(920.27)	3,109.63	3,242.78	168.22	(677.47)	7,478.25	5,168.47
Other information										
Segment assets	1,70,792.75	1,19,611.11	1,667.87	2,344.26	57,894.79	55,478.86	-	-	2,30,355.41	1,77,434.23
Segment liabilities	1,44,791.66	98,680.70	1,902.89	1,007.06	20,222.46	19,890.96	-	-	1,66,917.01	1,19,578.72

NOTE NO. 45.02

Secondary segment information

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Segment revenue - external		
Within India	74,395.57	64,532.71
Outside India	1,551.50	1,003.35
Total	75,947.07	65,536.06
Other information		
Segment assets		
Within India	2,20,914.14	1,65,876.41
Outside India	9,441.27	11,557.82
Segment liabilities		
Within India	1,58,543.71	1,09,217.50
Outside India	8,373.30	10,361.22

In terms of our 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
UDIN : 19093209AAAAAO5318

sd/-
S.C. Aggarwal
Chairman &
Managing Director
DIN: 00003267

sd/-
Mahesh C. Gupta
Vice-Chairman &
Managing Director
DIN: 00003082

sd/-
Ajay Garg
Director & CEO
DIN: 00003166

Place: New Delhi
Date: August 07, 2019

sd/-
Vinod Kumar Jamar
Group CFO

sd/-
Suman Kumar
Company Secretary

EXPLORE OUR ONLINE TRADING PLATFORM FOR SMOOTH TRANSACTION



EASY TRADE APP



User friendly trading application
for i-pad and tablet

Trade in NSE Cash, NSE F&O, BSE Cash,
BSE F&O, MCX, NCDEX & NSE Currency



EQUITY

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SMC GLOBAL SECURITIES LIMITED REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **SMC Global Securities Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information in which are incorporated the Ind AS financial statements/financial information of SMC Finvest Limited and Indunia Realtech Limited ("Transferor Companies"), SMC Comtrade Limited and SMC Investments and Advisors Limited ("Demerged companies") for the year ended on that date, consequent to its merger into the company which has been effected on 11th July, 2019 and filed with the Registrar of Companies on July 20, 2019 with the appointed date of 1st April, 2018, audited by other Auditors (referred in the 'Other Matter' Paragraph below). This report is issued in supersession of our earlier report dated May 11, 2019, to the extent of matters stated in the emphasis of matters and other matter paragraphs.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditors on the Ind AS financial statements / financial information referred in the 'Other Matter' Paragraph below, and read together with 'Emphasis of Matter' Paragraph below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing

specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in following with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors referred in 'Other Matter' Paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matters

We draw attention to Note No. 3 to the standalone financial statements. As referred to in the said Note, the financial statements of the Company for the year ended 31st March, 2019 were earlier approved by the Board of Directors at their meeting held on May 11, 2019 which were subject to updation by the Management of the Company so as to give effect to the composite Scheme of Arrangement for merger of SMC Finvest Limited and Indunia Realtech Limited ("Transferor Companies"), SMC Comtrade Limited and SMC Investments and Advisors Limited ("Demerged companies"), wholly owned subsidiaries, into the Company pursuant to order received from the National Company Law Tribunal ("NCLT") vide its order dated July 11, 2019 and filed with the Registrar of Companies on July 20, 2019 (the "Scheme") with the appointed date being April 1, 2018. Those financial statements were audited by us and other auditors and reports dated May 11, 2019, addressed to the Members of the Company, expressed an unqualified opinion on those financial statements. Consequent to the Company obtaining the required approvals, the aforesaid financial statements are updated by the Company to give effect to the said composite Scheme of Arrangement. The transactions of

Transferor and Demerged companies relevant to the FY 2018-19 have been considered as a part of the current year operations of the Company and accounted under respective heads of accounts. Consequently, the Company has not presented the figures related to the merger in the previous period and hence previous year figures are not comparable.

We further report that, our audit procedures on the subsequent events in so far as it relates to the updating to standalone Ind AS financial statements (as amended) are restricted solely to the aforesaid matter relating to the composite Scheme and no effect have been given for any other events, if any, occurring after May 11, 2019 (being the date on which the standalone Ind AS financial statements were first approved by the Board of Directors of the

Company and reported upon by us by our report of that date).

Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
Monitoring of trade receivables and adequacy of allowances for impairment	Audit Procedures Performed:
<p>These are the Company's first Ind AS financial statements applicable from April 1, 2018, with a date of transition to Ind AS April 1, 2017. The adequacy of the allowance for impairment of trade receivable is subjective due to the high degree of judgments applied by the management in determining the timing of recognition and estimation in the size of impairment provisions at the balance sheet date. We have accordingly designated this as a focus area in the audit.</p>	<p>Our audit included but was not limited to the following procedures:-</p> <p>We evaluated the design and tested the operating effectiveness of controls over the impairment process.</p> <p>We tested management's process and control for credit as well as assessed, calculated and accounted for the allowances for credit losses.</p> <p>We have checked the ageing obtained from the system and checked it for correctness on a sample basis. We have also checked the result of the statistical model built to compute the expected credit loss (ECL). We have checked the full model on the overall basis based on the category of the trade receivable and securities held with the company.</p> <p>We tested the appropriateness of the methodology & assumptions under lining the ageing buckets.</p> <p>We tested the informations used in the model, back to source systems and input data.</p> <p>The combination of these test of controls and procedures performed gave us sufficient evidence to enable us to rely that impairment provisions made by the management are within a reasonable range of outcomes.</p>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the standalone financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of

the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The Standalone Financial statements include the financial information of SMC Finvest Limited and Indunia Realtech Limited ("Transferor Companies"), SMC Comtrade Limited and SMC Investments and Advisors Limited ("Demerged companies"), wholly-owned subsidiaries consequent to its merger into the company pursuant to

order received from the National Company Law Tribunal ("NCLT") vide its order dated July 11, 2019 and filed with the Registrar of Companies on July 20, 2019 (the "Scheme") with the appointed date being 1st April 2018. (Refer to Note No.3 to the standalone financial statements). We did not audit the financial statements/financial information of Transferor and Demerged companies whose financial statements/financial information reflect total assets of ₹ 28170.54 lakhs as at 31st March 2019, total revenues of ₹ 3685.95 lakhs and net cash inflows amounting to ₹ 1527.60 lakhs for the year ended on that date. 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 financial statements, in so far as it relates to the amounts and disclosures included in respect of transferor and demerged companies 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 transferor and demerged companies are based solely on the reports of the other auditors.

Our opinion on the standalone 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 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, and based on the report of the other auditors for the Transferor and Demerged Companies referred in the 'Other Matter' Paragraph above, 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, based on our audit and based on the report of other auditors for the Transferor and Demerged Companies referred in the 'Other Matter' Paragraph above, 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. Based on the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. 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, as amended 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 no 36 to the standalone 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
UDIN:- 19093209AAAAAN2727
Place : New Delhi
Date : 07th August 2019

Annexure A to the Independent Auditors' Report

This Report supersedes our Report dated May 11, 2019

Our Reporting on the Order includes SMC Finvest Limited and Indunia Realtech Limited ("Transferor Companies"), SMC Comtrade Limited and SMC Investments and Advisors Limited ("Demerged companies") which has been audited by other auditors referred in the 'Other Matter' paragraph of our report of even date to the extent considered applicable for reporting under the Order in the case of the standalone financial statements.

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2019 we report that:

- (l) (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) Based on the report of other auditor the inventory comprises of stock of commodities which have been physically verified and reconciled by the management with reference to the confirmation / statements from brokers and holding statements of warehouse and

depository participants, during the year. No material discrepancies have been noticed on such physical verification and frequency of physical verification is adequate.

- (iii) The Company has granted unsecured loans during the year to companies covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").
- (a) In our opinion and on the basis of report of other auditors, the terms and conditions of grant of such loans are not, prima facie, prejudicial to the interest of the Company.
- (b) The schedule of repayment of principal and payment of interest is on demand basis except for one foreign subsidiary company. However in case of foreign subsidiary due to losses incurred and no operation during the year, recovery of principal & interest both is doubtful, so provision has been made of ₹ 87.01 lakhs of principal & ₹ 14.16 lakhs of interest provided upto last year. Balance principal ₹ 66.23 lakhs have been considered recoverable due to realization from assets in that company and no interest has been charged during the year.
- (c) There are no overdue amounts in respect of principal & interest except balance outstanding ₹ 66.23 lakhs from one foreign subsidiary after provision of principal ₹ 87.01 lakhs and interest of ₹ 14.16 lakhs. However reasonable steps were taken by the company for recovery of principal and interest but could not be realized due to losses incurred and no operation during the year. Balance considered good shall be recovered as and when the assets shall be realized in that company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provision of section 186 of the Act, with respect to the loans, guarantees and security made as applicable. 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, goods and service tax, cess and other statutory dues applicable to it with the appropriate authorities.

According to the information and explanations

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)

- (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 banks. The Company does not have any loan and borrowings from any financial institution, 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

given to us and, no undisputed amounts payable in respect of provident fund, employee's state insurance, income-tax, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and on the basis of report of other auditors, there are no material dues of goods and service tax and 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:

- instruments) and the term loans have been applied for the purposes for which they were raised.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to

us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. 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
UDIN: 19093209AAAAAN2727
Place: New Delhi
Date: 07th August 2019

Annexure - B to the Auditors' Report

Report on the Internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

This Report supersedes our Report dated May 11, 2019

We have audited the internal financial controls with reference to financial statements of **SMC Global Securities Limited** ("the Company") as of March 31, 2019 which includes the internal financial control with reference to financial statements of SMC Finvest Limited and Indunia Realtech Limited ("Transferor Companies"), SMC Comtrade Limited and SMC Investments and Advisors Limited ("Demerged companies") for the year ended on that audited by other auditors 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. 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 the 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 standalone 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

We did not audit the adequacy and operating effectiveness of internal controls over financial reporting of the Transferor and Demerged Companies for the period April 1, 2018 to March 31, 2019. The adequacy and operating effectiveness of internal financial controls with reference to financial statements of the Transferor and Demerged Companies for the aforesaid period has been audited by other auditors, whose reports has been furnished to us and our opinion insofar as it relates to the adequacy and operating effectiveness of internal financial controls with reference to financial statements in respect of the

Transferor and Demerged Companies and our report insofar as it relates to the Transferor and Demerged Companies is based solely on the report of other auditors.

Our opinion is not modified in respect of above matter.

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2019 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

UDIN: 19093209AAAAAN2727

Place: New Delhi

Date: August 7, 2019

Standalone Balance sheet as at March 31, 2019

(₹ in Lakhs)				
Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Assets				
Financial assets				
Cash and cash equivalents	5	5,291.82	1,892.01	5,282.89
Other bank balances	6	41,683.79	32,353.71	27,103.36
Receivables				
Trade receivables	7	71,372.89	31,388.56	29,174.00
Other receivables	8	1,232.79	748.98	822.71
Loans	9	8,571.51	5,545.36	5,374.00
Investments	10	46,796.59	49,859.55	44,055.95
Other financial assets	11	9,096.88	6,662.44	9,275.30
Non-financial assets				
Inventories	12	592.59	-	-
Current tax assets (net)	32	1,056.58	443.87	94.24
Deferred tax assets (net)	32	2,191.32	841.34	971.30
Investment property	13	-	-	106.86
Property, plant and equipment	14	2,776.78	2,761.51	2,355.30
Other intangible assets	15	66.02	79.40	32.23
Intangible work-in-progress	15	25.00	-	3.00
Other non-financial assets	16	2,634.47	3,036.54	3,434.91
Total assets		1,93,389.03	1,35,613.27	1,28,086.05
Liabilities and equity				
Liabilities				
Financial liabilities				
Payables				
Trade payables				
- to micro and small enterprises		-	-	-
- to other than micro and small enterprises		20,128.60	17,690.66	17,051.98
Other payables				
- to micro and small enterprises		-	-	-
- to other than micro and small enterprises		264.33	666.53	270.73
Debt securities	17	133.10	-	-
Borrowings	18	51,480.83	26,833.00	20,786.27
Other financial liabilities	19	59,812.84	31,333.85	33,053.76
Non-financial liabilities				
Current tax liabilities (net)	32	-	-	121.80
Provisions	20	886.14	460.78	697.63
Other non-financial liabilities	21	659.78	799.65	383.12
Equity				
Equity share capital	22	2,262.69	2,262.69	2,262.69
Other equity		57,760.72	55,566.11	53,458.07
Total liabilities and equity		1,93,389.03	1,35,613.27	1,28,086.05
The accompanying notes form an integral part of the standalone financial statements.	1-41			

In terms of our report of even date attached

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

sd/-
S.K Agarwal
Partner
Membership No. : 093209
UDIN : 19093209AAAAAN2727

Place: New Delhi
Date: August 07, 2019

For and on behalf of the Board

sd/-
S.C. Aggarwal
Chairman &
Managing Director
DIN: 00003267

sd/-
Vinod Kumar Jamar
Group CFO

sd/-
Mahesh C. Gupta
Vice-Chairman &
Managing Director
DIN: 00003082

sd/-
Ajay Garg
Director & CEO
DIN: 00003166

sd/-
Suman Kumar
Company Secretary

Standalone statement of profit and loss for the year ended March 31, 2019

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations			
Fees and commission income	23	21,908.14	22,653.77
Interest income	24	7,880.54	5,368.12
Dividend income		109.58	89.24
Net gain on proprietary trading		12,577.04	12,441.79
Total revenue from operations		42,475.30	40,552.92
Other income	25	1,853.29	2,007.92
Total income		44,328.59	42,560.84
Expenses			
Fees and commission expenses	26	20,267.24	19,881.86
Employee benefits expenses	27	9,098.17	6,412.85
Finance costs	28	3,819.90	3,153.43
Depreciation and amortisation	29	910.49	498.43
Impairment on financial instruments	30	365.34	596.18
Other expenses	31	6,537.60	7,202.38
Total expenses		40,998.74	37,745.13
Profit before tax		3,329.85	4,815.71
Tax Expense:			
Current tax	32	666.78	1,451.97
Deferred tax	32	(636.43)	90.04
Total tax expense		30.35	1,542.01
Profit after tax		3,299.50	3,273.70
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset		(35.51)	41.51
Tax effect of Items that will not be reclassified subsequently to profit and loss		12.41	(14.48)
Items that will be reclassified subsequently to profit or loss			
Fair value changes on investments		126.10	146.10
Tax effect of Items that will be reclassified subsequently to profit and loss		(22.03)	(25.44)
Total other comprehensive income (net of tax)		80.97	147.69

