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SMC GLOBAL SECURITIES LIMITED

Member: NSE • BSE • MSE • NCDEX • ICEX • MCX

Clearing & Trading Member : Cash, F&O, Currency, Debt & Commodity

SEBI Regn. No. : INZ 000199438 • Research Analyst No. : INH100001849 • Investment Adviser No. : INA100012491

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

Ph : +91-11-30111000, 40753333 Fax : +91-11-25754365 • CIN No. : L74899DL1994PLC063609

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

Listing Operations BSE Limited, P J Towers, Dalal Street, Mumbai -400001, India Scrip Code: 543263	Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400051 Symbol: SMCGLOBAL	Listing Department, Calcutta Stock Exchange Limited 7, Lyons Range, Dalhousie Kolkata - 700001, West Bengal Scrip Code: 029186
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Sub:-Annual Report along with Notice of Annual General Meeting for the financial year ended 31st March, 2021.

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are hereby submitting the Annual Report including Business Responsibility Report of the Company for the Financial year 2020-21 along with Notice of 27th Annual General Meeting scheduled to be held on Saturday, 07th August, 2021 through VC /OAVM at 11:00 A.M.

Annual Report and the Notice of Annual General Meeting is also uploaded on the Company's website at:

<https://smcindiaonline.com/wp-content/uploads/2021/07/SMC-Annual-Report-2020-21.pdf>

<https://smcindiaonline.com/wp-content/uploads/2021/07/SMC-AGM-Notice-2020-21.pdf>

and this is also available on the website of Company's Registrar and Transfer Agent, Link Intime India Pvt. Limited at: <https://instavote.linkintime.co.in/>.

Kindly take the same on your record.

Yours faithfully,

For SMC Global Securities Limited




Suman Kumar
E.V.P. (Corporate Affairs), Company Secretary & Compliance Officer
(Membership No. F5824)

MUMBAI OFFICE : A Wing, 401/402, Lotus Corporate Park, Graham Firth Steel Compound, Off Western Express Highway, Jay Coach Signal, Goregaon East
Mumbai-400063 Ph : +91-22-67341600, 66481818 Fax : +91-22-67341697 E-mail : smcmumbai@smcindiaonline.com

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E-mail : smckolkata@smcindiaonline.com



SMC GLOBAL SECURITIES LIMITED

Registered Office: 11/6-B, Shanti Chamber,

Pusa Road, New Delhi-110005

E-mail: smc@smcindiaonline.com

Website: www.smcindiaonline.com

CIN: L74899DL1994PLC063609



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Notice of 27th Annual General Meeting

NOTICE IS HEREBY GIVEN

THAT the Twenty Seventh (27th) Annual General Meeting of the Members of SMC Global Securities Limited will be held on **Saturday, August 07, 2021 at 11:00 A.M.** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact with or without modifications as may be permissible, the following business:-

ORDINARY BUSINESSES**Item No. 1: Adoption of Accounts:**

To receive, consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2021 together with the Reports of the Board of Directors and Auditors thereon; and

- b) the Audited Consolidated Financial Statement of the Company for the Financial Year ended on March 31, 2021 together with the Report of the Auditors thereon.

Item No. 2: Declaration of Final Dividend:

To declare a Final Dividend of 40% on the Face Value of the Equity Share (i.e. ₹ 0.80 per Equity Shares of Face Value of ₹ 2/- each) and to confirm the payment of Interim Dividend of 60% of the Face Value of the Equity Share (i.e. ₹ 1.20 per Equity Shares of Face Value of ₹ 2/- each) already paid for the Financial Year 2020-21.

Item No. 3: Re-appointment of Ms. Shruti Aggarwal:

To appoint a Director in place of Ms. Shruti Aggarwal, (DIN 06886453), who retires by

rotation, in terms of Section 152(6) of Companies Act, 2013 and being eligible, offers herself for re-appointment.

SPECIAL BUSINESSES**Item No. 4: Adoption of new Memorandum of Association pursuant to the provisions of Companies Act, 2013**

To consider and if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 13, 15 and other applicable provisions of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force and Rules made thereunder and subject to necessary statutory approvals and modifications

if any, consent of the members be and is hereby accorded to adopt new set of Memorandum of Association in place of existing Memorandum of Association with no change in Clause III (A) containing the Main Objects sub-clause no. 1 to 4.

RESOLVED FURTHER THAT

the existing Clause III (B) containing the "The Objects incidental or ancillary to the attainment of the main objects are" sub-clause no. 1 to 29 be and is hereby retained and replaced by new Clause III (B) "Matters which are necessary for furtherance of the objects specified in Clause III (A) containing the sub-clause no. 1 to 29.

RESOLVED FURTHER THAT

the existing Clause III (C) containing the "Other objects" sub-clause no. 1 to 43 be and is hereby also deleted in full.

RESOLVED FURTHER THAT

the consent of members of the Company be and is hereby accorded to approve and adopt the aforesaid changes in the Memorandum of Association of the Company and that Mr. Ajay Garg, Director & Chief Executive Officer and Mr. Suman Kumar,

Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

Item No. 5: Adoption of new Articles of Association pursuant to the provisions of Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution:**

RESOLVED THAT

pursuant to the provisions of Section 14, 15 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) the consent of the members be and is hereby accorded to adopt the new

set of Articles of Association as prescribed under Table "F" of Schedule I of Companies Act, 2013 in place of existing Article of Association containing Article No. 1 to Article No. 212 as available for inspection in the meeting and at the registered office of the company during working hours.

RESOLVED FURTHER THAT

the shareholders approval granted on 30th September, 2009 and 29th September, 2010 for the purpose of increasing the maximum number of directorship in the Company from twelve directors to twenty directors and for approval of appointment of Whole Time Director on rotational basis, respectively the same has been adopted in the new set of Articles of Association of the Company.

RESOLVED FURTHER THAT

subject to approval of the shareholders, Mr. Ajay Garg, Director & Chief Executive Officer and Mr. Suman Kumar, Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper,

necessary or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

Item No. 6: Authorization to hold office or place of profit by Ms. Shweta Aggarwal daughter (Relative) of Mr. Subhash Chand Aggarwal (Chairman and Managing Director of the Company) as Whole Time Director from Non-Executive Director of SMC Capitals Limited, Wholly Owned Subsidiary of the Company:

To consider and if, thought fit, to pass the following resolution with or without any modification(s) as **special resolution:**

“RESOLVED THAT pursuant to the provisions of section 188(1) of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the consent of members be and is hereby accorded for appointment of Ms. Shweta Aggarwal

daughter of Mr. Subhash Chand Aggarwal, Chairman and Managing Director of Company as the Whole Time Director of SMC Capitals Limited being an office and place of profit within the meaning of section 188(1) of the Companies Act, 2013 at a monthly remuneration of ₹ 3,00,000/- (Rupees Three Lakhs) plus discretionary performance bonus upto ₹ 50 lakhs to be decided by the management.

RESOLVED FURTHER THAT Mr. Suman Kumar, Company Secretary & or any Directors of the Company be and is hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

By Order of the Board of Director`s

For SMC Global Securities Limited

Sd/-

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

Date: June 07, 2021

Place: New Delhi

NOTES:

1. Considering the continued Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated January 13, 2021 read together with General Circulars dated May 5, 2020, April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (**‘the Act’**) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through **VC / OAVM**. The deemed venue for the AGM shall be the Registered Office of the Company.
2. The Explanatory Statements pursuant to Section 102 of

the Companies Act, 2013 are given below and forms part of the Notice.

3. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.

4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

6. Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of the Companies Act, 2013 and rules made there under, the Register of Members and Share Transfer Books of the

Company will remain closed from **Saturday, July 17, 2021 to Wednesday July 21, 2021 (Both days inclusive)**, for determining the names of members eligible for Final Dividend on Equity Shares, if declared, at the meeting.

7. Subject to the provisions of Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration:

i. To those members whose names appear on the Company's register of members, after giving effect to all valid share transfers in physical form lodged with **Link In time India Pvt. Ltd.**, Registrar and Share Transfer Agent of the Company on or before closing of business hours of **Friday, July 16, 2021.**

ii. In respect of shares held in electronic form, to those "**deemed members**" whose names appear in the statements of beneficial ownership furnished by National Securities

Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the closing of business hours of **Friday, July 16, 2021.**

8. Members holding shares in electronic form may take note that bank particulars registered against their respective depository account will be used by the company for payment of dividend. The company or its registrar and transfer agent i.e. M/s Link Intime India Pvt. Ltd. cannot act on any request received directly from members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.

9. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company or Company's Share Transfer Agent the details of such folios together with the share certificates

for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the share transfer form SH-4.

10. Members who are holding shares in physical form and in single name are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Corporate Affairs and Legal Department of the Company at its Office.
11. The Securities and Exchange Board of India (SEBI) vide Circular Ref. No. MRD/DOP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/Registrar and Share Transfer Agent for registration of such transfer of shares.
12. Company will be disclosing to the Stock Exchanges, as per Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of results of voting on each of the resolutions proposed in this Notice.
13. Pursuant to Section 101 and 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Link Intime India Pvt. Ltd. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
14. Members seeking any information/document relating to the Accounts, Legal and other matters with respect to the businesses to be transacted at the Annual General Meeting may write to the Company Secretary at the Registered Office of the Company at least seven days in advance of the Meeting.
15. Members have facility for dematerializing equity shares of the Company with National Securities Depository Ltd. and Central Depository Services (India) Ltd. The ISIN No. allotted to the Company is

INE103C01036. Any member desirous of dematerializing his holding may do so through any Depository Participant.

Registrar and Share Transfer Agent at the following address:

(ii) their respective Depository Participant (DP), if shares are held in electronic form.

16 Members are requested to visit the website of the Company i.e. **'www.smcindiaonline.com'** at Investor's Corner Section for viewing the quarterly & annual financial results and for more information about the Company.

Link Intime India Private Limited

Unit: SMC Global Securities Limited
Noble Heights, 1st Floor, Plot NH 2
C-1 Block LSC, Near Savitri Market
Janakpuri, New Delhi - 110058
Tel no. 011-41410592, 93, 94
E-mail id: delhi@linkintime.co.in
Website: www.linkintime.co.in

For effecting changes in address/bank details, members are requested to notify:

17 Members may please note that all investor related communication may be addressed to the

(i) the R&T Agent of the Company, viz. Link Intime India Pvt. Ltd., if shares are held in physical form; and

18. INSTRUCTIONS FOR E-VOTING AND JOINING THE ANNUAL GENERAL MEETING ARE AS FOLLOWS:

A. REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS (INSTAVOTE)

Pursuant to SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants as under.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nSDL.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.

Type of shareholders	Login Method
	<ul style="list-style-type: none"> • After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.

Type of shareholders	Login Method
<p>Individual Shareholders (holding securities in demat mode) & login through their depository participants</p>	<ul style="list-style-type: none"> • You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.</p>	<ol style="list-style-type: none"> 1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in • Click on “Sign Up” under 'SHARE HOLDER' tab and register with your following details: <ul style="list-style-type: none"> A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable). C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format). D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. • Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above. • Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). • Click “confirm” (Your password is now generated). 2. Click on 'Login' under 'SHARE HOLDER' tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. 4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon. 5. E-voting page will appear. 6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). 7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

INSTITUTIONAL SHAREHOLDERS:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc., together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME have forgotten the password:

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of

the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc., as mentioned above.

- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000

B. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

- Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
- Select the "**Company**" and '**Event Date**' and register with your following details: -
 - Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- Click "Go to Meeting" (You are now registered for In website InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

- Shareholders who would like to speak during the meeting must register their

request 3 days in advance with the company on the specific email id created for the general meeting.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: Tel: 022-49186175.

19. The Members who have cast their vote by remote e-voting prior to the AGM may also participate in the AGM through VC/OAVM facility but shall not be entitled to cast their vote again through e-voting facility available during the AGM.

20. Any person who acquires shares and becomes the member of the Company after the dispatch of the notice of e-AGM and holds shares as of the **cut-off date i.e. Saturday, July 31, 2021** may obtain the login ID and password for remote e-voting by sending request to Link Intime India Pvt. Ltd. at enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000. Any person who is not a member as on cut-off date should treat the notice of the e-AGM for information purpose only.

21. All documents referred to in the

accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during business hours (11:00 A.M. to 1:00 P.M.) on all working days except on holidays, up to and including the date of the Annual General Meeting of the Company.

22. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.smcindiaonline.com, and on the website of Company's Registrar and Transfer Agent, LINK INTIME INDIA PVT. LIMITED at <https://instavote.linkintime.co.in>

23. Compulsory transfer of Equity Shares to IEPF Account: Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and the applicable rules. Members may note that the dividend and shares transferred to the IEPF can be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Previous year the Unpaid Dividend and respective Equity Shares for the Interim

Dividend paid for the F.Y. 2013-14 has been transferred to Investor Education and Protection Fund (IEPF).

Information on the procedure to be followed for claiming the dividend /shares is available on the website of the company at the link <https://smcindiaonline.com/wp-content/uploads/2021/05/Procedure-for-claiming-dividend-and-shares-from-IEPF-Authority-1.pdf>

24. GENERAL

- A) **M/s A. K. Roy & Associates, (CP No. 9147)** Practicing Company Secretaries, has been appointed as the Scrutinizer of the Company to scrutinize the e-voting process in a fair and transparent manner.
- B) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on **Saturday, July 31, 2021**.
- C) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- D) The Scrutinizer shall within a period not exceeding three (3) working days from

the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

- E) The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the Annual General Meeting of the Company and will accordingly be communicated to the stock exchanges.

25. REMOTE E-VOTING PERIOD

Commence from:

04th August, 2021, 09:00 A.M

End at : 06th August, 2021, 05:00 P.M

[Remote e-voting module shall be disabled post this date]

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 sets out all material facts relating to the business mentioned in item no. 4, 5 & 6 in the accompanying Notice of the Annual General Meeting are annexed herewith:-

ITEM NO. 4 & 5:

The existing Memorandum of Association (MOA and Articles of Association ("AOA") of the Company, based on the Companies Act, 1956 are no longer in conformity with the 2013 Act. With the coming into force of 2013 Act, several regulations of MOA & AOA require alteration/deletion. Given this position, it is considered expedient to adopt a new set of Articles of Association and Memorandum of Association (primarily based on Table A & Table F set out under Schedule I to the Companies Act, 2013) in place of existing MOA & AOA, instead of amending it by alteration/incorporation of provisions of 2013 Act. As per the provisions of Section 13 & 14 of the Companies Act, 2013, a special resolution has to be passed by the members of the Company for adoption of amended and restated MOA & AOA of the Company.

The Board of Directors of the Company took note of shareholders approval granted on 30th September, 2009 and 29th September, 2010 for the purpose of increasing the maximum number of directorship in the Company from twelve directors to twenty directors and for approval of appointment of Whole Time Director on rotational basis, respectively and the same has been adopted in the new set of Articles of Association of the Company.

The Board recommends the above resolution to the shareholders for their approval as Special Resolutions. A copy of amended and restated MOA & AOA of the Company would be available for inspection of the members at the Registered Office of the Company during the business hours on any working day.

None of the directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the said resolution.

ITEM NO. 6

The change in designation of Ms. Shweta Aggarwal, Daughter (relative) of Mr. Subhash Chand Aggarwal, Chairman and Managing Director of the Company, as Whole Time Director of SMC Capitals Limited, Wholly Owned Subsidiary of the Company, to hold and continue to hold an office or place of profit on a monthly remuneration of ₹ 3,00,000/- (Rupees Three Lakhs) plus discretionary performance bonus upto ₹ 50 lakhs to be decided by the management.

Further, pursuant to Section 188 of the Companies Act, 2013 and the rules made there under, your consent is being sought for the same.

Except Mr. Subhash Chand Aggarwal, Chairman and Managing Director of the Company, none of the Directors and Key Managerial Personnel are concerned or interested in the said resolution except to the extent of their shareholding, if any.

The Board of Directors of your Company recommends passing of the aforesaid **Special Resolution**.

The information required under Rule 15 (3) of Companies (Meetings of Board and its Powers) Rules, 2014 is given below.

Particulars	Specification
(a) Name of the Related Party;	Ms. Shweta Aggarwal (DIN: 01385796)
(b) Name of the Director or Key Managerial Personnel who is related, if any;	Mr. Subhash Chand Aggarwal (Chairman and Managing Director)
(c) Nature of Relationship;	Daughter
(d) Nature, Material terms, Monetary value and Particulars of the contract or arrangement;	On a monthly remuneration of ₹ 3,00,000/- (Rupees Three Lakhs) plus discretionary bonus upto ₹50 lakhs depending on the performance of the director
(e) Any other information relevant or important for the members to take a decision on the proposed resolution.	No

Annexure to the Notice dated 07th June, 2021**Details of Directors retiring by rotation/seeking appointment/re-appointment at the ensuing Annual General Meeting**

[Pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Particulars	Ms. Shruti Aggarwal (DIN: 06886453)
Age	30 years
Qualifications	FCA, CFA & MBA
Experience (including expertise in specific functional area)/Brief Resume	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.
Terms & Conditions of Appointment/Reappointment	As per existing terms and conditions
Remuneration last drawn (including sitting fees, if any)	NIL
Remuneration proposed to be paid	--
Date of first appointment on the Board	June 16, 2017
Shareholding in the Company as on March 31, 2021	NIL
Relationship with other Directors/Key Managerial Personnel	Mr. Subhash Chand Aggarwal, Chairman & Managing Director of the Company is father of Ms. Shruti Aggarwal
Number of meetings of the Board attended during the year	Four
Directorships of other Boards as on March 31, 2021	None
Membership / Chairmanship of Committees of other Boards as on March 31, 2021	None

**By Order of the Board of Directors,
For SMC Global Securities Limited**

Sd/-
(Suman Kumar)
E.V.P. (Corporate Affairs) & Company Secretary

Date: 07th June, 2021

Place: New Delhi

PROSPERING WITH A PURPOSE



ANNUAL REPORT 2020-21

SMC GLOBAL SECURITIES LIMITED

27th Annual General Meeting

Day: Saturday

Date: 7th of August, 2021

Time: 11:00 A.M.

Venue: Through Video Conferencing ("VC") /
other Audio Visual Means ("OAVM")

“
Dreams transform into thoughts
and thoughts result in action

- Dr. A.P.J Abdul Kalam



The Chairman of NSE handing over memento for Listing of Equity Shares of SMC Global Securities Limited at National Stock Exchange on 24th February, 2021 to Mr. Subhash Chand Aggarwal, Chairman and Managing Director, Mr. Mahesh C. Gupta, Vice Chairman and Managing Director, Mr. D.K. Aggarwal, (CMD, SMC Capitals Limited) and Mr. Ajay Garg, Director and Chief Executive Officer.

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Performance Snapshot*

PROFIT AFTER TAX

Standalone 7,013.91 [135.91%] ▲
 Consolidated 10,007.44 [319.39%] ▲
 (₹ in Lakhs)

EARNINGS PER SHARE

Standalone ₹ 6.20 [135.91%] ▲
 Consolidated ₹ 8.85 [319.39%] ▲

REVENUE

Standalone 49,297.64 [16.86%] ▲
 Consolidated 89,294.40 [14.70%] ▲
 (₹ in Lakhs)

NET WORTH

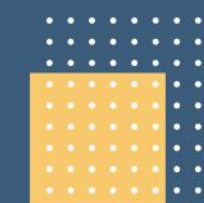
Standalone 67,147.12 [10.03%] ▲
 Consolidated 77,270.88 [13.40%] ▲
 (₹ in Lakhs)

TOTAL INCOME

Standalone 51,455.21 [13.61%] ▲
 Consolidated 90,158.92 [14.98%] ▲
 (₹ in Lakhs)

TOTAL EXPENSES

Standalone 41,573.56 [0.09%] ▲
 Consolidated 76,638.95 [3.71%] ▲
 (₹ in Lakhs)



Our Management



Mr. Subhash Chand Aggarwal
Chairman & Managing Director



Mr. Mahesh C. Gupta
Vice Chairman & Managing Director



Mr. Ajay Garg
Director & Chief Executive Officer



Mr. Anurag Bansal
Whole Time Director



Mr. Himanshu Gupta
Non-Executive Director



Mrs. Shruti Aggarwal
Non-Executive Director



Mr. Kundan Mal Agarwal
Independent Director



Mr. R.C. Jindal
Independent Director



Mr. Naveen ND Gupta
Independent Director



Mr. H.D. Khunteta
Independent Director



Mr. Chandra Wadhwa
Independent Director



Mrs. Madhu Vij
Independent Director



Mr. Vinod Kumar Jamar
Chief Financial Officer



Mr. Suman Kumar
E.V.P. Corporate Affairs &
Company Secretary

Journey of Innovation and Customer Delight

1994 SMC Global Securities Limited was incorporated.



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

1995

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.



SMC ventured into depository services with CDSL registration and in 2009 also got registered with NSDL.

2000

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 (DGEX).



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.

2006

2007

Started providing NRI services, Institutional trading and advisory services.



SMC went digital by providing facility to trade online in equities, derivatives and commodities. NBFC Started providing margin funding and IPO financing to clients.

2008



SMC became trading and clearing member of Bombay Stock Exchange Limited.

2009

2010

Launched corporate hedging desk.



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

2014

2016

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



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

2017

2018

INDIAKALOAN.COM
Started online marketplace for instant customized rate quotes on loans.
SMC GOLD DESK
Introduced ultimate service experience for exclusive clients.



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

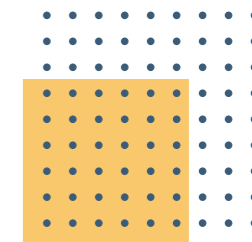
2019

2021

The equity shares of the Company were listed on nationwide trading platforms of NSE and BSE on 24th February, 2021. The Company has been ranked among top 1000 listed entities of India as per its market capitalization of 31st March, 2021.



SMC Global Securities Limited



BOARD OF DIRECTORS

MR. SUBHASH CHAND AGGARWAL
(Chairman & Managing Director)

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

MR. AJAY GARG
(Director & CEO)

MR. ANURAG BANSAL
(Whole-Time Director)

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

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

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

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

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

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

MR. HIMANSHU GUPTA
(Non-Executive Director)

MS. SHRUTI AGGARWAL
(Non-Executive Director)

COMPANY SECRETARY & COMPLIANCE OFFICER

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

GROUP CHIEF FINANCIAL OFFICER

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

STATUTORY AUDITORS

R. GOPAL & ASSOCIATES
Chartered Accountants

REGISTERED OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED

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

BANKERS

AU Small Finance Bank Ltd., Axis Bank Ltd., Canara Bank, DCB Bank Ltd., HDFC Bank Ltd., ICICI Bank Ltd., IDBI Bank, Indian Overseas Bank, Indusind Bank Limited, Kotak Mahindra Bank, Punjab National Bank, RBL Bank Limited, State Bank of India, The Federal Bank Ltd., Yes Bank Ltd.



Foreword by the Chairman

"Coming together is a beginning.
keeping together is progress.
working together is success."

- Henry Ford



DEAR STAKEHOLDERS,

In these tough times, I would like to begin by wishing all the stakeholders and their family members good health and safety. My heart and prayers go out to the families and friends whose lives have been impacted by the pandemic. In this hour of need, we extend our gratitude to the frontline COVID warriors i.e. the doctors, nurses, health workers, police, ambulance services, sanitation workers and such other people who are risking their lives to save the Country from the pandemic.

At SMC, we are trying to do our bit by contributing for the fight against the disaster caused by the pandemic. During the year, the Company has contributed significant amount of CSR spending towards prevention of the disease and cure of COVID-19 patients. Further, the Company is intending to continue its support for prevention and cure of COVID-19 by allocating some portion of its CSR budget of upcoming years for the welfare of COVID infected patients.

The year under review has been the most challenging for the industries and businesses all over the world. The unprecedented times have created unprecedented situations for businesses across the Country due to complete lockdown of services. However, the operations of some essential service providers including securities market intermediaries were allowed to operate with limited onsite capacity. Accordingly, with the help of the minimum employees at the office and others working remotely from home, the Company was able to continue its operations.

Talking about the economics of the Country during the year, where many industries and markets were witnessing slowdown, the stock indices in India recorded an all time high in 2020-21 due to FPI inflows, robust corporate earnings, roll out of COVID-19 vaccine and announcement of growth-oriented Union Budget for financial year 2021-22. The BSE Sensex

gained 75% in FY 2020-21 and closed at 49,509 on March 31, 2021. Also, according to recent SEBI data, the dematerialised accounts in the Country have increased substantially during the financial year, which sets forth the increasing faith of the investors in stock market. The journey of stock market during the financial year has been a roller coaster but rewarding for the stock holders. Your Company being in the stock broking business has been beneficiary of increased level of activity in the markets.

This gives me immense pleasure to inform that even during such tough times, your Company has been successful in recording an outstanding performance by achieving a consolidated revenue of ₹ 90,159 Lakhs in FY 2020-21 as compared to ₹ 78,413 Lakhs in previous year and a PAT i.e. Profit after Tax of ₹ 10,007 Lakhs as compared to ₹ 2,386 Lakhs in the previous year, which is more than four times of the profit recorded in previous year. During the financial year, the Company recorded earnings per share at ₹ 8.85 per share on a consolidated basis against ₹ 2.11 per share in previous financial year.

I would also like to mention that the Company during the financial year has declared an interim dividend of 60% i.e. ₹ 1.20 per equity share of ₹ 2 each. Further, the Board of Directors considering the performance of the Company for the financial year, also recommends

declaration of final dividend of 40% for FY 2020-21 i.e. ₹ 0.80 per equity share of ₹ 2/- each, which if approved, shall result in payment of total dividend @ 100% i.e. ₹ 2/- on the face value of equity shares of ₹ 2/- each for the FY 2020-21. This signifies that the Company is committed to distribute adequate share of profits among the shareholders.

Apart from recording an exceptional performance, your Company has, during the year, listed its equity shares on nationwide trading platforms of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) through Direct Listing i.e. without fresh issue of equity. The equity shares of the Company were listed on 24th of February, 2021 at an opening price of ₹ 91.60 per share on BSE and at ₹ 90.90 per share on NSE. The listing of shares on the national stock exchanges is expected to provide enhanced liquidity to our shareholders and add to visibility and reputation of the Company. It also gives me great pleasure to inform that your Company has been ranked as 864th among the top 1000 listed companies in India, in terms of market capitalisation by NSE and BSE as on 31st March, 2021. As at the end of the financial year 2020-21, the equity shares of your Company are listed on Calcutta Stock Exchange, Bombay Stock Exchange and National Stock Exchange. The Company has voluntarily filed a delisting application with the Calcutta Stock





Exchange for delisting its equity shares from the exchange; however, the approval is still awaited.

On the regulatory front, since the Company has been ranked among top 1000 listed companies in India, there are various provisions which have been made applicable on the Company for the first time from this financial year. Apart from the aforesaid, the regulatory mechanism for companies in general has become dynamic with numerous disclosures, intimations, approvals, reviews and reporting provisions, which are topped up with frequent amendments and circular. In this ever-changing regulatory environment, it is very important to have a mechanism for ensuring adequate and correct compliances. We at SMC keep ourselves updated with all the new regulations and amendments applicable on the Company and are very adaptive to the changes in law. The Board of Directors of the Company play a vital role in ensuring compliance of different laws applicable on the Company and the management of SMC always strive towards ensuring better compliances and effective governance systems in the Company.

The Board of Directors of the Company is highly motivated to enhance the brand visibility of the Company and shall continue to meet the aspirations of the stakeholders. Further, being socially responsible, the Company has strong commitment towards environment sustainability and social development.

Risk averseness is also one of the key ingredients of an effective management in any Company, therefore, the Board by way of frequent strong internal audit and control checks along with risk identification and mitigation plans, minimizes the risks of any sudden threat or loss to the Company.

On business front, your Company is one of the leading players providing financial services across the Country. The Company has a diversified portfolio of offering services to its customers such as brokerage, clearing services, depository participant services, investment banking, wealth management, PMS, real estate broking, mortgage & loan advisory, NRI & FPI services etc. categorised under Broking, Distribution and Trading segment apart from Financing business and Insurance Broking business. The diversified business of the Company is conducted through the subsidiaries and joint venture companies. The broking, distribution and trading segment of the Company recorded a profit before interest and tax of ₹ 13,838 Lakhs as against ₹ 5,206 Lakhs in previous year, whereas the insurance broking services and financing activities witnessed a slight dip in their profits due to COVID-19 pandemic. The material subsidiaries of the Company i.e. Moneywise Financial Services Private Limited recorded handsome revenue of ₹ 8,213 Lakhs and profit after tax of ₹ 1,642 Lakhs for the financial year, while, SMC Insurance Brokers Private Limited recorded a revenue

of ₹ 24,563 Lakhs and profit after tax of ₹ 585 Lakhs during the financial year.

Here, I would also like to highlight that Moneywise Finvest Limited, a wholly owned subsidiary of the Company involved in the business of discount brokerage under brand name STOXKART is also gaining momentum gradually and as on 31st March, 2021 the total clientele of this company increased to 44,930 in number as against only 9,000 at the end of the previous financial year.

Considering the overall financial performance of the Company and the entire SMC group during the FY 2020-21, it can be said that the performance has been excellent and the Company has been successful in generating commendable profits in certain segments of business.

The principal message that I want to convey to all the shareholders of the Company is that the Company along with its subsidiaries and joint venture companies is carving its way out from all the possible challenges and grasping new opportunities that are coming its way in a very informed and sensitive manner, in the interest of the stakeholders. As the Chairman of the Company, I am determined to focus on the mission and vision of the Company and make SMC Global Securities Limited a dominant leader in financial and investment segment. Hence, your support during the journey shall be

worthwhile.

I would also like to acknowledge the efforts of our entire SMC team and extend my gratitude to each employee of the Company for performing restlessly during the pandemic. Finally, I would like to extend my gratitude to all the shareholders, investors business partners and other stakeholders for their continued trust, confidence and support even during such difficult times.

I hope that all of us shall rise stronger through this pandemic and shall embrace humanity.

Sincerely

Sd/-

Subhash Chand Aggarwal
Chairman & Managing Director



Foreword by the Vice-Chairman

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

- Henry Ford



DEAR STAKEHOLDERS,

Amidst the slowdown of economy due to nationwide lockdown in the Country and halt in operations of various business houses, I am pleased to share with you that the operations of your Company were smoothly carried out during the year without any disruption. This was possible because the Government declared the capital market and banking services as essential services. The acclamation of executing undisruptive operations during such tough times goes entirely to the senior management personnel and the employees of the Company.

It gives me great sense of pride to share the outstanding performance of the Company during the financial year not just in financial terms but also in terms of increase in number of clients in different segments. During the financial year 2020-21, the Company recorded consolidated revenue of ₹ 90,159 Lakhs as compared to ₹ 78,413 Lakhs in previous year and a PAT i.e. Profit after Tax of ₹ 10,007 Lakhs as compared to ₹ 2,386 Lakhs in the previous year, which is more than four times of the profit recorded in previous year. During the financial year, the Company recorded earnings per share at ₹ 8.85 per share on a consolidated basis against ₹ 2.11 per share in previous financial year.

In terms of the clientele of the Company, the equity broking segment of the Company recorded an increase of approximately 11% in the number of clients, whereas the currency broking segment and commodity broking segment recorded around 17% increase, and the discount broking segment recorded an increase of approximately 400% in the number of clients.

Talking about the business of the Company, SMC apart from providing

diversified portfolio of services to its customers such as brokerage, investment banking, wealth management, PMS, insurance broking, clearing services, financing, real estate advisory etc., also offers distribution services of IPOs, Mutual Funds, Non-Convertible Debentures, Corporate Fixed Deposits, PMS, Capital gain bonds etc. In this regard, your Company has been consistently ranked among top 20 syndicate members in most of debt and equity issuances of companies over the last ten consecutive years. The Company has also developed a vast network of channel partners for distribution of third-party products. Currently, the Company has a cumulative Asset under Management (AUM) of more than ₹ 3,040 Crores as compared to ₹ 2,450 Crore in previous year and also has over 1.85 lakhs folios in mutual fund segment as on 31st March 2021.

SMC group as a whole has also recorded a commendable performance during the year. SMC Insurance Brokers Private Limited, a material subsidiary of the Company and a Direct Insurance Broker registered with IRDAI, has recorded an increase of approximately 4% in the number of policies and recorded total revenue of ₹ 24,563 Lakhs in FY 2020-21 as compared to ₹ 22,535 Lakhs in previous year which is approximately 9% increase in the revenue.

Moneywise Financial Services Private Limited, another material subsidiary and a non-deposit taking systemically important non-banking financial company has recorded Assets under Management (AUM) of approx. ₹ 583 crores as on 31st March, 2021 since 2017. The Company has recorded an AUM growth at CAGR of 16% and revenue growth at CAGR of 17%. During the year, the subsidiary focussed on expansion of retail loan book which currently stands at 89.5% of total portfolio. The subsidiary disbursed an aggregate amount of ₹ 280 crores towards term loans as against ₹ 235 Crores in previous financial year.

Apart from the material subsidiaries, the other subsidiaries and joint venture company recorded a stable performance during the year.

This year has been important for your Company, as the equity shares of the Company have been listed on nationwide trading platforms for the first time and the Company has been ranked among top 1000 listed companies as per market capitalisation as on 31st March, 2021. The achievement of listing of securities on BSE and NSE is a one step closer towards our vision of becoming a dominant leader in financial and investment segment. With the listing of securities and securing of position among top 1000 listed companies,





the new compliance requirements have been made applicable on the Company and the Company is taking all adequate steps to ensure compliance of the same. We at SMC believe that the key to being a good corporate is by virtue of being a well governed company. Hence, the Company ensures to be updated on real time basis, about the applicability of different laws, rules, regulations and other provisions as may be applicable on the Company and any amendment thereof. In this regard, we have a dedicated team of qualified personnel to ensure compliances of all the laws applicable on the Company.

As a group, we aim to move forward in a sustainable and resilient manner. The management of the Company closely monitors the activities of subsidiaries and joint venture company. Further, being a responsible corporate, we continue to focus our efforts of uplifting the society we operate in. The Company along with Moneywise Financial Services Private Limited, material subsidiary of the Company has formed a trust i.e. SMC Global Foundation to be regarded as the philanthropic arm of the SMC group. The foundation is a channelizing entity for the purpose of undertaking various charitable objects by the SMC group. During the year, the Company has also contributed certain amount

of CSR expenditure to the foundation for undertaking activities mentioned in its objectives.

The pandemic has definitely resulted in halt of operations of various industries and businesses, but has also introduced a new concept of working from home. Though the concept was prevalent in various companies, it has now become a new way of working for every business house, irrespective of its size, nature of business or operations. Your Company being adaptive to the changes in the environment has formulated a policy for remote access to employees and work from home policy, so as to lay down clear guidelines on such adaptation. This indicates that the pandemic situation shall reside eventually, however, the adoption of digital concepts by the companies during such period will grow exponentially.

Further, I would like to highlight that pandemic has exposed the internal non-preparedness of almost all business houses, for a crisis, such as the one, we are going through. This clearly emphasise the need of identification of weaknesses or threats which may come up in future and accordingly prepare a mitigation plan for dealing with such threats or weakness. We at SMC focus on the business continuity plan and the preparedness of the Company for dealing with such

crisis. Further, the regular internal audits, controls and review by various authorities along with the support of our Board of Directors, help us to identify such threats well in advance and prepare for the same. No company, no matter how successful it may be, can be fully secured from the risk arising from an ever-changing environment. We at SMC, try to ensure that risk management system is embedded at all levels in the organisation for ensuring accuracy of detection and mitigation of risks.

As a leader of this esteemed organisation, I am extremely proud of all the employees and associates of the Company who have demonstrated high standards of professionalism. All the employees of the Company are motivated at all times, empowered at all levels and encouraged to come up with new ideas, thinking, and newer way of doing things.

I would also like to express my sincere thanks to our Board Members for their support and dedication towards the Company. Lastly, would extend my gratitude to all the members and stakeholders of the Company for their constant support and cooperation.

Before I conclude, I would like to highlight that we are entering the new financial year i.e. 2021-22 in a similar

situation as the previous year i.e. with widespread pandemic across the Country. However, we assure the stakeholders that the Company shall undertake all necessary steps to improve its performance during current financial year as well.

Sincerely

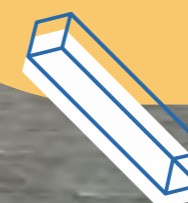
Sd/-

Maresh C. Gupta
Vice-Chairman & Managing Director





a year of
impressive growth
and momentum.





