





Day: Wednesday

Date: 30th of September, 2020

Time: 11:00 A.M.

Venue: through Video Conferencing ("VC") /

other Audio Visual Means ("OAVM")





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With the opportunity to build, to invest, to transform, we at SMC, have redefined our capabilities and are growing stronger by becoming a digitized, low-risk and innovative trading & investment solution provider pan India. The cornerstone of our value proposition, our award winning research and diversified service mix enables us to fulfill our overall purpose of delivering the best for our clients and partners.







66 "ALONE WE CAN DO LITTLE; TOGETHER WE CAN DO WONDERS."

- Helen Keller



DEAR SHAREHOLDERS,

The fiscal year 2019-20 started with speculation of global economic slowdown, disruptive trade wars and ended with the pandemic COVID-19. The outbreak of novel Corona virus had affected the market sentiments of majorly all the sectors and industries across the globe to a great extent. Nevertheless, your company has shown itself to be very valorous, purposedriven, resilient and adaptable, staying relevant to its clients through multiple economic cycles, and doing well for all its stakeholders. Indeed, your Company has been relentlessly pursuing its core values for inching ahead towards its Vision.

The Indian equity market,

which made sizable gains till mid-January 2020, recorded a sharp decline in the remaining part of H2:2019-20 tracking the deterioration in global equity market sentiment due to COVID-19. The BSE Sensex touched the 40,000 level during Q3:2019-20 but it came under intense pressure during Q4: 2019-20. Overall, the Sensex declined by 23.8 per cent during



H2:2019-20. The BSE Sensex reclaimed the 40,000 level on October 30, 2019 taking positive cues from global markets amidst fresh optimism over the US-China trade negotiations and agreement on Brexit deal between the UK and the European Union (EU). The uptrend continued in November 19 and December 19 on the back of growth boosting measures by the Government of India, support to the Insolvency and Bankruptcy Code amendment and approval for a partial credit quarantee scheme for public sector banks to purchase pooled assets from NBFCs. Markets became flaccid, however, following the escalation of geo-political tensions between the US and Iran, a subdued domestic GDP growth outlook along with downward revision of India's growth forecast for the financial year 2019-20, the Sensex closed at 29,468 at the year-end that is fall of around 30% from peak.

The steps taken by the Government of India and RBI are highly respected as they have been continuously pushing measures to strengthen the economy. The announcement of "₹20 lakh crore" stimulus package by the present Government has augmented the potential of various industries and sectors to combat the slowdown caused by Covid-19; thus making them self-reliance.

BUSINESS REVIEW

We may congratulate and appreciate the fact that during the FY 2019-20, your Company has won "Business Excellence Award - Skoch Corporate Excellence Awards 2019, Premier Depository Participant in Gold Category - CDSL Awards 2019, Fastest Growing MFI North in Best Star MF Online - BSE Star MF Awards 2019" and many more.

The overall financial performance of your Company has been consistent enough during the FY 2019-20. During the year, we believed in the growth potential of all our business segments and achieved a consolidated

Total Income of ₹ 78413.45 lakhs (PY ₹ 75947.07 lakhs) and PAT of ₹ 2386.17 lakhs (PY ₹ 7478.25 lakhs).

I feel elated to inform you that despite the impediments faced by the Company during the pandemic, your Company has achieved consolidated PAT of ₹ 2451.00 lakhs (PY ₹ 928.10 lakhs) in the first quarter of the current fiscal year. This great achievement was possible only with the inexorable efforts of all the employees and senior management of the Company.

THE PANDEMIC COVID-19

I shall take this opportunity to congratulate the present Government of India, which profoundly administered the outbreak of unprecedented COVID-19 pandemic. Whilst the entire Country was under lockdown for containment of COVID-19, your Company being falling under the category of "Essential Services", as notified by the Government and Securities



Exchange Board of India, has been continuing the business operations with minimal permitted staff and remaining employees were encouraged to work from home. It shall be pertinent to say that we were able to witness the resilience & adaptability of our business model and our capabilities in true sense.

The market evidenced record participation during the most unpredictable period with investors rebalancing their portfolios, making opportune trades during volatile times or finding a good entry point with prices at a multi-year low. Large scale work from home, client engagements exclusively through electronic channels and large volumes of online sales proved the vital role of digitalization in sustainable business growth and cost savings.

DIRECT LISTING OF EQUITY SHARES IN BSE & NSE

Your Company's equity shares are currently listed in The Calcutta Stock Exchange Limited. The

Company has been contemplating over the listing of its equity shares on the two nationwide exchanges of the Country viz. NSE and BSE under the direct listing mechanism. With affirmative expectations, the management has duly approved for filing an application with both the exchanges and the same is in process. Undoubtedly, listing of the shares with NSE & BSE will enable the company to widen its shareholders base and enhance visibility, transparency and credibility. Moreover, it will stimulate liquidity by giving all shareholders the opportunity to realize the value of their investments.

CSR INITIATIVES

SMC believes 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 view of its own conviction, SMC Group

has spent an amount of ₹ 187.45 Lakhs in the FY 2019-20 (PY ₹ 140.8 Lakhs) on corporate social responsibility activities. As a responsible corporate citizen and part of its CSR objectives, SMC Group has contributed ₹ 51 lakhs towards the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund to combat the deadly and pandemic COVID-19.

GENERAL OUTLOOK

COVID-19, the accompanying lockdowns and the expected contraction in global output in the calendar year 2020 weigh heavily on the growth outlook. The actual outturn would depend upon the speed with which the outbreak is contained and economic activity returns to normalcy. Significant monetary and liquidity measures taken by the Reserve Bank and fiscal measures by the government would mitigate the adverse impact on domestic demand and help spur economic activity once normalcy is restored.



The recent epidemic has changed the business narrative and its time that our priority remains valuing life and securing business to support our community. SMC, amidst the global crisis, is committed to safety & well being of all our employees, partners and stakeholders. We are aligned to government advisories and will ensure taking all the precautions and preventions at our offices.

Our robust infrastructure, processes, and most importantly our people, have ensured that we continue to deliver the commitments

with minimal disruptions caused by the global COVID-19 pandemic. We have been proactive to respond to these challenges and were early to switch to work from home without impacting customer deliverables. Our robust IT infrastructure and business continuity processes have allowed us to respond to the situation quickly as it continues to evolve and we are expecting a better growth prospect in time to come.

Lastly, I wish to express my deepest gratitude to our stakeholders, vendors,

bankers, government, exchanges, regulators, partners, clients, communities and states that we operate in, for their guidance, advice and support. I am also grateful to our exuberant employees and committed senior management for showing their relentless efforts during the phase of this pandemic COVID-19. With their continuous support your company embarks on the next phase of growth journey, creating ever greater value for all our stakeholders.

With Best Wishes

sd/-

Subhash Chand Aggarwal (Chairman & Managing Director)







66 "Work hard in silence; let your success be the noise."

- Frank Ocean



DEAR STAKEHOLDERS,

I feel delighted to share with you an update on your Company's performance during the FY 2019-20. The novel coronavirus has affected not just human health but severely impacted businesses and the society at large. Regardless of having so many intrigue circumstances, your Company has delivered consistent, competitive and

profitable growth. Our growth fundamentals are in a good shape due to the trust of our clients and the perseverance of our employees.

During the FY 2019-20 the Indian stock market continued to be buoyant about the country's growth prospects, despite deceleration in GDP growth for the sixth consecutive quarter. Benchmark indices Nifty 50 and S&P BSE Sensex reached record highs during 2019-20 in January 2020. The Sensex reached an all-time high closing of 41,953 on January 14, 2020, witnessing an increase of 7.9 per cent from 38,871 level on April 1, 2019 where as Nifty-50 index reached an all-time high closing at



12,355 on January 16, 2020. However, following the escalation of geo-political tensions between the US and Iran, a subdued domestic GDP growth outlook and unprecedented Covid-19 pandemic, the Sensex closed at 29,468 at the year-end that is fall of around 30% from peak.

According to International Monetary Fund, both advanced economies and emerging market and developing economies are in recession for the first time since the Great Depression of 1930. For the calendar year 2020, growth in advanced economies is projected to de-grow at 6.1 percent. Emerging market and developing economies with normal growth levels well above advanced economies are also projected to have negative growth rates of 1.0 percent in the calendar year 2020.

The social and economic challenges posed by COVID-19 have emphasized the true value of identifying business strengths and weaknesses, as well as in recognizing

and mitigating material risks. SMC Global, being linked to the capital markets, comes under essential services and has been in operation consistently during the lockdown period. We enabled our teams to workfrom-home and took steps to make our workplace safer. Our business continuity protocols and digital technological capabilities ensured minimalistic onsite presence.

BUSINESS PERFORMANCE AT A GLANCE

The overall financial performance of your Company has been consistent enough during the FY 2019-20. During the year, we have achieved a consolidated Total Income of ₹ 78413.45 lakhs (PY ₹ 75947.07 lakhs) and PAT of ₹ 2386.17 lakhs (PY ₹ 7478.25 lakhs).

Further, your company's market share in Equity Broking was 3.0 % (PY 3.0 %) of total turnover of NSE & BSE in FY 19-20. Your

Company has been successful in generating a combined turnover of approx. ₹ 109.5 Lakhs crores (PY ₹ 72.7 Lakhs crores) higher by 50.6% as compared to previous year. In Commodity Broking, the market share was 2.0% (PY 3.1 %) of total turnover of MCX, NCDEX, ICEX and NSE & BSE commodity. SMC clocked a combined volume of ₹ 1.9 Lakhs crores (PY ₹ 2.3 Lakhs crores) lower by 15.9% as compared to previous year.

Along with sustainable growth in the company's main business activities of broking and trading, your company is also continued to focus on the business growth of its two material subsidiaries.

The non-banking financing arm viz. Moneywise Financial Services Pvt. Ltd. (SMC Finance) has Assets under Management (AUM) of approx. ₹ 513 crore as on 31st Mar, 2020. Since 2017, SMC Finance has demonstrated AUM growth at CAGR of 17.0% and revenue growth at CAGR of



27.0% with ROAE 6.4% (FY 2019-20) and a very comfortable CAR of 61.2%. During the year, the company continued to increase its focus on expansion of retail loan book (i.e. secured and unsecured products like SME-WCTL, SME-LAP, SME-Assets Finance, Loans to NBFC/MFI for onward lending, consumer durable loans etc.) which is now at 78.0% of total portfolio. The aggregate term loans disbursed during the year are of ₹ 235.0 crore. Further, during the year, Moneywise has invested in / purchased loan pools from other financing companies amounting to ₹ 26.01 crores.

SMC Insurance Brokers
Pvt. Ltd. which is a Direct
Insurance Broker registered
with IRDAI (Insurance
Regulatory and Development
Authority of India) provides
a complete array of services
in Life Insurance and
General Insurance Category.
It has a large distribution
network with approx. 8,000
POS (Point of Sales), 350
MISP (Motor Insurance
Service Provider) apart from

it's 45 branches at 31 March 2020 and continued investment digital footprint solutions. During the year under review, the total revenue grew by 26 % to ₹ 22,535 Lakhs from ₹ 17,954 Lakhs in previous year& Profit after tax stood at ₹ 1,070 Lakhs as compared to ₹ 1,140 Lakhs in previous year.

The overall development of the SMC Group as a whole is the ultimate vision which we strive for. We also keep focused on improving profitability indicators in our advisory businesses like real estate broking and wealth management activities through increasing operational efficiencies and utilizing group strength of distribution network through cross sell activities.

HUMAN CAPITAL

At SMC we solely believe that "To win the marketplace, you must first win the Workplace". Indeed, a robust Human Capital can essentially act as a catalyst for a company to mark its footprints globally. Hence, we at SMC endeavour to provide a world class

experience to the employees and conduct various training programmes for proliferation of their career dynamics within the organization. The major focus in this year was not only on hiring resources but also to metamorphose the ability of the existing resources. Employee Benefits, Experiential learning, Performance Management, Recognition, On-boarding experience, Automation and Career progression were the areas focussed in this year.

CORPORATE GOVERNANCE

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, exchanges, employees, customers, vendors, investors and the society at large. SMC has a strong legacy of fair, transparent and ethical governance practices.

Risk management and internal controls are therefore embedded throughout SMC, assuring



risk identification and mitigation and ensuring the accuracy and validity of various reports and certificates that the group provides to various external stakeholders including customers, regulators, shareholders etc. We also constitute various committees for calibrated delegation and supervision of various business functions to ensure that good corporate governance practices are followed in every vertical apart from those required under various statutory guidelines.

IN CONCLUSION

At a macroeconomic level, for capital markets as well as for our industry, the near future would be very strongly influenced by the outcomes pertaining to the COVID-19 pandemic and the manner and duration of recovery. In an uncertain and unprecedented environment that we are likely to face in the coming term due the hit of COVID-19, the most critical thing will be to augment operating leverage and focus strongly on cost efficiency. By making optimum utilization of technology, we are continuously evaluating the opportunity to bring down the intervention of physical processes and infrastructure with proper SWOT analysis. Our aim has always been to mitigate risks involved in the business to the extent as

less as possible with proactive approach and setting up effective and robust internal control mechanism. Our approach is to build lifetime associations with our clients and thereby maximise the lifetime value for us.

Lastly, 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.

With Best Wishes

Sd/-

Mahesh Chand Gupta (Vice-Chairman & Managing Director)





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

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GROUP CHIEF FINANCIAL OFFICER

MR. VINOD K. JAMAR

E-mail: vinodjamar@smcindiaonline.com

STATUTORY AUDITORS

R. GOPAL & ASSOCIATES Chartered Accountants

REGISTERED OFFICE

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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.. Indian Overseas Bank



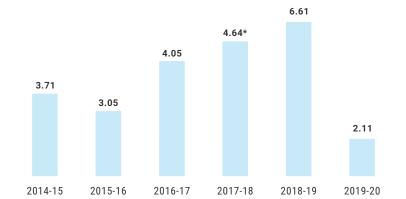






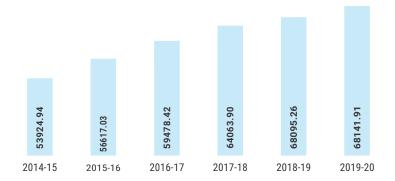
CONSOLIDATED REVENUE V/S EXPENSES

- Revenue (₹ in lakhs)
- Expenses (₹ in lakhs)



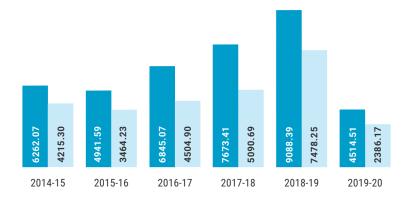
CONSOLIDATED EARNING PER SHARE

Consolidated (in ₹)



CONSOLIDATED NET WORTH (EXCLUDING MINORITY INTEREST)

Consolidated (₹ in lakhs)



CONSOLIDATED PBT V/S PAT (BEFORE MINORITY INTEREST)

- Profit Before Tax (₹ in lakhs)
- Profit After Tax (₹ in lakhs)



SMC JOURNEY: GOING FROM STRENGTH TO STRENGTH

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).



2007

Started providing NRI services, Institutional trading and advisory services.



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 and in 2009 it also got registered with 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.





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.



2008

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

NBFC Started providing margin funding and IPO financing to clients.



2014

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



2017

SMC INSURANCE POS

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





2019

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.







550+

cities across India

Workforce of 4100+ employees

Solo

6,74,000+

Life Insurance and General Insurance policies Clearing settlement service to

300+
trading members

Running SIPs

61,900+

in various schemes of mutual fund

Large network of

2,500+

authorised persons

Serving

18,00,000+

unique clients

Cumulative AUM under mutual funds

2,900+

crores



At the core, our diversified business is a real strength, and we will maintain growth in areas where we have a significant customer base. We believe we can differentiate with our unique portfolio mix and an award winning research support.











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





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











RELATIONSHIP:
ONE TRANSACTION,
LIFETIME RELATIONSHIP



TRUSTWORTHY
KEEPING OUR PROMISE.
EVERY TIME



INNOVATION:
BEING AHEAD WITH
RESEARCH & TECHNOLOGY



INTEGRITY:
BEING ETHICAL TO
BUILD TRUST



ONE STOP SOLUTION FOR YOUR VARIED INVESTMENTS NEEDS



BROKERAGE & CLEARING



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

DISTRIBUTION



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

FINANCING (NBFC)



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

WEALTH MANAGEMENT



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

INSURANCE BROKING



Insurance Broking -Life & General

INVESTMENT BANKING



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

INSTITUTIONAL TRADING



Institutional Trading and Advisory Services

NRI & FPI SERVICES



Providing Trading facilities to NRI & FPI

REAL ESTATE ADVISORY



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

DEPOSITORY SERVICES



Depository Services for both Equities & Commodities



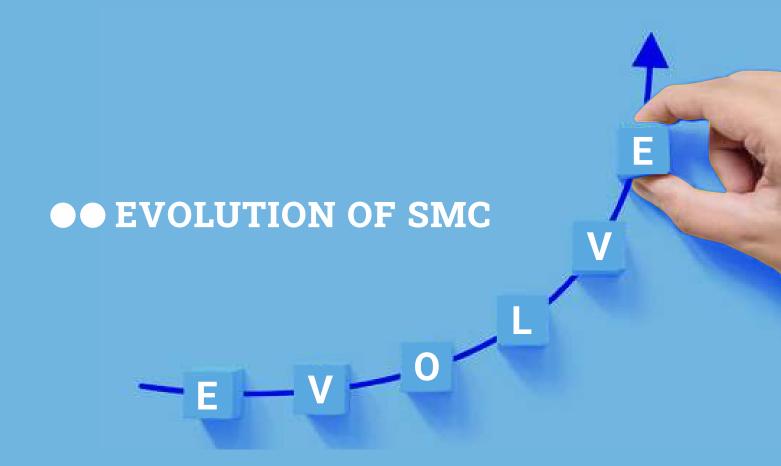
RECOGNISED FORBEST SERVICE EXCELLENCE



SMC has been recognized across various categories with its innovative use of digital technology-enabled capabilities, best-in-class products and services to highlight financial industry initiatives that have been taken in last one decade.







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 & entered into the arena of Stock Exchange. This privilege gave the consistent momentum to the expansion & diversification of the SMC Group. Over the span of time SMC has earned appreciable reputation and Brand recognition through its client service focused model. Presently, SMC is one of the leading financial services companies providing Broking, Distribution of mutual funds & IPOs,

Insurance Broking, depository services, equity research services, Financing, Real Estate & Wealth Advisory, Commodity Broking, NRI & FPI services, Investment Banking and Alternative Investment fund with nearly over 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 4100+ enthusiastic workforce who are efficient, determined and passionate to take the company at new heights.



JOURNEY SO FAR

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, 2020 and all of them are specialized in arbitrage operations.

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 account. 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
& NERL.

F&O TRADING AND CLEARING

SMC started providing trading and clearing services in futures and options (F&O) segment.

2003- GOOD TO GROW

Commodity Brokerage

Providing trading platforms to clients for trading in commodities through MCX, NCDEX, NMCE 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 ₹ 2,900 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. Number of clients for FY 19-20 stood at 715,000 (approx) as compared to 689,950 (approx) clients in FY 18-19. SMC Insurance Brokers Pvt Ltd has a huge network of POS (Point of Sales) Person and MISP (Motor Insurance Service Provider) for solicitation of insurance with approx 8000 POS and 350 MISP registered with the entity as at 31 March 2020.

During the year under review, the total income stood at ₹ 22,535 Lakhs as compared to ₹ 17,954 Lakhs in previous year and Profit After Tax (PAT) stood at ₹ 1,070 Lakhs as compared to ₹ 1140 Lakhs in previous year.

2007- EXTRA MILES

NRI business

NRI services 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 seament 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 offers Financial
Planning and Wealth
Management solutions to
HNI clients through a host of
in-house and third party
products. SMC is SEBI
registered Portfolio Manager

and AMFI registered distributor for various Mutual Funds. SMC's robust business model helps it to constantly manage, preserve and grow the wealth of its clients. SMC's 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.

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 a independent and professional investment Information and Credit Rating Agency (ICRA) and registered with RBI as nondeposit taking non-banking finance company (NBFC) having client base of 23000 across India, offering a wide spectrum of financial products like LAS, LAP, IPO,



Equipment, Receivable, Housing Application Financing etc to retail & corporate clients, etc.

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 12
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 250 developers of
repute pan India with
national as well as regional
presence.

2016- NEW VENTURES

National pension system

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

SMC Global IFSC

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) and NSE IFSC 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.

This is then 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 in mobile phones both in android and iOS.

With all the benefits of our e-Guru which is available 24/7, productivity has increased along with job satisfaction after our e-learning implementation. Increased efficiency in processes will ensure overall success which in turn will improve the company turnover and potential



market share.

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 8000 POS already registered with SMC as on March 31, 2020

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 2017, SMC Finance has demonstrated AUM growth at CAGR of 17.0% and revenue growth at CAGR of 27.0% with ROAE 6.4% (FY 2019-20) and a very comfortable CAR of 61.2%. (as at 31st March, 2020) 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 systemically 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 May 2018, the Company went into approved composite scheme of arrangement which comprised of: 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 Ltd.









CONTINUED JOURNEY OFAWARDS AND RECOGNITION

Awards are but tiny appreciation of our efforts as we endeavor for excellence. SMC is a consistent early adopter

of a host of industry best practices, sustainability measures, and pro-people initiatives. These have attracted industry recognition from time to time, and here is a brief highlight of some of the major awards we won last year.

The reward for work well done is the Opportunity to do more



Mr. D K Aggarwal (CMD, SMC Investments and Senior VP, PHD Chamber of Commerce) receiving the 'Corporate Broker Of the Year- National' award during Estate Awards held on Wednesday, 21st August, 2019 at JW Marriot by RE/Max India in partnership with Zee business (TV Partner).





Mr. Ajay Garg, Director & CEO, SMC Group was conferred with ET's Most Promising Business Leader of Asia - 2019 award at The Economic Times - Asian Business Leaders Conclave held on 8th November 2019 at Marina Bay Sands, Singapore.



SMC Global has been awarded as the 'Regional Retail Member of the Year (North)' for Equities and Commodities at NSE Market Achiever's Awards'19 held in Mumbai. Dr. D. K. Aggarwal (CMD, SMC Investments & President, PHDCCI) & Mr. Anurag Bansal (Whole Time Director, SMC Global) receiving award from Mr. Vikram Limaye, MD & CEO, NSE





SMC was conferred upon as the "Best Performer in Account Growth Rate (Big Dp's)" & "Top Performer In New Account Opened (Non-Banking Categories -3rd Position)" during the 34th NSDL DP Conference 2019 held on 14th December, 2019 at Taj Mahal Hotel, New Delhi.



Mr. Mahesh C Gupta (Co-Founder, Vice CMD, SMC Group) and Mr. 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 Limited by Mr. Mrugank Paranjape (MD & CEO, MCX) accompanied by other dignitaries during MCX Awards 2019 held on Friday, 26th April, 2019 at Hotel The Leela, Mumbai.



EVENTS AND CONFERENCES BRINGING PEOPLE TOGETHER

66 GOOD FORTUNE IS WHAT HAPPENS WHEN OPPORTUNITY MEETS WITH PLANNING. 99

- Thomas Edison



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.



Mr. S C Aggarwal (CMD, SMC Group) and Mr. Mahesh C Gupta (Vice CMD, SMC Group) with Shri Piyush Goyal Ji (Hon'ble Minister of Railways and Coal, Government of India) during the Seminar 'Indian Economy - The Way Forward 2025' organized by SMC held on Thursday, 9th May, 2019 at the Civic Centre, New Delhi.





Mr. S C Aggarwal (CMD, SMC Group) addressing the audience during National Conference on Fiscal Policy organised by ASSOCHAM held on Friday, 17th May, 2019 at Hotel Taj Mahal, Man Singh Road, New Delhi.



Mr. D K Aggarwal (CMD, SMC Investments & Senior VP - PHD Chamber of Commerce) addressing the audience during the program "India Inc. Speaks Live" organised by PHD Chamber of Commerce held on Thursday, 23rd May, 2019 at PHD House, New Delhi.





Mr. S C Aggarwal (CMD, SMC Group) along with Mr. Amitabh Kant (CEO, NITI Aayog) during Fintech Summit organised by ASSOCHAM held on Thursday, 30th May, 2019 at Hotel The Taj Mahal, Mansingh Road, New Delhi.



Mr. D K Aggarwal (CMD, SMC Investments & Senior VP - PHD Chamber of Commerce) during Open House Discussion on Post Election Market Outlook of Various Asset Classes held on Friday, 7th June, 2019 at PHD House, New Delhi.





SMC organised Investor Awareness Program in association with NSE and NSDL held on Friday, 14 June 2019 at Lemon Tree Hotel, Amritsar.



SMC Group has won two prestigious awards viz. 'Business Excellence' and 'Person of the Year' at the 58th Skoch Summit & Corporate Excellence Awards.





Glimpses of SMC participating in 7th International Convention - "Building Indian Commodity Market for Job Creation and Sustainable Development Goals" organised by Commodity Participants Association of India (CPAI) on Saturday, 13th July, 2019 at Hotel Le Meridien, New Delhi.



Mr. Ajay Garg (CEO & Director, SMC Global Securities Ltd.) during Investor Awareness Programme organised in association with NSE & NSDL held on Saturday, 20th July, 2019 at Hotel Gargee Grand, Patna, Bihar.





SMC Group conducted a plantation drive under its CSR initiative and planted over 200 plants on Tuesday, 13th August, 2019 at Uttari Dilli Nigam Pratibha Vidyalay, Pandav Nagar, Shadipur & Shastri Park, New Delhi.



Dr. D K Aggarwal (CMD, SMC Investments & President, PHDCCI) along with Captain Amarinder Singh Ji (Chief Minister of Punjab) on 10th December, 2019 at Punjab International Trade Expo (PITEX), Amritsar.





Dr. D. K. Aggarwal (CMD, SMC Investments & President, PHDCCI) along with Mr. Rajnath Singh, Hon'ble Union Minister of Defence during 22nd India International Security Expo 2019 held on 10th October, 2019 at Pragati Maidan, New Delhi.



Dr. D.K. Aggarwal (CMD, SMC Investments & President - PHDCCI) presenting a memento to Mrs. Nirmala Sitharaman, Hon'ble Finance Minister to discuss vital growth provoking measures held on 13th November 2019 at New Delhi.





Mr. Anurag Bansal (WTD, SMC Group) and Ms. Nidhi Bansal (WTD, SMC Real Estate) along with SMC Employees celebrating the milestone of achieving 10,000 SIPs in BSE Star MF held on Thursday 28th November, 2019 at Mumbai offices.



Cake Cutting ceremony the occasion of opening of '1000 Accounts' in Stoxkart, the discount brokerage arm of SMC held on 03rd September 2019 at Head office, New Delhi.





Mr. S C Aggarwal (CMD, SMC Group) addressing the audience during National Summit on Investors Protection, Education And Awareness organised by ASSOCHAM held on Wednesday, 26th June, 2019 at Hotel Le-Meridien, New Delhi.





People & Culture- making SMC an excellent place to work

SMC strives to maintain a cordial relationship and healthy atmosphere with its employees at all levels. Human resources are considered the most important and valuable asset of the Company. Continuous commitment to upgrading skills is an integral part of the human

resource development policy of the Company. We also make sure these policies, processes and systems comply with the laws of the land and international standards wherever applicable. The focus has always been towards creating a rewarding and nurturing

environment for employees. The Company is an equal opportunity employer and promotes diversity in its workforce. Equal opportunities are given to optimize their potential and improve their standard of living.



Badminton tournament was organized inhouse where all the employees actively participated.





CSR Activity under the collaboration with Umeed - a drop of Hope NGO was organized for the Underprivileged Kids where School Bags , Books & Stationary items were distributed.



On Independence day employees coordinated with tricolor outfit followed by flag hosted ceremony.



DIWALI CELEBRATION

To mark Diwali celebrations, SMC organised various activities and competitions. Various competitons, including

'diya' and 'thali'
decoration, gift packing,
fashion show, paper lampmaking and rangoli
competitions were held.
Along with this, poem

recitation and speech competitions were also organised to aware the students about green Diwali.





Some Joyful glimpse of Diwali Celebration at SMC Head Office & Branches Pan India.



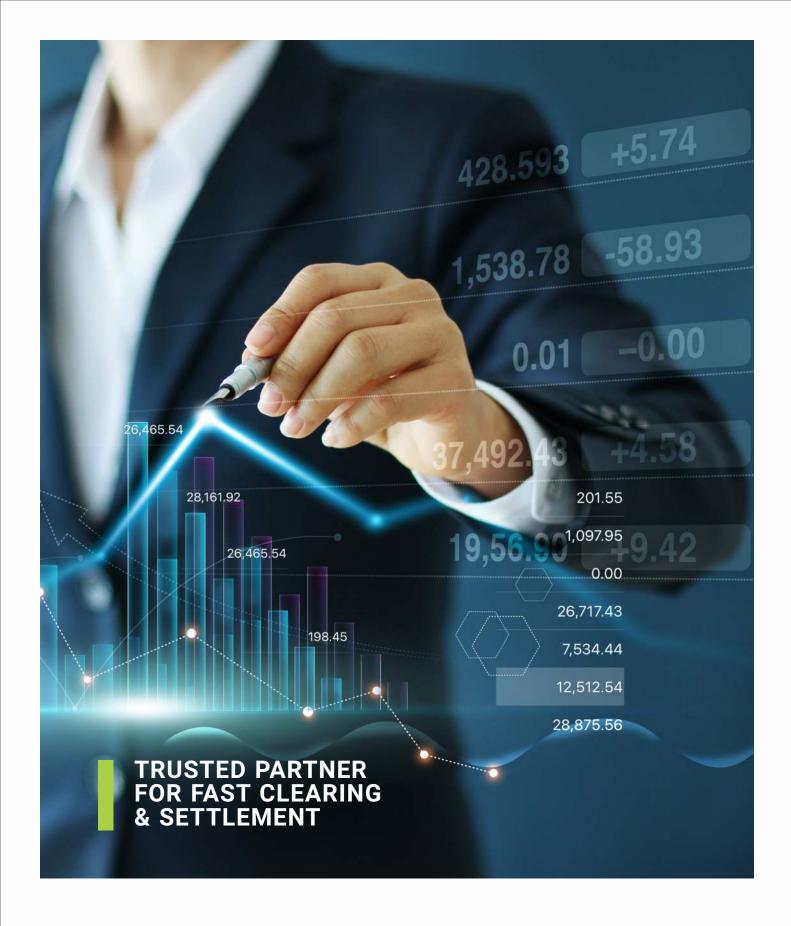
NEW YEAR CELEBRATION

New Year celebration Dr. D K Aggarwal (CMD, SMC Investments & President, PHDCCI), Mr. Ajay Garg (Director & CEO, SMC Group), Mr. Ayush Aggarwal (Director, SMC Global Securities Ltd.), Ms. Anshika Aggarwal (Whole Time DirectorSMC Investments and Advisors Ltd.) along with SMCian's at Wealth building Pusa Road, New Delhi.





On Teej Celebration all the employees wore ethnic outfits.



A LEADING NAME IN CLEARING SERVICES

Clearing & settlement services to 300+ trading members | Clearing membership | F&O Segment: BSE, NSE & MSEI | Commodity: MCX, NCDEX, ACE & DGCX | Currency: BSE, NSE, MSEI | Debt Segment: NSE, BSE & MSEI







Moneywise. Be wise.



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 (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 Group), 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 (CFO- SMC Real Estate Advisors Pvt. 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 (WTD, SMC Real Estate Advisors Pvt. Ltd.), Ms. Anshika Aggarwal, (WTD-SMC Investments & Advisors Limited).





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



Mr. Subhash C. Aggarwal, an active contributor to the good governance, 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 four decades of diverse experience in the financial, stock broking industry. Mr. Aggarwal is widely recognized for his pathbreaking 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 is having excellence 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 emerge resilient and more able from every potential challenge. His performance is reflected through his excellent contribution in SMC Group. 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/Co-Chairman of the National Council of Capital Markets. He is also an optimist leader, administrator and contributor.



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



Mr. Mahesh C. Gupta is the Vice Chairman & Managing Director of SMC Global Securities Limited. He is one of the co-founders of SMC Group and has been associated with the Company as the backbone since its very inception. He is graduated with Bachelor's in Commerce from Delhi University and is fellow member of the Institute of Chartered Accountants of India (ICAI) and having specialization in the areas of equity markets, distribution, Corporate Social Responsibility and Corporate Governance etc. Mr. Gupta has been a visionary and always been clearly focused, consistent and, purpose-driven

throughout SMC's Journey right since the seed phrase. He has an acclaimed exposure and experience of stock market of about four decades and being a idealistic leader who has effectively handled all the matters and phases of the dynamic stock market. He oversees the policy, vision and a major part of the operational activities and ensures flawless performance of the Group. His belief that sustainable business drives superior performance has always had a positive impact on the performance of the group.



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



Dr. D.K Aggarwal is associated with SMC as a promoter. He has made a huge contribution in accomplishing growth of the Organization and has led SMC to grow into a multidimensional company. He is a fellow member of the Institute of Chartered Accountants of India (ICAI). He is National President of PHD Chamber of Commerce & Industry (PHDCCI), a 115 years old apex chamber of India. He is also former President of Commodity Participants Association of India. Dr. Aggarwal has helped the Company grow into its present diverse structure leading a host of businesses. Innovation in offerings, branding, research

and arbitrage are his forte. Dr. Aggarwal has a rich experience of 28 years in Equity, Derivatives, Commodity, Debt, Forex, Real Estate, Fund Management and Risk Management. His leadership qualities have helped him manage, control and supervise a large number of businesses in these market segments. He is an eminent speaker and writer and his views are highly sought after by various print and TV media channels. He is well respected for his views and insight of not only financial markets but of various sectors of the economy. He serves as Member of Board Advisory Committee at MCX LTD, MSEI & NCDEX LTD.

Dr. Aggarwal has been awarded with "The Distinguished Entrepreneurship Award" by PHD Chamber of Commerce & Industry. He has also been conferred the "SME Leader 2018 Award" by The Institute Of Charted Accountants of 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.



Mr. Ajay Garg is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). With a wide and rich experience of over 22 years in Securities, Commodities & Currency markets and strong hold into the intricacies of the capital market he heads the core businesses of Broking & Clearing services at SMC. He is responsible for business development, risk management, technological up-gradation, brand building and marketing activities of the entire Group.

His firm inclination and belief in the power of technology has helped SMC expand its wing and develop a strong network of 2500+ Franchise and Branches all across India.