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
Total comprehensive income for the year (comprising profit and other comprehensive income for the year)		3,380.47	3,421.39
Earnings per equity share (Face value ₹ 2)			
Basic & Diluted (in ₹)	33	2.92	2.89
The accompanying notes form an integral part of the standalone financial statements.	1-41		

In terms of our 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
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Managing Director
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sd/-
Ajay Garg
Director & CEO
DIN: 00003166

Place: New Delhi
Date: August 07, 2019

sd/-
Vinod Kumar Jamar
Group CFO

sd/-
Suman Kumar
Company Secretary

Standalone statement of changes in equity

Particulars	Other equity							Total	
	Equity share capital	Reserves & surplus			Other comprehensive income				
		Securities premium reserve	Retained earnings	General reserve	Capital reserve	Remeasurement of the net defined benefit liability / asset	Fair value changes in investments		Tax effect of other component of equity
Balance as at April 1, 2017	2,262.69	34,444.50	9,840.06	6,940.12	2,281.01	(7.79)	(51.43)	11.60	53,458.07
Changes in equity for the year ended March 31, 2018	-	-	3,273.70	-	-	-	-	-	3,273.70
Profit for the year	-	-	3,273.70	-	-	-	-	-	3,273.70
Addition during the year	-	-	-	-	-	41.51	146.10	(39.92)	147.69
Payment of dividend	-	-	(1,086.09)	-	-	-	-	-	(1,086.09)
Tax on dividend	-	-	(227.26)	-	-	-	-	-	(227.26)
Balance as at March 31, 2018	2,262.69	34,444.50	11,800.41	6,940.12	2,281.01	33.72	94.67	(28.32)	55,566.11
Balance as at April 1, 2018	2,262.69	34,444.50	11,800.41	6,940.12	2,281.01	33.72	94.67	(28.32)	55,566.11
Changes in equity for the year ended March 31, 2019	-	-	-	904.48	-	71.53	11.95	(16.02)	971.94
Balance taken over pursuant to composite scheme of arrangement*	-	-	-	904.48	-	-	11.95	(16.02)	971.94
Addition / (Deletion) on account of composite scheme of arrangement	-	-	-	-	(841.77)	-	-	-	(841.77)
Profit for the year	-	-	3,299.50	-	-	-	-	-	3,299.50
Addition during the year	-	-	3,299.50	-	-	-	-	-	3,299.50
Payment of dividend	-	-	(1,086.09)	-	-	(35.51)	126.10	(9.62)	80.97
Tax on dividend	-	-	(229.94)	-	-	-	-	-	(229.94)
Balance as at March 31, 2019	2,262.69	34,444.50	13,783.88	7,844.60	1,439.24	69.74	232.72	(53.96)	57,760.72

*Consequent to the composite scheme of arrangement, all the reserves in the demerged entities and merged entities have been transferred to general reserve of the company except other comprehensive income. Refer note 3.

The accompanying notes form an integral part of the standalone financial statements

In terms of our report of even date attached

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

sd/-
S.K Agarwal
Partner
Membership No. : 093209
UDIN : 19093209AAAAAN2727

Place: New Delhi
Date: August 07, 2019

For and on behalf of the Board

sd/-
S.C. Aggarwal
Chairman &
Managing Director
DIN: 00003267

sd/-
Vinod Kumar Jamar
Group CFO

sd/-
Maresh C. Gupta
Vice-Chairman &
Managing Director
DIN: 00003082

sd/-
Ajay Garg
Director & CEO
DIN: 00003166

sd/-
Suman Kumar
Company Secretary

Standalone statement of cash flows

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Cash flows from operating activities:		
Profit after tax	3,299.50	3,273.70
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax expense	30.35	1,542.01
Depreciation, amortization and impairment	910.49	498.43
Interest expense	3,819.90	3,153.43
Dividend income	(25.92)	(2.85)
Interest income other than from revenue from operation	(1,494.92)	(568.35)
Allowance for impairment of trade receivables	247.11	37.45
Allowance for impairment of loans	87.01	-
Allowance for impairment of deposits	(3.00)	6.12
Allowance for impairment of investment	34.22	552.61
Net loss/profit on derecognition of property, plant and equipment	35.94	2.02
Provision for impairment of property, plant and equipment	(44.00)	45.00
Net gain/loss on the investments	44.00	(1,046.65)
Exchange difference on conversion of foreign currency monetary items	(9.14)	(0.54)
Operating profit before working capital changes	6,931.54	7,492.38
Changes in assets and liabilities		
Other bank balances	(5,060.99)	(5,250.35)
Trade receivables	(39,997.64)	(2,252.01)
Other receivables	(205.55)	67.61
Loans	5,672.53	(171.36)
Inventories	(43.71)	-
Investments carried at fair value through profit and loss	(6,646.04)	(1,851.42)
Other financial assets	(2,394.32)	2,612.86
Other non-financial assets	569.41	398.30
Trade payables	304.73	638.68
Other payables	(426.28)	395.80
Other financial liabilities	24,426.92	(1,719.46)
Other non-financial liabilities	(235.63)	397.97
Provisions	195.91	(240.34)
Cash (used in) / generated from operations	(16,909.12)	518.66
Income taxes paid (net of refund)	(611.33)	(1,923.36)
Net cash (used in) operating activities (A)	(17,520.45)	(1,404.70)
Cash flows from investing activities:		
Purchase of property, plant and equipment including intangible assets	(732.56)	(964.66)
Sale of property, plant and equipment including intangible assets	19.30	13.83
Interest received	1,494.92	568.35
Dividend received	25.06	2.92
Payments to acquire financial assets		
Equity instruments	(56.26)	(49.60)
Equity instruments of subsidiary	-	(6,036.68)
Mutual funds	(65.85)	(44.30)
Proceeds on sale of financial assets		
Equity instruments	89.53	807.64
Equity instruments of subsidiary	-	2,070.00
Mutual funds	34.21	47.72
Net cash generated from / (used in) investing activities (B)	808.35	(3,584.78)

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Cash flows from financing activities:		
Payment of dividends (including corporate dividend tax) net of unclaimed dividend	(1,303.33)	(1,294.79)
Payment of interest	(3,795.59)	(3,153.88)
Proceeds from borrowings (net)	24,281.12	6,046.73
Proceeds from debt securities	133.10	-
Net cash generated from financing activities (C)	19,315.30	1,598.06
Net increase / (decrease) in cash and cash equivalents (A+B+C)	2,603.20	(3,391.42)
Effect of change in exchange rate on foreign operations and foreign currency monetary items	9.14	0.54
Cash and cash equivalents at the beginning of the year	1,892.01	5,282.89
Cash and cash equivalents due to composite scheme of arrangement	787.47	-
Cash and cash equivalents at the end of the year (refer note 5)	5,291.82	1,892.01

Notes:

- The above statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 notified u/s 133 of the Companies Act, 2013.
- Interest expense includes other borrowing cost.
- Figures in brackets indicate cash outflow.
- The financial statements for the year ended March 31, 2019 are after taking the effect of composite scheme of arrangement whereas the financial statements for the year ended March 31, 2018 and opening balance sheet as at April 1, 2017 are with out taking effect of composite scheme of arrangement. However the statement of cash flows for the year ended March 31, 2019 is prepared from the balance sheet as at March 31, 2019 and March 31, 2018 after taking the effect of composite scheme of arrangement in both the years.
- The significant accounting policies and notes to the financial statement (Refer note no. 1 - 41) form an integral part of the standalone financial statements

In terms of our report of even date attached

For R. Gopal & Associates

Chartered Accountants
Firm Registration No. : 000846C

sd/-
S.K Agarwal
Partner
Membership No. : 093209
UDIN : 19093209AAAAAN2727

Place: New Delhi
Date: August 07, 2019

For and on behalf of the Board

sd/-
S.C. Aggarwal
Chairman &
Managing Director
DIN: 00003267

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Vice-Chairman &
Managing Director
DIN: 00003082

sd/-
Ajay Garg
Director & CEO
DIN: 00003166

sd/-
Vinod Kumar Jamar
Group CFO

sd/-
Suman Kumar
Company Secretary

Notes to standalone financial statements

1. Significant accounting policies and measurement basis

1.01 Company overview

SMC Global Securities Limited ("the company" or "SMC Global") is 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 and clearing member of the National Stock Exchange of India Limited ("NSE"), BSE Limited ("BSE") and Metropolitan Stock Exchange of India Limited ("MSEI") in the capital market. Further, the company is a trading member of NSE, BSE and MSEI in the futures and options of currency, commodity and equity derivative segment. The Company also holds 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 regulated by the Securities and Exchange Board of India ("SEBI"). The company has ten subsidiaries and one joint venture after the effect of composite scheme of arrangement.

During the year there was composite scheme of arrangement within the group companies with appointed date of April 1, 2018 as follows:

- (A) Demerger of commodity broking and proprietary commodity trading business of SMC Comtrade Limited and vesting of the same in SMC Global Securities Limited;
- (B) Demerger of wealth management business (including portfolio management services) of SMC Investments and Advisors Limited and vesting of the same in SMC Global Securities Limited;
- (C) Merger of SMC Finvest Limited
- (D) Merger of Indunia Realtech Limited

Consequent to approval of the composite scheme of arrangement by the National Company Law Tribunal ("NCLT") vide order dated July 11, 2019 and filing of the same with Registrar of Companies (ROC) on July 20, 2019, the Company has become the trading and clearing member in National Commodity and Derivatives Exchange Limited ("NCDEX"), Multi Commodity Exchange of India ("MCX"), Indian Commodity Exchange Limited ("ICEX"), National Multi Commodity Exchange of India Limited ("NMCE") and also engages in business of portfolio management.

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.

1.02 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('Act') (to the extent notified) under the historical cost convention on the accrual basis except for certain assets and liabilities which are measured at fair value / amortised cost / transaction price. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These are the Company's first Ind AS financial statements. The adoption of Ind AS is carried out in accordance with Ind AS 101 First Time Adoption. The date of transition to Ind AS is April 1, 2017. The company has availed certain exemptions or exception as permitted by Ind AS 101 First Time Adoption which are listed in Note no 4.

The financial statements are presented in Indian Rupees in lakhs and all values are rounded off to the nearest two decimal except otherwise stated.

1.03 Use of estimates

The preparation of the financial statements in conformity with Ind AS, Ind AS-8 requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.04 Revenue recognition

The company derives its revenue primarily from the brokerage services, clearing services, depository services, distribution of financial products such as mutual fund and initial public offerings and proprietary trading. The company follows Ind AS 115 Revenue from Contract with Customer, which prescribed the core principle to recognise revenue. This core principle is delivered in a five-step model framework:

- (a) Identify the contract(s) with a customer.
- (b) Identify the performance obligations in the contract.
- (c) Determine the transaction price.

- (d) Allocate the transaction price to the performance obligations in the contract.
- (e) Recognise revenue when (or as) the entity satisfies a performance obligation

Based on the above principle the company recognise the revenue as follows:

- (i) **Broking:** In these types of contract performance obligation is to provide the platform to traders for trading in securities, commodities and the performance obligation satisfies point in time i.e. as and when the trade is executed. Revenue on commission/brokerage on sale made on behalf of principals is accounted for at the time of purchase/sale made on their behalf.
- (ii) **Distribution of third party financial products:** In these types of contract performance obligation is to sell the third party financial products to the subscriber and the performance obligation satisfies point in time i.e. as and when subscription is ensured and target based incentives are confirmed by registrar / respective companies.
- (iii) **Depository:** In these types of contract performance obligation is periodic maintenance of customer account as depository participant and the performance obligation satisfies over time i.e. over the period and there is reasonable certainty of recovery.
- (iv) **Proprietary trading:** Ind AS 115 Revenue from Contract with Customer is not applicable on this business and hence the revenue is recognised as per Ind AS 109 Financial Instruments i.e. as and when trade is executed.
- (v) **Treasury income:** Ind AS 115 Revenue from Contract with Customer is not applicable on this business and hence the revenue is recognised as per Ind AS 109 Financial Instrument. Treasury income is recognized on accrual basis.
- (vi) **Commodity trading:** In these types of contracts the performance obligation satisfies in time i.e. when the sale is executed or ownership is transferred. Accordingly the revenue is recognised on whenever the transaction is executed.
- (vii) **Portfolio management services:** In these types of contracts the performance obligation satisfies over time i.e. the services are rendered on continuous basis. Accordingly the revenue is recognised on percentage of completion basis.
- (viii) **Dividend:** Dividend income is recognised when the shareholders right to receive payment is established.

- (ix) All other revenue is recognised on accrual basis. All revenues are excluding indirect taxes.

1.05 Inventories

The Company mainly has inventory of commodities (agri and non-agri), which is held for the purpose of trading. The Company follows Ind AS - 2 "Inventories" for valuation of inventory held in trade, accordingly, the company value its inventories at fair value.

1.06 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Cost includes taxes, duties, identifiable direct expenses, expense on installation and net of GST credit thereon. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The company depreciates property, plant and equipment over their estimated useful lives on written down value method. The estimated useful lives of assets are as follows:

Office Building	60 years
Computer equipment	3-6 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8-10 years
VSAT	13 years

The useful lives for these assets is in compliance with the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed periodically, every 3 financial year end.

Addition to the, property plant and equipment have been accounted for on the date of installation and its use irrespective of date of invoice. Depreciation on asset added/sold/discarded during the year is being provided on prorata basis from the date on which such assets are added/sold/discarded.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are

eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in net profit in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

1.07 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Cost includes taxes, duties, identifiable direct expenses, expense on installation and net of GST credit thereon. Intangible assets are amortized on a written down value basis, from the date that they are available for use. The rates used are as follows

Computer software	40%
Trade mark logo	40%

1.08 Income tax

The income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognised in statement of profit and loss and the corresponding impact is taken to the current tax asset/ liability and deferred tax asset/liability respectively in balance sheet. The tax impact on the item of OCI are recognised in OCI.

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the Company's income tax obligation for the year are recognised in the balance sheet as current income tax assets / liabilities.