**PROFITABILITY SURGE
OVER 4 TIMES**



**RESILIENT
PERFORMANCE DURING
UNPRECEDENTED
TIMES**

**SMC EQUITY SHARES
WERE LISTED ON
NSE & BSE**



**WORKING REMOTELY
WITH FULLY
INTEGRATED SERVICE
SUPPORT**



**ADAPTING TO NEW WAYS
TO WORK & THRIVE**



**STRENGTHENING DIGITAL
ENABLED PRODUCTS,
SERVICES & OPERATIONS**



doing our bit in combating covid-19 pandemic



The Company donated ₹51 Lakhs to PM Cares Fund for the prevention of spread of COVID-19

Contributed for 150 bed facilities at MCL Saraswati Bal Mandir

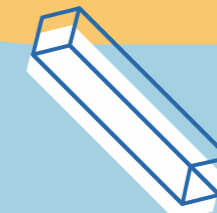
Distributed N-95 masks & food packets to Corona Frontline Warriors

Facilitated the employees of the Company diagnosed with COVID-19 with special leaves, food bill reimbursements and advance salary

Tie-up with hospitals for providing medical consultation to employees and their family members diagnosed with COVID-19

Vaccination drive for employees and their family members

Children Allowance & Reimbursement Policy exclusively for children of employees deceased due to COVID-19



CORPORATE OVERVIEW

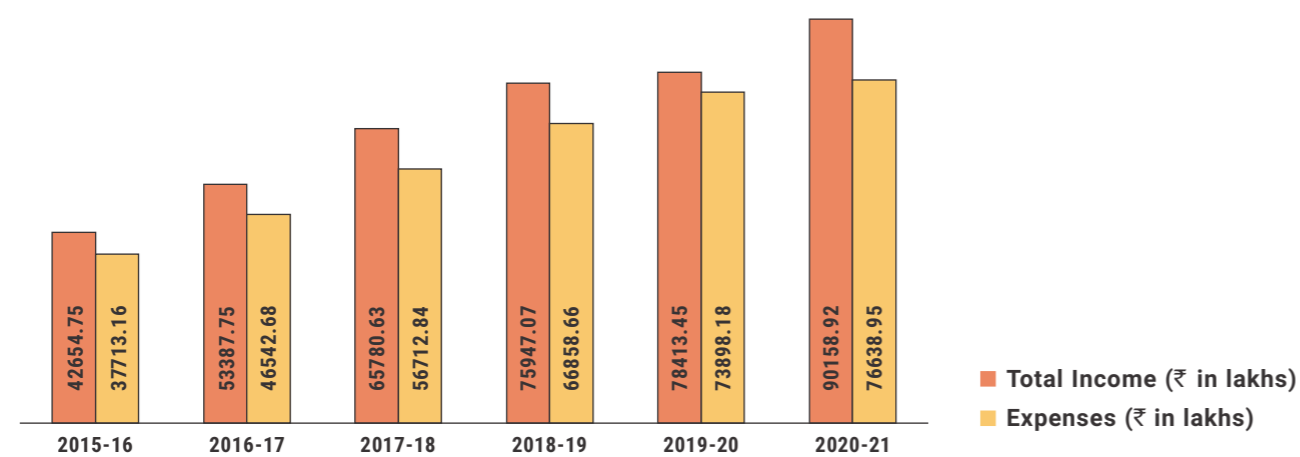
delivering excellent numbers



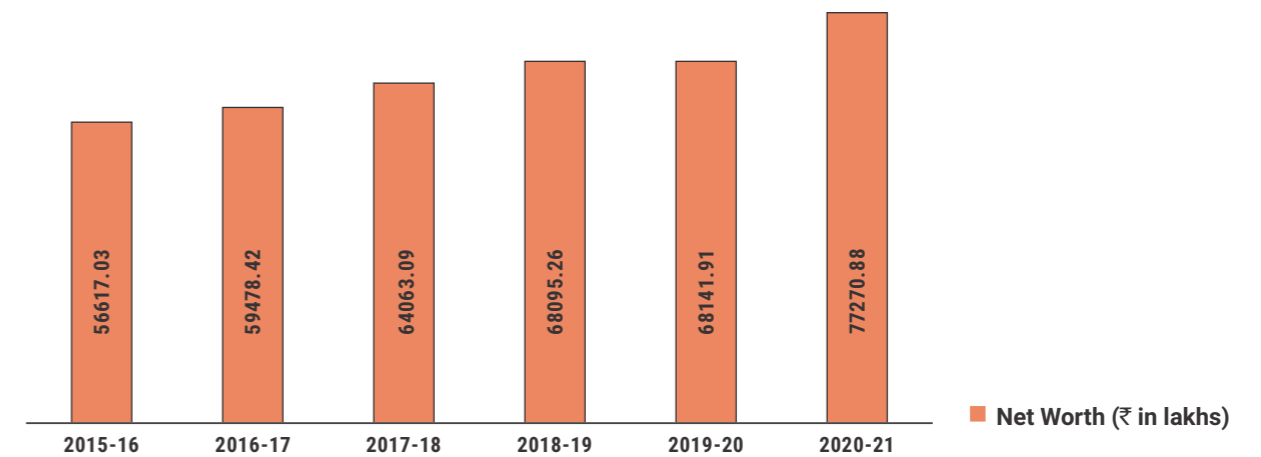
Financial Highlights



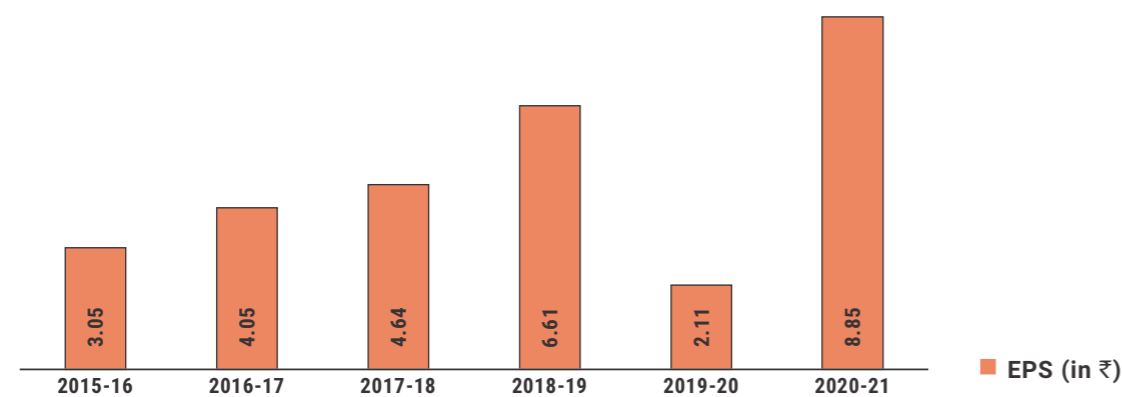
CONSOLIDATED TOTAL INCOME V/S EXPENSES



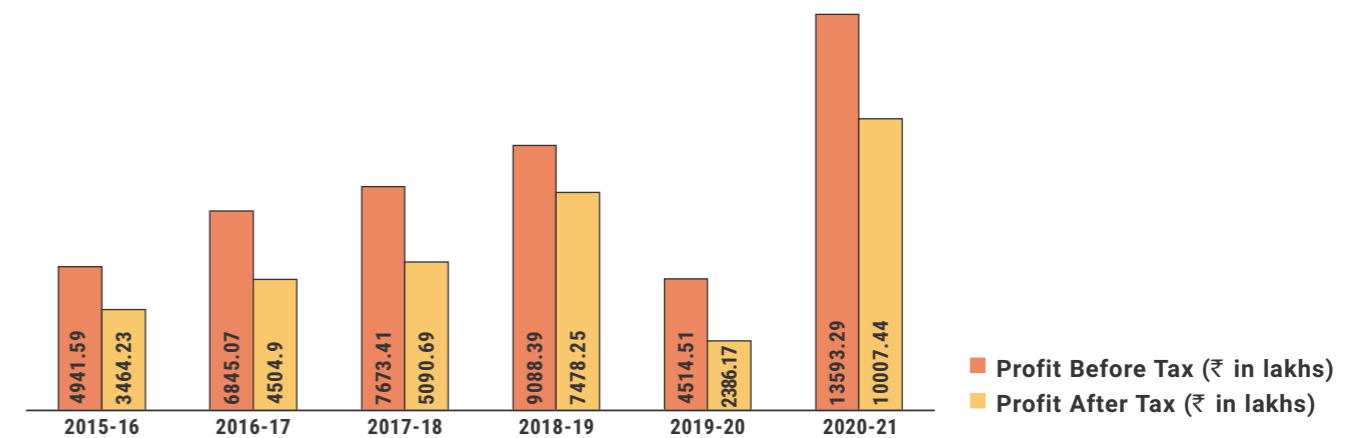
CONSOLIDATED NET WORTH (EXCLUDING MINORITY INTEREST)



CONSOLIDATED EARNING PER SHARE



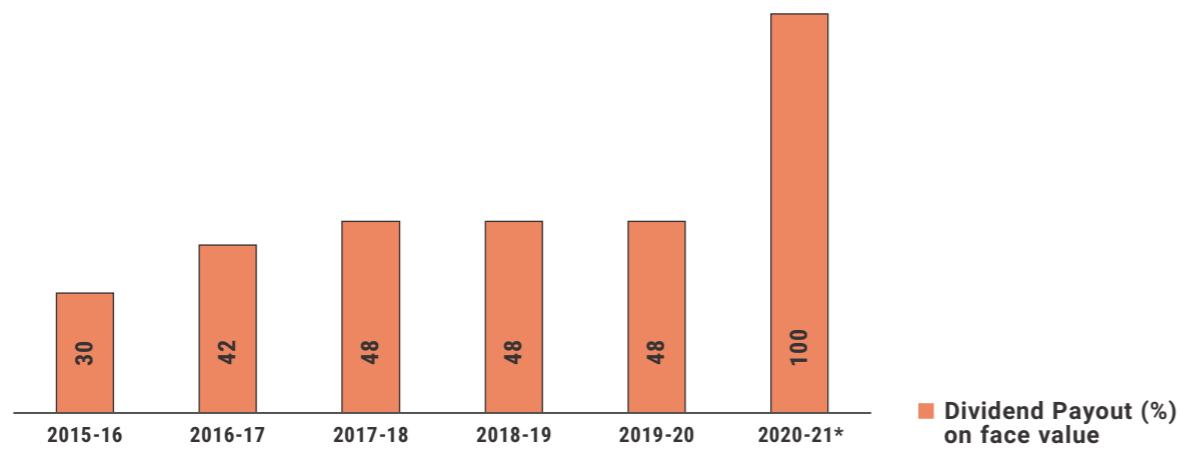
CONSOLIDATED PBT V/S PAT



All the figures before Financial Year 2018-19 are prepared in accordance with IGAAP

All the figures before Financial Year 2018-19 are prepared in accordance with IGAAP

DIVIDEND PAYOUT (%)

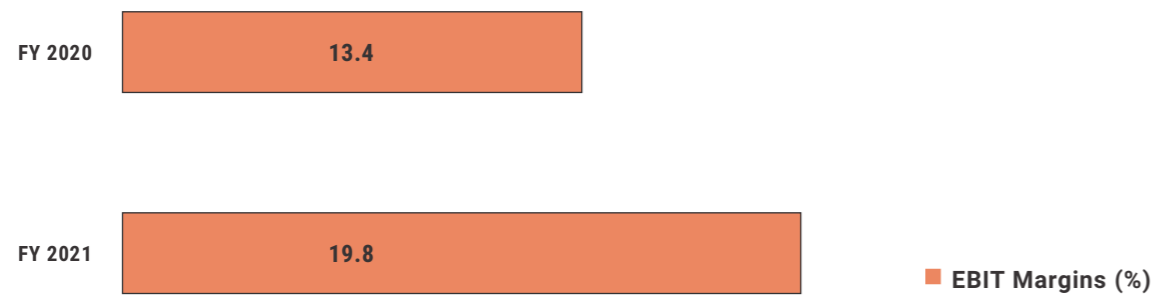


KEY RATIO - CONSOLIDATED

1. RETURN ON AVERAGE EQUITY (%)



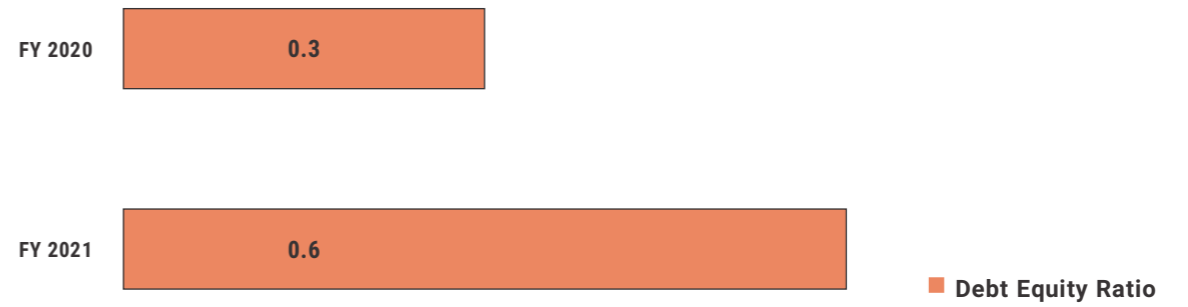
2. EBIT MARGINS (%)



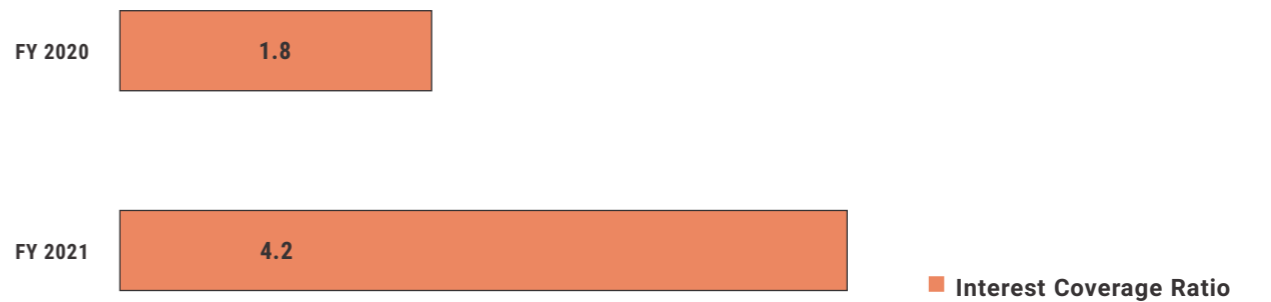
3. NET PROFIT MARGIN %



4. DEBT EQUITY RATIO



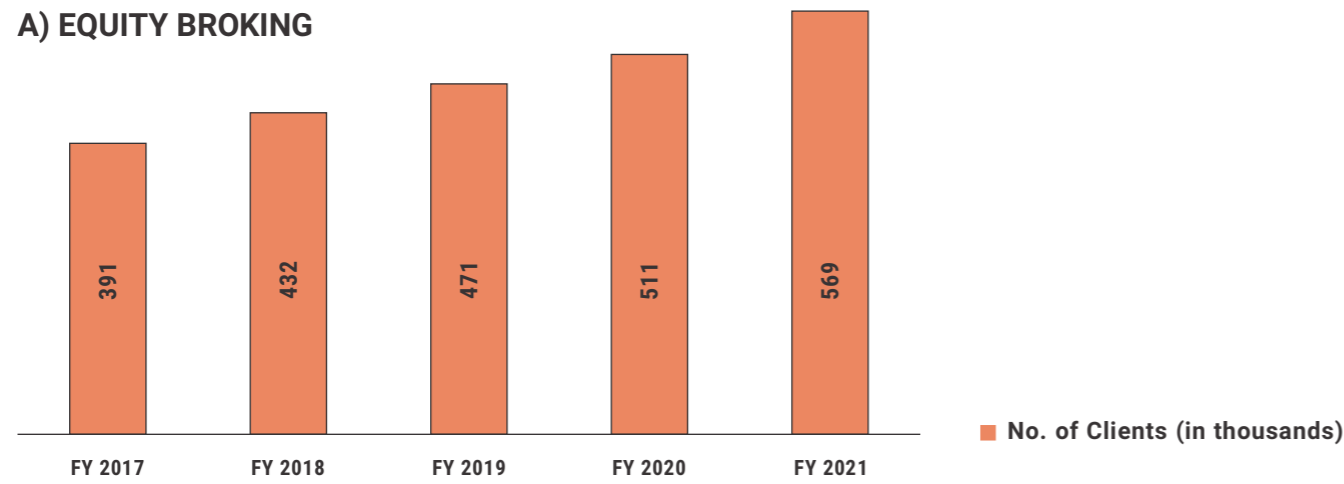
5. INTEREST COVERAGE RATIO



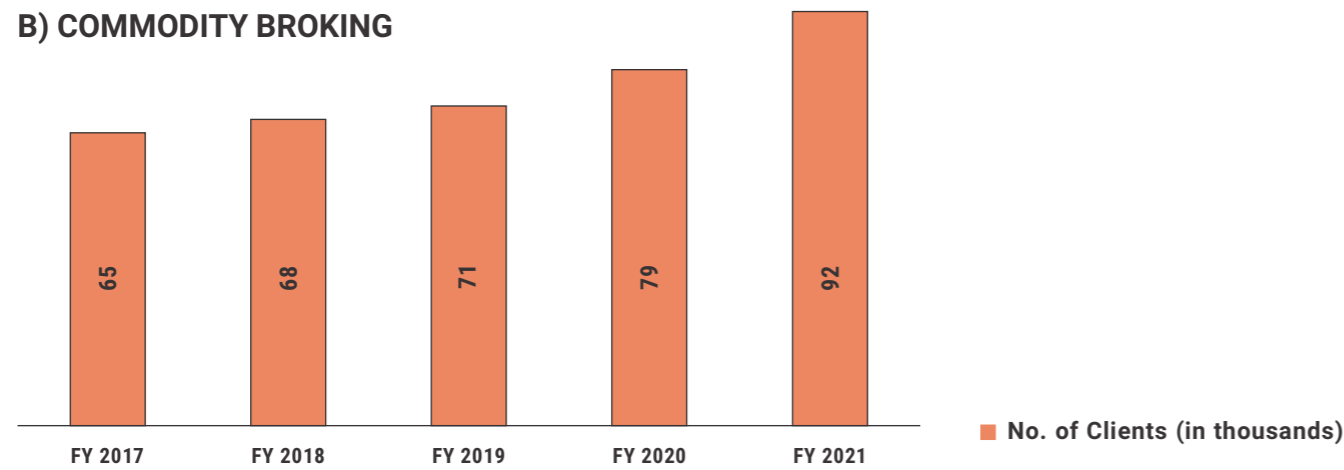
All the figures before Financial Year 2018-19 are prepared in accordance with IGAAP
 * Includes recommended final dividend of FY 2020-21

NUMBER OF CLIENTS - BROKING BUSINESS

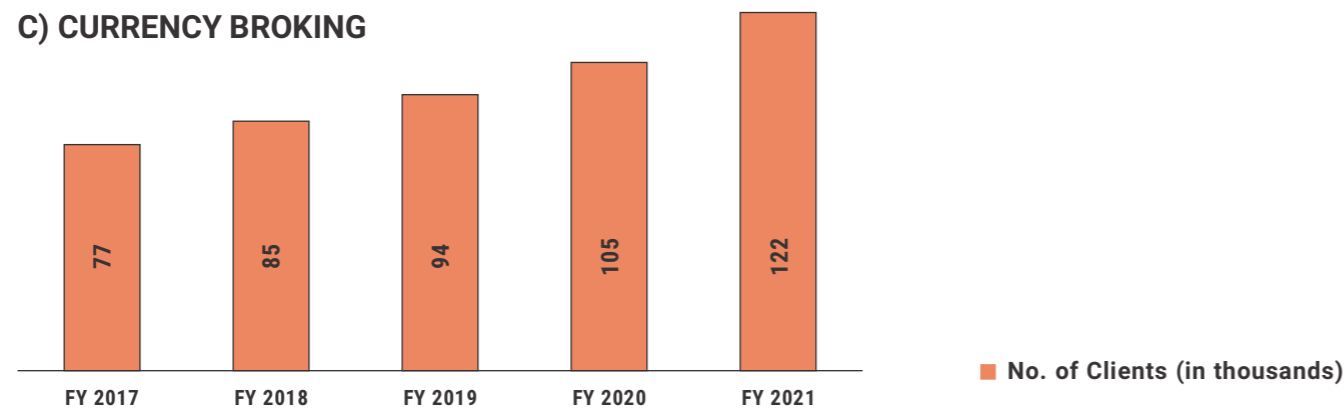
A) EQUITY BROKING



B) COMMODITY BROKING



C) CURRENCY BROKING



Our Structure



Strong Numbers

550

Cover 550+ cities across India

19000000+

Serving 1900000+ unique clients

3650+

Workforce of 3650+ employees

61280

Running SIP's 61,280 in various schemes of mutual fund

95

95 branches across India (incl. 1 overseas branch at Dubai)

2550

Large network of 2550 sub-brokers and authorized persons

300+

Clearing settlement service to 300+ trading members

3080+

Cumulative AUM/AUA under Mutual Funds 3080+ crores

746000+

Over 746000+ Life Insurance & General Insurance Policies

11100+

Over 11100+ point of sale (PoS) persons for insurance distribution

625000+

Over 625000+ client accounts in NSDL & CDSL

21000+

Over 21000+ active borrowers in NBFC segment

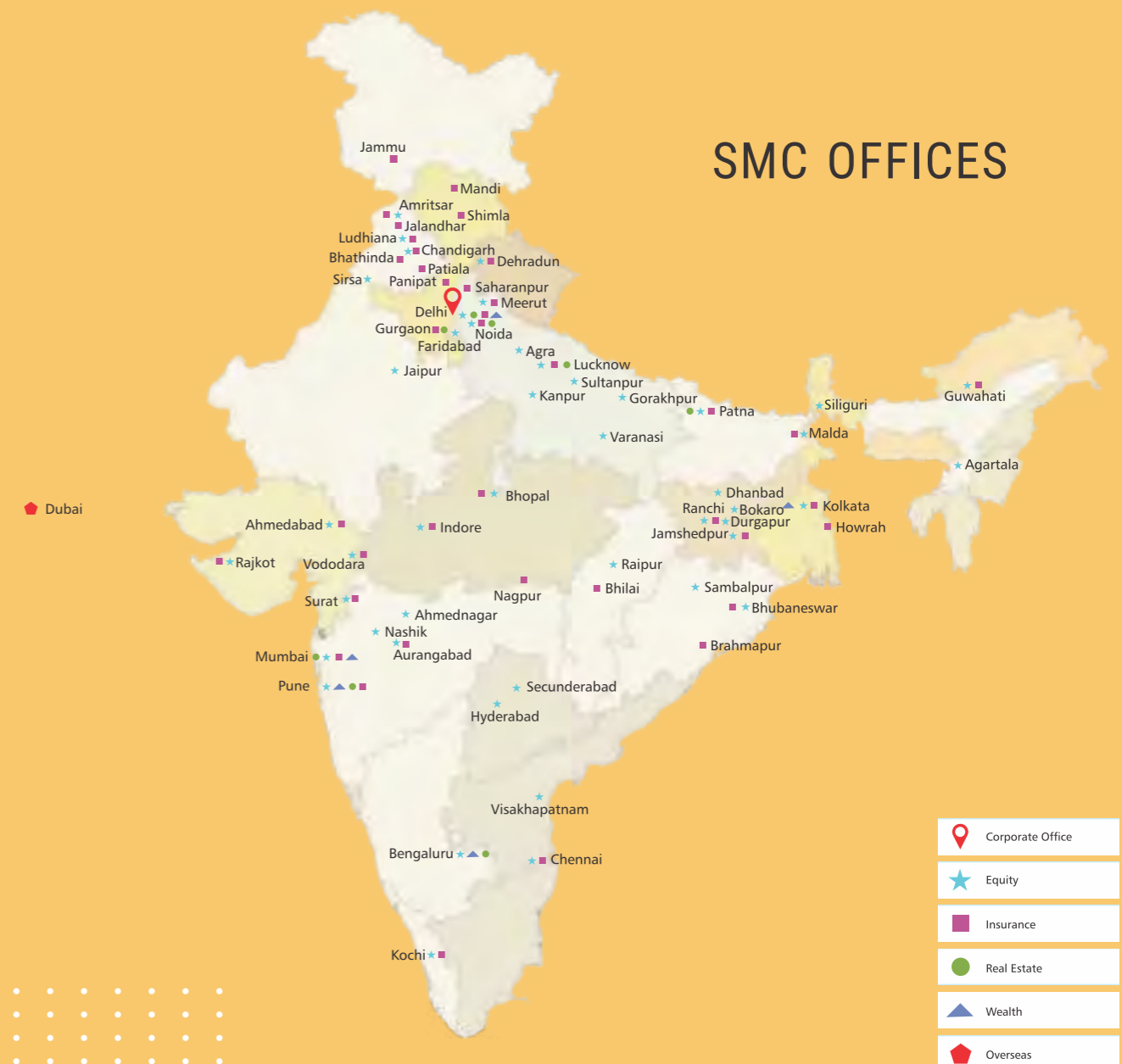
13670+

Over 13670+ network of independent financial distributors

SMC is building deeper relationships and responsibly managing investments for large institutions, retail investors and HNI clients as it helps them meet their financial goals through its well-positioned network covering major cities across India.



Moneywise. Be wise.



SMC Ethos

SMC has developed a clearly articulated set of goals that include expanding its product offerings, growing AUMs, and looking for more investment opportunities; these goals align with our mission, vision, and values and will ensure futuristic long-term growth.

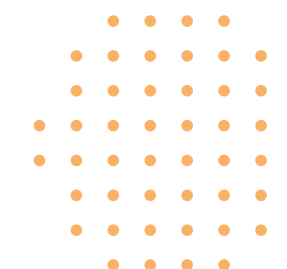
SMC VISION

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



SMC MISSION

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



SMC VALUES

Living by Principles

Relationship

ONE TRANSACTION,
LIFETIME RELATIONSHIP



Trustworthy

KEEPING OUR PROMISE.
EVERY TIME



Integrity

BEING ETHICAL TO BUILD TRUST



Innovation

BEING AHEAD WITH
RESEARCH & TECHNOLOGY





Evolution of SMC

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

The journey of SMC began, with incorporation of SMC Global Securities Limited in 1994 & 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 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 3650+ enthusiastic workforce who are efficient, determined and passionate to take the company to 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.

2000- A pioneering approach

Depository participant

SMC Global Securities Limited is one of the leading depository participants in India with more than 5.2 Lakh active Demat account. We are one of the premier Depository Participants (DP) which provide 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 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 Participants 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 10 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 AMC's and became one of the leading distributors of IPOs and mutual fund products.

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.

2007- EXTRA MILES

NRI business

NRI services and advisory services Institutional desk

This division is an one-stop investment gateway and knowledge repository for the domestic and foreign institutional investors, serving their unique and sophisticated needs backed by comprehensive research of trained professionals. SMC's Institutional Desk is located in Mumbai and it offers research based services in cash and derivatives segment to Institutional clients which includes Mutual Funds, Bank Treasuries, Public & Private Insurance Companies and other Financial Institutions.

2008- INNOVATION IS KEY

Online trading

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

Wealth management services

SMC 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 helps in managing 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.

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 non-deposit taking non-banking finance company (NBFC) having client base of 21000 across India, offering a wide spectrum of financial 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.

2009 BSE Membership

Consequent to merger of SAM Global Securities Limited with the Company, the trading and clearing membership of BSE Limited was acquired.

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

SMC Global IFSC

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 companies 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.

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. Indiakaloan.com is an offshoot of SMC group and one stop destination for all types of loans, secured and unsecured. It is also an online portal that helps borrowers to search, compare and obtain loans at best interest rates from renowned lenders in India. The Company has a Pan-India tie-up with over 40 partners that includes India's leading Banks and NBFCs and hence, is able to fulfill the diverse financial requirements of its clients.

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.

SYSTEMICALLY IMPORTANT NBFC

We have expanded our business keeping the sceptical eye on the inherent risk of the business. The Company was 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.

2020 - 2021

Beyond the Ordinary

The Company has listed its equity shares on two nationwide exchanges of the Country viz. Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE) on February 24, 2021 under the direct listing mechanism.

The consolidated Net Profit of the

Company crossed INR 100 crore.

The Company has made it to the top 1000 listed companies on the basis of its market capitalization. The Company has been ranked at 864th among top 1000 listed entities in India as per the data issued by both NSE and BSE.



ALGO TRADING



automated algo experience

Trading Tools

SMC Algo Trading is an end-to-end algorithmic trading platform, designed for professional traders, that sets you free from daily cumbersome tasks, by automating them, so you can focus on exploring opportunities in the stock market.



SMC SERVICES

All under one roof

SMC offers investors a wide portfolio of services with right investment advice that aims to fulfill all your needs related to investing, trading or financing.



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



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



INVESTMENT BANKING

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



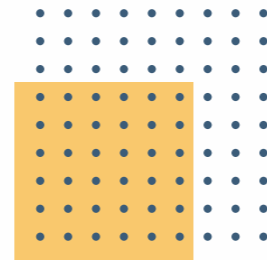
INSURANCE BROKING

Insurance Broking - Life & General



DEPOSITORY SERVICES

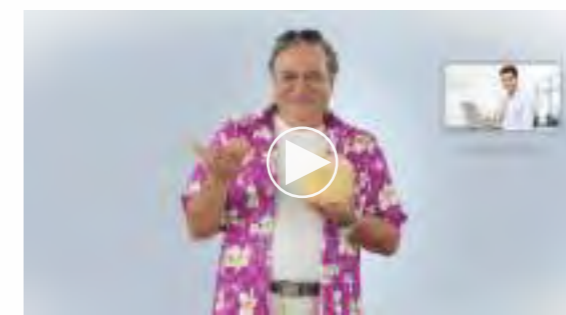
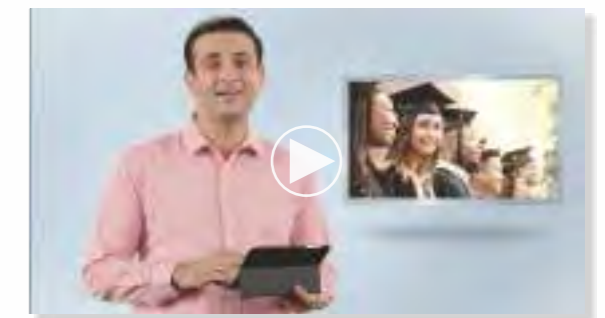
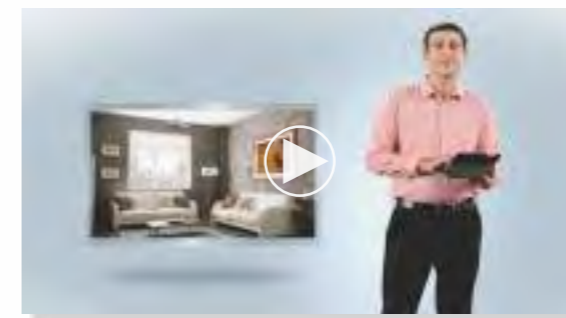
Depository Services for both Equities & Commodities



SMC Digital Communication & Initiatives

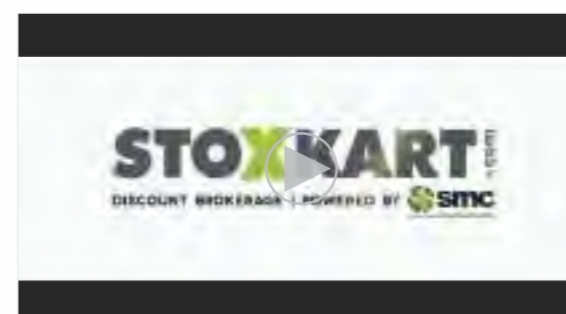
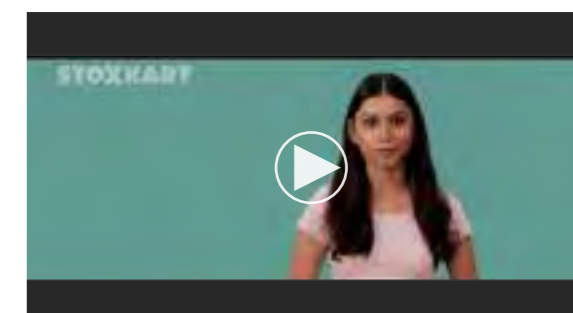
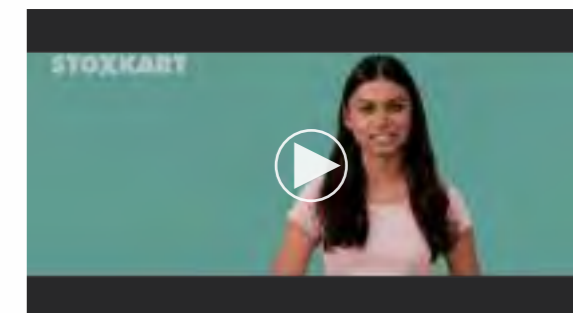
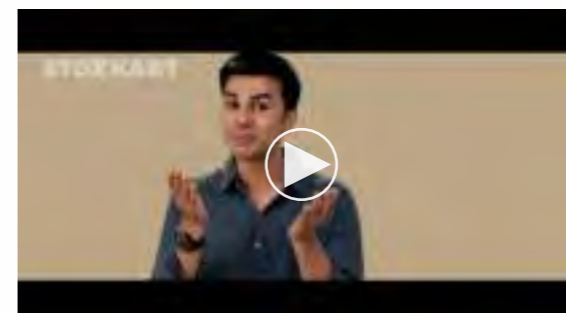
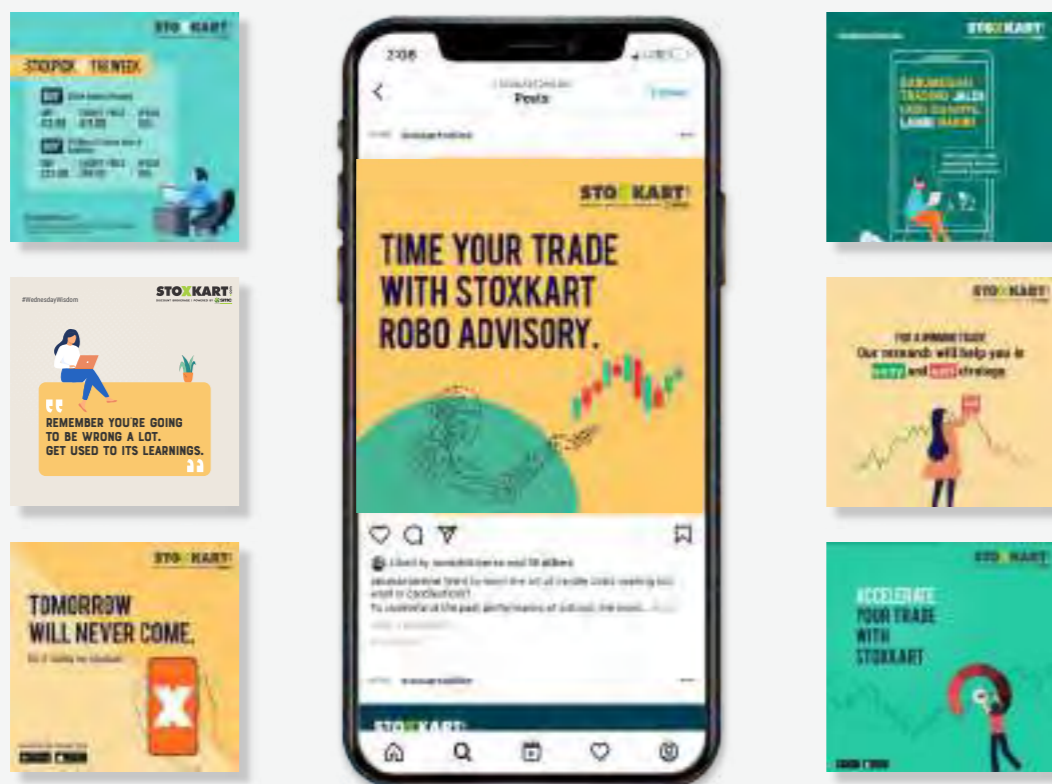
SMC increases its visibility in the form of social media, digital videos and performance marketing campaigns, aimed to increase brand engagement amongst millennials.

SMC'S WEEKLY RESEARCH BULLETIN, WISE MONEY HELPS BUILD UNDERSTANDING OF MARKET TRENDS TO ENABLE INFORMED DECISIONS.





STOXKART HAS RUN QUITE A FEW SUCCESSFUL CAMPAIGNS ON LEADING BUSINESS CHANNELS AND SOCIAL MEDIA, TO INSPIRE, EDUCATE AND HELP ITS CUSTOMERS MAKE BETTER CHOICES ON TRADING.



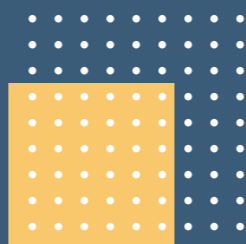
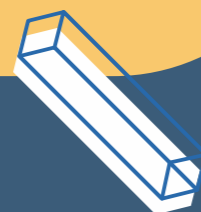


Moneywise. Be wise.

SMC RECOGNITION

Continued Journey of Awards and Recognition

SMC has consistently bagged numerous awards in recognition of its innovative product and services across various categories and is an employer of distinction.



Awarded and Acclaimed

Recognition is a great initiative towards increased productivity and goal achievement. The statement has been proven true by our promoters, Mr. Subhash Chand Aggarwal and Mr. Mahesh C. Gupta by fulfilling their long-lived dream of listing the securities of the Company on nationwide trading platforms i.e. NSE and BSE with due recognition by the industry and support of the stakeholders of the Company.

“

A dream becomes a goal when action is taken towards its achievement

- Bo Bennett



Mr. D.K. Aggarwal (CMD, SMC Investments), Mr. Subhash Chand Aggarwal (Chairman and Managing Director) Mr. Mahesh C. Gupta (Vice Chairman and Managing Director), Mr. Ajay Garg (Director and Chief Executive Officer) and Mr. Pranay Aggarwal (Director, Moneywise Finvest Limited) at the Ring Bell Ceremony of SMC Global Securities Limited at NSE.



All the directors and some officers of the Company were present at the Share Listing Ceremony of SMC Global Securities Limited. From left to right, Mr. Vineet Goyal (Assitant Vice President), Mr. Suman Kumar (E.V.P Corporate Affairs and Company Secretary), Mr. Pravin Aggarwal (Whole Time Director, SMC Insurance Brokers Private Limited) Mr. Anurag Bansal (Whole Time Director), Mrs. Akansha Gupta (Director of Group Company) Mrs. Reema Garg, (Chief Human Resource Officer), Mr. Subhash Chand Aggarwal (Chairman & Managing Director), Mr. Mahesh C. Gupta (Vice Chairman & Managing Director) Mr. D.K. Aggarwal (CMD, SMC Investments), Mr. Ajay Garg (Director & Chief Executive Officer), Mr. Pranay Aggarwal (Director, Moneywise Finvest Limited), Ms. Anshika Aggarwal (Director of Group Company), Mrs. Shruti Aggarwal (Non-Executive Director), Mr. Himanshu Gupta (Non-Executive Director), Mr. Ayush Aggarwal (Director of Group Company), Mr. Chandra Wadhwa (Independent Director), Mr. R.P. Mahipal (Independent Director of group company) Mr. H.D. Khunteta (Independent Director), Mr. K.M. Agarwal (Independent Director)



The Chairman of NSE handing over momento for Listing of Equity Shares of SMC Global Securities Limited at National Stock Exchange on 24th February, 2021 to Mr. Subhash Chand Aggarwal, Chairman and Managing Director, Mr. Mahesh C. Gupta, Vice Chairman and Managing Director, Mr. D.K. Aggarwal, (CMD, SMC Capitals Limited) and Mr. Ajay Garg, Director and Chief Executive Officer.



Mr. Pranay Aggarwal (Director, Moneywise Finvest Limited), Mr. Subhash Chand Aggarwal (Chairman and Managing Director), Mr. Mahesh C. Gupta (Vice Chairman and Managing Director), Mr. Ajay Garg (Director and Chief Executive Officer) at the Ring Bell Ceremony of SMC Global Securities Limited at NSE.



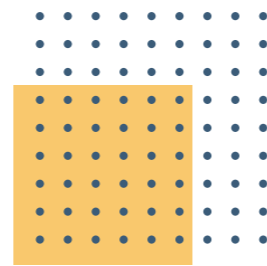
The Central Board of Indirect Taxes and Customs conveyed their appreciation for prompt filing of returns and payment of GST upto the year ending 31st March, 2021 by SMC Global Securities Limited.



Mr. D K Aggarwal (CMD, SMC Capitals Limited and former President, PHDCCI) was invited for the launch of platform for "Transparent Taxation - Honoring the Honest".



NCDEX felicitated SMC Global Securities Limited for their contribution towards developing the retail segment participation on the Exchange.



HUMAN CAPITAL

Breaking New Grounds

We at SMC focus on strengthening the human capital so as to enhance the performance of the Company. As a Company we strive to focus on facilitating an enviably engaging, high performing and fulfilling corporate culture. We understand that human capital is the most important aspect for any business as it is the driving force behind the increased productivity and profitability of the Company. Accordingly, the Company aligns the growth of its employees with the vision and mission of SMC.

As a Company, we are involved in diverse businesses; accordingly, the Company ensures that it has diverse set of employees with different skills and expertise

required for the conduct of the business. In this regard, the Company has formulated various policies and procedures concerning the remuneration, appointment, leave, retirement and removal, harassment/victimisation protection etc for the human resources of the Company. Considering the pandemic situation prevailing throughout the Country, the Company has formulated a policy for remote access to employees and work from home policy, so as to lay down clear guidelines on adaption and facilitation of employees working remotely.

The Company ensures to provide an equal work and equal pay

opportunity to each and every employee of the Company irrespective of his/her caste/creed/gender/age/sexuality/interests/religion etc. The Company visualises its employees as future business leaders. The pandemic also could not bog down the spirits of the management and SMC continued to enrich the employees' contribution towards the organization.

We hereby share some glimpse of our employee engaging programmes during the year.

SMC Premiere League-Cricket Tournament

The Company organised SMC Premiere League for the employees of the Company which held on 20th March, 2021 at Ramjas Sports and Mountaineering Institute of New Delhi. Many employees of the Company participated actively in the event.



Mr. Ajay Garg, Director and Chief Executive Officer and Mr. Subhash Chand Aggarwal handing over the trophy to the winning team.



The winning team posed for a photograph at Ramjas Sports and Mountaineering Institute of New Delhi.



Mr. Subhash Chand Aggarwal, Chairman and Managing Director of the Company handing over the prize to the winners.



Mr. Mahesh C. Gupta, Vice Chairman and Managing Director of the Company handing over the prize to the winners.

CSR ACTIVITY- N-95 FACE MASK DISTRIBUTION

The Company along with Rotary Club of Mumbai in their mission to distribute 5000 masks to Corona Frontline Warriors distributed N-95 face masks to the police officers and to people from the weaker section of society for the purpose of protection and prevention of COVID-19.



Mr. Anurag Bansal, Whole Time Director of the Company along with others, distributing N-95 masks for protection from COVID-19 to a Police Officer at Mumbai.



Mr. Anurag Bansal, Whole Time Director of the Company along with others, distributing N-95 masks to Commandant, CISF.