And because of his focused approach towards offering a superior user experience by using robust innovations SMC has been able to transform trading from a complex chore to a convenient experience for investors with proprietary features like Auto-Trender (an in-house research-based tool that decodes market trends and helps generate buy and sell signals), SMC ACE (a trading app for investors on the go), Algo Trader (an automation software that takes emotion out of trading), Robo Advisory enabled platform and Portfolio Health Checker (which enables investors to monitor the health of their portfolio for both equity and mutual funds and

restructure it, if required).

Mr. Garg has been awarded with ET's Most Promising Business Leader of Asia -2019 at The Economic Times - Asian Business Leaders Conclave, Singapore which is a testament to his leadership skills and futuristic approach. His dedication to improving SMC's offerings also got him a recognition as the Entrepreneur of the Year -Innovation in Financial Services' during the Entrepreneur India Awards 2015, organized by Franchise India. And as one of the early signs of his brilliance he had been a merit holder in the Institute of Chartered Accountants of India Examination (ICAI).



Mr. Anurag Bansal
Whole Time Director-SMC Global Securities Limited
Director-SMC Capital Limited



Mr. Anurag Bansal is the Whole Time Director of the Company. He has rich legacy of professional exposure in the Capital market. He is responsible for managing, operating and supervising of various businesses including Investment Banking, Institutional Equities, and Distribution division apart from legal and other strategic functions of the organization and is instrumental in making various strategic decisions for the Company. Besides this, he is also on Board of International Council of Securities Associations. He consistently explores new avenues for enhancing the growth of the organization.

He is also 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).



Ms. Shruti Aggarwal Non-executive Director



Ms. Shruti Aggarwal serves as a Non-Executive director for SMC Global Securities Limited and is currently leading the Corporate Finance function at SMC Investments & Advisors Limited. She is an MBA from London Business School, a member of Institute of Chartered Accountants of India (ICAI) and has cleared all three levels of CFA from the CFA Institute, USA. She has over 10 years of experience and has worked with PwC, Vedanta Resources, Kraft Heinz UK. Her expertise in the areas of management advisory, financial services, international taxation, strategic planning contributes as success and growth of our organization.



Mr. Himanshu Gupta
Director & CEO-Moneywise Financial
Services Private Limited
Director-SMC Global Securities Limited
Director-SMC Comtrade Limited



Mr. Himanshu Gupta is a Fellow Member of the Institute of Chartered Accountants of India (ICAI) having a rich experience of around 10 years in Financing & Securities' market along with a strong hold into the intricacies of the capital market. He heads the core business of NBFC at SMC along with fixed Income securities & bullion business apart from taking care of the overall functioning of the Group. He is responsible for envisaging its core strategies, business development, risk management and digital upgradation.

As the Director and CEO of Moneywise Financial Private Limited, Mr. Gupta has helped the organizations pivot towards change and digitalization in a market that is continually evolving. Mr. Gupta joined the SMC Group in 2011 as the Senior Vice President (Operations), and by the virtue of his astuteness and business acumen the organization has

navigated market challenges with setting new industry benchmarks and has carved a name for it by growing into a respectable brand.

From a young age, he firmly believed in the values of hard work and persistence, and his pursuit of the two has led him many exciting pathways in his life. With an eye for detailing, he has learned that nothing can replace the results that come from working tirelessly towards your goals.

As a result, Mr. Gupta has dedicated his life towards building organization that can withstand the test of time. As a leader, he has brought in innovation and change to the organization, ensuring that they not only grow at a fast pace, but also keep up with market trends and industry benchmarks. In his pursuit for excellence, he has set a benchmark in core business strategic development and undertaking business development

responsibilities of the SMC Group.

One of his earliest achievements was graduating with B.Com (Hons) from Delhi University, clearing the Institute of Chartered Accountants Examination, and honing his strategic planning skills. These have contributed greatly to leading him to become who is he today.

Having cultivated a mindset that is geared towards learning from a young age, Mr. Gupta takes pride in keeping up with the latest industry developments and market challenges, which is what has led him to become such a formidable leader.

A Gen-Y entrepreneur and owner of a charming personality, Mr. Gupta is a role model and inspiration for many of the youths and professionals. He also works towards inspiring the youth as he believes that they are the future of the country.



Mr. Naveen ND Gupta
Independent & Non-executive director



Mr. Naveen ND Gupta, who has been a chartered accountant for more than 21 years 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 former Vice-President and President of ICAI and currently holds Directorships in various companies.

His optimistic approach, coordination and achievements is remarkable.

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 coauthored the book "Indian Accounting standards-Comparison to IAS US-GAAP". He is presiding Chairman of ICAI-ARF (Accounting Research Foundation) and XBRL India.



Mr. Kundan M. Agarwal Independent & Non-executive director



Mr. Kundan M. Agarwal, Senior Partner of K. Prasad & Co., serves as Independent and Non-Executive Director of SMC Global. He is a fellow member of Institute of Chartered Accountants of India (ICAI) and has experience and professional expertise stretch of more than four decades in financial services industry. Mr. Agarwal is the Chairperson of Stakeholders Relationship Committee and also member of various other Statutory Committees of the Company. He is fostering our Board with his rich and meticulous exposure and knowledge of taxation, corporate matters and securities market.



Mr. Hari D. Khunteta
Independent & Non-executive director



Mr. Hari D. Khunteta is the Non-Executive Independent Director of the Company. He is also the Chairman of Audit Committee of the Board of Directors 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 44 years in the field of financial management, Investor servicing Corporate Governance & Resource mobilization from Domestic as well International market. He has strong fundamentals of principles that helps in continuously guiding the company. 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. Roop C. Jindal Independent & Non-executive director



Mr. Roop C. Jindal is an Independent and Non-Executive Director on the Board of SMC Global Securities Limited. He has rich and varied exposure of 44 years in the field of Financial Reporting, Risk Management, Auditing, Taxation 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 possesses excellent communication and plays a key and active role for the organization.



Mr. Chandra Wadhwa Independent & Non-executive director



Mr. Chandra Wadhwa is the fellow member of Institute of Cost Accountant of India (ICAI) & Institute of Company Secretaries of India (ICSI). He holds Bachelors of Law as well Masters of Commerce Degree from Delhi University and has exposure of over 38 Years in the field of Financial cost management accounting as well as in cost management auditing sector. Mr 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. CMA 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. CMA 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 the man of eminent

personality. He has been adding value to the organization from beginning and his support is remarkable. He is an independent and Non-Executive Director on the 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.



Dr. Madhu VijIndependent & Non-Executive <u>Director</u>



Dr. Madhu Vij serves the company as an Independent and Non-Executive Director on the Board of SMC Global. She has an experience and exposure of over three decades as a Professor of Finance at the Faculty of Management Studies, University of Delhi. 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 believes in a strong culture with shared values and focuses on sustainable growth

approach. She is well versed with capability of and effectively implementing, innovation, development of business and administration ideas, accepting challenges for growth and progress of the organization 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.



Mr. Rajendra P Mahipal
Independent & Non-executive director
SMC Insurance Brokers Pvt. Ltd.



Mr. Rajendra P Mahipal is an Independent and Non-Executive Director on the Board of SMC Insurance Brokers Private Limited and Moneywise Financial Services Private Limited. His team building ability, optimistic approach, coordination and support is remarkable. 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 40 years of experience in import Export, Finance, Administration and Capital Market. He is a doyen personality in the field of taxation, handling business matters. He has proven himself as man of dedication and devotion.



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



Mr. Pravin K. Agarwal is the whole time director of SMC Insurance Brokers Private Limited.He actively handles the development and operations of our insurance broking business. He is a man of alternative skills and solutions that has led to SMC's substantial expansion and diversification. Having more than a decade of pivotal 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 blended nature of work at Company helps in running the group in positive way.



Ms. Reema Garg
Chief Human Resource Officer
Director-SMC Investments and Advisors Limited
Director-Moneywise Finvest Limited



Ms. Reema Garg is a Chief Human Resource Officer (CHRO) of SMC Global Securities Limited and Director of SMC Investments & Advisors Limited and Moneywise Finvest Limited. She is a dynamic lady, with having more than 12 years of experience in the Human Resources Department. She is self-motivated woman having professional approach emphasizing on the core values of the organization. Her contributions in the HR framework of the Company by introducing various innovative ideas are remarkable. 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 thesis writing on the topic "Role of Performance management on Employee Engagement in India". She inspires everyone with her innovative ideas, conviction and new perspectives to things.



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



Ms. 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 holds the office of Whole-time Director in SMC Insurance Brokers Pvt. Ltd. She is a experienced and confident lady who inspires everyone with her innovative ideas, conviction and new perspectives. Her ability to see the matters of the Company and unfailingly rise to meet the challenges boosts the effectiveness for the group.



Mr. Ayush Agarwal
Director-SMC Real Estate Advisors Private Limited
Director-Moneywise Finvest Limited
CIO (Chief Investment Officer)-SMC Private wealth



Mr. Ayush Aggarwal is a young dynamic business leader. He is an MBA (PGP-FMB) from SP Jain Institute of Management and Research, Mumbai, and a graduate from Delhi University. He has a great understanding and an indepth knowledge of financial Market. He is the CIO (Chief Investment Officer) of SMC Private wealth Vertical at SMC Global Securities Itd. managing and handling portfolio management activities. He has an excellent understanding of the various Macro & Micro factors driving the economy and financial markets. He has a knack of Identifying

high growth potential as well as fundamentally strong companies. HNI clients at SMC have benefitted significantly from his practical and pragmatic views.



Mr. Pranay Agarwal
Whole Time Director-Moneywise Finvest Limited
Director-Moneywise Financial Services Private Limited
Director-Real Estate Advisors Private 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. Prior to joining SMC in 2016, he was associated with Price waterhouse coopers. He is a man of creativity, values, devotion and dedication. He is a remarkable young talent who has played a key role in launching of Stoxkart (Discount brokerage platform). He believes in capitalizing new business opportunities and delivering operational efficiency in order to support and delivering industry-leading

operational efficiency in order to support our goal of delivering sustainable growth in value.



Mr. Pankaj Gupta Director-SMC Comex International DMCC



Mr. Pankaj Gupta, with more than 21 years of experience in three different continents, is 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



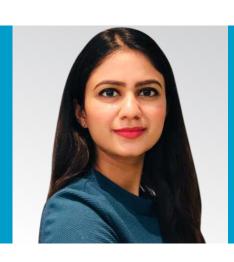
Ms. Nidhi Bansal Whole Time Director-SMC Real Estate Advisors Private Limited Director-SMC Comtrade Limited



Ms. Nidhi Bansal is a Whole-time Director of SMC Real Estate Advisors Private Limited (subsidiary of SMC Global Securities Limited) and handling the business development, operations and human resource section of the Western Zone. She is self-motivated lady with excellent communication skills and always take a leap forward in pace of transforming the organization. She is a post graduate in commerce and a fellow member of Institute of Chartered Accountants of India (ICAI).



Ms. Anshika Aggarwal
Whole Time Director,
SMC Investments & Advisors Limited



Ms. Anshika Aggarwal is a Chartered Accountant and a B.Com (Hons.) graduate from Delhi University. She is heading SMC's Real Estate Advisory vertical and in a very short span of time, she has managed to establish the business as a dominant player in primary real estate advisory space comprising of both commercial and residential properties. With her sharp business acumen, she has effectively streamlined and strengthened the processes and systems across the different functions of the company. She is also introducing enterprise wide automation and encashing the fruits of artificial intelligence in tapping the

right target audience for the business.

Ms. Aggarwal is also heading SMC's Loan & Mortgage Advisory vertical and envisions to transition the same into a fintech company serving clients across the country digitally.



SENIOR MANAGEMENTOF SMC GROUP

Mr. Vinod Kumar Jamar (Group CFO) Member : Risk Management Committee



Mr. Vinod Kumar Jamar has always been committed to ensuring the highest standards of corporate governance and excellence in the Company. He is a man with robust governance qualities, is associated with the Company as Group Chief Financial Officer. He also guides for establishing, monitoring, and enforcing the policies and procedures. He is responsible for managing financial reporting, audit, compliance of tax laws (direct and indirect), planning and capital structure. He is having rich legacy of professional exposure of over 35 years in Taxation,

Finance, Accounts, Strategic Planning, Auditing, and Fund Management. He is a fellow member of the Institute of Chartered Accountant of India (ICAI) and with such a diverse exposure he handles all the tasks and assigned projects with great efficiency and effectiveness. His varied experience helps organization to work unitedly towards the Vision & Mission of the Organization. Prior to joining the Company, he was Head Taxation and Chief Risk Officer at Bajaj Allianz General Insurance Company Limited, Pune.



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



Mr. Suman Kumar leads the Corporate Affairs & legal matters of the SMC Group. He serves as the Executive Vice President (Corporate affairs) & Company Secretary of the SMC Group. He is fellow member of Institute of Company Secretaries of India (ICSI) & a law graduate from University of Delhi. He has rich legacy of experience of more than 19 years in the industry and has been associated with SMC Group since 2005. He believes in building and maintaining credibility, transparency and good governance.

Mr. Kumar has played a pivotal and key role in SMC Group since beginning, by making excellent contribution in compliance accompanying

growth of the Organization. He ensures best corporate practices and compliance's are followed towards achieving effective operations & continuing growth of the Group. He has proficient knowledge of Exchange norms and market dynamics & in depth understanding of Law of Arbitration, Corporate Laws, Civil and Criminal laws. 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. His visionary and astute leadership has resulted in building the SMC's repute empire as a leading financial concoction. By staying true to mission and values, Mr. Kumar has positioned the Company to become the foremost partner of choice to all forward thinking enterprises in their growth and transformation journeys.



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



Mr. Aggarwal has brought a strong leadership skill in the management of the Company which leads to the better management and achieving desired goals and objective. He is Compliance Officer and Senior Vice President of the Company. He is a fellow member of the Institute of Chartered Accountants of India. Mr Aggarwal has a wide breadth of experience of 40 years of in the field of audit, taxation and corporate matters. He has a diverse exposure in the field of Tax matters, SEBI and Exchanges Compliance, **Depository Participant** Operations. He handles &

Execute long-term Business
Strategies, Growth Plan,
Researching and
implementing new directives
for business growth and
prosperity Monitoring
employee productivity with
great efficiency and
effectiveness. Prior to
joining the company he was
a practicing Chartered
Accountant.



Mr. Mohit Shyngle (Senior Vice-President)



Mr. Mohit Shyngle is the Senior Vice-President (Country Head) of the Company. With his devotion and dedication he has developed a culture of excellence & work for creating a simplified, leaner 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 solicit the support of team thereby boosts effectiveness in running and positive result for the group. He believes in operational excellence and

always be confident of exponential value creation for the future.



Mr. Shyam S. Bansal (Chief Financial Officer-SMC Real Estate Advisors Private Ltd.)



Mr. Bansal, a man of discipline and ambition, is the Chief Financial Officer of SMC Real Estate Advisors Private Limited. He has over 28 years of outstanding experience in the field of financial advisory, accounting, auditing, taxation and investment management and serves as 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. Being on a reasonably well-placed position he is committed towards his responsibilities and handles all the tasks

and assigned projects with great efficiency and effectiveness.



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



Mr. Om Prakash Agrawal is a Science Graduate and Fellow Member of Institute of Chartered Accountants of India (ICAI) and also of Institute of Company Secretaries of India (ICSI). His association with SMC spans around 12 years and is currently heading ECM and Debt as part of **Investment Banking** business. He has over four decades of rich experience in Corporate Finance & Investment Banking. He has spearheaded various transactions both in Debt and Equity Capital Markets predominantly in the area of Debt Syndication, Restructuring, M&A,

Corporate Advisory, Fund raising- PE / IPO etc. His varied experience helps organization to work unitedly towards the Vision & Mission of the Organization.



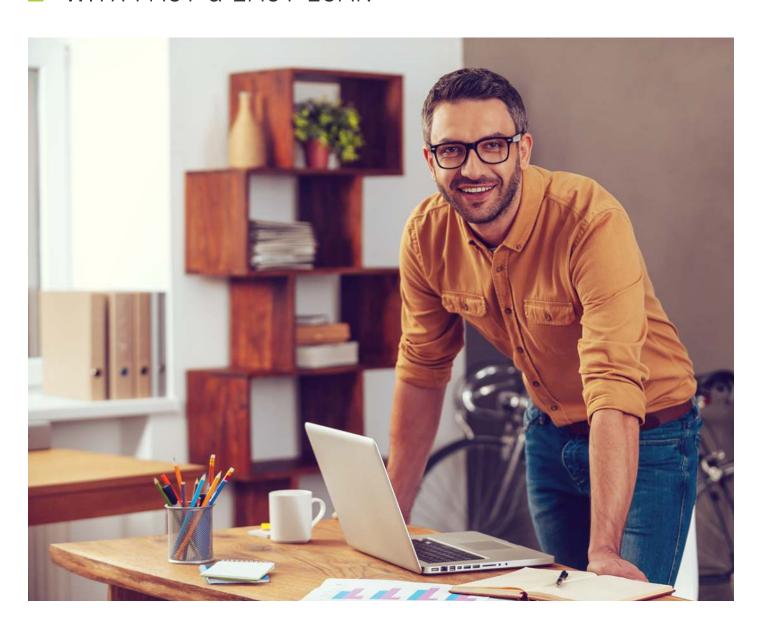
Mr. Vishwanath Bansal (CFO-SMC Capitals Ltd.)



By leading the organization in a more efficient way, Mr. Vishwanath Bansal is associated with us as CFO -SMC Capitals Limited. He is also a Fellow member of The Institute of Chartered accountants of India (FCA) and is a graduate in commerce. He has considerable experience of more than 11 years in finance, accounting and taxation. He has also a hands own wide experience in the filed of Corporate debt syndication, Arbitrage, Commodity and Hedging. Before joining SMC, he was associated with Reliance Industries Ltd., Mumbai (RIL). His efforts and expertise are successfully

empowering the Company to achieve the growth of sustainable value.

HELPING SMALL BUSINESSES GROW WITH FAST & EASY LOAN



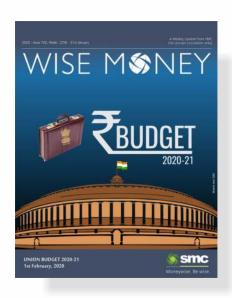


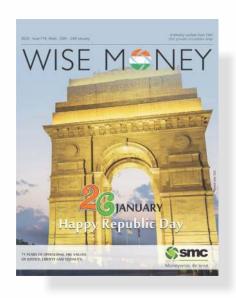
NBFC FINANCING

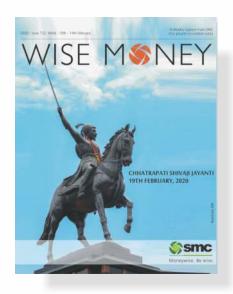
SMC Finance offer a wide bouquet of loan products i.e. SME financing, loan against property, unsecured business loan, personal loan, Loan Against Securities, ESOP Financing, receivable financing, medical equipment finance and IPO finance, etc to meet the growing credit requirement.

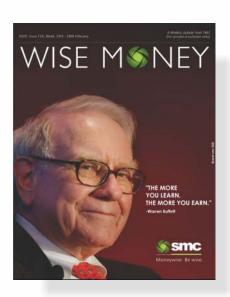


KEEPING OUR INVESTORS UP TO DATE WITH SOLID ANALYSIS EVERY WEEK VIA WISEMONEY, WEEKLY MAGAZINE OF SMC GROUP.











SMC TV COMMERCIAL IS REGULARLY AIRED ON LEADING BUSINESS CHANNELS TO INCREASE BRAND SALIENCE AND STRENGTHEN BRAND PILLARS.

























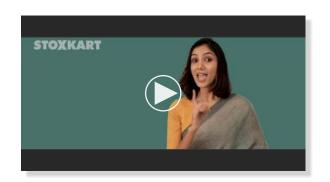




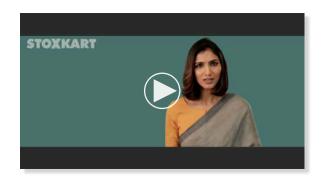




STOXKART TV COMMERCIAL IS REGULARLY AIRED ON LEADING BUSINESS CHANNELS TO INCREASE BRAND AWARENESS AND STRENGTHEN BRAND PILLARS.

















DEAR MEMBERS,

Your Board of Directors is pleased to present the Twenty Sixth (26th) Annual Report and the Standalone as well as Consolidated Annual Audited Financial Statements of the Company for the Financial Year ended on March 31, 2020.

1. COMPANY OVERVIEW AND FINANCIAL PERFORMANCE

The Company's
Standalone and
Consolidated financial
performance, for the year
ended March 31, 2020 is
summarized below:-

(₹in Lakhs)

PARTICULARS	Stand	alone	Consolidated		
TAKTIOOLAKO	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019	
Revenue from operations	42,185.16	42,475.30	77,852.80	75,274.83	
Other Income	3105.31	1,853.29	560.65	672.24	
Total Income	45,290.47	44,328.59	78,413.45	75,947.07	
Total Expenses	41,535.19	40,998.74	73,898.18	66,858.66	
Profit before Tax (PBT)	3,755.28	3,329.85	4,514.51	9,088.39	
Tax Expenses					
Current Tax	727.39	666.78	1,898.41	2,559.26	
Deferred Tax	54.75	(636.43)	229.93	(949.12)	
Profit After Tax	2,973.14	3,299.50	2,386.17	7,478.25	
Total other comprehensive income, net of tax	(610.68)	80.97	(631.20)	211.68	
Total Comprehensive income for the year (Comprising profit and other comprehen sive income for the year)	2,362.46	3,380.47	1,754.97	7,689.93	
Earning per Equity Share of ₹2 each (Basic and Diluted)	2.63	2.92	2.11	6.61	

 $^{^{\}star}$ The amount shown in bracket () in the above table are negative or decrease in value.



Further, performance of the Company's subsidiaries and Joint Venture Company during the period under report are as follows:-

(₹in Lakhs)

Company Name	Total Revenue	Profit before Tax	Profit after Tax
Moneywise Financial Services Private Limited	8,792.44	2,644.39	1,853.35
SMC Insurance Brokers Private Limited	22,535.21	1,479.60	1,069.59
Moneywise Finvest Limited	103.15	(204.62)	(209.95)
SM Global IFSC Private Limited	93.06	35.66	35.38
SMC Capitals Limited	836.06	81.22	60.01
SMC Real Estate Advisors Pvt. Ltd.	2,224.98	(2,016.51)	(2,111.96)
SMC Investments And Advisors Limited	482.96	(245.06)	(245.65)
SMC Comtrade Limited	49.19	28.04	5.75
SMC Comex International DMCC	1766.18	323.28	323.28
SMC Global USA Inc	-	(1.00)	(1.00)

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

2. INFORMATION ON STATUS OF AFFAIRS OF THE COMPANY

The total standalone revenue of the Company for the financial year ended on March 31, 2020 is ₹ 45,290.47 Lakhs a increase in revenue by 2.17% as compared to previous year which was ₹ 44.328.59 Lakhs and Consolidated revenue of the Company for the financial year ended on March 31, 2020 is ₹ 78,413.45 Lakhs a increase in revenue by 3.25 % as compared to

previous year which was ₹ 75,947.07 Lakhs. Total comprehensive income (comprising of profit and other comprehensive income for the year) standalone and consolidated for the FY 2019-20 is ₹ 2,362.46 Lakhs and ₹ 1,754.97 Lakhs respectively.

3. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the main business activity of the Company during the Financial Year 2019-20.

4. CHANGE IN SHARE CAPITAL DURING THE FINANCIAL YEAR 2019-20

There is no change in paid up share capital of the Company during the Financial Year 2019-20.

5. DIVIDEND

The Board of Directors has recommended a final dividend of 12% on the Face Value of the Equity Share (i.e. ₹ 0.24 per Equity Shares of Face Value of ₹ 2/- each) for the Financial Year 2019-20, 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 February 4, 2020 declared and distributed an interim dividend of 36% on the face value of the equity share (i.e. ₹ 0.72 per Equity Shares of Face Value of ₹ 2/each) to shareholders, whose name appeared in the Register of Members of the Company on February 14, 2020, being the record date fixed by the Board of Directors for this purpose.

6. TRANSFER TO RESERVES

During the year under review, no amount has been transferred to General Reserve.

7. DIRECTORS AND KMP(S)
WHO WERE APPOINTED
OR HAVE RESIGNED
DURING THE YEAR

Mr. Subhash Chand
Aggarwal (DIN:00003267
) was re-appointed as
Chairman & Managing
Director of the Company
in the 25th Annual
General Meeting of the
Company for a further
period of five years from
29th January, 2020 to
28th January, 2025.

Mr. Kundan Mal Agarwal (DIN:00043115) was reappointed as Independent & Non-Executive Director of the Company in the 25th Annual General Meeting of the Company for a second term of five consecutive years from 01st April, 2019 to 31st March, 2024.

Mr. Himanshu Gupta (DIN: 03187614), 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 reappointment.

8. OPINION OF THE BOARD
WITH REGARD TO
INTEGRITY, EXPERTISE
AND EXPERIENCE
INCLUDING THE
PROFICIENCY OF THE
INDEPENDENT
DIRECTOR(S)
APPOINTED DURING THE
YEAR

During the year, Mr. Kundan Mal Agarwal (DIN:00043115) was reappointed as Independent & Non-Executive Director of the Company in the 25th Annual General Meeting of the Company for a second term of five consecutive years from 01st April, 2019 to 31st March, 2024. In the opinion of the Board, Mr. Agarwal fulfils the conditions specified in the Companies Act, 2013 more particularly inclusion of his name in the data bank of Independent Directors maintained by the 'Indian Institute of Corporate Affairs at Manesar' and Regulation 16(1)(b) of the SEBI (Listing



Obligations and Disclosure Requirements) Regulations, 2015 for his reappointment as an Independent Non-Executive Director of the Company and is independent of the management. Mr. Agarwal is a Chartered Accountant by profession and has over 40 years of experience in the financial markets, taxation, corporate & securities matters. Thus, the Board believes that with his continued association, the Company will be able to derive immense benefits by availing his services.

9. NUMBER OF MEETINGS OF THE BOARD

During the year, four (4) meetings of the Board of Directors were convened. For further details, please refer Report on Corporate Governance, which forms part of this Annual Report.

10. 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.

11. 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.smcindiaonli ne.com/Nomination_and_ Remuneration_Policy_SM C_Global_Securities _Ltd.pdf

12. 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.smcindiaonli ne.com/Nomination_and_ Remuneration_Policy_SM C_Global_Securities_ Ltd.pdf.

A complete policy is provided on the website

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

13. FAMILIARIZATION PROGRAMME

During the Financial Year 2019-20, the Company had conducted one familiarization program pursuant to 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.

A familiarization program was held at Jaypee Siddharth, 3, Rajendra Place, New Delhi - 110008, India on 18th March, 2020 in which all the Independent Directors marked their presence till the end of session.

14. 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 done 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	All Board members except the Director being evaluated
Directors	

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.

15. 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 Company has given remuneration according to the remuneration policy formulated by the Company.

1. The ratio of remuneration of each Director to the median employees remuneration of the Company for the Financial Year 2019-20 are as follows:

NAME	RATIO
Mr. Subhash Chand Aggarwal	49.79:1
Mr. Mahesh Chand Gupta	47.75:1
Mr. Anurag Bansal	31.63:1
Mr. Ajay Garg	28.47:1



2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, during the Financial Year 2019-20 are as follows: -

Name	Designation	Percentage change in remuneration
Mr. Subhash Chand Aggarwal	Chairman and Managing Director	4.92
Mr. Mahesh Chand Gupta	Vice-Chairman and Managing Director	0
Mr. Anurag Bansal	Whole-Time Director	0
Mr. Ajay Garg	Chief Executive Officer	0
Mr. Suman Kumar	Company Secretary	21.67
Mr. Vinod Kumar Jamar	Group Chief Financial Officer	8.05

- 3. The percentage increase in the median remuneration of employees in the Financial Year 2019-20 is 4 42%
- 4. There are 2083 permanent employees on the rolls of the Company as on March 31, 2020 (Including Executive Directors).
- Average percentile increase made in the salaries of employees

- other than the managerial personnel in the Financial Year i.e. 2019-20 is approx 4.42% whereas the increase in managerial remuneration for the same Financial Year is approx 1.51%.
- 6. 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 employees, as per 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;	Date of Birth	the last employment held by such employee before joining the company;
1.	Abhinav Aggarwal	Vice President	7340266	Full time	MS /M Tech (Computer Science)	12	01-Apr-2015	11-May 1985	Citadel LLC
2.	Roopesh Ramaprasad	Vice President	7267052	Full time	MS /M Tech (Computer Science)	12	13-Apr-2015	08-Sep 1986	Citadel LLC
3.	Vivek Kathiriya	Vice President	5961421	Full time	M.C.A	6	01-0ct-2014	29-Jan 1988	NA
4.	Mahesh Kumar Gupta	Senior Vice President	5174986	Full time	MBA / PGDM	12	08-Dec-2008	23-Apr 1968	Edelweiss Capital Ltd
5.	Ashok Kumar Aggarwal	Senior Vice President	4650000	Full time	C.A	40	01-Aug-2012	01-Jun 1956	Practicing CA
6.	Mohit Shyngle Senior	Senior Vice President	4210672	Full time	Bachelors of Commerce	26	1-Apr-2004	20-Nov 1973	S&F Securities Pvt. Ltd.
7.	Honi Jain	Vice President	4266650	Full time	12th	10	01-Feb-2018	26-Nov 1981	RBS
8.	Deen Dayal Goyal	Senior Vice President	3850930	Full time	M.Com	15.5	01-Jun-2015	04-Nov 1966	Pioneer Sec Pvt Ltd
9.	Ankush Goyel	Vice President	3417345	Full time	C.A	19	01-Oct-2006	30-Sep 1980	Arora & Bansal
10	. Reema Garg	Chief Human Resource Officer	3250000	Full time	M.C.A	7.5	01-Jan-2016	01-Dec- 1976	Deen Dayal Upadhaya College

None of the above mentioned employees are relative to any director of the Company except Mrs. Reema Garg, who is wife of Mr. Ajay Garg, CEO & Director of the Company.

16. 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, 2020 forming part of this

Directors' Report as

Annexure-I and same is
also available on the
website of the Company
at www.smcindiaonline.
com

17. COMPOSITION OF AUDIT COMMITTEE

The composition of Audit Committee during the Financial Year 2019-20 is as under:-



Composition of Audit Committee as on March 31, 2020								
Name of the Director(s)	Mr. Hari Das Khunteta (DIN 00061925)	Mr. Kundan Mal Agarwal (DIN 00043115)	Mr. Roop Chand Jindal (DIN 01450916)	Mr. Naveen ND Gupta (DIN 00271748)				
Designation	Chairman	Member	Member	Member				
Category	Independent Director	Independent Director	Independent Director	Independent Director				

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

18. 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 Auditor of the Company for the period April 1, 2019 to December 31, 2019 and M/s. Khurana Gaurav & Co., Chartered Accountants for the period January 1, 2020 to March 31, 2020 during the Financial Year 2019-20 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.

19. 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.

20. 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.**

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

During the year under review, no company became subsidiary, joint venture or associate of your Company. 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.

22. 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.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

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

Your Company has not accepted any deposits within the meaning of Section 73 & 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

25. 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 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.

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

The material changes and commitments, if any, affecting the financial position of the company which has occurred between the beginning of the current fiscal year and the date of this report is as follows:-

Impact of COVID-19 in the business operations of the Company

COVID-19 has been declared as a global pandemic. The Government of India has declared complete lockdown since March 24, 2020 and the same is continuing with exemptions and essential services were allowed to operate with limited capacity. Capital market services have been declared as essential services and accordingly, the Company has been continuing the operations with minimal permitted staff and remaining employees were encouraged to work from home. All operations and servicing of clients were smoothly conducted without any interruption as the activities of trading, settlement, DP, stock exchanges, depository functions and other ancillary services have been fully automated

with defined processes. There have been no adverse impacts on the assets, liquidity or operational parameters during the quarter and year ended March 31, 2020. The Company is closely monitoring its operations on a continuous basis and believes that it has taken into account all the possible impact of known events arising out of COVID-19 pandemic in the preparation of financial statements.

27. 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 Practicing Company Secretary Certificate on compliance in this regard is attached and forms



part of this Annual Report.

28. 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.

29. 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 deeprooted 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 https://smcindiaonline.c om/wp content/uploads /2020/08/CSR-Policy-SMC-GLOBAL.pdf

During FY 2019-20, the Company has spent ₹1,12,08,000 (Rupees One Crore Twelve Lakhs Eight Thousand 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 Report.

30. 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 Indian Accounting Standards-24 (IND AS-24), 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 IND AS-24.

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.

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

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandate under " The Sexual Harassment of Women at Workplace

(Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees.

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

S.No.	Name	Designation
1.	Ms. Neha Sharma	Presiding Officer
2.	Ms. Supriya Rawat	Member
3.	Mr. Manoj Kumar	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.



32. STATUTORY AUDITOR AND AUDITOR'S REPORT

M/s R. Gopal &
Associates, Chartered
Accountants, (Firm
Registration No.
000846C) were reappointed as the
Statutory Auditor of the
Company for next term
of 5 years in the 25th
Annual General Meeting
of the Company till the
conclusion of 30th
Annual General Meeting
of the Company.

Further, the Board has duly examined the Statutory Auditors' Report to the accounts for the financial year ended March 31, 2020 which is self-explanatory. There is no qualification, reservations, adverse remarks or disclaimer in the Auditors Report which require any clarification or explanation.

33. 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, 2020. 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 for the financial year ended March 31, 2020 is attached as **Annexure-V** of this report.

34. COST RECORDS AND COST AUDIT

During the year under review, Maintainence 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.

35. REPORTING OF FRAUD BY AUDITORS

During the year under review, neither the Statutory Auditor 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.

36. 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 Rule 8(3) of Companies (Accounts of Companies) Rules, 2014, is not applicable.

However, the information, as applicable, has been given in **Annexure-VI** to this report.



37. VIGIL MECHNASIM

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://smcindiaonline.co m/wp-content/uploads/ 2020/08/Vigil Mechanism-Policy-SMC-Global-21.08.2020.pdf

38. CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made

available on the Company's website at https://www.smcindiaonli ne.com/investors

39. 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, 2020 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, 2020 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.