Deferred tax is recognised based on the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

1.09 Financial instruments

(a) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which

are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

(b) Subsequent measurement

(i) Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Advances, security deposits, rental deposits, cash and cash equivalents etc. are classified for measurement at amortised cost. Investment in subsidiaries and joint venture are carried at cost less accumulated impairment, if any.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Equity instrument held as investment are carried at fair value through other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. All investment held for trading, derivative financial instruments are valued at fair value through profit and loss. All the debt instrument held for trading purpose are designated as fair value through profit and loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(c) Hedge accounting

The Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the company identifies the relationship between the hedge instrument and the hedged item, whether it is effective or not, which can be a fair value hedge or a cash flow hedge.

(i) Fair value hedges

The Company designate the derivative financial instrument as fair value hedges if those are held for hedging the fair value in the assets and liabilities. Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. In case the asset or liability is designated through fair value through other comprehensive income the gain or loss on the hedge instrument is recognised in the other comprehensive income along with the gain or loss on hedge item.

(ii) Cash flow hedges

The Company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the net profit in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or

exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the year the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the net profit in the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the statement of profit and loss.

(d) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(e) Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit and loss.

1.10 Foreign currency translations

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses are arising on settlement as also on translation of monetary items are recognised in the statement of profit and loss.

Translation difference on conversion of foreign operation is recognised in the other comprehensive income.

1.11 Employee benefits

(a) Defined contribution plans

Obligations for contributions to defined contribution plans (provident fund and employees state insurance) are recognized as a personnel expense in statement of profit or loss in the years during which services are rendered by employees.

(b) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is a defined benefit plan and in accordance with Payment of Gratuity Act, 1972. As per the plan, employee is entitled to get 15 days of basic salary for each completed year of service with a condition of minimum tenure of 5 years subject to a maximum amount of INR 20.00 lakhs.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual year to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in personnel expenses in statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in statement of profit or loss.

(c) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(d) Other long-term employee benefits

Liability for long service leave

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior years. That benefit is discounted to determine its present value. Remeasurements are recognised in statement of profit or loss in the year in which they arise. The valuation of the long service leave are obtained from actuary.

1.12 Leases

The Company follows the Appendix C 'Determining whether an Arrangement contains a Lease' of Ind AS 17 Leases for testing whether any arrangement is lease or not, the determination is based on whether an arrangement conveys "Right to Use" any asset. Leases where the lessor transfers substantially all the risks and rewards of ownership of the leased asset are classified as finance lease and other leases are classified as operating lease. Finance leases are capitalised at fair value or present value of minimum lease payment at the inception of lease which ever is lower.

Operating lease receipts / payments are recognised as an income / expense on a straight-line basis over the lease term unless the lease payments increase in line with expected general inflation. The company has considered 5-10% increase annually in lease rentals as in line with the general inflation prevailing in India.

1.13 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 year of time to get ready for intended use. All other borrowing costs are charged to the statement of profit and loss.

1.14 Investment properties

(a) Recognition and initial measurement

Investment properties are properties held to earn rentals or

for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

(b) Subsequent measurement

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the written down value method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act:

Asset category	Useful life (in years)
Building and related equipment	60

1.15 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

1.16 Provision, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor

disclosed except when realisation of income is virtually certain, related asset is disclosed.

1.17 Exceptional Items

When an item of income or expense within profit or loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

1.18 Statement of cash flows

Cash flows are reported using the indirect method where by the profit after tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.19 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the year. The weighted-average number of equity shares outstanding during the year is adjusted for events including a bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted-average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

1.20 Segment reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along industry classes and geographic segmentation of customers, industry being the primary segment. Secondary segmental reporting is performed on the basis of the geographical location of customers. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the note on significant accounting policies.

2 Standards issued but not yet effective

The new significant standards, amendments to Standards that are issued, but not yet made effective as on the date of financial statements, are discussed below.

The Company has not adopted these amendments early and intends to adopt when they become effective.

2.01 Ind AS 116 Leases

On March 30, 2019, Ministry of Corporate Affairs (MCA), issued Ind AS 116 Leases which is applicable from the year beginning on or after April 1, 2019, which supercedes the existing Ind AS -17 Leases.

The standard requires capitalisation of lease from the lessee point of view irrespective of the type of lease viz finance lease and operating lease. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, a lessee shall measure the right-of-use asset using a cost model, unless

i) the right-of-use asset is an investment property and the lessee fair values its investment property under Ind AS 40; or

ii) the right-of-use asset relates to a class of PPE to which the lessee applies Ind AS 16's revaluation model, in which case all right-of-use assets relating to that class of PPE can be revalued.

Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate. The effect on adoption of Ind AS 116 would be insignificant on the financial statements.

2.02 Ind AS 12 Appendix C, Uncertainty over income tax treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority

accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is accounting year beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant on the financial statements.

2.03 Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is accounting year beginning on or after April 1, 2019. The effect on adoption of Ind AS 19 would be insignificant on the financial statements.

2.04 Amendment to Ind AS 12 – Income taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for

application of this amendment is accounting year beginning on or after April 1, 2019. There will be no effect on adoption of Ind AS 12 on the financial statements.

3 Business combination

3.01 Composite scheme of arrangement

On May 14, 2018, the board of directors of the Company had approved a composite scheme of arrangement which comprised of:

1. De-merger of commodity broking and proprietary commodity trading business of the wholly owned subsidiary, SMC Comtrade Limited and vesting of the same into the Company;
2. De-merger of wealth management business (including portfolio management services) of the wholly owned subsidiary, SMC Investments and Advisors Limited and vesting of the same into the Company;
3. Merger of its two wholly-owned subsidiaries, namely, SMC Finvest Limited (core investment company "CIC") and Indunia Realtech Limited (in the business of online market place) in the Company with effect from the appointed date April 1, 2018.

The composite scheme of arrangement has been approved by the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi ("NCLT") on July 11, 2019 and the same has been filed by the Company with the Registrar of Companies ("ROC") on July 20, 2019.

The Company has incorporated the accounting effects in its books of accounts as per the accounting treatment prescribed in the composite scheme of arrangement which is in compliance and accordance with the accounting standards applicable to the Company as of the appointed date of the composite scheme of arrangement. Accounting standards currently applicable to the Company are Ind AS. The Company had applied the accounting treatment in accordance with Appendix C to Ind AS 103, namely "Business Combinations of Entities Under Common Control". Accordingly, with effect from April 1, 2018, accounting treatment is as follows:

a) In case of demerger :

- (i) The Company has recorded all the assets, liabilities, free reserves and balance in profit and loss account, pertaining to the demerged undertaking, transferred

to and vested in it pursuant to the composite scheme of arrangement, at the same values as appearing in the books of demerged companies.

- (ii) The value of the investments in the demerged entities appearing in the books of the Company have been reduced proportionately. The difference, if any, of value of assets over the value of liabilities, free reserves and balance in profit and loss account acquired as part of the demerged undertakings and as reduced by the reduction in the value of investments, if any, has been adjusted / credited to Capital Reserve by the Resulting Company.

b) In case of merger :

- (i) The Company has recorded all the assets, liabilities, reserves and balance in profit and loss account of transferor companies vested in it at their respective book values as appearing in the books of accounts of transferor companies.
- (ii) The investment in the equity share capital of Transferor Companies as appearing in the books of accounts of the Transferee Company, shall stand cancelled. The difference between the book value of assets, liabilities, reserves and balance in profit and loss account and after considering the cancellation of the Investments in the equity shares of Transferor Companies and the cancellation of inter-se loan/advances payable or receivable, if any, is credited / adjusted to the Capital Reserve of the Transferee Company.

- c) Business combinations which are effected after the balance sheet date but before approval of financial statements are not incorporated in the financial statements but only disclosures required by Ind AS 10 "Events after the reporting period" are made. In current case, the Company has recorded the business combination on the appointed date, i.e. April 1, 2018, defined in the composite scheme of arrangement.

The financials as at March 31, 2019 are post merger since appointed date of composite scheme of arrangement is April 1, 2018 whereas the financials as at March 31, 2018 and April 1, 2017 are pre merger, hence not comparable.

3.02 Updated books after approval of composite scheme

The financial statements of the Company for the year ended March 31, 2019 were first approved by the Board

of Directors at its meeting held on May 11, 2019 and reported upon by the statutory auditors vide their report dated May 11, 2019. Those financial statements did not include the effect of the composite scheme of arrangement for merger of SMC Finvest Limited and Indunia Realtech Limited [together referred to as 'merged entities'] and demerger of commodity broking and proprietary commodity trading business of SMC Comtrade Limited and demerger of wealth management business (including portfolio management services) of SMC Investments and Advisors Limited into the Company, which was then pending for approval before the NCLT. On receipt of order dated July 11, 2019 from NCLT sanctioning the composite scheme of arrangement and filing the same with ROC on July 20, 2019, the financial statements approved on May 11, 2019 as aforesaid have been updated by the Company only to give effect to the aforesaid composite scheme of arrangement with effect from the appointed date of April 1, 2018 in keeping with the composite scheme of arrangement and with the applicable Indian Accounting Standards (Ind AS).

4 First time adoption of Ind AS

4.01 Transition to Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides guidance for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2017 (the transition date) by:

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosure in the notes thereto and accounting policies and principles.

4.02 Exemptions availed on first-time adoption of Ind AS 101

Ind AS 101 allows to first time adopters to certain exemptions from other Ind ASs & exceptions to the retrospective application of other Ind AS. The company has accordingly applied the following exemptions:

- Business combinations:** Ind AS 103 (Business Combinations) has not been applied retrospectively to business combinations that occurred prior to 1st April, 2017. Use of this exemption means that in the opening Balance Sheet, goodwill and other assets and liabilities acquired in previous business combinations remain at the previous GAAP carrying values.
- Deemed cost:** IND AS 101 gives option to choose from fair value as its deemed cost or carrying value in previous gaap as deemed cost, on the date of transition to Ind AS for property, plant & equipment, intangible assets and investment properties, accordingly the company has taken the carrying value in previous gaap as deemed cost. Although the company has tested goodwill for impairment and impaired the goodwill.
- Cumulative translation differences:** The company has elected to apply Ind AS 21- The Effects of changes in Foreign Exchange Rates prospectively. Under previous GAAP, the Company accumulated exchange differences arising on monetary items that, in substance, formed part of Company's net investment in non-integral foreign operations in a foreign currency translation reserve. Such balances are to be recognised in the statement of profit and loss on disposal of the net investment. Ind AS allows an entity an option to reset the cumulative translation differences arising on monetary items that exist as of the transition date to zero. However the exchange difference on foreign currency monetary items has been taken to the profit and loss as required by Ind AS 21, the Effects of Changes in Foreign Exchange Rates which was earlier taken to foreign currency translation reserve.
- Investments in subsidiaries and joint venture:** The Company has elected to measure investment in subsidiaries and joint venture at cost. Ind AS 27

Separate financial statements requires the investment in subsidiaries and joint venture should be measured at cost or fair value in accordance with Ind AS 109 Financial Instrument, however as per Ind AS 101 First time adoption, the carrying value in previous gaap may be used as deemed cost.

- Share based payment:** Ind AS 101 First time adoption gives exemption from Ind AS 102 Share based payments, to equity instruments that remain unvested as of transition date. Although this standard is not applicable on company as of now, as the

4.03 Reconciliations

The following reconciliations provide the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101:

- Equity as at April 1, 2017 & March 31, 2018
- Net profit for the year ended March 31, 2018

company does not offer any share based payments, however the company intends to opt for the exemption.

- Revenue from contracts with customers:** Ind AS 101 gives option for the application of Appendix C, Service Concession Arrangement to Ind AS 115 Revenue from contract with customer. As the company does not deal in such kind of contract the company intends to avail the exemption from this appendix.

Reconciliation of equity as previously reported under IGAAP to Ind AS

(₹ in Lakhs)

Particulars	Note	Opening Balance Sheet as at April 1, 2017			Balance sheet as at March 31, 2018		
		IGAAP	Effect of transition to Ind AS	Ind AS	IGAAP	Effect of transition to Ind AS	Ind AS
Assets							
Financial Assets							
Cash and cash equivalents		5,282.89	-	5,282.89	1,892.01	-	1,892.01
Other bank balances		27,103.36	-	27,103.36	32,353.71	-	32,353.71
Receivables							
Trade receivables	A	29,958.51	(784.51)	29,174.00	31,834.38	(445.82)	31,388.56
Other receivables	A	835.14	(12.43)	822.71	761.41	(12.43)	748.98
Loans		5,374.00	-	5,374.00	5,545.36	-	5,545.36
Investments	A,B	44,049.50	6.45	44,055.95	50,317.48	(457.93)	49,859.55
Other financial assets		9,275.30	-	9,275.30	6,662.44	-	6,662.44
Non-financial Assets							
Current tax assets (net)		94.24	-	94.24	443.87	-	443.87
Deferred tax Assets (net)	C	696.41	274.89	971.30	688.07	153.27	841.34
Investment property		106.86	-	106.86	-	-	-
Property, plant and equipment		2,355.30	-	2,355.30	2,761.51	-	2,761.51
Other intangible assets		32.23	-	32.23	79.40	-	79.40
Goodwill	D	31.64	(31.64)	-	23.73	(23.73)	-
Intangible work-in-progress		3.00	-	3.00	-	-	-
Other non-financial assets		3,434.91	-	3,434.91	3,036.54	-	3,036.54
Total Assets		128,633.29	(547.24)	128,086.05	136,399.91	(786.64)	135,613.27
Liabilities and Equity							
Liabilities							
Financial liabilities							
Payables							
Trade payables							
- to micro and small enterprises		-	-	-	-	-	-
- to other than micro and small enterprises		17,051.98	-	17,051.98	17,690.66	-	17,690.66
Other payables							
- to micro and small enterprises		-	-	-	-	-	-
- to other than micro and small enterprises	B	277.54	(6.81)	270.73	666.72	(0.19)	666.53
Borrowings		20,786.27	-	20,786.27	26,833.00	-	26,833.00
Other financial liabilities		33,053.76	-	33,053.76	31,333.85	-	31,333.85
Non-financial liabilities							
Current tax liabilities (net)		121.80	-	121.80	-	-	-
Provisions		697.63	-	697.63	460.78	-	460.78
Other non-financial liabilities	E	1,036.72	(653.60)	383.12	799.65	-	799.65
Equity							
Equity share capital		2,262.69	-	2,262.69	2,262.69	-	2,262.69
Other equity		53,344.90	113.17	53,458.07	56,352.56	(786.45)	55,566.11
Total liabilities and equity		128,633.29	(547.24)	128,086.05	136,399.91	(786.64)	135,613.27