The officers of the Head Office of the Company distributing N-95 face masks to the security guards residing near the office.



CSR ACTIVITY- DISTRIBUTION OF FOOD PACKETS

The Company distributed food packets to Doctors, Nurses and paramedic staff of Safdargunj Hospital at New Delhi to support the COVID frontline warriors.

VIRTUAL EMPLOYEE ENGAGEMENT

a) Independence Day

The Company celebrated the 74th Independence Day with the founders of the Company i.e. Mr. Subhash Chand Aggarwal and Mr. Mahesh C. Gupta. The Company organised a virtual quiz for the employees and approximately 200 employees gathered for the event. During the hour of pandemic, the employees and directors of the Company including Regional Heads sang the National Anthem and extended their prayers for the COVID infected patients.

b) Diwali

The Company organised a virtual Rangoli competition for the employees during the auspicious function of Diwali.

c) Lakshya 2020:-Virtual Award Ceremony

The Company organised a virtual award ceremony for the distribution vertical of the Company. With the help of previous year's videos and photographs, the Company was successful in making the event a success.

d) International Women's Day

The Company invited Ms. Manimala Bhattacharyya, an entrepreneur and motivational speaker to share her experiences and guide the women employees of the Company through her situational and experiential life teachings. Apart from online session, an engaging activity was organized for female employees of the Company which included Live Karaoke and Music accompanied with an exclusive session with the specialised Doctors who advised about managing stress, work life balance, mental diseases and also addressed queries of the employees.

e) Leader's Talk

Selective Leaders at SMC are interviewed at periodic intervals at 'Talk Show' wherein they talk about their achievements, struggles and success stories so that the employees can connect with the story and stay motivated and focused for achieving the desired goals. We have labelled these talk shows in three different categories i.e. SMC Leaders Talk, Lights Camera Action and We Talk. The whole idea is to give employees a taste of career progression in the organization and keep them motivated and help them move towards the goals despite of the hurdles.

f) Online Orientation Program

One major strategy for employee retention is giving the new joiners an excellent on-board experience. We at SMC ensure that an employee is not right away put into a role and assigned with the KRA and Targets on the very first day of their joining. Rather, we ensure to have an employee connect before placing them on any job. Further, we conduct an Orientation program, labelled as 'Abhinandan' for getting the employee adjusted with the culture and processes of the organization. Apart from induction, the Key Management Personnel's of the Company continuously interact with the employees for keeping them motivated and for establishing employee-employer bond.



Moneywise. Be wise.

Events & conferences: bringing people together

TIE-UP WITH UNION BANK OF INDIA



Mr. Ajay Garg (Director & Chief Executive Officer) & Mr. Anurag Bansal (Whole-time Director) with Mr. Asheesh Pandey (Chief GM & COO, UBI), Mr. Rateesh R. (GM, UBI), Mr. Sankar M. (Deputy GM, UBI), Mr. Subhash Sharma (Assistant GM, UBI), Mr. Mukesh Kumar (Chief Manager Depository Services & Merchant Banking, UBI) at the tie-up between SMC Global Securities Limited and Union Bank of India for Online Trading held on 4th March, 2021 at Mumbai.



Mr. Ajay Garg (Director & Chief Executive Officer) felicitating Mr. Asheesh Pandey (Chief GM & COO, UBI).

INAUGURATION OF NEW BRANCH IN CHANDIGARH



Mr. Ajay Garg, (Director & Chief Executive Officer) at the ribbon cutting ceremony during the inauguration of new branch in Chandigarh.



Mr. Ajay Garg (Director & Chief Executive Officer) with other employees at the inauguration of new branch of SMC Global Securities Limited in Chandigarh.

INAUGURATION OF NEW BRANCH IN VARANASI



Mr. Ajay Garg (Director & Chief Executive Officer) and Mrs. Reema Garg (Chief Human Resource Officer) with other employees at the inauguration of new branch of SMC Global Securities Limited in Varanasi.



Mr. Ajay Garg, (Director & Chief Executive Officer) and Mrs. Reema Garg (Chief Human Resource Officer) at the ribbon cutting ceremony during the inauguration of new branch in Varanasi.

EKAL KE RAM

“Ekal Ke Ram” program was conducted by Ekal Bharat Lok Shiksha Parishad, an NGO on 3rd January, 2021 at Shangri La Hotel, New Delhi.



Mr. Subhash Chand Aggarwal, Chairman and Managing Director and Mr. Mahesh C. Gupta, Vice Chairman and Managing Director attended the Ekal Ke Ram program organised by Ekal Bharat Lok Shiksha Parishad.



Mr. Subhash Chand Aggarwal, Chairman and Managing Director mentored the event and felicitated the key donors and contributors of such noble cause. The Chairman enlightened the audience with his plausible address.

AI BASED APPRAISAL SYSTEM



Mrs. Reema Garg, Chief Human Resource Officer was invited as a speaker to speak about ‘AI based Appraisal System’ at the 5th Human Resource Excellence Awards, 2020 held on 6th March, 2021 at New Delhi.

YOGA WITH SWAMI RAMDEV

Swami Ramdev addressing the audience on International Yoga Day through Zoom Meeting organised by PHD Chamber.



Mr. D.K. Aggarwal (CMD, SMC Capitals Limited and former President, PHDCCI) attended the yoga day with Swami Ramdev organised by PHD Chamber on 21st June, 2020 through Zoom Meeting.

advanced trading platform to seize opportunity anywhere

- User friendly trading application for i-pad and tablet
- Trade in NSE Cash, NSE F&O, BSE Cash, BSE F&O, MCX, NCDEX & NSE Currency

Trading Platforms

1. Privilege (ODIN Diet Client)

It is a desktop based state of art application called SMC Privilege which is meant for clients who are actively involved in the stock market and do the bulk trading. It offers comprehensive facilities on a single screen, similar to that of a broker's terminal, thus providing greater ease and time advantage, to the investors. Some of the important features are:

- Trading terminal on your desktop
- Real time streaming quotes
- Intraday charting
- Different exchanges on a single screen
- Fully customizable market watch
- Track multiple stocks on single screen
- Hot key functions for faster trading
- Security lock for better safety
- Online transfer of funds through multiple banks
- Mutual fund

- Online back office
- Notifications
- Latest news, market information and research reports on mail

2. SMC ACE Web (Advanced Browser Platform):

SMC ACE Web is an advanced version of browser based platform. It gives our client all market related information in a hassle freeway with quick links to access trade related reports. Also, it gives client power of Advance Chart from Chart IQ, one of the leading advance chart solution providers in the world. Few important features of SMC ACE Web are:

- Theme selection between Dark and White
- Multiple Exchanges with Streaming rates
- Dashboard having holistic view of market and client's trade
- Market watch with all necessary information at one place
- Quick landing option on login page

- Detailed Scrip overview for analysis
- Advance Chart with 100+ Studies
- Seamless Transaction experience across the application
- Screeners & Analytics with Micro/Macro data
- Fund Transfer through Net Banking & UPI
- Settings option for clients for general & order related preferences
- Back-office reports access on trading portal itself
- In portal feedback feature with image capture
- Notifications & Alerts

3. SMC Easy Trade (Classic Version)

SMC Easy Trade Browser based platform is developed on HTML5 technology which can be accessed on Desktop, Smart Phones and Tablets. Browser supported - i.e. (9 & above), Chrome (latest version), Firefox (latest version) and Safari.

The salient features of browser SMC Easy Trade are:

- Easily accessible on Desktop, Tablets & Smart Phones
- Trade on different segments on single screen
- Real Time Streaming quotes
- Create your own work space
- Easy Navigation to frequently used options
- Search option for menu options
- Direct access to frequently used back-office reports
- Favourites option to add frequently used menu
- Preference settings
- Trade on different exchanges on a single platform
- View Chart of scrips
- Hot key functions for faster trading
- Online Mutual Fund
- Online transfer of funds through multiple banks

4. SMC Easy Trade Mobile App (Light Version)

SMC Easy Trade Mobile Application is available on Google Play store & App Store. The salient features of SMC Easy Trade Mobile Application are:

- Trade on multiple segments on single screen
- Track & Trade in market even on move
- Detailed quote of scrips for informed decision
- Market related trackers on market watch window

- Real time streaming quotes
- Trade real time with few simple clicks
- Favorites option to track your frequently visited scrips
- Quick scrip search menu for look up and addition in profile
- Quick tour option to understand important menus
- Research Notifications
- Access to back-office reports
- Real time Market Analytics data
- SMC Robo Advisory
- SMC Theme Baskets
- Advance Portfolio with real time calculation & Portfolio Health Check Up
- Multiple Back-office Reports
- Market & Historical data for informed Decision making
- Research calls
- Notifications & Alerts

5. SMC ACE Mobile App (Advanced Version)

It is a next Generation Mobile Trading platform launched recently. It has got rich UI to invest across Stocks, Equity, FNO, Currency and commodity markets with market data for informed decision making. The SMC ACE gives you an advantage over other application available in market to have trading & market related information on your fingertips. There are more features to be added in this application in coming versions.

The salient features of SMC ACE mobile applications are mentioned below:

Key Features:

- Trade in different segments in Equity, FNO, Currency & Commodity
- Guest User Login to experience SMC ACE
- Seamless Transaction experience across the application
- Dashboard having holistic view of market and client's trade
- Advance Chart
- Access to Real Time News

SMC Research

SMC research has a 360 degree approach to client advisory, which aims to cater to specific Trading and investment needs of every client. We have the team strength and tools to guide our clients even through volatile market situations. Over the year we have been a catalyst in client's long term wealth creation. Our research products have always earned the trust of our clients. Some important points:

SMC has a well -qualified, dedicated and award winning team of individuals, many of whom enjoy media respect.

- The team strength of SMC is one of the largest in the industry.
- SMC advisory enjoys a great call success ratio both equity & commodity.
- Research has developed unbeatable tools such as Auto Trender (Technical) & Financial Health check-up (Fundamental)
- Offers wide variety of research magazine which covers every aspect of financial markets
- Event based analysis and literature for better

understanding of events & its outcome

- Specific derivative and fundamental research product for all client category
- A dedicated NRI support desk and IPO & MF desk.

SMCEasyInvest (Web)

The portal will help you cater to your clients both through MFI (Demat) & MFD (Physical) depending upon clients mapping which can be interchanged as per client preference.

Most important features are:

- Paperless & hassle free Online transaction
- Online Lumpsum, Additional, SIP, Switch & Redemption transaction with few clicks
- Invest 24*7 as per your client convenience
- Option for both Demat based and Physical Based Transaction
- Multiple Reports including Mutual Fund Portfolio of your clients
- Important MIS reports for better self help
- Increased customer service & client satisfaction

SMCEasyInvest (Mobile)

The App will help you cater to your clients both through MFI (Demat) & MFD (Physical) depending upon clients mapping which can be interchanged as per client preference.

“SMCEasyInvest” Mobile application is available both on Play store and App store.

The salient features are:

- Invest 24*7 as per your client convenience
- Easy to Use Mobile App
- Apply online SIP or buy Lumpsum Mutual Funds (paperless transaction)
- Redeem Mutual fund paperless.
- An informative dashboard for your Mutual Fund investment
- Access Mutual Fund portfolio with historical return.
- Access other important reports related to your Mutual Fund investment

SMC Autotrender

SMC Autotrender Advanced trading research software designed to help you with fast and rich analysis of the market through unique data analysis and automated tool to time your trade with greater efficiency.

- Customize and automate the manual technical analysis
- Get faster access to analyse data table with scanning
- Improve accuracy by algorithms, trading signal
- Real-time market signals update
- Covers Nifty, Bank Nifty, Options, Bullions, Metals, Energy and Agri
- Easy access through all the devices like, desktop/laptop, tablets and mobiles

SMC eKYC

The easiest way is to open an account using eKYC. It is an online KYC platform with complete paperless and hassle free process.

Just enter your details, including Aadhar card number and Pan Number. We will verify these details realtime and you can open the account in no more than 15 minutes.

The salient features are:

- Easy to use application
- Faster Account opening process
- Paperless Account Opening
- Instant Approval of account
- E-Signing of documents through Aadhar OTP (If Mobile Number Registered)
- No follow ups for status
- Instant notification of Application Status
- Welcome mail to client with UCC & Demat account number
- Increased client satisfaction w.r.t. offline account opening

STOXKART

Stoxkart is a rapidly growing financial brokerage house with the goal of making trading easier and cheaper by breaking all barriers that traders and investors face in India in terms of cost, support, and technology.

With vast experience in financial markets and a strong understanding of growing customer needs, Stoxkart empowers traders & investors by sharing its Market Expertise, New-age technology, zero brokerage advantages and excellent trading platform.

The salient features are:

- Seamless user-experience on mobile, browser & desktop trading platforms to help you trade on the move.

- Our dedicated team of experienced professionals will be ready to offer any kind of assistance regarding your queries.
- Trade in different segments in Equity, F&O, Currency & Commodity
- Brokerage on delivery trades
- Easily integrate third party software using Publisher/Partner API.
- Most User Friendly Trading App – Trade from anywhere in the app
- Informative Dashboard – View your trades & Investments at

one place

- Advance Charting Tool with 80+ technical indicators on real-time basis
- Advance Portfolio Analysis with real-time calculations (Best In Industry)
- Award Winning Research, First Time in the Discount Broking Industry
- Voice/Email/Chat Team of dedicated agents on Support

SMC EasyGoPlus

SMCEasyGO+ Mobile application has been introduced for our branches and Business partners to assist their clients 24*7 even on

the move.

The salient features are:

- Easy to use Mobile Applications
- Most useable options are available on fingertips.
- Access to Client's back-office Reports
- Access to Commission Report
- Fund Deposit Intimation
- Fund Withdrawal Request
- Client Limit Management

coverage as wide as contingencies

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





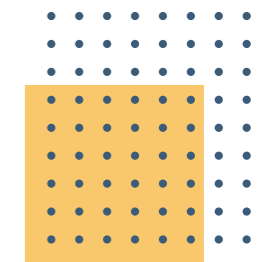
Moneywise. Be wise.



Left to Right: Ms. Shruti Aggarwal (Non- Executive Director, SMC Global Securities Ltd.), **Mr. Chandra Wadhwa** (Independent & Non- Executive Director, SMC Global Securities Ltd.), **Mr. Pranay Aggarwal** (Whole Time Director- Moneywise Finvest Limited), **Mr. Ayush Aggarwal** (Director - SMC Real Estate Advisors Pvt. Ltd.) **Mrs. Reema Garg** (CHRO, SMC Global Securities Ltd.), **Dr. Madhu Vij** (Independent & Non- Executive Director, SMC Global Securities Ltd.), **Mr. Ajay Garg** (Director & CEO, SMC Global Securities Ltd.), **Mr. Hari D. Khunteta** (Independent & Non- Executive Director, SMC Global Securities Ltd.), **Mr. Rajendra P. Mahipal** (Independent & Non- Executive Director, SMC Group), **Mr. Subhash C. Aggarwal** (Chairman & MD, SMC Global Securities Ltd.), **Mr. Mahesh C. Gupta** (Vice Chairman & MD, SMC Global Securities Ltd.), **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- Executive 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- Executive Director, SMC Global Securities Ltd.), **Ms. Nidhi Bansal** (Director, SMC Comtrade Limited), **Ms. Anshika Aggarwal**, (WTD- SMC Real Estate Advisors Pvt. Ltd.)

Directors of SMC Group



Mr. Subhash Chand Aggarwal
Chairman & Managing Director,
SMC Global Securities Limited

Mr. Subhash C. Aggarwal, is the Chairman & Managing Director of SMC Global Securities Limited since inception. He is the promoter and co-founder of SMC Group and an active contributor to the good governance. He is a fellow member of the Institute of Chartered Accountants of India (ICAI). He has over four decades of diverse experience in the financial, stock broking industry in India and abroad. He has been extremely successful in enhancing the company's performance and in driving the company towards its set goals. His futuristic vision and sharp financial acumen, has led the company to qualify in the list of top 1000 listed Companies based on its market capitalisation 31st March, 2021. He has been a

key player in the overall growth of the Company with his efforts.

Mr. Aggarwal is widely recognized for his path-breaking and visionary contributions to the building of SMC as one of the finest financial services conglomerates having retail Pan India presence and through his pioneering role as a corporate leader and a dedicated professional. He is having excellent leadership skills, discipline and robust governance ability and under his leadership, the SMC group has successfully established and proved its prudence, strategy 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 Global Securities Limited
Director-SMC Insurance Brokers Pvt. Ltd.

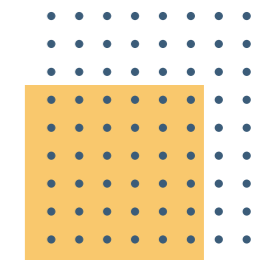
Mr. Mahesh C. Gupta is the Vice Chairman & Managing Director of SMC Global Securities Limited. He is the promoter and co-founder of SMC Group and has been associated with the Company as the backbone since its inception which makes him a pivotal pillar of SMC. He graduated with Bachelor's in Commerce from University of Delhi and is a fellow member of the Institute of Chartered Accountants of India (ICAI) and have specialization in the areas of stock markets, distribution, Corporate Social Responsibility and Corporate Governance initiatives etc.

Mr. Gupta has been a visionary, clearly focused, consistent and purpose-driven throughout SMC's Journey right since the seed phrase.

He possesses good knowledge about the intricacies of the Indian Stock Market and has an acclaimed exposure and experience in it of about four decades and Being an 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 involvement and guidance has been instrumental in the growth and development of the Group. His varied experience and vision helps the Group work united towards the same goals of the vision set by the management. He has also been a key player in the overall growth of the Group with his efforts. His belief that sustainable business drives superior performance has always had a positive impact on the performance of the group.



Dr. D.K Aggarwal

Former National President -
PHD Chamber of Commerce & Industry (2019- 20)
Chairman & Managing Director -
SMC Investments and Advisors Ltd.
Chairman & Managing Director -
SMC Capitals Limited (Category I Merchant Banker)
Chairman - SMC Comtrade Limited
Chairman - SMC Real Estate Advisors Pvt. Ltd.
Director- SMC Comex International DMCC (Dubai)

Dr. Aggarwal is the Fellow Member of The Institute of Chartered Accountants of India (ICAI) with over two decades of experience in the securities market & financial services. His leadership qualities help him manage control and supervise a large number of businesses in the Finance Services Industry.

SMC has been awarded as the 'No. 1 Broker' of the country in equity, derivative and currency segment and it has also been rated as broking houses with the largest distribution network in the last three years by renowned organizations/institutions like Bloomberg, UTV, BSE-IPF, D&B (Dun & Bradstreet), etc.

Awards and Recognitions:

Dr. D. K. Aggarwal has been recipient of following prestigious awards and recognition for outstanding achievement in his field:

1. Awarded SME Leader Awards 2018 by ICAI - Institute of Chartered Accountants of India.
2. Awarded "Dare to dream Awards- Financial Services" 2018 for Extraordinary Entrepreneurial Spirit by Zee Business.
3. Awarded "Distinguished

Entrepreneurship Award 2015" by PHD Chamber of Commerce.

4. International Gold Star Millennium Award "Global Indian" by the hands of Mr. Korn Dabbaransi (Former Dy. Prime Minister of Thailand) organized by Citizens Integration Peace Society.
5. Outstanding National Citizens award by National Citizen Guild, New Delhi.
6. Rashtriya Udhog Rattan award by All India Achievers Conference, New Delhi.
7. IPE-BFSI Leader award by Asian Confederation of Businesses for setting an example of a Role Model and Exemplary Leader.
8. Brand Slam Leadership Award by CMO Asia.

Membership of Professional Bodies and Institutions:

1. Former Member of the Governing Body of Sports Authority of India from March, 2017 to March, 2020
2. Member of Advisory Board of Amity University
3. Member of GST Grievance Redressal Committee (GRC) constituted by The Central Board of Indirect Tax and

Customs (CBIC).

4. Former National President of Commodities Participants Association of India, the only association of commodity exchange members across India.
5. Former Member, BSE Board Advisory Committee
6. Member, MSEI Board Advisory Committee
7. Member, NCDEX Board Advisory Committee
8. Member, MCX Board Advisory Committee
9. Former Vice President of PHD Chamber of Commerce from October, 2017 to September, 2018 & Sr. Vice President from October 2018 to September 2019.
10. Former Chairman, Capital Market Committee of PHD Chamber of Commerce and Industry & Former Chairman of Banking Committee & Commodities Exchange Task Force of PHD Chamber of Commerce and Industry.



Mr. Ajay Garg

Director & Chief Executive Officer-
SMC Global Securities Limited
MD-SMC Global IFSC Pvt. Ltd.
Director-SMC Insurance Brokers Pvt. Ltd. &
Moneywise Financial Services Pvt. Ltd.

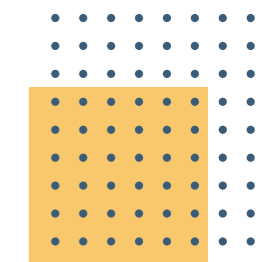
Mr. Ajay Garg is the Director & CEO of SMC Global Securities Limited. He is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He had been a merit holder in the Institute of Chartered Accountants of India Examination (ICAI). With a wide and rich experience of over 23 years in 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.

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.

He is a young, dynamic, hardworking and a dedicated team leader. His efforts have been instrumental in spurt of gross revenues achieved by the company in the recent past. His strength lies in the formulation of unique marketing ideas and innovative solutions to the various operational problems. 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. Anurag Bansal

Whole Time Director-SMC Global Securities Limited
Director-SMC Capitals Limited & SMC Global IFSC
Pvt. Ltd.

Mr. Anurag Bansal is the Whole Time Director of the Company. 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).

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.



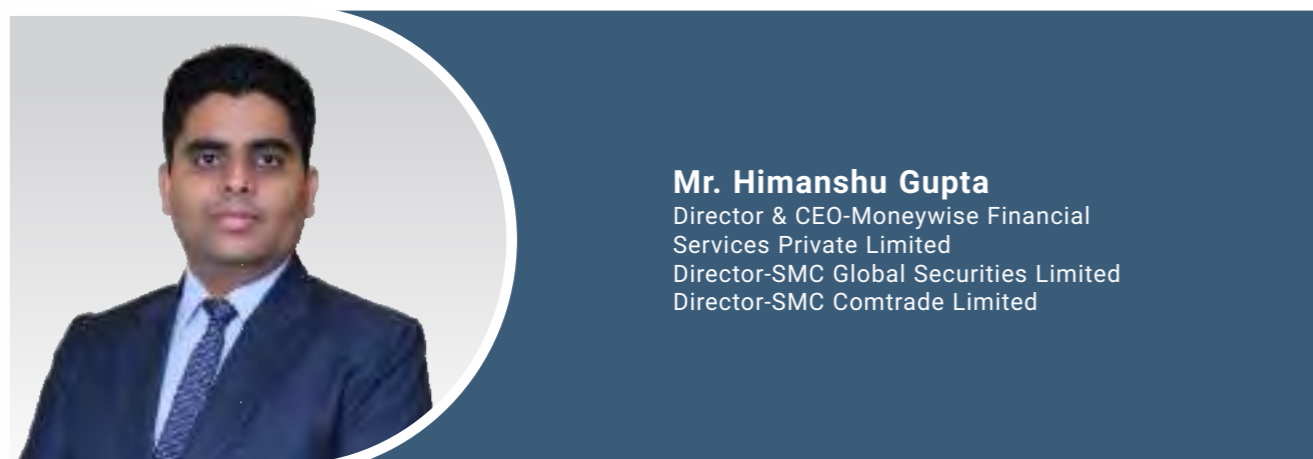
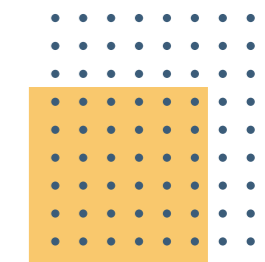
Ms. Shruti Aggarwal

Non-executive Director-
SMC Global Securities Limited

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 11 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 and strategic planning contribute to the 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 Director and CEO of Moneywise Financial Services Private Limited. He is a Fellow Member of the Institute of Chartered Accountants of India (ICAI) having a rich experience of around 11 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. He is responsible for envisaging the core strategies, business development, risk management and digital up-gradation.

Mr. Gupta has helped the organization 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 the group 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 University of Delhi, clearing the Institute of Chartered Accountants

Examination, and honing his strategic planning skills. These have contributed greatly to leading him to become who he is 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

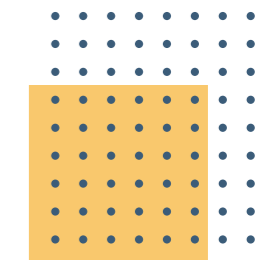
Independent & Non-executive director of SMC Global Securities Limited

Mr. Naveen ND Gupta serves the company as an Independent and Non-Executive Director on the Board of SMC Global. He has been a chartered accountant for more than 22 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 ICAI vice president in 2017-2018 and former president of ICAI and Director in various Companies. His optimistic approach, coordination and achievements is remarkable.

He has immense experience in consultancy of Direct Taxes and handling corporate affairs. He has also co-authored the book "Indian Accounting standards-Comparison

to IAS US-GAAP". He is presiding Chairman of ICAI-ARF (Accounting Research Foundation) and XBRL India. He joined SMC Global Securities Limited in January, 2018 as a Non-Executive and Independent Director of the Company.



Mr. Kundan M. Agarwal

Independent & Non-executive director of SMC Global Securities Limited

Mr. Kundan M. Agarwal 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.



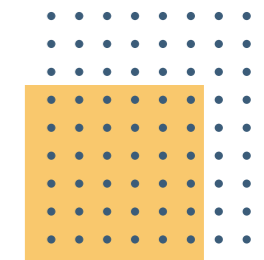
Mr. Hari D. Khunteta

Independent & Non-executive director of SMC Global Securities Limited

Mr. Hari D. Khunteta is the Non-Executive Independent Director of the Company. He is a fellow member of the Institute of Chartered Accountants of India (ICAI) and is a commerce graduate from University of Rajasthan who has the experience of over 45

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. He is associated with our group since 2012.



Mr. Roop C. Jindal

Independent & Non-executive director of SMC Global Securities Limited

Mr. Roop C. Jindal is an Independent and Non-Executive Director on the Board of SMC Global Securities Limited. He is a fellow member of Institute of Chartered Accountants of India

(ICAI). He has rich and varied exposure of 45 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 possesses excellent communication and plays a key and active role for the organization.



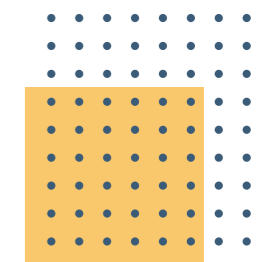
Mr. Chandra Wadhwa

Independent & Non-executive director of SMC Global Securities Limited

Mr. Chandra Wadhwa serves the Company as an Independent and Non-Executive Director. He 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 39 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. Mr. Wadhwa chaired the working group to examine the requirement and make suggestions for an Institutional Framework for Corporate Valuations, constituted by the MCA. He served as member of Indo-UK Task Force on Corporate Governance, constituted by MCA, as member of Expert Group to review Cost Accounting Record Rules, Cost Audit Report Rules and Cost Accounting Standards. Mr. Chandra Wadhwa has made more than 150 presentations on various topics at Regional, National & International

seminars and also represented the Institute on various national and international forums. He is the man of eminent personality. He has been adding value to the organization from beginning and his support is remarkable. 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. He is associated with our group since 2012.



Dr. Madhu Vij

Independent & Non-Executive Director of
SMC Global Securities Limited

Dr. Madhu Vij serves the Company as an Independent and Non-Executive Director. She holds a Master degree in Commerce and a doctorate degree. She has an experience and exposure of over three decades as a Professor of Finance at the Faculty of Management Studies, University of Delhi. She has received the Alumni Excellence award from Shri Ram College of Commerce, University of Delhi. She was also a 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 a 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. 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 is associated with our group since 2014.



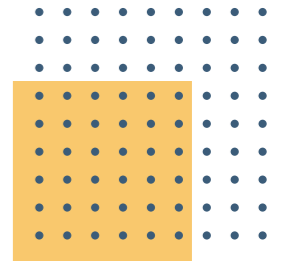
Mr. Rajendra P Mahipal

Independent & Non-executive director
SMC Insurance Brokers Pvt. Ltd. &
Moneywise Financial Services Private Limited

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. He holds M.Com degree from Rajasthan University and is also a fellow member of the

Institute of Chartered Accountants of India. His team building ability, optimistic approach, coordination and support is remarkable. He is a promoter and director of Pinkcity Electronics Pvt. Ltd. and has over 41 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 a man of dedication and devotion. He is associated with our group since 2014.



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.

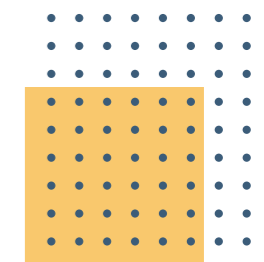


Ms. Reema Garg
Chief Human Resource Officer
Director-SMC Investments and Advisors Limited
Director-Moneywise Finvest Limited

Mrs. 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. Mrs. Garg has completed her Bachelor's degree in B.Sc. (Computer Science) from University of Delhi 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 is a dynamic lady, with having more than 13 years of experience in the Human Resources Department. She is a 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. 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 holds the office of Whole-time Director in SMC Insurance Brokers Private Limited. She is a member of The Institute of Chartered Accountants of India (ICAI) and also a member

of Institute of Chartered Financial Analyst (CFA). She is an 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.

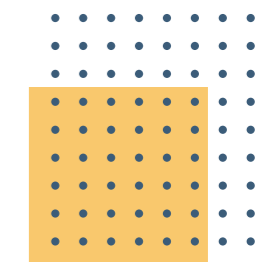


Mr. Ayush Aggarwal
Director-SMC Real Estate Advisors Private Limited
Director-Moneywise Finvest Limited
CIO (Chief Investment Officer)-SMC Private wealth

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 University of Delhi. He has a great understanding and an in-depth knowledge of financial

Market. He is the CIO (Chief Investment Officer) of SMC Private wealth Vertical at SMC Global Securities Limited, 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. HNI clients at SMC have been benefitted significantly from his practical and pragmatic views.



Mr. Pranay Aggarwal

Whole Time Director-Moneywise Finvest Limited
Director-Moneywise Financial Services Private Limited

Mr. Pranay Aggarwal is a qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI) and a commerce graduate from the University of Delhi. Before joining SMC, 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). His keen business acumen, result oriented approach, energetic leadership and qualities like ebullient, focused, passionate, sincere, hard-working and dynamic have made him excel in executing challenging tasks. His strength lies in the formulation of unique ideas and innovative solutions to various operational

problems. He believes in capitalizing new business opportunities and delivering operational efficiency in order to support and deliver industry-leading operational efficiency in order to support our goal of delivering sustainable growth in value.



Mr. Pankaj Gupta

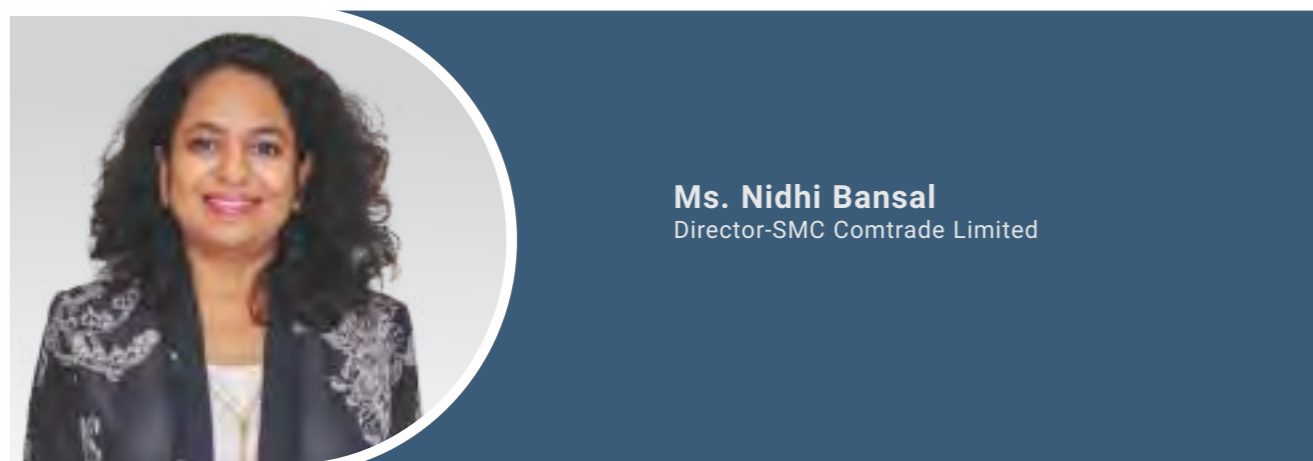
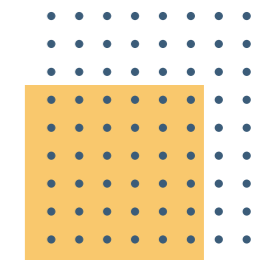
Director-SMC Comex International DMCC

Mr. Pankaj Gupta, with more than 25 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.

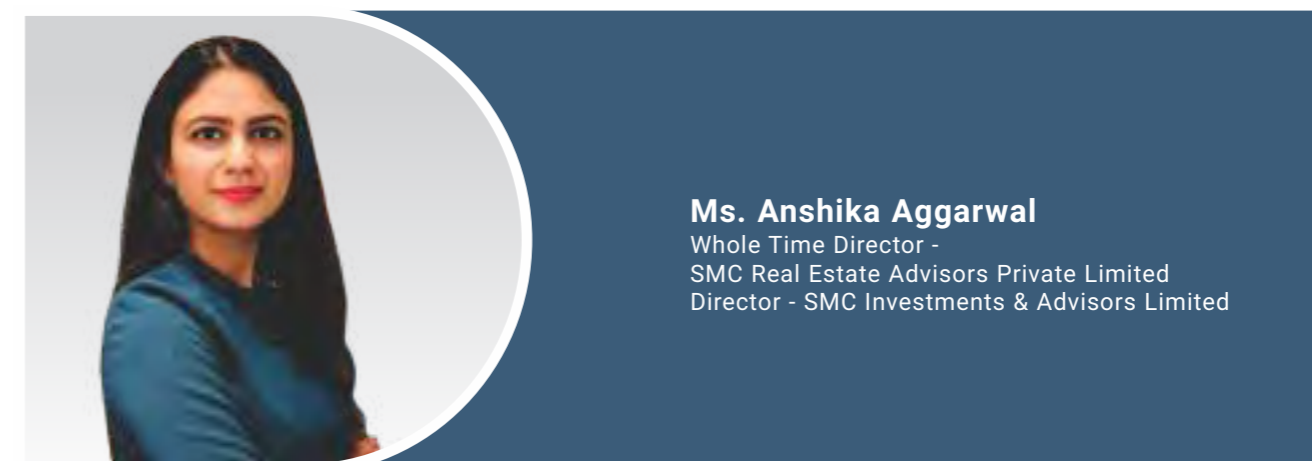


Ms. Nidhi Bansal
Director-SMC Comtrade Limited

Ms. Nidhi Bansal is a Director of the SMC Comtrade Limited (subsidiary of SMC Global Securities Limited). She is a post graduate in commerce and a fellow

member of Institute of Chartered Accountants of India (ICAI). She is 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.



Ms. Anshika Aggarwal
Whole Time Director -
SMC Real Estate Advisors Private Limited
Director - SMC Investments & Advisors Limited

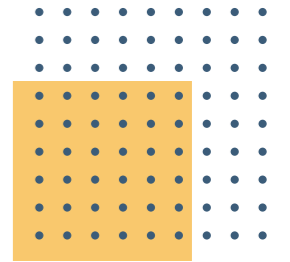
Anshika Aggarwal is a Chartered Accountant and a B.Com (Hons.) graduate from University of Delhi. She is heading SMC's Real Estate Advisory vertical and in a very short span of time, she has managed to establish the business as a dominant player in primary real estate advisory space comprising of both 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 transform the same into a fintech company serving clients across the country digitally.

Senior Officers of SMC Group



Mr. Vinod Kumar Jamar
(President & Group CFO)

Mr. Vinod Kumar Jamar has always been committed to ensuring the highest standards of corporate governance and excellence in the Company. 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. He is a man with robust governance qualities, is associated with the Company as President & Group Chief Financial

Officer. His guidance for establishing, monitoring and enforcing the policies & procedures adds to the company's endeavor to match highest standards of corporate governance. He is responsible for managing financial reporting, audit, compliance of tax laws (direct and indirect), planning and capital structure. He manages all aspects of financial matters and decision making. He ensures the company is able to meet its financial

commitments in the most efficient way. He is having rich legacy of professional exposure of over 36 years in Taxation, Finance, Accounts, Strategic Planning, Auditing, and Fund Management. 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)

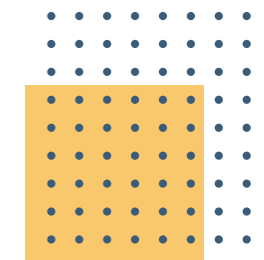
Mr. Suman Kumar leads the Corporate Affairs & legal matters of the SMC Group. He serves as the Executive Vice President (Corporate affairs) & Company Secretary of the SMC Group. He is a fellow member of Institute of Company Secretaries of India (ICSI) & a law graduate from University of Delhi. He has rich legacy of experience of more than 20 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 compliances 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.

Mr. Kumar acts as a pivotal contact for board members, offers his appropriate knowledge and possesses highly valued judgement. He believes in seeking excellence and performing his duties with devotion and commitment. He delivers strategic leadership, acting as a vital bridge between the executive management and the board and facilitating the delivery of organisational objectives.



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

Mr. Aggarwal has brought 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 41 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 & executes long-term Business Strategies, Growth Plan, Researching and implementing new directives for

business growth and prosperity, monitoring employee productivity with great efficiency and effectiveness. He has a great problem-solving ability where he comes up with solutions to complex challenges. Prior to joining the company he was a practicing Chartered Accountant.

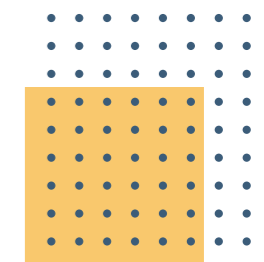


Mr. Mohit Shyngle
(Senior Vice-President)

Mr. Mohit Shyngle is the Senior Vice-President (Country Head) of the Company. He is having a bachelor degree in Commerce from University of Delhi. 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 has been associated with the group since 1999. With his intelligence, strategies and experiences, he solicits 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 is the Chief Financial Officer of SMC Real Estate Advisors Private Limited. Mr. Bansal is a fellow member of the Institute of Chartered Accountants of India and holds a degree of law. He has over 29 years of rich 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. He has proven himself as a man of strong commitment, devotion, discipline and dedication. His varied experience helps organization to

work unitedly towards the Vision & Mission of the Organization. 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 13 years and is currently

heading ECM and Debt 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.

NBFC FINANCING



easy finance for your uncertain times



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 12 years in finance, accounting and taxation. He has also a hands own wide experience in the field 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.



SMC Finance offers 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 your growing credit requirements.



flawless efficiency in clearing & settlement solutions

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

Directors' Report

DEAR MEMBERS,

Your Directors take pleasure in presenting the twenty seventh (27th) Annual Report on the business performance and operations of the Company, along

with the audited standalone and consolidated financial statements for the year ended 31st March, 2021.