40. COMPLAINCE WITH SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

During the year, the company has duly complied with all the applicable mandatory



Secretarial Standards issued by The Institute of Company Secretaries of India.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation for the valuable support and cooperation 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 21, 2020



Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31st March, 2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L74899DL1994PLC063609
2.	Registration Date	19.12.1994
3.	Name of the Company	SMC Global Securities Limited
4.	Category of the Company/ Sub-Category of the Company	Company Limited by Shares/ Non-Government Company
5.	Address of the registered office	11/6B, Shanti Chamber, Pusa Road, New Delhi-110005
6.	Contact details	011-30111000, 011-40753333
7.	Whether listed company	Yes
8.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, 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

 $(All the business\,activities\,contributing\,10\,\%\,or\,more\,of\,the\,total\,turn over\,of\,the\,company\,shall\,be\,stated)$

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	36.16	
2	Distribution of final product	66190	15.79	
3	Interest Income	-	14.79	
4	Proprietary Trading	-	31.71	



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	USA Based Company	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).



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 sh	No. of shares held at the end of the year			% chang during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
A. Promoters									
Indian									
Individual/ HUF	40718670	0	40718670	35.99	40718670	0	40718670	35.99	-
Central Govt.	-	-	-	-	-	-	-	-	
State Govt.	-	-	-	-	-	-	-	-	
Bodies Corp.	28386015	0	28386015	25.09	29486015	0	29486015	26.06	0.97
Banks / FI	-	-	-	-	-	-	-	-	
Any Other	-	-	-	-	-	-	-	-	
Sub-total A (1)	69104685	0			70204685	0	70204685	62.05	0.97
Foreign									
NRI/Individuals	-	-	-	-	-	-	-	-	
Other Individuals	-	-	-	-	-	-	-	-	
Bodies Corp.	-	-	-	-	-	-	-	-	
Banks / FI	-	-	-	-	-	-	-	-	
Any Other	-	-	-	-	-	-	-	-	
Sub-total A (2)	-	-	-	-	-	-	_	-	
Total A=A(1)+A(2)	69104685	0					70204685	62.05	0.97
B. Public Shareholding									
Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	
Banks / FI	-	-	-	-	-	-	-	-	
Central Govt.	-	-	-	-	-	-	-	-	
State Govt.	-	-	-	-	-	-	-	-	
Venture Capital Funds	-	-	-	-	-	-	-	-	
Insurance Companies	-	-	-	-	-	-	-	-	
FIIs-	-	-	-	-	-	-	-	-	
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
Others (specify)	-	-	-	-	-	-	-	-	
Sub-Total B (1)	-	-	-	-	-	-	-	-	



Category of shareholders		lo. of share eginning of	s held at the the year		No. of sh	% change during the year			
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Non Institutions									
Bodies Corporate									
I) Indian	16241248	36000	16277248	14.39	17791623	36000	17827623	15.76	1.37
ii) Foreign Companies	9454720	11610560	21065280	18.62	8354720	11610560	19965280	17.65	(0.97)
Individual shareholders holding nominal share capital upto									
₹1 lakh	2046917	833660	2880577	2.55	2118902	746650	2865552	2.53	(0.02)
Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2343940	140000	2483940	2.20	1247960	140000	1387960	1.23	(0.97)
Others (specify):									
i.Non Resident Indians									
(Non repat)									
(Repat)	350000	0	350000	0.31	350000	0	350000	0.31	-
ii. Clearing Members									
iii. HUF	972720	0	972720	0.86	533350	0	533350	0.47	(0.39)
Sub-total B (2)	31409545	12620220	44029765	38.92		12533210	42929765	37.95	(0.97)
Total B=B(1)+B(2)	31409545	12620220	44029765	38.92	1	12533210	42929765	37.95	(0.97)
C. Shares held by Custodian for GDRs & ADRs	_	-	-	-	-	-	-	-	-
Total (A) + (B) + (C)	100514230	12620220	113134450	100	100601240	12533210	113134450	100	-



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

S. No.	shareholders' Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change during the year
		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	% of Shares Pledged / encumbered to total shares	
1	Mahesh Chand Gupta	10248500	9.06	2.57	9248500	8.17	2.57	(0.89)
2	Subhash Chand Aggarwal	10095500	8.92	2.57	10095500	8.92	2.57	-
3	Hemlata Aggarwal	6920550	6.12	-	5000000	4.42	-	(1.7)
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	7877205	6.96	4.86	8977205	7.94	4.86	0.98
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	0.70	-	2720550	2.40	-	1.7
16	Himanshu Gupta	0	0	-	1000000	0.89	-	0.89
	Total	69104685	61.08	-	70204685	62.05	-	0.98



C) CHANGE IN PROMOTERS' SHAREHOLDING (INCLUDING PROMOTERS' GROUP):

S.No.		Shareholding at the beginning of the year 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
	Name & Type of Transaction	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 18667140	16.50 16.50
2	Mahesh Chand Gupta transfer at the end of the year	10248500	9.06	- 11 Oct 2019	- (1000000)	10248500 9248500 9248500	9.06 8.17 8.17
3	Subhash Chand Aggarwal at the end of the year	10095500	8.92	-	-	10095500 10095500	8.92 8.92
4	Pulin Investments Pvt. Ltd. Transfer Transfer Transfer at the end of the year	7877205	6.96	19 Jul 2019 04 Oct 2019 20 Dec 2019	200000 600000 300000	7877205 8077205 8677205 8977205 8977205	6.96 7.14 7.67 7.94 7.94
5	Sushma Gupta at the end of the year	7566550	6.69	-	-	7566550 7566550	6.69 6.69
6	Hemlata Aggarwal Transfer at the end of the year	6920550	6.12	11 Oct 2019	(1920550)	6920550 5000000 5000000	6.12 4.42 4.42
7	Ginni Devi at the end of the year	2200000	1.94	-	-	2200000 2200000	1.94 1.94
8	Jai Ambey Share Broking Ltd. at the end of the year	1616670	1.43			1616670 1616670	1.43 1.43
9	Madan Gopal Agarwal at the end of the year	984000	0.87	-	-	984000 984000	0.87 0.87
10	Ajay Garg at the end of the year	841600	0.74	-	-	841600 841600	0.74 0.74
11	Pranay Aggarwal Transfer at the end of the year	800000	0.71	11 Oct 2019	1920550	800000 2720550 2720550	0.71 2.40 2.40
12	Damodar Krishan Aggarwal at the end of the year	781970	0.69	-	-	781970 781970	0.69 0.69
13	Anurag Bansal at the end of the year	250000	0.22	-	-	250000 250000	0.22 0.22
14	SMC Share Brokers Ltd. at the end of the year	225000	0.20	-	-	225000 225000	0.20 0.20
15	Archana Aggarwal at the end of the year	30000	0.03	-	-	30000 30000	0.03 0.03
16	Himanshu Gupta transfer at the end of the year	0	0	- 11 Oct 2019	- 1000000	0 1000000 1000000	0 0.89 0.89



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

S. No.		the be	holding at eginning of ear - 2019	Transac During th		Cumulative Shareholding at the end of the year - 2020	
	Name & Type of Transaction	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	Sanlam International Investment Partners Limited	9460590	8.36	-	-	9460590	8.36
	at the end of the year					9460590	8.36
2	Millennium Investment And Acquisition Co Inc.	10204690	9.02			10204690	9.02
	Transfer			19 Jul 2019	(200000)	10004690	8.84
	Transfer			04 Oct 2019	(600000)	9404690	8.31
	Transfer			20 Dec 2019	(300000)	9104690	8.05
	at the end of the year					9104690	8.05
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	1573340	1.40	-	-	1573340	1.40
	at the end of the year					1573340	1.40
5	Signature Global Securities Private Limited	0	0			0	0
	transfer			31 Mar 2020	1557140	1557140	1.38
	at the end of the year					1557140	1.38
7	Cresta Fund Ltd	1400000	1.24			1400000	1.24
	at the end of the year					1400000	1.24
3	TV18 Broadcast Limited	303704	0.29			303704	0.29
	Transfer			13 Dec 2019	283454	587158	0.52
	at the end of the year					587158	0.52
9	Svan Securities Pvt. Ltd.	831966	0.74			831966	0.74
	Transfer			13 Dec 2019	(283454)	548512	0.49
	at the end of the year					548512	0.49
10	Shalie Gupta	0	0.00			0	0.00
	Transfer			31 May 2019	350000	350000	0.31
	at the end of the year				:	350000	0.31



E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

S. No.			t the beginning e year	Cumulative shareholding during the year		
	For Each of the Directors and KMP*	No. of Shares	% of Total shares of the Company	No. of shares	% of Total Shares of the Company	
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 specifying the reasons for increase / 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	
	11-Oct-2019: Decrease in share holding due to Sale of shares by way of transfer	(1000000)	(0.89)	(1000000)	(0.89)	
	At the End of the year	9248500	8.17	9248500	8.17	
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	
5	Himanshu Gupta					
	At the beginning of the year	0	0	-	-	
	11-Oct-2019: Increase in shareholding due to acquisition of shares by way of transfer.	1000000	0.89	1000000	0.89	
	At the End of the year	1000000	0.89	1000000	0.89	

Note: 1. No other Director held any shares of the Company during the Financial Year 2019-20. 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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning 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	1,30,68,547	-	5,16,54,03,954
Change in Indebtedness during the financial year				
• Addition	2,46,88,26,64,021	10,89,05,382	-	2,46,99,15,69,403
• Reduction	2,51,42,30,70,750	7,81,34,691	-	2,51,50,12,05,441
Net Change	(4,54,04,06,729)	3,07,70,691		(4,50,96,36,038)
Indebtedness at the end of the financial year				
l) Principal Amount	60,76,76,508	4,38,39,238	-	65,15,15,746
ii) Interest due but not paid	-	-		_
iii) Interest accrued but not due	94,365	3,81,852	-	4,76,217
Total (i+ii+iii)	60,77,70,873	4,42,21,090	-	65,19,91,963



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNELS A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGERS:

S. No.	Particulars of Remuneration					
		Subhash Chand Aggarwal (MD)	Mahesh Chand Gupta (MD)	Anurag Bansal (WTD)	Ajay Garg (Director & CEO)	Total
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,02,30,000	97,50,000	64,70,000	58,50,000	3,23,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	28,800	28,800	28,800	28,800	1,15,200
	(C) Profits in lieu of salary under section 17(3) Income- tax Act, 196					
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify					
	Total (A)	1,02,58,800	97,78,800	64,98,800	58,78,800	3,24,15,200



B. REMUNERATION TO OTHER DIRECTORS:

S. No.			Total				
1.	Name of Independent Directors	Fee for attending board Committee Meetings	Commission	Others, please specify			
	Madhu Vij	1,85,000	-	-	1,85,000		
	Kundan Mal Agarwal	3,25,000	-	-	3,25,000		
	Hari Das Khunteta	2,40,000	-	-	2,40,000		
	Chandra Wadhwa	2,15,000	-	-	2,15,000		
	Roop Chand Jindal	2,35,000	-	-	2,35,000		
	Naveen ND Gupta	2,55,000	-	-	2,55,000		
	Total (1)	14,55,000	-	-	14,55,000		
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)	14,55,000	-	-	14,55,000		
	Ceiling as per the Act	Si	Sitting fees as per the Companies Act				



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

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	58,59,361	65,18,189	1,23,77,550		
	(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	58,59,361	65,18,189	1,23,77,550		



VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Туре	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 21, 2020



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

Part "A" Subsidiaries

S. No.	Name of the subsidiary company of SMC Global Securities Limited	Date since when subsidiary was acquired/incorporation	Share Capital	Reserves	Total Assets	Total Liabilities
	Subsidiaries					
1	SMC Capitals Ltd.	August 16, 2008	1,000.00	450.03	1,602.05	152.02
2	Moneywise Financials Services Pvt. Ltd.	August 1, 2008	4,365.69	28,092.02	52,208.02	19,750.31
3	SMC Comtrade Ltd.	April 26, 2007	250.00	6.23	270.43	14.20
4	SMC Investments and Advisors Ltd. **	April 1, 2008	750.00	239.19	1,854.65	865.46
5	SMC Global USA Inc***	February 29, 2016				
	In USD		11.53	(12.81)	0.94	2.22
	In INR		779.71	(875.60)	71.12	167.01
6	SMC Global IFSC Pvt. Ltd.	December 8, 2016	1,199.98	919.71	2,446.31	326.62
7	Moneywise Finvest Ltd.	November 6, 2009	500.00	(234.67)	858.97	593.64
8	SMC Real Estate Advisors Pvt. Ltd.	February 8, 2013	3,000.00	(4,405.95)	2,948.08	4,354.03
9	SMC Insurance Brokers Pvt. Ltd.	April 23, 2007	4,140.00	1,091.79	9,826.07	4,594.28
10	SMC Comex International DMCC***	November 16, 2005				·
	In USD		24.05	(5.01)	227.96	208.92
	In INR		1,538.28	(102.80)	17,185.24	15,749.76

Notes

- 1 ** 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.
 - 2 ***Converted to Indian Rupees at the exchange rate 1USD = INR 75.3859 3 The aforesaid data in respect of 10 subsidiares as on 31st March 2020
- 4 Turnover includes other income
- 5 Provision for tax includes provision for deferred tax & prior period tax

Part "B" Joint Venture

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
1.	SMC & IM Capitals Investment Manager LLP	March 31, 2020	N.A.	150.00	N.A.

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

sd/-Vikash Agarwal Partner Membership No. : 519574 sd/-S.C. Aggarwal Chairman & Managing Director DIN: 00003267

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

For and on behalf of the Board

sd/- **Ajay Garg** Director & CEO DIN: 00003166 sd/-**Vinod Kumar Jamar** Group CFO



Annexure- II

(₹ in Lakhs)

Investments	Turnover	Profit/(Loss) Before Tax	Provision For Tax	Profit/(Loss) After Tax	Percentage Shareholding
-	836.06	81.22	21.21	60.01	100
1,520.17	8,792.44	2,644.39	791.04	1,853.35	100
 35.00	49.19	28.04	22.29	5.75	100
150.00	482.96	(245.07)	0.59	(245.66)	100
 					50
 -	-	(0.01)	-	(0.01)	
-	-	(0.99)	-	(0.99)	
-	93.06	35.66	0.28	35.38	100
-	103.15	(204.62)	5.33	(209.95)	100
-	2,224.98	(2,016.51)	95.45	(2,111.96)	100
3,391.51	22,535.21	1,479.60	410.01	1,069.59	97.58
					100
- -	24.91	4.56	-	4.56	
-	1,766.17	323.27	-	323.27	

(₹ in Lakhs)

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	
-	-	(0.75)	(0.75)	50

The accompanying notes form an integral part of the consolidated financial statements.1-42 In terms of our report of even date attached

Suman Kumar Company Secretary

Place: New Delhi Date: August 21, 2020



Annexure III

ANNUAL REPORT ON CSR ACTIVITIES

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

1. Brief Outline of Company's CSR Policy

At SMC, business success is not just about profits and shareholder returns. We believe in pursuing wider socioeconomic 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

- inter alia 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, Keral 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://smcindiaonline.com/wp-content/uploads/2020/08/CSR-Policy-SMC-GLOBAL.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	Member
3.	Mr. Kundan Mal Agarwal	Member
4.	Mr. Suman Kumar	Secretary

- 3. Average net profit before tax of the Company for last three (3) Financial Years: ₹42,05,68,030/-
- 4. Prescribed CSR Expenditure (2% of the amount as above) : ₹ 84,11,364/-
- Details of CSR spent during the financial year:
 a)Total amount to be spent for the Financial Year 2019-20 is ₹ 1,15,26,863/- (Including opening provision of ₹31,15,499/-)
 - b)Amount spent is ₹ 1,12,08,000 /- and unspent is ₹ 3,18,863/- during the year



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

(Amoun							
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.	Healthcare	Promoting health care	Delhi	10,00,000	10,00,000	10,00,000	Indirect
2.	Clean Ganga Project	Maintaining quality of soil, air and water	Noida	1,00,000	1,00,000	11,00,000	Indirect
3.	Education	Promotion of Education	Delhi	1,25,000	1,25,000	12,25,000	Indirect
4.	Healthcare	Promoting Health Aid Education & Research	Delhi	11,00,000	11,00,000	23,25,000	Indirect
5.	Education	Promotion of Education	Delhi	11,00,000	11,00,000	34,25,000	Indirect
6.	Education	Promotion of Education	Delhi	54,000	54,000	34,79,000	Indirect
7.	Tree Plantation	Promotion of Environment	Rajasthan	50,000	50,000	35,29,000	Indirect
8.	Education And Skill Development For Underprivileged Communities	Promotion of Education	Delhi	1,00,000	1,00,000	36,29,000	Indirect
9.	Environment	Promotion of Environment Protection	Delhi	2,50,000	2,50,000	38,79,000	Indirect
10.	Education	Promotion of Education	Delhi	1,51,000	1,51,000	40,30,000	Indirect
11.	Education	Promotion of Education	Delhi	2,00,000	2,00,000	42,30,000	Indirect
12.	Promotion of Higher Education, Infrastructure, Research work & Innovation	Promotion of Education	Noida	10,00,000	10,00,000	52,30,000	Indirect
13.	Healthcare	Promotion of Healthcare	Delhi	1,00,000	1,00,000	53,30,000	Indirect
14.	Education	Promotion of Education	Delhi	1,50,000	1,50,000	54,80,000	Indirect
							•



	(Amount in V							
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	
15.	Education	Promotion of Education	Delhi	2,00,000	2,00,000	56,80,000	Indirect	
16.	Education	Promotion of Education	Delhi	1,51,000	1,51,000	58,31,000	Indirect	
17.	Clean Ganga Project	Maintaining quality of soil, air and water	Delhi	1,00,000	1,00,000	59,31,000	Indirect	
18.	Education	Promotion of Education	Delhi	2,50,000	2,50,000	61,81,000	Indirect	
19.	Promotion of Healthcare, Education & other activities for social upliftment	Healthcare & Education	Delhi	51,000	51,000	62,32,000	Direct	
20.	Education of Special Children differently abled	Promotion of Education	Delhi	1,00,000	1,00,000	63,32,000	Indirect	
21.	Education	Promotion of Education	Delhi	5,00,000	5,00,000	68,32,000	Indirect	
22.	Upliftment of rural area	Rural Development	Delhi	2,00,000	2,00,000	70,32,000	Indirect	
23.	Health Care	Promotion of Health Care	Delhi	2,51,000	2,51,000	72,83,000	Indirect	
24.	Health Care	Promotion of Health Care	Mumbai	2,00,000	2,00,000	74,83,000	Indirect	
25.	Promotion of Healthcare, Education & other activities for social upliftment	Healthcare & Education	Delhi	25,000	25,000	75,08,000	Direct	
26.	Health Care	Promotion of Health Care	Delhi	2,00,000	2,00,000	77,08,000	Indirect	
27.	COVID-19 Relief	PM Cares Fund	Delhi	30,00,000	30,00,000	1,07,08,000	Indirect	
28.	Education	Promotion of Education	Delhi	5,00,000	5,00,000	1,12,08,000	Indirect	



6. Reason for not spending the prescribed 2% amount

During FY 2019-20, the Company has spent Rs. 1,12,08,000/- 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 21, 2020

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	
(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	There are no such contracts or
e)	Justification for entering into such contracts or arrangements or transactions	transactions which are not at arm's length basis.
(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
(b) Nature of contracts/arrangements/transactions	Statements for details of all related party transactions which in the opinion of the
(c) Duration of the contracts / arrangements/transactions	Board, are as per Omnibus Approval and in
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	the ordinary course of business are at arm's length basis. Further the Audit Committee and Board review the related party
(e) Date(s) of approval by the Board, if any:	transaction in each quarterly meeting held
(f) Amount paid as advances, if any:	during the FY 2019-20.

For and on Behalf of the Board

sd/-

Subhash Chand Aggarwal (Chairman & Managing Director)

DIN: 00003267

Place: New Delhi
Date: August 21, 2020



Annexure V

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2020.

[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, 2020 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, 2020 according to the provisions of;

- The Companies Act, 2013 (the Act) and the rules made there under;
- The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
- 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;
- Other Laws applicable to the Company;
- 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;

- The Secretarial Standards issue by the Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with, Calcutta Stock Exchange.

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

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

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

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the



Board of Directors or Committee of the Board, as the case may be.

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

A.K. ROY & Associates

(Practicing Company Secretary)

sd/-

(Arvind Kumar Roy)

Proprietor

FCS: 8308

CP: 9147

UDIN: F008308B000666570

Place: New Delhi

Date: May 28, 2020.

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.



Annexure A

To,

The Member, SMC GLOBAL SECURITIES LIMITED

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

- 1. 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.

- 5. 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.
- 6. 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 28, 2020



Annexure VI

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

(1)	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: $\stackrel{?}{\scriptstyle <}$ 6,42,104 /-

The Foreign Exchange outgo during the year in terms of actual outflows: ₹ 7,01,177/-

For and on Behalf of the Board

sd/-

Subhash Chand Aggarwal

(Chairman & Managing Director)

DIN: 00003267

Place: New Delhi

Date: August 21, 2020

ONE STOP SOLUTION FROM INSURANCE ADVICE TO CLAIMS SETTLEMENT





INSURANCE BROKING

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





(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.
- The Company believes in sustainable corporate growth that emanates from the top leadership down through the organization to the various stakeholders which is reflected in its sound financial system, enhanced market reputation and improved efficiency.
- We believe that our Company shall go beyond adherence to regulatory framework.
 Our corporate structure, business, operations and disclosure practices have been strictly aligned to

- our Corporate Governance Philosophy. Transparency, accountability, fairness and intensive communication with stakeholders are integral to our functioning. We believe in system driven performance and performance oriented systems. We accord highest priority to these systems and protect the interests of all our shareholders, particularly the minority shareholders.
- We have tried to blend growth and efficiency with governance and ethics. Our Board of Directors, guided by the mission statement, formulate strategies and policies having focus on optimizing value for various stakeholders like consumers, shareholders and the society at large.
- 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/i nvestors/ in Boards of Directors Tab.

As on March 31, 2020, the



company has Twelve
Directors, out of which Eight
(8) are Non Executive
Directors including Six (6)
Independents Directors.
During the FY 2019-20 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 11th
May, 2019, 07th August, 2019,
14th November, 2019 and
04th February, 2020. 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, 2020 are given herein below:

Name of the Director	Category & Designation	Number of Board Meeting attended during the FY 2019-20	Whether attended last AGM held on Sept, 28, 2019#	No. of Directorships in other Companies ##	Commit Member ###		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	
Mr. Subhash C. Aggarwal	Promoter, Executive, Chairman & Managing Director	4	Υ	NIL	NIL	NIL	None
Mr. Mahesh C. Gupta	Promoter, Executive, Vice-Chairman & Managing Director	4	Υ	1	NIL	1	None
Mr. Ajay Garg	Executive Director & CEO	4	Υ	3	NIL	1	None
Mr. Anurag Bansal	Executive, Whole-time Director	2	N	2	NIL	NIL	None
Mr. Kundan M. Agarwal	Independent & Non-Executive Director	4	N	2	1	NIL	None
Mr. Roop C. Jindal	Independent & Non-Executive Director	3	N	NIL	NIL	NIL	None
Mr. Hari D. Khunteta	Independent & Non-Executive Director	4	N	NIL	NIL	NIL	None
Mr. Chandra Wadhwa	Independent & Non-Executive Director	4	Υ	1	1	NIL	None

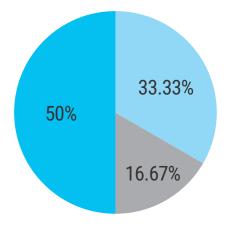


Name of the Director	Category & Designation	Number of Board Meeting attended during the FY 2019-20	Whether attended last AGM held on Sept, 28, 2019#	No. of Directorships in other Companies ##	Committee Memberships ###		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	
Dr. Madhu Vij	Independent & & Non-Executive Director	4	Y	3	NIL	3	1. Singer India Ltd. 2. Solar Industries India Ltd.
Mr. Himanshu Gupta	Non-Executive Director	4	Υ	2	NIL	NIL	None
Mr. Naveen ND Gupta	Independent & Non-Executive Director	4	N	3	NIL	NIL	None
Ms. Shruti Aggarwal	Non-Executive Director	2	N	NIL	NIL	NIL	None

Y stands for Yes, 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

BOARD COMPOSITION



- Independent & Non-Executive Director
- Executive Director
- Non-Executive Director

Disclosure of Relationship Between Directors Inter-se

None of the Directors is related to each other except Mr. Subhash Chand Aggarwal, 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 Managing Director 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 2019-20, for information of members, are furnished here under:

Name of the Director	Sitting Fees (in ₹)	Commission on profit (in ₹)	Remuneration and other (in ₹)	Performance linked incentives (in ₹)	Monetary value of perquisites (in ₹)
Mr. Subhash Chand Aggarwal	-	-	1,02,30,000	Nil	28,800
Mr. Mahesh Chand Gupta	-	-	97,50,000	Nil	28,800
Mr. Ajay Garg	-	-	58,50,000	Nil	28,800
Mr. Anurag Bansal	-	-	64,70,000	Nil	28,800
Mr. Roop Chand Jindal	2,35,000	-	-	-	-
Mr. Kundan Mal Agarwal	3,25,000	-	-	-	-
Mr. Hari Das Khunteta	2,40,000	-	-	-	-
Dr. Madhu Vij	1,85,000	-	-	-	-
Mr. Chandra Wadhwa	2,15,000	-	-	-	-
Mr. Himanshu Gupta	-	-	-	-	-
Mr. Naveen ND Gupta	2,55,000	-	-	-	-
Ms. Shruti Aggarwal	-	-	-	-	-

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.

5.

6.

Key Board Qualifications, Expertise and Attributes

The SMC Global Securities
Limited majority Board
comprises qualified Chartered
Accountants members 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.

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

Legal, Corporate Governance, Risk and Compliance

Information & Technology

BORD DECLARATION FOR INDEPENDENT DIRECTORS'

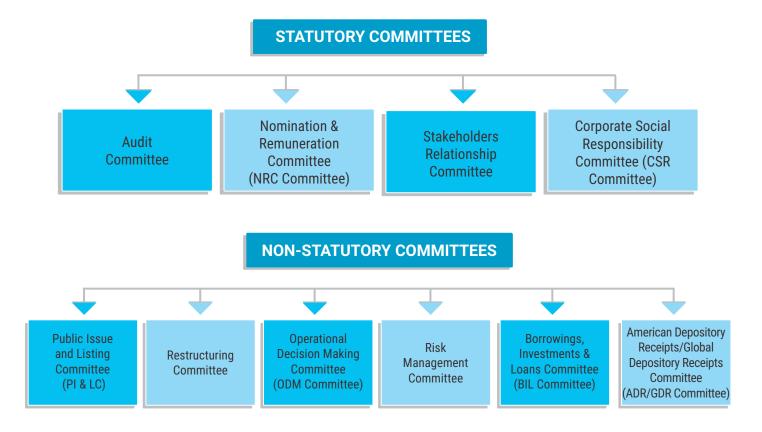
In the opinion of the Board, the independent directors fulfill the conditions as specified in the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and are independent of the management.

COMMITTEES OF THE BOARD:

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



As on March 31, 2020 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 2019-20 are specified herewith:

Name of the MembersKhunteta	Mr. Hari Das Agarwal	Mr. Kundan Mal Jindal	Mr. Roop Chand Gupta	Mr. Naveen ND
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 11, 2019	Υ	Υ	Υ	Υ
August 07, 2019	Υ	Υ	N	Υ
November 14, 2019	Υ	Υ	Υ	Υ
February 04, 2020	Υ	Υ	Υ	Υ
No. of Meetings during the Financial Year	4	4	4	4
Attended	4	4	3	4
Absent	NIL	NIL	NIL	NIL
% of Attendance	100	100	75	100

Extract of Terms of Refrence:

- 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.

The composition of the nomination and remuneration committee and the attendance details of the members of the committee during the F.Y 2019-20 are given below:

Name of the MembersKhunteta	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 11, 2019	Υ	Υ	Υ	Υ
November 14, 2019	Υ	Υ	Υ	Υ
February 04, 2020	Υ	Υ	Υ	Υ
No. of Meetings during the Financial Year	3	3	3	3
Attended	3	3	3	3
Absent	NIL	NIL	NIL	NIL
% of Attendance	100	100	100	100

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_Polic y_SMC_Global_Securities_Ltd.pdf" and also attached as Annexure I

INDEPENDENT DIRECTORS

Separate Meetings of the Independent Directors

Pursuant to Schedule IV read with Section 149 of the Companies Act, 2013, the

Independent Directors of the Company met separately on Wednesday, the 18th Day of March, 2020 at Jaypee Siddharth, 3, Rajendra Palace, New Delhi – 110008. All the Independent Directors

of the Company were present at the meeting.

Familiarization Programme for Independent Director

During the Financial Year 2019-20, 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 Jaypee Siddharth, 3, Rajendra Palace, New Delhi – 110008 on 18th March, 2020, in which all the Independent Directors marked their presence till the end of session.

The Familiarization programmes 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 Particulars Particulars 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 Mal 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 2019-20 are specified herewith:

Name of the MembersKhunteta	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 11, 2019	Υ	Υ	Υ
August 07, 2019	Υ	N	Υ
November 14, 2019	Υ	Υ	Υ
February 04, 2020	Υ	Υ	Υ
No. of Stakeholders Relationship Committee Meetings during the Financial Year	4	4	4
Attended	4	3	4
Absent	NIL	NIL	NIL
% of Attendance	100	75	100



Role of the Stakeholders Relationship Committee:

- Grievances of the security holders of the listed entity including,
- · Complaints related to:
 - i. Transfer of shares
 - ii. Non-receipt of annual report, and
 - iii. 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:

Following are the details with regards to the Compliance Officer of the Company:

Mr. Suman Kumar

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

SMC Global Securities Ltd.

11/6B, 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 d	A detail of shareholder's Complaints received during the financial year 2019-20 is as under:					
(a)	Number of Shareholder's complaints received during the year	NIL				
(b)	Number of Shareholder's complaints resolved during the year	NIL				
(c)	Number of complaints not solved to the satisfaction of shareholders	NIL				
(d)	Number of complaints pending	NIL				

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) are Independent & Non-Executive Director of the Company.



The composition and attendance details of each meeting of CSR Committee during the financial year 2019-20 are as follows:

Name of the MembersKhunteta	Mr. Subhash Chand Aggarwal	Mr. Mahesh Chand Gupta	Mr. Kundan Mal Agarwal
Designation Chairman		Member	Member
Category	Category Chairman and Managing Director		Non-Executive Independent Director
	Date of	Meeting	
May 11, 2019	Υ	Υ	Υ
August 07, 2019	Υ	Υ	Υ
February 04, 2020	Υ	Υ	Υ
No. of Corporate Social Responsibility Committee Meetings during the Financial Year	3	3	3
Attended	3	3	3
Absent	Nil	Nil	Nil
% of Attendance	100	100	100

VIGIL MECHANISM POLICY

The Company has laid down a Vigil Mechanism Policy (formerly known as Whistle Blower Policy) and the same has been posted on the official Website of the Company via //smcindiaonline.com/wpcontent/uploads/2018/04/Vigil -Mecchanism-Policy.pdf. Any employee may make a disclosure regarding malpractices and events covered under this policy by presenting the same in writing before any of the members of the Audit Committee or through addressing an e-mail at whistleblower@smcindiaonline.com

which will be accessible to all the members of the Committee. No employee is denied of opportunity to meet the members of the Audit Committee of the Company.

RELATED PARTY

Related Party Transactions

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

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

http://smcindiaonline.com/w pcontent/uploads/2018/04/R ELATED_PARTY_TRANSACTIO NS_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 2019-20, 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 NonListed 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/w pcontent/uploads/2018/04/M ATERIAL_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
2017	Urdu Ghar" 212, Rouse	July 29, 2017	Saturday	11:00 AM	Yes
2018	Avenue, Deen Dayal Upadhyaya Marg,	July 21, 2018	Saturday	11:00 AM	Yes
2019	New Delhi-110002	September 28, 2019	Saturday	11:00 AM	Yes

Postal Ballot

No Resolution was passed during the financial year 2019-20 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 "Financial Express" and also in Newspapers of vernacular language "Jansatta" (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 i.e.

www.smcindiaonline.com.

Intimation to the Stock Exchanges

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

GENERAL SHAREHOLDER INFORMATION

a.	Annual General Meeting:		
	Day & Date	Wednesday, September 30, 2020	
	Time	11:00 A.M.	
	Venue	Through Video Conferencing ("VC")	
b.	Financial Year	March 31, 2020	
C.	Date of Book Closure	Saturday, the September 12, 2020 to the Tuesday September 15, 2020 (Both days inclusive)	
d.	Dividend Payment Date	Final Dividend for FY 2019-20 @ 12% (Rs. 0.24 Per Share of Rs. 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, Kolkata, West Bengal- 700001	
f.	Stock Codes	CSE 2918610029186	
g.	ISIN for Equity Shares	INE103C01036	
h.	Listing Fees	Paid till 31/03/2021	
l.	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, Web: www.smcindiaonline.com	



GENERAL SHAREHOLDER INFORMATION

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.	
I.	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	
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	
0.	Dematerialization of shares and liquidity	88.92% shares of the company have been in dematerialized form as on March 31, 2020.	
p.	Shareholding Pattern	Promoters 62.05 % and Non Promoters 37.95 % as on March 31, 2020.	
q.	Plant Location	Not Applicable	
r.	Address of correspondence	8B, (Corporate Affairs & Legal Department), Daryaganj, Netaji Subhash Marg, New Delhi-110002.	



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 Nonmandatory 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/C ode_of_Fair_Disclosure_SMC_ Global_Securities_Ltd.pdf

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

FINAL DIVIDEND

During the period under review the company has declared the Final Dividend of 12% (i.e. ₹ 0.24 per Equity Share of ₹ 2 each) amounting to
₹ 2,71,52,268/- out of the
profits of the company for the
financial year 2019-2020 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/wc ontent/uploads/2018/03/Pres ervation_of_Documents_and_ Archival_Policy.pdf

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

During the Financial Year the company has framed the policy for Determining of Materiality of an Event of the Company which is required to



be formulated under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also posted on website of the Company.

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://smcindiaonline.com/wp-content/uploads/2018/05/PM LA-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 is form part at 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.

Details of Audit Fees

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	36,78,000	
2.	As Tax Auditor	5,45,000	
3.	As Fees for other Services	8,72,000	
	Total	50,95,000	



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, 2020:

By Size

Shareholding of Shares (Range)	Number of Shareholders	Shareholders (In %)	Total shares for the Range	Issued capital (In %)
1-500	408	27.1638	55357	0.0489
501 - 1000	547	36.4181	541829	0.4789
1,001- 2,000	248	16.5113	477175	0.4218
2,001 - 3,000	47	3.1292	134649	0.119
3,001 - 4,000	31	2.0639	122400	0.1082
4,001 - 5,000	41	2.7297	202055	0.1786
5,001 - 10,000	66	4.3941	516825	0.4568
10,001 & above	114	7.5899	111084160	98.1877
TOTAL	1502	100	113134450	100

By Category

Category	No. of Shares	Equity (in %)
Promoters & Promoters Group	7,02,04,685	62.05
NRI and Foreign Body Corporate	2,03,15,280	17.96
Corporate Bodies (other than Promoters)	1,78,27,623	15.76
Indian Public and Others	47,86,862	4.23
Total	11,31,34,450	100



DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on March 31, 2020 a total of 10, 06, 01,240 equity shares of the Company representing 88.92% of total Equity Share Capital was held in dematerialized form.