Reconciliation of statement of profit & loss as previously reported under IGAAP to Ind AS

(₹ in Lakhs)

Particulars	Note	Year ended March 31, 2018		
		IGAAP	Effect of transition to Ind AS	IND AS
Revenue from operations				
Fees and commission income		22,653.77	-	22,653.77
Interest income		5,368.12	-	5,368.12
Dividend income		89.24	-	89.24
Net gain on proprietary trading	B	12,456.28	(14.49)	12,441.79
Total revenue from operations		40,567.41	(14.49)	40,552.92
Other income		2,007.92	-	2,007.92
Total income		42,575.33	(14.49)	42,560.84
Expenses				
Fee and commission expenses		19,881.86	-	19,881.86
Employee benefits expenses	F	6,371.34	41.51	6,412.85
Finance costs		3,153.43	-	3,153.43
Depreciation, amortization and impairment	D	506.34	(7.91)	498.43
Impairment on financial instruments	A	332.26	263.92	596.18
Other expenses	G	7,202.92	(0.54)	7,202.38
Total expenses		37,448.15	296.98	37,745.13
Profit/(loss) before tax		5,127.18	(311.47)	4,815.71
Tax expense:				
Current tax		1,451.97	-	1,451.97
Deferred tax	C	8.33	81.71	90.04
Total tax expense		1,460.30	81.71	1,542.01
Profit/(loss) for the year		3,666.88	(393.18)	3,273.70
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of the net defined benefit liability / asset	F	-	41.51	41.51
Tax effect of Items that will not be reclassified subsequently to profit and loss	C	-	(14.48)	(14.48)
Items that will be reclassified subsequently to profit or loss				
Fair value changes on investments	B	-	146.10	146.10
Tax effect of Items that will be reclassified subsequently to profit and loss	C	-	(25.44)	(25.44)
Total other comprehensive income, net of tax		-	147.69	147.69
Total comprehensive income for the year		3,666.88	(245.49)	3,421.39

Explanations for reconciliation of balance sheet and statement of profit and loss as previously reported under IGAAP to Ind AS:

A. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

The company has recognised the expected credit loss for all the financial assets based on the probability of default in any repayment for the particular asset. In earlier standard the provision was recognised based on the decided percentages, for each category of the financial asset.

B. Fair valuation

The Company has valued financial assets (other than investment in subsidiaries which are accounted at cost) at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in statement of profit and loss or other comprehensive income, as the case may be.

C. Deferred tax

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit

and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the reserves, on the date of transition, with consequential impact to the statement of profit and loss for the subsequent periods.

D. Impairment of goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount, based on a number of factors including operating results, business plans, future cash flows and economic conditions.

E. Dividend

In earlier standard the dividend declared by board was recognised as liability but now the dividend is recognised as liability as an when approved by shareholders.

F. Actuary gain/loss

As per Ind AS 19, actuarial gain and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.

G. Exchange difference

As per Ind AS 21 exchange difference on foreign currency monetary item is recognised in statement of profit and loss as compared to earlier standard in foreign currency translation reserve.

Notes to standalone financial statements

NOTE NO. 5

Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Cheque in hand	-	-	160.50
Cash in hand	23.22	18.81	18.00
Foreign currency in hand	1.44	5.72	6.61
Balances with banks			
In current and deposit accounts*	5,267.16	1,867.48	5,097.78
Total cash and cash equivalent	5,291.82	1,892.01	5,282.89

* Includes unclaimed dividend of ₹ 32.64 lakhs, ₹ 19.94 lakhs and ₹ 1.38 lakhs as of March 31, 2019, March 31, 2018 and April 1, 2017, respectively.

NOTE NO. 6

Other bank balances

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Deposit pledged with banks*	41,446.46	31,636.49	26,155.53
Deposit pledged with the clearing corporations and stock exchanges as margin	97.00	595.01	293.00
Deposit placed under lien with consumer court	2.88	4.38	1.08
Deposit placed with pension fund regulatory and development authority	20.00	20.00	20.00
Deposit placed under arbitration	103.44	97.81	137.83
Deposit - no lien	14.01	0.02	495.92
Total other bank balances	41,683.79	32,353.71	27,103.36

* Deposit pledged with bank as margin deposit for the guarantees issued of ₹78,904.75 lakhs, ₹63,273.00 lakhs, ₹52,301.04 lakhs as of March 31, 2019, March 31, 2018 and April 1, 2017, respectively, credit facilities or otherwise.

NOTE NO. 7

Trade receivables

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Secured considered good	63,066.76	22,159.78	19,846.97
Secured credit impaired	547.91	198.64	184.04
Less: Provision for impairment	(547.91)	(198.64)	(184.04)
	(A)	22,159.78	19,846.97
Unsecured considered good	8,306.13	9,228.78	9,327.03
Unsecured credit impaired	708.57	969.00	1,669.60
Less: Provision for impairment	(708.57)	(969.00)	(1,669.60)
	(B)	9,228.78	9,327.03
Total trade receivables	(A+B)	31,388.56	29,174.00

NOTE NO. 8

Other receivables (₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Security deposits	1,075.77	627.91	701.86
Others	174.90	141.95	154.76
	1,250.67	769.86	856.62
Less: Provision for impairment	(17.88)	(20.88)	(33.91)
Total other receivables	1,232.79	748.98	822.71

NOTE NO. 9

Loans (₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Unsecured			
Carried at amortised cost			
Loans to related party*	8,384.97	5,545.36	5,374.00
Loans to others	273.55	-	-
	8,658.52	5,545.36	5,374.00
Less: Provision for impairment	(87.01)	-	-
Net loans	8,571.51	5,545.36	5,374.00
In India	8,505.28	5,401.26	5,238.66
Outside India	66.23	144.10	135.34

*(Refer note no 38.03)

NOTE NO. 10

Investments (₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Quoted			
Investments carried at fair value through profit and loss			
Equity instruments	16,631.99	10,347.45	7,072.97
Debt instruments	370.37	8.87	1,431.93
	(A) 17,002.36	10,356.32	8,504.90
Investments carried at fair value through other comprehensive income			
Equity instruments	-	-	533.11
Equity instruments under portfolio management service	1,310.65	299.90	261.35
Mutual funds	200.85	14.84	17.20
Debt instruments	14.96	13.90	13.87
	(B) 1,526.46	328.64	825.53
Sub - Total (A+B=C)	18,528.82	10,684.96	9,330.43
Unquoted			
Investments carried at amortised cost			
Equity instrument of subsidiaries*	28,901.06	39,726.66	34,724.98
Less : Provision for impairment	(633.83)	(552.61)	-
	(D) 28,267.23	39,174.05	34,724.98
Investments carried at fair value through other comprehensive income			
Equity instruments	250.54	297.54	297.54
Less : Provision for impairment	(250.00)	(297.00)	(297.00)
	(E) 0.54	0.54	0.54
Sub - Total (D+E=F)	28,267.77	39,174.59	34,725.52
Total investments (C+F)	46,796.59	49,859.55	44,055.95
In India	45,258.31	49,778.33	43,582.01
Outside India	1,538.28	81.22	473.94

(Refer note no 3.01)

NOTE NO. 11

Other financial assets (₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Interest accrued but not due	314.06	216.36	220.53
Derivative financial instruments	8,782.82	6,446.08	9,054.77
Total other financial assets	9,096.88	6,662.44	9,275.30

NOTE NO. 12

Inventories (₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Commodities	592.59	-	-
Total inventories	592.59	-	-

NOTE NO. 13

Investment property (₹ in Lakhs)

Particulars	Amount
Opening gross carrying value as at April 1, 2017	106.86
Additions during the year	-
Deletions during the year	106.86
Closing gross carrying value as at March 31, 2018	-
Opening gross carrying value as at April 1, 2018	-
Additions during the year	-
Deletions during the year	-
Closing gross carrying value as at March 31, 2019	-
Carrying value as at April 1, 2017	106.86
Carrying value as at March 31, 2018	-
Carrying value as at March 31, 2019	-

NOTE NO. 14**Property, plant and equipment**

Particulars	(₹ in Lakhs)						
	Office Building	Computer equipment	Office equipment & fixtures	Furniture	Vehicles	VSAT	Total
Opening gross carrying value as at April 1, 2017	1,751.06	1,515.35	939.44	1,330.27	321.34	367.42	6,224.88
Additions during the year	429.31	283.96	57.14	105.45	-	-	875.86
Deletions during the year	-	(78.33)	(50.04)	(72.57)	(5.86)	-	(206.80)
Closing gross carrying value as at March 31, 2018	2,180.37	1,720.98	946.54	1,363.15	315.48	367.42	6,893.94
Opening gross carrying value as at April 1, 2018	2,180.37	1,720.98	946.54	1,363.15	315.48	367.42	6,893.94
Additions due to composite scheme of arrangement	-	623.74	83.19	434.21	125.76	0.80	1,267.70
Additions during the year	-	446.83	72.23	73.90	92.34	-	685.30
Deletions during the year	-	(433.26)	(457.20)	(59.41)	-	-	(949.87)
Closing gross carrying value as at March 31, 2019	2,180.37	2,358.29	644.76	1,811.85	533.58	368.22	7,897.07
Opening accumulated depreciation as at April 1, 2017	218.80	1,306.12	819.27	1,004.51	193.90	326.98	3,869.58
Depreciation for the year	104.12	150.61	47.75	105.42	39.76	10.60	458.26
Accumulated depreciation on deletions	-	(74.41)	(47.48)	(67.96)	(5.56)	-	(195.41)
Closing accumulated depreciation as at March 31, 2018	322.92	1,382.32	819.54	1,041.97	228.10	337.58	4,132.43
Opening accumulated depreciation as at April 1, 2018	322.92	1,382.32	819.54	1,041.97	228.10	337.58	4,132.43
Accumulated depreciation due to composite scheme of arrangement	-	533.40	67.68	307.58	103.58	0.59	1,012.83
Depreciation for the year	142.88	406.36	84.13	167.95	58.09	9.89	869.30
Accumulated depreciation on deletions	-	(405.00)	(433.63)	(55.64)	-	-	(894.27)
Closing accumulated depreciation as at March 31, 2019	465.80	1,917.08	537.72	1,461.86	389.77	348.06	5,120.29
Carrying value as at April 1, 2017	1,532.26	209.23	120.17	325.76	127.44	40.44	2,355.30
Carrying value as at March 31, 2018	1,857.45	338.66	127.00	321.18	87.38	29.84	2,761.51
Carrying value as at March 31, 2019	1,714.57	441.21	107.04	349.99	143.81	20.16	2,776.78

NOTE NO. 15**Other intangible assets**

Particulars	(₹ in Lakhs)		
	Computer software	Trademark logo	Total
Opening gross carrying value as at April 1, 2017	470.55	0.20	470.75
Additions during the year	88.80	-	88.80
Deletions during the year	(101.84)	-	(101.84)
Closing gross carrying value as at March 31, 2018	457.51	0.20	457.71
Opening gross carrying value as at April 1, 2018	457.51	0.20	457.71
Additions due to composite scheme of arrangement	128.90	-	128.90
Additions during the year	22.26	-	22.26
Deletions during the year	(2.41)	-	(2.41)
Closing gross carrying value as at March 31, 2019	606.26	0.20	606.46
Opening accumulated amortization as at April 1, 2017	438.32	0.20	438.52
Amortization for the year	40.17	-	40.17
Accumulated amortization on deletions	(100.38)	-	(100.38)
Closing accumulated amortization as at March 31, 2018	378.11	0.20	378.31
Opening accumulated amortization as at April 1, 2018	378.11	0.20	378.31
Accumulated amortization due to composite scheme of arrangement	123.34	-	123.34
Amortization for the year	41.19	0.00	41.19
Accumulated amortization on deletions	(2.40)	-	(2.40)
Closing accumulated amortization as at March 31, 2019	540.24	0.20	540.44
Carrying value as at April 1, 2017	32.23	-	32.23
Carrying value as at March 31, 2018	79.40	-	79.40
Carrying value as at March 31, 2019	66.02	-	66.02

Intangible work-in-progress

Particulars	(₹ in Lakhs)		
	March 31, 2019	March 31, 2018	April 1, 2017
Intangible work-in-progress	25.00	-	3.00
Total intangible work-in-progress	25.00	-	3.00

IND AS 101 gives option to choose from fair value as its deemed cost or carrying value in previous gaap as deemed cost, on the date of transition to Ind AS for property, plant & equipment and intangible assets, accordingly the company has taken the carrying value in previous gaap as deemed cost. Although the company has tested goodwill for impairment and impaired the goodwill.

NOTE NO. 16**Other non-financial assets**

Particulars	(₹ in Lakhs)		
	March 31, 2019	March 31, 2018	April 1, 2017
Capital advances	330.51	325.17	562.79
Prepaid expenses	1,004.18	1,012.78	1,601.92
Dividend receivable	1.13	0.27	0.34
Withholding taxes and other taxes receivable	179.02	294.01	25.43
Advance payment to vendors for supply of goods	353.28	368.97	544.37
Salary advances	-	-	0.05
Unbilled revenue	766.35	1,035.34	700.01
Total other non financial assets	2,634.47	3,036.54	3,434.91

NOTE NO. 17**Debt securities**

Particulars	(₹ in Lakhs)		
	March 31, 2019	March 31, 2018	April 1, 2017
Unsecured - at amortised cost			
Loan repayable within one year	-	-	-
Commercial paper	135.00	-	-
Less: unamortised balance of discount on issue of commercial paper	(1.90)	-	-
Total debt securities	133.10	-	-

NOTE NO. 17.01

Details of commercial papers outstanding as on march 31, 2019 are as follows :

Sr. No.	Issue date	Date of repayment	(₹ in Lakhs)			Rate of interest
			As at March 31, 2019			
			Gross Amount	Unamortised balance of discount	Net Amount	
1	17/01/2019	22/05/2019	100.00	(1.33)	98.67	9.80%
2	01/02/2019	04/06/2019	25.00	(0.41)	24.59	9.80%
3	01/02/2019	04/06/2019	10.00	(0.16)	9.84	9.80%
Total			135.00	(1.90)	133.10	

NOTE NO. 18

Borrowings	(₹ in Lakhs)			
	Particulars	As at		
		March 31, 2019	March 31, 2018	April 1, 2017
Secured				
Term loan				
from banks	111.03	59.97	91.33	
Loan repayable on demand				
from banks	51,369.80	23,073.03	18,744.94	
from others	-	3,700.00	1,950.00	
Total borrowings	51,480.83	26,833.00	20,786.27	
In India	51,480.83	26,833.00	20,786.27	
Outside India	-	-	-	

- a) Term Loan amounting ₹111.03 lakhs, ₹59.97 lakhs and ₹91.33 lakhs as of March 31, 2019, March 31, 2018 and April 1, 2017, respectively, are secured by way of hypothecation of vehicles and are repayable over a period of five years.
- b) Loan from banks amounting ₹51,369.80 lakhs, ₹23,073.03 lakhs and ₹18,744.94 lakhs as of March 31, 2019, March 31, 2018 and April 1, 2017, respectively, are secured against shares, receivables, fixed deposits and personal guarantee of promoter directors.
- c) Loan amounting ₹ Nil, ₹ 3,700.00 lakhs and ₹1,950.00 lakhs as of March 31, 2019, March 31, 2018 and April 1, 2017, respectively, are secured by way of hypothecation of bonds and personal guarantee of promoter directors.