Financial Summary

The financial performance of your Company for the financial year ended 31st March, 2021 is summarized below:

(₹in Lakhs)

PARTICULARS	Standalone		Consolidated	
	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21
Revenue from operations	42,185.16	49,297.64	77,852.80	89,294.40
Other Income	3,105.31	2,157.57	560.65	864.52
Total Income	45,290.47	51,455.21	78,413.45	90,158.92
Total Expenses	41,535.19	41,573.56	73,898.18	76,638.95
Profit before share of profit/loss from joint ventures, exceptional items and tax	3,755.28	9,881.65	4,515.27	13,519.97
Share of profit/(loss) from associates or Joint Ventures	-	-	(0.76)	73.32
Profit before exceptional items and tax	3,755.28	9,881.65	4,514.51	13,593.29
Add/less: Exceptional items	-	-	-	-
Tax expense	782.14	2,867.74	2,128.34	3,585.85
Profit after tax for the year	2,973.14	7,013.91	2,386.17	10,007.44

Notes:

- (1) The above figures are extracted from the audited standalone and consolidated financial statements of the Company.
- (2) The amount shown in bracket () in the above table are negative in value

The financial results and revenue from operations, including major developments which have been discussed in detail in the Management Discussion and Analysis Report attached to this Annual Report.

The standalone and the consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) applicable on the Company.

Financial Performance

Consolidated

On a consolidated basis, your Company has recorded an excellent performance with turnover of ₹89,294.40 lakhs as against ₹77,852.80 lakhs in previous year and profit after tax of ₹10,007.44 lakhs as against ₹2,386.17 lakhs in previous year. The revenue earned by the Company on consolidated basis largely comprises of income from equity, commodity and currency, brokerage & trading, clearing services, income from depository business, financing, capital market operations etc. The subsequent shift in the profits of the Company was due surge in the domestic equities as a result of the positive global cues, FPI inflows, revival in economic activity, robust corporate earnings and roll out of COVID-19 vaccine.

Standalone

On a standalone basis, your Company recorded an exceptional performance with turnover of ₹ 49,297.64 lakhs as against

₹ 42,185.16 Lakhs in previous year and profit after tax at ₹ 7,013.91 Lakhs as against ₹ 2,973.14 Lakhs in previous year. The shift is mainly due to exhibition of varying degrees of volatility in stock market during the year which in turn accelerated the entry of investors to the market. Your Company being a stock broking company has been a beneficiary of the increased level of activity in stock markets. In terms of the clientele of the Company, the equity broking segment of the Company recorded an increase of approximately 11% in the number of clients, whereas the currency broking segment and commodity broking segment recorded around 17% increase, and the discount broking segment recorded an increase of approximately 400% in the number of clients.

Refer to Management Discussion and Analysis report for more details.

State of Company's Affairs

Your Company along with its subsidiaries and joint venture company, is involved in diversified portfolio of offering of services to its customers such as brokerage, clearing services, depository participant services, investment banking, wealth management, PMS, real estate broking, mortgage and loan advisory, NRI & FPI services etc. categorised under Broking, Distribution and Trading segment apart from Financing business and Insurance Broking business. The Authorised Share Capital of the Company is ₹ 95,51,00,000 and

the paid up share capital of the Company is ₹ 22,62,68,900 comprising of 11,31,34,450 equity shares of ₹ 2 each. The Company intends to strengthen and extend its position as leading diversified financial services provider by intensifying the cross-selling efforts across the client base, expanding geographic presence, expanding service and product portfolio, strategic alliances and acquisitions and by expanding financing and discount broking business.

During the year, your Company has recorded an excellent performance and intends to keep up the growth prospects in coming future.

Impact of COVID-19 pandemic

The impact of the novel coronavirus (COVID-19) began to spread from the end of financial year 2019-20 and remained prevalent throughout the financial year 2020-21. Globally, the pandemic has caused massive disruptions in the business activities of various sectors and industries. However, we are humbled to state that during such times, the operations of some essential services providers including securities market intermediaries were allowed to operate with limited onsite capacity. Accordingly, with the help of the minimum employees at the office and others working remotely from home, the Company was able to continue its operations. In this regard, the Company's Board of Directors have played a vital role in adapting a business continuity plan and worked towards the ultimate vision and

mission of the Company. The Company has, as always, been very acceptable and resilient to the changes in the surroundings and have specifically focussed on the needs of its clients. Apart from adapting a business continuity strategy, the Company for the purpose of containing the spread of virus, ensured that its operations were conducted remotely with minimal staff for ensuring the safety of its employees and the society as whole.

Company's initiatives towards fighting COVID-19 pandemic

We have committed ourselves to the nation's fight against COVID-19 by giving all possible support. During the year, the Company has specifically allocated some portion of its CSR budget for prevention of the spread of coronavirus. The Company for the purpose of prevention of spread of COVID-19 has distributed N-95 masks to

weaker sections of our society and has also contributed to various implementing agencies working for the intended purpose. Apart from the CSR spending, the Company tries to extend as much support as possible, to various NGOs and other societies working for the welfare of COVID infected patients. In this regard, the Company is determined to spend for prevention of COVID-19 related activities in upcoming years through SMC Global Foundation, a registered trust of the Company or through other implementing agencies.

Change in the nature of business

During the year, there has been no change in the nature of business of the Company.

Listing information

Your directors are happy to inform that the equity shares of the Company have been listed on

nationwide trading platforms i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on 24th February, 2021 through Direct Listing i.e. without fresh issue of equity shares. Further, as per the data issued by NSE and BSE as on 31st March, 2021, your Company has been ranked as 864th among the top 1000 listed entities in India.

In furtherance to above, we would like to inform that the Company has applied to the Calcutta Stock Exchange to voluntarily delist its 11,31,34,450 equity shares having face value of ₹2/- each from the said Stock Exchange in accordance with Regulation 6(a) and (7) of SEBI (Delisting of Equity Shares) Regulations, 2009. In this regard, the approval is still awaited.

The below mentioned table depicts the listing information of the Company as on 31st March, 2021:

Sl. No.	ISIN/Scrip No.	Stock Exchange	Type of security	No. of securities listed	Status
1.	INE103C01036/ Scrip No. SMC GLOBAL	National Stock Exchange	Equity Shares	11,31,34,450*	Active listing
2.	INE103C01036/ Scrip Code No. 543263	Bombay Stock Exchange	Equity Shares	11,31,34,450*	Active listing
3.	INE103C01036/ Scrip Code No. 029186	Calcutta Stock Exchange	Equity Shares	11,31,34,450*	Voluntary delisting application filed, approval awaited.

*The face value of each equity shares is ₹2.

Material changes and commitments affecting the financial position between the end of financial year and date of the report

There have been no material changes and commitments that have occurred after the closure of the financial year until the date of the report, which may affect the financial position of the Company.

Dividend

During the year, the Company has distributed an interim dividend of 60% on the face value of the equity shares of the Company i.e. ₹1.20

per equity share. The dividend was paid to those shareholders whose name was registered in the Register of Members as on 18th February, 2021 being the record date. The Company has spent ₹13,57,61,340/- (Rupees Thirteen Crore Fifty-Seven Lakhs Sixty-One Thousand Three Hundred Forty Only) on account of dividend distribution pertaining to FY 2020-21 during the financial year. Considering the financial statements including capital buffers and liquidity levels of the Company for the financial year, the Board considered that the

performance of the Company was outstanding and accordingly, recommended declaration of final dividend of 40% on the face value of equity shares i.e. ₹ 0.80 per equity share, which if approved, shall result in payment of total dividend @ 100% i.e. ₹ 2/- on the face value of equity shares of ₹2/- each for the FY 2020-21. The book closure for the purpose of distribution of final dividend and Annual General Meeting is fixed from 17th July, 2021 to 21st July, 2021.

Particulars	FY 2020-21		FY 2019-20	
	Per Share (in ₹)	Payout (₹ in crores)	Per Share (in ₹)	Payout (₹ in crores)
Interim Dividend	1.20	13.58	0.72	8.15
Final Dividend	0.80*	9.05*	0.24	2.72
Total Dividend	2	22.63	0.96	10.87
Payout ratio	100%		48%	

*Recommended by the Board of Directors in its meeting held on 7th June, 2021. The payment is subject to approval by the shareholders in the Annual General Meeting proposed to be held on 7th August, 2021.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, July 17, 2021 to Wednesday, July 21, 2021 (both days inclusive) for the purpose of payment of dividend and AGM for the financial year ended 31st March, 2021.

Your Company complies with the Dividend Distribution Policy while recommending, declaring and payment of dividend. Further, in

compliance with the requirements of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy is annexed to this Annual Report as Annexure 1 and is also published on the website of the Company and is available at <https://smcindiaonline.com/w-content/uploads/2021/06/DIVIDEND-DISTRIBUTION-POLICY.pdf>.

Transfer to Reserves

The Company has not transferred any amount to any reserve for the financial year ended 31st March, 2021.

Subsidiaries, associates and joint ventures

As on 31st March, 2021, the Company has ten (10) subsidiaries which include eight (8) wholly

owned subsidiaries and two (2) partially owned subsidiaries. The Company also has a joint venture company which is partially owned by its subsidiary i.e. SMC Investments and Advisors Limited with 50% control over the said joint venture company. The Company does not have any associate company as defined under section 2(6) of the Companies Act, 2013. In this regard, Moneywise Financial Services Private Limited and SMC Insurance Brokers Private Limited are recognised as material subsidiary by the Board of Directors in accordance with the provisions of Listing Regulations and in accordance with Company's policy for determining material subsidiaries.

The highlights of the performance of the Company's subsidiaries during the FY 2020-21 are as under:

(₹ in Lakhs)

Company Name	Total Income	Profit before tax	Profit after tax
Moneywise Financial Services Private Limited	8,213.40	2,218.23	1,641.54
SMC Insurance Brokers Private Limited	24,563.10	594.80	585.47
Moneywise Finvest Limited	749.62	(161.88)	(152.46)
SMC Global IFSC Private Limited	978.60	832.29	830.46
SMC Capitals Limited	669.70	52.08	36.85
SMC Real Estate Advisors Pvt Limited	3,837.76	467.34	341.81
SMC Investments and Advisors Limited*	221.39	(248.47)	(248.47)
SMC Comtrade Limited	17.40	(5.02)	(3.95)
SMC Comex International DMCC	2,181.55	680.95	680.95
SMC Global USA Inc	-	-	-

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

*Excludes profit of SMC & IM Capitals Investment Manger LLP.

During the year, no new company was acquired as a subsidiary or associate or joint venture by the Company. Further, there was no change in the holding of the Company, in its subsidiary companies or Joint Venture Company during the year. The Board of Directors of the Company reviewed the affairs of the subsidiaries. A statement containing the salient features of the financial statements of the subsidiary and joint venture in accordance with the provision of section 129(3) of the Companies Act, 2013 is provided in Form AOC-1 as annexed to the Annual Report as Annexure 2.

Further, pursuant to the provisions of section 136 of the Companies Act, 2013, the financial statements and relevant information relating to subsidiary companies are also available on the website of the Company at

<https://smcindiaonline.com/investors/>.

Material subsidiaries

Pursuant to Regulation 16(1)© of the Listing Regulations and in accordance with Company's policy for determining material subsidiaries, Moneywise Financial Services Private Limited and SMC Insurance Brokers Private Limited were recognised as material subsidiary by the Board of Directors of Company during the year. The Company ensures compliances relating to subsidiary companies as is mentioned in Regulation 24 of the Listing Regulations and other compliances mentioned in Companies Act, 2013.

The policy can be accessed at the website of the Company <https://smcindiaonline.com/w-content/uploads/2021/06/POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARY-COMPANIES.pdf>

Directors' Responsibility Statement

Pursuant to the section 134(3)© & 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

1. That in preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. That such accounting policies have been selected and applied consistently and judgements and estimates have been made 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, 2021 and of the profit of the Company for the year ended on that date.
3. That proper and sufficient care has been taken for the 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 fraud and other irregularities.

4. That the annual financial statements have been prepared on a going concern basis.
5. That proper internal financial controls were in place and that the financial control were adequate and were operating effectively.
6. That proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board of Directors on recommendation from the Nomination and Remuneration Committee has adopted a formal mechanism for evaluation of annual performance of the individual Directors, Board as a whole and Board Committees. The same was carried out by the Board of Directors for the financial year 2020-21 in accordance with the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India on 5th January, 2017.

The independent directors of the Company, also, at their separate meeting held during the year, reviewed the performance of non-independent directors, Chairperson and Board as a whole including evaluation of timeliness and flow of information in the Company and provided their suggestions for improvement.

In this regard, the Board of Directors considers that the Independent Directors on the Board of the Company has the required level of expertise, experience and integrity as is required for the position. Further, there has been no change in the circumstances which may affect the status of independent directors.

Familiarization program for independent director

In accordance with the provisions of Regulation 25(7) and 46(2) of the Listing Regulations, the Company familiarises its independent directors at regular intervals, with their roles and responsibilities and the business strategies of the Company. Apart from the aforementioned, the Company also updates the independent directors periodically with the recent changes in statutory provisions applicable on the Company and/or any change /addition in the business operations of the Company. The details of training and familiarization program conducted during the year are provided in the Corporate Governance Report and is also available on the website of the Company at <https://smcindiaonline.com/w-content/uploads/2021/03/Details-of-familiarisation-FY-2020-21-revised.pdf>

Deposits

During the FY 2020-21, the Company did not accept any deposit within the meaning of section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

Vigil Mechanism Policy

The Company has in place a vigil mechanism policy to provide a formal mechanism to the Directors, employees and stakeholders of the Company to report their concerns including concerns about unethical behaviour, actual or suspected fraud, and violation of Company's code of conduct and/or disclosure of unpublished price sensitive information. In this regard, the Policy provides an adequate safeguard to the whistle blower against any victimisation and also provides direct access to the Chairman of Audit Committee in exceptional circumstances. An update/report on the functioning of the mechanism including the complaints received and actions taken is presented to the Audit Committee on quarterly basis. The Company also has a Vigil Mechanism committee comprising entirely of the Members of Audit Committee of the Company for the purpose of receiving, investigating and redressing the complaints received under the vigil mechanism.

In this regard, the Board of Directors of the Company in its Meeting held on 7th June, 2021, approved to dissolve its existing Vigil Mechanism Committee comprising entirely of Audit Committee Members so as to avoid similar layers in approval mechanism.

The Policy on vigil mechanism is available on the website of the Company at

<https://smcindiaonline.com/w-content/uploads/2021/06/VIGIL-MECHANISM-POLICY.pdf> .

Prevention of Sexual Harassment of Women at Workplace

The Company has zero tolerance

towards sexual harassment at the workplace and has adopted a 'Policy for prevention of sexual harassment' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide a procedure for redressal of complaints pertaining to such harassment. In order to sensitize the employees about the policy, the Company has placed the policy on the online employee portal of the Company for ease of access and unified dissemination of the policy to each and every employee of the Company.

The Company also has an Internal Complaints Committee (ICC) constituted in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with its allied Rules. The ICC comprises of majority women members. The committee is responsible for conducting inquiries pertaining to complaints under the Act.

During the year, ICC has received 'nil' complaints of sexual harassment from the employees of the Company. The details of sexual harassment complaints received and disposed off by the Company are also provided in the Business Responsibility Report annexed to this Annual Report. The Company ensures to sensitize its employees on regular basis about prevention and prohibition of sexual harassment.

Particulars of contracts or arrangements with related parties

During the year, the Company has not entered into any materially significant transaction which may have potential conflict of interest in the Company. All the related party transactions entered during the

year were in ordinary course of business and at arm's length basis. The Company did not execute any material related party transactions as is prescribed under section 188(1) of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014. Further, there were no material related party transactions which were entered in ordinary course of business or arm's length basis. Accordingly, the reporting in form AOC-2 as per section 134 of the Companies Act, 2013 is not applicable and hence does not form part of this report.

During the year, the Company has entered into related party transactions which were in ordinary course and were executed by virtue of prior omnibus approval granted by the Audit Committee. In this regard, transactions for which omnibus approval was not obtained, specific approval of Audit Committee was obtained as and when required. The Audit Committee on quarterly basis reviewed the related party transactions entered into on the basis of the omnibus approval granted.

The suitable disclosures as required by the Accounting Standards (IND AS 24) and the Listing Regulations have been made in the notes to the Financial Statements forming part of this Annual Report.

For the purpose of determination of related party and related party transactions and to ensure compliance of approval and review mechanism relating to such transactions, the Company has formulated a policy for related party transactions. The policy on

related party transactions ensures proper identification, approval, review and reporting of related party transactions. The same is published on the website of the Company and can be accessed at <https://smcindiaonline.com/w-content/uploads/2021/06/POLICY-ON-RELATED-PARTY-TRANSACTIONS.pdf>

Significant and material orders passed by regulators or courts or tribunals

No significant or material orders were passed by the regulators or courts or tribunals which could impact the going concern status of the Company and its future operations.

Internal Control and Audit

Your Board of Directors had appointed M/s Prachi Agnihotri & Associates, Practicing Chartered Accountants as the Internal Auditors of the Company for FY 2020-21 to review, monitor and evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, procedures and policies of the Company. The scope of internal audit and authority are internally determined by the internal auditor and the management.

The Audit Committee, comprising of independent directors, regularly reviews the significant audit findings, adequacy of internal controls, compliance with accounting standards as well as evaluates the reasons for any changes in accounting policies and practices, if any.

Internal Financial Control and their adequacy

The Company's has in place

adequate internal financial controls with reference to financial statements which commensurate with the size, scale and complexity of its operations. The internal financial control is supplemented by extensive internal audits, regular reviews by the Management and standard policies and guidelines to ensure reliability of financial statements and its reporting and other data. The Audit Committee of the Board reviews internal audit reports given along with management responses, at regular intervals. Detailed discussion on internal financial control can be referred in the Management Discussion and Analysis Report which forms part of this Annual Report.

Risk Management

Company's risk management process is designed to identify and mitigate risks that have the potential ability to materially impact our business objectives. Your Company being in stock broking business is exposed to various risks, which can be classified as, market risk, credit risk and operational risk. The Company adopts mitigation measures to reduce the adverse effects of such risks on real time basis. In this regard, the Company has a risk management policy which acts as a guiding document for the purpose of identifying and mitigating risk.

Pursuant to the recent amendments introduced by the SEBI (Listing Obligations and Disclosure Requirements) Second Amendment Regulation, 2021, the applicability of constitution of Risk Management Committee has been shifted from top 500 listed companies to top 1000 listed

companies as per market capitalisation calculated as on 31st March of immediately previous financial year. Accordingly, as your Company has been ranked among top 1000 listed entities as per market capitalisation of 31st March, 2021, the Company at its Board Meeting held on 7th June, 2021, has constituted a risk management committee. The details of composition and terms of reference of the committee can be referred in the Corporate Governance Report. The Company is also revisiting its existing risk management policy to incorporate the additional requirements recently introduced by SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Directors and Key Managerial Personnel who were appointed or have resigned during the year

During the period, no directors or key managerial personnel of the Company were appointed or reappointed by the Company. Also, no director or key managerial personnel of the Company have resigned or was/were removed from the Company during the year.

At the 26th Annual General Meeting of the Company held on 30th September, 2020, Mr. Himanshu Gupta, Non-Executive Director of the Company retired by rotation and being eligible was reappointed at the Meeting.

In this regard, the Board of the Company is diverse with skills such as financial skills, accounting skills, marketing skills, business development and strategic decision making, technology skills etc. The details of skills and expertise of the directors is provided in detail in the Corporate Governance Report

of the Company annexed to this Annual Report. The Company also has a policy on Board diversity which sets out the approach of the Company to diversity. The detailed profile of each Director and Key Managerial Personnel of the Company is provided in this Annual Report.

Committees of Board

As on March 31, 2021, following statutory Board committees were functional in the Company:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholder's Relationship Committee

The details of composition, terms of reference and number of meetings conducted during the year is provided in the Corporate Governance Report annexed to this Annual Report. The Board of Directors at its meeting held on 7th June, 2021 constituted a risk management committee and business responsibility and sustainability committee by virtue of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021. During the year, all recommendations made by the committees were approved by the Board.

Code of conduct for directors and senior management personnel

The code of conduct for directors and senior management personnel of the Company is in conformity with the requirements of the Listing Regulations and is placed on the website of the Company at

<https://smcindiaonline.com/w-content/uploads/2018/04/Code-of-Conduct.pdf>.

All the directors of the Company and Senior Management Personnel have affirmed compliance with Company's Code of Conduct for Directors and Senior Management Personnel during the year and a declaration to that effect, signed by the CEO and Managing Director of the Company is enclosed to this Annual Report.

Management discussion and analysis

Pursuant to the provisions of Regulation 34 of Listing Regulations, the Management discussion and analysis report is annexed to the annual report.

Board Meetings and Annual General Meeting

During the year, four Board Meetings were held on 9th June, 2020, 21st August, 2020, 11th November, 2020 and 10th February, 2021 in accordance with the provisions of Companies Act, 2013. A detailed discussion on Board Meetings including the attendance of the directors can be referred in the Corporate Governance Report annexed to this Annual Report.

The 26th Annual General Meeting (AGM) of the Company was held on Wednesday 30th September, 2020. Further, the 27th Annual General Meeting of the Company for the FY 2020-21 is scheduled to be held on Saturday 7th August, 2021. The details regarding the Annual General Meeting are made available in the Notice of the Meeting as set out in this Annual Report.

Apart from the Annual General Meeting, no Extra-Ordinary General

Meetings were conducted/held during the year.

Meetings of Independent Director

The Independent Directors of your Company meet at least once in a financial year, without the presence of other executive or non-executive directors. During the year, a separate meeting of independent directors was convened on 25th March, 2021 inter alia, to perform the following:

- a) Review the performance of Non-Independent Directors and the Board as a whole,
- b) Review the performance of the Executive Chairman of the Company (considering the views of the Executive and Non-Executive Directors),
- c) Review the performance of the Company, assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The aforementioned exercise was duly carried out by the Independent Directors in accordance with the provisions of law.

Business Responsibility Report

The provisions of Regulation 34 of the Listing Regulations require every company ranked under top 1000 listed entities of India as per market capitalisation, to prepare and annex a business responsibility report to the annual report of the Company. Accordingly, the requirement of business responsibility reporting has become applicable on the Company for the first-time on the basis of its ranking among the top 1000 listed

companies in India as per the market capitalisation issued by NSE and BSE as on 31st March, 2021.

Accordingly, the business responsibility report drafted in accordance with SEBI circular CIR/CFD/CMD/10/2015 dated 4th November, 2015 read along with Regulation 34(2)(f) of Listing Regulations, describing the initiatives undertaken by the Company during FY 2020-21 from an environmental, social and governance perspective has been annexed to this annual report.

In this regard, the Board of Directors of the Company at its Meeting held on 7th June, 2021 has approved constitution of a voluntary committee named as "business responsibility and sustainability committee" for the purpose of implementation of business responsibility policies existent in the Company and for preparing and finalising business responsibility report annually.

Nomination and Remuneration Policy

The Board of Directors of the Company has a appropriate mix of executive and non-executive directors. As on 31st March, 2021 the Board of Directors of the Company consists of four executive directors, two non-executive non-independent director and six non-executive independent directors. The details of Board of Directors and committees of the Board are provided in the Corporate Governance Report annexed to this Annual Report.

The Board has on the recommendation of Nomination and Remuneration Committee adopted the Nomination and

Remuneration policy, which inter alia includes the criteria for determining the qualifications, positive attributes, independence of directors and other matters relating to appointment and payment of remuneration to directors and senior management personnel of the Company. The policy ensures that the remuneration is aligned to the overall performance of the Company. Further, the remuneration paid to the directors and senior management is in line with the remuneration policy of the Company.

The policy is available on the website of the Company at <https://smcindiaonline.com/w-content/uploads/2021/06/NOMINATION-AND-REMUNERATION-POLICY.pdf>

Corporate Social Responsibility

During the year, the Company has focussed its CSR spending for the financial year on three major activities mentioned in Schedule VII of the Companies Act, 2013 i.e. Health Care, Education and Protection of national heritage. Apart from these activities, the Company has also contributed for initiatives which supported the Country in fighting COVID-19 pandemic.

The Company has incurred a CSR expenditure of approximately ₹73.29 lakhs and the entire SMC group have spent approximately ₹271.54 Lakhs towards CSR during the FY 2020-21. In this regard, the Company along with its material subsidiary Moneywise Financial Services Private Limited has formed a trust named SMC Global Foundation for the purpose of

execution of CSR activities on behalf of SMC Global Securities Limited and the entire SMC group. The trust is a registered trust under the Indian Trusts Act, 1882 and has also acquired necessary registrations as prescribed under the CSR Amendment Rules, 2021. During the year, the Company has allocated some portion of CSR spending to the SMC Global Foundation for spending towards objectives of the trust.

The Company complies with the provisions of section 135 of the Companies Act, 2013 and has framed and implemented a CSR policy, which is available on the website of the Company at <https://smcindiaonline.com/w-content/uploads/2021/06/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.pdf>.

Further, the details of actual CSR spending of the Company on various activities can be referred from the Annual Report on Corporate Social Responsibility as is annexed to this Report as Annexure 3.

The CSR committee of the Company comprises of three directors including one independent director. The detailed composition and terms of reference of the committee can be referred in the Corporate Governance Report annexed to this Annual Report.

Declaration by Independent Directors

The Company has received necessary declarations pursuant to section 149(7) of the Companies Act, 2013 from all the Independent Directors of the Company confirming that they meet the

criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and in terms of Regulation 16 and 25 of Listing Regulations.

Criteria of making payments to Non-Executive Directors

The criteria of payments to the Non-Executive Directors are published on the website of the Company at <https://smcindiaonline.com/investors/>.

Policies

During the year, the Company had framed and implemented all the policies required under the Companies Act, 2013 and the Listing Regulations. Further, during the year, the Company amended the provisions of following policies and codes so as to align the same with the recent amendments in the law:

1. Corporate Social Responsibility Policy
2. Vigil Mechanism Policy
3. Codes formulated under SEBI (Prohibition of Insider Trading) Regulations, 2015

The Company ensures compliance of all the provisions mentioned in the policies read along with the applicable law. Further, in accordance with recent amendments introduced in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors of the Company at its meeting held on 7th June, 2021 has revised its existing policies.

Directors & Officers Insurance Policy

The Company has an appropriate

Directors and Officers Liability Insurance Policy which provides indemnity in respect of liabilities incurred as a result of their office. The policy is renewed every year by the Company.

The coverage of the insurance extends to all directors of the Company including the independent directors.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards, i.e. SS-1 for Meetings of Board of Directors and SS-2 for General Meetings.

Corporate Governance Report

In compliance with the provisions of Regulation 34 of Listing Regulations, a separate report on Corporate Governance, along with certificate from the Auditors on its compliance, forms part of this Annual Report.

Annual Return

Pursuant to the provisions of section 92(3) and section 134(3)(a) of the Companies Act, 2013, the annual return as on 31st March, 2021 in the prescribed format is available at company's website at <https://smcindiaonline.com/investors/>.

Particulars of loans, guarantee and investments

Particulars of loans, guarantee and investments outstanding during the financial year as per section 186 of the Companies Act, 2013 forms part of the Notes to the financial statements provided in this Annual Report.

Auditor and Auditor's Report

M/s R. Gopal & Associates, Chartered Accountants bearing firm registration no. 000846C have been appointed as the statutory auditors

of the Company for a term of five years at the 25th Annual General Meeting of the Company and shall hold office until conclusion of 30th Annual General Meeting of the Company. The statutory audit of the financial statements of the Company for FY 2020-21 was conducted by the said auditors. The statutory auditors have confirmed that the auditors are competent, qualified and independent of the Board and management and there was no conflict of interest in accordance with the provisions of the Companies Act, 2013 and the Code of Ethics issued by the Institute of Chartered Accountants of India.

In this regard, the Company or its subsidiaries or its joint venture company has not availed any service from the statutory auditor of the Company during the FY 2020-21 which are prohibited non-audit services mentioned under clause (a) to (i) of section 144 of the Companies Act, 2013.

The Auditor's Report for the FY 2020-21 is enclosed with the financial statements in this Annual Report. In this regard, the report does not contain any qualification, reservation or adverse remark. Further, there are no instances of any fraud reported by the Auditors of the Company in pursuance of section 143(12) of the Companies Act, 2013.

Qualification/Reservation/Adverse Remarks of the Statutory Auditor

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Auditor and its Audit Report

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s A. K. Roy & Associates, Practicing Company Secretaries Firm, to conduct the secretarial audit for FY 2020-21. The Secretarial Audit Report in form MR-3 for the financial year ended 31st March, 2021 is annexed herewith and marked as Annexure 4. The Report does not contain any qualification, reservation, or adverse remark.

Further, in accordance with the provisions of Regulation 24A of the Listing Regulations, the material subsidiaries of the Company i.e. Moneywise Financial Services Private Limited and SMC Insurance Brokers Private Limited have also conducted secretarial audit for FY 2020-21.

The secretarial audit report of SMC Insurance Brokers Private Limited does not contain any qualification, reservation or adverse remark.

However, few observations have been made by the secretarial auditor of Moneywise Financial Services Private Limited in its Secretarial Audit Report. The company and the concerned material subsidiary have taken note of the same and have taken necessary corrective measures to strengthen its processes in this regard. Further, the said observations are procedural in nature and have no bearing on the operations or the financials of the company or of the concerned material subsidiary. The report of

material subsidiaries is available on the website of the Company.

Annual Secretarial Compliance Report

Pursuant to the provisions of Regulation 24A of the Listing Regulations read with SEBI circular dated 8th February, 2019, the Board of Directors of the Company has appointed M/s A. K. Roy & Associates, Practising Company Secretaries Firm to conduct annual secretarial audit for FY 2020-21 on compliance of all applicable SEBI Regulations and circulars/guidelines issued there under.

Qualification/Reservation/Adverse Remarks of the Auditor

The Annual Secretarial Compliance Report does not contain any qualification, reservation or adverse remark.

Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and outgo

During the year, ended 31st March, 2021, there were foreign currency earnings of ₹ 62,28,998/- and the foreign exchange outgo was of ₹ 2,03,49,539/-.

The Company being in a stock broking company does not have any industrial or energy intensive operations. Hence, the provisions mentioned under Rule 8(3) of Companies (Accounts of Companies) Rules, 2014 are not applicable on the Company.

In this regard, the Company is cognizant of the importance of adopting measures for optimum energy utilisation and conservation.

Particulars of employees and related disclosures

The SMC Group employs around

3,650 employees as on 31st March, 2021 leveraging a strong partnership and ownership culture. In terms of the provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory amendment or modification thereof), a statement showing the names and other particulars of top ten employees of the Company and such other employees drawing remuneration in excess of the limit said out in the said Rules are provided in this Report and marked as Annexure 5.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment or modification thereof) are also provided in this Report and marked as Annexure 5.

Unclaimed dividend and shares

Pursuant to the provisions of section 124(5) of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, relevant amount which remained unpaid or unclaimed for a period of seven years should be transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund (IEPF). During the year, your Company has transferred the Unpaid and Unclaimed Interim Dividend pertaining to FY 2013-14 of ₹1,44,864 (Rupees One Lakh, Forty-Four Thousand and Eight Hundred and Sixty-Four) to IEPF in

accordance with IEPF Rules.

Pursuant to Section 124 (6) of the Companies Act, 2013 and read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) read with applicable provisions of the Companies Act, 2013 all the underlying shares in respect of which dividends are not claimed/paid for the last seven consecutive years or more are liable to get transferred to the IEPF DEMAT Account with a Depository Participant as identified by the IEPF Authority. Accordingly, during the year 2, 88, 920 (Two Lakh Eighty-Eight Thousand and Nine Twenty Only) equity shares of face value ₹2/- each which is approximately 0.25% of total shareholding of the Company, were transferred to IEPF Demat account.

Credit Rating

During the year, CARE Ratings Limited has provided a rating of A1+ to the Company together with that of its subsidiary companies i.e. for the entire SMC Group as on 31st March, 2021.

Cyber Security

The Company has formulated and implemented cyber security policies. Considering the introduction of concept of working remotely due to COVID-19 pandemic, the Company has formulated two new policies namely Policy on Remote Access and Policy on Work from Home for the purpose of minimizing the cyber security risks existing while working remotely. The Company has been very adaptive and resilient to the changes in the

environment and continues to ensure optimum level of cyber security in the Company.

Human resource engagement and development

Employee engagement is becoming one of the most important indicators in gauging work satisfaction. Your Company believes in investing in employee engagement by increasing their productivity, work quality and retaining the talent in the organisation. Every employee of the Company is imparted with an orientation programme called 'Abhinandhan' so as to familiarise the employee with the culture and processes of the organisation.

Further, the Senior Management Personnel of the Company continuously interact with the concerned employees of each department, for keeping them motivated and conveying the expectation of the Company. HR regularly talks about Career Progression, Culture and Values followed within the Organization for establishing a mutual connect. The Company periodically undertakes sessions/webinars, both physically and virtually on subjects such as mental health, emotional and psychic wellbeing etc for the overall wellbeing of employees.

For and on behalf of the Board of Directors

Sd/-
Subhash Chand Agarwal
Chairman and Managing Director

Place: New Delhi
Date: 07th June, 2021

Cost records and Cost Audit

The maintenance of cost records and conducting of cost audit in accordance with the provisions of section 148(1) of the Companies Act, 2013 are not applicable as the Company is not involved in the business of production or manufacturing of goods or providing of services as is mentioned under Rule 3 of Companies (Cost Records and Audit) Rules, 2014.

Fraud Reporting

During the year, neither the statutory auditors nor the secretarial auditor have 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 which has to be reported in the Annual Report.

Acknowledgements

Your directors value the professionalism and commitment of all employees of the Company and place on record their appreciation and contribution to the excellence of the Company. Your Board also expresses their gratitude to the stakeholders of the Company for their continuous support and cooperation.

Cautionary Statement

The statements in the Board's Report and Management Discussion and Analysis, describing the Company's objectives, outlook, opportunities and expectations which may constitute "Forward Looking Statements". Accordingly, the actual results may differ from those expressed or implied expectations or projections, among others. Several factors make a significant difference to the Company's operations including the government regulations, taxation and economic scenario affecting demand and supply, natural calamity and other such factors over which the Company does not have any direct control.

ANNEXURE-1

DIVIDEND DISTRIBUTION POLICY

1. Objective

This policy is framed in accordance with the requirement under Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereof).

The Policy reflects the intent of the Company to reward its equity shareholders by sharing a portion of its profits after adjusting for accumulated losses and unabsorbed depreciation, if any, and also retaining sufficient funds for growth of the Company. The Company shall pursue this Policy, to pay, subject to the circumstances and factors enlisted hereon, dividend, which shall be consistent with the performance of the Company over the years.

The policy on dividend distribution was initially adopted by the Board of Directors of the Company at its meeting held on 3rd November, 2015 and stands amended as on 7th June, 2021.

2. Declaration of dividend

The Company shall declare dividend (including interim dividend) in accordance with the applicable provisions of Companies Act, 2013 read with its allied Rules and the Listing Regulations.

Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company having face value ₹2 per share. The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding as on the record date to be determined by the Board.

3. Circumstances under which shareholders of Company may or may not expect dividend

a. Circumstances under which shareholders may expect dividend

The Company would endeavour to maintain a dividend pay-out in the range of 25% to 35% of the profits of the Company subject to the financial performance of the Company as well as immediate and long term needs of the business and including other financial parameters as defined under clauses (a) to (i) of para 4 of the policy.

b. Circumstances under which shareholders may not expect dividend

The Board of the Company may not recommend any dividend if the profits are inadequate or the Company has incurred losses. In case where the Company is having adequate profits, the Board may still resolve to

refrain from issuing any dividend for a financial year in following situations:

- a) The Company is proposing to undertake a significant expansion in the business operations;
- b) There is a need of conservation of capital for future growth;
- c) In case there is any regulatory restriction;
- d) In case where, the Company is expecting low future profitability by virtue of any market survey;

4. Financial parameters that shall be considered while declaring dividend

The financial parameters which would be considered while declaration of dividend by the Board is as follows:

- a) Financial performance
- b) Dividend pay-out pattern/trend
- c) Cash flow requirements
- d) Tax implications, if any
- e) Any corporate actions including expansion plans and investments
- f) Future capital expenditure requirements
- g) Expected future profitability
- h) Market conditions and business needs
- i) Such other factors as may be material

Apart from the aforementioned internal factors, the Company may

also consider external factors such as macro-economic environment, inflation rate in the economy etc. while declaring dividend.

Utilization of retained earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of shares for the stakeholders in the long run. The retained earnings may be utilised by the Company for buying back of shares or for the purpose of issuance of bonus shares or for general corporate purposes.

The decision of utilization of retained earnings of the Company shall be based on the capital adequacy and future expansion or investment plans of the Company.

Amendments/Modifications

In case of any subsequent changes in the provisions of the Companies Act, 2013 or the Listing Regulations or any other applicable law which makes any of the provisions of this Policy inconsistent with the existing law, then the provisions of the amended law shall prevail over the Policy and the Policy shall be

read accordingly. The provisions of the Policy shall also be conveniently modified by the Board of Directors to reflect the amendments.

Disclosure of Policy

The policy shall be available on the website of the Company and shall also be attached with the annual report of the Company.

ANNEXURE-2**Form AOC-1**

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

Part "A" Subsidiaries

(₹ in Lakhs)

S. No.	Name of subsidiary	Date since when the subsidiary was acquired/incorporated	Reporting currency & exchange rate	Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	PBT	Provision for tax	PAT	Percentage Shareholding
1	SMC Capitals Limited	August 16, 2008	INR	1,000.00	488.33	1,704.13	215.80	-	669.70	52.08	15.23	36.85	100
2	Moneywise Financial Services Private Limited	August 1, 2008	INR	4,365.69	29,789.12	59,604.19	25,449.38	396.22	8,213.40	2,218.23	576.69	1,641.54	100
3	SMC Comtrade Limited	April 26, 2007	INR	250.00	2.28	318.62	66.34	62.50	17.40	(5.02)	(1.07)	(3.95)	100
4	SMC Investments and Advisors Limited **	April 1, 2008	INR	750.00	69.25	1,770.36	951.11	150.00	221.39	(248.47)	-	(248.47)	100
5	SMC Global USA Inc.	February 29, 2016	In USD (INR 73.50)	11.53	(12.81)	0.94	2.22	-	-	-	-	-	50
			In INR	779.71	(873.21)	69.34	162.84	-	-	-	-	-	-
6	SMC Global IFSC Private Limited	December 8, 2016	INR	1,199.98	1,692.48	4,812.84	1,920.38	-	978.60	832.29	1.83	830.46	100
7	Moneywise Finvest Limited	November 6, 2009	INR	1,200.00	(386.64)	2,777.90	1,964.54	-	749.62	(161.88)	(9.42)	(152.46)	100
8	SMC Real Estate Advisors Private Limited	February 8, 2013	INR	3,000.00	(4,023.34)	2,511.99	3,535.33	10.00	3,837.76	467.34	125.53	341.81	100
9	SMC Insurance Brokers Private Limited	April 23, 2007	INR	4,140.00	874.85	9,807.80	4,792.95	2,120.40	24,563.10	594.80	9.33	585.47	97.58
10	SMC Comex International DMCC	November 16, 2005	In USD (INR 73.50)	24.05	4.16	139.09	110.88	-	29.39	9.17	-	9.17	100
			In INR	1,538.28	535.73	10,223.86	8,149.85	-	2,181.55	680.95	-	680.95	-

Notes:

- The aforesaid data is in respect of ten (10) subsidiary companies as on 31st March, 2021.
- Turnover includes other income
- Name of subsidiaries which are yet to commence operations- None
- Name of subsidiaries which have been liquidated or sold during the year- None
- All the subsidiaries follow the reporting period as the holding company
- Proposed dividend of 18% is recommended by the Board of Directors of SMC Insurance Brokers Private Limited
- Provision for tax includes provision for deferred tax and prior period tax
- In SMC Investments and Advisors Limited the share of loss of SMC & IM Capitals Investment Manager LLP has been excluded and shown separately.