The bifurcation of shares held in Physical and Demat form as on March 31, 2020 is as under:

Status of Dematerialization	No. of Equity Shares	% of total shares
Shares held in NSDL	1,68,01,457	14.85
Shares held in CDSL	8,37,99,783	74.07
Shares held in Physical Form	1,25,33,210	11.08
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 (I) 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.

For and on Behalf of the Board

Sd-

(Subhash Chand Aggarwal) Chairman & Managing Director

DIN: 00003267

Place: New Delhi



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, 2020, 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)

Place: New Delhi



CERTIFICATE OF CORPORATE GOVERNANCE

Τo,

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, 2020**, 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, 2020.

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

For CS Priyank Kukreja
Practising Company Secretary

sd-

Priyank Kukreja M. No: A40585 CP. No.: 19465

Place: New Delhi



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, 2020**.

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

For CS Priyank Kukreja
Practising Company Secretary

sd-

Priyank Kukreja M. No: A40585 CP. No.: 19465

UDI No.: A040585B000604852

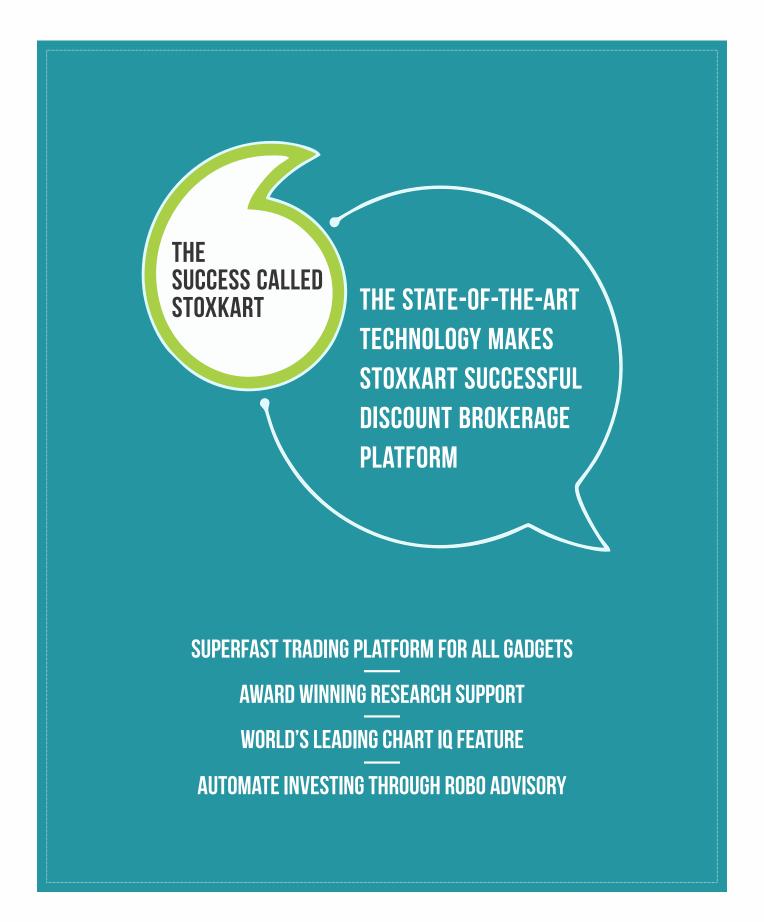
Place: New Delhi



DISCOUNT BROKING PLATFORM

SMC Group introduces Stoxkart, a new age discount brokerage platform to experience trade. It empowers traders & investors with its market expertise, lowest ever brokerage plans and new-age technology.









MANAGEMENT DISCUSSIONAND ANALYSIS REPORT





1. OVERVIEW & OUTLOOK

1.1 Global and Indian Economy

The year 2019 started with speculation of global economic slowdown and disruptive trade wars and ended with pandemic COVID -19. Governments around the world have been quick in responding to the impacts of the pandemic, implementing measures such as fiscal and monetary easing, increased health spending and direct support to cover losses in incomes and revenues. Strong multilateral cooperation remains essential on multiple fronts. There is more demand for the role of the central banks: policymakers will need to implement substantial targeted fiscal, monetary and financial market measures to help the ailing economy. Further Liquidity measure is urgently needed for countries confronting health crises and external funding shortfalls, including through

through the global financial safety net. International Monetary Fund (IMF) has warned that the global economy will take much longer to recover fully from the shock caused by the corona virus than initially expected as it is expected that all countries will try to protect their own nation.

Back at home, it could be seen that Government and RBI has been continuously pushing measures to reinvigorate the economy. The announcement of ₹ 20 lakh crore stimulus package to combat the slowdown cause by Covid-19, which includes measures already announced by the Union Finance Minister and the RBI, to push self-reliance and boost the economy. The government stimulus measures amounting to 10 per cent of GDP announced, have the potential to bring sea-change in the economy. Policy simplification "Ease of Doing Business" will bring much needed transparency in the system. Thus, the prompt policy measures taken by the Government and RBI - both short term and long term - in a calibrated manner will certainly help rebuild a strong vibrant Indian economy. Undoubtedly, the measures and initiatives that were announced earlier have started showing some fruits.

The Indian economy has started gathering pace with goods movement rebounding close to pre lockdown levels and GST collections rising sharply in the recent month. Even auto and two-wheeler companies are clocking sharp month-on-month sales increase as pent-up demand and revival in economic activity drove purchases of automobiles across the country. Further early green shoots of economic revival have emerged with real activity indicators like electricity and fuel



consumption, inter and intrastate movement of goods, retail financial transactions witnessing pick up.

Agricultural sector remains the foundation of the Indian economy and with a forecast of a good monsoon; it may bring some more respite to our slowing economy.

Agriculture sector accounts for around 16 per cent of

Besides, the country's inflation outlook remains benign, and the sharp fall in crude prices could turn the current account deficit to a surplus. Going forward India will continue to benefit from a lower import bill and improved current account balance.

According to IMF, both advanced economies and emerging market and developing economies are in recession for the first time

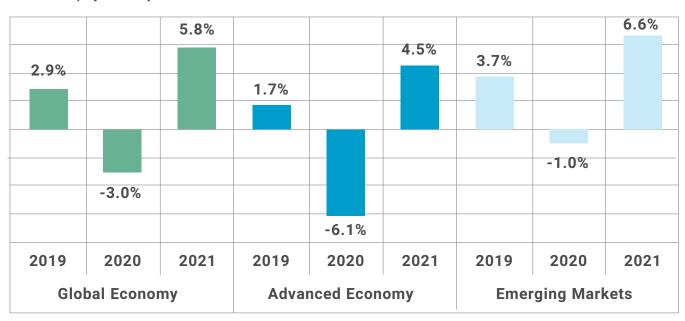
since the Great Depression of 1930. For the calendar year 2020, growth in advanced economies is projected to grow at -6.1 percent. Emerging market and developing economies with normal growth levels well above advanced economies are also projected to have negative growth rates of -1.0 percent in the calendar year 2020.

GDP Growth projections by IMF

GDP, while services and

industry form the major

chunk of economic output.



Source: IMF's World Economic Outlook, April 2020



1.2 Industry structure and developments

Capital Market

During H2:2019-20, domestic financial markets exhibited divergent movements. A policy rate cut in October 2019 and liquidity management operations undertaken by the RBI enthused market sentiment but growing concerns about the domestic economic slowdown, fiscal slippages, geo-political tensions and heightened uncertainties caused by the rapid spread of COVID-19 posed significant challenges, particularly towards the close of Q4 of the FY 2019-20.

The Indian equity market, which made sizable gains till mid-January 2020, recorded a sharp decline in the remaining part of H2:2019-20 tracking the deterioration in global equity market sentiment due to COVID-19. The BSE Sensex touched the 40,000 level during Q3:2019-20 but it came

under intense pressure during Q4: 2019-20. Overall, the Sensex declined by 23.8 per cent during H2:2019-20. The BSE Sensex reclaimed the 40,000 level on October 30, 2019 taking positive cues from global markets amidst fresh optimism over the US-China trade negotiations and agreement on Brexit deal between the UK and the European Union (EU). The uptrend continued in November 19 and December 19 on the back of growth boosting measures by the Government of India, support to the Insolvency and Bankruptcy Code amendment and approval for a partial credit quarantee scheme for public sector banks to purchase pooled assets from NBFCs.

The buoyancy in the equity market continued till mid-January 2020 against the backdrop of a fall in global crude prices, recovery in industrial output in November 19, higher

GST collection and expansion in manufacturing Purchasing Managers' Index (PMI) in December 19 which pushed the Sensex to a record close of 41,953 on January 14, 2020. Markets wilted, however, following the escalation of geopolitical tensions between the US and Iran. a subdued domestic GDP growth outlook along with downward revision of India's growth forecast for the financial year 2019-20 by the IMF and Covid-19. Sensex closed at 29,468 at the year-end that is fall of around 30% from peak.

(Source: Monetary Policy Report- RBI, April 2020)

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, Debt Securities (Bonds), Discount broking, Insurance Broking, Financing (NBFC), Real Estate Advisory, Wealth Management, Mortgage & Loan Advisory, 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 recognized at national platforms by various bodies.

During FY 2019-20, SMC won following awards:

Business Excellence
 Award (Order of Merit) Skoch Corporate

Excellence Awards 2019

- Broking House Non
 Agricultural
 Commodities of The
 Year MCX Awards 2019
- Premier Depository
 Participant in Gold
 Category CDSL Awards
 2019
- Fastest Growing MFI
 North in BSE Star MF
 Online BSE Star MF
 Awards 2019

The diversified business of SMC is being conducted through an organizational structure consisting of ten subsidiaries and one joint venture including two foreign subsidiaries. These subsidiaries are regulated by various regulators in India & respective jurisdiction, depending upon business handled by them. We have presence in major cities in India through various offices. Through a strong network of approx. 2,500 authorized persons and sub brokers, SMC footprints cover nearly over 550 cities across India. SMC group employs around 4, 100

employees (as on March 31, 2020), 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 crossselling 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
- To expand Financing & Discount broking business



3. FINANCIAL PERFORMANCE HIGHLIGHTS

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

(₹ in Lakhs)

Particulars	FY 2019-20	% to Total Revenue	FY 2018-19	% to Total Revenue
Total Revenue	78,413	100.00%	75,947	100.00%
Total Expenditure	73,898	94.24%	66,859	88.03%
Profit before tax	4,515	5.76%	9,088	11.97%
Less: Tax expense	2,128	2.71%	1,610	2.12%
Profit After Tax (PAT) Before Minority Interest	2,387	3.04%	7,478	9.85%
Total other comprehensive income for the Year	-631	-0.80%	212	0.28%
Total comprehensive income for the Year	1,756	2.24%	7,690	10.13%
Share of Minority Interest in Profit (Loss)	26	0.03%	-1	0.00%
Net Profit After Tax, Minority Interest	2,361	3.01%	7,479	9.85%
Earnings per Share (Basic) In ₹	2.11		6.61	

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

(₹ in Lakhs)

	FY 2019-20	% to Total Revenue	FY 2018-19	% to Total Revenue
Total Revenue	45,290	100.00%	44,329	100.00%
Total Expenditure	41,535	91.71%	40,999	92.49%
Profit before tax	3,755	8.29%	3,330	7.51%
Less: Tax expense	782	1.73%	30	0.07%
Profit After Tax (PAT)	2,973	6.56%	3,300	7.44%
Total other comprehensive income for the Year	-611	-1.35%	81	0.18%
Total comprehensive income for the Year	2,362	5.22%	3,381	7.63%
Earnings per Share (Basic) In ₹	2.63		2.92	



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 2019-20 and FY 2018-19 is tabulated below:

Table 3.c: Segment-wise Performance- Consolidated

(₹ in Lakhs)

Particulars	Year Ended		
	March 31, 2020	March 31, 2019	
Segment Revenue			
(1) Trading and distribution(2) Advisory services(3) Financing activities	69,837 3,544 8,782	64,498 3,597 9,888	
Total	82,163	77,983	
Less: Inter Segment Revenue	3,750	2,036	
Total Revenue	78,413	75,947	
Segment Profit/(Loss) before tax			
(1) Trading and distribution	8,841	9,894	
(2) Advisory services	-2,122	-876	
(3) Financing activities	3,787	6,358	
Total	10,506	15,376	
Less: Interest	5,991	6,288	
Total Profit/(Loss) Before Tax	4,515	9,088	

Table 3.d Performance of Material Subsidiaries- Standalone (for the year ended March 31, 2020)

(₹ in Lakhs)

Company Name	Revenue from Operations	Profit before tax	Profit after tax
Moneywise Financial Services Private Limited	8,792	2,644	1,853
SMC Insurance Brokers Private Limited	22,535	1,480	1,070



3.2 BUSINESS PERFORMANCE HIGHLIGHTS

3.2.1 BROKING BUSINESS

EQUITY BROKING

SMC's market share was ~ 3.0 % (PY 3.0 %) of total turnover of NSE & BSE in FY 19-20. It has been successful in generating a combined turnover of approx. ₹ 109.5 Lakhs crores (PY ₹ 72.7 Lakhs crores) higher by 50.6% as compared to previous year. Total number of clients in this segment is ~ 510,800.

CURRENCY BROKING

SMC's market share in currency segment was ~ 12.0 % (PY 11.0 %) of total turnover of NSE, BSE and MSEI in FY 19-20. SMC clocked combined volume of ₹ 19.9 Lakhs crores (PY ₹ 17.2 Lakhs crores) higher by 15.5% as compared to previous year. Total number of clients in this segment is ~ 105,000.

COMMODITY BROKING

During FY 2019-20, SMC's market share was ~ 2.0% (PY 3.1 %) of total turnover of MCX, NCDEX, ICEX and

NSE & BSE commodity. SMC clocked a combined volume of ₹ 1.9 Lakhs crores (PY ₹ 2.3 Lakhs crores) lower by 15.9% as compared to previous year. Total number of clients in this segment is ~ 79,200.

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 number of clients for FY 19-20 stood at ~ 715,000 as compared to ~ 689,950 clients in FY 18-19. SMC Insurance Brokers Pvt Ltd has a huge network of POS (Point of Sales) Person and MISP (Motor Insurance Service Provider) for solicitation of insurance with ~8,000 POS and 350 MISP registered with the entity as at 31 March 2020.

During the year under review, the total revenue stood at ₹ 22,535 Lakhs as compared to ₹ 17,954 Lakhs in previous year & Profit after tax stood at ₹ 1,070 Lakhs as compared to ₹ 1,140 Lakhs in previous year.

DISCOUNT BROKING

Moneywise Finvest Ltd., a wholly owned subsidiary of SMC Global Securities Ltd. launched a Discount broking platform under brand name STOXKART. It's a first of its kind in broking industry where customers are charged only for profitable transactions. As on 31st March, 2020, total clients are ~9,000 and numbers of partners associated are ~ 390.

3.2.2 CLEARING SERVICES

SMC offers clearing and settlement services to trading members in the following segments /exchanges:

- Equity Derivatives: NSE, BSE, India INX & NSE-IFSC.
- Currency Derivatives: NSE, BSE, MSEI, India INX & NSE-IFSC.
- Commodity Derivatives: MCX, NCDEX, NSE, BSE, ICEX, DGCX, India 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 syndicate in debt & equity issuance (for over last ten years).
- Developed vast network of channel partners around 13,750+ for distribution of third party products.
- Built a cumulative Asset under Management (AUM) of more than ₹ 2,450 crores (PY ₹ 2,860 crores) and having over 2.02 Lakhs (PY 1.96 Lakhs) Folios in Mutual Fund segment as on March 31, 2020.

3.2.4 INVESTMENT BANKING

SMC Capitals Limited, the investment banking arm of the SMC Group, is category I merchant banker registered with SEBI. SMC Capitals is led by professionals having collective experience of more than 75 years. The entity provides services in areas of Equity Capital Market, M&A Advisory, Private Equity and Debt Syndication.

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), offering a wide spectrum of financial products focused on Small and Medium Enterprises (SME) customers as well as for personal consumption and investment needs of the borrowers. It provides loan products like SME - Loan Against Property (LAP), SME - Working Capital Term Loan (WCTL), SME -Assets Finance, Loans to NBFCs/MFIs for onward lending, Loan Against

Securities (LAS), Consumer Durable Loans, Personal Loans, etc. Moneywise has a long term rating of A (stable) from CARE, A-(positive) from ICRA and a short term rating ICRA A1+ (SO).

Moneywise Financial Services Pvt. Ltd. (SMC Finance) has Assets under Management (AUM) of approx. ₹ 513 crore as on 31st Mar, 2020. Since 2017, SMC Finance has demonstrated AUM growth at CAGR of 17.0% and revenue growth at CAGR of 27.0% with ROAE 6.4% (FY 2019-20) and a very comfortable CAR of 61.2%. During the year, the company continued to increase its focus on expansion of retail loan book (i.e. secured and unsecured products like SME-WCTL, SME-LAP, SME-Assets Finance, Loans to NBFC/MFI for onward lending, consumer durable loans etc.) which is now at 78.0% of total portfolio. The aggregate term loans disbursed during the year are of ₹235.0 crore. Further, during the year, Moneywise has invested in / purchased loan pools from other financing companies amounting to ₹ 26.01 crores.



Below chart shows the growth in our financing business -



3.2.6 WEALTH MANAGEMENT

SMC Global Securities Ltd. -Wealth Management Division offers Financial Planning and Wealth Management solutions to HNI clients through a host of in-house and third party products. SMC Global Securities Ltd is also a SEBI registered Portfolio Manager. Wealth Management Division robust business model helps it to constantly manage, preserve and grow the wealth of its clients and its 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 Division has AUA/AUM of ~ ₹ 310 Crores (PY ₹ 347 Crores) as on March 31, 2020.

3.2.7 REAL ESTATE ADVISORY

SMC Real Estate Advisors
Pvt. Ltd. is registered with
Real Estate Regulatory
Authority in 12 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 250 developers/projects of repute pan India with national as well as regional presence.

3.2.8 Mortgage and Loan Advisory

SMC Investments and Advisors Ltd. is wholly owned subsidiary of SMC



Global Securities Ltd. and offers 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, the Company has tied up with 40 plus major banks and NBFCs

to provide the loan advisory to clients. The company has also launched online sourcing platform named Indiakaloan.com.

3.2.9 Key Ratios

The Return on Average Equity during the year FY 2020 stood at 3.5% (11.5% in FY 2019). EBIT margins stood at 13.4% in FY 2020 (20.2% in FY 2019) whereas the net profit margin stood at 3.0% in FY 2020 (9.8% in FY 2019). Debt Equity ratio stands at 0.3 in FY 2020 (1.1 in FY 2019) with interest coverage ratio at 1.8 in FY 2020 (2.4 in FY 2019).

4. OPPORTUNITIES AND THREATS

Strength:

- PAN India reach, large network
- Over 28 years' experience and expertise
- Wide range of financial products under one roof
- · Innovative IT Solution
- Reputed & well established brand in the Indian financial services sector
- Experienced top management

Opportunities:

- Positive ecomomic outlook in long term will lead to growth in the financial services business
- Decreasing interest rates are going to create opportunities for financing business with higher spread and also for the trading and distribution business in terms of lower finance cost
- Domestic and international expansions

SWOT

Weakness:

- Lower Institutional broking business
- Lower presence in southern part of the country

Threats

- Global and Domestic political uncertainities
- · Intense Competition
- Uncertainity due to ongoing Pandemic



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

Market Risk

SMC & some of its subsidiaries participate in trading and investment 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 in 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 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.

The senior management in the Company is responsible for evaluation of internal financial controls and risk management systems. The Company conducts regular internal audits where ever applicable in respect of group companies of various business units to identify scope of improvement/ enhancement in the Company's processes, quality control, fraud prevention and compliance with laws & regulations. The internal audit reports are reviewed by the Audit Committee and also placed before the Board.

As the portfolio level, the Company manages credit risk through limiting concentration of credit at individual borrower level, group levels, industry level etc. The loan proposals are assessed based on various factors like repayment capacity, credit worthiness, repayment history, business/professional profile, future

business prospects etc. of prospective borrower, field investigation, quality & value of security etc.

Operational Risk

SMC faces operational risks arising from people, systems and processes through which it operates.

Operational risk broadly encapsulates other category of risks; inter alia, reputation risk, fraud risk, legal risk and environment risk.

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

- Shri Hari Das Khunteta, Chairman & independent Director (former Chairman & MD, REC Ltd. having over 40 years of experience in Financial Management and corporate governance),
- 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 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 to 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 and end use verification audit among others.

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

6.1 INTERNAL FINANCIAL CONTROLS

As per the requirement of 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 and development and welfare for the society and community at large, more specifically for the deprived and underprivileged persons. CSR Activities identified are related to the activities included in the Companies Act 2013 (the Act) and the Companies (CSR Policy Rules) 2014 and exclude the activities undertaken in the normal course of business as well as exclude projects or programmes or activities that benefit only the employees of the Company and their families.

SMC 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. SMC Global Securities Ltd. have a corporate social responsibility committee comprising of:

- Shri Subhash Chand Aggarwal (Chairman),
- Shri Mahesh Chand 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 2019-20, the group has spent ₹ 187.45 Lakhs (PY ₹ 140.8 Lakhs) on CSR activities which includes contribution of ₹ 51 Lakhs to the PM - CARES FUND towards saving lives and fighting against COVID-19 pandemic. Employees have also come forward to contribute voluntarily to the fund.

8. HUMAN RESOURCES

At SMC we solely believe that "To win the marketplace, you must first win the Workplace". Nothing is more important than providing an employee a world class experience and expediting their career progression within the organization. We ensured that our employees not only get involved in the Organization but reap benefits out of their



association with SMC Group. The major focus this year was not only on hiring resources but developing them; as at the end of the day you bet on people not on strategies. Employee Benefits, Experiential learning, Performance Management, Recognition, On-boarding experience, Automation and Career progression were the areas focussed on this year.

Technology, Training and Development

Technology is the key to thrive in this challenging environment. We believe in effectively utilizing the technology not just acquiring it. At SMC we not only believe in Partnering with Business Leaders but to provide them with the insights about the manpower in action. From assisting in Data analytics to providing experiential learnings to employees, we couldn't have achieved our goals without our robust technology Advance MITR, our HRIS and e-Guru, our learning platform. Focus wasn't only on using the technology but to build a learning culture

within the Organization along with effective reward system. Identifying the skills gap and nurturing talent was taken up as a critical priority. Building talent pool within the organization for enabling career progression while using latest Learning and Development strategies was the major goal accomplished this year. Right from developing Skill based courses online to imparting rigorous trainings to the employees, we did it all with passion and zeal for the success and growth of our Organization.

Employee welfare

We believe that "A happy employee at work is a better brand ambassador as they will be discussing workplace outside the office too". Right from the employee wellness both physical and mental to encouraging employees in availing corporate tie ups benefits to ensuring work life balance and effective performance based reward and recognition system, all topped our priority list for this year. From providing in house Yoga, Meditation, Fitness sessions to tying up

with brands for providing exclusive discounts on services to our employees to driving effective reward and recognition system for all of our employees based upon their performance are the major milestones accomplished during the year.

Focus on enhancing employee engagement

Employee engagement is quickly becoming one of the most important indicators in gauging work satisfaction. Employees today are looking for more than just a 9-to-5 job. They want to be involved in their work, enthusiastic about the organization they work for. Employees who are engaged at work are more likely to be productive on a consistent basis. SMC Group being an employee driven and customer focused organization; it gives a lot of importance towards employee engagement.

In FY 2019-20, SMC had organized number of events to ensure the participation of the employees apart from their own work. Here we summarise few of them below:



- Award Ceremony on Republic Day
- 2. Plantation Drive for Greener Society
- 3. Celebration of Holi Festival
- 4. Independence Day Celebration
- 5. Monthly Birthday Celebration
- 6. Quarterly Health Check Up
- 7. Talent Hunt
- 8. Dandia in Navratri festival
- 9. Diwali Celebration
- 10.SMC Fiesta 2019
- 11.Distribution of mask and sanitizers to create awareness during Covid-19.

The motivation and dedication towards an organisation enhance when the work force is being given importance. SMC has always believed that engaged employees are intrinsically motivated. The employees love what they do, strive to master new skills and are enthusiastic about applying their talents apart from their job responsibilities.

The number of persons employed by SMC group is 4,100+ as on March 31, 2020.

9. THE WAY FORWARD

COVID-19, the accompanying lockdowns and the expected contraction in global output in the calendar year 2020 weigh heavily on the growth outlook. The actual outturn would depend upon the speed with which the outbreak is contained and economic activity returns to normalcy. Significant monetary and liquidity measures taken by the Reserve Bank and fiscal measures by the government would mitigate the adverse impact on domestic demand and help spur economic activity once normalcy is restored.

The recent epidemic has changed the business narrative and its time that our priority remains valuing life and securing business to support our community. SMC, amidst the global crisis, is committed to safety & well being of all our employees, partners and stakeholders. We are aligned to government advisories

and will ensure taking all the precautions and preventions at our offices.

Our robust infrastructure, processes, and most importantly our people, have ensured that we continue to deliver the commitments with minimal disruptions caused by the global COVID-19 pandemic. We have been proactive to respond to these challenges and were early to switch to work from home without impacting customer deliverables. Our robust IT infrastructure and business continuity processes have allowed us to respond to the situation quickly as it continues to evolve and we are expecting a better growth prospect in time to come.

10. 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 and other acts of violence which may lead to situations unpredictable for anyone.

WHILE YOU LIVE YOUR DREAMS, WE MANAGE YOUR WEALTH





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





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") 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, 2020, 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").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the 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, 2020, 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 is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements

Emphasis of Matter

The auditors of Moneywise Financial Services Private Limited (Wholly Owned Subsidiary Company- NBFC) have stated following under Emphasis of Matter in their Report on the financial statements of the said Wholly Owned Subsidiary Company about recognition of provision for moratorium on loans that were SMAs/overdue but standard as at 29 February 2020, for which the moratorium benefit has been granted, based on the days past due

status as at 29 February 2020 in accordance with the Reserve Bank of India COVID-19 Regulatory Package announced vide notification dated 17th April, 2020. The extent to which the COVID -19 pandemic will have an impact on the said company's financial performance is dependent on future developments, which are highly uncertain, refer note 39 of the consolidated financial statements.

Our opinion on the consolidated Financial Statements is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, 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 and in our opinion there is no any such matter to be

communicated in our report.

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

The Holding 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 abovereferred 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 quarantee 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)(I) 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 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 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 Matter

We did not audit the financial statements / financial information of nine subsidiaries and one Jointly controlled entity whose financial statements / financial information reflect total assets of ₹1 79,444.86 lakhs as at 31.03.2020, total revenue of ₹ 14.348.02 lakhs net loss after tax of ₹ 290.79 lakhs and net cash flows ₹ 3.576.00 lakhs for the year ended 31.03.2020 as considered in the consolidated financial statements. The Consolidated financial statements also includes the financial result of 1 joint venture which reflect groups share of net loss of ₹ 0.76 lakhs for the year ended 31.03.2020. These Financial Statements have been audited by other auditors 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, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our



- knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the **Consolidated Statement** of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the

- consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the 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, 2020 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, 2020 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
- 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:

reasons stated therein.

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 34 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 company
 incorporated in India.

For R Gopal & Associates

Chartered Accountants

Firm Registration No.: 000846C

sd/-

Vikash Aggarwal

Partner

Membership No: 519574

UDIN: 20519574AAAACG5344

Date: 09th June 2020

Place : 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2020, we have audited the internal financial controls with reference to financial statements of SMC Global Securities Limited ("the Holding Company") and its subsidiaries company 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 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

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

sd/-

Vikash Aggarwal Partner

Membership No: 519574

UDIN: 20519574AAAACG5344

Date: 09th June 2020

Place : Delhi

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 2020, 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

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 seven
subsidiaries which are
companies incorporated in
India, is based solely on the
corresponding reports of the
auditors of such companies
incorporated in India.



CONSOLIDATED BALANCE SHEET

Particulars	Note No.	An at March 21, 2020	(₹ in Lakhs) As at March 31, 2019
Particulars	Note No.	As at March 31, 2020	AS at March 31, 2019
Assets			
Financial assets			
Cash and cash equivalents	2	23,302.88	7,142.77
Other bank balances	3	42,179.09	44,903.79
Receivables			
Trade receivables	4	27,221.41	78,631.87
Other receivables	5	604.79	137.72
Loans	6	49,811.19	57,052.65
Investments	7	8,566.79	19,520.10
Other financial assets	8	19,698.29	14,430.57
Non-financial assets			
Inventories	9	-	592.59
Current tax assets (net)	31	3,053.18	1,951.81
Deferred tax assets (net)	31	3,990.03	4,656.86
Assets held for sale	10	240.76	410.79
Property, plant and equipment	11	2,897.18	3,320.39
Capital work - in - progress	11	50.14	-
Right to use - Lease	12	3,887.79	29.23
Other intangible assets	13	158.02	133.73
Intangible work-in-progress	13	84.22	25.00
Other non-financial assets	14	1,782.57	2,072.40
Total assets		187,528.33	235,012.27
Liabilities and equity			
Liabilities			
Financial liabilities			
Payables			
Trade payables			
- to micro and small enterprises		58.14	-
- to other than micro and small enterprises		42,213.83	24,629.46
Other payables			
- to micro and small enterprises		-	-
- to other than micro and small enterprises		1,240.80	348.55
Lease Liabilities		3,599.86	-
Debt securities	15	462.18	133.10
Borrowings	16	18,009.16	73,843.20
Deposits	17	863.29	1,372.97
Other financial liabilities	18	49,048.90	63,152.79
Non-financial liabilities			
Current tax liabilities (net)	31	51.66	151.11
Provisions	19	2,662.81	1,893.34
Other non-financial liabilities	20	1,008.21	1,243.60
Equity			
Equity share capital	21	2,262.69	2,262.69
Other equity		65,879.22	65,832.57
1117		,	,
Non-controlling interest		167.58	148.89



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

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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/-**Vikash Agarwal**

Partner Membership No.: 519574

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

sd/-

Place: New Delhi Date: June 09, 2020 Vinod Kumar Jamar Group CFO sd/-**Suman Kumar** Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from operations			
Fees and commission income	22	46,886.58	43,294.07
Interest income	23	14,999.04	17,645.74
Dividend income		78.03	109.75
Net gain on proprietory trading		15,889.15	14,225.27
Total revenue from operations		77,852.80	75,274.83
Other income	24	560.65	672.24
Total income		78,413.45	75,947.07
Expenses			
Fees and commission expenses	25	38,151.02	34,155.88
Employee benefits expenses	26,33	18,185.03	14,957.47
Finance costs	27	5,991.55	6,287.79
Depreciation and amortisation	28	1,920.83	1,134.58
Impairment on financial instruments	29	1,267.57	779.23
Other expenses	30	8,382.18	9,543.71
otal expenses		73,898.18	66,858.66
Profit before share of profit/(loss) of joint ventur	re, exceptional item and tax	4,515.27	9,088.41
Share in profit/(loss) in joint venture	•	(0.76)	(0.02)
Profit before tax		4,514.51	9,088.39
Гах expense:			
Current tax	31	1,898.41	2,559.26
Deferred tax	31	229.93	(949.12)
Total tax expense		2,128.34	1,610.14
Profit after tax		2,386.17	7,478.25
Other comprehensive income tems that will not be reclassified subseque	ently to profit or loss		
Remeasurement of the net defined bene-	•	(278.93)	(7.64)
Tax effect of Items that will not be reclar	,	100.93	4.15
to profit and loss	ssilied subsequently	100.93	4.13
tems that will be reclassified subsequently	to profit or loss		
Exchange difference on translation of fo	reign operation	266.81	152.97
Fair value changes on investments		(850.63)	75.49
Tax effect of Items that will be reclassified	I subsequently to	130.62	(13.29)
profit and loss			



(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Total comprehensive income for the y and other comprehensive income for	\ 1 3 1	1,754.97	7,689.93
Profit attributable to:			
Owners of the equity		2,360.33	7,478.81
Non controlling interest		25.84	(0.56)
Total comprehensive income attribu	table to:		
Owners of the equity		1,736.28	7,690.66
Non controlling interest		18.69	(0.73)
Earnings per equity share (Face val	ue ₹ 2)		
Basic & Diluted (in ₹)	32	2.11	6.61
The accompanying notes form an inte	gral part of the consolidated final	ncial statements. 1-42	

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/-Vikash Agarwal Partner Membership No. : 519574

Date: June 09, 2020

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

sd/Place: New Delhi Vino

Vinod Kumar Jamar Group CFO sd/-Suman Kumar Company Secretary

FINANCIAL STATEMENT

SMC GLOBAL SECURITIES LIMITED Consolidated statement of changes in equity

	Equity					Other equity	uity						(CILLED TO
Particulars	share		Re	Reserves & surplus	sn			Other comprehensive income	e income		Total	Total	Non
	3	Securities Retai premium earni reserve	Retained G earnings re	General Capital reserve reserve		Reserve fund u/s 45-IC of RBI act 1934 *	Remeasurement of the net defined benefit liability / asset	Exchange differences on translating foreign operations	Fair value changes in investments	Tax effect of other component of equity	attributable to equity holders		controlling interest
Balance as at April 1, 2018 Changes in equity for the year ended	2,262.69	34,448.91 14,001.72	1.72 7,7	7,112.97 2,621.80	08	1,289.29	206.86	(266.94)	108.73	(65.40)	59,457.94	61,720.63	149.62
Balance taken over pursuant to composite scheme of arrangement#	•			60.03		,	•	,	•	•	60.03	60.03	
account of composite scheme of arrangement#	,	- 784	784.97	741.09 (841.76)	(9,		•	1	•	•	684.31	684.31	
Addition/(deduction) on capital reserve				- (744.33)	33)	1			•		(744.33)	(744.33)	
Profit for the year Addition during the year Payment of dividends	1 1 1	- 7,478.81 - (621.92) - (1,086.09)	7,478.81 (621.92) 1,086.09)		1 1 1	621.92	(7.74)	152.97	75.76	(9.14)	7,478.81 211.85 (1,086.09)	7,478.81 211.85 (1,086.09)	(0.56)
Tax on dividends	•	- (229.94)).94)		,		1	1	1	1	(229.94)	(229.94)	
March 31, 2019	2,262.69	34,448.91 20,327.55		7,914.09 1,035.71	71	1,911.21	199.12	(113.97)	184.49	(74.54)	65,832.57	68,095.26	148.89
April 1, 2019	2,262.69	34,448.91 20,327.55		7,914.09 1,035.71	71	1,911.21	199.12	(113.97)	184.49	(74.54)	65,832.57	68,095.26	148.89
Changes in equity for the year ended March 31, 2020 Profit for the year Addition during the year Payment of dividends Tax on dividends		- 2,360.33 - (370.67) - (1,391.62) - (298.01)	2,360.33 (370.67) 1,391.62) (298.01)	1 1 1	1 1 1 1	370.67	(278.09)	266.81	(843.21)	230.44	2,360.33 (624.05) (1,391.62) (298.01)	2,360.33 (624.05) (1,391.62) (298.01)	25.84 (7.15)
Balance as at March 31, 2020	2,262.69	34,448.91 20,627.58 7,914.09 1,035.71	7.58 7,	914.09 1,035.7	71	2,281.88	(78.97)	152.84	(658.72)	155.90	65,879.22	68,141.91	167.58