Repayment terms of borrowings	(₹ in Lakhs)			
	Particulars	As at		
		March 31, 2019	March 31, 2018	April 1, 2017
In the first year	51,413.05	26,798.51	20,726.30	
In the second year	22.24	28.08	25.48	
In the third to fifth year	45.54	6.41	34.49	
Total	51,480.83	26,833.00	20,786.27	

Segregation of borrowing on the basis of fixed & floating interest rate

Particulars	(₹ in Lakhs except otherwise stated)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Secured			
Weighted average rate			
Fixed rate borrowings	9.17%	9.74%	9.79%
Floating rate borrowings	10.15%	9.00%	9.13%
Amount borrowed			
Fixed rate borrowings	111.03	59.97	91.33
Floating rate borrowings	51,369.80	26,773.03	20,694.94
Total borrowings	51,480.83	26,833.00	20,786.27

NOTE NO. 19

Other financial liabilities	(₹ in Lakhs)			
	Particulars	As at		
		March 31, 2019	March 31, 2018	April 1, 2017
Book overdraft from banks	88.13	196.43	780.54	
Security deposits received	284.64	217.37	192.56	
Interest accrued but not due	40.11	15.80	16.25	
Employee benefit payable	356.65	301.43	255.62	
PMS payable	3.85	1.79	2.26	
Derivative financial instruments	3,682.74	1,303.35	4,268.65	
Accrued expenses	1,398.66	1,520.14	975.76	
Margin received from client	53,958.06	27,777.54	26,562.12	
Total other financial liabilities	59,812.84	31,333.85	33,053.76	
Financial liability carried at amortized cost	56,130.10	30,030.50	28,785.11	
Financial liability carried at fair value through profit and loss	3,682.74	1,303.35	4,268.65	

NOTE NO. 20

Provisions	(₹ in Lakhs)			
	Particulars	As at		
		March 31, 2019	March 31, 2018	April 1, 2017
Provision for employee benefits				
Gratuity	448.10	76.47	473.59	
Leave encashment	322.40	223.49	171.90	
Provision for CSR	34.61	42.46	27.19	
Others	81.03	118.36	24.95	
Total provisions	886.14	460.78	697.63	

NOTE NO. 20.01**Corporate social responsibility**

The ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) w.e.f. 1 April 2014. In accordance with the provisions of said section, the Board of Directors of the company had constituted a Corporate Social Responsibility Committee.

a) Reconciliation of provision

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2019	March 31, 2018
Opening provision	42.46	27.19
Addition on account of composite scheme of arrangement	7.96	-
Provision made during the year	71.19	56.52
CSR spent during the year	87.00	41.25
Closing provision	34.61	42.46

b) Details of amount spent

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
i) Construction/acquisition of any asset	-	-
ii) on purpose other than (a) above	87.00	41.25
Total	87.00	41.25

c) Details of related party transactions, e.g., contribution to a trust controlled by the company In relation to CSR expenditure - NIL (PY NIL)

NOTE NO. 21

Other non-financial liabilities

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Unearned income	98.47	176.49	146.56
Unpaid dividend	32.64	19.94	1.38
Withholding taxes and other taxes payable	528.67	603.22	235.18
Total other non-financial liabilities	659.78	799.65	383.12

NOTE NO. 22

Equity share capital

NOTE NO. 22.01

Authorised issued and subscribed capital

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Authorised			
*47,75,50,000 (March 31, 2018 and April1, 2017 : 16,50,50,000) equity shares of ₹ 2/- each	9,551.00	3,301.00	3,301.00
	9,551.00	3,301.00	3,301.00
Issued, subscribed & fully paid up			
11,31,34,450 (March 31, 2018 and April1, 2017 : 11,31,34,450) equity shares of ₹ 2/- each	2,262.69	2,262.69	2,262.69
	2,262.69	2,262.69	2,262.69

* As per the composite scheme of arrangement referred to in Note 3.01, the authorised share capital of the Transferor Companies SMC Finvest Limited and Indunia Realtech Limited 6,00,00,000 and 25,00,000 shares, respectively, of ₹ 10 each is transferred to and merged with the authorised share capital of the Company.

NOTE NO. 22.02

Reconciliation of number of equity shares outstanding

Particulars	(in numbers)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
At the beginning of the year	113,134,450	113,134,450	113,134,450
Issued during the year	-	-	-
Buyback/forfeiture during the year	-	-	-
At the end of the year	113,134,450	113,134,450	113,134,450

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, 2019 at their meeting held on dated May 11, 2019 (reaffirmed on August 7, 2019), 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. ₹0.48)

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. 22.03

Shares held by shareholders holding more than 5% shares

Name of Shareholder	(in numbers)					
	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of Shares held	% held	No. of Shares held	% held	No. of Shares held	% held
ASM Pipes Private Limited	18,667,140	16.50	18,667,140	16.50	18,667,140	16.50
Millennium Investment and Acquisition Co. Inc.	10,204,690	9.02	11,504,690	10.17	12,204,690	10.79
Mahesh C. Gupta	10,248,500	9.06	10,248,500	9.06	10,248,500	9.06
Subhash Chand Aggarwal	10,095,500	8.92	10,095,500	8.92	10,095,500	8.92
Sanlam International Investment Partners Limited	9,460,590	8.36	9,460,590	8.36	9,460,590	8.36
Signature Global (India) Private Limited	8,865,885	7.84	8,865,885	7.84	-	-
Hemlata Aggarwal	6,920,550	6.12	7,720,550	6.82	7,720,550	6.82
Sushma Gupta	7,566,550	6.69	7,566,550	6.69	7,566,550	6.69
Pulin Investments Private Limited	7,877,205	6.96	-	-	-	-

NOTE NO. 23**Fees and commission income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Income from:		
Brokerage	14,788.80	14,258.46
Distribution of financial product	6,383.12	7,735.88
Depository activities	492.64	559.80
Portfolio management services	20.70	-
Incentives from exchange	87.33	-
Research support services	135.55	99.63
Total fees and commission income	21,908.14	22,653.77

NOTE NO. 24**Interest income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
On financial assets measured at amortised cost		
Interest on deposits with banks	2,805.93	2,172.06
Interest on delayed payment/ margin trading facility	5,051.81	3,157.91
On financial assets classified at fair value through profit or loss		
Interest income from trading investments	22.80	38.15
Total interest income	7,880.54	5,368.12

NOTE NO. 25**Other income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Interest income	1,494.92	568.35
Net gain on derecognition of financial instruments measured at fair value through other comprehensive income	-	11.65
Net gain on derecognition of financial instruments under amortised cost	-	1,035.00
Net gain on derecognition of property, plant and equipment	8.13	-
Dividend income	25.92	2.85
Rent	171.86	178.89
Liability no longer required written back	112.98	192.57
Net gain on translation of foreign currency monetary items	9.14	0.54
Miscellaneous income	30.34	18.07
Total other income	1,853.29	2,007.92

NOTE NO. 26**Fees and commission expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Client introduction charges	6,401.81	6,608.95
Exchange & other regulatory charges	4,012.94	3,595.40
Expense for distribution of financial products	5,304.49	5,857.17
VPN, lease line, internet & VSAT expenses (net)	160.38	97.10
Securities transaction tax	4,375.44	3,707.17
Demat charges	12.18	16.07
Total fees and commission expenses	20,267.24	19,881.86

NOTE NO. 27**Employee benefits expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Salaries and incentives	8,374.48	5,818.20
Staff welfare	130.18	94.85
Contribution to provident and other funds	425.01	312.95
Gratuity	168.50	186.85
Total employee benefits expenses	9,098.17	6,412.85

NOTE NO. 28**Finance costs**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
On financial liabilities measured at amortised cost		
Interest to bank (term loan)	6.60	7.45
Interest to bank (others)	2,197.41	1,587.64
Interest-others	1,091.74	1,153.21
Other borrowing cost	524.15	405.13
Total finance costs	3,819.90	3,153.43

NOTE NO. 29**Depreciation and amortisation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Depreciation on tangible assets	869.30	458.26
Amortisation of intangible assets	41.19	40.17
Total depreciation and amortisation	910.49	498.43

NOTE NO. 30**Impairment on financial instruments**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
On financial assets measured at amortised cost/transaction price		
Trade receivables	247.11	37.45
Loans	87.01	-
Other receivables (deposits)	(3.00)	6.12
Investments in subsidiaries	81.22	552.61
(A)	412.34	596.18
On financial assets measured at fair value through other comprehensive income Investments		
	(47.00)	-
(B)	(47.00)	-
Total impairment on financial instruments	(A+B)	596.18

NOTE NO. 31**Other expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Advertisement	1,470.21	1,474.98
Business promotion	1,466.39	1,251.93
Computer repair & maintenance	273.22	267.24
Conveyance & traveling expenses	223.25	149.66
Directors sitting fee	15.40	17.25
Donation	11.55	3.53
Insurance	21.19	17.91
Legal & professional charges	237.07	328.96
Bank charges	90.16	107.11
Net loss on derecognition of property, plant and equipment	0.07	47.02
Office repair & maintenance	374.92	248.53
Printing and stationery	204.09	177.55
Rent	1,116.55	896.49
Electricity and water expenses	431.30	303.73
Membership fees & subscription	17.35	14.56
Communication expenses	290.77	283.32
Net loss on derecognition of financial instruments carried at fair value through other comprehensive income	44.00	-
Vehicle running & maintenance	59.28	31.88
Rates & taxes	29.96	24.97
CSR expenses	71.19	56.52
ADR expenses*	-	1,394.39
Miscellaneous expenses	57.35	80.70
Auditor's fees and expenses		
as statutory auditor	22.44	19.00
as tax auditor	2.65	2.00
as fee for other services	7.24	3.15
Total other expenses	6,537.60	7,202.38

*ADR expense

The company had started making efforts for proposed ADR issue in USA for expansion of business in the year 2015, however, the same was called off during the previous 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 ₹1,394.39 Lakhs had been charged to statement of profit & loss in previous year.

NOTE NO. 32

Income taxes

NOTE NO. 32.01

Income tax expense in the statement of profit and loss

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
Current tax expense		
For the year	651.85	1,443.52
Change in estimates relating to prior years	14.93	8.45
	666.78	1,451.97
Deferred tax charge/(benefit)		
Origination and reversal of temporary differences	15.43	90.04
Minimum alternate tax	(651.86)	-
	(636.43)	90.04
Total income tax expense	30.35	1,542.01

NOTE NO. 32.02

Tax expense recognised in other comprehensive income

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
Remeasurement of the net defined benefit liability / asset	(12.41)	14.48
Fair value changes on investments	22.03	25.44
Total tax expense recognised in other comprehensive income	9.62	39.92

NOTE NO. 32.03

Reconciliation of the income tax expense to the amount computed by applying the statutory income tax rate to the income before income taxes

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2019	March 31, 2018
Profit before tax	3,329.85	4,815.71
Enacted tax rates in India	34.944%	34.608%
Computed expected tax expense	1,163.58	1,666.62
Non deductible permanent difference	39.20	271.35
Deductible permanent difference	-	(30.78)
Income exempt from tax	(47.35)	(398.50)
Change in estimates relating to prior years	14.93	8.45
Change in statutory tax rate	-	24.87
Carry forward of loss and depreciation	(1,146.35)	-
Deferred tax asset reversed	52.69	-
Difference in tax rate due to composite scheme of arrangement	(46.35)	-
Income tax expense	30.35	1,542.01

The applicable Indian statutory tax rates for fiscal 2019 and fiscal 2018 is 34.944% and 34.608%, respectively.

NOTE NO. 32.04

Details of income tax assets and income tax liabilities

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Income tax assets pertaining to current year	988.06	1,769.60	1,201.85
Income tax liabilities pertaining to current year	651.85	1,443.52	1,323.65
Net income tax assets/ (liability) pertaining to current year (A)	336.21	326.08	(121.80)
Income tax assets pertaining to previous years (B)	720.37	117.79	94.24
Total income tax assets / (liability) - net (A+B)	1,056.58	443.87	(27.56)

NOTE NO. 32.05

Movement in the temporary differences of deferred tax

(₹ in Lakhs)

Particulars	Balance as at April 1, 2017	Recognised in profit or loss during 2017-18	Recognised in other comprehensive income	Balance as at March 31, 2018	On composite scheme of arrangement	Recognised in profit or loss during 2018-19	Recognised in other comprehensive income	Balance as at March 31, 2019
Employee benefits	119.57	(0.27)	(14.48)	104.82	57.56	94.45	12.41	269.24
Investment securities	8.90	-	(25.44)	(16.54)	(1.86)	(0.23)	(22.03)	(40.66)
ICDS	(36.27)	24.30	-	(11.97)	(54.31)	3.68	-	(62.60)
Provisions	33.43	125.93	-	159.36	8.97	(50.73)	-	117.60
Property, plant & equipment and intangible assets	207.62	(11.36)	-	196.26	52.88	91.01	-	340.15
Provision for impairment on receivable from clients	641.51	(233.48)	-	408.03	57.26	(26.21)	-	439.08
Other temporary differences	(3.46)	4.84	-	1.38	-	(1.38)	-	(0.00)
Origination and reversal of temporary differences	971.30	(90.04)	(39.92)	841.34	120.50	110.59	(9.62)	1,062.81
Minimum alternate tax	-	-	-	-	268.05	651.86	-	919.91
Carried forward of tax losses and unabsorbed depreciation (Net of addition on account of tax losses)	-	-	-	-	334.62	(126.02)	-	208.60
Total	971.30	(90.04)	(39.92)	841.34	723.17	636.43	(9.62)	2,191.32

NOTE NO. 33

Earnings per share

The followings is a reconciliation of the equity shares used in the computation of Basic and diluted earnings per equity share.