Part "B" Joint Venture

(₹ in Lakhs)

S. No.	Name of the entity	Latest audited Balance Sheet Date	Shares of joint venture company held by the Company at the end of year			Description of how there is significant influence	Reason why the joint venture is not consolidated	Net worth attributable to shareholding as per latest audited balance sheet	Profit or loss for the year	
			Number	Amount of investment	Extent of holding				Considered in consolidation	Not considered in consolidation
1.	SMC & IM Capitals Investment Manager LLP	March 31, 2020	N.A.	150.00	N.A.	N.A.	N.A.	-	73.32	73.32

Notes:

- Name of associate or joint ventures which are yet to commence operations- None
- Name of associates or joint ventures which have been liquidated or sold during the year- None

ANNEXURE 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company

We at SMC believe that business enterprises are economic organs of society that draw on social resources. Accordingly, it is very important for business houses to operate in a socially responsible manner to meet both economic and societal expectations of the stakeholders. Based on this thought process, our focus has always been towards advancement of the society and environment for present and future generations. In accordance with the provisions of section 135 of the Companies Act, 2013, the Company has formulated a Corporate Social Responsibility Policy which serves as a guiding document for the Company to identify, execute and monitor the CSR projects.

The CSR policy of the Company outlines the vision and the priority projects identified by the Company for the purpose of CSR. The ultimate responsibility of identifying the CSR projects and ensuring execution of the same is bestowed on the CSR committee under the guidance and assistance of the Board of Directors. The process of implementation and monitoring of CSR activities is provided in detail in the CSR Policy of the Company. Apart from the

process of implementation, the policy also enlists the assessment and reporting requirements with regard to the CSR activities. The priority projects where the Company has focussed its CSR spending of last few years are as follows:

- Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled.
- Protection and preservation of National Heritage, Art and Culture including restoration of buildings and sites of historical importance and works of art.
- Disaster Management
- Promoting health care including preventive health care and sanitation
- Rural development projects
- Contribution to Clean Ganga Fund set up by Central Government for rejuvenation of river Ganga.
- Such other projects as may be identified considering the need of hour

The Policy is available on the website of the Company and can be accessed at <https://smcindiaonline.com/wp-content/uploads/2020/08/CSR-Policy-SMC-GLOBAL.pdf>

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Subhash Chand Aggarwal	Chairman of the Committee and Chairman and Managing Director of the Company	2	2
2	Mr. Mahesh Chand Gupta	Member of the Committee and Vice Chairman and Managing Director of the Company	2	2
3	Mr. Kundan Mal Agarwal	Member of the Committee and Independent Director of the Company	2	2

3. Web-link of the website of the Company where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

The composition of CSR committee can be viewed at: <https://smcindiaonline.com/investors/>

The CSR Policy of the Company can be viewed at: <https://smcindiaonline.com/wp-content/uploads/2021/06/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.pdf>

The CSR projects approved by the Board can be viewed at: <https://smcindiaonline.com/investors/>

4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

7. Following details:

Sl. No.	Particulars	Details
A	Two percent of the average net profit of the Company as per section 135(5)	₹70,10,425
B	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	0
C	Amount required to be set off for the financial year, if any.	0
D	Total CSR obligation for the financial year (A+B-C)	₹70,10,425

8. a. CSR amount spent or unspent for the financial year

Total amount spent for the financial year (in ₹.)	Amount unspent (in ₹)				
	Total amount transferred to unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of fund	Amount	Date of transfer
₹73,29,287	NIL	NA	NA	NIL	NA

b. Details of CSR amount spent against ongoing projects for the financial year

Sl. No.	Name of the Project	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
			State	District						Name	CSR Registration no.
NONE											

The average CSR obligation of the Company in immediately three preceding financial years does not exceed ₹ 10 crores, hence the provisions relating to undertaking of impact assessment of CSR projects were not applicable on the Company for FY 2020-21.

5. Details of amount available for set off in pursuance of sub-rule (3) of Rule 7 of Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

NA

6. Average net profit of the Company as per section 135(5)

The average net profit of the Company during immediately three preceding financial years amounted to ₹ 35,05,21,238

c. Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount spent in the current financial Year (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District				Name	CSR Registration no.
1	Development of children of weaker sections of society	Promotion of Education (ii)	Yes	New Delhi	Moti Nagar	FY 2020-21	1,25,000	No	Shikshyaly	NA
2	Providing food to COVID infected patients	Disaster Management (xii)	Yes	Bengaluru	Karnataka	FY 2020-21	50,000	No	Collective Good Foundation	NA
3	Protection & Preservation of National Heritage	Protection & Preservation of National Heritage (v)	Yes	New Delhi	Loni Road	FY 2020-21	3,00,000	No	Shri Ram Sanskritik Shodh Sansthan Nyas	NA
4	Purchase of computers, sewing machines and salary of teachers for teaching girls upto class 10	Promotion of Education (ii)	Yes	New Delhi	Shahbad Extension	FY 2020-21	2,50,000	No	Savan Dharamrath Ashram	NA
5	Contribution towards cost of running non-formal 50 Ekal Vidyalayas for academic year 2020-21 in tribal and rural Indian villages of Uttarakhand	Promotion of Education (ii)	Yes	New Delhi	Lawrence Road	FY 2020-21	22,00,000	No	Bharat Lok Shiksha Parishad	NA
6	Contribution for food and hospitality for health care staff posted for COVID duty at Safdarjung Hospital, New Delhi	Disaster Management (xii)	Yes	New Delhi	Chanakya-puri	FY 2020-21	1,20,000	No	ASSOCHAM Foundation	NA
7	Distribution of N-95 masks to people of weaker section of the society for prevention of spread of COVID-19	Disaster Management (xii)	Yes	New Delhi	Shahdara	FY 2020-21	11,11,800	Yes	Jay Marketing	NA
8	Promotion of Health	Promotion of Health (i)	Yes	New Delhi	Paschim Puri	FY 2020-21	1,00,000	No	Durbal Divyang Kalyan Society	NA

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount spent in the current financial Year (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District				Name	CSR Registration no.
9	Donation for assisting university in carrying out its activities during the pandemic	Promotion of Health (ii)	Yes	Jharkhand	Ranchi	FY 2020-21	11,00,000	No	Usha Martin University	NA
10	Contribution to Sharda Devi Sanskrit Vidhyapeet for education, food and welfare of students	Promotion of Education (ii)	Yes	New Delhi	Daryaganj	FY 2020-21	2,00,000	No	Shakhti Shiksha Nayas	NA
11	Welfare of deaf and dumb students of Premalabai Chavan School for the deaf	Promotion of Education (ii)	Yes	New Delhi	Karkarduma	FY 2020-21	1,00,000	No	All India Deaf & Dumb Society	NA
12	Contribution to the foundation for establishing hospital in village Sewah District, Panipat	Promotion of Health (i)	Yes	New Delhi	Moti Nagar	FY 2020-21	11,00,000	No	Indraprastha Global Education & Research Foundation	NA
13	Plantation of tree guards for Environment Protection at Sri Ganganagar under the mission of "Green Road's Green Rajasthan"	Environment Sustainability	Yes	Rajasthan	Sri Ganganagar	FY 2020-21	50,000	No	Ashadeep	NA
14	Health care/ Environmental sustainability/ Disaster Management.	Promotion of Health (i) and Disaster Management (xii)	Yes	New Delhi	Sri Ganganagar	FY 2020-21	5,22,487	No	SMC Global Foundation***	NA
Total							₹ 73,29,287			

**The requirement of obtaining of CSR registration number as per the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 was applicable from 1st April, 2021. Accordingly, the corresponding column asking for details of CSR registration number for FY 2020-21 has been mentioned as 'NA'.

***SMC Global Foundation is a registered trust formed by SMC Global Securities Limited and Moneywise Financial Services Private Limited for executing CSR activities on behalf of SMC group. In this regard, the CSR Registration Number of the trust is CSR00010811.

d. Amount spent in overheads- NIL

e. Amount spent on Impact Assessment, if applicable- NA

f. Total amount spent for the Financial Year (B + C + D + E) ₹73,29,287

g. Excess amount for set off, if any

Sl. No.	Particulars	Amount
	NA	

9. a. Details of unspent CSR amount for the preceding three financial years

Sl. No.	Preceding financial year	Amount spent in the reporting financial year (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the fund	Amount (in ₹)	Date of transfer	
1	FY 2019-20	NA	₹3,18,863		NA		NIL
2	FY 2018-19	NA	₹34,61,453		NA		NIL
3	FY 2017-18	NA	₹42,46,007		NA		NIL

b. Details of CSR amount spent in a financial year for ongoing projects of preceding financial year

Sl. No.	Project ID	Name of the project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in reporting financial yr (in ₹)	Cumulative amount spent at the end of reporting financial yr. (in ₹)	Status of the project- Completed/ Ongoing
								NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to asset so created or acquired through CSR spent in the financial year (asset wise details)

a. Date of creation or acquisition of the capital asset - NA

b. Amount of CSR spent for creation or acquisition of capital asset- NA

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.- NA

d. Provide details of capital assets created or acquired (including complete address and location of the capital asset)- NA

11. Specify the reason(s), if the Company has failed to spend 2% of average net profit as per section 135(5) – NA

For and on behalf of
SMC Global Securities Limited

Sd/-
Subhash Chand Aggarwal
Chairman and Managing Director
& Chairman of CSR Committee

Sd/-
Mahesh C. Gupta
Vice Chairman and Managing Director
& Member of CSR Committee

ANNEXURE 4

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SMC GLOBAL SECURITIES LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s SMC Global Securities Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us 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, 2021 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, 2021 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;
- 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;

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India , 1992 (' SEBI Act');
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines , 1999;
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - 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,
 - The Minimum Wages Act, 1948, and rules made there under,
 - Employee State Insurance Act, 1948, and rules made there under,
 - The Employee Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
 - The Payment of Bonus Act, 1965, and rules made there under,
 - The Payment of Gratuity Act, 1972, and rules made there under,
 - The Contract Labour(Regulation and Abolition) Act, 1970
 - The Maternity Benefits Act, 1961

i) Prevention of Money Laundering Act, 2002

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

- I. The Secretarial Standards issue by the Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with, Calcutta Stock Exchange, National Stock Exchange (Listed on 24th February, 2021) & Bombay Stock Exchange (Listed on 24th February, 2021)

During the period 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 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-F008308C000071019

Place: New Delhi
Date: April 13, 2021

ANNEXURE A

To,
The Members,
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.
2. 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.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. 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
UDIN-F008308C000071019

Place: New Delhi
Date: April 13, 2021

ANNEXURE 5**DISCLOSURE REGARDING MANAGERIAL REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

1. The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21 and percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer & Company Secretary during the financial year are as follows:

Sl. No.	Name of Director/KMP	Designation	Percentage increase in remuneration during FY	Ratio of remuneration of each director to median remuneration of employees***
A. Executive Directors				
1	Mr. Subhash Chand Aggarwal	Chairman & Managing Director	Nil	39.23
2	Mr. Mahesh Chand Gupta	Vice Chairman & Managing Director	Nil	39.23
3	Mr. Ajay Garg*	Director & Chief Executive Office	16%	28.33
4	Mr. Anurag Bansal	Whole Time Director	Nil	26.35
B. Non-Executive Directors				
5	Mr. Himanshu Gupta	Non-Executive Director	NA	NA
6	Ms. Shruti Aggarwal	Non-Executive Director	NA	NA
C. Key Managerial Personnel				
7	Mr. Suman Kumar**	E.V.P. Corporate Affairs & Company Secretary	3.59%	NA
8	Mr. Vinod Jamar	Chief Financial Officer	4.11%	NA

*During the year, the Board of Directors in its meeting held on 21st August, 2020 increased the remuneration of Mr. Ajay Garg, Chief Executive Officer and Director of the Company, effective from 01st October, 2020.

** During the year, the Board of Directors in its meeting held on 10th February, 2021 increased the remuneration of Mr. Suman Kumar, E.V.P Corporate Affairs and Company Secretary, effective from 1st January, 2021.

***The expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle value. In case where there is even number of observations, the median shall be average of two middle values.

2. The percentage increase in the median remuneration of employees in the financial year:

There was a increase of 6.31% in the median of remuneration paid to the employees of the Company during the financial year 2020-21.

3. Number of permanent employees on the rolls of the Company:

As on 31st March, 2021, the Company has 2027 permanent employees on its pay roll (including Directors & Key Managerial Personnel of the Company).

4. Average percentile increases already made in the

salaries of employees other than the managerial personnel in the last financial year and its comparison along with justification:

The average percentile increase in the salaries of employees other than the managerial personnel is 6.65%, whereas, the increase in the remuneration of managerial personnel is 4.47%.

5. Affirmation that remuneration is as per the remuneration policy of the Company:

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that

remuneration paid to Directors and Key Managerial Personnel is in accordance with the Nomination and Remuneration Policy of the Company.

April, 2019 to 30th June, 2020.

b) Mr. Suman Kumar, E.V.P Corporate Affairs & Company Secretary was granted an outstanding performance bonus of ₹ 5 lakhs for his performance during the year.

Notes:

a) During the year, the Board approved payment of ₹ 11 lakhs as performance linked incentive to Mr. Ajay Garg, Director and Chief Executive Officer of the Company for his performance during the period 1st

c) Since Non-Executive Directors are not entitled to any remuneration except sitting fees for attending Board/Committee Meetings, the required details are not applicable for such directors.

DISCLOSURE AS PER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE RULE 5(2) & (3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. Details of top ten employees of the Company in terms of the remuneration drawn as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name	Age	Qualification	Experience	Date of Employment	Designation	Remuneration received (₹)	Name of last employer
1	Abhinav Aggarwal	36	Masters in Computer Science	13	1st April, 2015	Vice President, Quantitative Trading	2,83,19,985	Citadel LLC
2	Roopesh Ramaprasad	35	Masters in Electrical Engineering	13	13th April, 2015	Vice President, Quantitative Trading	2,80,01,454	Citadel LLC
3	Barath Krishnan	34	Post Graduate Diploma in Management (PGDM)	11	5th August, 2019	Senior Quantitative Researcher	1,05,02,500	Edelweiss Financial Limited
4	Nitin Kumar Murarka	43	Chartered Accountant	12	1st March, 2007	Vice President, Research	62,52,492	Evalueserve
5	Ashok Kumar Aggarwal	65	Chartered Accountant	41	1st August, 2012	Senior Vice President, Senior Management	49,09,710	Self-employed - Practicing Chartered Accountant
6	Mohit Shyngle	48	Bachelors of Commerce	27	1st April, 2004	Senior Vice President, Business Development	41,14,406	S&F Securities Private Ltd.
7	Narendra Balasia	49	Bachelors of Commerce	27	1st February, 2020	Regional Director	40,96,380	SMC Comtrade Limited
8	Shardool Shrivastava	38	B.S.C. Mathematics	11	17th Sept. 2018	Qualitative Researcher	36,35,281	Wallsoft Labs
9	Rohit Jain	38	Higher Secondary (12th)	17	1st August, 2019	Senior Vice President, SMC Private Wealth	35,39,481	NA
10	Deen Dayal Goyal	55	M.Com	16.5	1st June, 2015	Senior Vice President, Debt	34,47,251	Pioneer Sec Pvt. Ltd.

- No employee of the Company who was employed for a part of the financial year was in receipt of remuneration at a rate which in aggregate was not more than eight lakhs and fifty thousand per month.
- No employee was in receipt of remuneration which in aggregate, be at a rate which is in excess of that drawn by the managing director or whole-time director and none of employee along with his spouse and dependent children 2% of equity shares of the Company.
- Nature of employment is contractual in all cases.
- Remuneration includes Salary, allowances, Contribution to Provident Fund and other perquisites.

another winner by smc group: stoxkart

Stoxkart has quickly become one-of-the-fastest growing discount brokers in India. Our desktop, web, and mobile platforms are designed for performance and are built for all levels of investors.

Seamless trading across platform

Lowest in the industry brokerage plans

World's leading Chart IQ feature

Award winning research support

Automated investing through robo advisory

Management Discussion and Analysis Report



1. OVERVIEW & OUTLOOK

1.1 Global and Indian Economy

The world economy is on recovery with signs of a rebound in goods trade and industrial production. With vaccine-driven recovery, massive liquidity injections, unprecedented fiscal support - primarily by the United States and with more in the pipeline, it is expected that it would continue to lift economic activity across the world. Undoubtedly, the devastating pandemic pushed the world economy into its deepest-ever recession last year. Inflation has inched up in some advanced nations on pent-up demand, spurred by the re-opening of economies. Industrial production has rebounded in most countries, firming up commodity prices and international trade. Besides, the major central banks are not expected to start winding down their asset purchases programme this year, thus there will be no concern for liquidity.

However, the task for monetary policymakers this year will be to

separate phantom inflation from underlying wage and price pressures. The US and China are shaping up to be the main drivers of global growth in 2021. Household consumption and business investment have surged in both economies, along with measures of private-sector confidence.

Back at home, India can again reclaim the position of the fastest growing economy in the world in FY 2021-22, a report by The Organization for Economic Co-operation and Development (OECD) said. The global economic growth is becoming more and more dependent upon Asia growth, in which India is playing an increasingly more important role. With large government stimulus and the ongoing vaccination drive, it is expected that economic activity will continue its recovery and rebound strongly in the current fiscal year with an uptick in domestic demand. The government's boost to public investment through its infrastructure push, incentives for manufacturing, and continued support to boost rural incomes will support

India's accelerated recovery. However, the emergence of yet more contagious COVID-19 variants with the potential to evade vaccine-derived immunity presents a major risk to this recovery. Recently RBI has said that the resurgence in Covid-19, if not contained in time, risks protracted restrictions and disruptions in supply chains with consequent inflationary pressure. Meanwhile, the commitment of the RBI at home to continue with the accommodative stance as long as necessary to sustain growth on a durable basis will lower borrowing costs, ease financial conditions and keep liquidity supportive for credit offtake. The government's push to the manufacturing sector through the production-linked incentive scheme will expand domestic production and help integrate domestic manufacturing with global supply chain. Thus India is better poised with a reasonable uptick in growth and will continue to attract the foreign players.

International Monetary Fund (IMF) has raised its growth

forecast for Indian economy by 100 basis points to 12.5 per cent for fiscal year 2021-22. As per IMF, India is the only country expected to register a double-digit growth this fiscal. Among emerging markets and developing economies, China is projected to grow this year at 8.4 per cent.

1.2 Industry structure and developments

Capital Market: In second half of 2020-21, global financial markets remained largely buoyant, fuelled by optimism around a speedy vaccine-led recovery. Growing inflation concerns over fiscal stimulus amidst extremely accommodative monetary policies rattled global bond markets in February 2021. Long-term sovereign bond yields jumped sharply in the US and induced bouts of volatility across financial markets and regions of the world. The consequent yield curve steepening resulted in portfolio reallocation and corrections in equity prices. Despite the

recent declines, stock indices remain elevated on anticipation of stronger recovery. In the currency markets, the US dollar appreciated in the first quarter of 2021 driven by rising bond yields while Emerging Market Economies (EME) currencies faced depreciation pressures from bouts of capital outflows.

Domestic financial markets continued to post recovery in market activity amidst easy liquidity conditions. Nevertheless, concerns about a surge in infections in a few states, global bond sell-off, the large government borrowing and uncertainty about the pace and scale of economic recovery kept market sentiments subdued. Domestic equities scaled all-time highs in 2020-21 on positive global cues, record FPI inflows, revival in economic activity, robust corporate earnings, roll-out of COVID-19 vaccine and announcement of a growth oriented Union Budget 2021-22. The BSE Sensex gained ~ 75.0 per cent in 2020-21 to close at 49,509 on March 31, 2021.

(Source: Monetary Policy Report- RBI, April 2021)

2.SMC-One of the Leading Investment Solutions Group

With around three decades of expertise, SMC Global Securities Ltd. (SMC), with its subsidiaries is **one of the leading Investment Solutions Companies in India, having a robust** 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.

SMC has won many awards last year. The list of awards in last year is as follows:

- Corporate Broker of the Year-National - RE/Max India in partnership with Zee business (TV Partner)
- 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 one foreign subsidiary. 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. 2,550 (PY ~2,500) authorized persons and sub brokers, SMC footprints cover nearly over 550 (PY ~ 550) cities across India. SMC group employs around 3,650 (PY 4,100) employees (as on March 31, 2021), leveraging a strong partnership and ownership culture.

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 to:

- Intensify our cross-selling efforts across our client base
- Continue expanding our geographic presence and reach
- Expand our services and product portfolio through

continued innovation

- Pursue additional strategic alliances and acquisitions to grow our client base and increase our revenues
- Expand Financing & Discount broking business

3. FINANCIAL PERFORMANCE HIGHLIGHTS

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

(₹ in Lakhs)

Particulars	FY 2020-21	% to Total Revenue	FY 2019-20	% to Total Revenue
Total Revenue	90,159	100.00%	78,413	100.00%
Total Expenditure	76,639	85.00%	73,898	94.24%
Profit before tax	13,593	15.08%	4,515	5.76%
Less: Tax expense	3,586	3.98%	2,128	2.71%
Profit After Tax (PAT) Before Minority Interest	10,007	11.10%	2,387	3.04%
Total other comprehensive income for the Year	765	0.85%	-631	-0.80%
Total comprehensive income for the Year 10,773	11.95%	1,756	2.24%	
Share of Minority Interest in Profit (Loss)	14	0.02%	26	0.03%
Net Profit After Tax, Minority Interest	9,993	11.08%	2,360	3.01%
Earnings per Share (Basic) (FV ₹2) In ₹	8.85	-	2.11	-

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

(₹ in Lakhs)

Particulars	FY 2020-21	% to Total Revenue	FY 2019-20	% to Total Revenue
Total Revenue	51,455	100.00%	45,290	100.00%
Total Expenditure	41,574	80.80%	41,535	91.71%
Profit before tax	9,882	19.20%	3,755	8.29%
Less: Tax expense	2,868	5.57%	782	1.73%
Profit After Tax (PAT)	7,014	13.63%	2,973	6.56%
Total other comprehensive income for the Year	734	1.43%	-611	-1.35%
Total comprehensive income for the Year	7,748	15.06%	2,362	5.22%
Earnings per Share (Basic) (FV ₹2) In ₹	6.20	-	2.63	-

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 2020-21 and FY 2019-20 is tabulated below:

Table 3.c: Segment-wise Performance- Consolidated

(₹ in Lakhs)

Particulars	Year Ended	
	March 31, 2021	March 31, 2020
Segment Revenue		
(1) Broking, distribution and trading	60,111	50,846
(2) Insurance broking services	24,563	22,535
(3) Financing activities	8,214	8,783
Total	92,888	82,164
Less: Inter Segment Revenue	2,729	3,750
Total Revenue	90,159	78,414
Segment Profit/(Loss) before tax		
(1) Broking, distribution and trading	13,838	5,206
(2) Insurance broking services	639	1,513
(3) Financing activities	3,352	3,787
Total	17,829	10,506
Less: Interest	4,236	5,992
Total Profit/(Loss) Before Tax	13,593	4,514

Table 3.d Performance of Material Subsidiaries- Standalone (for the year ended March 31, 2021)

(₹ in Lakhs)

Company Name	Revenue from Operations	Profit before tax	Profit after tax
Moneywise Financial Services Private Limited	8,213	2,218	1,642
SMC Insurance Brokers Private Limited	24,563	595	585

3.2 BUSINESS PERFORMANCE

HIGHLIGHTS

3.2.1 BROKING BUSINESS

EQUITY BROKING

SMC has been successful in generating a combined turnover of approx. ₹146.1 Lakhs crores (PY ₹109.5 Lakhs crores) higher by 33.5% as compared to previous year. Total number of clients in this segment are ~ 569, 250 (PY ~ 510,800).

CURRENCY BROKING

SMC clocked combined volume of ₹10.6 Lakhs crores (PY ₹19.9 Lakhs crores) lower by 46.8% as compared to previous year. Total number of clients in this segment are ~ 122, 450 (PY ~ 105,000).

COMMODITY BROKING

SMC clocked a combined volume of ₹2.4 Lakhs crores (PY ₹1.9 Lakhs crores) higher by 25.2% as compared to previous year. Total number of clients in this segment are ~ 92, 300 (PY ~ 79,200).

DISCOUNT BROKING- Moneywise Finvest Ltd.

Moneywise Finvest Ltd., a wholly owned subsidiary of SMC Global Securities Ltd. is a Discount broking platform under brand name STOKKART. It's a first of its kind in broking

industry where customers are charged only for profitable transactions. STOKKART is a rapidly growing financial brokerage platform with the goals of making trading easier and cheaper by breaking all barriers that traders and investors faces in India in terms of Cost, support and technology. With vast experience in financial markets and a strong understanding of growing customer needs, STOKKART empowers traders & investors by sharing its Market Expertise, New-age technology, zero brokerage advantages and excellent trading platform. As on 31st March, 2021, total clients are ~44, 930 (PY ~ 9,000) and numbers of partners associated are ~ 1,330 (PY ~ 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 Global Securities Ltd.

SMC offers distribution services of IPOs, Mutual Funds, Non-Convertible Debentures (NCDs), Corporate Fixed Deposits, PMS, Capital gain bonds and Floating rate 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 20 syndicate in most of the debt & equity issuance (for over last ten years).
- Developed vast network of channel partners around 13,670+ (PY +13,750) for distribution of third party products.
- Built a cumulative Asset under Management (AUM) of more than ₹3,040 crores (PY ₹2,450 crores) and having over 1.85 Lakhs (PY 2.02 Lakhs) Folios in Mutual Fund segment as on March 31, 2021.

3.2.4 INVESTMENT BANKING – SMC Capitals Ltd.

SMC Capitals Limited, the Investment Banking arm of the

SMC Group is a category I Merchant Banker registered with SEBI. SMC Capitals is led by professionals having collective experience of more than 100 years. The entity provides services in areas of Equity & Debt Capital Markets, M&A Advisory, Private Equity and Debt Syndication.

3.2.5 WEALTH MANAGEMENT – SMC Global Securities Ltd.

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's 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 ₹439.75 Crores (PY ₹310 Crores) as on March 31, 2021.

3.2.6 REAL ESTATE ADVISORY – SMC Real Estate Advisors Pvt. Ltd.

SMC Real Estate Advisors Pvt.

Ltd. is registered with Real Estate Regulatory Authority (RERA) in 14 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 350 developers/projects of repute pan India with national as well as regional presence.

3.2.7 Mortgage and Loan Advisory – SMC Investments and Advisors Ltd.

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 45 plus major banks and NBFCs to provide the loan advisory to clients. The company has also launched online sourcing platform named Indiakaloan.com.

3.2.8 INSURANCE BUSINESS –

SMC Insurance Brokers Pvt. Ltd.

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 policies for FY 20-21 stood at ~ 746,000 as compared to ~ 715,000 clients in FY 19-20. SMC Insurance Brokers Pvt Ltd has a huge network of ~11,100 (PY ~8,000) POS (Point of Sales) Person and 370 (PY ~350) MISIP (Motor Insurance Service Provider) registered with the entity for solicitation of insurance as at 31 March 2021.

During the year under review, the total revenue stood at ₹24,563 Lakhs as compared to ₹22,535 Lakhs in previous year, an increase in revenue by 9.0% as compared to previous year.

3.2.9 FINANCING BUSINESS – Moneywise Financial Services Pvt. Ltd.

The Company's wholly owned subsidiary Moneywise Financial Services Private Limited (Moneywise) is registered with RBI as non-deposit taking systemically important non-banking finance company

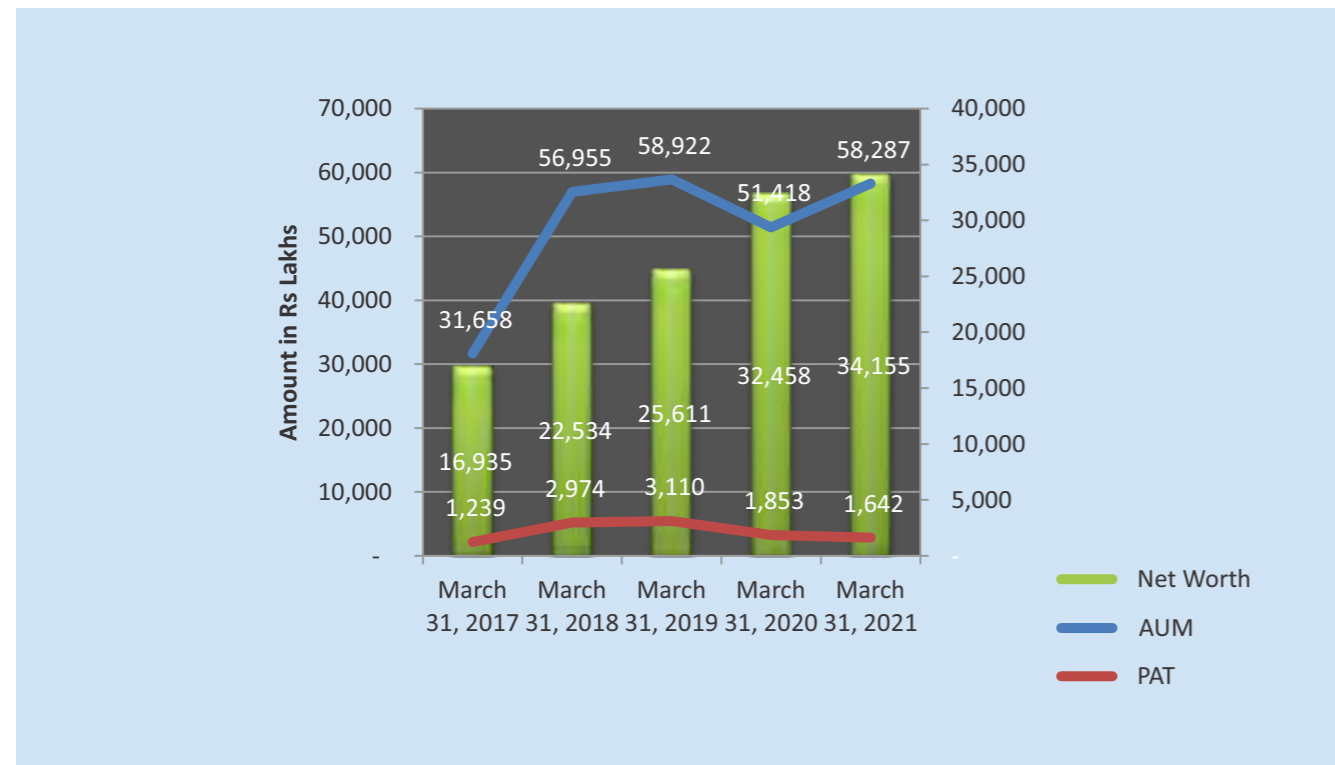
(NBFC), offering a wide spectrum of financial products focused on Small and Medium Enterprises (SME) customers as well as personal consumption and investment needs of the borrowers. It provides loan products like SME - Loan Against Property (LAP), SME – Working Capital Term Loan (WCTL), SME - Assets 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.

Moneywise has Assets under Management (AUM) of approx. 583 crore as on 31st Mar, 2021. Since 2017, Moneywise has demonstrated AUM growth at CAGR of 16.0% and revenue growth at CAGR of 17.0% and a very comfortable Capital Adequacy Ratio of 58.20%. 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 now stands at 89.5% of total portfolio. The aggregate amount of term loans disbursed during the year is ₹280.6 (PY₹235.0) crore.

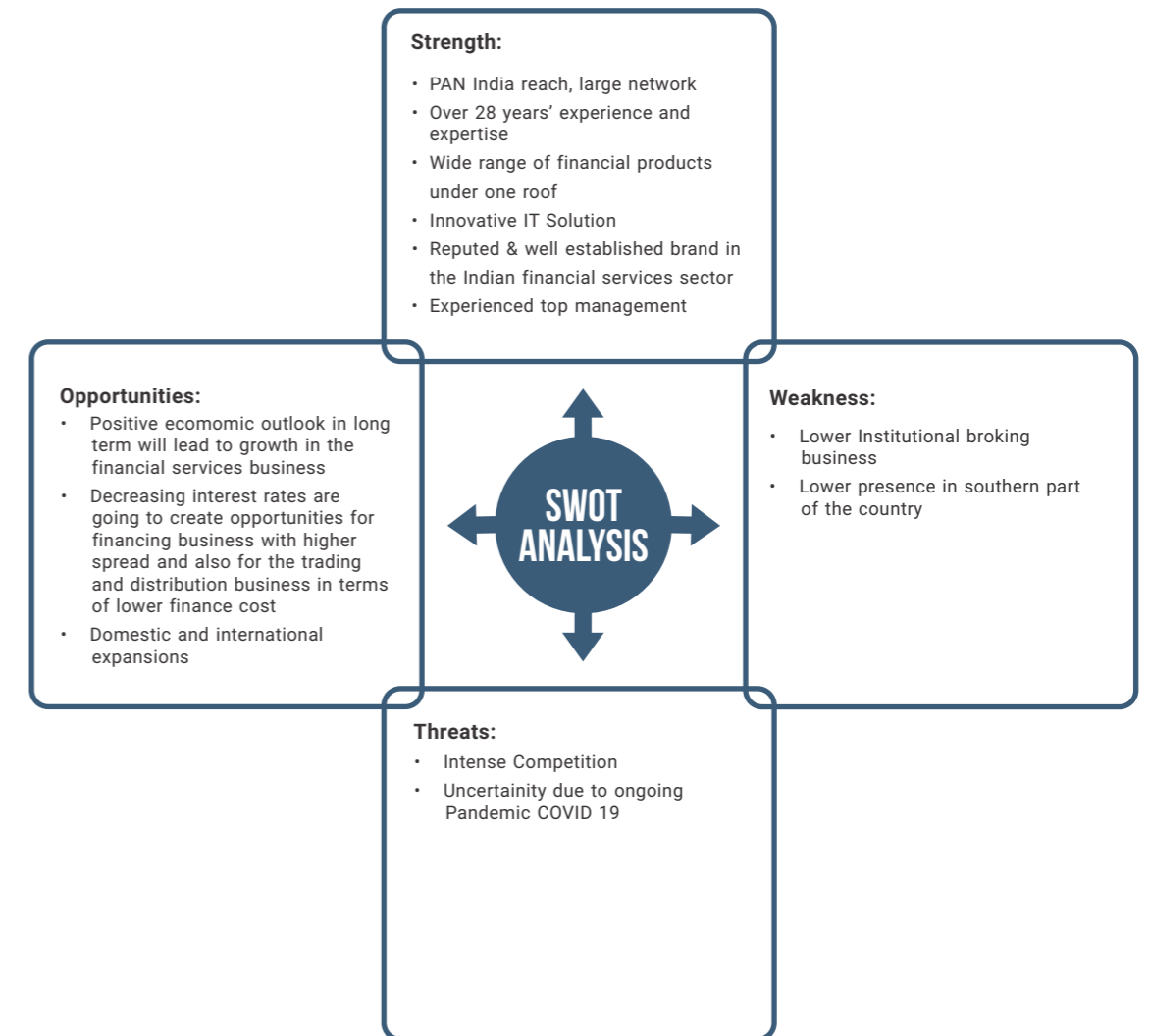
Below chart shows the growth in our financing business -



4. Key Ratios – SMC Global Securities Ltd. (Consolidated)

Company Name	FY 2021	FY 2020
Return on Average Equity	13.7%	3.5%
EBIT Margins	19.8%	13.4%
Net profit Margins	11.1%	3.0%
Debt equity Ratio	0.6	0.3
Interest Coverage Ratio	4.2	1.8

4. OPPORTUNITIES AND THREATS



6. 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 asset 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 company has also maintained the adequate provisions as per RBI norms, ECL provisions as per Ind AS and any additional provisions required based on management assessment.

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 or 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.

At 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.

7. 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 (over 22 years of relevant experience, 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 distribution 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.

7.1 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 ("the Group"), which are companies incorporated in India, are responsible for establishing and maintaining Internal Financial Controls.

The group has involved an Independent professionally competent Chartered Accountants firm (hereinafter "consulting firm") for review of the existing Risk registers and Controls that have been designed and implemented by the group and to provide assistance in documentation of the Internal Financial Controls over financial reporting to comply with the requirements of the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by ICAI.

The consulting firm has reviewed and documented the Internal Financial Controls for the group in the form of Entity Level Controls, Process Narratives and Risk and Control Matrix for all major processes and sub processes related to internal controls over financial reporting.

8. 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. has 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 2020-21, the group has spent ₹271.54 Lakhs (PY ₹187.45 Lakhs) on CSR activities.

9. HUMAN RESOURCES

The world may get vaccinated in 2021 but it still needs the ability to respond and adapt to change continually. No wonder, despite the Pandemic, year 2020-21 marked continuous reinvention, transformation, and adaptation. SMC focussed on purposeful transformation to tide over the vulnerabilities and create plans for managing workforce. The Major focus was not only in reinventing Talent Acquisition Practices but to maintain consistent performance, employee engagement and motivation, Development and Career progression of employees through innovative HR practices

and adapting remote learning. The Year 2020-21 was all about reinvention for us through the 3Rs- Reimagine, Recast, and finally retrain.

A) EMPLOYEE SAFETY AND CONCERN

The coronavirus pandemic has disrupted organizations and caused human resources at SMC to think differently about the role as we adjust to social distancing practices and a new work environment that we may never have imagined.

To prevent the outbreak of the coronavirus, SMC switched to a remote work model at a rate and scale we have never experienced. As face-to-face collaboration is replaced with e-mail and videoconferencing, HR department had to work hard under difficult circumstances.

B) TALENT MANAGEMENT & ACQUISITION

a) Virtual Recruitment

Talent acquisition team successfully implemented Virtual recruitment during the COVID-19 crisis. Virtual recruitment is to keep hiring processes moving while protecting recruiters and candidates.

b) Paperless Onboarding

With our businesses moving to remote work during the COVID-19 pandemic, this is the ideal opportunity to make our new hire processes fully cybernetic. With paperless onboarding, new hires complete all the joining formalities and compliance paperwork virtually.

c) Virtual Learning

The crisis brought the HR function into the spotlight. Learning in this

kind of environment is largely online. But online learning also has its share of digital fatigue. So introducing learning interspersed with projects, shorter learning capsules or what we call action learning, which means more projects and more connecting at the ground level, are ways in which HR reinvented learning. Extensive Webinars and Open Learning Sessions gave an edge over competitors to SMC.

Introducing Online Orientation Sessions wherein a virtual tour is given to the new joiners for culture connect embarked one of the successful initiatives taken up during the year. Further, from Introducing Online Quizzes to providing Experiential Learnings to employees in form of Leadership Talk Shows to adapting anytime learning in form of LMS and Introducing Gamified Courses, SMC catered all the areas of Learning as the major focus lied on Employee Development and Career Progression.

C) EMPLOYEE ENGAGEMENT

The last one and half year has been a steep learning curve for both organizations and employees as it revealed the many facets of remote working. Methodology adapted for employee engagement at SMC:

a) Encourage health and wellness:

It is well-known that a healthy workforce is more productive and can perform at the highest level. Wellness programs for employees were organized throughout the year which included yoga and Meditation Sessions, Mental Health Awareness Sessions by renowned Doctors, Webinars on COVID Care and Employees well-being and Sessions on Work life balance.

b) Host virtual meetings and casual hangouts:

When working from home, the separation from co-workers and management can make employees feel isolated. Thus, it is important to host scheduled virtual meetings, interactions and celebrations to ensure that employees continue to feel connected. Virtual get-togethers, Gamification techniques in form of Online Quizzes, Virtual Events and Festival Celebrations gave a boost to employee's morale at this time of Pandemic.

c) Rewards and Recognition:

Due to Pandemic there were constraints initially for carrying out employee reward and recognition program. Virtually carrying out our Award ceremony was the practice we adapted in recent times.

The number of persons employed by SMC group is 3,650+ as on March 31, 2021.

10. 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 culture 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.

11. Disclaimer

All statements that address expectations or projections about future, but not limited to the company's strategy for growth, product development, market position, expenditures and financial results may be forward – looking statements within the meaning of applicable rules and regulations. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. There are various factors like conditions in global financial markets, regulatory intervention and other acts of violence which may lead to situations unpredictable for anyone.



we manage
while you
enjoy the luxury
of time.