*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. 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/-

For and on behalf of the Board

Vikash Agarwal

sd/-S.C. Aggarwal Chairman & Managing Director

Mahesh C. Gupta Vice-Chairman & Managing Director

DIN: 00003082

Ajay Garg Director & CEO DIN: 00003166

sd/-

sd/-

Partner Membership No.: 519574

DIN: 00003267

sd/-

Place: New Delhi Date: June 09, 2020 **Vinod Kumar Jamar** Group CFO Suman Kumar Company Secretary



SMC GLOBAL SECURITIES LIMITED Consolidated statement of cash flows

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flows from operating activities:		
Profit after tax	2,386.17	7,478.25
Adjustments to reconcile net profit to net cash provided		
by operating activities:		
Tax expense	2,128.34	1,610.14
Depreciation, amortization and impairment	1,121.97	1,133.78
Depreciation on lease assets	798.86	0.80
Interest expense	5,691.67	6,287.79
Finance charges on lease	299.88	-
Dividend income	(18.84)	(27.03)
Interest income other than from financing business	(62.49)	(226.31)
Allowance for impairment of trade receivables	13.53	207.17
Allowance for impairment of loans	1,254.28	617.06
Allowance for impairment of deposits	(0.24)	(3.00)
Allowance for impairment of investment	-	(42.00)
Rent income	(63.34)	(69.61)
Net loss/profit on derecognition of property, plant and equipment	(4.88)	31.57
Provision for impairment of property, plant and equipment	-	(44.00)
Net gain on the investments	(83.22)	(46.92)
Exchange difference on conversion of foreign currency monetary items	(13.55)	(9.14)
Operating profit before working capital changes	13,448.14	16,898.55
Changes in assets and liabilities		
Other bank balances	2,724.70	(5,906.79)
Trade receivables	51,396.93	(37,374.14)
Other receivables	(466.84)	(13.44)
Loans	5,987.18	(2,758.28)
Investment carried at fair value through profit and loss	11,237.06	(6,818.39)
Security receipts of trust held under securitisation business	(1,190.65)	
Inventories	592.59	(43.71)
Other financial assets	(5,267.72)	(2,052.07)
Other non-financial assets	288.72	371.13
Trade payables	17,642.51	(354.33)
Other payables	892.25	(430.00)
Deposits	(509.68)	474.11
Other financial liabilities	(14,094.17)	24,785.80
Other non-financial liabilities	(234.60)	(171.18)
Provisions	491.38	416.44
Cash generated / (used in) from operations	82,937.80	(12,976.30)
ncome taxes paid (net of refund) Net cash generated / (used in) from operating activities (A)	(2,431.88)	(2,478.72) (15,455.02)
	80,505.92	(15,455.02)
Cash flows from investing activities:	/	/ ·-
Expenditure on property, plant and equipment including intangible assets	(838.79)	(1,007.15)
Sale proceeds on property, plant and equipment including intangible assets	11.25	14.33
Addition to right to use - lease asset	(4,657.42)	(30.03)
Interest received	62.49	226.31
Dividend received	19.95	26.18
Rent received	63.34	69.61



(₹ in Lakhs)

			(₹ III Lakiis)
Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
Acquisition of assets held for sale		170.03	(240.76)
Change in investment in joint venture		(3.70)	0.02
Payments to acquire financial assets			
Equity instruments		(4,349.73)	(4,791.08)
Mutual funds		(648.83)	(145.90)
Proceeds on sale of financial assets			
Equity instruments		4,334.98	4,403.91
Bonds		-	1,490.08
Mutual funds		814.19	74.22
Net cash (used in) / generated from investing activities	(B)	(5,022.24)	89.74
Cash flow from financing activities:			
Payment of dividends (including corporate dividend tax)		(1,690.41)	(1,303.33)
Payment of interest		(5,701.39)	(6,254.10)
Addition to lease liabilities		4,778.34	-
Repayment of lease liabilities		(1,478.36)	-
Proceeds from borrowings (net)		(55,834.04)	22,404.18
Proceeds from debt securities		329.08	133.10
Net cash (used in) / generated from financing activities	(C)	(59,596.78)	14,979.85
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	15,886.90	(385.43)
Effect of change in exchange rate on foreign operations and foreign currency monetary items		280.36	162.11
Adjustment on account of change in minority interest		(7.15)	(0.17)
Cash and cash equivalents at the beginning of the year		7,142.77	7,366.26
Cash and cash equivalents at the end of the year (refer note 2))	23,302.88	7,142.77

Note:

- 1. 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.
- 2. Interest expense includes other borrowing cost.
- 3. Figures in brackets indicate cash outflow.
- $4. \quad The accompanying notes form an integral part of the consolidated financial statements (Refer note no. 1-42).$

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/-**Vikash Agarwal** Partner

Membership No.: 519574

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: June 09, 2020 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 "Holding
Company") together with
its subsidiaries and joint
venture (collectively, "the
Group") offers its
customers a wide range
of services across
different business
segments. The Holding
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 Holding Company is
a Limited Liability
Company incorporated in

the year 1994 and

domiciled in India. The

registered address of the company is 11/6-B, Shanti Chamber, Pusa Road, New Delhi-110005. The Holding 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 regulated by Securities and Exchange Board of India ("SEBI").

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.

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 intragroup 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, 2020	As at March 31, 2019
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%
Joint venture of SMC Investments and Advisors Limited			
k. SMC & IM Capitals Investment Manager LLP	India	50%	50%

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 Systematically Important Non-Deposit taking 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 it's 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:

- (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 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. Unbilled revenue regarding insurance broking is the income that has become due on account of policy issued by the company but pending to be billed due to statement not received from the Insurance company as at year end. Further it makes provision for cancellation for Life Insurance business on the basis of past trend of business cancellation owing to the very peculiar nature of Life Insurance business. Provision for cancellation is netted off from Revenue for presentation in the financials.

(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. Unbilled revenue is the income that has become due on account of services rendered by the company but pending to be billed due to statement not received from the registrar/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) 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.

- (vi) Management and consultancy: Revenue from management & advisory services is accounted for when the rendering of service under a contract is completed or substantially completed.
- (vii) Interest 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. The interest
 revenue on the loans
 and advances are
 recognised based on the
 effective interest rate as
 and when due.
- (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.

1.07 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 applicable 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 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

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 / upto 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 group 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 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 resultant gains or losses are recognised in the statement of profit

and loss.



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%

Trade mark logo 40%

1.09 Impairment of tangible intangible assets and right to use

At each reporting date, the group reviews the carrying amounts of its tangible, intangible assets and right to use assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable

amount is estimated. For impairment testing, assets that do not generate independent cash flows are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGUs'). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

1.10 Inventories

The group mainly have 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 trade, accordingly, values its inventories at fair value.

1.11 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 group'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.

Deferred tax assets

include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

1.12 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 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. 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.

© 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 group 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 Group 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 Group 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 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 Group 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 group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(e) Impairment

The Group 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 12month 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.

1.13 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 recognised in the statement of profit and loss.

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

1.14 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 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 Group'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. Gratuity liability is a defined obligation and is nonfunded 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', 'h', 'i' and 'k' in note no. 1.04, where the liability is ascertained as per management estimation. When the calculation results in a potential asset for the group, 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. Defined benefit obligation (DBO) is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

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 group 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 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 group 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 Group'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. 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', 'h', 'i' and 'k' in note no. 1.04, where the liability is ascertained as per management estimation.

1.15 Leases

The Group account for the leases in accordance with Ind AS 116 Leases. This is the first year of adoption of Ind AS 116. The group followed Appendix C to the Ind AS 116 for the purpose of transition. Accordingly as a practical expedient, group have not reassessed whether a contract is, or contains, a lease at the date of initial application. Instead, the group has

- (a) applied this Standard to contracts that were previously identified as leases applying Ind AS 17, Leases.
- (b) not applied this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17.

The Group enters into hiring/service arrangements for various assets/services.

The group evaluates whether a contract contains a lease or not. in accordance with the principles of Ind AS 116. This requires significant judgements including but not limited to. whether asset is implicitly identified, substantive substitution rights available with the supplier, decision making rights with respect to how the underlying asset will be used, economic substance of the arrangement, etc.

As a lessee, the group has measured lease liability at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. After the commencement date / transition date, The group measures the right-of-use asset applying a cost model, whereas the group measures the right-ofuse asset at cost:

(a) less any accumulated depreciation and any accumulated impairment losses; and

(b) adjusted for any remeasurement of the lease liability

The group recognises the finance charges on lease expense on reducing balance of lease liability. The Lease asset is depreciated over the lease term on straight line basis.

The group applies the above policy to all leases except:

- (a) leases for which the lease term (as defined in Ind AS 116) ends within 12 months of the acquisition date;
- (b) leases for which the underlying asset is of low value.

The Company has taken certain assets on leases which in turn are leased out to the group companies. For those leases the group has netted off the recovery with the rent payable and capitalised the balance payment of rental.

As a lessor the Company identifies leases as operating and finance lease. A lease is classified as a finance



lease if the Company transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

At the commencement date, the group recognises assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease. After the initial recognition the group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

For Operating leases as a lessor the group recognises lease payments from operating leases as income on straight-line basis.

1.16 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.

1.17 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 group. 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 setout below) prescribed in Schedule II to the Act:

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

1.18 Assets held for sale

Assets held for sale are carried on balance sheet at the lower of carrying



value or fair value and no depreciation is charged on them as per Ind AS 105.

1.19 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 amount of cash and which are subject to an insignificant risk of changes in value.

1.20 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:

- (a) Possible obligations which will be confirmed only by future events not wholly within the control of the group 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 realisation of income is virtually certain, related asset is disclosed.

1.21 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 group for the year, the nature and amount of such items is disclosed as exceptional items.

1.22 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 group are segregated.

1.23 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 yearis 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.

1.24 Standards issued but not yet effective

Ministry of Corporate affairs (MCA) notifies new standards or amendment to the existing standards. There are no such standards issued but not yet effective.



SMC GLOBAL SECURITIES LIMITED Notes to consolidated financial statements

NOTE NO. 2

Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at
	March 31, 2020 March 31, 201
Cash in hand	21.34 31.3
Foreign currency in hand	- 1.4
Balances with banks	
In current and deposit accounts*	23,281.54 7,109.9
Total cash and cash equivalent	23,302.88 7,142.7

^{*}Includes unclaimed dividend of ₹ 31.85 lakhs and ₹ 32.64 lakhs as of March 31, 2020 and March 31, 2019, respectively.

NOTE NO. 3

Other Bank Balances

Particulars	Α	s at
	March 31, 2020	March 31, 2019
Deposit pledged with banks*	32,067.92	43,851.79
Deposit pledged with the clearing corporations and stock exchanges as margin	9,925.33	854.27
Deposit placed under lien with consumer court	2.88	2.88
Placed under lien with statutory authority	5.40	7.40
Deposit placed with pension fund regulatory and development authority	20.00	20.00
Deposit placed under arbitration	106.00	103.44
Fixed deposits having maturity more than 3 months	51.56	64.01
Total other bank balances	42,179.09	44,903.79

^{*} Deposit pledged with bank as margin deposit for the guarantees issued of ₹ 62,313.00 lakhs and ₹ 78,904.75 lakhs as of March 31, 2020 and March 31, 2019, respectively, credit facilities or otherwise.



Trade receivables

(₹ in Lakhs)

Particulars		ı	As at	
		March 31, 2020	March 31, 2019	
Secured considered good		16,131.07	63,066.76	
Secured credit impaired		427.20	547.92	
Less: Provision for impairment		(427.20)	(547.92)	
	(A)	16,131.07	63,066.76	
Unsecured considered good		11,090.34	15,565.11	
Unsecured credit impaired		1,302.86	1,263.72	
Less: Provision for impairment		(1,302.86)	(1,263.72)	
	(B)	11,090.34	15,565.11	
Total trade receivables	(A+B)	27,221.41	78,631.87	

NOTE NO. 5

Other receivables

Particulars	As at	
	March 31, 2020	March 31, 2019
Unsecured		
Other receivables	620.00	153.17
	620.00	153.17
Less: Provision for impairment	(15.21)	(15.45)
Total other receivables	604.79	137.72



Loans

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Secured		
Carried at amortised cost		
Loans relating to financing business	32,872.89	38,937.67
Others	1,000.00	-
	33,872.89	38,937.67
Less: Provision for impairment	(1,699.09)	(1,843.01)
(A)	32,173.80	37,094.66
Unsecured		
Carried at amortised cost		
Loans relating to financing business	17,219.24	19,984.28
Others	802.30	626.30
	18,021.54	20,610.58
Less: Provision for impairment	(384.15)	(652.59)
(B)	17,637.39	19,957.99
Net loans (A+B)	49,811.19	57,052.65
In India	49,740.07	56,987.40
Outside India	71.12	65.25

NOTE NO. 7

Investments

Particulars		As	As at		
		March 31, 2020	March 31, 2019		
Quoted					
Investments carried at fair value through profit and loss					
Equity instruments		5,352.98	16,643.23		
Debt instruments		594.10	556.49		
	(A)	5,947.08	17,199.72		
Investments carried at fair value through other comprehensive income					
Equity instruments		394.67	731.48		
Equity instruments under portfolio management service		886.77	1,310.66		
Mutual funds		40.97	200.84		
Debt instruments		40.09	29.93		
	(B)	1,362.50	2,272.91		
Sub - Total	(A+B=C)	7,309.58	19,472.63		



Investments

(₹ in Lakhs)

Particulars		A	s at
		March 31, 2020	March 31, 2019
Unquoted			
Investments carried at amortised cost			
Investment in joint venture (partnership firm)		15.44	11.74
Security receipts of trust held under securitisation business		1,190.65	-
	(D)	1,206.09	11.74
Investments carried at fair value through profit and loss			
Equity instruments		15.58	-
, ,	(E)	15.58	-
Investments carried at fair value through other comprehensive inc	ome		
Equity instruments		350.54	350.73
Less : Provision for impairment		(315.00)	(315.00)
·	(F)	35.54	35.73
Sub - Total	(D+E+F=G)	1,257.21	47.47
Total investments	(C+G)	8,566.79	19,520.10
In India		8,566.79	19,520.10
Outside India		0,300.79	19,320.10
Outside IIIdia			_

NOTE NO. 8

Other financial assets

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Interest accrued but not due	709.84	647.43
Derivative financial instruments	7,097.49	8,782.82
Unbilled revenue	787.82	1,070.48
Security deposits	11,121.08	3,949.77
	19,716.23	14,450.50
Less: Provision for impairment	(17.94)	(19.93)
Total other financial assets	19,698.29	14,430.57
Financial asset carried at amortized cost	12,600.80	5,647.75
Financial asset carried at fair value through profit and loss	7,097.49	8,782.82



Inventories

(₹ in Lakhs)

Particulars	A	As at	
	March 31, 2020	March 31, 2019	
Commodities	-	592.59	
Total inventories	-	592.59	

NOTE NO. 10

Assets held for sale

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Building	240.76	410.79
Total assets held for sale	240.76	410.79
In India	240.76	410.79
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.



Property, plant and equipment

(₹ in Lakhs)

Particulars	Office	Computer	Office	Furniture &	Vehicles	VSAT	Total
	Building	equipment	Equipment	Fixtures			
Opening gross carrying value as	2,449.99	3,154.61	1,313.79	2,267.38	562.30	368.22	10,116.29
at April 1, 2018							
Additions during the year	-	540.56	86.48	81.49	230.57	-	939.10
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	2,462.39	3,261.56	942.98	2,293.17	792.87	368.22	10,121.19
at March 31, 2019							
Opening gross carrying value as at April 1, 2019	2,462.39	3,261.56	942.98	2,293.17	792.87	368.22	10,121.19
Additions during the year	-	399.38	107.28	30.94	86.10	-	623.70
Deletions during the year	(28.55)	(98.90)	(53.20)	(67.66)	(146.75)	-	(395.06)
Translation difference	17.54	10.33	0.89	4.04	-	-	32.80
Closing gross carrying value as	2,451.38	3,572.37	997.95	2,260.49	732.22	368.22	10,382.63
at March 31, 2020							
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	1,055.21
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	6,800.80
Opening accumulated depreciation as at April 1, 2019	530.24	2,732.24	809.49	1,881.79	498.98	348.06	6,800.80
Depreciation for the year	144.77	498.40	104.75	150.63	136.65	5.61	1,040.81
Accumulated depreciation on deletions	(16.96)	(95.47)	(51.96)	(66.90)	(140.74)	-	(372.03)
Translation difference	2.86	9.63	0.76	2.62	-	-	15.87
Closing accumulated depreciation as	660.91	3,144.80	863.04	1,968.14	494.89	353.67	7,485.45
at March 31, 2020							
Carrying value as at March 31, 2019	1,932.15	529.32	133.49	411.38	293.89	20.16	3,320.39
Carrying value as at March 31, 2020	1,790.47	427.57	134.91	292.35	237.33	14.55	2,897.18

Capital work-in-progress ₹ in Lakhs

Particulars	As at
r at ticulais	March 31, 2020 March 31, 20
Capital work-in-progress	50.14
Total capital work-in-progress	50.14



Right to use - Lease

(₹ in Lakhs)

Particulars		(· · · · _ a · · · ·)
Tal Notice of	Lease hold assets	Total
Opening gross carrying value as at April 1, 2018	-	-
Additions during the year	30.03	30.03
Deletions during the year	-	-
Closing gross carrying value as at March 31, 2019	30.03	30.03
Opening gross carrying value as at April 1, 2019	30.03	30.03
Additions during the year*	4,778.34	4,778.34
Deletions during the year	(120.92)	(120.92)
Closing gross carrying value as at March 31, 2020		4,687.45
Opening accumulated depreciation as at April 1, 2018	-	-
Depreciation for the year	0.80	0.80
Accumulated depreciation on deletions	-	-
Closing accumulated depreciation as at March 31, 2019	0.80	0.80
Opening accumulated depreciation as at April 1, 2019	0.80	0.80
Depreciation for the year	798.86	798.86
Accumulated depreciation on deletions		. .
Closing accumulated depreciation as at March 31, 2020	799.66	799.66
Carrying value as at March 31, 2019	29.23	29.23
Carrying value as at March 31, 2020	3,887.79	

^{*} includes capitalisation on account of transition to Ind AS 116 amounting to ₹ 3,428.80 Lakhs.

NOTE NO. 12.01

Detail of lease liability

Particulars		As at		
	March 31, 20	20 March 31, 2019		
Opening balance		-		
Addition during the year*	4,778.	- 34		
Finance charges on leasse	299.	- 88		
Repayment during the year	(1,478.3	-		
Closing balance	3,599.	- 86		
Interest rate used for capitalisation	9.6	5% NA		

^{*} includes capitalisation on account of transition to Ind AS 116 amounting to ₹ 3,428.80 Lakhs.



Other intangible assets

(₹ in Lakhs)

Particulars	Computer software	Trademark logo	Tota
Opening gross carrying value as at April 1, 2018	975.08	0.20	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	1,016.42
Opening gross carrying value as at April 1, 2019	1,016.22	0.20	1,016.42
Additions during the year	105.57	0.16	105.73
Deletions during the year	(106.44)	-	(106.44)
Translation difference	8.87	-	8.87
Closing gross carrying value as at March 31, 2020	1,024.22	0.36	1,024.58
Opening accumulated amortization as at April 1, 2018	805.89	0.20	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	882.69
Opening accumulated amortization as at April 1, 2019	882.49	0.20	882.69
Amortization for the year	81.10	0.06	81.16
Accumulated amortization on deletions	(104.66)	-	(104.66)
Translation difference	7.37	-	7.37
Closing accumulated amortization as at March 31, 2020	866.30	0.26	866.56
Carrying value as at March 31, 2019	133.73	-	133.73
Carrying value as at March 31, 2020	157.92	0.10	158.02
Intangible work-in-progress			₹ in Lakhs
Particulars	As at		
	March 31, 2020	March	n 31, 2019
Intangible work-in-progress	84.22		25.00

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.

NOTE NO. 14

Other non-financial assets

Total intangible work-in-progress

(₹ in Lakhs)

84.22

		(\ III Lakiis)	
Particulars		As at	
	March 31, 2020	March 31, 2019	
Capital advances	6.60	342.91	
Prepaid expenses	426.74	1,094.22	
Dividend receivable	0.01	1.12	
Withholding taxes and other taxes receivable	581.57	229.51	
Advance payment to vendors for supply of goods	760.42	397.46	
Salary advances	7.23	7.18	
Total other non financial assets	1,782.57	2,072.40	



Debt securities

(₹ in Lakhs)

Particulars	А	As at	
	March 31, 2020	March 31, 2019	
Unsecured - at amortised cost			
Loan repayable within one year			
Commercial paper	370.00	135.00	
Non convertible debentures*	96.00	-	
Less: unamortised balance of discount on issue of commercial paper	(3.82)	(1.90)	
Total debt securities	462.18	133.10	

^{*} During the year ended March 31, 2020, one of the subsidiary company namely, Moneywise Financial Services Private Limited, issued two series of non convertible debentures secured by hypothecation of debt namely, 9.50% secured unlisted rated redeemable non convertible debentures and 9.75% secured unlisted rated redeemable non convertible debentures, with a maturity date of September 22, 2022 and September 22, 2024 respectively. The interest on the debentures is payable biannually on March 31 and September 30 of the year. The Debentures were issued at par with maturity at par. The Company have not defaulted in any repayment due till date and in payment of interest thereon.

NOTE NO. 15.01

Details of commercial papers outstanding as on March 31, 2020 are as follows:

(₹ in Lakhs)

Particulars	rs As at March 31, 2020			As at March 31, 2019		
	Gross Amount	Unamortised balance of discount	Net Amount	Gross Amount	Unamortised balance of discount	Net Amount
9.80% Commercial Paper	370.00	(3.82)	366.18	135.00	(1.90)	133.10
Total	370.00	(3.82)	366.18	135.00	(1.90)	133.10

NOTE NO. 16

Borrowings

Particulars			As at	
		March 31, 2020	March 31, 2019	
Secured				
Term loan				
from banks		3,505.39	3,810.38	
Loan repayable on demand				
from banks		8,726.55	54,756.75	
from others		15.00	11,054.43	
	(A)	12,246.94	69,621.56	
Unsecured				
Loan repayable on demand				
from others		5,762.22	4,221.64	
	(B)	5,762.22	4,221.64	



Borrowings

(₹ in Lakhs)

Particulars		Δ	As at	
		March 31, 2020	March 31, 2019	
Total borrowings	(A+B)	18,009.16	73,843.20	
In India		12 246 04	60 621 56	
		12,246.94	69,621.56	
Outside India		5,762.22	4,221.64	

- a) Term Loan amounting ₹ 145.27 lakhs and ₹ 215.14 lakhs as of March 31, 2020 and March 31, 2019, respectively, are secured by way of hypothecation of vehicles and are repayable over a period of five years.
- b) Term Loan amounting ₹ 3,360.12 lakhs and ₹ 3,595.24 lakhs as of March 31, 2020 and March 31, 2019, 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 ₹ 8,741.55 lakhs and ₹ 65,811.18 lakhs as of March 31, 2020 and March 31, 2019, respectively, are secured against shares, 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, 2020	March 31, 2019
In the first year	16,830.41	71,907.26
In the second year	1,144.71	1,411.60
In the third to fifth year	34.04	524.34
Total	18,009.16	73,843.20

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

Particulars	A	As at	
	March 31, 2020	March 31, 2019	
Weighted average rate			
Secured			
Fixed rate borrowings	8.21%	9.10%	
Floating rate borrowings	9.50%	9.97%	
Unsecured			
Floating rate borrowings	7.83%	7.63%	
Amount borrowed			
Secured			
Fixed rate borrowings	395.27	215.14	
Floating rate borrowings	11,851.67	69,406.42	
Unsecured			
Floating rate borrowings	5,762.22	4,221.64	
Total borrowings	18,009.16	73,843.20	



Deposits

(₹ in Lakhs)

Particulars		As at	
		March 31, 2020	March 31, 2019
Unsecured			
At amortised cost			
Security deposit taken from customer		860.29	986.25
Security deposit taken from others		3.00	123.19
Inter-corporate deposits*		-	263.53
Total deposits		863.29	1,372.97
In India		863.29	1,372.97
Outside India			_

^{*} includes deposits from related party

NOTE NO. 18

Other financial liabilities

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Book overdraft from banks	7,233.96	1,227.99
Security deposits received	200.01	236.29
Interest accrued but not due	88.28	98.00
Employee benefit payable	1,672.11	454.34
PMS payable	-	3.85
Derivative financial instruments	3,483.90	3,682.74
Accrued expenses	2,316.01	2,050.05
Margin received from client	34,054.63	55,399.53
Total other financial liabilities	49,048.90	63,152.79
Financial liability carried at amortized cost	45,565.00	59,470.05
Financial liability carried at fair value through profit and loss	3,483.90	3,682.74

NOTE NO. 19

Provisions

Particulars	As at	
	March 31, 2020	March 31, 2019
Provision for employee benefits		
Gratuity	1,486.42	886.01
Leave encashment	655.39	546.42
Provision for CSR	92.65	93.50
Provision for insurance cancellation	347.85	286.38
Others	80.50	81.03
Total provisions	2,662.81	1,893.34



NOTE NO. 19.01

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

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Opening provision	93.50	87.08
Provision made during the year	186.60	147.22
CSR spent during the year	187.45	140.80
Closing provision	92.65	93.50

b) Details of amount spent

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
I) Construction/acquisition of any asset	-	-
ii) on purpose other than (i) above	187.45	140.80
Total	187.45	140.80

c) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure - ₹ 2.27 Lakhs (PY: NIL).

NOTE NO. 20

Other non-financial liabilities

Particulars		As at	
	March 31, 20	020 March 31, 2019	
Unearned income	131.	88 127.58	
Unpaid dividend	31.	85 32.64	
Withholding taxes and other taxes payable	837.	32 1,024.97	
Others	7.	16 58.41	
Total other non-financial liabilities	1,008.	21 1,243.60	



Equity share capital

NOTE NO. 21.01

Authorised issued and subscribed capital

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Authorised		
47,75,50,000 (March 31, 2019 : 47,75,50,000) equity shares of ₹ 2/- each	9,551.00	9,551.00
	9,551.00	9,551.00
Issued, subscribed & fully paid up		
11,31,34,450 (March 31, 2019 : 11,31,34,450) equity shares of ₹ 2/- each	2,262.69	2,262.69
	2,262.69	2,262.69

NOTE NO. 21.02

Reconciliation of number of equity shares outstanding

(in numbers)

Particulars	As at	
	March 31, 2020	March 31, 2019
At the beginning of the year	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

The Company has only one class of Equity Shares having a par Value of $\ref{2}$ per share. Each holder of equity shares is entitled to one vote per share. The Board of Directors has proposed an equity dividend @ 12% i.e. $\ref{0.24}$ (P.Y. $\ref{0.48}$) per share for the financial year ending March 31, 2020 at there meeting held on dated June 9, 2020, 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 $\ref{0.72}$ (P.Y. $\ref{0.48}$).

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. 21.03

Shares held by shareholders holding more than 5% shares

(in numbers)

	March 31, 2020		March 31, 2019	
Name of shareholders	No. of Shares held	% held	No. of Shares held	% held
ASM Pipes Private Limited	18,667,140	16.50	18,667,140	16.50
Millennium Investment and Acquisition Co. Inc.	9,104,690	8.05	10,204,690	9.02
Mahesh C. Gupta	9,248,500	8.17	10,248,500	9.06
Subhash Chand Aggarwal	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
Signature Global (India) Private Limited	8,865,885	7.84	8,865,885	7.84
Hemlata Aggarwal	5,000,000	4.42	6,920,550	6.12
Sushma Gupta	7,566,550	6.69	7,566,550	6.69
Pulin Investments Private Limited	8,977,205	7.94	7,877,205	6.96



Fees and commission income

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Income from:		
Brokerage Income	38,843.77	34,316.74
Distribution of financial product	6,682.84	7,480.28
Depository activities	325.01	492.38
Research support services	231.30	135.55
Portfolio management services	20.19	20.70
Management and advisory	728.99	318.35
Incentives from exchange	54.48	530.07
Total fees and commission income	46,886.58	43,294.07

NOTE NO. 23

Interest income

(₹ in Lakhs)

Particulars	For the	For the year ended	
	March 31, 2020	March 31, 2019	
On financial assets measured at amortised cost			
Interest on loans	8,550.13	9,709.89	
Interest on deposits with banks	3,451.38	2,861.39	
Interest on delayed payment/ margin trade funding	2,847.81	5,059.02	
Securitisation receipt	147.83	-	
Other interest Income	1.89	-	
On financial assets classified at fair value through profit or loss			
Interest income from trading investments		15.44	
Total interest income	14.999.04	17.645.74	

NOTE NO. 24

Other income

Particulars		For the year ended	
	March 31, 202	0 March 31, 2019	
Interest income	62.4	226.31	
Net gain on derecognition of financial instruments measured at fair value through other comprehensive income	83.22	2 151.25	
Net gain on derecognition of property, plant and equipment	4.88	12.57	
Dividend income	18.8	4 27.03	
Rent income	63.3	4 69.61	
Liability no longer required written back	200.38	124.77	
Net gain on translation of foreign currency monetary items	13.5	9.14	
Miscellaneous income	113.9	51.56	
Total other income	560.6	672.24	



Fees and commission expenses

(₹ in Lakhs)

Particulars	For the	year ended
	March 31, 202	0 March 31, 2019
Client introduction charges	23,651.70	19,711.57
Exchange & other regulatory charges	4,621.33	4,548.44
Expense for distribution of financial products	5,312.83	5,304.49
VPN, leaseline, internet & VSAT expenses (net)	179.6	170.02
Securities/commodities transaction tax	4,376.17	4,409.18
Demat charges	9.34	12.18
Total fees and commission expenses	38,151.0	34,155.88

NOTE NO. 26

Employee Benefits Expenses

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Salaries and incentives	16,820.81	13,781.79
Staff welfare	266.64	238.07
Contribution to provident and other funds	754.75	635.59
Gratuity	342.83	302.02
Total employee benefits expenses	18,185.03	14,957.47

NOTE NO. 27

Finance cost

Particulars	For the y	For the year ended	
	March 31, 2020	March 31, 2019	
On financial liabilities measured at amortised cost			
Interest on borrowings from banks and financial institution	3,211.46	2,940.50	
Interest on debt securities	248.51	-	
Interest on deposits	81.20	72.75	
Interest-others	1,450.31	2,739.57	
Discount on issue of commercial papers	31.77	2.41	
Other borrowing cost	668.42	532.56	
Finance charges on lease	299.88	-	
Total finance cost	5,991.55	6,287.79	



Depreciation and amortisation

(₹ in Lakhs)

Particulars	For the ye	For the year ended	
	March 31, 2020	March 31, 2019	
Depreciation on tangible assets	1,040.81	1,055.21	
Amortisation of intangible assets	81.16	78.57	
Depreciation on lease assets	798.86	0.80	
Total depreciation and amortisation	1.920.83	1.134.58	

NOTE NO. 29

Impairment on financial instruments

Particulars		For the ye	For the year ended	
		March 31, 2020	March 31, 2019	
On financial assets measured at amortised cost/transac	etion price			
Trade receivable		13.53	207.17	
Loans		1,254.28	617.06	
Other receivables (deposits)		(0.24)	(3.00)	
	(A)	1,267.57	821.23	
On financial assets measured at fair value through othe	r comprehensive income			
Investments		-	(42.00)	
	(B)	-	(42.00)	
Total impairment on financial instruments	(A+B)	1.267.57	779.23	



Other expenses

Particulars	For the ye	For the year ended	
	March 31, 2020	March 31, 2019	
Advertisement	2,500.64	2,328.25	
Business promotion	1,029.95	1,999.81	
Computer repair & maintenance	509.58	383.65	
Conveyance & traveling expenses	609.79	527.49	
	20.25	22.40	
Director sitting fees Donation	48.64	17.85	
Insurance	35.94	30.41	
Legal & professional charges	539.48	411.54	
Bank charges	106.08	94.57	
Net loss on derecognition of property, plant and equipment		0.14	
Office repair & maintenance	509.65	502.31	
Printing and stationery	207.32	251.60	
Rent	782.53	1,423.51	
Electricity and water expenses	587.35	570.27	
Membership fees & subscription	32.24	28.51	
Communication expenses	342.61	388.60	
Net loss on derecognition of financial instruments carried at fair value through			
other comprehensive income	-	104.33	
Vehicle running & maintenance	67.34	79.08	
Rates & taxes	84.63	44.58	
CSR expenses	186.60	147.22	
Miscellaneous expenses	130.61	137.76	
Auditor's fees and expenses			
as statutory auditor	36.78	37.16	
as tax auditor	5.45	5.40	
as fees for other services	8.72	7.27	
Total other expenses	8,382.18	9,543.71	



Income tax

NOTE NO. 31.01

Income tax expense in the statement of profit and loss

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Current tax expense		
For the year	1,918.69	2,545.46
Change in estimates relating to prior years	(20.28)	13.80
	1,898.41	2,559.26
Deferred tax charge/(benefit)		
Origination and reversal of temporary differences	247.79	(243.49)
Minimum alternate tax	(17.86)	(705.63)
	229.93	(949.12)
Total income tax expense	2,128.34	1,610.14

NOTE NO. 31.02

Tax expense recognised in other comprehensive income

(₹ in Lakhs)

Particulars	As	at
	March 31, 2020	March 31, 2019
Remeasurement of the net defined benefit liability / asset	(100.93)	(4.15)
Fair value changes on investments	(130.62)	13.29
Total tax expense recognised in other comprehensive income	(231.55)	9.14

NOTE NO. 31.03

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

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Profit before tax	4 E1 4 E1	0.000.20
	4,514.51	9,088.39
Enacted tax rate in India	34.944%	34.944%
Computed expected tax expense	1,577.55	3,175.85
Non deductible permanent difference	114.37	108.86
Non deductible temporary difference	650.61	-
Deductible permanent difference	(89.22)	(0.56)
Income exempt from tax	(46.02)	(193.06)
Interest on income tax	-	0.40
Change in estimates relating to prior years	(20.28)	13.80
Effect of change in tax rate due to different class of income	2.43	(6.69)
Effect of differential tax rates / change in tax rates u/s 115BAA in subsidiaries	(44.23)	(295.68)
Change in statutory tax rate	-	(46.43)
Carry Forward of loss adjusted	(16.87)	(1,146.35)
Income tax expense	2,128.34	1,610.14

The applicable Indian statutory tax rate of the holding company for fiscal 2020 and 2019 is 34.944%.