(₹ in lakhs except otherwise stated)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Profit attributable to equity share holders.	3,299.50	3,273.70
Weighted average number of share outstanding during the year	113,134,450	113,134,450
Nominal Value per share (₹)	2.00	2.00
Basic & Diluted (₹)	2.92	2.89

NOTE NO.34

Leases

NOTE NO. 34.01

The lease rentals charged during the year are as follows:

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Lease rentals recognized during the year	562.94	534.16

NOTE NO. 34.02

The obligations on long-term, non-cancellable operating leases payable as per The rentals stated in the respective agreements are as follows:

(₹ in Lakhs)

Future minimum lease payable	For the year ended	
	March 31, 2019	March 31, 2018
Not later than 1 year	18.31	18.31
Later than 1 year and not later than 5 years	91.56	91.56
Later than 5 years	183.11	201.42

NOTE NO. 35

Employee benefits

(a) Gratuity

NOTE NO. 35.01

Breakup of amount recognised in statement of profit and loss

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Interest on defined benefit obligation	19.01	10.42
Past service cost - plan amendments	-	86.74
Current service cost	153.72	89.69
Acquisitions cost	(4.23)	-
Total expense recognized in the statement of profit and loss	168.50	186.85

NOTE NO. 35.02

Break up of amount recognised in the statement of other Comprehensive income

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Remeasurements of the net defined benefit liability/ (asset)		
Opening amount recognised in OCI outside profit and loss account	33.72	(7.79)
On account of composite scheme of arrangement	71.53	-
Actuarial gains / losses	(49.90)	44.58
Return on plan assets (greater) / less than discount rate	14.39	(3.07)
	69.74	33.72

NOTE NO. 35.03

Breakup of the amount recognised in balance sheet

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Present value of the obligation as at the end of the year	1,234.47	819.60	550.47
Fair value of plan assets as at the end of the year	(786.37)	(743.13)	(76.88)
Net liability recognised in balance sheet	448.10	76.47	473.59

NOTE NO. 35.04

Reconciliation of defined benefit obligation and plan asset

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Change in benefit obligations			
Present value of the obligation as at the beginning of the year	819.60	550.47	442.12
On account of composite scheme of arrangement	200.53	-	-
Current service cost	153.72	89.69	74.89
Interest cost	75.68	39.40	34.01
Liability assumed on acquisition/ (settled on divestiture)	-	-	2.14
Actuarial (gain)/loss on obligations	49.90	(44.58)	45.39
Past service cost-plan amendments	-	86.73	-
Acquisitions (credit)/cost	(3.28)	119.38	-
Benefits paid	(61.68)	(21.50)	(48.08)
Benefit obligations at the end (A)	1,234.47	819.60	550.47
Change in plan assets			
Fair value of plan assets at the beginning of the year	743.13	76.88	56.86
On account of composite scheme of arrangement	13.49	-	-
Interest income on plan assets	56.67	28.98	7.02
Contributions	7.54	661.84	50.00
Benefits paid	(48.85)	(21.50)	(48.08)
Return on plan assets greater (lesser) than discount rate	14.39	(3.07)	11.08
Fair value of plan assets at the end (B)	786.37	743.13	76.88
Amount recognised in balance sheet [(surplus) / deficit] (A-B)	448.10	76.47	473.59

NOTE NO. 35.05

Disaggregation of plan assets

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Insurer managed funds	100.00%	100.00%	100.00%
	100.00%	100.00%	100.00%

NOTE NO. 35.06

Sensitivity of significant assumptions used for dbo valuation

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Effect on DBO due to 0.5% increase in discount rate	(75.16)	(50.70)
Effect on DBO due to 0.5% decrease in discount rate	82.77	55.82
Effect on DBO due to 0.5% increase in salary escalation rate	72.66	51.24
Effect on DBO due to 0.5% decrease in salary escalation rate	(67.79)	(47.81)

NOTE NO. 35.07

Maturity profile of defined benefit obligation

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Within one year	103.43	73.66
One to five years	271.83	178.20
More than five years	637.94	446.63

NOTE NO. 35.08

Assumptions to determine the defined benefit obligations

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Discount rate	7.70%	7.70%	7.30%
Salary escalation rate (p.a.)	7.50%	7.00%	7.00%

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India.

The company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

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.

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 50bps, keeping all other actuarial assumptions constant.

Gratuity is applicable only to employees drawing salary in Indian rupees.

(b) Compensated absences**NOTE NO. 35.09**

Breakup of the amount recognised in balance sheet

(₹ in Lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Present value of the obligation as at the end of the year	322.40	223.49	171.90
Fair value of plan assets as at the end of the year	-	-	-
Net liability recognised in balance sheet	322.40	223.49	171.90

NOTE NO. 35.10**Number of compensated leave absences outstanding**

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Total leave balance (days)	33,301.04	26,446.47	19,363.68

NOTE NO. 35.11**Assumption used in valuation**

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Discount rate	7.70%	7.70%	7.30%
Salary escalation rate (p.a.)	7.50%	7.00%	7.00%
Leave availment rate	5.00%	5.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTE NO. 36**Contingent liabilities and commitments****NOTE NO. 36.01****Contingent liabilities not provided in the financial statements:**

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
1 Corporate guarantee executed by the company for credit facility extended to subsidiaries	8,500.00	19,100.00	10,100.00
2 ESI demand (Total amount paid under protest ₹12.43 Lakhs (2018: ₹12.43 Lakhs, 2017: ₹12.43 Lakhs))	31.06	31.06	31.06
3 Service Tax Demand	963.79	963.79	674.74
4 (a). Income Tax Demand (A.Y. 2013-14) (Total amount paid under protest ₹31.47 Lakhs (2018: ₹31.47 Lakhs, 2017: ₹31.47 Lakhs))	31.47	31.47	31.47
(b). Income tax Demand (A.Y. 2014-15) (Total amount paid under protest ₹56.81 Lakhs (2018: ₹56.81 Lakhs, 2017: ₹56.81 Lakhs))	56.81	56.81	56.81
(C) Income tax Demand (A.Y. 2015-16) (Total amount paid under protest ₹10 Lakhs (2018: ₹10.00 Lakhs, 2017: Nil))	27.51	27.51	-
5 Provident Fund	-	-	-
6 Stamp Duty	-	-	-

NOTES:

- The Company has given corporate guarantee towards credit facility of one of the subsidiary 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 ₹45.66 Lakhs is being agitated by the Company before Commissioner of Service Tax, Audit 1, Delhi and of ₹918.13 Lakhs 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 Income Tax Appealate Tribunal (ITAT), Delhi for A.Y 2013-14 and before Commissioner of Income Tax (Appeals) for A.Y 2014-15 and A.Y 2015-16, respectively.
- PF matter is pending before High Court and amount is not quantifiable.
- The Company had 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.
The Demerged Company M/s SMC Comtrade Limited had received a show cause notice of demand 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 25th July, 2019.

NOTE NO. 36.02**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 Lakhs 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. 36.03**Commitments**

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
Contracts remaining to be executed on account of capital (net of advances)			
For purchase of software	20.00	-	3.00
For purchase of office building	175.00	175.00	239.28

NOTE NO.37

Financial instruments

NOTE NO. 37.01

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2019 were as follows:

(₹ in Lakhs)

Particulars	Amortised cost / Transaction price	Financial assets/ liabilities carried at fair value through profit and loss		Financial assets/ liabilities carried at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required		
Assets:							
Cash and cash equivalents	5,291.82	-	-	-	-	5,291.82	5,291.82
Other bank balance	41,683.79	-	-	-	-	41,683.79	41,683.79
Trade receivables	71,372.89	-	-	-	-	71,372.89	71,372.89
Other receivables	1,232.79	-	-	-	-	1,232.79	1,232.79
Loans	8,571.51	-	-	-	-	8,571.51	8,571.51
Investments	28,267.23	370.37	16,631.99	-	1,527.00	46,796.59	46,796.59
Other financial assets	314.06	-	8,782.82	-	-	9,096.88	9,096.88
Total	156,734.09	370.37	25,414.81	-	1,527.00	184,046.27	184,046.27
Liabilities:							
Trade payables	20,128.60	-	-	-	-	20,128.60	20,128.60
Other payables	264.33	-	-	-	-	264.33	264.33
Debt securities	133.10	-	-	-	-	133.10	133.10
Borrowings	51,480.83	-	-	-	-	51,480.83	51,480.83
Other financial liabilities	56,130.10	-	3,682.74	-	-	59,812.84	59,812.84
Total	128,136.96	-	3,682.74	-	-	131,819.70	131,819.70

The carrying value and fair value of financial instruments by categories as of March 31, 2018 were as follows:

(₹ in Lakhs)

Particulars	Amortised cost / Transaction price	Financial assets/ liabilities carried at fair value through profit and loss		Financial assets/ liabilities carried at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required		
Assets:							
Cash and cash equivalents	1,892.01	-	-	-	-	1,892.01	1,892.01
Other bank balance	32,353.71	-	-	-	-	32,353.71	32,353.71
Trade receivables	31,388.56	-	-	-	-	31,388.56	31,388.56
Other receivables	748.98	-	-	-	-	748.98	748.98
Loans	5,545.36	-	-	-	-	5,545.36	5,545.36
Investments	39,174.05	8.87	10,347.45	-	329.18	49,859.55	49,859.55
Other financial assets	216.36	-	6,446.08	-	-	6,662.44	6,662.44
Total	111,319.03	8.87	16,793.53	-	329.18	128,450.61	128,450.61
Liabilities:							
Trade payables	17,690.66	-	-	-	-	17,690.66	17,690.66
Other payables	666.53	-	-	-	-	666.53	666.53
Borrowings	26,833.00	-	-	-	-	26,833.00	26,833.00
Other financial liabilities	30,030.50	-	1,303.35	-	-	31,333.85	31,333.85
Total	75,220.69	-	1,303.35	-	-	76,524.04	76,524.04

NOTE NO. 37.01

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of April 1, 2017 were as follows:

Particulars	Amortised cost / Transaction price	Financial assets/ liabilities carried at fair value through profit and loss				Total carrying value	Total fair value
		Designated upon initial recognition		Mandatorily required			
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required		
(₹ in Lakhs)							
Assets:							
Cash and cash equivalents	5,282.89	-	-	-	-	5,282.89	5,282.89
Other bank balance	27,103.36	-	-	-	-	27,103.36	27,103.36
Trade receivables	29,174.00	-	-	-	-	29,174.00	29,174.00
Other receivables	822.71	-	-	-	-	822.71	822.71
Loans	5,374.00	-	-	-	-	5,374.00	5,374.00
Investments	34,724.98	1,431.93	7,072.97	-	826.07	44,055.95	44,055.95
Other financial assets	220.53	-	9,054.77	-	-	9,275.30	9,275.30
Total	102,702.47	1,431.93	16,127.74	-	826.07	121,088.21	121,088.21
Liabilities:							
Trade payables	17,051.98	-	-	-	-	17,051.98	17,051.98
Other payables	270.73	-	-	-	-	270.73	270.73
Borrowings	20,786.27	-	-	-	-	20,786.27	20,786.27
Other financial liabilities	28,785.11	-	4,268.65	-	-	33,053.76	33,053.76
Total	66,894.09	-	4,268.65	-	-	71,162.74	71,162.74

NOTE NO. 37.02

The company has designated bonds at fair value through profit and loss

The table below sets out the credit quality of debt securities

Particulars	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
(₹ in Lakhs)			
Government bonds:			
Rated sovereign	26.20	0.15	0.40
Corporate bonds:			
Rated AAA	-	8.72	1,147.13
Rated AA- to AA+	45.21	-	284.40
Rated A- to A+	115.24	-	-
Rated BBB	170.76	-	-
Rated D	12.96	-	-
Fair value and carrying amount	370.37	8.87	1,431.93

NOTE NO. 37.03

The company derecognised investment in equity instruments measured at fair value through other comprehensive income during the year under PMS strategy / other business decisions on the basis of commercial prudence. The loss (net) in INR is ₹44.00 lakhs for the year ended March 31, 2019 and gain (net) of ₹11.65 lakhs for the year ended March 31, 2018.

NOTE NO. 37.04**Collateral****(A) Assets pledged as collateral**

The company has pledged its certain assets as collateral for liabilities for the contingent liabilities. The below table set out the assets held as collateral:

(₹ in Lakhs)

Particulars	As at					
	March 31, 2019		March 31, 2018		April 1, 2017	
	Collateral	Non-collateral	Collateral	Non-collateral	Collateral	Non-collateral
Assets:						
Cash and cash equivalents	-	5,291.82	-	1,892.01	-	5,282.89
Other bank balances	41,669.78	14.01	32,353.69	0.02	26,607.44	495.92
Trade receivables	55,739.94	15,632.95	28,406.25	2,982.31	19,617.50	9,556.50
Other receivables	-	1,232.79	-	748.98	-	822.71
Loans	-	8,571.51	-	5,545.36	-	5,374.00
Investments	5,594.01	41,202.58	8,116.00	41,743.55	3,900.00	40,155.95
Other financial assets	-	9,096.88	-	6,662.44	-	9,275.30
Total	103,003.73	81,042.54	68,875.94	59,574.67	50,124.94	70,963.27

(B) Asset taken as collateral

The Company holds collateral and other credit enhancements against certain of its credit exposures. The table below sets out the principal types of collateral held against different types of financial assets.