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

Business Responsibility Report

[Under Regulation 34(2)(f) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

BACKGROUND & APPLICABILITY:

As per Clause (f) of sub regulation (2) of regulation 34 of Listing Regulations, the annual report of the top 1000 listed entities based on market capitalization (calculated as on March, 31st of every financial year) shall contain a business responsibility report describing the initiatives taken by the listed entity from an environmental, social and governance perspective, in the format as specified by the board (SEBI) from time to time. The SEBI has also prescribed the key principles to access the fulfillment of listed entities and descriptions of the core elements under these principles. The name of SMC Global Securities Ltd. has been mentioned in the list of top 1000 listed entities by both the exchanges i.e. NSE and BSE wherein the securities of the Company are listed on their respective websites. In the light of the above it was decided to present the business responsibility report as a part of

the annual report. As of now there is no separate policy as such naming "business responsibility policy", however the Company has several policies and different committees, code of conducts which take care of the entire key principles therein.

SMC Global Securities Limited along with its subsidiaries, is one of the leading financial services companies providing Broking, Clearing, Distribution of mutual funds and IPOs, Insurance Broking, depository services, equity research services, Financing, Real Estate and Wealth Advisory, Commodity Broking, NRI and FPI services, Investment Banking and Alternative Investment fund across PAN India and UAE. The Company provides these services through on-line and off-line distribution channel. It is registered with SEBI as Stock Broker, Depository participant, portfolio manager, research analyst and with various exchanges, other bodies/ agencies like NSE, BSE, MSEI,

MCX, NCDEX, ICEX, NSE IFSC, INDIA INF, NSDL, CDSL, IRDAI etc.

SMC's most of the services are digitally driven with high utility of information technology and utilizing the minimum basic resources with high level of social and governance perspective without causing any impact on the environment not being in any manufacturing activities. It adheres the corporate social responsibilities pertaining to environment and social causes with the help of various CSR activities including plantation, cleaning and actively participating in the Swachh Bharat Abhiyan.

Our Business Responsibility Report includes our responses to questions on our practices, policies and performance on key principles defined by SEBI on environmental, social and governance perspectives covering stakeholder's relationship.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	CIN	L74899DL1994PLC063609
2.	Name of the Company	SMC Global Securities Limited
3.	Registered address	11/6B, Shanti Chamber, Pusa Road, New Delhi-110005
4.	Website	www.smcindiaonline.com
5.	E-mail Id	smc@smcindiaonline.com
6.	Financial Year reported	April 01, 2020 to March 31, 2021

7. Sector(s) that the Company is engaged in (industrial activity code-wise) :

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	43.32

8. List three key products/services that the Company manufactures/provides (as in balance sheet)

- Brokerage services,
- Distribution of Financial Products,
- Depository Activities,

The Company along with its subsidiaries is engaged in Broking and Clearing Services in equity, commodity, currency and derivatives, depository participant services, distribution of mutual funds, IPOs, FDs and bonds and

other third party instrument and registered as research analyst, further with the help of the subsidiaries rendering various other services like portfolio management, Insurance Broking, Financing, Real Estate and Wealth Advisory, NRI and FPI services and Investment Banking.

9. Total number of locations where business activity is undertaken by the Company:

a. Number of International Locations (Provide details of major 5) - One(1) [Through Subsidiary]

b. Number of National Locations - SMC has its presence at 94 locations* across India

(* Includes the entire SMC Group)

10. Markets served by the Company - National & International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

S No.	Particulars	Details
1.	Paid up Capital (INR)	22,62,68,900
2.	Total Turnover (INR)* <i>*Excludes other Income</i>	Standalone: 49,297.64 Lakhs Consolidated: 89,294.40 Lakhs
3.	Total profit after taxes (INR)	Standalone: 7,013.91Lakhs Consolidated: 10,007.44 Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) on standalone basis	₹73,29,287 which is 1.04%
5.	List of activities in which expenditure in 4 above has been incurred:-	(a) Promotion of Education (b) Disaster Management (c) Promotion of Health (d) Environment (e) Others

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes, the Company have 10(ten) subsidiaries & 1(One) joint venture Company. The details of all the subsidiary companies are included in Form AOC-1 attached to the Board's Report.

2. Do the Subsidiary Company/Companies participate in the Business Responsibility Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s).

Yes, almost all the subsidiaries & joint venture of our Company

are aligned with the Company's BR Initiatives. Hence, the subsidiaries companies adhere to their applicable initiatives and at the same time they are encouraged to follow Business Responsibility of Parent Company. Further the CSR provisions are applicable on two subsidiary companies i.e. Moneywise Financial Services Private Limited and SMC Insurance Private Limited beside the parent Company i.e. SMC Global Securities Limited.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If

yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No, authorized persons or sub-brokers/ business associates/ distributors/ suppliers do not directly participate in the Company's BR Initiatives. The Company encourages its authorized persons or sub-brokers/ business associates/ distributors/ suppliers etc. in the value chain to participate in its BR initiatives and to follow the best practices, to adhere the law to carry out the business in a fair manner.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR
- (a) Details of the Director responsible for implementation of the BR policies
- DIN Number : 00003294
 - Name : Mr. Anurag Bansal
 - Designation : Wholetime Director
- (b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	01861705
2	Name	Ms. Reema Garg
3	Designation	Chief Human Resource Officer
4	Telephone number	011-30111000
5	e-mail id	reemagarg@smcindiaonline.com

2. Principle-wise (as per NVGs) BR Policy/policies:

Principle 1 (P1)	Business should conduct and govern themselves with ethics, transparency and accountability
Principle 2 (P2)	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3 (P3)	Business should promote the wellbeing of all employees
Principle 4 (P4)	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5 (P5)	Business should respect and promote Human Rights
Principle 6 (P6)	Business should respect, protect and make Efforts to restore the environment
Principle 7 (P7)	Business when engaged in influencing Public and Regulatory Policy, should do so in a responsible manner
Principle 8 (P8)	Business should support inclusive growth and equitable development
Principle 9 (P9)	Business should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

S.No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for	Y	N/A #	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify (50 words)	The policies adopted by the Company are in conformity with applicable rules and regulations, guidelines, circulars, code of conducts and different enactments.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All policies wherever stated have been approved by the Board/ Committee/ Senior Management of the Company and followed across entities within SMC Group.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	-	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	As per regulatory requirement the policies of the Company have been uploaded on the website of the Company at: www.smcindiaonline.com								
7	Has the policy been formally Communicated to all relevant internal and external stakeholders?	Y	NA	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house Structure to implement the policy/ policies.	Yes, the Company has constituted different committees as required under the law and implements the policies and ensures compliances through different head of the departments. Further, the Board has also authorized Mr. Anurag Bansal, Whole Time Director and Ms. Reema Garg, Chief Human Resource Officer for implementation of BR Policies.								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	NA	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out audit/ evaluation of the working of this policy by an internal or external agency?	The audit/ evaluation of the policies are carried out by internal auditor, statutory auditors, secretarial auditors and by other auditors appointed by the regulator or required under different provisions.								

Considering the business of the Company, Principle 2 is not applicable.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why:

(Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 Months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The BR performance of the Company being assessed and the report is reviewed by the Board of Directors of the Company on annual basis.

(b) Does the Company publish a BR or a Sustainability Report?

What is the hyperlink for viewing this report? How frequently it is published?

This is the first Business Responsibility Report and it shall be published as a part of Annual Report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No.
- Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others?
- Yes, the policy relating to ethics, bribery and corruption covers not only the Company but also extends to its Subsidiaries, Group Companies, Joint Ventures and others.
- 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.
- Ethics remain Company's core principles. Moreover, the Company has a separate whistle blower policy and it extends to all its subsidiaries.
 - The Company has adopted a Code of Conduct for the Company's Directors and Senior Management (including employees) which is available on the website of the Company and is applicable to all the companies within SMC Group.
- We also expect our clients to abide by these principles in their dealings with us.
 - Further, the Company is abided to take suitable action if any fraud has been communicated by the auditor of the Company.
 - Company in order to have an ethical business model of working also emphasises on non- cash transactions.
 - The Company also has an exhaustive online portal on human resources which covers all aspects pertaining to employment with Group which encourages principles of ethics, transparency and accountability. Further, the Company arranges lot of trainings, conduct seminars for employees to abide by the Company's policies in true spirit.
 - The SMC Group has a professional code of conduct and any violation of code may result in disciplinary action, including dismissal.
- The whistle blower policy/ Vigil Mechanism of the Company is uploaded on the website of the Company at <https://smcindiaonline.com/wp-content/uploads/2021/06/VIGIL-MECHANISM-POLICY.pdf>
2. How many stakeholder complaints have been received

in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

We have received 131 stakeholders' complaints/ grievances during the financial year, out of which 94.65% got satisfactorily resolved.

We have not received any complaints from the shareholders. However, during the Financial Year 2020-21, we have received 112 investor complaints in NSE related to trade and transactions, {SMC has 1,35,863/- Active Clients in NSE (Active UCC) as on March 31, 2021}. Out of the above, 107 grievances resolved and 5 are pending. Out of these 5 Grievances, two matters are reserved for Award, 3 matters are still pending before Hon'ble Arbitrator. In addition to this, in BSE, 15 Investor grievances received and resolved during the financial year. In MCX, 2 Grievances received and resolved. We have received 2 consumer cases from the constituents / clients during the FY which are pending for adjudication before from Hon'ble District Consumer Dispute Redressal Forum. As on date total 23 consumer complaints are pending.

PRINCIPLE 2: BUSINESS SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFECYCLE

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
- Nil, the Company is into service sector and it does not manufacture any goods, however, the Company endeavours to serve for social causes and continued CSR activities.
- Further, the Company's services are digitally driven with high utility of information technology and utilizing the minimum basic resources of the planet with high level of social and governance perspective without causing any impact on the environment not being in any manufacturing activities. The Company also adheres to the corporate social responsibilities pertaining to environment and social causes with the help of various CSR activities including plantation, cleaning and other activities including active participation in Government initiatives like "Swachh Bharat Abhiyan". The Company is also committed to develop paperless environment and maintaining most of the records digitally.
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):
- (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
- The Company is into service sector and it does not manufacture any goods, hence the reporting in respect of resource use (energy, water, raw material etc.) per unit of product is not applicable.
- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
- The Company always strives for optimum utilization of resources.
3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.
- The Company is rendering financial services and it does not manufacture any goods, hence the reporting in respect of sustainable sourcing is not applicable.
4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
- Yes, the Company has number of vendors and suppliers, located in its surrounding areas and the Company procures required goods and services from them time to time wherever practically possible and feasible for its day to day administrative and operational activities. The Company tries to help capacity and capability of local and small vendors by creating awareness among them about the financial products and services, its importance and utility. The Company also conducts various social activities helping them in health, sanitization and safety.
5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.
- Since the Company is not involved in any manufacturing activity, the reporting with respect to mechanism to recycle products and waste is not applicable. However, the paper and IT wastes are disposed off to the local vendors who in turn take appropriate steps to recycle the wastes.

PRINCIPLE 3: BUSINESS SHOULD PROMOTE THE WELL BEING OF ALL EMPLOYEES

1. Please indicate the Total number of employees permanent women employees 2027 as on March 31, 2021 418 as on March 31, 2021
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis NIL as on March 31, 2021
3. Please indicate the Number of permanent employees with disabilities 12 as on March 31, 2021
4. Do you have an employee association that is recognized by management? There is no employee association.
5. What percentage of your permanent employees is members of this recognized employee association? Not Applicable.
6. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour		
2	Sexual harassment		Nil
3	Discriminatory employment		

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

- (a) Permanent Employees (b) Permanent Women Employees
(c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities

Classroom Training	Total Employees	Catered	%
Permanent Employees	2027	1071	53%
Permanent Women Employees	418	225	54%
Casual/Temporary/Contractual Employees	0	0	0%
Employees with Disabilities	12	9	75%

e-Guru (online learning portal)	Total Employees	Catered	%
Permanent Employees	2027	588	29%
Permanent Women Employees	418	139	33%
Casual/Temporary/Contractual Employees	0	0	0%
Employees with Disabilities	12	6	50%

All categories of employees have to undergo mandatory induction program at the time of joining and further number of activities, seminars and webinars are being conducted for safety (especially Covid-19) and skill upgradation. Further, various videos and articles are being placed on the MITR (intranet software) skill upgradation. The training programs are also being organized for the Directors and Senior Management. The Company is also helping its employees in appearing and qualifying different online exams (NISM) being conducted by SEBI.

PRINCIPLE 4: STAKEHOLDER ENGAGEMENT

1. Has the Company mapped its internal and external stakeholders? Yes/No
- Yes, the Company has identified and mentioned its Internal and external stakeholders in different policies, these include shareholders, employees, authorized persons, sub-brokers, business associates, bankers, exchanges and other regulators, vendors, investors, customers, constituents, independent financial distributors, service providers, suppliers, local authorities, Government and the public at large & society.
2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?
- Yes, the Company's CSR committee identifies the disadvantaged, vulnerable & marginalized stakeholders, their urgent social needs and conducts the CSR activities accordingly.
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company has taken various measures as per its CSR Policy including health, education, etc. to engage with the disadvantaged, vulnerable and marginalized stakeholders. The Company is regular in contributing and monitoring the impact on the underprivileged society. More details are available in the CSR Annual Report of the Company which is annexed to the Board's Report forming part of Annual Report.

PRINCIPLE 5: BUSINESS SHOULD RESPECT AND PROMOTE HUMAN RIGHT

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
- Company, human rights remains of utmost importance and appreciate that human rights are inherent, universal, indivisible and independent in nature and the Company integrates respect for the human rights in management system including grievances redressed mechanism. The Company recognizes and respects the human rights of all the stakeholders and the groups within and beyond the workplace including that of communities, consumers and vulnerable and marginal groups. The policies of the Company take care of equal opportunities, work- life balances, safety and security of its employees.
- Yes, policies of the Company covering human rights extend to its subsidiaries, Joint Ventures.
- In all the policies of the

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Stakeholder	Complaints Rec. during FY 2020-21	Complaints Resolved during FY 2020-21	Complaints Resolved (%)
Whistle Blower Sexual Harassment		NIL	

PRINCIPLE 6: RESTORATION OF ENVIRONMENT

- | | | |
|---|---|--|
| <p>1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.</p> <p>The policies related to Principle 6 applicable to the Company, its Subsidiaries & Group Companies. The Company shall strive to integrate sound environmental practices across the Group's management and governance systems to minimize environmental impacts.</p> | <p>The Company emphasizes on reducing dependence on paper communication and encourages use of electronic means of communication which serves towards environmental protection and sustainable growth.</p> | <p>etc. Y/N. If yes, please give hyperlink for web page etc.</p> <p>The Company uses energy efficient electrical appliances, led lights, air conditioners etc which consume less power. The power is being utilized in an efficient manner and only when it is required in the office.</p> |
| <p>2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.</p> <p>The Company is engaged in the industry of providing services and not manufacturing of any goods, hence is a non- pollutant Company, however it has deep concern for the protection and sustainability of environment owing to which it intends to be actively involved in activities for protection of environment.</p> | <p>3. Does the Company identify and assess potential environmental risks? Y/N</p> <p>Yes, the Company regularly reviews its environmental risks affecting the Company and its stakeholders and take necessary steps to mitigate them.</p> <p>4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?</p> <p>The Company does not have any project related to clean development mechanism. However, the Company and its employees participate in initiatives like "Swachh Bharat Abhiyan".</p> | <p>6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?</p> <p>Yes, the Company uses sound proof generators for office in case of electric load shedding and procures the license from the State Pollution Control Board (SPCB) for monitoring the pollution of the generators on annual basis.</p> |
| | <p>5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy,</p> | <p>7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.</p> <p>NIL</p> |

PRINCIPLE 7: BUSINESS WHEN ENGAGED IN INFLUENCING PUBLIC & REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

- | | | |
|--|--|---|
| <p>1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:</p> <p>Yes, SMC Global Securities Limited is a member of The Associated Chambers of Commerce and Industry of India (ASSOCHAM), Commodity Participants Association of India (CPAI), Association of National Exchanges Members of India (ANMI) and Bombay Stock Exchange Brokers' Forum. Further its subsidiary, SMC</p> | <p>Investments & Advisors Limited is a member of PHD Chamber of Commerce & Industry (PHDCCI).</p> <p>2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)</p> | <p>Our officials are instrumental in policy advocacy on various subjects including governance and administration, economic reforms, economic development policies, sustainable business principals through above associations. Associations take regular feedback from us on various economic policy matters & they represent to concerned authorities.</p> |
|--|--|---|

PRINCIPLE 8: PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

- | | | |
|---|---|--|
| <p>1. Does the Company have specified programmes /initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.</p> <p>Yes, the Company considers social development as an important aspect of its operations. As an organization which upholds and makes significant efforts to ensure good governance, the Company complies with all relevant laws of the land. The focus of our community investment initiatives is on Promoting education, improving health, environment sustainability, which impacts the overall socio-economic growth and empowerment of people through its CSR activities. Further, the Company takes several initiatives to create awareness about financial market, active participation of investors from all tiers of the cities and inclusive growth of the society.</p> | <p>of SMC Global Foundation in November, 2020, for especially taking care of CSR activities in the field of health, education and other sectors.</p> | <p>and marginalized (Durbal Divyang Kalyan Society, All India Deaf and Dumb Society) and protection and preservation of National Heritage. Please refer the Annual Report on Corporate Social Responsibility for more details forming part of Annual Report for Financial Year 2020-21.</p> |
| <p>2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?</p> <p>The programs are undertaken by the Company both in-house and through external NGOs under Corporate Social Responsibility. The Company along with its subsidiary Moneywise Financial Services Pvt. Ltd. has created a trust in the name</p> | <p>3. Have you done any impact assessment of your initiative?</p> <p>The average CSR obligation of the Company in immediately three preceding financial years does not exceeds ₹ 10 Crores hence, the provisions relating to undertaking of impact assessment of CSR project as required under sub- rule (3) of the Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable on the Company for the financial year 2020-21.</p> | <p>5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.</p> <p>The Company periodically monitors the outcomes of community development initiatives in relation to the objectives with the help of its team members for better implementation and outcomes thereof in the field of promoting education, improving health, environment sustainability. The Company's focus is on building capacities of the next generation to create a long-term sustainable impact. Further, being in the financial services sector, it always creates opportunities for the communities at all the locations and does not have any adverse effect on the communities like displacement of any communities due to its business operation not being in manufacturing sector.</p> |
| <p>4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?</p> <p>The Company has spent an amount of ₹ 73,29,287/- during the Financial year 2020-21 towards programs and projects directly or through various NGOs and other organizations in its focused areas mainly promoting education, health [distribution of N-95 masks for prevention of (Covid-19), food for covid warriors], towards stakeholders, especially those who are disadvantaged, vulnerable</p> | <p>4. Did your Company carry out any consumer survey/ consumer satisfaction trends?</p> <p>The Company keeps track of complaints/ responses / comments received by the Company. However, the Company has not carried out any formal consumer survey.</p> | |

PRINCIPLE 9:- BUSINESS SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

- | | | |
|---|---|--|
| <p>1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.</p> <p>At the end of the Financial Year, 18.42% customer complaints/consumer cases are pending. (2 consumer complaints received during the FY 2020-21, however total 23 Consumer complaints are pending before Hon'ble District/State Consumer Dispute Redressal Forum/Commission at the end of the Financial Year 2020-21. Further, out of 129 Investor grievances received through exchange, 112 got</p> | <p>resolved.)</p> <p>2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)</p> <p>Not Applicable, being the Financial Service provider.</p> | <p>pending as on end of financial year. If so, provide details thereof, in about 50 words or so.</p> <p>No</p> |
| <p>3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and</p> | <p>4. Did your Company carry out any consumer survey/ consumer satisfaction trends?</p> <p>The Company keeps track of complaints/ responses / comments received by the Company. However, the Company has not carried out any formal consumer survey.</p> | |

**For and on Behalf of the Board
SMC Global Securities Limited**

**Sd/-
Anurag Bansal
(Wholetime Director)
DIN: 00003294**

**Place: New Delhi
Date: 07/06/2021**

professional real estate service & solutions

One stop shop for all real estate needs

Residential and Commercial space for end user & investors

Handpicked property choice from major developers

Customer centric approach



Report on Corporate Governance

As required under Regulation 34(3) read with Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') the details of compliance by the Company with the norms on Corporate Governance are as under:

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 behaviour 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

The Board of Directors of the Company is the focal point of corporate governance for the Company as it recognizes the benefit of governance. The Board exercises independent judgement in overseeing the affairs of the Company. The Board comprises of directors that bring a wide range of skills, expertise and experience and enhances the overall Board effectiveness. Brief profiles of the directors are set out in this annual report. The Board along with its committees provides leadership and guidance to the management and enhances shareholder's value.

1. Composition

The Board of Directors ('the Board') comprises of appropriate mix of Executive Directors, Non-Executive

Directors and Independent Directors as required under the Companies Act, 2013 and Listing Regulations. As on 31st March, 2021, the Board of Directors consisted of twelve (12) members. Out of twelve members, four (4) members are Executive Directors including Managing Directors, Chief

Executive Officer and Whole Time Director and eight (8) Non-Executive Directors, of which six (6) members are Independent Directors and two (2) Non-Executive Non Independent Directors. The Company also has two women directors on Board out of which one is independent

director. The Company is headed by an Executive Chairman and Vice Chairman. The composition of the Board can be understood from the below mentioned table:

Category of Director	Name of Director	Designation	No. of Directors	% to total number of directors
Executive Directors	Mr. Subhash Chand Aggarwal Mr. Mahesh Chand Gupta Mr. Ajay Garg Mr. Anurag Bansal	Chairman & Managing Director Vice Chairman & Managing Director Chief Executive Officer & Director Whole Time Director	4	33.33%
Non-Executive Non-Independent Director	Mr. Himanshu Gupta Ms. Shruti Aggarwal	Non-Executive Director Non-Executive Director	2	16.67%
Non-Executive Independent Directors	Mr. Kundan Mal Agarwal Mr. Hari Das Khunteta Dr. Madhu Vij Mr. Chandra Wadhwa Mr. Roop Chand Jindal Mr. Naveen ND Gupta	Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director	6	50%
Total			12	100%

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with section 149 of the Companies Act, 2013. None of our directors serve as director or independent director in more than seven listed entities. Further, our Managing Directors and Whole Time Directors do not serve as independent director in other companies.

None of the directors of the Company have been debarred from holding office of director in the

Company by any authority.

In terms of Regulation 25(8) of Listing Regulations, the Independent Director have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact the ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors believes that the independent directors of the Company fulfil the

criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the Listing Regulations and have requisite expertise, experience and integrity required for the position. The independent directors of the Company have also included their names in the data bank of independent directors as maintained by the Indian Institute of Corporate Affairs.

2. Board Skill Matrix

The Board of Directors of the Company comprises of members who possess relevant skills, expertise and competence required for effective functioning of the Company. The Board of Directors have identified the

following core skills/expertise/competencies that are necessary for the Company and are held by the directors:

Sl. No.	Name of Director	Skills/Expertise/Competence
1.	Mr. Subhash Chand Aggarwal	Financial Acumen & Accounting skills, Analytical skills and Innovation, Business & Marketing Expertise, and Merger & Acquisition and Business Development, Strategic decision making and Executive Leadership.
2.	Mr. Mahesh C. Gupta	Financial Acumen & Accounting skills, Analytical skills and Innovation, Business & Marketing Expertise, and Merger & Acquisition and Business Development, Strategic decision making and Executive Leadership.
3.	Mr. Ajay Garg	Analytical skills and Innovation, Business & Marketing Expertise, Merger & Acquisition and Business Development and Information & Technology skills, International Business and Marketing Skills, Research & Development Skills.
4.	Mr. Anurag Bansal	Executive Leadership, Analytical skills and innovation, Business & Marketing Expertise, Legal, Corporate Governance and Compliances, Risk Oversight and Interpersonal Relations.
5.	Mr. Roop Chand Jindal	Finance Acumen & Accounting skills, Executive Leadership and Risk Oversight.
6.	Mr. Kundan Mal Agarwal	Finance Acumen & Accounting skills and Information & Technology skills and Strategic thinking.
7.	Mr. Hari Das Khunteta	Finance Acumen & Accounting skills and Managerial skills and Executive Leadership, Analytical Skills and Executive Leadership, Internal control over financial reporting skills.
8.	Dr. Madhu Vij	Executive Leadership and Legal, Corporate Governance and Compliances, Risk Oversight and Interpersonal skills.
9.	Mr. Chandra Wadhwa	Finance Acumen & Accounting skills and Executive Leadership, Strategic thinking, Risk Oversight and Corporate Governance and Compliances.

10. Mr. Himanshu Gupta	Finance Acumen & Accounting skills, Analytic skills and innovation, Business & Marketing Expertise, and Information & Technology skills, Credit appraisal and Recovery Risk and Executive Leadership.
11. Mr. Naveen ND Gupta	Finance Acumen & Accounting skills, Interpersonal Skills, Executive Leadership and Internal Control over Financial Reporting
12. Ms. Shruti Aggarwal	Finance Acumen & Accounting skills, Executive Leadership, and Analytical skills and innovation and Strategic decision making.

3. Board Meetings and Other Directorship, Committee Memberships/Chairmanships

The Board meets atleast once a quarter to review the quarterly performance and the financial results of the Company. The Company Secretary in consultation with the Chairman and Executive Directors of the Company, prepare a detailed agenda for the meetings. In exceptional circumstances, additional item(s) are taken up with the permission of Chairman and with consent of majority directors. The Board of Directors also invites certain invitees to the Board Meeting who are mostly from the senior management of the Company to discuss and deliberate on any specific agenda item for which the Board needs to be apprised

of. The minutes of each board/committee meetings are subsequently finalised and recorded in the minute's book.

Apart from Board Meeting, in case of urgent matters, the approval of Board of Directors is taken by passing resolutions by circulation which is placed before the Board in the subsequent Board Meeting for its consideration and noting.

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company ensures that the gap between approval of financial results by the Audit Committee and the Board of Directors is kept as minimum as possible.

During financial year 2020-21, four Board Meetings were held i.e. on 9th June, 2020, 21st

August, 2020, 11th November, 2020 and 10th February, 2021 and two resolutions by circulation were passed i.e. on 2nd February, 2021 and 20th March, 2021. Considering the pandemic situation throughout the nation and the relaxations provided by the regulators, the Board of Meetings during the year, were conducted through video conferencing. Further, in accordance with the provisions of Companies Act, 2013 and Listing Regulations, the maximum, gap between the two consecutive Board meetings did not exceed 120 days. The attendance of directors at the Board Meetings and at the last Annual General Meeting held on 30th September, 2020 is as under:

Name of Director	Date of appointment/reappointment	Category of directorship	No. of Board Meetings		Attendance at last AGM	Other Board Membership and Chairmanship*		Other Committee Membership and Chairmanship*		Name of listed entity where person is director and category of directorship
			Held	Attended		Member	Chairman	Member	Chairman	
Mr. Subhash Chand Aggarwal	29/01/2020	Chairman & Managing Director	4	4	Yes	Nil	Nil	Nil	Nil	Nil
Mr. Mahesh Chand Gupta	01/09/2017	Vice Chairman & Managing Director	4	4	Yes	1	Nil	1	Nil	Nil
Mr. Ajay Garg	14/05/2018	Chief Executive Officer & Director	4	4	Yes	4	1	1	Nil	Nil
Mr. Anurag Bansal	28/03/2019	Whole Time Director	4	4	Yes	3	1	Nil	Nil	Nil
Mr. Himanshu Gupta	21/02/2018	Non-Executive Director	4	4	Yes	2	1	Nil	Nil	Nil
Ms. Shruti Aggarwal	16/06/2017	Non-Executive Director	4	4	Yes	Nil	Nil	Nil	Nil	Nil
Mr. Chandra Wadhwa	01/04/2019	Independent Director	4	4	Yes	4	Nil	1	1	Nil
Dr. Madhu Vij	01/04/2019	Independent Director	4	4	Yes	3	Nil	1	Nil	Singer India Limited Independent Director
Mr. Hari Das Khunteta	01/04/2019	Independent Director	4	4	Yes	3	Nil	Nil	Nil	Nil
Mr. Kundan Mal Agarwal	01/04/2019	Independent Director	4	4	Yes	5	Nil	1	1	Nil
Mr. Naveen N D Gupta	31/01/2018	Independent Director	4	4	Yes	4	Nil	3	Nil	Nil
Mr. Roop Chand Jindal	01/04/2019	Independent Director	4	4	Yes	Nil	Nil	Nil	Nil	Nil

*The details of committee ship provided in the table include only membership/chairmanship in Audit Committee and Stakeholder's Relationship Committee.

*The details of memberships in Board and committees of other companies is provided as per the declaration received from the directors

4. Relationship between directors inter se

Name of Directors	Category of Directorship	Relationship between directors
Mr. Subhash Chand Aggarwal	Chairman & Managing Director	Father of Ms. Shruti Aggarwal, Non-Executive Director of the Company
Mr. Mahesh C. Gupta	Vice Chairman & Managing Director	Father of Mr. Himanshu Gupta, Non-Executive Director of the Company
Ms. Shruti Aggarwal	Non-Executive Director	Daughter of Mr. Subhash Chand Aggarwal, Chairman & Managing Director of the Company
Mr. Himanshu Gupta	Non-Executive Director	Son of Mr. Mahesh Chand Gupta, Vice Chairman & Managing Director of the Company

The Company has two non-executive & non-independent directors. In this regard, only Mr. Himanshu Gupta, Non-Executive Director of the Company holds 10,00,000 equity shares in the Company and no other non-executive directors hold any shares or convertible instruments of the Company.

5. Familiarisation Programmes

The Company has a practice of inducting all new Independent Directors to the management and operations of the Company. Generally, the roles and responsibilities expected from an Independent Director are intimated to all the Directors of the Company through the formal letter of appointment issued by the Company which is also placed on the website of the Company at <https://smcindiaonline.com/wp-content/uploads/2021/05/Appointment-letter-of-IDs.pdf>. During the year, no such induction programme was conducted as no new director was appointed on the Board.

Apart from the induction programme and in accordance with the provisions of Regulation 25(7) of the Listing Regulations, every Company is required to annually familiarize its independent directors through various programmes. During the year under review, the Company conducted an annual

familiarization programme for the independent directors of the Company on 25th March, 2021 to update the independent directors about their role and responsibilities and discussion on Company's strategy/business model and operations. Further, as a part of Board discussions, the Company also provides periodic status of performance of the Company, update regarding key developments in the Company and any important regulatory amendments applicable to all the directors of the Company.

Details of familiarization programmes conducted for Independent Directors during the year are put up on the Company's website can be accessed at <https://smcindiaonline.com/wp-content/uploads/2021/03/Details-of-familiarisation-FY-2020-21-revised.pdf>.

6. Board Committees

The Company has constituted various Board and Non-Board Committees for enabling smooth

decision-making process in the Company. As on 31st March, 2021, the Company had four statutory board committees namely, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee. We have an independent chairperson in case of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Second Amendment Regulation, 2021 the Company also constituted a committee of Board of Directors i.e. a Risk Management Committee for overseeing and mitigating risks in the Company. Apart from statutory committee, the Company has also voluntarily constituted a non-statutory non-board committee i.e. Business Responsibility and Sustainability Committee for the purpose of

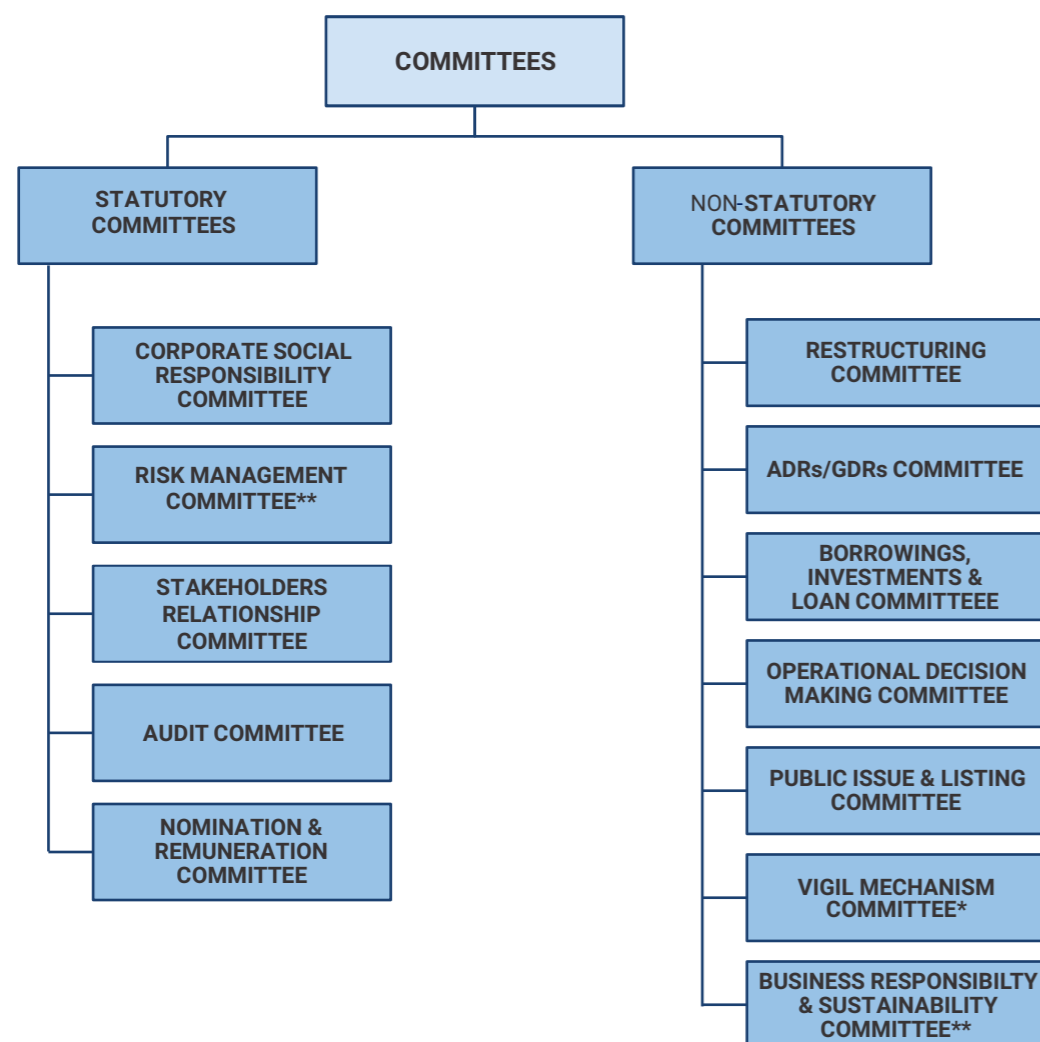
implementation of business responsibility policies existent in the Company and for preparing and finalising business responsibility report annually.

During the year, the Company also had a non-statutory Board Committee i.e. the Vigil Mechanism Committee comprising entirely of the members of Audit Committee for the purpose of investigating cases under the Vigil Mechanism. However, considering the role of Audit Committee in the Vigil

Mechanism process, the Board of Directors of the Company in its meeting held on 7th June, 2021 approved to dissolve the said committee so as to avoid similar authorities of approval in the Vigil Mechanism.

In furtherance to above, the Company has also some functional non-statutory committees for operational purposes delegated by the Board of Directors. These committees include: a) Operational Decision Making (ODM) Committee

b) Borrowings, Investment & Loans (BIL) Committee c) Restructuring Committee d) Public Issue and Listing Committee (PI&LC) and e) American Depository Receipts/ Global Depository Receipts Committee (ADRs/GDRs). The details of the committees operational/functional in the Company as on the date of this Annual Report can be referred from below mentioned chart:



* The Committee was dissolved in the Meeting of the Board of Directors held on 7th June, 2021
 **Two committees were constituted by the Board of Directors in its meeting held on 7th June, 2021 namely Risk Management Committee and Business Responsibility & Sustainability Committee.

A. Audit Committee

1. Composition of Committee

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the management's financial reporting process. The Committee oversees and reviews the reports of

various auditors of the Company and access the quality of financial reporting in the Company. As on 31st March, 2021, the Company's Audit Committee comprised of four Non-Executive Independent Directors. The Company Secretary acts as the Secretary to the Audit Committee. The Committee held

four meetings during the year i.e. on 9th June, 2020, 21st August, 2020, 11th November, 2020 and 10th February, 2021. The composition and attendance of directors in committee meeting held during the year, is as under:

Name of Members	Category of director	Designation in the Committee	No. of meetings held during the year	No. of meetings attended during the year
Mr. Hari Das Khunteta	Independent Director	Chairman	4	4
Mr. Kundan Mal Agarwal	Independent Director	Member	4	4
Mr. Roop Chand Jindal	Independent Director	Member	4	4
Mr. Naveen ND Gupta	Independent Director	Member	4	4
Mr. Suman Kumar	Company Secretary	Secretary	4	4

All the members of the Committee are independent, financially literate and have accounting and financial management expertise. The composition of the Audit Committee is in accordance with the requirements prescribed under section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

2. Role of Audit Committee

The Audit Committee reviews, acts and recommends to the Board of Directors with respect to various financial and auditing matters that concern the Company. The primary objective of the Committee is to ensure accurate and timely disclosures with highest levels of transparency in the financial reporting of the Company. A brief highlight of the terms of reference of the committee is as follows:

a) Finance and Audit

The Committee is responsible for overseeing Company's financial reporting process, disclosures of financial information, reviewing compliances relating to financial

reporting and evaluating the performance of subsidiaries of the Company. The Committee has to ensure that the financial statements/results or any financial reporting by the Company is correct, sufficient and credible.

The Committee recommends the process of appointment or reappointment of auditors including statutory auditors, internal auditors, secretarial auditors and such other auditors as may be appointed by the Company and also determines the quantum of remuneration payable to auditors. The Committee and auditor discuss the nature and scope of audit prior to the commencement of the audit and areas of concern,

if any and arising post audit. The Committee also annually reviews with the management the performance of statutory and internal auditors of the Company.

b) Internal controls

The Committee's functions include reviewing the internal control systems in the Company, including the financial control. The Committee reviews the findings of internal auditors in matters related to any irregularity or fraud or failure of internal control systems and evaluates the vigil/whistle blower mechanism and oversees the risk management system in the Company.

c) Related Party Transactions

The Committee grants approval for any related party transaction in the Company and ensure that there is no conflict of interest in such transactions. It ensures that all related party transactions are executed in terms of Company's policy on related party transaction and reviews such transactions on quarterly basis.

d) Insider trading

The Committee oversees and supervise the implementation of Company's Code of Conduct to regulate, monitor and report trading by designated persons. The Committee is also responsible for reviewing and verifying the internal control systems in the Company for the purpose of monitoring insider trading in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. Accordingly, the committee is entrusted with the responsibility of reviewing instances of non-compliances with the Insider Trading

Regulations, if any.

e) Investment, loans and issuances

The Committee scrutinizes the inter-corporate loans and investments granted/accepted by the Company including loans and investment to subsidiary companies which are material in accordance with the provision of law and valuation of undertakings or assets of the Company. The committee reviews with the management, the statement of uses/application of funds raised by the Company through an issue and monitor the utilization of the proceeds.

B. Nomination and Remuneration Committee**1. Composition of the Committee**

The Nomination and Remuneration Committee oversees the Company's nomination and appointment and determination of remuneration process of Directors and Senior Management Personnel of the Company

including the Key Managerial Personnel. The Company also has in place a succession plan for orderly succession of the directors and personnel of the Company. The Company ensures that all appointments in the Company, including successions are strictly based on seniority, expertise and experience.