NOTE NO. 31.04

Details of income tax assets and income tax liabilities

(₹ in Lakhs)

Particulars		As	at
		March 31, 2020	March 31, 2019
Income tax assets pertaining to current year		2,800.42	3,715.65
Income tax liabilities pertaining to current year		1.918.69	2,545.46
Net income tax assets/ (liability) pertaining to current year	(A)	881.73	1,170.19
Income tax assets pertaining to current year		-	-
Income tax assets pertaining to previous years		2,119.79	630.51
	(B)	2,119.79	630.51
Total income tax assets / (liability) - net	(A+B)	3,001.52	1,800.70
Current tax assets (net)		3,053.18	1,951.81
Current tax liabilities (net)		51.66	151.11
		3,001.52	1,800.70

NOTE NO. 31.05

Movement in the temporary differences of deferred tax

									/
Particulars	Balance as at April 1, 2018	Recognised in profit or loss during 2018-19	Recognised in other comprehensive income	Utilization of MAT credit	Balance as at March 31, 2019	Recognised in profit or loss during 2019-20	Recognised in other comprehensive income	Utilization of MAT credit	Balance as at March 31, 2020
Employee benefit	s 189.75	109.36	4.15	-	303.26	100.32	100.93	-	504.51
Investment securit	ties (18.72)	(0.23)	(13.29)	-	(32.24)	=	130.62	=	98.38
ICDS	(67.33)	0.44	-	-	(66.89)	22.53	-	-	(44.36)
Provisions	336.20	(36.23)	-	-	299.97	76.00	-	-	375.97
Property, plant & equipment and									
intangible assets Provision for impairment on receivable from	259.87	96.57	-	-	356.44	51.13	-	-	407.57
clients	1,218.81	(115.50)	=	-	1,103.31	(94.67)	-	-	1,008.64
Other temporary									
differences	139.55	(50.34)	-	-	89.21	46.55	-	-	135.76
Total	2,058.13	4.07	(9.14)	.	2,053.06	201.86	231.55	-	2,486.47
Minimum									
alternate tax	961.48	709.05	=	(148.24)	1,522.29	17.86	=	(668.45)	871.70
Carried forward									
of tax losses shar	es 34.59	12.71	=	=	47.30	(43.04)	=	=	4.26
Carried forward of tax losses and unabsorbed depreciation (net of addition on	f								
account of									
tax losses)	810.92	22 3.29	.		1,034.21	(406.61)	.		627.60
	3,865.12	949.12	(9.14)	(148.24)	4,656.86	(229.93)	231.55	(668.45)	3,990.03



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	As	at
	March 31, 2020	March 31, 2019
Profit attributable to equity share holders.	2,386.17	7,478.25
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 (₹)	2.11	6.61

NOTE NO. 33

Employee Benefits

(a) Gratuity

NOTE NO. 33.01

Breakup of amount recognised in statement of profit and loss

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Interest on defined benefit obligation	59.20	39.90
Current service cost	272.51	239.19
Acquisitions cost	-	(3.19)
Management estimation	11.12	26.12
Total expense recognized in the statement of profit and loss	342.83	302.02

NOTE NO. 33.02

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

(₹ in Lakhs)

Particulars		As at	
		March 31, 2020	March 31, 2019
Remeasurements of the net defined benefit liability/ (asset)			
Opening amount recognised in OCI outside profit and loss account		(200.65)	(208.29)
Actuarial gains / losses		169.06	22.02
Return on plan assets (greater) / less than discount rate		109.87	(14.38)
	·	78.28	(200.65)

NOTE NO. 33.03

Breakup of the amount recognised in balance sheet

Particulars	As at	
	March 31, 2020	March 31, 2019
Present value of the obligation as at the end of the year	2,200.41	1,672.38
Fair value of plan assets as at the end of the year	(713.99)	(786.37)
Net liability recognised in balance sheet	1,486.42	886.01



NOTE NO. 33.04

Reconciliation of defined benefit obligation and plan asset

(₹ in Lakhs)

articulars		As	As at		
		March 31, 2020	March 31, 2019		
Change in benefit obligations					
Present value of the obligation as at the beginning of the year		1,672.38	1,389.74		
Current service cost		272.51	239.19		
Interest cost		118.90	96.57		
Liability assumed on acquisition/ (settled on divestiture)		11.12	26.12		
Actuarial (gain)/loss on obligations		169.06	22.02		
Acquisitions (credit)/cost		-	(3.19)		
Benefits paid		(52.56)	(102.64)		
Effects of movement in exchange rate		9.00	4.57		
Benefit obligations at the end	(A)	2,200.41	1,672.38		
Change in plan assets					
Fair value of plan assets at the beginning of the year		786.37	756.63		
Interest income on plan assets		59.70	56.67		
Contributions		-	7.54		
Benefits paid		(22.21)	(48.85)		
Return on plan assets greater (lesser) than discount rate		(109.87)	14.38		
Fair value of plan assets at the end	(B)	713.99	786.37		
Amount recognised in balance sheet [(surplus) / deficit]	(A-B)	1,486.42	886.01		

NOTE NO. 33.05

Sensitivity of significant assumptions used for DBO valuation

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Effect on DBO due to 0.5% increase in discount rate	(134.41)	(98.35)
Effect on DBO due to 0.5% decrease in discount rate	148.44	108.57
Effect on DBO due to 0.5% increase in salary escalation rate	128.40	95.50
Effect on DBO due to 0.5% decrease in salary escalation rate	(119.92)	(88.85)

NOTE NO. 33.06 Maturity profile of defined benefit obligation

Particulars	A	s at
	March 31, 2020	March 31, 2019
With in one year	175.90	131.03
One to five years	383.83	355.72
More than five years	1,082.88	866.92



NOTE NO. 33.07

Assumptions to determine the defined benefit obligations

Particulars	As at	
	March 31, 2020	March 31, 2019
Discount rate	6.80%	7.70%
Salary escalation rate (p.a.)	7.50%	7.50%

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. 33.08

Breakup of the amount recognised in balance sheet

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Present value of the obligation as at the end of the year	655.39	546.42
Fair value of plan assets as at the end of the year	-	-
Net liability recognised in balance sheet	655.39	546.42

NOTE NO. 33.09

Number of compensated leave absences outstanding

Particulars	As at	
	March 31, 2020	March 31, 2019
Total leave balance (days)	56,407.46	50,693.26

NOTE NO. 33.10

Assumption used in valuation

Particulars	As at		
	March 31, 2020	March 31, 2019	
Discount rate	6.80%	7.70%	
Salary escalation rate (p.a.)	7.50%	7.50%	
Leave availment rate	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.



Contingent liabilities and commitments

NOTE NO. 34.01

Contingent liabilities not provided in the financial statements:

(₹ in Lakhs)

Particulars	As	As at		
	March 31, 2020	March 31, 2019		
1 ESI demand	31.06	31.06		
(Total amount paid under protest ₹ 12.43 Lakhs (2019: ₹ 12.43 Lakhs))				
2 Service tax demand	615.98	963.79		
3 Income tax demand	31.47	119.15		
4 Insurance Regulatory and Development Authority of India(IRDAI)	300.00	-		
5 Provident fund	-	-		
6 Stamp duty	-	-		

Notes:

- 1 An ESI demand is being agitated by the parent company at Additional Senior Civil Judge, Tis Hajari court, Delhi.
- 2 Service Tax demand of ₹ 45.66 Lakhs is being agitated by the Company before Commissioner of Service Tax, Audit 1, Delhi and of ₹ 570.32 Lakhs is being agitated by the Company before Additional Director General of Directorate General of GST Intelligence, Delhi Zonal Unit which is confirmed by Order-in-Original No. 08/2020-ST dated 28.02.2020. The company has decided to file the appeal against the order before the Customs, Excise and Service Tax Appellate Tribunal (CESTAT).
- 3 Income Tax demand has been agitated by the Company 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	Income Tax Appealate Tribunal (ITAT)

Assessment u/s 143(3) for the A.Y 2013-14 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.

- One of the subsidiary company, namely SMC Insurance Brokers Private Limited, has received penalty order of ₹ 300 lakhs from Insurance Regulatory Development Authority of India vide order dated (IRDA/INT/MISC/ORD/14.01.2020) for non compliance of MISP (Motor Insurance Service Provider) Guidelines. Appeal has been filed by the company on 6th Feb 2020 before The Securities Appellate Tribunal at Mumbai. Matter is sub-judice and has been stayed till the pendency of the appeal vide its Stay Order dated 12th Feb 2020.
- 5 PF matter related to parent company is pending before High Court and amount is not quantifiable.
- 6 (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.
- 6 (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.



NOTE NO. 34.02

Other litigations

- 1 Title of the property located at Office no 205, 2nd Floor, Plot no 4A, Community Centre, 21st Century Plaza, Sector 8, Rohini, New Delhi having book value of ₹ 46.12 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
- 2 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. 34.03

Commitments (₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Contracts remaining to be executed on account of capital (net of advances)		
For purchase of software	15.00	32.00
For purchase of office building	-	175.00

NOTE NO. 35

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:

(₹ in Lakhs)

Particulars	As at		
	March 31, 2020	March 31, 2019	
The Principal amount remaining unpaid at the year end	58.14	-	
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. 36

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 $\stackrel{?}{\sim}$ 41.90 Lakhs (Previous year $\stackrel{?}{\sim}$ 637.81 Lakhs). Out of the account in which fraud were reported in previous years the Company made recovery of $\stackrel{?}{\sim}$ 20 Lakhs in current year.



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, 2020 were as follows:

(₹ in Lakhs)

Particulars Amortised cost / Transaction price			/liabilities carried ugh profit and loss	Financial assets/li at fair value t		Total carrying	Total fair
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required	value	value
Assets:							
Cash and cash equivalents	23,302.88	-	-	-	-	23,302.88	23,302.88
Other bank balances	42,179.09	-	-	-	-	42,179.09	42,179.09
Trade receivables	27,221.41	-	-	-	-	27,221.41	27,221.41
Other receivables	604.79	-	-	-	-	604.79	604.79
Loans	49,811.19	-	-	-	-	49,811.19	49,811.19
Investments	1,206.09	594.10	5,368.56	-	1,398.04	8,566.79	8,566.79
Other financial assets	12,600.80	-	7,097.49	-	-	19,698.29	19,698.29
Total	156,926.25	594.10	12,466.05	-	1,398.04	171,384.44	171,384.44
Liabilities:							
Trade payables	42,271.97	-	-	-	-	42,271.97	42,271.97
Other payables	1,240.80	-	-	-	-	1,240.80	1,240.80
Lease liabilities	3,599.86	-	-	-	-	3,599.86	3,599.86
Debt securities	462.18	-	-	-	-	462.18	462.18
Borrowings	18,009.16	-	-	-	-	18,009.16	18,009.16
Deposits	863.29	-	-	-	-	863.29	863.29
Other financial liabilities	45,565.00	-	3,483.90	-	-	49,048.90	49,048.90
Total	112,012.26	- -	3,483.90	-	- · · · · · · · · · · · · · · · · · · ·	115,496.16	115,496.16

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

Particulars	Amortised cost /		/liabilities carried ugh profit and loss	Financial assets/li at fair value tl		Total carrying	Total fair
	Transaction price	Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required	value	value
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	137.72	-	-	-	-	137.72	137.72
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	5,647.75	-	8,782.82	-	-	14,430.57	14,430.57
Total	193,528.29	556.49	25,426.05	-	2,308.64	221,819.47	221,819.47
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	159,797.33	-	3,682.74	-	-	163,480.07	163,480.07



NOTE NO. 37.02

Collateral

(A) Assets pledged as collateral

The group 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		
	Marc	March 31, 2020		March 31, 2019	
	Collateral	Non-collateral	Collateral	Non-collateral	
Assets:					
Cash and cash equivalents	-	23,302.88	-	7,142.77	
Other bank balances	42,127.53	51.56	44,839.78	64.01	
Trade receivables	5,742.00	21,479.41	55,739.94	22,891.93	
Other receivables	-	604.79	-	137.72	
Loans	16,006.20	33,804.99	9,482.39	47,570.26	
Investments	1,649.74	6,917.05	5,594.01	13,926.09	
Other financial assets		19,698.29	-	14,430.57	
Total	65,525.47	105,858.97	115,656.12	106,163.35	

(B) Asset taken as collateral

The group 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		
	Marc	March 31, 2020		March 31, 2019	
	Value of asset	Fair value of collateral held	Value of asset	Fair value of collateral held	
Assets:					
Cash and cash equivalents	23,302.88	-	7,142.77	-	
Other bank balances	42,179.09	-	44,903.79	-	
Trade receivables					
Secured	16,131.07	672,647.42	63,066.76	1,231,270.99	
Unsecured	11,090.34	-	15,565.11	-	
Other receivables	604.79	-	137.72	-	
Loans					
Secured	32,173.80	90,622.10	37,094.66	95,310.22	
Unsecured	17,637.39	-	19,957.99	-	
Investments	8,566.79	-	19,520.10	-	
Other financial assets	19,698.29	-	14,430.57	-	
Total	171,384.44	763,269.52	221,819.47	1,326,581.21	

NOTE NO. 37.03

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, 2020:



(₹ in Lakhs)

Particulars	As at March 31, 2020	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments				
Equity instruments	6,685.54	6,650.00	-	35.54
Share in partnership firm	15.44	-	-	15.44
Mutual Funds	40.97	40.97	-	-
Debt	634.19	634.19	-	-

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	18,721.10	18,685.37	-	35.73
Share in partnership firm	11.74	-	-	11.74
Mutual Funds	200.84	200.84	-	-
Debt	586.42	586.42	-	-

Valuation techniques used to determine fair value

Following valuation techniques has been used for fair valuation off the assets:

- (a) For Mutual Fund investments net asset value (NAV) is used as the fair value of investment.
- (b) For Equity instrument quoted the market value is taken as the fair value.

NOTE NO. 37.04

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

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.

management policies and

established to identify and

analyse the risks faced by

The Group's risk

procedures are

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 Mr. Himanshuc Gulptages 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:

(i) Credit risk

The credit risk is the risk

of financial ents.

- (ii) 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.
- (iii) 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.
- (iv) 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.
- (v) 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 as required under the Companies Act, 2013, which is responsible for evaluation of internal financial controls and risk management systems. The internal auditors of the Group conduct regular internal audits (as required) 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 it's 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 creates charge with Registrar of Company (ROC) on all secured loans granted to the corporate customers & also with Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) for all customers. 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:

(₹ in Lakhs)

Particulars	As at		
	March 31, 2020	March 31, 2019	
Trade receivables	27,221.41	78,631.87	
Other receivables	604.79	137.72	
Loans	49,811.19	57,052.65	
Investments	8,566.79	19,520.10	
Other financial assets	19,698.29	14,430.57	
Total	105,902.47	169,772.91	

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 table 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.

articulars		As at		
	March 3	31, 2020	March 31, 2019	
Less than equal to 50 %	1	,277.30	1,838.68	
51 - 70%		73.71	-	
71 - 90%		63.86	-	
91 - 100%		-	-	
more than 100%		699.96	572.53	
Total		,114.83	2,411.21	



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, 2020	March 31, 2019	
Government bonds:			
Rated sovereign	222.66	56.13	
Corporate bonds:			
Rated sovereign	306.30	-	
Rated AAA	25.94	158.38	
Rated AA- to AA+	60.54	45.21	
Rated A- to A+	12.36	142.98	
Rated BBB-	-	170.76	
Rated D	6.39	12.96	
Fair value and carrying amount	634.19	586.42	

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.

March 31, 2020						March 31, 2019			
Trade eceivables	Other receivables	Loans	Investments	Other financial asset	Trade receivables	Other receivables	Loans	Investments	Other financial asset
1,811.64	15.45	2,495.60	315.00	19.93	1,953.85	18.45	2,396.43	357.00	19.93
13.53	(0.24)	1,254.28	-	-	207.17	(3.00)	617.06	(42.00)	-
							4		
-	-	14.60	-	-	-	-	(1.88)	-	-
(05.44)		(4.604.04)		(4.00)	(0.40,00)		(54.6.04)		
(95.11)	-	(1,681.24)	-	(1.99)	(349.38)	-	(516.01)	-	-
1 720 06	15 21	2 083 24	215 00	17 04	1 911 64	15 //5	2 405 60	315.00	19.93
1,730.00	13.21	2,003.24	313.00	17.54	1,011.04	13.43	2,495.00	313.00	19.93
	1,811.64 13.53	1,811.64 15.45 13.53 (0.24) (95.11)	1,811.64 15.45 2,495.60 13.53 (0.24) 1,254.28 14.60 (95.11) - (1,681.24)	1,811.64 15.45 2,495.60 315.00 13.53 (0.24) 1,254.28 - 14.60 - (95.11) - (1,681.24) -	1,811.64 15.45 2,495.60 315.00 19.93 13.53 (0.24) 1,254.28 14.60 (95.11) - (1,681.24) - (1.99)	1,811.64 15.45 2,495.60 315.00 19.93 1,953.85 13.53 (0.24) 1,254.28 207.17 14.60 (95.11) - (1,681.24) - (1.99) (349.38)	1,811.64 15.45 2,495.60 315.00 19.93 1,953.85 18.45 13.53 (0.24) 1,254.28 207.17 (3.00) 14.60 (1,681.24) - (1.99) (349.38) -	1,811.64 15.45 2,495.60 315.00 19.93 1,953.85 18.45 2,396.43 13.53 (0.24) 1,254.28 207.17 (3.00) 617.06 14.60 (1.88) (95.11) - (1,681.24) - (1.99) (349.38) - (516.01)	1,811.64 15.45 2,495.60 315.00 19.93 1,953.85 18.45 2,396.43 357.00 13.53 (0.24) 1,254.28 207.17 (3.00) 617.06 (42.00) 14.60 (1.88) - (95.11) - (1,681.24) - (1.99) (349.38) - (516.01) -



(ii) 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 disbursal of Loans to customer. The principal portion of the working capital requirement is utilized by:

- (a) depositing funds with banks to obtain term deposits and guarantees towards margins payable to the exchanges/clearing houses:
- (b) payments to stock

exchanges/clearing houses towards settlement obligations;

- (c) payment towards purchase of various trading assets;
- (d) disbursement of loans to customers;
- (e) repayment of borrowings/credit lines taken: and
- (f) 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, 2020 (₹ 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	23,302.88	23,302.88	-	-	-	-	-
Other bank balances	42,179.09	4,308.14	4,377.81	11,154.02	20,390.99	282.10	1,666.03
Trade receivables	27,221.41	27,221.41	-	-	-	-	-
Other receivables	604.79	604.79	-	-	-	-	-
Loans	49,811.19	2,008.65	8,830.24	24,793.50	10,218.86	2,232.29	1,727.65
Investments	8,566.79	7,136.21	220.64	441.60	317.60	434.76	15.98
Other financial assets	19,698.29	12,919.22	178.46	34.88	55.98	15.85	6,493.90
Total	171,384.44	77,501.30	13,607.15	36,424.00	30,983.43	2,965.00	9,903.56
Liabilities:							
Trade payables	42,271.97	41,981.39	-	-	290.58	-	-
Other payables	1,240.80	1,240.80	-	-	-	-	-
Lease liabilities	3,599.86	110.39	157.12	353.41	1,222.25	1,429.56	327.13
Debt securities	462.18	366.18	-	-	91.00	5.00	-
Borrowings	18,009.16	550.78	601.66	15,677.97	1,144.71	34.04	-
Deposits	863.29	-	-	-	863.29	-	-
Other financial liabilities	49,048.90	31,070.10	1,737.45	9,660.49	6,023.85	356.00	201.02
Total	115,496.16	75,319.64	2,496.23	25,691.87	9,635.68	1,824.60	528.15

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	137.72	133.09	-	0.20	1.80	2.63	-
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	14,430.57	10,635.84	-	-	-	-	3,794.73
Total	221,819.47	128,297.78	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	163,480.07	88,486.97	513.62	70,886.06	2,784.57	524.34	284.51



(iii) 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 macroeconomic factors. Any changes in market prices of these asset classes will affect the group'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) Price risk

Trading and investment portfolio 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) Interest rate 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 group has come from overdraft facility with banks. The business of the Group is exposed to fluctuation in interest rate for the following activities:

- (i) Term deposits placed with banks are generally for short term on fixed interest rates;
- (ii) Facilities availed from banks and other financial institutions generally include



short term working capital loans on floating interest rates;

(iii) Interest paid by
Company on clients' funds
earmarked as fixed margin
are generally for short term
on fixed interest rates.
(iv) 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 preapproved limits for repricing 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 group 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 group. The Group's exposure to the risk of changes in market interest rates relates primarily to the group's short-term and longterm 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.

(₹ in Lakhs)

Particulars	А	As at		
	March 31, 2020	March 31, 2019		
Assets subject to price risk				
Equity instrument fair value through profit and loss		5,368.56		
16,643.23		0,000.00		
Equity instrument fair value through other comprehensive income	1,316.98	2,077.87		
Debt instrument fair value through profit and loss		594.10		
556.49				
Debt instrument fair value through other comprehensive income	40.09	29.93		
Mutual fund fair value through other comprehensive income	40.97	200.84		
Derivative financial assets	7,097.49	8,782.82		
(A)	14,458.19	28,291.18		
Liabilities subject to price risk				
Derivative financial liabilities	3,483.90	3,682.74		
(B)	3,483.90	3,682.74		
Total (A-B)	10,974.29	24,608.44		

Sensitivity analysis

Below table shows the sensitivity analysis for different financial instrument

March 31, 2020	March 31, 2020 ₹ in Lakhs except otherwise stated								
Particulars	Risk category	% change increase	% change decrease	For the year ended March 31, 2020		For the year March 31			
				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 increase in parameter		
Investment in equity instrument fair value through profit and loss, derivatives and inventories* Investment in equity & other instruments carried through other than fair value through	Price risk	5%	5%	27.54	(27.54)	20.01	(66.94)		
profit and loss	Price risk	5%	5%	69.90	(69.90)	115.43	(115.43)		
Debt instruments	Interest rate risk	1%	1%	(38.35)	40.61	(21.94)	23.29		
Borrowings	Interest rate risk	1%	1%	(145.04)	145.04	(700.33)	700.33		
Foreign currency (PL) F	oreign currency risk	1%	1%	0.76	(0.76)	3.00	(3.00)		
Foreign currency (OCI)F	Foreign currency risk	1%	1%	21.60	(21.60)	1.47	(1.47)		

^{*}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. 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	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			
3	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	MVR Share Trading Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence			
25	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. 38.02

Disclosure of transactions between the company & related parties

(₹ in Lakhs)

Sr. No.	Particulars of transactions	Relationship	For the year ended		
			March 31, 2020	March 31, 2019	
1	Remuneration				
	Salaries, wages & other benefits	Key managerial personnel	426.04	398.01	
	Contribution to defined benefit plan	Key managerial personnel	21.89	30.12	
	Total		447.93	428.13	
	Directors sitting fee	Independent director	20.25	22.40	
2	Remuneration				
	Salaries, wages & other benefits	Relative of key managerial personnel	102.01	128.80	
	Contribution to defined benefit plan	Relative of key managerial personnel	5.98	11.94	
	Total		107.99	140.74	
3	Impairment on financial instruments SMC Share Brokers Limited	Enterprises in which key managerial			
		personnel are able to exercise significant influence			
	Investment		-	5.00	
4	Interest Income				
	MVR Share Trading Private Limited	Enterprises in which key managerial			
		personnel are able to exercise significant influence	2.59		
		significant influence	2.39	_	
5	Finance Cost				
	Pulin Investments Private Limited	Enterprises in which key managerial			
		personnel are able to exercise	4.72	0.64	
	SMC Share Brokers Limited	significant influence Enterprises in which key managerial	4.72	0.04	
	ONO GIMIC DIONOIS EIIIIICA	personnel are able to exercise			
		significant influence	2.41	0.33	

Transactions and balances with KMPs and their relatives, related parties (except subsidiaries) through stock exchanges / depositories / PMS 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:

During the year the composite scheme of arrangement within group companies was approved 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 with appointed date of April 1, 2018 which resulted into:

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



COVID-19 impact

COVID-19 has been declared as a global pandemic, the Government of India has declared complete lockdown on March 24, 2020 and the same is continuing with exemptions and essential services were allowed to operate with limited capacity. Trading and Distribution segment which mainly comprises of Capital market and Insurance broking services have been declared as essential services and accordingly, the Group has been continuing the operations with minimal permitted staff and remaining employees were encouraged to work from home. All operations and servicing of clients were smoothly conducted without any interruption as the activities of trading, settlement, DP, stock exchanges, depository functions, insurance broking services and other ancillary services have been fully automated with defined processes.

There has been marginal impact on Advisory segment which is not significant, however, the Group is making the necessary efforts to offset the same going forward.

For Financing segment, in accordance with the RBI guidelines relating to COVID-19 Regulatory Packages dated March 27, 2020 and April 17, 2020 further extended by package dated May 23, 2020, one of the subsidiary company, namely Moneywise Financial Services Private Limited (the NBFC), has offered a moratorium on the payment of instalments falling due between March 1, 2020 and August 31, 2020 ('moratorium period') to eligible borrowers. Consequentially the day post due (DPD) of the cases has been frozen and ECL calculation is based on the DPD of February 29, 2020. The NBFC has provided for the provision as per the RBI Circulars amounting to ₹ 142.81 Lakhs. The NBFC, is currently focused on capital preservation. Given it's healthy capital adequacy, strong liquidity position, low gross NPA and net NPA, diversified portfolio mix, the NBFC is confident of successfully dealing with challenges posed by COVID-19. The NBFC has assessed the impact of the pandemic on its operations and its assets including the value of

its investments and loans as at March 31, 2020. The management does not, at this juncture, believe that the impact on the value of the NBFC's assets is likely to be material. Since the situation is rapidly evolving, its effect on the operations of the NBFC may be different from that estimated as at the date of approval of these financial results.

There have been no adverse impacts on the assets, liquidity or operational parameters during the quarter and year ended March 31, 2020. The group is closely monitoring its operations on a continuous basis and believes that it has taken into account all the possible impact of known events arising out of COVID-19 pandemic in the preparation of financial statements.



Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements :

Name of entity	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	
SMC Global Securities Limited	89.78	61,028.28	125.96	2,973.14	95.67	(610.68)	136.06	2,362.46
Indian Subsidiaries								
SMC Comtrade Limited	0.38	256.22	0.24	5.75	-	-	0.33	5.75
SMC Investments and Advisors L	imited 1.46	989.19	(10.38)	(244.89)	(0.81)	5.19	(13.81)	(239.70)
Moneywise Financial Services								
Private Limited	47.75	32,457.71	78.52	1,853.35	1.01	(6.44)	106.37	1,846.91
SMC Capitals Limited	2.13	1,450.03	2.54	60.01	0.37	(2.39)	3.32	57.62
SMC Insurance Brokers								
Private Limited	7.70	5,231.79	45.32	1,069.60	46.36	(295.95)	44.56	773.65
Moneywise Finvest Limited	0.39	265.33	(8.89)	(209.95)	-	-	(12.09)	(209.95)
SMC Global IFSC Private Limited	3.12	2,119.69	1.50	35.38	(25.73)	164.22	11.50	199.60
SMC Real Estate Advisors					, ,			
Private Limited	(2.07)	(1,405.95)	(89.48)	(2,111.96)	(1.92)	12.26	(120.93)	(2,099.70)
Foreign Subsidiaries								
SMC Comex International DMCC	2.11	1,435.48	13.70	323.27	(17.31)	110.47	24.98	433.74
SMC Global USA Inc.	(0.14)	(95.89)	(0.04)	(0.99)	1.23	(7.88)	(0.51)	(8.87)
Joint Venture								
SMC & IM Capitals								
Investment Manager LLP	-	-	(0.03)	(0.76)	-	-	(0.04)	(0.76)
Adjustment arising out of								
consolidation	(52.36)	(35,589.97)	(57.86)	(1,365.78)	-	-	(78.66)	(1,365.78)
	100.25	68,141.91	101.09	2,386.17	98.88	(631.20)	101.08	1,754.97
Non-controlling interest								
in subsidiaries	(0.25)	(167.58)	(1.09)	(25.84)	1.12	(7.15)	(1.08)	(18.69)
Total	100.00	67,974.33	100.00	2,360.33	100.00	(638.35)	100.00	1,736.28



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. Depositary services rendered as depository participant;
- e. Distribution of third party financial products;
- f. Portfolio and wealth management and
- g. Insurance broking services

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

Decision Maker (CODM). **Geographical Segment:**

to be the Chief Operating

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. 41.01

Primary segment information										(₹ in Lakhs)
Description	Trading and	Trading and Distribution	Advisory	sory	Financing	cing	Elimir	Elimination	Total	ial
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment revenue including other income										
External revenue	65,960.14	62,517.36	3,672.23	3,545.67	8,781.08	9,884.04	•	1	78,413.45	75,947.07
Inter segment revenue	3,877.12	1,980.29	(128.23)	51.46	1.34	4.08	(3,750.23)	(2,035.83)	1	
Total	69,837.26	64,497.65	3,544.00	3,597.13	8,782.42	9,888.12	(3,750.23)	(2,035.83)	78,413.45	75,947.07
Expenses										
Fees and commission expenses	36,664.14	33,186.41	1,019.77	541.03	802.38	599.68	(335.27)	(171.24)	38,151.02	34,155.88
Employee benefits expenses	14,947.48	12,185.14	2,437.49	2,191.44	800.06	580.89	1	1	18,185.03	14,957.47
Finance costs	4,817.99	4,361.05	381.47	223.10	2,721.40	3,482.14	(1,929.31)	(1,778.50)	5,991.55	6,287.79
Depreciation and amortization	1,651.47	1,043.38	161.87	48.27	107.49	42.93	1	ı	1,920.83	1,134.58
Impairment on financial instruments	(94.97)	377.07	117.02	128.13	1,253.34	442.26	(7.82)	(168.23)	1,267.57	779.23
Other expenses	6,433.90	7,947.17	1,606.98	1,341.29	453.35	341.33	(112.05)	(86.08)	8,382.18	9,543.71
Segment expense	64,420.01	59,100.22	5,724.60	4,473.26	6,138.02	5,489.23	(2,384.45)	(2,204.05)	73,898.18	66,858.66
Profit before share of profit/(loss) of										
joint venture and tax	5,417.25	5,397.43	(2,180.60)	(876.13)	2,644.40	4,398.89	(1,365.78)	168.22	4,515.27	9,088.41
Share in profit/(loss) in joint venture										
accounting	ı	,	(0.76)	(0.02)	í	,	ı	,	(0.76)	(0.02)
Profit before tax	5,417.25	5,397.43	(2,181.36)	(876.15)	2,644.40	4,398.89	(1,365.78)	168.22	4,514.51	9,088.39
Tax expense	1,220.05	497.32	117.25	(176.44)	791.04	1,289.26			2,128.34	1,610.14
Profit after tax	4,197.20	4,900.11	(2,298.61)	(699.71)	1,853.36	3,109.63	(1,365.78)	168.22	2,386.17	7,478.25
Other information										
Segment assets	127,608.12	170,792.75	4,259.86	1,667.87	51,670.32	57,894.79	1	1	183,538.30	230,355.41
Segment liabilities	101,508.73	144,791.66	4,402.49	1,902.89	13,475.20	20,222.46	1	ı	119,386.42	166,917.01



NOTE NO. 41.02

Secondary segment information

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Segment revenue - external		
Within India	76,647.28	74,395.57
Outside India	1,766.17	1,551.50
Total	78,413.45	75,947.07
Other information		
Segment assets		
Within India	166,281.94	220,914.14
Outside India	17,256.36	9,441.27
Segment liabilities		
Within India	103,469.65	158,543.71
Outside India	15,916.77	8,373.30

NOTE NO. 42

Previous year figures have been regrouped / rearranged wherever necessary in order to make the same comparable.

In terms of our report of even date attached

For R. Gopal & Associates

Firm Registration No.: 000846C

Chartered Accountants

sd/sd/sd/sd/-Vikash Agarwal S.C. Aggarwal Mahesh C. Gupta **Ajay Garg** Director & CEO Partner Chairman & Vice-Chairman & Managing Director DIN: 00003166 Membership No.: 519574 Managing Director

For and on behalf of the Board

DIN: 00003267 DIN: 00003082

sd/-

Vinod Kumar Jamar Place: New Delhi Suman Kumar Date: June 09, 2020 Group CFO Company Secretary

DGCX:

TRADE IN WORLD-CLASS COMMODITY TRADING MARKETPLACE WITH SMC COMEX





Trading opportunities in DGCX and Arbitrage Desk

Research based advisory

Portfolio advisory services

Online trading platform for bullion

Robust risk management and surveillance system





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 comprise the Balance Sheet as at March 31, 2020, 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 (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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, 2020, 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 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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matter

Key audit matter is 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
in our opinion there is no any
such matter to be
reported by us.

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.

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 subsection (11) of section
143 of the Act, we give in
the Annexure-A, a



- statement on the matters specified in the paragraph 3 and 4 of the order.
- 2 As required by Section 143(3) of the Act, based on our audit 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 account.
 - 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.On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 32 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/-

Vikash Aggarwal Partner

Membership No: 519574

UDIN: 20519574AAAACF2728

Date: 09th June 2020

Place: New Delhi



Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2020, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
 - (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
 - (c) According to the

- information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) Inventory which comprises of stock of commodities has been physically verified by the management during the year at reasonable intervals and no discrepancies were noticed on such physical verification. However there is no inventory at year end which has been duly verified from holding statements of warehouse and depository participants.
- (iii) The Company has granted unsecured loans during the year to three companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been

- granted to the bodies corporate listed in the register maintained under section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.
- (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act during the year, the schedule of repayment of principal is on demand and payment of interest is regular on quarterly basis as stipulated. Principal outstanding (Net of Provision) ₹72.18 lakhs against loan given in earlier year, to one foreign subsidiary considered recoverable upon realization of assets in that company and no interest have been charged during the year.
- (c) There are no overdue amounts in respect of loan granted to the bodies corporate listed in the register



maintained u/s 189 of the Act during the year as the same are repayable on demand. Principal outstanding (Net of Provision) Rs 72.18 lakhs against loan given in earlier year, to one foreign subsidiary which is long term in nature. However reasonable steps were taken by the company for recovery of principal but could not be realized due to losses incurred and no operation since last year.