(₹ in Lakhs)

Particulars	As at					
	March 31, 2019		March 31, 2018		April 1, 2017	
	Value of asset	Fair value of collateral held	Value of asset	Fair value of collateral held	Value of asset	Fair value of collateral held
Assets:						
Cash and cash equivalents	5,291.82	-	1,892.01	-	5,282.89	-
Other bank balance	41,683.79	-	32,353.71	-	27,103.36	-
Trade receivables						
Secured	63,066.76	1,231,270.99	22,159.78	575,819.03	19,846.97	1,121,790.10
Unsecured	8,306.13	-	9,228.78	-	9,327.03	-
Other receivables	1,232.79	-	748.98	-	822.71	-
Loans	8,571.51	-	5,545.36	-	5,374.00	-
Investments	46,796.59	-	49,859.55	-	44,055.95	-
Other financial assets	9,096.88	-	6,662.44	-	9,275.30	-
Total	184,046.27	1,231,270.99	128,450.61	575,819.03	121,088.21	1,121,790.10

NOTE NO. 37.05**Fair value hierarchy**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2019:

(₹ in Lakhs)

Particulars	As at March 31, 2019	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
		Assets		
Investments				
Equity instruments	46,210.41	17,942.64	28,267.23	0.54
Mutual Funds	200.85	200.85	-	-
Bonds	385.33	385.33	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2018:

(₹ in Lakhs)

Particulars	As at March 31, 2018	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
		Assets		
Investments				
Equity instruments	49,821.94	10,647.35	39,174.05	0.54
Mutual Funds	14.84	14.84	-	-
Bonds	22.77	22.77	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at April 1, 2017:

(₹ in Lakhs)

Particulars	As at April 1, 2017	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
		Assets		
Investments				
Equity instruments	42,592.95	7,867.43	34,724.98	0.54
Mutual funds	17.20	17.20	-	-
Bonds	1,445.80	1,445.80	-	-

Valuation techniques used to determine fair value

Following valuation techniques has been used for fair valuation off the assets:

- For Mutual Fund investments net asset value (NAV) is used as the fair value of investment.
- For Equity instrument quoted the market value is taken as the fair value.

NOTE NO. 37.06

Financial risk management

Financial risk factors

This note presents the information about the Company's exposure to financial risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk and
- Market risk

NOTE NO. 37.07

Financial risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Financial risk management within the Company is governed by policies and guidelines approved by the management. The Board has established a Risk Management Committee which is responsible for developing and monitoring the Company's risk management policies. Company policies and guidelines cover areas such as cash management, investment of excess funds and raising of debt and are managed by segregated functions within the Company.

The Company's risk management policies and procedures are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees and stakeholders understand their roles and obligations.

Different types of risks arising from financial instruments as identified by the Company above have been explained below:

NOTE NO. 37.08

Credit risk

The credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from clients and exchange and trading members, loan and advances, investments other than the quoted securities given. Credit risk in respect of quoted securities is expected to have a direct correlation with the quoted market prices and risk.

The Company is exposed to the risk that third parties that owe money or securities will not perform their obligations. Such third parties include clients, trading members, exchanges, clearing houses, and other financial intermediaries. These parties may default on their obligations owed to the Company due to insolvency, lack of liquidity, operational failure, government or other regulatory intervention or other reasons. In these circumstances, the Company is exposed to risks arising, for example, from holding securities of third parties; executing securities trades that fail to settle at the required time due to non-delivery by the counterparty trading members, exchanges, clearing houses or other financial intermediaries. Significant failures by third parties to timely perform their obligations owed could materially and adversely affect the Company's financial position, and ability to borrow in the credit markets and ability to operate the business.

For the risk management purposes, the Company considers and consolidates all elements of credit risk exposures such as individual obligator default risk, country and sector risk.

Management / mitigation of credit risk

The Company operates in a highly regulated environment which limits its credit risk against exchanges and clearing houses. The Company collects upfront margins in form of funds and/or securities/commodities from clients and trading members against their trading positions. The Company monitors positions, margins, mark to market losses and risks on real time basis through risk management systems and policies specially designed to mitigate the credit risk.

The Company's Board of Directors has delegated responsibility for the oversight of credit risk to the Risk Management Committee ("the Committee"). The Committee is responsible for management of the Company's credit risk, including the following:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the organizational structure for the approval of new customers or counter parties. Authorization limits are allocated to business unit credit officers or the Arbitrager as appropriate.
- Providing advice, guidance and specialist skills to business units through periodic reviews to promote best practices throughout the Company in the management of credit risk.
- The Committee assesses the credit worthiness of client or counterparties, prior to taking exposure on them. Accordingly, limits are assigned and the monitoring mechanism ensures that exposure to single client does not cross the laid down threshold limits. Collateral securities are also collected from clients to cover the exposure.
- Limiting concentrations of exposure to counterparties, geographies and industries (for loans and advances and similar exposures), and by issuer, credit rating bond, market liquidity and country (for investment securities and trading assets).
- Reviewing compliance of business units with agreed exposure limits, including those for selected industries, country risk and product types. Regular reports on the credit quality of local portfolios are provided to the management, which may require appropriate corrective action to be taken.

The Board of Directors has also constituted Audit Committee, which is responsible for evaluation of internal financial controls and risk management systems. The company conducts regular internal audits of various business units to identify scope of improvement/enhancement of the Company's processes, quality control, fraud prevention and legal compliance. The internal audit reports are reviewed by audit committee and also placed with the Board.

Credit exposure:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	(₹ in Lakhs)		
	March 31, 2019	March 31, 2018	April 1, 2017
Trade receivables	71,372.89	31,388.56	29,174.00
Other receivables	1,232.79	748.98	822.71
Loans	8,571.51	5,545.36	5,374.00
Investments	46,796.59	49,859.55	44,055.95
Other financial assets	9,096.88	6,662.44	9,275.30
Total	137,070.66	94,204.89	88,701.96

Following are the reconciliations of the provision for impairment of financial assets

(₹ in Lakhs)

Particulars	As at							
	March 31, 2019				March 31, 2018			
	Trade receivables	Other receivables	Loans	Investments	Trade receivables	Other receivables	Loans	Investments
Opening balance at the beginning of the year	1,167.64	20.88	-	849.61	1,853.64	33.91	-	297.00
Addition on account of composite scheme of arrangement	184.06	-	-	-	-	-	-	-
Addition/reversal during the year	247.11	(3.00)	87.01	34.22	37.45	6.12	-	552.61
Written off	(342.33)	-	-	-	(723.45)	(19.15)	-	-
Closing balance at the end of the year	1,256.48	17.88	87.01	883.83	1,167.64	20.88	-	849.61

NOTES NO. 37.09

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company require sufficient liquidity to meet their obligations. Individual companies are generally responsible for their own fund management, including the short-term investment of surpluses and the raising of loans to cover deficits from third parties/companies.

The Company's primary liquidity requirements are to finance the working capital needs, which are typically towards margin maintenance at various exchanges. The principal portion of the working capital requirement is utilized by:

- depositing funds with banks to obtain term deposits and guarantees towards margins payable to the exchanges/clearing houses;
- payments to stock exchanges/clearing houses towards settlement obligations;
- payment towards purchase of various trading assets; and
- meeting expenses incurred for operations.

Management of liquidity risk

Working capital requirements fluctuate on a regular basis depending on the business requirements. The Company's approach to managing liquidity is to ensure, as far as possible to have sufficient funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To fund the working capital requirements, the Company currently relies principally on internal accruals and short term credit facilities from banks and financial institutions against pledge of derivative assets, term deposits, receivables from clients and investments carried at fair value through profit and loss. By maintaining sufficient liquid funds and drawing facilities with banks, the Company comfortably meets the foreseeable liabilities in the present and immediate future, as well as unforeseeable contingencies.

Central treasury receives information from business units regarding the liquidity profile of their financial assets and liabilities and projected cash flows. Central treasury maintains surplus funds in cash and cash equivalents including term deposits with banks and in investment securities for which there is an active and liquid market. These assets can be readily sold to meet liquidity requirements. Hence, the Company believes that the above monetary mechanism adequately addresses the liquidity risk.

Maturity analysis for financial assets and financial liabilities

March 31, 2019

(₹ in Lakhs)

Particulars	Carrying amount	1-90 days	91-180 days	181-365 days	1-2 years	2-5 years	More than 5 years
Assets:							
Cash and cash equivalents	5,291.82	5,291.82	-	-	-	-	-
Other bank balances	41,683.79	7,331.25	8,113.05	14,776.35	5,602.53	5,860.61	-
Trade receivables	71,372.89	71,302.08	-	-	70.81	-	-
Other receivables	1,232.79	157.02	-	-	-	-	1,075.77
Loans	8,571.51	8,505.28	-	-	66.23	-	-
Investments	46,796.59	18,348.16	-	-	-	180.66	28,267.77
Other financial assets	9,096.88	9,096.88	-	-	-	-	-
Total	184,046.27	120,032.49	8,113.05	14,776.35	5,739.57	6,041.27	29,343.54
Liabilities:							
Trade payables	20,128.60	20,128.60	-	-	-	-	-
Other payables	264.33	264.33	-	-	-	-	-
Debt securities	133.10	133.10	-	-	-	-	-
Borrowings	51,480.83	10.44	10.69	51,391.92	22.24	45.54	-
Other financial liabilities	59,812.84	59,528.20	-	-	-	-	284.64
Total	131,819.70	80,064.67	10.69	51,391.92	22.24	45.54	284.64

March 31, 2018

(₹ in Lakhs)

Particulars	Carrying amount	1-90 days	91-180 days	181-365 days	1-2 years	2-5 years	More than 5 years
Assets:							
Cash and cash equivalents	1,892.01	1,892.01	-	-	-	-	-
Other bank balances	32,353.71	3,234.89	3,386.11	14,250.40	8,648.91	2,833.40	-
Trade receivables	31,388.56	31,070.67	-	-	317.89	-	-
Other receivables	748.98	121.07	-	-	-	-	627.91
Loans	5,545.36	5,401.26	-	-	-	144.10	-
Investments	49,859.55	10,660.62	-	-	-	24.34	39,174.59
Other financial assets	6,662.44	6,662.44	-	-	-	-	-
Total	128,450.61	59,042.97	3,386.11	14,250.40	8,966.80	3,001.84	39,802.50
Liabilities:							
Trade payables	17,690.66	17,690.66	-	-	-	-	-
Other payables	666.53	666.53	-	-	-	-	-
Borrowings	26,833.00	2.23	7.55	26,788.73	28.08	6.41	-
Other financial liabilities	31,333.85	31,116.48	-	-	-	-	217.37
Total	76,524.04	49,475.90	7.55	26,788.73	28.08	6.41	217.37

April 1, 2017

Particulars	(₹ in Lakhs)						
	Carrying amount	1-90 days	91-180 days	181-365 days	1-2 years	2-5 years	More than 5 years
Assets:							
Cash and cash equivalents	5,282.89	5,282.89	-	-	-	-	-
Other bank balances	27,103.36	3,204.12	2,310.13	12,500.91	7,718.20	1,370.00	-
Trade receivables	29,174.00	28,869.64	-	-	304.36	-	-
Other receivables	822.71	120.85	-	-	-	-	701.86
Loans	5,374.00	5,238.66	-	-	-	135.34	-
Investments	44,055.95	9,306.54	-	-	-	23.89	34,725.52
Other financial assets	9,275.30	9,275.30	-	-	-	-	-
Total	121,088.21	61,298.01	2,310.13	12,500.91	8,022.56	1,529.23	35,427.38
Liabilities:							
Trade payables	17,051.98	17,051.98	-	-	-	-	-
Other payables	270.73	270.73	-	-	-	-	-
Borrowings	20,786.27	2.66	5.71	20,717.93	25.48	34.49	-
Other financial liabilities	33,053.76	32,861.20	-	-	-	-	192.56
Total	71,162.74	50,186.58	5.71	20,717.93	25.48	34.49	192.56

NOTES NO. 37.10

Market risk

The Company participates in trading and investing in various asset classes such as equity, debt securities, commodities, foreign currency and derivatives. These assets classes experience volatility due to economic growth levels, inflation, prices, interest rates, foreign exchange rates and other macro-economic factors. Any changes in market prices of these asset classes will affect the Company's income or the value of its holdings of financial instruments.

The Company segregates its exposure to market risks between price risk, interest rate risk and currency risk.

Management of market risks:

The objective of market risk management is to manage and minimize market risk exposures within acceptable parameters, while optimizing the return on risk. The Company's exposure to market risk is determined by a number of factors, including size, composition and diversification of positions held and market volatility.

(a) Price risk

Trading and investment portfolios include proprietary positions taken in equities, fixed income securities, commodities, foreign currency and their derivatives mainly for availing arbitrage opportunities. All financial assets and liabilities are accounted on fair value basis. Management actively monitors its market risk by reviewing the effectiveness of arbitrage and setting outstanding position limits. The Company manages market risk with central oversight, analysis and formation of risk policy, specific maximum risk levels to which the individual trader must adhere to and real time continuous monitoring by the senior management.

In respect of the proprietary positions, the Company is exposed to volatility in the price of the underlying securities.

(b) Interest rate risk

Interest rate risk arises from movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to interest rate risk relates to the loans taken from banks, investment in term deposits placed with banks, investment in debt securities and investments of its excess funds in liquid instruments. A majority of the financing of the Company has come from overdraft facility with banks. The business of the Company is exposed to fluctuation in interest rate for the following activities:

- Term deposits placed with banks are generally for short term on fixed interest rates;
- Facilities availed from banks and other financial institutions generally include short term working capital loans on floating interest rates;
- Interest paid by Company on clients' funds earmarked as fixed margin are generally for short term on fixed interest rates.

Management of interest rate risk

Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for re-pricing bands. However the Company does not use derivative financial instruments to hedge its interest rate risk.

The Company's investments in majority of term deposits with banks are for both short and long duration, and therefore do not expose the Company to significant interest rate risk. Further significant portion of exposure on term deposits with banks is offset with clients' funds earmarked as margins on fixed rate basis. The interest rates on the overdraft facility availed are marginally higher than the interest rates on term deposits with the banks and generally linked to the term deposit rates with the bank. Accordingly, there is limited interest rate risk exposure on the company.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term and long-term debt obligations with floating / fixed interest rates, which are included in loans and borrowings. The loans and borrowings represent loans and borrowing taken both fixed and floating interest rate.

(c) Currency risk

The Company is not significantly exposed to currency risk as there is no mismatch between the currencies in which sales of services, purchase of goods/services and borrowings are dominated and the respective functional currencies of Company. Further, the functional currency of the Company is primarily the Indian Rupee and do not expose the Company to significant currency risk. The Company considers the valuation changes in foreign currency derivatives it trades in as part of investment/price risk as those derivatives are exchange traded, managed and monitored based on exchange price and are settled in near term in Indian Rupees.

Exposure

The table below sets out the assets and liabilities subject to price risk.