As on 31st March, 2021, the Company's Nomination and Remuneration Committee comprised of four Non-Executive Independent Directors. The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee. The Committee held three meetings during the year i.e. on 21st August, 2020, 10th November, 2020 and 10th February, 2021. The composition and attendance of committee members during the year, is as under:

Name of Members	Category of director	Designation in the Committee	No. of meetings held during the year	No. of meetings attended during the year
Mr. Chandra Wadhwa	Independent Director	Chairman	3	3
Mr. Roop Chand Jindal	Independent Director	Member	3	3
Mr. Kundan Mal Agarwal	Independent Director	Member	3	3
Mr. Naveen ND Gupta	Independent Director	Member	3	3
Mr. Suman Kumar	Company Secretary	Secretary	3	3

2. Role of the Committee

Pursuant to the provisions of section 178 of the Companies Act, 2013 read with Regulation 19 of Listing Regulations, the Nomination and Remuneration Committee is bestowed with following responsibilities:

- Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- Recommend to the Board, the remuneration payable to senior management.
- Recommend to Board any appointment or change in remuneration or removal of directors, key managerial personnel and persons in senior management.
- Determine whether to extend or continue the term of appointment of Independent Director on the basis of the report of

performance evaluation of Independent Directors.

- Review and recommend the structure, size and composition including skills, knowledge, experience and diversity of Board.
- Identify the skills/expertise/competencies required for the Board.
- Discharge such other duties and functions as indicated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

3. Criteria for evaluation of performance of independent directors

In terms of the Companies Act, 2013 and the Listing Regulations and in consonance with the Guidance Note on Board Evaluation issued by SEBI vide circular number SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017, the Nomination and Remuneration Committee has formulated criteria for evaluation of performance of independent directors and reviews the same periodically. The criteria of evaluation are centred mostly on the performance of the directors in the Board, the time contribution of the independent directors, adherence to Company's codes and policies, involvement in Company's business decisions, contribution in Board/committee meetings, inter-personal relations etc.

Details of performance evaluation of the Board of Directors of the Company including Independent Directors is provided in the Director's Report forming part of the Annual Report of the Company.

C. Stakeholders Relationship Committee**1. Composition of the Committee**

The primary objective of Stakeholders Relationship Committee is to consider and resolve the grievances of stakeholders including complaints relating to non-receipt of annual report, transfer or transmission of securities, non-receipt of dividend/interest, issuance of share certificates etc. As on 31st March, 2021, the Company's Stakeholder's Relationship Committee comprised of three Non-Executive Independent Directors. The Company Secretary of the Company acts as the Secretary to the Stakeholder's Relationship Committee. The Committee held four meetings during the year i.e. on 9th June, 2020, 21st August, 2020, 11th November, 2020 and 10th February, 2021 and one resolution by circulation was passed on 6th February, 2021. The composition and attendance of committee meetings during the year, is as under:

Name of Members	Category of director	Designation in the Committee	No. of meetings held during the year	No. of meetings attended during the year
Mr. Kundan Mal Agarwal	Independent Director	Chairman	4	4
Mr. Roop Chand Jindal	Independent Director	Member	4	4
Mr. Hari Das Khunteta	Independent Director	Member	4	4
Mr. Suman Kumar	Company Secretary	Secretary	4	4

Mr. Suman Kumar, E.V.P. (Corporate Affairs) & Company Secretary of the Company acts as the Compliance Officer for the purpose of Listing Regulations. He is responsible for ensuring prompt and effective services to the shareholders and for monitoring the dedicated email address for receiving investors' grievances. The contact details of the compliance officer are available on our website at <https://smcindiaonline.com/investors/>.

2. Role of the Committee

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review measures taken for effective exercise of voting rights by shareholders

service standards adopted by the Company in respect of various services rendered by the Registrar and Share Transfer Agent

- Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends, and ensure timely receipt of dividend, warrants, and statutory notices by the shareholders.

3. Details of investors complaints received and resolved during the year

Sl. No.	Particulars	No. of complaints
a)	Opening as on April 1, 2020	Nil
b)	Complaints received during the year	Nil
c)	Complaints resolved during the year	Nil
d)	Closing as on March 31, 2021	Nil

*There are no complaints unresolved during the year

D. Corporate Social Responsibility Committee

1. Composition of the Committee

Pursuant to the provisions of section 135 of the Companies Act, 2013 the Company has constituted a Corporate Social Responsibility Committee for the purpose of formulating and recommending a Corporate Social

Responsibility Policy to the Board and indicating activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013, recommending the budget and monitoring the activities. As on 31st March, 2021, the Corporate Social Responsibility Committee comprises of two Executive Directors and one Independent

Director. The Company Secretary of the Company acts as the Secretary to the committee. The Committee held two meetings during the year i.e. 9th June, 2020 and 10th February, 2021. The composition and attendance of members during the year, is as under:

Name of Members	Category of director	Designation in the Committee	No. of meetings held during the year	No. of meetings attended during the year
Mr. Subhash Chand Aggarwal	Chairman and Managing Director	Chairman	2	2
Mr. Mahesh Chand Gupta	Vice Chairman and Managing Director	Member	2	2
Mr. Kundan Mal Agarwal	Independent Director	Member	2	2
Mr. Suman Kumar	Company Secretary	Secretary	2	2

2. Role of the Committee

Pursuant to the provision of law, the brief terms of reference of the committee are as follows:

- Formulate and recommend to the Board of Directors, the CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and the applicable Rules;
- Formulate/amend/alter the annual action plan in pursuance of the CSR policy of the Company every financial year;
- Determine the CSR projects to be undertaken by the Company and determine the mode of execution i.e. either itself or through any implementing agency or any in collaboration with any other company;
- Formulate the CSR budget based on the CSR activities planned for the year;
- Ensure unspent funds, if any, are transferred to specified accounts/funds within the time stipulated in law;

- Ensure that any profit incurred from CSR activities are not treated as business profits and are either ploughed back in the same project or transferred to specified account/funds;
- Determine whether surplus expenditure of any financial year has to be set off with the CSR obligation of upcoming years;
- Create an effective due diligence and monitoring mechanism for implementation of the approved CSR activities;
- Submit monitoring reports to the Board of Directors in respect of the CSR activities undertaken;
- Any other activity as may be required for executing CSR obligation in the Company or as may be required by law.

E. Risk Management Committee

1. Composition of the Committee

Regulation 21 of the Listing Regulations provides that top 500 listed entities determined on the market capitalisation as

at the end of immediate previous financial year has to constitute a risk management committee in accordance with the Regulation. However, pursuant to the recent amendment introduced by the SEBI (Listing Regulations and Disclosure Requirements) Second Amendment Regulations, 2021 the requirement has been shifted to top 1000 listed entities as per market capitalisation. Your Company has been ranked among the top 1000 listed entities as per market capitalisation by NSE and BSE as on 31st March, 2021; accordingly the requirement of constitution of risk management committee has become applicable on Company. The Board of Directors of the Company at their meeting held on 07th June, 2021 constituted a risk management committee and have also adopted the terms of reference of the Committee. The composition of the committee is as follows:

Name of Members	Category of director	Designation in the Committee	No. of meetings held during the year	No. of meetings attended during the year
Mr. Ajay Garg	Chief Executive Officer	Member	NA	NA
Mr. Himanshu Gupta	Non-Executive Director	Member	NA	NA
Mr. Anurag Bansal	Whole Time Director	Member	NA	NA
Mr. Chandra Wadhwa	Independent Director	Member	NA	NA
Mr. Suman Kumar	Company Secretary	Secretary	NA	NA

* The applicability of constitution of the risk management committee aroused after the closure of the financial year, accordingly, no meetings of the risk management committee were held during the financial year.

2. Role of the Committee

The brief terms of reference of the committee are as follows:

- To formulate a detailed risk management policy and approve any amendment/modification thereof.
- To monitor and oversee implementation of risk management policy including evaluating adequacy of risk management systems.
- To review the risk management policy at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- To appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the committee.

g) To coordinate activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board.

h) Monitoring and reviewing the risk management for various functions including cyber-security

F. Business Responsibility and Sustainability Committee

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the top 1000 listed entities of India as per market capitalisation as on 31st March of every year has to annex a Business Responsibility Report with its Annual Report. Accordingly, the requirement has become applicable on the Company for the first time. The Business Responsibility Report is a reporting on the initiatives undertaken by the Company from environmental, social and governance perspective. The details regarding Business Responsibility Report can be referred from the Director's Report. Further, the Business Responsibility Report also forms part of this Annual

Report.

Considering the aforementioned requirement, the Board of Directors of the Company at its meeting held on 7th June, 2021 approved constitution of a voluntary non-board committee for the purpose of implementation of business responsibility policies and preparation and finalisation of Business Responsibility Report.

In furtherance to the above and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Second Amendment Regulations, 2021, the Regulator has replaced the concept of 'business responsibility reporting' with 'business responsibility and sustainability reporting' which shall be applicable prospectively from financial year 2022-23. Accordingly, the terms of reference of the committee shall be uplifted as per the requirements of law. The composition of the committee is as follows:

Name of Members	Category of director	Designation in the Committee	No. of meetings held during the year*	No. of meetings attended during the year*
Mr. Anurag Bansal	Whole Time Director	Member	NA	NA
Mrs. Reema Garg	Chief Human Resource Officer	Member	NA	NA
Mr. Suman Kumar	Company Secretary	Secretary	NA	NA

*The applicability of constitution of the business responsibility and sustainability committee aroused after the closure of the financial year, accordingly, no meetings of the committee were held during the financial year.

1. Role of the Committee

The brief terms of reference of the committee are as follows:

- To ensure implementation of business responsibility policies in the Company
- Prepare and finalise Business Responsibility Report required to be annexed to the Annual Report of the Company
- Any other responsibility as may be determined by the committee members

In furtherance to above, Mrs. Reema Garg, Chief Human Resource Officer of the Company has been designated as Business Responsibility Head

and Mr. Anurag Bansal, Whole Time Director of the Company has been elected as designated director for the purpose of ensuring implementation of business responsibilities policies. The detailed report on Business Responsibility can be referred in this Annual Report.

G. Vigil Mechanism Committee

The Company had voluntarily constituted a Board Committee for the purpose of ensuring that the Vigil Mechanism is effectively established in the Company. The role of the committee involved initiating investigation and proceedings

Name of Members	Category of director	Designation in the Committee
Mr. Hari Das Khunteta	Independent Director	Chairman
Mr. Kundan Mal Agarwal	Independent Director	Member
Mr. Roop Chand Jindal	Independent Director	Member
Mr. Naveen ND Gupta	Independent Director	Member
Mr. Suman Kumar	Company Secretary	Secretary

The terms of reference of the committee includes receiving, investigating and redressing of complaints received under the vigil mechanism. Considering that no complaints were

received during the year, no meeting of the members of the committee was held. In this regard and considering the authority of Audit Committee in the vigil mechanism process

against any complaint registered with the Company and ensuring quick redressal. The committee also ensured that the employees of the Company are responsive to the policy and are aware of the protection from victimization provided to the whistle blowers by virtue of this policy. The detailed discussion on the mechanism is provided in the Director's Report of the Company forming part of the annual report. The Composition of the committee as on 31st March, 2021 is as follows:

and the limited necessity of the said committee, Board of Directors of the Company in its Meeting held on 7th June, 2021, approved to dissolve this Committee.

7. Remuneration of Directors

A. Executive Directors

The details of remuneration including commission to all Executive Directors for the year ended 31st March, 2021 is as follows:

Name of director*	Designation	Fixed Component		Profit/Performance linked incentives/ Commission (₹)	Total (₹)
		Basic Salary (₹)	Allowances, Perquisites and other benefits		
Mr. Subhash Chand Aggarwal	Chairman & Managing Director	83,67,000	10,60,800	-	94,27,800
Mr. Mahesh C. Gupta	Vice Chairman & Managing Director	88,47,000	5,80,800	-	94,27,800
Mr. Ajay Garg	Chief Executive Officer	64,40,020	3,75,000	-	68,15,020
Mr. Anurag Bansal	Whole Time Director	56,38,000	7,03,800	-	63,41,800

Notes:

1. The appointment of each executive director is for a period of five years from the date of appointment.
2. The Company has not granted any stock options to the directors of the Company.
3. Allowances, perquisites and other benefits includes benefits such as pension, provident fund, leave encashment and allowances.

B. Non-Executive Directors

The details of sitting fees (excluding applicable taxes) and/or commission paid to Non-Executive Directors for the financial year 2020-21 are as follows:

Name of director	Designation	Sitting fees (₹)	Commission (₹)	Total
Mr. Himanshu Gupta*	Non-Executive Director	NIL	NIL	NIL
Ms. Shruti Aggarwal*	Non-Executive Director	NIL	NIL	NIL
Mr. Chandra Wadhwa	Independent Director	2,50,000	NIL	2,50,000
Mr. Naveen ND Gupta	Independent Director	3,00,000	NIL	3,00,000
Mr. Roop Chand Jindal	Independent Director	3,50,000	NIL	3,50,000
Dr. Madhu Vij	Independent Director	2,25,000	NIL	2,25,000
Mr. Hari Das Khunteta	Independent Director	3,25,000	NIL	3,25,000
Mr. Kundan Mal Agarwal	Independent Director	3,75,000	NIL	3,75,000

*Mr. Himanshu Gupta and Ms. Shruti Aggarwal, Non-Executive Directors of the Company has voluntarily chosen not to receive any remuneration for the services rendered to the Company.

*The remuneration paid to other non-executive directors i.e. independent directors is within the limit of 1% of the net profit for the year as prescribed in Companies Act, 2013.

There are no pecuniary relationships or transactions between the non-executive directors (including independent directors) and the Company, except for sitting fees drawn by them for attending the meeting of the Board of Directors and Committee(s) thereof. In this regard, none of the non-executive directors of the Company has received any remuneration from the Company which exceeds the 50% of total remuneration paid to all non-executive directors

during the FY 2020-21.

None of the Non-Executive Directors have given any notice of their resignation / termination to the Company. Also, there is no separate provision for payment of any severance fees to the directors of the Company. The appointments of directors in the Company are not by virtue of any service contracts and the notice period of the directors shall be as per the terms and conditions approved by the Board of Directors at the time of

appointment/reappointment of the director.

Further, the Company has not granted any stock options to its Directors.

Criteria of making payments to Non-Executive Directors

The criteria of payments to the Non-Executive Directors are published on the website of the Company and can be viewed at <https://smcindiaonline.com/investors/>.

8. General body meetings

a) Details of last three (3) Annual General Meetings

Financial Year	Venue	Date	Time	Special Resolutions Passed
2017-2018	"Urdu Ghar" 212, rouse avenue, Deen Dayal Upadhyaya Marg, New Delhi-110002	July 21, 2018	11:00 AM	<ol style="list-style-type: none"> 1. Reappointment of Mr. Satish C. Gupta as an Independent Director of the Company. 2. Reappointment of Mr. Hari D. Khunteta as an Independent Director of the Company. 3. Reappointment of Mr. Chandra Wadhwa as an Independent Director of the Company. 4. Reappointment of Mr. Roop C. Jindal as an Independent Director of the Company. 5. Reappointment of Dr. Madhu Vij as an Independent Director of the Company. 6. Reappointment of Mr. Anurag Bansal as the Whole Time Director of the Company. 7. Authorisation to hold office or place of profit by Mr. Himanshu Gupta, son of Mr. Mahesh C. Gupta, Vice Chairman and Managing Director of the Company as Chairman and CEO of Moneywise Financial Services Private Limited, a subsidiary of the Company. 8. Approval for the Follow-on Public Offer of the Company.
2018-2019	"Urdu Ghar" 212, rouse avenue, Deen Dayal Upadhyaya Marg, New Delhi-110002	September 28, 2019	11:00 AM	<ol style="list-style-type: none"> 1. Reappointment of Mr. Subhash Chand Aggarwal as Chairman and Managing Director of the Company. 2. Reappointment of Mr. Kundan Mal Agarwal as Independent Director of the Company. 3. Revision in the remuneration of Mr. Mahesh Chand Aggarwal, Vice Chairman and Managing Director of the Company 4. Increase in authorisation limit to secure borrowings under section 180(1)(a) of the Companies Act, 2013
2019-2020	Meeting through Video Conferencing	September 30, 2020	11:00 AM	Authorisation to hold office or place of profit by Ms. Shruti Aggarwal, daughter of Mr. Subhash Chand Aggarwal, Chairman and Managing Director of the Company as Director of SMC Investments and Advisors Limited, wholly owned subsidiary of the Company at a monthly remuneration of ₹ 500,000 per month w.e.f. 8th June, 2020

b) Details of Postal Ballot conducted during last financial year

No special resolution was passed through postal ballot during the last financial year. Further, the Company does not propose to conduct any postal ballot for passing a special resolution.

9. Communication to shareholders

Effective communication of information is an essential component of Corporate Governance. The Company regularly interacts with shareholders through multiple channels of communication such as announcement of results, annual report, media releases, Company's website and subject specific communications. Details of communication mode are as under:

a) Financial Results

The unaudited quarterly and audited annual financial results are announced immediately after approval from the Board and sent to respective stock exchanges where the Company's shares are listed within the time specified in the Listing Regulations. The same is also simultaneously uploaded on the website of

the Company. During the year under review, the financial results of the Company were published in widely circulated leading newspaper named as 'Financial Express' being an English newspaper and 'Jansatta' being a newspaper in vernacular language.

b) Annual Report

The Annual Report inter-alia, containing Audited Financial Statements, Audited Consolidated Financial Statements, Director's Report including Management Discussion and Analysis, Auditors' Report and other important information of the Company is circulated/emailed/posted to members and others entitled to the report and is then uploaded on the Company's website. The annual report is also be submitted to the respective stock exchanges where the securities of the

Company are listed.

c) Website

The Company's website www.smcindiaonline.com contains a separate detailed section called 'Investors' wherein all information related to the Members/Investors has been made available. Information on various topics such as Board and committee composition, financial information, details pertaining to unpaid and unclaimed dividend, policies and codes of the Company, intimation to stock exchanges are made available on the website of the Company. The Company shall also publish details of any official news releases and also presentations made to any institutional investors or to analysts, if any.

10. General Shareholder Information

1.	Date, time and venue of Annual General Meeting	Saturday, 7th August, 2021 through video conferencing and other audio visual means E-voting period 4-6th August, 2021
2.	Financial Year	1st April, 2020 to 31st March, 2021 [FY: 2020-21]
3.	Dividend payment date	Interim Dividend- The Company has distributed an interim dividend of 60% on the face value of equity shares of the Company i.e. ₹ 1.20 per equity share. The distribution of interim dividend was completed within 30 days of declaration of dividend. Final Dividend: Dividend of ₹ 0.80 per equity share (40%) for the financial year 2020-21 has been recommended by the Board of Directors to Members for their approval. If approved by the Members, payment will be made in accordance with the statutory requirements. For members who are unable to receive the dividend directly in their bank accounts, the Company shall dispatch the dividend warrant to them.

4	Listing of equity shares at stock exchanges	<p>1. National Stock Exchange* Jeevan Vihar Building, 4th Floor, Road Area, 3, Sansad Marg, Janpath, Connaught Place, New Delhi- 110001</p> <p>2. Bombay Stock Exchange* Address-Phiroze Jeejeebhoy Towers, Dalal Street. Mumbai- 400001</p> <p>3. Calcutta Stock Exchange Address: 7, Lyons Range, Murgighata, Dalhousie, Kolkata, West Bengal- 700001</p>
5	Annual Listing Fees	The listing fees has been paid till 31st March, 2021
6	Stock code/symbol	1. National Stock Exchange- 543263 2. Bombay Stock Exchange- SMCGLOBAL 3. Calcutta Stock Exchange- 029186
7	ISIN for Equity Shares	INE103C01036
8	Registrar to an issue and share transfer agents	<p>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</p> <p>As per the agreement between the Company and Share Transfer Agents (RTA) of the Company, transmission of physical shares, consolidation of share certificates, issue of duplicate shares etc are carried out by the RTA. These activities are quarterly reviewed by the Stakeholders Relationship Committee.</p>
9	Plant locations	<p>Not Applicable. Considering the Company is involved in service industry; hence, there are no plant locations of the Company.</p> <p>The SMC group has footprints nearly over 550 cities across India. Kindly refer the Management Discussion and Analysis Report annexed to this Annual Report for more information.</p>
10	Address for correspondence	11/6B, Shanti Chambers, Pusa Road, New Delhi- 110005
11	Depositories	<p>National Securities Depository Limited Trade World, 'A' Wing, 4th & 5th Floor, Kamala Mills Compound, Lower Parel, Mumbai-400013.</p> <p>Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013</p>
12	Outstanding ADRs/GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity	NA
13	Securities are suspended from trading	NA
14	Commodity price risk or foreign exchange risk and hedging activities	The Company has no exposure to commodity price risk. Refer the Management Discussion and Analysis Report for details of foreign exchange risk

Dividend Distribution Policy

In pursuance of Regulation 43A of the Listing Regulations, the top 1000 listed entities as per market capitalisation, calculated as on 31st March of every financial year, are required to formulate a dividend distribution policy. As on 31st March, 2021, your Company was ranked among top 1000 listed entities as per market capitalisation, accordingly, the Board of Directors have adopted the Dividend Distribution Policy to lay down principles to be considered while declaring and payment of dividend. The policy of the Company is annexed to the Directors' Report and also uploaded on the website of the Company on following web link <https://smcindiaonline.com/wp-content/uploads/2021/06/DIVIDEND-DISTRIBUTION-POLICY.pdf>.

The details regarding declaration of dividend during

FY 2020-21 is provided in detail in the Director's Report of the Company.

Share Transfer System

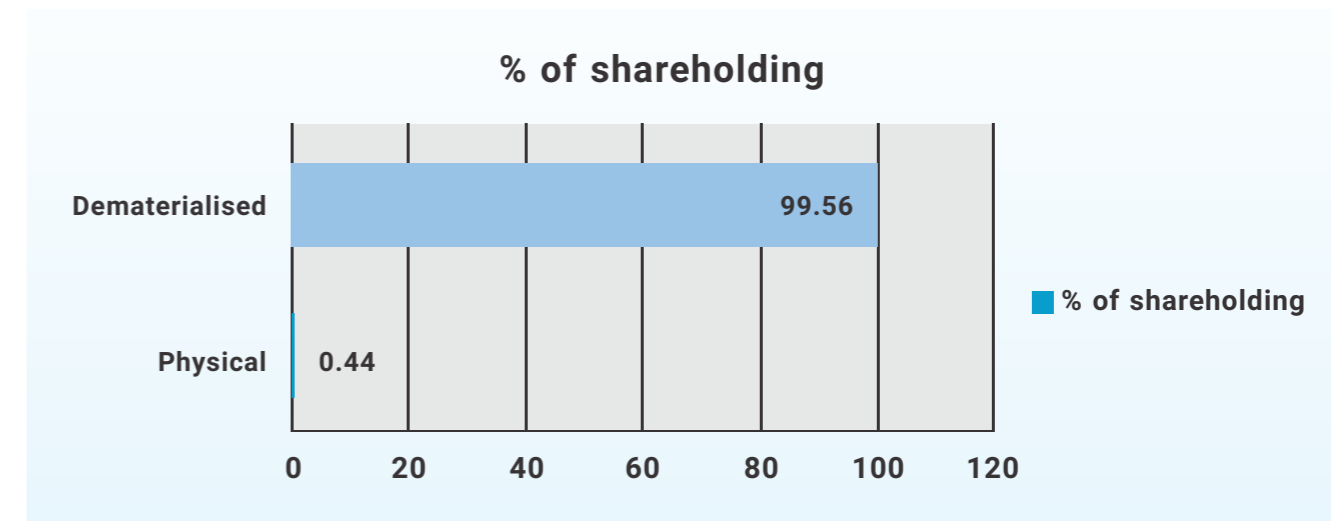
Transfer of shares in dematerialised form is done through the Depository Participants without any involvement of the Company or the Registrar or Share Transfer Agent. As regards the transfer of shares in physical form, the Board has delegated the authority for approving transfer, transmission, etc. of the Company's shares to the Authorised Representatives of Link Intime India Private Limited, the RTA of the Company. All the transfers are processed by the RTA and are approved by the Stakeholders' Relationship Committee. In this regard, a report on total shares dematerialised or rematerialized during the quarter is reviewed by the Stakeholders Relationship Committee.

In this regard, SEBI vide its notification no. SEBI/LAD-NRO/GN/2018/24 dated 8 June, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30 November, 2018 amended the provisions of Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides that from 1 April, 2019, transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository (except in case of transmission or transposition of securities). In view of the same, now the shares cannot be transferred in the physical mode. Hence, Members holding shares in physical form are requested to dematerialize their holdings immediately.

Dematerialization of shares and liquidity

As on 31st March, 2021, the breakup of shares held in physical and dematerialised form is as follows:

Shareholding	No. of Shares	% of Total
Physical Mode	4,99,640	0.44
Dematerialised Mode	11,26,34,810	99.56
Total	11,31,34,450	100



Out of the entire shareholding in dematerialised form, 83.16% shareholding is held in demat form by CDSL and 16.40% shareholding is held in demat form by NSDL. The entire holding of promoter and promoter group of the Company is held in dematerialized form and is in compliance with various circulars issued by SEBI w.r.t. maintenance of shareholding in dematerialized form.

Credit Ratings

During the year, CARE Ratings limited provided a credit rating of A1+ basis its assessment of SMC Global Securities Limited including all its subsidiaries on consolidated basis. The details of the same are provided below:

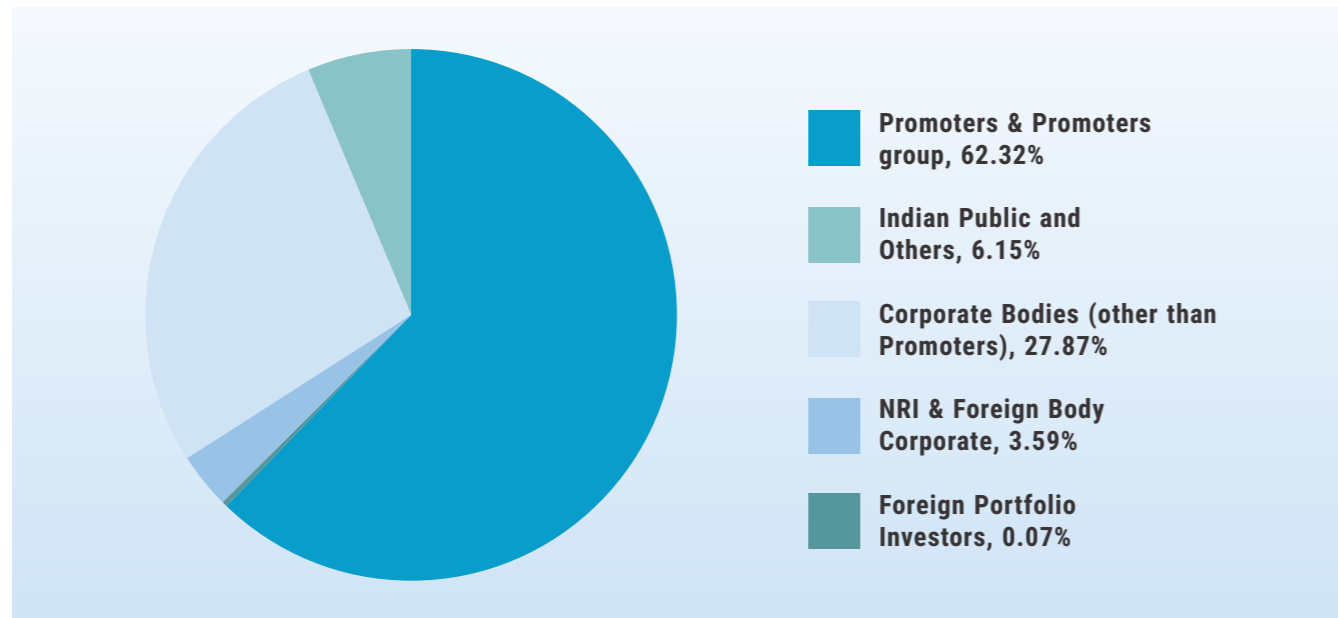
Instrument type	Size of issue (₹ in crore)	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Commercial Paper	25.00	CARE A1+	CARE A1+	CARE A1+	-

Distribution of shareholding as on 31st March, 2021**By size**

Shareholding of Shares (Range)	Number of Shareholders	Shareholders (In %)	Total shares for the Range	Issued capital (In %)
1-500	2552	63.80	355835	0.31
501 - 1000	651	16.27	608889	0.54
1,001- 2,000	328	8.20	574440	0.51
2,001 - 3,000	104	2.60	283488	0.25
3,001 - 4,000	53	1.32	193545	0.17
4,001 - 5,000	70	1.75	337451	0.30
5,001 - 10,000	95	2.37	751911	0.66
10,001 & above	147	3.67	11002891	97.26
TOTAL	4000	100	113134450	100

By Category

Category	No. of Shares	Equity (in %)
Promoters & Promoters Group	7,05,04,685	62.32
Foreign Portfolio Investors	81,321	0.07
NRI and Foreign Body Corporate	40,62,154	3.59
Corporate Bodies (other than Promoters)	3,15,28,267	27.87
Indian Public and Others	69,58,023	6.15
Total	11,31,34,450	100



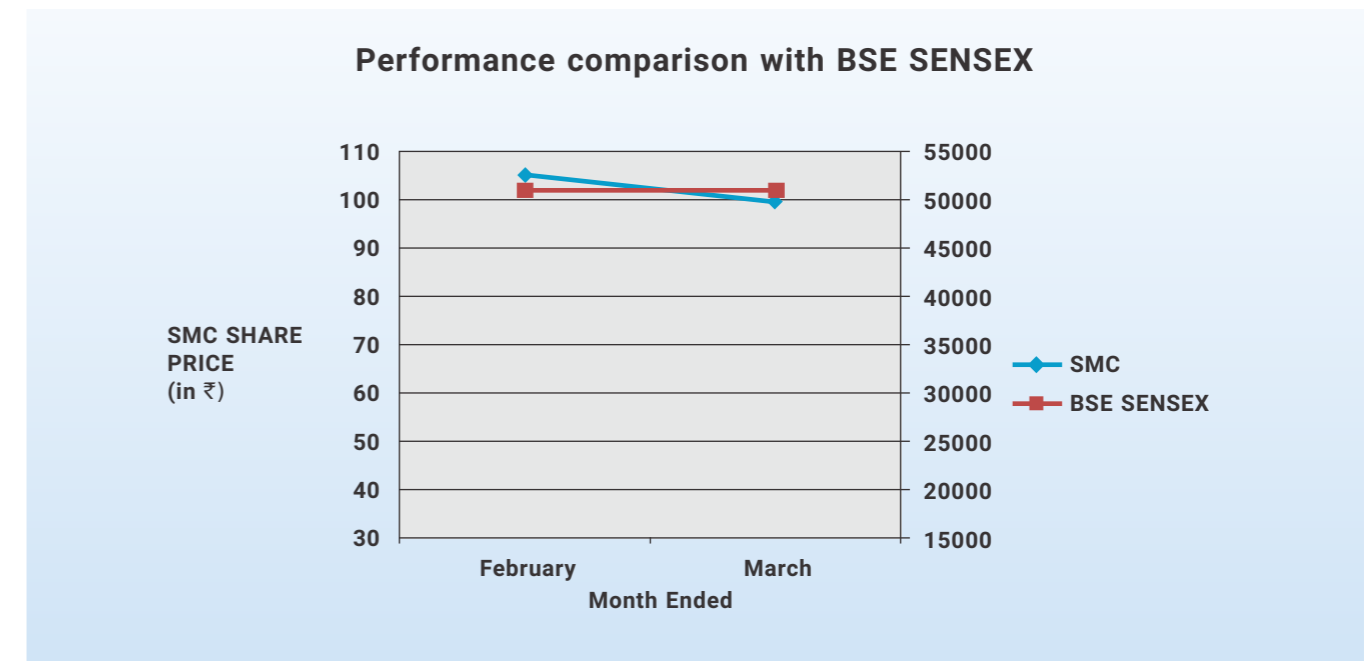
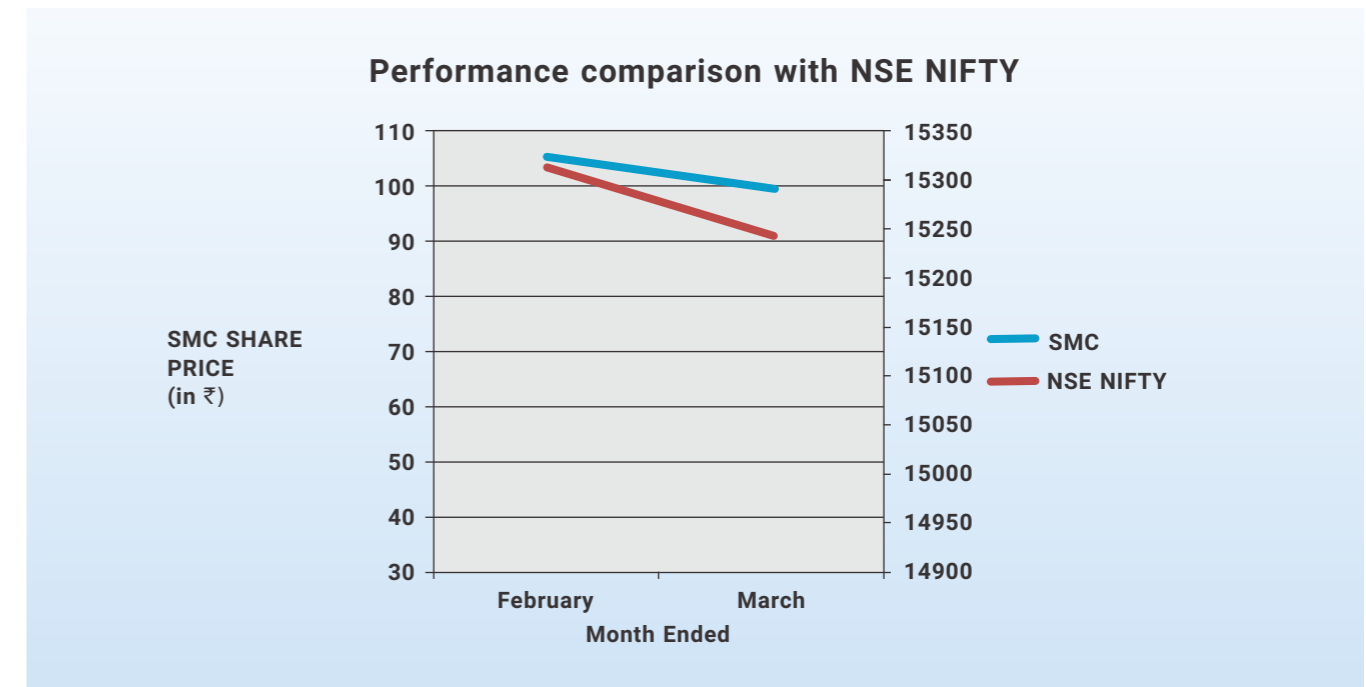
Market price data- high low during each month in last financial year

Your Company was listed on NSE and BSE on 24th February, 2021. Accordingly, the month wise High, Low and trading volumes of the Company's Equity Shares based on the daily closing prices during the period i.e. 24th February, 2021 to 31st March, 2021 at BSE and NSE are given below:

Stock Exchange	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Month				
February, 2021	105.15	89	105.95	90.05
March, 2021	109	67.5	109.85	68

Performance in comparison to broad based indices

The comparison of performance of Company with BSE SENSEX and NSE NIFTY is detailed below in the table. The graph is made on the basis of monthly high price of SMC share and BSE SENSEX and NSE NIFTY. In this regard, as the shares of the Company were listed on NSE and BSE on 24th February, 2021, accordingly, our reporting period for the below mentioned reporting has been limited to 24th February, 2021 to 31st March, 2021 i.e. for the months of February and March, 2021.



11. Other Disclosures

1. Materially significant related party transactions

During the year under review, there were no material related party transactions that may have any conflict of interest with the Company in accordance with the provisions of section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. All related party transactions were entered in ordinary course of business and on arm's length basis and were approved/reviewed by the Audit Committee. The details of related party transactions entered into by the Company are provided in the notes to the financial statements of the Company in accordance with the provisions of applicable accounting standards.

The related party transactions entered into by the Company during the financial year were in accordance with Company's policy on related party transactions and is available on the website at [https://smcindiaonline.com/wp-](https://smcindiaonline.com/wp-content/uploads/2021/06/POLICY-ON-RELATED-PARTY-TRANSACTIONS.pdf)

6. Disclosures pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The details of the complaints pertaining to sexual harassment of women are as under:

Sl. No.	Particulars	No. of complaints
1	No. of complaints filed during the financial year 2020-21	NIL
2	No. of complaints disposed off during the financial year 2020-21	NIL
3	No. of complaints pending as at the end of the financial year 2020-21	NIL

7. Disclosure of commodity price risks and commodity hedging activities- Not Applicable

[content/uploads/2021/06/POLICY-ON-RELATED-PARTY-TRANSACTIONS.pdf](https://smcindiaonline.com/wp-content/uploads/2021/06/POLICY-ON-RELATED-PARTY-TRANSACTIONS.pdf). The policy was amended by the Board of Directors at their meeting held on 7th June, 2021 to align the policy with the recent amendments in the provisions of law relating to related party transactions.

2. Vigil Mechanism

The information relating to the vigil mechanism policy is provided in the Director's Report of the Company forming part of the Annual Report.

During the year, no person was denied access to the Audit Committee to express concerns or reporting grievances under the vigil mechanism policy.

3. Code of Conduct for Board of Directors and Senior Management Personnel

In compliance with the Listing Regulations, the Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The Code is applicable on all directors and senior management personnel

of the Company and is available on the website of the Company at following web-link <https://smcindiaonline.com/wp-content/uploads/2018/04/Code-of-Conduct.pdf>.

All the directors and senior management personnel have affirmed compliance of the Code of Conduct and a declaration to that effect, signed by the Chief Executive Officer of the Company forms part of this report.

4. Strictures and Penalties

During the year, and also during last three years, no penalties or strictures were imposed on the Company by stock exchange, SEBI or other statutory authority on matters related to capital markets.

5. Details of utilization of funds raised through preferential allotment or qualified institutional placement

During the year, the Company has not raised any proceeds from issuance of securities through preferential allotment or qualified institutional placement.

8. Certificate that none of the directors of the Company are disqualified from being appointed as director in accordance with law

A certificate from Mr. Priyank Kukreja, Practicing Company Secretary is attached and forms part of this report certifying that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as director of the Company, by SEBI or Ministry of Corporate Affairs or any such statutory authority.

9. Statutory Auditors

Total fees paid by the Company and its subsidiaries for the services rendered by the statutory auditors and to all the entities in network firm/network entity belonging to them, are as follows:

Particulars	Amount (₹)
Statutory Audit fees	44,20,000
Tax Audit Fees	6,90,000
Other services	3,04,000
Total	54,14,000

The Company or its subsidiary companies has not availed any of the prohibited non-audit services mentioned under clause (a) to (i) of section 144 of the Companies Act 2013 from the Statutory Auditor or any of their network firms. The other permitted non-audit non-restricted services provided by the Statutory Auditor were approved by the Audit Committee and were not material in nature.

10. Confirmation by the Board of Directors of acceptance of recommendations from mandatory committees

During the year under review, there were no instances of non-acceptance of any recommendation by the Board of Directors from any committee.

11. Weblink where the policy for determining 'material' subsidiaries is disclosed

During the year, Moneywise Financial Services Private Limited and SMC Insurance Brokers Private Limited were recognised as material subsidiary by the Board of Directors in accordance with the provisions of Listing Regulations and in accordance with Company's policy for determining material subsidiaries. The policy for determining the material subsidiaries has been posted on the website of the Company and can be viewed at: <https://smcindiaonline.com/wp-content/uploads/>

2021/06/POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARY-COMPANIES.pdf

12. Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations. The Company also complies with the notified Secretarial Standards on the Board and General Meetings as issued by the Institute of the Company Secretaries of India. The Certificate regarding compliance with the conditions of Corporate Governance received from Mr. Priyank Kukreja, Practicing Company Secretary is attached and forms part of this report. Disclosure of Compliance of Non-mandatory requirements as specified in Part E of the Schedule II of Listing Regulations are as under: -

- Officer for non-executive Chairman at Company's expense: Not applicable to the Company since the Chairman of the Company is an Executive Director.
- Half yearly declaration of financial performance including summary of significant events in last six months to shareholders- Not adopted
- Reporting of Internal Auditor to Audit Committee: Complied. The reports of internal audit are placed for review before the Audit Committee of the Company every quarter.
- Modified opinion in audit report- The Auditors of the Company have issued an unmodified report on financial statements for FY 2020- 2021. The Company has adopted a regime of unqualified financial statements and unmodified audit opinion.