- (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. investments, quarantees 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, incometax, goods and service tax, cess and other statutory dues applicable to it with the appropriate authorities

According to the information and explanations given to us, 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 31 March 2020 for a period of more than six months from the date they became payable
- b) According to the information and explanations given to us, there are no material dues of cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax and service tax have not been deposited by the Company on account of disputes:



Name of the statute	Nature of dues	Amount (in Lacs)	Period to which the amount relates	Forum where dispute is pending
Finance Act 1994	Service Tax	45.66	FY 2009-10 To FY 2012-13	Commissioner, Delhi-I
Finance Act 1994	Service Tax	570.32	01.07.2012 To 30.06.2017	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)

- (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 and financial institution. The Company does not have any loan and borrowings from government or dues to debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion, and according to information and explanations given to us, the term loans have been applied for the purposes for which they were raised.
- (x) According to the information and

- explanations given to us, no 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 noncash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi)The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For R Gopal & Associates

Chartered Accountants

Firm Registration No.: 000846C

sd/-

Vikash Aggarwal

Partner

Membership No: 519574

UDIN: 20519574AAAACF2728

Date: 09th June 2020

Place : New Delhi



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")

We have audited the internal financial controls with reference to financial statements of SMC Global Securities Limited ("the Company") as of 31st March 2020 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.

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 31st March, 2020, 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/-

Vikash Aggarwal

Partner

Membership No: 519574

UDIN: 20519574AAAACF2728

Date: 09th June 2020

Place: New Delhi



SMC GLOBAL SECURITIES LIMITED

Standalone Balance sheet

			(< In Lakns)
Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Assets			
Financial assets			
Cash and cash equivalents	2	16,702.31	5,291.82
Other bank balances	3	39,519.25	41,683.79
Receivables			
Trade receivables	4	16,961.29	71,372.89
Other receivables	5	568.62	159.45
Loans	6	1,259.72	8,571.51
Investments	7	44,004.19	46,796.59
Other financial assets	8	13,112.60	10,936.57
Non-financial assets			
Inventories	9	-	592.59
Current tax assets (net)	29	1,605.38	1,056.58
Deferred tax assets (net)	29	1,836.72	2,191.32
Property, plant and equipment	10	2,316.06	2,776.78
Right to use asset	11	2,429.91	-
Other intangible assets	12	86.85	66.02
Intangible work-in-progress	12	38.98	25.00
Other non-financial assets	13	1,088.57	1,868.12
Total assets		141,530.45	193,389.03
Liabilities and equity			
Liabilities			
Financial liabilities			
Payables			
Trade payables			
- to micro and small enterprises		-	-
- to other than micro and small enterprises		29,523.24	20,128.60
Other payables			
- to micro and small enterprises		-	-
- to other than micro and small enterprises		212.87	264.33
Lease liabilities		2,112.91	-
Debt securities	14	366.18	133.10
Borrowings	15	6,152.80	51,480.83
Other financial liabilities	16	40,239.81	59,812.84
Non-financial liabilities			
Provisions	17	1,348.25	886.14
Other non-financial liabilities	18	546.11	659.78
Equity			
Equity share capital	19	2,262.69	2,262.69
Other equity		58,765.59 141,530.45	57,760.72 193,389.03



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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 For and on behalf of the Board

Chartered Accountants

Firm Registration No.: 000846C

sd/sd/sd/sd/-S.C. Aggarwal Vikash Agarwal Mahesh C. Gupta **Ajay Garg** Director & CEO Partner Chairman & Vice-Chairman & Managing Director DIN: 00003267 Managing Director DIN: 00003082 DIN: 00003166 Membership No.: 519574

sd/-

Place: New Delhi Vinod Kumar Jamar Suman Kumar
Date: June 09, 2020 Group CFO Company Secretary

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SMC GLOBAL SECURITIES LIMITED Standalone statement of profit and loss

			(₹ in Lakhs)
Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from operations			
Fees and commission income	20	22,495.06	21,908.14
Interest income	21	6,237.15	7,880.54
Dividend income		77.79	109.58
Net gain on proprietory trading		13,375.16	12,577.04
Total revenue from operations		42,185.16	42,475.30
Other income	22	3,105.31	1,853.29
Total income		45,290.47	44,328.59
Expenses			
Fees and commission expenses	23	20,257.61	20,267.24
Employee benefits expenses	24,31	10,499.51	9,098.17
Finance costs	25	4,271.74	3,819.90
Depreciation and amortisation	26	1,388.61	910.49
Impairment on financial instruments	27	(106.81)	365.34
Other expenses	28	5,224.53	6,537.60
Total expenses		41,535.19	40,998.74
Profit before tax		3,755.28	3,329.85
Tax Expense:			
Current tax	29	727.39	666.78
Deferred tax	29	54.75	(636.43)
Total tax expense		782.14	30.35
Profit after tax		2,973.14	3,299.50
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently	to profit or loss		
Remeasurement of the net defined benefit	liability / asset	(259.60)	(35.51)
Tax effect of Items that will not be reclassi	fied subsequently		
to profit and loss		90.71	12.41
Items that will be reclassified subsequently to p	profit or loss		
Fair value changes on investments		(535.32)	126.10
Tax effect of Items that will be reclassified	subsequently		
to profit and loss		93.53	(22.03)
Total other comprehensive income (net of tax)		(610.68)	80.97
Total comprehensive income for the year (comp	rising profit		
and other comprehensive income for the year)		2,362.46	3,380.47



Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Earnings per equity share (Face value ₹ 2) Basic & Diluted (in ₹)	30	2.63	2.92

The accompanying notes form an integral part of the standalone financial statements. 1-38

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/-**Vikash Agarwal** Partner

Membership No.: 519574

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

sd/-

Place: New Delhi Date: June 09, 2020 Vinod Kumar Jamar Group CFO sd/-**Suman Kumar** Company Secretary ₹in Lakhs



SMC GLOBAL SECURITIES LIMITED Standalone statement of changes in equity

Particulars	Equity			ot	Other equity					Total
	snare capital		Reserves & surplus	surplus		Other com	Other comprehensive income	ome	Total	
		Securities premium reserve	Retained earnings	General reserve	Capital reserve	Remeasurement Fair value of the net changes in defined benefit investments liability / asset	Fair value changes in nvestments	Tax effect of other component of equity		
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	57,828.80
Changes in equity for the year ended March 31, 2019										
Balance taken over pursuant to composite scheme of arrangement*	'		1	904.48	1	71.53	11.95	(16.02)	971.94	971.94
Addition / (Deletion) on account of composite scheme of arrangement	'		ı	1	(841.77)	'			(841.77)	(841.77)
Profit for the year			3,299.50	1	1	1	1		3,299.50	3,299.50
Addition during the year	1		ı	1	ı	(35.51)	126.10	(6.62)	80.97	80.97
Payment of dividend	1		(1,086.09)	1	ı	1		1	(1,086.09)	(1,086.09)
Tax on dividend	1	1	(229.94)	1	ı	ı	1	ı	(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	60,023.41
Balance as at April 1, 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	60,023.41
Changes in equity for the year ended March 31, 2020										
Profit for the year	1		2,973.14		ı	1			2,973.14	2,973.14
Addition during the year	1				ı	(259.60)	(535.32)	184.24	(610.68)	(610.68)
Payment of dividend	1		(1,357.59)	1	1	1	1	1	(1,357.59)	(1,357.59)
Tax on dividend			1	1	1	1	1	1		1
Balance as at March 31, 2020	2,262.69	34,444.50	15,399.43	7,844.60	1,439.24	(189.86)	(302.60)	130.28	58,765.59	61,028.28

^{*}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.



In terms of our report of even date attached

For R. Gopal & Associates

Chartered Accountants Firm Registration No.: 000846C

Vikash Agarwal Partner

Membership No.: 519574

Place: New Delhi Date: June 09, 2020 For and on behalf of the Board

sd/-S.C. Aggarwal Chairman &

Managing Director DIN: 00003267

sd/-

Vinod Kumar Jamar

Group CFO

sd/-**Ajay Garg**

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

DIN: 00003166

sd/-

Suman Kumar Company Secretary

Director & CEO



SMC GLOBAL SECURITIES LIMITED Standalone statement of cash flows

		(₹ in Lakhs)
	For the	year ended
Particulars	March 31, 2020	March 31, 2019
Cash flows from operating activities:		
Profit after tax	2,973.14	3,299.50
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax expense	782.14	30.35
Depreciation, amortization and impairment	843.51	910.49
Depreciation on lease assets	545.10	-
Interest expense	4,063.26	3,819.90
Finance charges on lease	208.48	-
Dividend income	(1,391.30)	(25.92)
Interest income other than from revenue from operation	(1,228.66)	(1,494.92)
Allowance for impairment of trade receivables	(114.39)	247.11
Allowance for impairment of loans	7.82	87.01
Allowance for impairment of deposits	(0.24)	(3.00)
Allowance for impairment of investment	<u>-</u> -	34.22
Rent income	(165.58)	(171.86)
Net loss/profit on derecognition of property, plant and equipment	(15.18)	35.94
Provision for impairment of property, plant and equipment	-	(44.00)
Net gain/loss on the investments	9.19	44.00
Exchange difference on conversion of foreign currency monetary items	(13.55)	(9.14)
Operating profit before working capital changes	6,503.74	6,759.68
Changes in assets and liabilities		
Other bank balances	2,164.54	(5,060.99)
Trade receivables	54,525.99	(39,997.64)
Other receivables	(408.93)	(12.25)
Loans	7,303.97	5,672.53
Inventories	592.59	(43.71)
Investments carried at fair value through profit and loss	11,367.70	(6,646.04)
Other financial assets	(2,176.03)	(2,318.64)
Other non-financial assets	778.43	300.43
Trade payables	9,394.64	304.73
Other payables	(51.46)	(426.28)
Other financial liabilities	(19,533.86)	24,426.92
Other non-financial liabilities	(112.88)	(235.63)
Provisions	202.51	195.91
Cash generated / (used in) from operations	70,550.95	(17,080.98)
Income taxes paid (net of refund)	(792.10)	(611.33)
Net cash generated / (used in) from operating activities (A)	69,758.85	(17,692.31)
Cash flows from investing activities:		
Purchase of property, plant and equipment including intangible assets	(437.79)	(732.56)
Sale of property, plant and equipment including intangible assets	35.37	19.30
Addition to right to use - lease asset	(2,975.01)	-
Interest received	1,228.66	1,494.92
Dividend received	1,392.42	25.06
Rent received	165.58	171.86
Payments to acquire financial assets		
Equity instruments	(3,875.13)	(56.26)
Equity instruments of subsidiary	(7,250.00)	-
Debt instrument	(6,000.00)	-
Mutual funds	(648.83)	(65.85)



(₹ in Lakhs)

Postfordon.		For the ye	ear ended
Particulars		March 31, 2020	March 31, 2019
Proceeds on sale of financial assets			
Equity instruments		3,743.96	89.53
Debt instrument		4,096.00	
Mutual funds		814.19	34.21
Net cash (used in) / generated from investing activities	(B)	(9,710.58)	980.21
Cash flows from financing activities:			
Payment of dividends (including corporate dividend tax) net of u	nclaimed dividend	(1,358.38)	(1,303.33)
Addition to lease liabilities		2,975.01	-
Repayment of lease liabilities		(1,070.58)	-
Payment of interest		(4,102.43)	(3,795.59)
Proceeds from borrowings (net)		(45,328.03)	24,281.12
Proceeds from debt securities		233.08	133.10
Net cash (used in) / generated from financing activities	(C)	(48,651.33)	19,315.30
Net increase in cash and cash equivalents	(A+B+C)	11,396.94	2,603.20
Effect of change in exchange rate on foreign operations and foreign	eign		
currency monetary items		13.55	9.14
Cash and cash equivalents at the beginning of the year		5,291.82	1,892.01
Cash and cash equivalents due to composite scheme of arrange	ment	-	787.47
Cash and cash equivalents at the end of the year (refer note 2)		16,702.31	5,291.82

Notes:

- 1. 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.
- $2. \quad Interest\,expense\,includes\,other\,borrowing\,cost.$
- 3. Figures in brackets indicate cash outflow.
- 4. The significant accounting policies and notes to the financial statement (Refer note no. 1 38) form an integral part of the standalone financial statements.

In terms of our report of even date attached

For R. Gopal & Associates For and on behalf of the Board

Chartered Accountants Firm Registration No. : 000846C

sd/-S.C. Aggarwal sd/sd/sd/-Vikash Agarwal Mahesh C. Gupta **Ajay Garg** Chairman & Vice-Chairman & Director & CEO Partner Managing Director Membership No.: 519574 Managing Director DIN: 00003166 DIN: 00003267 DIN: 00003082

sd/-

Place: New DelhiVinod Kumar JamarSuman KumarDate: June 09, 2020Group CFOCompany Secretary



SMC GLOBAL SECURITIES LIMITED 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, AMFI registered mutual fund distribution and portfolio management service

(PMS) registration from Securities and Exchange Board of India ("SEBI"). The company is regulated by SEBI. The company has ten subsidiaries and one joint venture.

The company offers a wide range of services to meet client's needs including brokerage services, clearing services, depository services, distribution of financial products such as mutual fund and initial public offerings, portfolio management services 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.

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 it's revenue primarily from the brokerage services, clearing services, depository services, distribution of financial products such as mutual fund and initial public offerings, interest income 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. Unbilled revenue is the income that has become due on account of services rendered by the company but pending to be billed due to statement not received from the registrar/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) Interest 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.
- (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 applicable 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	60years
0	
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 / upto 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 Impairment of tangible intangible assets and right to use

At each reporting date,

the Company reviews the carrying amounts of its tangible, intangible assets and right to use assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash flows are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGUs'). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows. discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in

the statement of profit and loss.

1.09 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.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India. which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

1.10 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.

1.11 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 arising on settlement as also on translation of monetary items are recognised in the statement of profit and loss.

1.12 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. Defined benefit obligation (DBO) is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

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.

1.13 Leases

The Company account for the leases in accordance with Ind AS 116 Leases. This is the first year of adoption of Ind AS 116. The Company followed Appendix C to the Ind AS 116 for the purpose of transition. Accordingly as a practical expedient, company have not reassessed whether a contract is, or contains, a lease at the date of initial application. Instead, the company has

(a) applied this Standard to contracts that were previously identified as



- leases applying Ind AS 17, Leases.
- (b) not applied this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17.

The Company enters into hiring/service arrangements for various assets/services. The Company evaluates whether a contract contains a lease or not, in accordance with the principles of Ind AS 116. This requires significant judgements including but not limited to, whether asset is implicitly identified, substantive substitution rights available with the supplier, decision making rights with respect to how the underlying asset will be used, economic substance of the arrangement, etc.

As a lessee the Company has measured lease liability at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. After the commencement date / transition date, The Company measures the right-of-use asset applying a cost model,

- whereas the Company measures the right-of-use asset at cost:
- (a) less any accumulated depreciation and any accumulated impairment losses; and
- (b) adjusted for any remeasurement of the lease liability.

The Company recognises the finance charges on lease expense on reducing balance of lease liability. The Lease asset is depreciated over the lease term on straight line basis.

The Company applies the above policy to all leases except:

- (a) leases for which the lease term (as defined in Ind AS 116) ends within 12 months of the acquisition date;
- (b) leases for which the underlying asset is of low value.

The Company has taken certain assets on leases which in turn are leased out to the group companies. For those leases the Company has netted off the recovery with the rent payable and capitalised the balance payment of rental.

As a lessor the Company identifies leases as

operating and finance lease. A lease is classified as a finance lease if the Company transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

At the commencement date, the Company recognises assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease. After the initial recognition the Company recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

For Operating leases as a lessor the Company recognises lease payments from operating leases as income on straight-line basis.

1.14 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.

1.15 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 (inyears) - Building and related - 60 equipment

1.16 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.

1.17 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 (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 realisation of income is virtually certain, related asset is disclosed.

1.18 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.

1.19 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.

1.20 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.

1.21 Standards issued but not yet effective

Ministry of Corporate affairs (MCA) notifies new standards or amendment to the existing standards. There are no such standards issued but not yet effective.



SMC GLOBAL SECURITIES LIMITED Notes to standalone financial statements

NOTE NO. 2

Cash and cash equivalents

(₹ in Lakhs)

Particulars	As	at
	March 31, 2020	March 31, 2019
Cash in hand	14.28	23.22
Foreign currency in hand	-	1.44
Balances with banks		
In current and deposit accounts*	16,688.03	5,267.16
Total cash and cash equivalent	16,702.31	5,291.82

^{*} Includes unclaimed dividend of ₹ 31.85 lakhs and ₹ 32.64 lakhs as of March 31, 2020 and March 31, 2019, respectively.

NOTE NO. 3

Other bank balances

(₹ in Lakhs)

Particulars	As	As at	
	March 31, 2020	March 31, 2019	
Deposit pledged with banks*	31,999.67	41,446.46	
Deposit pledged with the clearing corporations and stock exchanges as margin	7,389.12	97.00	
Deposit placed under lien with consumer court	2.88	2.88	
Deposit placed with pension fund regulatory and development authority	20.00	20.00	
Deposit placed under arbitration	106.00	103.44	
Deposit - no lien	1.58	14.01	
Total other bank balances	39,519.25	41,683.79	

^{*} Deposit pledged with bank as margin deposit for the guarantees issued of ₹ 62,231.75 lakhs and ₹ 78,904.75 lakhs as of March 31, 2020 and March 31, 2019, respectively, credit facilities or otherwise.

NOTE NO. 4

Trade receivables

Particulars			As at	
		March 31, 202	0 March 31, 2019	
Secured considered good		16,119.	63,066.76	
Secured credit impaired		427.	20 547.91	
Less: Provision for impairment		(427.2	0) (547.91)	
	(A)	16,119.	63,066.76	
Unsecured considered good		841.	8,306.13	
Unsecured credit impaired		623.	708.57	
Less: Provision for impairment		(623.8	6) (708.57)	
	(B)	841.	8,306.13	
Total trade receivables	(A+B)	16,961.	71,372.89	



Other receivables

(₹ in Lakhs)

Particulars	As	at
	March 31, 2020	March 31, 2019
Other receivables	583.83	174.90
	583.83	174.90
Less: Provision for impairment	(15.21)	(15.45)
Total other receivables	568.62	159.45

NOTE NO. 6

Loans

Particulars	As at	
	March 31, 202	20 March 31, 2019
Unsecured		
Carried at amortised cost		
Loans to related party*	1,354.	55 8,384.97
Loans to others		- 273.55
	1,354.	55 8,658.52
Less: Provision for impairment	(94.8	(87.01)
Net loans	1,259.	72 8,571.51
In India	1,187.	54 8,505.28
Outside India	72.	18 66.23

^{*(}Refer note no 34.03)



Investments

(₹ in Lakhs)

Particulars		As	at
		March 31, 2020	March 31, 2019
Quoted			
Investments carried at fair value thro	ough profit and loss		
Equity instruments		5,349.75	16,631.99
Debt instruments		284.91	370.37
	(A)	5,634.66	17,002.36
Investments carried at fair value thro	ough other comprehensive income		
Equity instruments under portfolio ma	anagement service	886.77	1,310.65
Mutual funds		40.98	200.85
Debt instruments		20.01	14.96
	(B)	947.76	1,526.46
Sub - Total	(A+B=C)	6,582.42	18,528.82
Unquoted Investments carried at amortised cos Debt instrument Equity instrument of subsidiaries Less: Provision for impairment	ot (D)	1,904.00 36,151.06 (633.83) 37,421.23	28,901.06 (633.83)
Investments carried at fair value thro	ough other comprehensive income		
Equity instruments		250.54	250.54
Less : Provision for impairment		(250.00)	(250.00)
	(E)	0.54	0.54
Sub - Total	(D+E=F)	37,421.77	28,267.77
Total investments	(C+F)	44,004.19	46,796.59
In India		42,465.91	45,258.31
Outside India		1,538.28	1,538.28

NOTE NO. 8

Other financial assets

Particulars	As	at
	March 31, 2020	March 31, 2019
Interest accrued but not due	340.68	314.06
Derivative financial instruments	7,097.49	8,782.82
Unbilled revenue	558.73	766.35
Security deposits	5,116.14	1,075.77
	13,113.04	10,939.00
Less : Provision for impairment	(0.44)	(2.43)
Total other financial assets	13,112.60	10,936.57
Financial asset carried at amortized cost	6,015.11	2,153.75
Financial asset carried at fair value through profit and loss	7,097.49	8,782.82



Inventories

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Commodities	-	592.59
Total inventories	-	592.59

NOTE NO. 10

Property, plant and equipment

						•	,
Particulars	Office Building	Computer equipment	Office equipment	Furniture and fixtures	Vehicles	VSAT	Total
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 during the year	-	623.74	83.19	434.21	125.76	0.80	1,267.70
Additions due to composite scheme of arrangement	-	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 gross carrying value as at April 1, 2019	2,180.37	2,358.29	644.76	1,811.85	533.58	368.22	7,897.07
Additions during the year	-	273.65	53.50	18.93	10.57	-	356.65
Deletions during the year	(28.54)	(88.84)	(40.33)	(2.92)	(99.33)	-	(259.96)
Closing gross carrying value as at March 31, 2020	2,151.83	2,543.10	657.93	1,827.86	444.82	368.22	7,993.76
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
Opening accumulated depreciation as at April 1, 2019	465.80	1,917.08	537.72	1,461.86	389.77	348.06	5,120.29
Depreciation for the year	129.51	390.45	82.64	126.38	62.59	5.61	797.18
Accumulated depreciation on deletions	(16.97)	(85.52)	(39.22)	(2.54)	(95.52)	-	(239.77)
Closing accumulated depreciation as at March 31, 2020	578.34	2,222.01	581.14	1,585.70	356.84	353.67	5,677.70
Carrying value as at March 31, 2019	1,714.57	441.21	107.04	349.99	143.81	20.16	2,776.78
Carrying value as at March 31, 2020	1,573.49	321.09	76.79	242.16	87.98	14.55	2,316.06



Right to use asset

(₹ in Lakhs)

Particulars	Lease hold assets	Total
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	-	-
Opening gross carrying value as at April 1, 2019	-	-
Additions during the year*	2,975.01	2,975.01
Deletions during the year		-
Closing gross carrying value as at March 31, 2020	2,975.01	2,975.01
Opening accumulated depreciation as at April 1, 2018		-
Depreciation for the year	-	-
Accumulated depreciation on deletions	-	-
Closing accumulated depreciation as at March 31, 2019	·····	
Opening accumulated depreciation as at April 1, 2019	-	-
Depreciation for the year	545.10	545.10
Accumulated depreciation on deletions	-	-
Closing accumulated depreciation as at March 31, 2020	545.10	545.10
Carrying value as at March 31, 2019	-	
Carrying value as at March 31, 2020	2,429.91	2,429.91

^{*} includes capitalisation on account of transition to Ind AS 116 amounting to ₹ 2,697.68 Lakhs.

NOTE NO. 11.01

Detail of lease liability

Particulars	As at	
	March 31, 2020	March 31, 2019
Opening balance	-	-
Addition during the year*	2,975.01	-
Finance charges on lease	208.48	-
Repayment during the year	(1,070.58)	-
Closing balance	2,112.91	-
Interest rate used for capitalisation	9.66%	NA

^{*} includes capitalisation on account of transition to Ind AS 116 amounting to $\stackrel{?}{ ext{ iny 2}}$ 2,697.68 Lakhs.



Other intangible assets

(₹ in Lakhs)

Particulars	Computer software	Trademark logo	Total
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 gross carrying value as at April 1, 2019	606.26	0.20	606.46
Additions during the year	67.16	-	67.16
Deletions during the year	-	-	-
Closing gross carrying value as at March 31, 2020	673.42	0.20	673.62
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	-	41.19
Accumulated amortization on deletions	(2.40)	-	(2.40)
Closing accumulated amortization as at March 31, 2019	540.24	0.20	540.44
Opening accumulated amortization as at April 1, 2019	540.24	0.20	540.44
Amortization for the year	46.33	-	46.33
Accumulated amortization on deletions		.	
Closing accumulated amortization as at March 31, 2020	586.57	0.20	586.77
Carrying value as at March 31, 2019	66.02	-	66.02
Carrying value as at March 31, 2020	86.85	-	86.85

Intangible work-in-progress

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Intangible work-in-progress	38.98	
Total intangible work-in-progress	38.98	25.00

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.

NOTE NO. 13

Other non-financial assets

Particulars		As at	
	March 3	31, 2020	March 31, 2019
Capital advances		6.60	330.51
Prepaid expenses		330.93	1,004.18
Dividend receivable		0.01	1.13
Withholding taxes and other taxes receivable		91.23	179.02
Advance payment to vendors for supply of goods		659.80	353.28
Total other non financial assets	1	,088.57	1,868.12



Debt securities (₹ in Lakhs)

Particulars	A	As at	
	March 31, 2020	March 31, 2019	
Unsecured - at amortised cost			
Commercial paper - repayable within one year	370.00	135.00	
Less: unamortised balance of discount on issue of commercial paper	(3.82)	(1.90)	
Total debt securities	366.18	133.10	

NOTE NO. 14.01

Details of commercial papers outstanding are as follows:

(₹ in Lakhs)

Sr. No.	As at March 31, 2020			1		
	Gross Amount	Unamortised balance of discount	Net Amount	Gross Amount	Unamortised balance of discount	Net Amount
9.80% Commercial Paper	370.00	(3.82)	366.18	135.00	(1.90)	133.10
Total	370.00	(3.82)	366.18	135.00	(1.90)	133.10

NOTE NO. 15

Borrowings (₹ in Lakhs)

articulars			As at	
		March 31	, 2020	March 31, 2019
Secured				
Term loan				
from banks			67.78	111.03
Loan repayable on demand				
from banks		5,9	993.99	51,369.80
from others			15.00	-
Total secured borrowings	(A)	6,0	76.77	51,480.83
Unsecured				
Loan repayable on demand				
from related party			76.03	-
Total Unsecured borrowings	(B)		76.03	-
Total borrowings	(A+B=C)	6,1	52.80	51,480.83
In India		6,1	152.80	51,480.83
Outside India			-	-

- a) Term Loan amounting ₹ 67.78 lakhs and ₹ 111.03 lakhs as of March 31, 2020 and March 31, 2019, respectively, are secured by way of hypothecation of vehicles and are repayable over a period up to five years.
- b) Loan from banks amounting ₹ 5,993.99 lakhs and ₹ 51,369.80 lakhs as of March 31, 2020 and March 31, 2019, respectively, are secured against shares, receivables, fixed deposits and personal guarantee of promoter directors.
- c) Loan from others amounting $\mathbf{15.00}$ and $\mathbf{Nillakhs}$ as of March $\mathbf{31,2020}$ and March $\mathbf{31,2019}$, respectively, are secured by way of hypothecation of shares and personal guarantee of promoter directors.



Repayment terms of borrowings

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
In the first year	6,107.26	51,413.05
In the second year	15.10	22.24
In the third to fifth year	30.44	45.54
Total	6,152.80	51,480.83

Segregation of Borrowing on the basis of Fixed & Floating interest rate

(₹ in Lakhs)

Particulars		As at	
	N	March 31, 2020	March 31, 2019
Secured			
Weighted average rate			
Fixed rate borrowings		9.01%	9.17%
Floating rate borrowings		8.99%	10.15%
Amount borrowed			
Fixed rate borrowings		67.78	111.03
Floating rate borrowings		6,085.02	51,369.80
Total borrowings		6,152.80	51,480.83

NOTE NO. 16

Other financial liabilities

(₹ in Lakhs)

Particulars	As	As at	
	March 31, 2020	March 31, 2019	
Book overdraft from banks	1.86	88.13	
Security deposits received	249.02	284.64	
Interest accrued but not due	0.94	40.11	
Employee benefit payable	1,027.60	356.65	
PMS payable	-	3.85	
Derivative financial instruments	3,483.90	3,682.74	
Accrued expenses	1,606.41	1,398.66	
Margin received from client	33,870.08	53,958.06	
Total other financial liabilities	40,239.81	59,812.84	
Financial liability carried at amortized cost	36,755.91	56,130.10	
Financial liability carried at fair value through profit and loss	3,483.90	3,682.74	

NOTE NO. 17

Provisions

Particulars	As at	
	March 31, 2020	March 31, 2019
Provision for employee benefits		
Gratuity	876.02	448.10
Leave encashment	388.54	322.40
Provision for CSR	3.19	34.61
Others	80.50	81.03
Total provisions	1,348.25	886.14



NOTE NO. 17.01

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

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Opening provision	34.61	42.46
Addition on account of composite scheme of arrangement	-	7.96
Provision made during the year	84.12	71.19
CSR spent during the year	115.54	87.00
Closing provision	3.19	34.61

b) Details of amount spent

(₹ in Lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
I) Construction/acquisition of any asset	-	-
ii) on purpose other than (i) above	115.54	87.00
Total	115.54	87.00

c) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure - ₹ 0.76 Lakhs (PY NIL)

NOTE NO. 18

Other non-financial liabilities

Particulars	As at	
	March 31, 2020	March 31, 2019
Unearned income	89.42	98.47
Unpaid dividend	31.85	32.64
Withholding taxes and other taxes payable	420.32	528.67
Others	4.52	-
Total other non-financial liabilities	546.11	659.78



Equity share capital

NOTE NO. 19.01

Authorised issued and subscribed capital

(₹ in Lakhs)

Particulars	For the ye	ear ended
	March 31, 2020	March 31, 2019
Authorised		
47,75,50,000 (March 31, 2019 : 47,75,50,000) equity shares of ₹ 2/- each	9,551.00	9,551.00
	9,551.00	9,551.00
Issued, subscribed & fully paid up		
11,31,34,450 (March 31, 2019 : 11,31,34,450) equity shares of ₹ 2/- each	2,262.69	2,262.69
	2,262.69	2,262.69

NOTE NO. 19.02

Reconciliation of number of equity shares outstanding

(in Numbers)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
At the beginning of the year	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

The Company has only one class of equity shares having a par value of $\stackrel{?}{\stackrel{?}{?}}$ per share. Each holder of equity shares is entitled to one vote per share. The Board of Directors has proposed an equity dividend @ 12% i.e. $\stackrel{?}{\stackrel{?}{?}}$ 0.24 (P.Y. $\stackrel{?}{\stackrel{?}{?}}$ 0.48) per share for the financial year ending March 31, 2020 at there meeting held on dated June 09,2020, 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 $\stackrel{?}{\stackrel{?}{?}}$ 0.72 (P.Y. $\stackrel{?}{\stackrel{?}{?}}$ 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. 19.03

Shares held by shareholders holding more than 5% shares

Particulars	March 31, 2020		March 31, 2020		March 31	, 2019
	No. of Shares held	% held	No. of Shares held	% held		
ASM Pipes Private Limited	18,667,140	16.50	18,667,140	16.50		
Millennium Investment and Acquisition Co. Inc.	9,104,690	8.05	10,204,690	9.02		
Mahesh C. Gupta	9,248,500	8.17	10,248,500	9.06		
Subhash Chand Aggarwal	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		
Signature Global (India) Private Limited	8,865,885	7.84	8,865,885	7.84		
Hemlata Aggarwal	5,000,000	4.42	6,920,550	6.12		
Sushma Gupta	7,566,550	6.69	7,566,550	6.69		
Pulin Investments Private Limited	8,977,205	7.94	7,877,205	6.96		



Fees and commission income

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Income from:		
Brokerage	15,252.58	14,788.80
Distribution of financial product	6,659.73	6,383.12
Depository activities	326.70	492.64
Portfolio management services	24.78	20.70
Incentives from exchange	-	87.33
Research support services	231.27	135.55
Total fees and commission income	22,495.06	21,908.14

NOTE NO. 21

Interest income (₹ in Lakhs)

Particulars	For the	For the year ended	
	March 31, 2020	larch 31, 2020 March 31, 2019	
On financial assets measured at amortised cost			
Interest on deposits with banks	3,390.68	3,390.68 2,805.93	
Interest on delayed payment/ margin trading facility	2,846.47	2,846.47 5,051.81	
On financial assets classified at fair value through profit or loss			
Interest income from trading investments		- 22.80	
Total interest income	6,237.15	6,237.15 7,880.54	

NOTE NO. 22

Other income (₹ in Lakhs)

Particulars	For the ye	For the year ended	
	March 31, 2020	March 31, 2019	
Interest income	1,228.66	1,494.92	
Net gain on derecognition of property, plant and equipment	15.18	8.13	
Dividend income*	1,391.30	25.92	
Rent income	165.58	171.86	
Liability no longer required written back	189.13	112.98	
Net gain on translation of foreign currency monetary items	13.55	9.14	
Miscellaneous income	101.91	30.34	
Total other income	3,105.31	1,853.29	

^{*} includes dividend received from subsidiary company amounting to \ref{total} 1,373.60 Lakhs (PY : Nil)



Fees and commission expenses

(₹ in Lakhs)

Particulars		For the year ended	
	March 31, 202	March 31, 2019	
Client introduction charges	6,402.9	5 6,401.81	
Exchange & other regulatory charges	4,189.7	3 4,012.94	
Expense for distribution of financial products	5,314.1	5,304.49	
VPN, leaseline, internet & VSAT expenses (net)	165.7	4 160.38	
Securities transaction tax	4,175.6	7 4,375.44	
Demat charges	9.3	12.18	
Total fees and commission expenses	20,257.6	1 20,267.24	

NOTE NO. 24

Employee benefits expenses

(₹ in Lakhs)

Particulars	For the y	For the year ended	
	March 31, 2020	March 31, 2019	
Salaries and incentives	9,675.93	8,374.48	
Staff welfare	150.86	130.18	
Contribution to provident and other funds	465.26	425.01	
Gratuity	207.46	168.50	
Total employee benefits expenses	10,499.51	9,098.17	

NOTE NO. 25

Finance costs (₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
On financial liabilities measured at amortised cost		
Interest to bank (others)	2,194.59	2,204.01
Interest-others	1,252.65	1,091.74
Discount on issue of commercial papers	31.77	2.41
Other borrowing cost	584.25	521.74
Finance charges on lease	208.48	-
Total finance costs	4,271.74	3,819.90



Depreciation and amortisation

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Depreciation on tangible assets	797.18	869.30
Amortisation of intangible assets	46.33	41.19
Depreciation on lease assets	545.10	-
Total depreciation and amortisation	1,388.61	910.49

NOTE NO. 27

Impairment on financial instruments

Particulars		For the year ended	
		March 31, 2020	March 31, 2019
On financial assets measured at amortised cost/transaction price			
Trade receivables		(114.39)	247.11
Loans		7.82	87.01
Other receivables		(0.24)	(3.00)
Investments in subsidiaries		. .	
	(A)	(106.81)	412.34
On financial assets measured at fair value through other comprehensive	e income	• • • • • • • • • • • • • • • • • • • •	
Investments		-	(47.00)
	(B)	-	(47.00)
Total impairment on financial instruments	(A+B)	(106.81)	365.34



Other expenses (₹ in Lakhs)

Particulars		For the year ended		
	March 31, 2020	March 31, 2019		
Advertisement	1,246.29	1,470.21		
Business promotion	737.58	1,466.39		
Computer repair & maintenance	353.73	273.22		
Conveyance & traveling expenses	234.92	223.25		
Directors sitting fee	14.55	15.40		
Donation	43.29	11.55		
Insurance	24.26	21.19		
Legal & professional charges	252.34	237.07		
Bank charges	91.15	90.16		
Net loss on derecognition of property, plant and equipment	-	0.07		
Office repair & maintenance	350.64	374.92		
Printing and stationery	174.10	204.09		
Rent	716.55	1,116.55		
Electricity and water expenses	442.96	431.30		
Membership fees & subscription	15.86	17.35		
Communication expenses	230.99	290.77		
Net loss on derecognition of financial instruments carried at fair				
value through other comprehensive income	9.19	44.00		
Vehicle running & maintenance	54.05	59.28		
Rates & taxes	41.72	29.96		
CSR expenses	84.12	71.19		
Miscellaneous expenses	74.93	57.35		
Auditor's fees and expenses				
as statutory auditor	21.50	22.44		
as tax auditor	2.50	2.65		
as fee for other services	7.31	7.24		
Total other expenses	5,224.53	6,537.60		

NOTE NO. 29

Income taxes

NOTE NO. 29.01

Income tax expense in the statement of profit and loss

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Current tax expense		
For the year	753.82	651.85
Change in estimates relating to prior years	(26.43)	14.93
	727.39	666.78
Deferred tax charge/(benefit)		
Origination and reversal of temporary differences	54.75	15.43
Minimum alternate tax	-	(651.86)
	54.75	(636.43)
Total income tax expense	782.14	30.35



NOTE NO. 29.02

Tax expense recognised in other comprehensive income

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Remeasurement of the net defined benefit liability / asset	(90.71)	(12.41)
Fair value changes on investments	(93.53)	22.03
Total tax expense recognised in other comprehensive income	(184.24)	9.62

NOTE NO. 29.03

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

(₹ in Lakhs)

Particulars	For the year ended		
	March 31, 2020	March 31, 2019	
Profit before tax	3,755.28	3,329.85	
Enacted tax rates in India	34.944%	34.944%	
Computed expected tax expense	1,312.25	1,163.58	
Non deductible permanent difference	74.60	39.20	
Deductible permanent difference	(69.01)	-	
Income exempt from tax	(513.36)	(47.35)	
Change in estimates relating to prior years	(26.43)	14.93	
Carry forward of loss and depreciation	(16.87)	(1,146.35)	
Deferred tax asset reversed	20.96	52.69	
Difference in tax rate due to composite scheme of arrangement	-	(46.35)	
Income tax expense	782.14	30.35	

The applicable Indian statutory tax rates for fiscal 2020 and fiscal 2019 is 34.944% and 34.944%, respectively.