Particulars	(₹ in Lakhs)		
	As at		
	March 31, 2019	March 31, 2018	April 1, 2017
ASSETS SUBJECT TO PRICE RISK			
Equity instrument fair value through profit and loss	16,631.99	10,347.45	7,072.97
Equity instrument fair value through other comprehensive income	1,311.19	300.44	795.00
Debt instrument fair value through profit and loss	370.37	8.87	1,431.93
Debt instrument fair value through other comprehensive income	14.96	13.90	13.87
Mutual fund fair value through other comprehensive income	200.85	14.84	17.20
Derivative financial assets	8,782.82	6,446.08	9,054.77
(A)	27,312.18	17,131.58	18,385.74
Liabilities subject to price risk			
Derivative financial liabilities	3,682.74	1,303.35	4,268.65
(B)	3,682.74	1,303.35	4,268.65
Total (A-B)	23,629.44	15,828.23	14,117.09

Sensitivity analysis

Below table shows the sensitivity analysis for different financial instrument

Particulars	₹ In lakhs except otherwise stated							
	For the year ended March 31, 2019				For the year ended March 31, 2018			
	Risk category	% change increase	% change decrease	Impact on profit before tax due to increase in parameter	Impact on profit before tax due to decrease in parameter	Impact on profit before tax due to increase in parameter	Impact on profit before tax due to decrease in parameter	
Investment in equity instrument fair value through profit and loss and derivatives	Price risk	5%	5%	45.00	(91.92)	123.26	5.22	
Investment in equity & other instruments carried through other than fair value through profit and loss	Price risk	5%	5%	76.35	(76.35)	16.46	(16.46)	
Inventories	Price risk	5%	5%	29.63	(29.63)	-	-	
Debt instruments	Interest rate risk	1%	1%	(17.44)	17.46	(0.48)	0.56	
Borrowings	Interest rate risk	1%	1%	514.81	(514.81)	268.33	(268.33)	
Currency risk	Currency risk	5%	5%	7.66	(7.66)	7.20	(7.20)	

*The Company engages in proprietary transactions into equities, commodities and derivatives (equities, commodities and currencies). These transactions are primarily undertaken using various arbitrage models to capitalize pricing inefficiencies in the markets. Any change in the market prices of their underlying would result in changes in the fair value of these trading assets, trading liabilities and inventories and also result in profit/loss on futures positions.

NOTE NO. 38**Related party disclosures**

As per ind as 24, the disclosures of transactions with related parties are given below :

NOTE NO. 38.01

List of related parties where control exists and also other related parties with whom transactions have taken place and relationships :

Sr. No.	Name of related parties	Relationship
1	SMC Comtrade Limited*	Subsidiary
2	Moneywise Financial Services Private Limited	Subsidiary
3	SMC Capitals Limited	Subsidiary
4	SMC Finvest Limited [§]	Subsidiary
5	Moneywise Finvest Limited	Subsidiary
6	Indunia Realtech Limited [§]	Subsidiary
7	SMC Investments & Advisors Limited*	Subsidiary
8	SMC Global USA Inc (Foreign company)	Subsidiary
9	SMC Global IFSC Private Limited	Subsidiary
10	SMC Insurance Brokers Private Limited [¶]	Subsidiary
11	SMC Comex International DMCC (Foreign company) [¶]	Subsidiary
12	SMC Real Estate Advisors Private Limited [¶]	Subsidiary
13	SMC & IM Capitals Investment managers LLP	Jointly controlled entity
14	Mr. Subhash Chand Aggarwal	Key managerial personnel
15	Mr. Mahesh Chand Gupta	Key managerial personnel
16	Mr. Ajay Garg	Key managerial personnel
17	Mr. Anurag Bansal	Key managerial personnel
18	Mr. Vinod Kumar Jamar	Key managerial personnel
19	Mr. Suman Kumar	Key managerial personnel
20	Mr. Himanshu Gupta	Director
21	Ms. Shruti Aggarwal	Director
22	Ms. Madhu Vij	Independent director
23	Mr. Satish Chandra Gupta (upto 25/03/2019)	Independent director
24	Mr. Kundan Mal Aggarwal	Independent director
25	Mr. Hari Das Khunteta	Independent director
26	Mr. Naveen ND Gupta	Independent director
27	Mr. Chandra Wadhwa	Independent director
28	Mr. Roop Chand Jindal	Independent director
29	Ms. Hemlata Aggarwal	Relative of key managerial personnel
30	Ms. Sushma Gupta	Relative of key managerial personnel
31	Ms. Nidhi Bansal (remuneration paid upto 31/01/2019)	Relative of key managerial personnel
32	Ms. Reema Garg	Relative of key managerial personnel
33	Ms. Meetu Goel	Relative of key managerial personnel
34	Mr. Pranay Aggarwal (remuneration paid upto 31/12/2018)	Relative of key managerial personnel

[§] Merged with effect from April 1, 2018.

[¶] De-merged with effect from April 1, 2018 and continue as subsidiary also.

[¶] step down subsidiary in previous year.

Note : Related party relationship is as identified by the company and relied upon by the auditors.

NOTE NO. 38.02

Disclosure of transactions between the company & related parties:-

(₹ in Lakhs)

Sr. No.	Particulars of Transactions	Relationship	For the year ended	
			March 31, 2019	March 31, 2018
1	Remuneration			
	Salaries, wages & other benefits	Key managerial personnel	398.01	385.29
	Contribution to defined benefit plan	Key managerial personnel	30.12	28.95
	Total		428.13	414.24
	Salaries, wages & other benefits	Relative of Key managerial personnel	128.80	53.07
	Contribution to defined benefit plan	Relative of Key managerial personnel	11.94	5.17
	Total		140.74	58.24
2	Directors sitting fee	Independent director	15.40	17.25
3	Investment (purchase)			
	Moneywise Financial Services Private Limited	Subsidiary	-	3,961.50
	SMC Finvest Limited	Subsidiary	-	2,070.00
4	Investment (sale)			
	SMC Finvest Limited	Subsidiary	-	2,070.00
5	Loans & advances given			
	Indunia Realtech Limited	Subsidiary	-	23.81
	Moneywise Financial Services Private Limited	Subsidiary	351.67	5,014.61
	SMC Real Estate Advisors Private Limited	Subsidiary	768.53	93.17
6	Loans & advances recovered			
	SMC Comtrade Limited	Subsidiary	81.03	4,968.99
	Moneywise Financial Services Private Limited	Subsidiary	6,658.70	-
	SMC Real Estate Advisors Private Limited	Subsidiary	93.17	-
7	Brokerage received			
	SMC Comtrade Limited	Subsidiary	-	6.41
	SMC Investments & Advisors Private Limited	Subsidiary	-	0.00
	Moneywise Finvest Limited	Subsidiary	43.38	76.38
	Moneywise Financial Services Private Limited	Subsidiary	-	0.19
	SMC Insurance Brokers Private Limited	Subsidiary	0.13	0.04
	SMC Real Estate Advisors Private Limited	Subsidiary	104.29	71.41
8	Rent received			
	SMC Capitals Limited	Subsidiary	4.23	4.23
	Moneywise Financial Services Private Limited	Subsidiary	-	7.09
	SMC Insurance Brokers Private Limited	Subsidiary	98.01	98.01
	SMC & IM Capitals Investment managers LLP	Joint venture	-	0.45

(₹ in Lakhs)

Sr. No.	Particulars of Transactions	Relationship	For the year ended	
			March 31, 2019	March 31, 2018
9	Demat charges received			
	SMC Comtrade Limited	Subsidiary	-	2.04
	Moneywise Financial Services Private Limited	Subsidiary	-	0.13
	SMC Real Estate Advisors Private Limited	Subsidiary	0.17	0.13
10	Interest income			
	Moneywise Financial Services Private Limited	Subsidiary	1,173.24	536.76
	Indunia Realtech Limited	Subsidiary	-	18.23
	SMC Global USA Inc	Subsidiary	-	8.33
	SMC Real Estate Advisors Private Limited	Subsidiary	214.80	-
11	Delay payment charges			
	SMC Real Estate Advisors Private Limited	Subsidiary	0.09	0.06
12	Income from distribution of financial products			
	SMC Capitals Limited	Subsidiary	171.14	225.07
13	Profit on sale of investment			
	SMC Finvest Limited	Subsidiary	-	1,035.00
14	Expense for distribution of financial products			
	SMC Investments & Advisors Private Limited	Subsidiary	-	0.78
15	Client introduction charges paid			
	SMC Investments & Advisors Private Limited	Subsidiary	-	55.06
16	Management & advisory fee (PMS Fee)			
	SMC Investments & Advisors Private Limited	Subsidiary	-	3.17
17	Interest expenses			
	SMC Comtrade Limited	Subsidiary	-	308.98
	Moneywise Finvest Limited	Subsidiary	0.38	7.59
	SMC Real Estate Advisors Private Limited	Subsidiary	-	25.47
	Moneywise Financial Services Private Limited	Subsidiary	4.08	-
18	Legal & professional expense paid			
	SMC Capitals Limited	Subsidiary	1.10	-
19	Impairment on financial instruments			
	SMC Global USA Inc	Subsidiary		
	Loan		87.01	-
	Investment		81.22	392.72
	Moneywise Finvest Limited	Subsidiary		
	Investment		-	159.89

(₹ in Lakhs)

Sr. No.	Particulars of Transactions	Relationship	For the year ended	
			March 31, 2019	March 31, 2018
20	Payment made on behalf			
	SMC Global IFSC Private Limited	Subsidiary	1.06	2.00
21	Reimbursement of expenses received (net)			
	Moneywise Financial Services Private Limited	Subsidiary	0.33	0.11
	SMC Global IFSC Private Limited	Subsidiary	0.04	1.44
	Moneywise Finvest Limited	Subsidiary	0.09	0.02
	SMC Capitals Limited	Subsidiary	2.25	2.15
	SMC Finvest Limited	Subsidiary	0.42	0.52
	SMC Insurance Brokers (P) Limited	Subsidiary	12.67	1.24
	SMC Real Estate Advisors Private Limited	Subsidiary	0.02	1.08
22	Reimbursement of expenses paid (net)			
	SMC Comtrade Limited	Subsidiary	-	291.87

- 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.

NOTE NO. 38.03**Balances outstanding**

(₹ in Lakhs)

Particulars	Relationship	As at		
		March 31, 2019	March 31, 2018	April 1, 2017
1 Loans				
SMC Comtrade Limited	Subsidiary	-	81.03	5,050.02
Moneywise Financial Services Private Limited	Subsidiary	5,972.81	5,014.61	-
Indunia Realtech Limited	Subsidiary	-	212.45	188.64
SMC Global USA Inc (net of provision)	Subsidiary	66.23	144.10	135.34
SMC Real Estate Advisors Private Limited	Subsidiary	2,258.92	93.17	-
2 Trade receivables				
Moneywise Financial Services Private Limited	Subsidiary	0.01	36.02	-
SMC Capitals Limited	Subsidiary	17.28	19.92	-
SMC Comtrade Limited	Subsidiary	-	-	-
SMC Real Estate Advisors Private Limited	Subsidiary	-	-	6.50
3 Other receivables				
SMC Comtrade Limited	Subsidiary	-	0.22	-
SMC Capitals Limited	Subsidiary	-	7.06	-
Moneywise Financial Services Private Limited	Subsidiary	-	0.12	-
SMC Investments & Advisors Private Limited	Subsidiary	-	0.16	-
SMC Finvest Limited	Subsidiary	-	0.44	-
SMC Global IFSC Private Limited	Subsidiary	24.82	23.72	20.29
Moneywise Finvest Limited	Subsidiary	-	0.02	-
SMC Real Estate Advisors Private Limited	Subsidiary	-	0.02	3.55
SMC Insurance Brokers Private Limited	Subsidiary	-	0.14	-
4 Trade payables				
SMC Comtrade Limited	Subsidiary	-	1.30	54.06
SMC Investments & Advisors Private Limited	Subsidiary	-	5.25	4.27
Moneywise Finvest Limited	Subsidiary	0.87	86.31	8.20
SMC Real Estate Advisors Private Limited	Subsidiary	10.94	14.04	-
5 Other payables				
SMC Capitals Limited	Subsidiary	-	-	1.41
SMC Insurance Brokers Private Limited	Subsidiary	-	0.04	-
6 Other financial liabilities				
SMC Comtrade Limited	Subsidiary	-	-	542.94
Moneywise Financial Services Private Limited	Subsidiary	-	36.01	-
Moneywise Finvest Limited	Subsidiary	6.00	534.32	514.95
SMC Insurance Brokers Private Limited	Subsidiary	49.00	49.00	49.00
SMC Real Estate Advisors Private Limited	Subsidiary	517.80	260.43	593.81

NOTE NO. 39

Certain assets acquired pursuant to the composite scheme of arrangement are included in financial statements of the Company, however some formalities are in process for transfer of name / ownership of such assets.

NOTE NO. 40

Disclosure under the micro, small and medium enterprises development act, 2006

The Company has sent letters to vendors to confirm whether they are covered under micro, small and medium enterprise development act 2006 as well as they have filed required memorandum with prescribed authority. Out of the letter sent to the party, no confirmation have been received till the date of finalisation of balance sheet. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year end are furnished below:

Particulars	(₹ in Lakhs)		
	March 31, 2019	March 31, 2018	April 1, 2017
The Principal amount remaining unpaid at the year end	-	-	-
The Interest amount remaining unpaid at the year end	-	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-	-
The amount of interest accrued and remaining unpaid at the year end	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-	-

NOTE NO. 41

Segment reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along industry classes and geographic segmentation of customers, industry being the primary segment. Secondary segmental reporting is performed on the basis of the geographical location of customers. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the note on significant accounting policies.

A. Business segment

The Company's primary business comprises of dealing in shares, securities, commodities, derivatives and portfolio management services 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, services rendered as depository participant, proprietary trading in securities, commodities, derivatives and portfolio management services.

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.

In terms of our report of even date attached

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

sd/-
S.K Agarwal
Partner
Membership No. : 093209
UDIN : 19093209AAAAAN2727

For and on behalf of the Board

sd/-
S.C. Aggarwal
Chairman &
Managing Director
DIN: 00003267

sd/-
Mahesh C. Gupta
Vice-Chairman &
Managing Director
DIN: 00003082

sd/-
Ajay Garg
Director & CEO
DIN: 00003166

Place: New Delhi
Date: August 07, 2019

sd/-
Vinod Kumar Jamar
Group CFO

sd/-
Suman Kumar
Company Secretary



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