NOTE NO. 29.04

Details of income tax assets and income tax liabilities

Particulars			For the year ended		
		March 31, 2020	March 31, 2019		
Income tax assets pertaining to current year		1,216.00	988.06		
Income tax liabilities pertaining to current year		753.82	651.85		
Net income tax assets/ (liability) pertaining to current year	(A)	462.18	336.21		
Income tax assets pertaining to previous years	(B)	1,143.20	720.37		
Total income tax assets / (liability) - net	(A+B)	1,605.38	1,056.58		



NOTE NO. 29.05

Movement in the temporary differences of deferred tax

(₹ in Lakhs)

								(III Laki
Particulars	Balance as at April 1, 2018	On composite scheme of arrangement	Recognised in profit or I oss during 2018-19	Recognised in other comprehensive income	Balance as at March 31, 2019	Recognised in profit or loss during 2019-20	Recognised in other comprehensive income	Utilisation of MAT credit during 2019-20	Balance as a March 31, 2020
Employee benefits	104.82	57.56	94.45	12.41	269.24	81.93	90.71	-	441.88
Investment securitie	es (16.54)	(1.86)	(0.23)	(22.03)	(40.66)	-	93.53	-	52.87
ICDS	(11.97)	(54.31)	3.68	-	(62.60)	18.27	-	-	(44.33)
Provisions	159.36	8.97	(50.73)	-	117.60	22.93	-	-	140.53
Property, plant & equipment and intangible assets	196.26	52.88	91.01	-	340.15	44.82	-	-	384.97
Provision for impairment on receivable from clients	408.03	57.26	(26.21)	-	439.08	(71.79)	-	-	367.29
Other temporary differences	1.38	-	(1.38)	-	-	57.69	-	-	57.69
Origination and reversal of									
temporary									
differences	841.34	120.50	110.59	(9.62)	1,062.81	153.85	184.24	-	1,400.90
Minimum alternate	tax -	268.05	651.86	-	919.91	-	-	(484.09)	435.82
Carried forward of t losses and unabsorbed depreciation (Net of addition on	ax								
account of tax loss	es) -	334.62	(126.02)	-	208.60	(208.60)	-	-	-
Total	841.34	723.17	636.43	(9.62)	2,191.32	(54.75)	184.24	(484.09)	1,836.72

NOTE NO. 30

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 stared)

Particulars	For the ye	For the year ended		
	March 31, 2020	March 31, 2019		
Profit attributable to equity share holders.	2,973.14	3,299.50		
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 (₹)	2.63	2.92		



Employee Benefits

(a) Gratuity

NOTE NO. 31.01

Breakup of amount recognised in statement of profit and loss

(₹ in Lakhs)

Particulars	For the	ear ended
	March 31, 2020	March 31, 2019
Interest on defined benefit obligation	34.13	19.01
Current service cost	173.33	153.72
Acquisitions cost		(4.23)
Total expense recognized in the statement of profit and loss	207.46	168.50

NOTE NO. 31.02

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

(₹ in Lakhs)

Particulars	For the y	ear ended
	March 31, 2020	March 31, 2019
Remeasurements of the net defined benefit liability/ (asset)		
Opening amount recognised in OCI outside profit and loss account	69.74	33.72
On account of composite scheme of arrangement	-	71.53
Actuarial gains / losses	(149.73)	(49.90)
Return on plan assets (greater) / less than discount rate	(109.87)	14.39
	(189.86)	69.74

NOTE NO. 31.03

Breakup of the amount recognised in balance sheet

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Present value of the obligation as at the end of the year	1,590.02	1,234.47
Fair value of plan assets as at the end of the year	(714.00)	(786.37)
Net liability recognised in balance sheet	876.02	448.10



NOTE NO. 31.04

Reconciliation of defined benefit obligation and plan asset

(₹ in Lakhs)

Particulars		For the ye	ear ended
		March 31, 2020	March 31, 2019
Change in benefit obligations			
Present value of the obligation as at the beginning of the year		1,234.47	819.60
On account of composite scheme of arrangement		-	200.53
Current service cost		173.33	153.72
Interest cost		93.83	75.68
Actuarial (gain)/loss on obligations		149.73	49.90
Acquisitions (credit)/cost		(29.40)	(3.28)
Benefits paid		(31.94)	(61.68)
Benefit obligations at the end	(A)	1,590.02	1,234.47
Change in plan assets			
Fair value of plan assets at the beginning of the year		786.37	743.13
On account of composite scheme of arrangement		-	13.49
Interest income on plan assets		59.70	56.67
Contributions		_	7.54
Benefits paid		(22.20)	(48.85)
Return on plan assets greater (lesser) than discount rate		(109.87)	14.39
Fair value of plan assets at the end	(B)	714.00	786.37
	(-)		
Amount recognised in balance sheet [(surplus) / deficit]	(A-B)	876.02	448.10

NOTE NO. 31.05

Disaggregation of plan assets

(₹ in Lakhs)

Particulars	For the year ended		
	March 31, 2020	March 31, 2019	
Insurer managed funds	100.00%	100.00%	
	100.00%	100.00%	

NOTE NO. 31.06

Sensitivity of significant assumptions used for DBO valuation

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Effect on DBO due to 0.5% increase in discount rate	(101.33)	(75.16)
Effect on DBO due to 0.5% decrease in discount rate	111.65	82.77
Effect on DBO due to 0.5% increase in salary escalation rate	96.27	72.66
Effect on DBO due to 0.5% decrease in salary escalation rate	(90.65)	(67.79)



NOTE NO. 31.07

Maturity profile of defined benefit obligation

(₹ in Lakhs)

Particulars	For the ye	For the year ended	
	March 31, 2020	March 31, 2019	
Within one year	112.82	103.43	
One to five years	287.19	271.83	
More than five years	751.51	637.94	

NOTE NO. 31.08

Assumptions to determine the defined benefit obligations

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Discount rate	6.80%	7.70%
Salary escalation rate (p.a.)	7.50%	7.50%

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. 31.09

Breakup of the amount recognised in balance sheet

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Present value of the obligation as at the end of the year	388.54	322.40
Fair value of plan assets as at the end of the year	-	-
Net liability recognised in balance sheet	388.54	322.40

NOTE NO. 31.10

Number of compensated leave absences outstanding

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Total leave balance (days)	36,061.86	33,301.04



NOTE NO. 31.11

Assumption used in valuation

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Discount rate	6.80%	7.70%
Salary escalation rate (p.a.)	7.50%	7.50%
Leave availment rate	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. 32

Contingent liabilities and commitments

NOTE NO. 32.01

Contingent liabilities not provided in the financial statements:

(₹ in Lakhs)

Pa	rticulars	For the ye	ar ended
		March 31, 2020	March 31, 2019
1	Corporate guarantee executed by the company for credit facility extended to subsidiaries	9,500.00	8,500.00
2	ESI demand	31.06	31.06
	(Total amount paid under protest ₹12.43 Lakhs (2019: ₹12.43 Lakhs))		
3	Service Tax Demand	615.98	963.79
4	(a). Income Tax Demand (A.Y. 2013-14)	31.47	31.47
	(Total amount paid under protest ₹31.47 Lakhs (2019: ₹31.47 Lakhs))		
	(b). Income tax Demand (A.Y. 2014-15)	-	56.81
	(Total amount paid under protest ₹Nil (2019: ₹56.81 Lakhs))		
	(c). Income tax Demand (A.Y. 2015-16)	-	27.51
	(Total amount paid under protest ₹ Nil (2019: ₹10.00 Lakhs))		
5	Provident Fund	-	-
6	Stamp Duty	-	-

Notes:

- 1 The Company has given corporate guarantee towards credit facility of the subsidiaries M/s Moneywise Financial Services Private Limited for ₹ 9,000.00 lakhs and M/s Moneywsie Finvest Limited for ₹ 500.00 lakhs.
- 2 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 ₹ 570.32 Lakhs is being agitated by the Company before Additional Director General of Directorate General of GST Intelligence, Delhi Zonal Unit which is confirmed by Order-in-Original No. 08/2020-ST dated 28.02.2020. The company is in the process of filing an appeal against the order before the Customs, Excise and Service Tax Appellate Tribunal (CESTAT).
- 4 Assessment u/s 143(3) for the A.Y 2013-14 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.
- 5 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.



NOTE NO. 32.02

Other litigations

- 1 Title of the property located at Office no 205, 2nd Floor, Plot no 4A, Community Centre, 21st Century Plaza, Sector 8, Rohini, New Delhi having book value of ₹ 46.12 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. 32.03

Commitments

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Contracts remaining to be executed on account of capital (net of advances)		
For purchase of software	10.00	20.00
For purchase of office building	-	175.00

NOTE NO.33

Financial Instruments

NOTE NO. 33.01

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2020 were as follows:

Particulars	Amortised cost /		liabilities carried gh profit and loss	Financial assets/ liabilities carried at fair value through OCI		carrying	value
	Transaction price	Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required	value	
Assets: Cash and cash equivalents:	16,702.31	_	_	_	_	16,702.31	16,702.31
· · · · · · · · · · · · · · · · · · ·	*	_	_			•	
Other bank balance	39,519.25	-	-	-	-	39,519.25	39,519.25
Trade receivables	16,961.29	-	-	-	-	16,961.29	16,961.29
Other receivables	568.62	-	-	-	-	568.62	568.62
Loans	1,259.72	-	-	-	-	1,259.72	1,259.72
Investments	37,421.23	284.91	5,349.75	-	948.30	44,004.19	44,004.19
Other financial assets	6,015.11	-	7,097.49	-	-	13,112.60	13,112.60
Total	118,447.53	284.91	12,447.24	-	948.30	132,127.98	132,127.98
Liabilities:							
Trade payables	29,523.24	-	-	-	-	29,523.24	29,523.24
Other payables	212.87	-	-	-	-	212.87	212.87
Lease liabilities	2,112.91	-	-	-	-	2,112.91	2,112.91
Debt securities	366.18	-	-	-	-	366.18	366.18
Borrowings	6,152.80	-	-	-	- :	6,152.80	6,152.80
Other financial liabilities	36,755.91	-	3,483.90	-	-	40,239.81	40,239.81
Total	75,123.91	-	3,483.90	-	- :	78,607.81	78,607.81



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

(₹ in Lakhs)

Particulars	Amortised cost /	Financial assets/ liabilities carried at fair value through profit and loss		Financial assets/ liabilities carried at fair value through OCI		Total carrying	Total fair value
	price	Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required	value	
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	159.45	-	-	-	-	159.45	159.45
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	2,153.75	-	8,782.82	-	-	10,936.57	10,936.57
Total	157,500.44	370.37	25,414.81	-	1,527.00	184,812.62	184,812.62
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	31,819.70

NOTE NO. 33.02

Credit quality of debt securities

The table below sets out the credit quality of debt securities

Particulars	For the year ended		
	March 31, 2020	March 31, 2019	
Government bonds:			
Rated sovereign	202.59	41.16	
Corporate bonds:			
Rated AAA	23.04	-	
Rated AA- to AA+	60.54	45.21	
Rated A- to A+	12.36	115.24	
Rated BBB-	-	170.76	
Rated D	6.39	12.96	
Fair value and carrying amount	304.92	385.33	



NOTE NO. 33.03

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:

(₹ in Lakhs)

Particulars	As at					
	Marc	h 31, 2020	March 31, 2019			
	Collateral	Non-collateral	Collateral	Non-collateral		
Cash and cash equivalents	-	16,702.31	-	5,291.82		
Other bank balances	39,517.67	1.58	41,669.78	14.01		
Trade receivables	5,742.00	11,219.29	55,739.94	15,632.95		
Other receivables	-	568.62	-	159.45		
Loans	-	1,259.72	-	8,571.51		
Investments	1,649.74	42,354.45	5,594.01	41,202.58		
Other financial assets	-	13,112.60	-	10,936.57		
Total	46,909.41	85,218.57	103,003.73	81,808.89		

(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	n 31, 2020	March	31, 2019		
	Value of asset	Fair value of collateral held	Value of asset	Fair value of collateral held		
Assets:						
Cash and cash equivalents	16,702.31	-	5,291.82	-		
Other bank balance	39,519.25	-	41,683.79	-		
Trade receivables						
Secured	16,119.39	672,577.41	63,066.76	1,231,270.99		
Unsecured	841.90	-	8,306.13	-		
Other receivables	568.62	-	159.45	-		
Loans	1,259.72	-	8,571.51	-		
Investments	44,004.19	-	46,796.59	-		
Other financial assets	13,112.60	-	10,936.57	-		
Total	132,127.98	672,577.41	184,812.62	1,231,270.99		

NOTE NO. 33.04

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, 2020:

(₹ in Lakhs)

Particulars	As at March 31, 2020	Fair value measurement at end of the reporting year using			
		Level 1	Level 2	Level 3	
Assets					
Investments					
Equity instruments	41,754.29	6,236.52	35,517.23	0.54	
Mutual Funds	40.98	40.98	-	-	
Debt	2,208.92	304.92	1,904.00	-	

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		llue measurement at e ne reporting year usin		
		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	-	-	
Debt	385.33	385.33	-	-	

Valuation techniques used to determine fair value

Following valuation techniques has been used for fair valuation off the assets:

- (a) For Mutual Fund investments net asset value (NAV) is used as the fair value of investment.
- (b) For Equity instrument quoted the market value is taken as the fair value.

NOTE NO. 33.05

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

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:

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:

- (i) 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.
- (ii) 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.

- (iii) 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.
- (iv) 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.
- (v) 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 company conducts regular internal audits of various business units to identify scope of improvement/enhanceme nt 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:

(₹ in Lakhs)

Particulars	As at		
	March 31, 2020	March 31, 2019	
Trade receivables	16,961.29	71,372.89	
Other receivables	568.62	159.45	
Loans	1,259.72	8,571.51	
Investments	44,004.19	46,796.59	
Other financial assets	13,112.60	10,936.57	
Total	75,906.42	137,837.01	

The Company monitors all the receivables, loans and investments continuously basis the factors considered while dealing. If there are any indicators of impairment on management assessment of these receivables, loans and investments, these are provided for. The Company uses ECL method for impairment.

Following are the reconciliations of the provision for impairment of financial assets

Particulars	5				As at					
	March 31, 2020						Mar			
	Trade receivables	Other receivables	Loans	Investments	Other financial assets	Trade receivables	Other receivables	Loans	Investments	Other financial assets
Opening balance at the beginning of the yea		15.45	87.01	883.83	2.43	1,167.64	18.45	-	849.61	2.43
Addition of account of composite scheme of arrangements	f e - f	-	-	-	-	184.06	-	-	-	-
Addition/ reversal during the year	(114.39)	(0.24)	7.82	-	-	247.11	(3.00)	87.01	34.22	-
Written of	f (91.03)	-	-	-	(1.99)	(342.33)	-	-	-	-
Closing balance at the end of the yea	I nr 1,051.06	15.21	94.83	883.83	0.44	1,256.48	15.45	87.01	883.83	2.43



(ii) 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:

- (a) depositing funds with banks to obtain term deposits and guarantees towards margins payable to the exchanges/clearing houses;
- (b) payments to stock exchanges/clearing houses towards settlement obligations;

- (c) payment towards purchase of various trading assets; and
- (d) 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, 2020

(₹ 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	16,702.31	16,702.31	-	-	-	-	-
Other bank balances	39,519.25	4,308.16	4,354.06	11,126.52	19,448.61	281.90	-
Trade receivables	16,961.29	16,961.29	-	-	-	-	-
Other receivables	568.62	568.62	-	-	-	-	-
Loans	1,259.72	1,187.54	-	-	72.18	-	-
Investments	44,004.19	6,562.41	-	-	1,409.00	515.01	35,517.77
Other financial assets	13,112.60	12,149.16	-	-	-	-	963.44
Total	132,127.98	58,439.49	4,354.06	11,126.52	20,929.79	796.91	36,481.21
Liabilities:							
Trade payables	29,523.24	29,232.66	-	-	290.58	-	-
Other payables	212.87	212.87	-	-	-	-	-
Lease liabilities	2,112.91	76.93	128.10	292.68	849.05	709.19	56.96
Debt securities	366.18	366.18	-	-	-	-	-
Borrowings	6,152.80	9.68	80.86	6,016.72	15.10	30.44	-
Other financial liabilities	40,239.81	26,862.02	1,721.40	5,026.53	6,023.85	356.00	250.02
Total	78,607.81	56,760.34	1,930.36	11,335.93	7,178.58	1,095.63	306.98

March 31, 2019

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	159.45	159.45	-	-	-	-	-
Loans	8,571.51	8,505.28	-	-	66.23	-	-
Investments	46,796.59	18,348.16	-	-	-	180.66	28,267.77
Other financial assets	10,936.57	9,860.80	-	-	-	-	1,075.77
Total	184,812.62	120,798.84	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	48,755.41	2,298.15	8,335.78	101.11	37.75	284.64
Total	131,819.70	69,291.88	2,308.84	59,727.70	123.35	83.29	284.64



(iii) 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 macroeconomic 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:(i) Term deposits placed with banks are generally for short term on fixed interest rates;(ii) Facilities availed from banks and other financial institutions generally include short term working capital loans on floating interest rates;(iii) 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.

(₹ in Lakhs)

Particulars	As	at
	March 31, 2020	March 31, 2019
Assets subject to price risk		
Equity instrument fair value through profit and loss	5,349.75	16,631.99
Equity instrument fair value through other comprehensive income	887.31	1,311.19
Debt instrument fair value through profit and loss	284.91	370.37
Debt instrument fair value through other comprehensive income	20.01	14.96
Mutual fund fair value through other comprehensive income	40.98	200.85
Derivative financial assets	7,097.49	8,782.82
(A)	13,680.45	27,312.18
Liabilities subject to price risk		
Derivative financial liabilities	3,483.90	3,682.74
(B)	3,483.90	3,682.74
Total (A-B)	10,196.55	23,629.44

Sensitivity analysis

Below table shows the sensitivity analysis for different financial instrument

Following are the reconciliations of the provision for impairment of financial assets

Particulars			year ended h 31, 2020			year ended h 31, 2019	
	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%	27.38	(27.38)	45.00	(91.92)
Investment in equity & other instruments carried through other than fair value through							
profit and loss	Price risk	5%	5%	47.42	(47.42)	76.35	(76.35)
Inventories	Price risk	5%	5%	-	-	29.63	(29.63)
Debt instruments	Interest rate risk	1%	1%	(2.98)	2.98	(17.44)	17.46
Borrowings	Interest rate risk	1%	1%	(61.53)	61.53	514.81	(514.81)
Currency risk	Currency risk	5%	5%	8.35	(8.35)	7.66	(7.66)

^{*}The Company engages in proprietary transactions of equities, commodities and derivatives of equities, commodities & 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.



Related party disclosures

NOTE NO. 34.01

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	Moneywise Finvest Limited	Subsidiary
5	SMC Investments & Advisors Limited	Subsidiary
5	SMC Global USA Inc (Foreign company)	Subsidiary
7	SMC Global IFSC Private Limited	Subsidiary
В	SMC Insurance Brokers Private Limited	Subsidiary
9	SMC Comex International DMCC (Foreign company)	Subsidiary
10	SMC Real Estate Advisors Private Limited	Subsidiary
11	SMC & IM Capitals Investment Managers LLP	Jointly controlled entity
12	Mr. Subhash Chand Aggarwal	Key managerial personnel
13	Mr. Mahesh Chand Gupta	Key managerial personnel
14	Mr. Ajay Garg	Key managerial personnel
15	Mr. Anurag Bansal	Key managerial personnel
16	Mr. Vinod Kumar Jamar	Key managerial personnel
17	Mr. Suman Kumar	Key managerial personnel
18	Mr. Himanshu Gupta	Director
19	Ms. Shruti Aggarwal	Director
20	Mr. Satish Chand Gupta (upto 25/03/2019)	Independent director
21	Ms. Madhu Vij	Independent director
22	Mr. Kundan Mal Aggarwal	Independent director
23	Mr. Hari Das Khunteta	Independent director
24	Mr. Naveen ND Gupta	Independent director
25	Mr. Chandra Wadhwa	Independent director
26	Mr. Roop Chand Jindal	Independent director
27	Ms. Hemlata Aggarwal	Relative of key managerial personnel
28	Ms. Sushma Gupta	Relative of key managerial personnel
29	Ms. Nidhi Bansal (remuneration paid upto 31/01/2019)	Relative of key managerial personnel
30	Ms. Reema Garg	Relative of key managerial personnel
31	Ms. Meetu Goel	Relative of key managerial personnel
32	Mr. Pranay Aggarwal (remuneration paid upto 31/12/2018)	Relative of key managerial personnel

Note: Related party relationship is as identified by the company and relied upon by the auditors.



NOTE NO. 34.02

Disclosure of transactions between the company & related parties:-

Sr.	Particulars of Transactions	Relationship	For the year ended	
No.			March 31, 2020	March 31, 2019
1	Remuneration			
	Salaries, wages & other benefits	Key managerial personnel	426.04	398.01
	Contribution to defined benefit plan	Key managerial personnel	21.89	30.12
	Total		447.93	428.13
	Colorina warne 0 other hamafita	Deletine of Ken managerial managerial	100.01	100.00
	Salaries, wages & other benefits Contribution to defined benefit plan	Relative of Key managerial personnel Relative of Key managerial personnel	102.01 5.98	128.80 11.94
	Total	Relative of Rey managerial personner	107.99	140.74
	Total		107.55	
2	Directors sitting fee	Independent director	14.55	15.40
3	Investment (equity shares purchase) Moneywise Financial Services			
	Private Limited	Subsidiary	5,000.00	-
	SMC Real Estate Advisors			
	Private Limited	Subsidiary	2,000.00	-
	Moneywise Finvest Limited	Subsidiary	250.00	-
4	Investment (purchase NCD)			
	Moneywise Financial Services			
	Private Limited	Subsidiary	5,000.00	-
	SMC Insurance Brokers Private Limited	Subsidiary	1,000.00	-
5	Investment (sale NCD)			
	SMC Real Estate Advisors Private Limited	Subsidiary	96.00	-
	SMC Insurance Brokers Private Limited	Subsidiary	4,000.00	-
6	Loans & advances given (net)			
	SMC Real Estate Advisors Private Limited	Subsidiary	-	675.36
	SMC Investments & Advisors Ltd	Subsidiary	634.01	-
7	Loans & advances recovered (net)			
	SMC Comtrade Limited	Subsidiary	_	81.03
	Moneywise Financial Services	,		
	Private Limited	Subsidiary	5,594.33	6,307.03
	SMC Real Estate Advisors Private Limited	Subsidiary	2,083.87	-
8	Loans & advances taken (net)			
	SMC Comtrade Limited	Subsidiary	76.03	-



Sr.	Particulars of Transactions	Relationship	For the year ended	
No.			March 31, 2020	March 31, 2019
9	Brokerage received			
	Moneywise Finvest Limited Subs	idiary	3.78	43.38
	SMC Insurance Brokers Private Limited Subs	idiary	0.03	0.13
	SMC Real Estate Advisors Private Limited Subs	idiary	340.14	104.29
10	Rent received			
	SMC Capitals Limited	Subsidiary	4.23	4.23
	SMC Insurance Brokers Private Limited	Subsidiary	98.01	98.01
11	Demat charges received			
	Moneywise Finvest Limited	Subsidiary	0.16	-
	SMC Insurance Brokers Private Limited	Subsidiary	0.30	0.08
	SMC Real Estate Advisors Private Limited	Subsidiary	1.53	0.17
12	Interest income			
	Moneywise Financial Services			
	Private Limited	Subsidiary	817.91	1,173.24
	SMC Investments & Advisors Ltd	Subsidiary	55.97	-
	SMC Real Estate Advisors Private Limited	Subsidiary	254.79	214.80
13	Interest income on NCD (net)			
	SMC Insurance Brokers Private Limited	Subsidiary	0.95	-
	Moneywise Financial Services Private Limited Subsidiary		94.04	-
14	Delay payment charges			
	SMC Real Estate Advisors Private Limited	Subsidiary	0.00	0.09
15	Income from distribution of financial products			
	SMC Capitals Limited	Subsidiary	329.86	171.14
16	Dividend received			
	SMC Insurance Brokers Private Limited	Subsidiary	1,373.60	-
17	Expense for distribution of financial			
	products			
	Moneywise Financial Services			
	Private Limited	Subsidiary	1.34	-
18	Interest expenses			
	SMC Comtrade Limited	Subsidiary	3.66	-
	Moneywise Finvest Limited	Subsidiary	16.29	0.38
	Moneywise Financial Services			
	Private Limited	Subsidiary	-	4.08



(₹ in Lakhs)

Sr. No.	Particulars of Transactions	Relationship	For the year ended	
			March 31, 2020	March 31, 2019
19	Legal & professional expense paid			
	SMC Capitals Limited	Subsidiary	-	1.10
20	Impairment on financial instruments			
	SMC Global USA Inc	Subsidiary		
	Loan		7.82	87.01
	Investment		-	81.22
21	Payment made on behalf			
	SMC Global IFSC Private Limited	Subsidiary	-	1.06
22	Reimbursement of expenses received (net)			
	Moneywise Financial Services Private Limited	Subsidiary	3.50	0.33
	SMC Global IFSC Private Limited	Subsidiary	0.01	0.04
	Moneywise Finvest Limited	Subsidiary	2.15	0.09
	SMC Capitals Limited	Subsidiary	-	2.25
	SMC Finvest Limited	Subsidiary	-	0.42
	SMC Investments & Advisors Private Limited	Subsidiary	23.07	-
	SMC Insurance Brokers (P) Limited	Subsidiary	25.31	12.67
	SMC Real Estate Advisors Private Limited	Subsidiary	18.97	0.02
23	Reimbursement of expenses paid (net)			
	SMC Capitals Limited	Subsidiary	1.49	-

Transactions and balances with KMPs and their relatives, related parties (except subsidiaries) through stock exchanges / depositories / PMS 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. 34.03

Balances outstanding

(₹ in Lakhs)

Sr.	Particulars of Transactions	Relationship	For the year ended	
No.			March 31, 2020	March 31, 2019
1	Loans			
	Moneywise Financial Services Private Limited	Subsidiary	378.48	5,972.81
	SMC Global USA Inc (net of provision)	Subsidiary	72.18	66.23
	SMC Real Estate Advisors Private Limited	Subsidiary	175.05	2,258.92
	SMC Investments & Advisors Private Limited	Subsidiary	634.01	-
2	Trade receivables			
	Moneywise Financial Services Private Limited	Subsidiary	0.00	0.01
	SMC Capitals Limited	Subsidiary	30.57	17.28
	Moneywise Finvest Limited	Subsidiary	0.01	-
	SMC Insurance Brokers Private Limited	Subsidiary	0.01	-
3	Other receivables			
	Moneywise Financial Services Private Limited	Subsidiary	0.75	-
	SMC Global IFSC Private Limited	Subsidiary	0.01	24.82
	Moneywise Finvest Limited	Subsidiary	0.06	-
4	Trade payables			
	Moneywise Finvest Limited	Subsidiary	106.94	0.87
	SMC Real Estate Advisors Private Limited	Subsidiary	3.49	10.94
5	Other payables			
	Moneywise Finvest Limited	Subsidiary	-	3.09
	SMC Capitals Limited	Subsidiary	-	3.99
	SMC Insurance Brokers Private Limited	Subsidiary	1.01	-
	SMC Real Estate Advisors Private Limited	Subsidiary	22.48	-
6	Borrowings			
	SMC Comtrade Limited	Subsidiary	76.03	-
7	Other financial liabilities			
	Moneywise Financial Services Private Limited	Subsidiary	4.35	-
	Moneywise Finvest Limited	Subsidiary	49.90	6.00
	SMC Insurance Brokers Private Limited	Subsidiary	49.00	49.00
	SMC Real Estate Advisors Private Limited	Subsidiary	0.79	517.80

Note:

During the year the composite scheme of arrangement within group companies was approved 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 with appointed date of April 1, 2018 which resulted into:

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



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. 36

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:

(₹ in Lakhs)

Particulars		For the year ended	
	March 31, 2020	March 31, 2019	
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 $$ Act, $$ 2	2006 -	-	

NOTE NO. 37

COVID-19 has been declared as a global pandemic, the Government of India has declared complete lockdown since March 24, 2020 and the same is continuing with exemptions and essential services were allowed to operate with limited capacity. Capital market services have been declared as essential services and accordingly, the Company has been continuing the operations with minimal permitted staff and remaining employees were encouraged to work from home. All operations and servicing of clients were smoothly conducted without any interruption as the activities of trading, settlement, DP, stock exchanges, depository functions and other ancillary services have been fully automated with defined processes. There have been no adverse impacts on the assets, liquidity or operational parameters during the quarter and year ended March 31, 2020. The Company is closely monitoring its operations on a continuous basis and believes that it has taken into account all the possible impact of known events arising out of COVID-19 pandemic in the preparation of financial statements.

NOTE NO. 38

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/-Vikash Agarwal

Partner

Membership No.: 519574

Place: New Delhi Date: June 09, 2020 For and on behalf of the Board

sd/-S.C. Aggarwal Chairman & Managing Director

DIN: 00003267

Group CFO

sd/-Vinod Kumar Jamar sd/-Mahesh C. Gupta Vice-Chairman & Managing Director

DIN: 00003082

sd/-Suman Kumar

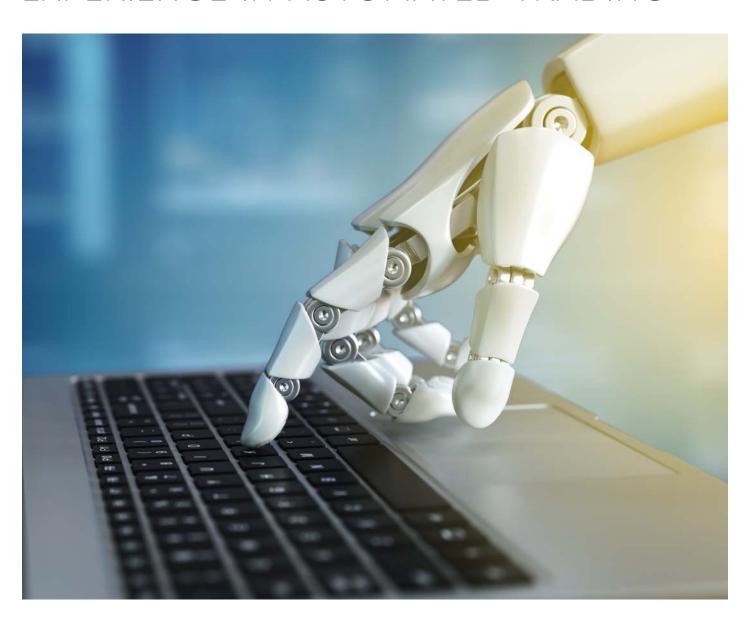
Company Secretary

sd/-

Ajay Garg Director & CEO

DIN: 00003166

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SMC Global Securities Limited

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