The Company has complied with the applicable requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors
Sd/-
Subhash Chand Aggarwal
Chairman and Managing Director

Place: New Delhi

Date: 7th June, 2021

CERTIFICATE OF COMPLIANCE OF CONDITION OF CORPORATE GOVERNANCE

To,
The Members
SMC Global Securities Limited

We have examined the compliance of conditions of Corporate Governance by SMC Global Securities Limited (the Company) for the year ended on **March 31, 2021**, 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 the procedures and implementations 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 abovementioned Listing Regulations.

No investor grievance is pending as on **March 31, 2021**.

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
Membership Number: A40585
CP. No.: 19465

Date: 19th May, 2020
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, 2021**:

1. Mr. Subhash Chand Aggarwal
2. Mr. Mahesh Chand Gupta
3. Mr. Ajay Garg
4. Mr. Anurag Bansal
5. Mr. Roop Chand Jindal
6. Mr. Hari Das Khunteta
7. Mr. Chandra Wadhwa
8. Mr. Kundan Mal Agarwal
9. Mrs. (Dr.) Madhu Vij
10. Mr. Himanshu Gupta
11. Mr. Naveen ND Gupta
12. Ms. Shruti Aggarwal

For **CS Priyank Kukreja**
Practising Company Secretary

Sd-

Priyank Kukreja
Membership Number: A40585
CP. No.: 19465

Date: 19th May, 2021
Place: New Delhi

UDIN: A040585C000343965

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO SUB-REGULATION 8 OF REGULATION 17 OF SEBI (LISTING
OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,
The Board of Directors
SMC Global Securities Limited
New Delhi

In compliance with Regulation 17(8) read with Regulation 33(2) and Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

A. We have reviewed the financial statements and the cash flow statements for the quarter and year ended 31st March 2021 of SMC Global Securities Limited and that to the best of our knowledge and belief:

i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

ii) these statements together present a true and fair view of the listed entity's affairs and is in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions were entered into by the listed entity during the quarter and year ended 31 st March 2021 which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

i) Significant changes in internal control over financial reporting during the quarter;

ii) Significant changes in accounting policies during the quarter and that the same have been disclosed in the notes to the financial statements, if any; and

iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd-
Ajay Garg
Director & Chief Executive Officer
DIN:- 00003166

Sd-
Vinod Kumar Jamar
Chief Financial Officer

Place: New Delhi
Date: 07th June, 2021

**DECLARATION BY CEO PURSUANT TO SCHEDULE V (PART D) OF SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS,
2015 REGARDING COMPLIANCE WITH CODE OF CONDUCT OF BOARD OF
DIRECTORS AND SENIOR MANAGEMENT**

To,
The Members
SMC Global Securities Limited

I, Ajay Garg, Director and Chief Executive Officer of the Company, hereby declare that, all the members of the board of directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended on 31 March, 2021.

Date: 07th June, 2021

Place: New Delhi

Sd/-
Ajay Garg
Director & Chief Executive Officer
DIN:00003166

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Independent Auditors' Report

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

Opinion

We have audited the accompanying standalone financial statements of **SMC Global Securities Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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, 2021, 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 sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters

specified in the paragraph 3 and 4 of the order.

- 2 As required by Section 143(3) of the Act, 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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

For R Gopal & Associates

Chartered Accountants

Firm Registration No.: 000846C

sd/-

Vikash Aggarwal
Partner

Membership No: 519574
UDIN: 21519574AAAADK5857

Date : 07th June 2021

Place : New Delhi

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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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 2021, 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 comprises of stock of commodities which have been physically verified and reconciled by the management with reference to the confirmation / statements from brokers and holding statements of warehouse and depository participants, during the year. No material discrepancies have been noticed on such physical verification and frequency of physical verification is adequate.
- (iii) The Company has granted unsecured loans during the year to 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) ₹52.01/- 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) ₹52.01 lakhs against loan given in earlier year, to one foreign subsidiary which was long term in nature originally. However reasonable steps are being taken by the company for recovery of principal but could not be realized due to losses incurred and no operation since last two years.
- (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, guarantees and security made as applicable. The company has not given any loan to its directors, hence section 185 not applicable.
- (v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act, 2013 and rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) a) According to the information and explanations given to us, Company has generally been regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, goods and service tax, cess and other statutory dues applicable to it with the appropriate authorities.
- According to the information and explanations 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 2021 for a period of more than six months
- 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	527.55	01.07.2012 to 30.06.2017	Customs, Excise and Service Tax Appellate Tribunal (CESTAT).
Income Tax Act 1961	Income Tax	356.78	A.Y 2013-2014 to A.Y 2019-2020	Commissioner of Income Tax (Appeals), Delhi

- | | | | | | |
|---|--|---|--|--|---|
| <p>(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.</p> | <p>applied for the purposes for which they were raised.</p> | <p>(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.</p> | <p>(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.</p> | <p>and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.</p> | <p>under section 45-IA of the Reserve Bank of India Act 1934.</p> |
| <p>(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</p> | <p>(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.</p> <p>(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.</p> | <p>(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 Indian accounting standards.</p> | <p>(xv) According to the information and explanations given to us</p> | <p>(xvi) The Company is not required to be registered</p> | |

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

Sd/-
Vikash Aggarwal
Partner
Membership No: 519574
UDIN: 21519574AAAADK5857

Date : 07th June, 2021
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 2021 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, 2021, 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: 21519574AAAADK5857

Date : 07th June, 2021

Place : New Delhi

SMC GLOBAL SECURITIES LIMITED

Standalone Balance sheet

Particulars	Note No.	(₹ in Lakhs)	
		As at March 31, 2021	As at March 31, 2020
Assets			
Financial assets			
Cash and cash equivalents	2	2,753.22	16,702.31
Other bank balances	3	1,00,853.46	39,519.25
Receivables			
Trade receivables	4	22,053.20	16,961.29
Other receivables	5	450.00	568.62
Loans	6	1,282.61	1,259.72
Investments	7	48,407.13	44,004.19
Other financial assets	8	8,322.27	13,112.60
Non-financial assets			
Inventories	9	1,317.48	-
Current tax assets (net)	29	1,626.09	1,605.38
Deferred tax assets (net)	29	795.49	1,836.72
Property, plant and equipment	10	2,095.10	2,316.06
Right to use asset	11	2,636.42	2,429.91
Other intangible assets	12	83.32	86.85
Intangible work-in-progress	12	-	38.98
Other non-financial assets	13	1,372.95	1,088.57
Total assets		1,94,048.74	1,41,530.45
Liabilities and equity			
Liabilities			
Financial liabilities			
Payables			
Trade payables			
- to micro and small enterprises		-	-
- to other than micro and small enterprises		37,638.69	29,523.24
Other payables			
- to micro and small enterprises		-	-
- to other than micro and small enterprises		148.87	212.87
Lease liabilities	11	2,466.03	2,112.91
Debt securities	14	-	366.18
Borrowings	15	23,811.84	6,152.80
Other financial liabilities	16	60,711.93	40,239.81
Non-financial liabilities			
Provisions	17	1,281.34	1,348.25
Other non-financial liabilities	18	842.92	546.11
Equity			
Equity share capital	19	2,262.69	2,262.69
Other equity		64,884.43	58,765.59
Total liabilities and equity		1,94,048.74	1,41,530.45

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

1-40

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

For and on behalf of the Board

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

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

Sd/-
Ajay Garg
Director & CEO
DIN: 00003166

Place: New Delhi
Date: 07th June, 2021

Sd/-
Vinod Kumar Jamar
Group CFO

Sd/-
Suman Kumar
Company Secretary

SMC GLOBAL SECURITIES LIMITED

Standalone statement of profit and loss

		(₹ in Lakhs)	
Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations			
Fees and commission income	20	29,087.00	22,495.06
Interest income	21	7,028.89	6,237.15
Dividend income		821.31	77.79
Net gain on proprietary trading		12,360.44	13,375.16
Total revenue from operations		49,297.64	42,185.16
Other income	22	2,157.57	3,105.31
Total income		51,455.21	45,290.47
Expenses			
Fees and commission expenses	23	22,648.79	20,257.61
Employee benefits expenses	24,31	10,898.10	10,499.51
Finance costs	25	2,800.75	4,271.74
Depreciation and amortisation	26	1,181.53	1,388.61
Impairment on financial instruments	27	259.91	(106.81)
Other expenses	28	3,784.48	5,224.53
Total expenses		41,573.56	41,535.19
Profit before tax		9,881.65	3,755.28
Tax Expense:			
Current tax	29	2,030.31	727.39
Deferred tax	29	837.43	54.75
Total tax expense		2,867.74	782.14
Profit after tax		7,013.91	2,973.14
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset		339.00	(259.60)
Tax effect of Items that will not be reclassified subsequently to profit and loss		(85.32)	90.71
Items that will be reclassified subsequently to profit or loss			
Fair value changes on investments		641.94	(535.32)
Tax effect of Items that will be reclassified subsequently to profit and loss		(161.56)	93.53
Total other comprehensive income (net of tax)		734.06	(610.68)
Total comprehensive income for the year (comprising profit and other comprehensive income for the year)		7,747.97	2,362.46

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Earnings per equity share (Face value ₹ 2)			
Basic & Diluted (in ₹)	30	6.20	2.63

Weighted average equity shares used in computing earning per shares

The accompanying notes form an integral part of the standalone financial statements. 1-40

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: 07th June, 2021

Sd/-
Vinod Kumar Jamar
Group CFO

Sd/-
Suman Kumar
Company Secretary

SMC GLOBAL SECURITIES LIMITED Standalone statement of changes in equity

Particulars	₹ in Lakhs									
	Equity share capital	Reserves & surplus				Other equity				Total
		Securities premium reserve	Retained earnings	General reserve	Capital reserve	Remeasurement of the net defined benefit liability / asset	Fair value changes in investments	Tax effect of other component of equity	Total	
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	-	-	2,973.14	-	-	-	-	-	2,973.14	2,973.14
Profit for the year	-	-	-	-	-	(259.60)	(535.32)	184.24	(610.68)	(610.68)
Addition during the year	-	-	(1,357.59)	-	-	-	-	-	(1,357.59)	(1,357.59)
Payment of dividend	-	-	-	-	-	-	-	-	-	-
Tax on dividend*	-	-	-	-	-	-	-	-	-	-
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
Balance as at April 1, 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
Changes in equity for the year ended March 31, 2021	-	-	7,013.91	-	-	339.00	641.94	(246.88)	734.06	734.06
Profit for the year	-	-	-	-	-	-	-	-	(1,629.13)	(1,629.13)
Addition during the year	-	-	-	-	-	-	-	-	-	-
Payment of dividend	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	2,262.69	34,444.50	20,784.21	7,844.60	1,439.24	149.14	339.34	(116.60)	64,884.43	67,147.12

* No dividend distribution tax liability as the same was set off from dividend distribution tax paid by one of the subsidiary company.

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: 07th June, 2021

For and on behalf of the Board

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

Sd/-
Vinod Kumar Jamar
Group CFO

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

Sd/-
Ajay Garg
Director & CEO
DIN: 00003166

Sd/-
Suman Kumar
Company Secretary

SMC GLOBAL SECURITIES LIMITED

Standalone statement of cash flows

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Cash flows from operating activities:		
Profit after tax	7,013.91	2,973.14
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax expense	2,867.74	782.14
Depreciation, amortization and impairment	625.38	843.51
Depreciation on lease assets	556.15	545.10
Interest expense	2,510.22	4,063.26
Finance charges on lease	290.53	208.48
Dividend income	(825.04)	(1,391.30)
Interest income other than from revenue from operation	(627.80)	(1,228.66)
Allowance for impairment of trade receivables	240.81	(114.39)
Allowance for impairment of loans	16.00	7.82
Allowance for impairment of deposits	2.70	(0.24)
Allowance for impairment of other financial asset	0.40	-
Rent income	(165.03)	(165.58)
Net loss/profit on derecognition of property, plant and equipment	(28.11)	(15.18)
Net gain/loss on the investments	(103.70)	9.19
Exchange difference on conversion of foreign currency monetary items	4.17	(13.55)
Operating profit before working capital changes	12,378.33	6,503.74
Changes in assets and liabilities		
Other bank balances	(61,334.21)	2,164.54
Trade receivables	(5,332.71)	54,525.99
Other receivables	115.92	(408.93)
Loans	(38.89)	7,303.97
Inventories	(1,317.48)	592.59
Investments carried at fair value through profit and loss	(3,260.00)	11,367.70
Other financial assets	4,789.93	(2,176.03)
Other non-financial assets	(284.31)	778.43
Trade payables	8,115.45	9,394.64
Other payables	(64.00)	(51.46)
Other financial liabilities	20,444.28	(19,533.86)
Other non-financial liabilities	286.14	(112.88)
Provisions	272.10	202.51
Cash generated / (used in) from operations	(25,229.45)	70,550.95
Income taxes paid (net of refund)	(2,094.14)	(792.10)
Net cash generated / (used in) from operating activities	(A) (27,323.59)	69,758.85
Cash flows from investing activities:		
Purchase of property, plant and equipment including intangible assets	(423.01)	(437.79)
Sale of property, plant and equipment including intangible assets	89.23	35.37
Addition to right to use - lease asset	(762.66)	(2,975.01)
Interest received	627.80	1,228.66
Dividend received	824.98	1,392.42
Rent received	165.03	165.58
Payments to acquire financial assets		
Equity instruments	(2,148.28)	(3,875.13)
Equity instruments of subsidiary	(700.00)	(7,250.00)
Preference instrument of subsidiary	(1,000.00)	-
Debt instrument	(2,704.00)	(6,000.00)
Mutual funds	(202.99)	(648.83)
Proceeds on sale of financial assets		
Equity instruments	1,809.40	3,743.96

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Debt instrument	4,344.00	4,096.00
Mutual funds	204.56	814.19
Net cash (used in) / generated from investing activities	(B) 124.06	(9,710.58)
Cash flows from financing activities:		
Payment of dividends (net of unclaimed dividend)	(1,618.46)	(1,358.38)
Addition to lease liabilities	755.86	2,975.01
Repayment of lease liabilities	(693.26)	(1,070.58)
Payment of interest	(2,482.39)	(4,102.43)
Proceeds / (repayment) from borrowings (net)	17,659.04	(45,328.03)
Proceeds / (repayment) from debt securities (net)	(366.18)	233.08
Net cash (used in) / generated from financing activities	(C) 13,254.61	(48,651.33)
Net increase in cash and cash equivalents	(A+B+C) (13,944.92)	11,396.94
Effect of change in exchange rate on foreign operations and foreign currency monetary items	(4.17)	13.55
Cash and cash equivalents at the beginning of the year	16,702.31	5,291.82
Cash and cash equivalents at the end of the year (refer note 2)	2,753.22	16,702.31

Note:

- The above statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 notified u/s 133 of the Companies Act, 2013.
- Interest expense includes other borrowing cost.
- Figures in brackets indicate cash outflow.
- The significant accounting policies and notes to the financial statements (Refer note no. 1 - 40) form an integral part of the standalone financial statements.

In terms of our report of even date attached

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

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: 07th June, 2021

Sd/-
Vinod Kumar Jamar
Group CFO

Sd/-
Suman Kumar
Company 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"), 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's equity shares are listed and traded on National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE") in India with effect from February 24, 2021. 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 points except otherwise stated.

1.03 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 at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.04 Revenue recognition

The company derives its revenue primarily from the brokerage services, clearing services, depository services, distribution of financial products such as mutual fund and initial public offerings, 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:

- Identify the contract(s) with a customer.
- Identify the performance obligations in the contract.
- 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 and the revenue is recognised on periodical basis and also considering performance based criteria of fund (as applicable).

(viii) **Dividend:** Dividend income is recognised when the shareholders right to receive payment is established.

(ix) **Research support services:** In these types of contract performance obligation is periodic input to participants on the basis of capital market analysis and the performance obligation satisfies over time i.e. over the period.

(x) All other revenue is recognised on accrual basis.

(xi) 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	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 company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised 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 pre-tax 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 recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised 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

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. The Company has adopted Ind AS 116 with effect from 1st April 2019 and 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 Part C of Schedule II to the Companies Act, 2013:

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

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

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2021	March 31, 2020
Cash in hand	22.37	14.28
Balances with banks		
In current accounts*	2,730.85	16,688.03
Total cash and cash equivalent	2,753.22	16,702.31

* Includes unclaimed dividend of ₹ 42.52 lakhs and ₹31.85 lakhs as of March 31, 2021 and March 31, 2020, respectively.

NOTE NO. 3

Other bank balances

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2021	March 31, 2020
Deposit pledged with banks*	35,953.41	31,999.67
Deposit pledged with the clearing corporations and stock exchanges as margin	64,048.86	7,389.12
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	160.82	106.00
Deposit - no lien	667.49	1.58
Total other bank balances	1,00,853.46	39,519.25

* Deposit pledged with bank as margin deposit for the guarantees issued of ₹ 43,955.50 lakhs and ₹ 62,231.75 lakhs as of March 31, 2021 and March 31, 2020, respectively, credit facilities or otherwise.

NOTE NO. 4

Trade receivables

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2021	March 31, 2020
Secured considered good	20,992.29	16,119.39
Secured credit impaired	375.07	427.20
Less: Provision for impairment	(375.07)	(427.20)
(A)	20,992.29	16,119.39
Unsecured considered good	1,060.91	841.90
Unsecured credit impaired	646.33	623.86
Less: Provision for impairment	(646.33)	(623.86)
(B)	1,060.91	841.90
Total trade receivables	22,053.20	16,961.29

NOTE NO. 5

Other receivables

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2021	March 31, 2020
Other receivables	468.75	583.83
	468.75	583.83
Less: Provision for impairment	(18.75)	(15.21)
Total other receivables	450.00	568.62

NOTE NO. 6

Loans

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2021	March 31, 2020
Unsecured		
Carried at amortised cost		
Loans to related party*	1,393.44	1,354.55
Loans to others	-	-
	1,393.44	1,354.55
Less: Provision for impairment	(110.83)	(94.83)
Net loans	1,282.61	1,259.72
In India	1,230.60	1,187.54
Outside India	52.01	72.18

*(Refer note no 34.03)

NOTE NO. 7**Investments**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Quoted		
Investments carried at fair value through profit and loss		
Equity instruments	8,527.63	5,349.75
Debt instruments	367.03	284.91
(A)	8,894.66	5,634.66
Investments carried at fair value through other comprehensive income		
Equity instruments under portfolio management service	1,976.49	886.77
Mutual funds	30.94	40.98
Debt instruments	23.28	20.01
(B)	2,030.71	947.76
Sub - Total (A+B=C)	10,925.37	6,582.42
Unquoted		
Investments carried at amortised cost		
Debt instrument	264.00	1,904.00
Equity instrument of subsidiaries	36,851.05	36,151.06
Preference instrument of subsidiary	1,000.00	-
Less : Provision for impairment	(633.83)	(633.83)
(D)	37,481.22	37,421.23
Investments carried at fair value through 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)	37,481.76	37,421.77
Total investments (C+F)	48,407.13	44,004.19
In India	46,868.85	42,465.91
Outside India	1,538.28	1,538.28

NOTE NO. 8**Other financial assets**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Interest accrued but not due	523.89	340.68
Derivative financial instruments	4,859.58	7,097.49
Unbilled revenue	1,236.89	558.73
Security deposits	1,702.41	5,116.14
	8,322.77	13,113.04
Less : Provision for impairment	(0.50)	(0.44)
Total other financial assets	8,322.27	13,112.60
Financial asset carried at amortized cost	3,462.69	6,015.11
Financial asset carried at fair value through profit and loss	4,859.58	7,097.49

NOTE NO. 9**Inventories**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Commodities	1,317.48	-
Total inventories	1,317.48	-

NOTE NO. 10**Property, plant and equipment**

(₹ in Lakhs)

Particulars	Office Building	Computer equipment	Office equipment	Furniture and fixtures	Vehicles	VSAT	Total
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 gross carrying value as at April 1, 2020	2,151.83	2,543.10	657.93	1,827.86	444.82	368.22	7,993.76
Additions during the year	14.55	268.61	53.00	19.26	64.58	-	420.00
Deletions during the year	(106.86)	(179.06)	(23.93)	(4.26)	(11.34)	(368.22)	(693.67)
Closing gross carrying value as at March 31, 2021	2,059.52	2,632.65	687.00	1,842.86	498.06	-	7,720.09
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
Opening accumulated depreciation as at April 1, 2020	578.34	2,222.01	581.14	1,585.70	356.84	353.67	5,677.70
Depreciation for the year	112.50	281.54	56.45	86.71	38.62	4.05	579.87
Accumulated depreciation on deletions	(65.95)	(170.20)	(23.49)	(4.15)	(11.07)	(357.72)	(632.58)
Closing accumulated depreciation as at March 31, 2021	624.89	2,333.35	614.10	1,668.26	384.39	-	5,624.99
Carrying value as at March 31, 2020	1,573.49	321.09	76.79	242.16	87.98	14.55	2,316.06
Carrying value as at March 31, 2021	1,434.63	299.30	72.90	174.60	113.67	-	2,095.10

NOTE NO. 11**Right to use asset**

Particulars	(₹ in Lakhs)	
	Lease hold assets	Total
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 gross carrying value as at April 1, 2020	2,975.01	2,975.01
Additions during the year	859.03	859.03
Deletions during the year	(124.43)	(124.43)
Closing gross carrying value as at March 31, 2021	3,709.61	3,709.61
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
Opening accumulated depreciation as at April 1, 2020	545.10	545.10
Depreciation for the year	556.15	556.15
Accumulated depreciation on deletions	(28.06)	(28.06)
Closing accumulated depreciation as at March 31, 2021	1,073.19	1,073.19
Carrying value as at March 31, 2020	2,429.91	2,429.91
Carrying value as at March 31, 2021	2,636.42	2,636.42

NOTE NO. 11.01**Detail of lease liability**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2021	March 31, 2020
Opening balance	2,112.91	-
Addition during the year	859.03	2,975.01
Deletions during the year	(96.37)	-
Finance charges on lease	290.53	208.48
Write back during the year	(6.80)	-
Repayment during the year	(693.27)	(1,070.58)
Closing balance	2,466.03	2,112.91
Interest rate used for capitalisation	9.66%	9.66%

NOTE NO. 12**Other intangible assets**

Particulars	(₹ in Lakhs)		
	Computer software	Trademark logo	Total
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 gross carrying value as at April 1, 2020	673.42	0.20	673.62
Additions during the year	41.98	-	41.98
Deletions during the year	-	-	-
Closing gross carrying value as at March 31, 2021	715.40	0.20	715.60
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
Opening accumulated amortization as at April 1, 2020	586.57	0.20	586.77
Amortization for the year	45.51	0.00	45.51
Accumulated amortization on deletions	-	-	-
Closing accumulated amortization as at March 31, 2021	632.08	0.20	632.28
Carrying value as at March 31, 2020	86.85	-	86.85
Carrying value as at March 31, 2021	83.32	-	83.32

Intangible work-in-progress

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2021	March 31, 2020
Intangible work-in-progress	-	38.98
Total intangible work-in-progress	-	38.98

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	(₹ in Lakhs)	
	As at	
	March 31, 2021	March 31, 2020
Capital advances	110.52	6.60
Prepaid expenses	332.01	330.93
Dividend receivable	0.08	0.01
Withholding taxes and other taxes receivable	137.75	91.23
Advance payment to vendors for supply of goods	791.94	659.80
Salary Advances	0.65	-
Total other non financial assets	1,372.95	1,088.57

NOTE NO. 14**Debt securities**

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Unsecured - at amortised cost		
Commercial paper - repayable within one year	-	370.00
Less: unamortised balance of discount on issue of commercial paper	-	(3.82)
Total debt securities	-	366.18

NOTE NO. 14.01

Details of commercial papers outstanding are as follows :

Sr. No.	As at March 31, 2021			As at March 31, 2020		
	Gross Amount	Unamortised balance of discount	Net Amount	Gross Amount	Unamortised balance of discount	Net Amount
	9.80% Commercial Paper	-	-	-	370.00	(3.82)
Total	-	-	-	370.00	(3.82)	366.18

NOTE NO. 15**Borrowings**

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Secured		
Term loan		
from banks	91.37	67.78
Loan repayable on demand		
from banks	23,636.40	5,993.99
from others	-	15.00
Total secured borrowings	(A) 23,727.77	6,076.77
Unsecured		
Loan repayable on demand		
from related party	84.07	76.03
Total Unsecured borrowings	(B) 84.07	76.03
Total borrowings	(A+B=C) 23,811.84	6,152.80
In India	23,811.84	6,152.80
Outside India	-	-

- a) Term Loan amounting ₹91.37 lakhs and ₹67.78 lakhs as of March 31, 2021 and March 31, 2020, respectively, are secured by way of hypothecation of vehicles and are repayable over a period up to five years.
- b) Loan from banks amounting ₹23,636.40 lakhs and ₹5,993.99 lakhs as of March 31, 2021 and March 31, 2020, respectively, are secured against shares, receivables, fixed deposits, certain office buildings and personal guarantee of promoter directors.
- c) Loan from others amounting ₹ Nil and ₹15.00 lakhs as of March 31, 2021 and March 31, 2020, respectively, are secured by way of hypothecation of shares and personal guarantee of promoter directors.

Repayment terms of borrowings

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
In the first year	23,750.17	6,107.26
In the second year	32.24	15.10
In the third to fifth year	29.43	30.44
Total	23,811.84	6,152.80

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

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Secured		
Weighted average rate		
Fixed rate borrowings	8.48%	9.01%
Floating rate borrowings	7.37%	8.99%
Amount borrowed		
Fixed rate borrowings	91.37	67.78
Floating rate borrowings	23,720.47	6,085.02
Total borrowings	23,811.84	6,152.80

NOTE NO. 16**Other financial liabilities**

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Book overdraft from banks	711.80	1.86
Security deposits received	250.26	249.02
Interest accrued but not due	28.77	0.94
Employee benefit payable	455.53	1,027.60
Derivative financial instruments	3,497.01	3,483.90
Accrued expenses	2,002.75	1,606.41
Margin received from clients	53,765.81	33,870.08
Total other financial liabilities	60,711.93	40,239.81
Financial liability carried at amortized cost	57,214.92	36,755.91
Financial liability carried at fair value through profit and loss	3,497.01	3,483.90

NOTE NO. 17**Provisions**

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Provision for employee benefits		
Gratuity	714.62	876.02
Leave encashment	446.10	388.54
Provision for CSR	-	3.19
Others	120.62	80.50
Total provisions	1,281.34	1,348.25

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, 2021	March 31, 2020
Opening provision	3.19	34.61
Provision made during the year	70.10	84.12
CSR spent during the year	(73.29)	(115.54)
Closing provision	-	3.19

b) Details of amount spent

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
i) Construction/acquisition of any asset	-	-
ii) on purpose other than (i) above	73.29	115.54
Total	73.29	115.54

c) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure - ₹ 5.22 Lakhs (PY ₹ 0.76 lakhs).

NOTE NO. 18**Other non-financial liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Unearned income	220.35	89.42
Unpaid dividend	42.52	31.85
Withholding taxes and other taxes payable	566.49	420.32
Others	13.56	4.52
Total other non-financial liabilities	842.92	546.11

NOTE NO.19**Equity share capital****NOTE NO. 19.01****Authorised issued and subscribed capital**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Authorised		
47,75,50,000 (March 31, 2020 : 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, 2020 : 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	As at	
	March 31, 2021	March 31, 2020
At the beginning of the year	11,31,34,450	11,31,34,450
Issued during the year	-	-
Buyback/forfeiture during the year	-	-
At the end of the year	11,31,34,450	11,31,34,450

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Board of Directors has proposed an equity dividend @ 40% i.e. ₹ 0.80 (P.Y. ₹ 0.24) per share for the financial year ending March 31, 2021 at their meeting held on dated June 7, 2021, 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 ₹ 1.20 (P.Y. ₹ 0.72).

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**

(in Numbers)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% held	No. of Shares held	% held
ASM Pipes Private Limited	1,86,67,140	16.50	1,86,67,140	16.50
Millennium Investment and Acquisition Co. Inc.	27,00,000	2.39	91,04,690	8.05
Mahesh C. Gupta	92,48,500	8.17	92,48,500	8.17
Subhash Chand Aggarwal	1,00,95,500	8.92	1,00,95,500	8.92
Sanlam International Investment Partners Limited	-	-	94,60,590	8.36
Signature Global (India) Private Limited	79,72,457	7.05	88,65,885	7.84
Sushma Gupta	75,66,550	6.69	75,66,550	6.69
Pulin Investments Private Limited	92,77,205	8.20	89,77,205	7.94

NOTE NO. 20**Fees and commission income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Income from:		
Brokerage	21,357.97	15,252.58
Distribution of financial products	6,545.01	6,659.73
Depository activities	414.30	326.70
Portfolio management services	30.12	24.78
Incentives from exchange	244.29	-
Research support services	495.31	231.27
Total fees and commission income	29,087.00	22,495.06

NOTE NO. 21**Interest income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
On financial assets measured at amortised cost		
Interest on deposits with banks	4,867.12	3,390.68
Interest on delayed payment/ margin trading facility	2,161.77	2,846.47
Total interest income	7,028.89	6,237.15

NOTE NO. 22**Other income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Interest income	627.80	1,228.66
Net gain on derecognition of financial instruments measured at fair value through other comprehensive income	103.51	-
Net gain on derecognition of financial instruments under amortised cost	0.19	-
Net gain on derecognition of property, plant and equipment	28.11	15.18
Dividend income*	825.04	1,391.30
Rent income	165.03	165.58
Liability no longer required written back	166.64	189.13
Net gain on translation of foreign currency monetary items	-	13.55
Miscellaneous income	241.25	101.91
Total other income	2,157.57	3,105.31

* includes dividend received from subsidiary company amounting to ₹ 808.00 Lakhs (PY : ₹ 1,373.60 Lakhs)

NOTE NO. 23**Fees and commission expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Client introduction charges	9,596.99	6,402.95
Exchange & other regulatory charges	4,506.49	4,189.73
Expense for distribution of financial products	4,892.26	5,314.18
VPN, leaseline, internet & VSAT expenses (net)	228.88	165.74
Securities transaction tax	3,416.94	4,175.67
Demat charges	7.23	9.34
Total fees and commission expenses	22,648.79	20,257.61

NOTE NO. 24**Employee benefits expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Salaries and incentives	10,098.81	9,675.93
Staff welfare	80.81	150.86
Contribution to provident and other funds	439.80	465.26
Gratuity	278.68	207.46
Total employee benefits expenses	10,898.10	10,499.51

NOTE NO. 25**Finance costs**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
On financial liabilities measured at amortised cost		
Interest to bank (others)	709.57	2,194.59
Interest-others	1,397.99	1,252.65
Discount on issue of commercial papers	3.82	31.77
Other borrowing cost	398.84	584.25
Finance charges on lease	290.53	208.48
Total finance costs	2,800.75	4,271.74

NOTE NO. 26**Depreciation and amortisation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Depreciation on tangible assets	579.87	797.18
Amortisation of intangible assets	45.51	46.33
Depreciation on lease assets	556.15	545.10
Total depreciation and amortisation	1,181.53	1,388.61

NOTE NO. 27**Impairment on financial instruments**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
On financial assets measured at amortised cost/transaction price		
Trade receivables	240.81	(114.39)
Loans	16.00	7.82
Security Deposits	0.40	-
Other receivables	2.70	(0.24)
Total impairment on financial instruments	259.91	(106.81)

NOTE NO. 28**Other expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Advertisement	739.38	1,246.29
Business promotion	40.75	737.58
Computer repair & maintenance	432.97	353.73
Conveyance & traveling expenses	116.98	234.92
Directors sitting fee	18.25	14.55
Donation	25.10	43.29
Insurance	26.53	24.26
Legal & professional charges	420.10	252.34
Bank charges	24.70	91.15
Stock Exchange Listing Fees	16.74	-
Office repair & maintenance	330.31	350.64
Printing and stationery	118.52	174.10
Rent	606.26	716.55
Electricity and water expenses	395.85	442.96
Membership fees & subscription	9.02	15.86
Communication expenses	237.86	230.99
Net loss on foreign currency transaction and translation	4.17	-
Net loss on derecognition of financial instruments carried at fair value through other comprehensive income	-	9.19
Vehicle running & maintenance	29.47	54.05
Rates & taxes	21.19	41.72
CSR expenses	70.10	84.12
Miscellaneous expenses	67.98	74.93
Auditor's fees and expenses		
as statutory auditor	27.00	21.50
as tax auditor	3.00	2.50
as fee for other services	2.25	7.31
Total other expenses	3,784.48	5,224.53

NOTE NO. 29**Income taxes****NOTE NO. 29.01****Income tax expense in the statement of profit and loss**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Current tax expense		
For the year	2,067.69	753.82
Change in estimates relating to prior years	(37.38)	(26.43)
	2,030.31	727.39
Deferred tax charge/(benefit)		
Origination and reversal of temporary differences	358.53	54.75
Minimum alternate tax	478.90	-
	837.43	54.75
Total income tax expense	2,867.74	782.14

NOTE NO. 29.02**Tax expense recognised in other comprehensive income**

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2021	March 31, 2020
Remeasurement of the net defined benefit liability / asset	85.32	(90.71)
Fair value changes on investments	161.56	(93.53)
Total tax expense recognised in other comprehensive income	246.88	(184.24)

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**

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2021	March 31, 2020
Profit before tax	9,881.65	3,755.28
Enacted tax rates in India	25.168%	34.944%
Computed expected tax expense	2,487.01	1,312.25
Non deductible permanent difference	60.47	74.60
Deductible permanent difference	(15.31)	(69.01)
Income exempt from tax	-	(429.16)
Change in estimates relating to prior years	(37.38)	(26.43)
Deduction u/s 80M	(410.02)	-
Deduction u/s 80JJAA	(49.77)	(84.29)
Effect of change in tax rates u/s 115BAA	353.84	-
Carry forward of loss and depreciation	-	(16.87)
Deferred tax asset / MAT reversed	478.90	20.96
Income tax expense	2,867.74	782.05

The applicable Indian statutory tax rates for fiscal 2021 and fiscal 2020 is 25.168% and 34.944%, respectively.

The company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The Company accordingly has recognized Provision for Income Tax for the year ended March 31, 2021 and re-measured its Deferred Tax Assets on the basis the rate prescribed in the said section. The impact of this change has been recognized in the Statement of Profit & Loss including write off of deferred tax assets relating to earlier years of ₹ 353.84 lakhs and MAT Credit of ₹ 478.90 lakhs. However, the above MAT Credit would be utilised to settle tax liabilities pertaining to past periods, if any.

NOTE NO. 29.04**Details of income tax assets and income tax liabilities**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2021	March 31, 2020
Income tax assets pertaining to current year	2,103.68	1,216.00
Income tax liabilities pertaining to current year	2,067.69	753.82
Net income tax assets/ (liability) pertaining to current year	(A) 35.99	462.18
Income tax assets pertaining to previous years	(B) 1,590.10	1,143.20
Total income tax assets / (liability) - net	(A+B) 1,626.09	1,605.38

NOTE NO. 29.05**Movement in current tax asset / (liability)**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2021	March 31, 2020
Net current tax asset / (liability) at the beginning	1,605.38	1,056.58
Current year income tax expense	(2,030.31)	(727.39)
Refund received during the year	(94.52)	(29.95)
Tax deducted at source for current year	2,103.68	1,216.00
Tax deducted at source for earlier years due to assessment	41.86	90.14
Net current tax asset / (liability) at the end	1,626.09	1,605.38

NOTE NO. 29.06**Movement in the temporary differences of deferred tax**

Particulars	(₹ in Lakhs)									
	Balance as at April 1, 2019	Recognised in profit or loss during 2019-20	Recognised in other comprehensive income	Utilisation of MAT credit during 2019-20	Balance as at March 31, 2020	Recognised in profit or loss during 2020-21	Recognised in other comprehensive income	Utilisation of MAT credit during 2020-21	Balance as at March 31, 2021	
	Employee benefits	269.24	81.93	90.71	-	441.88	(64.44)	(85.32)	-	292.12
Investment securities	(40.66)	-	93.53	-	52.87	-	(161.56)	-	108.69	
ICDS	(62.60)	18.27	-	-	(44.33)	(91.71)	-	-	(136.04)	
Provisions	117.60	22.93	-	-	140.53	11.26	-	-	151.79	
Property, plant & equipment and intangible assets	340.15	44.82	-	-	384.97	(117.79)	-	-	267.18	
Provision for impairment on receivable from clients	439.08	(71.79)	-	-	367.29	(110.22)	-	-	257.07	
Other temporary differences	-	57.69	-	-	57.69	14.37	-	-	72.06	
Origination and reversal of temporary differences	1,062.81	153.85	184.24	-	1,400.90	(358.53)	(246.88)	-	795.49	
Minimum alternate tax	919.91	-	-	(484.09)	435.82	(478.90)	-	43.08	-	
Carried forward of tax losses and unabsorbed depreciation (Net of addition on account of tax losses)	208.60	(208.60)	-	-	-	-	-	-	-	
Total	2,191.32	(54.75)	184.24	(484.09)	1,836.72	(837.43)	(246.88)	43.08	795.49	

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 stated)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Profit attributable to equity share holders.	7,013.91	2,973.14
Weighted average number of share outstanding during the year	11,31,34,450	11,31,34,450
Nominal Value per share (₹)	2.00	2.00
Basic & Diluted (₹)	6.20	2.63

NOTE NO. 31**Employee Benefits**

(a) Gratuity

NOTE NO. 31.01**Breakup of amount recognised in statement of profit and loss**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Interest on defined benefit obligation	56.17	34.13
Current service cost	222.51	173.33
Total expense recognized in the statement of profit and loss	278.68	207.46

NOTE NO. 31.02**Break up of amount recognised in the statement of other comprehensive income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Remeasurements of the net defined benefit liability/ (asset)		
Opening amount recognised in OCI outside profit and loss account	(189.86)	69.74
Actuarial gains / losses	151.88	(149.73)
Return on plan assets (greater) / less than discount rate	187.12	(109.87)
	149.14	(189.86)

NOTE NO. 31.03**Breakup of the amount recognised in balance sheet**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Present value of the obligation as at the end of the year	1,715.88	1,590.02
Fair value of plan assets as at the end of the year	(1,001.26)	(714.00)
Net liability recognised in balance sheet	714.62	876.02

NOTE NO. 31.04**Reconciliation of defined benefit obligation and plan asset**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Change in benefit obligations		
Present value of the obligation as at the beginning of the year	1,590.02	1,234.47
Current service cost	222.51	173.33
Interest cost	106.42	93.83
Actuarial (gain)/loss on obligations	(151.88)	149.73
Acquisitions (credit)/cost	(1.08)	(29.40)
Benefits paid	(50.11)	(31.94)
Benefit obligations at the end (A)	1,715.88	1,590.02
Change in plan assets		
Fair value of plan assets at the beginning of the year	714.00	786.37
Interest income on plan assets	50.25	59.70
Contributions	100.00	-
Benefits paid	(50.11)	(22.20)
Return on plan assets greater (lesser) than discount rate	187.12	(109.87)
Fair value of plan assets at the end (B)	1,001.26	714.00
Amount recognised in balance sheet [(surplus) / deficit] (A-B)	714.62	876.02

NOTE NO. 31.05**Disaggregation of plan assets**

Particulars	As at	
	March 31, 2021	March 31, 2020
Managed by Insurance company	100.00%	100.00%
	100.00%	100.00%

NOTE NO. 31.06**Sensitivity of significant assumptions used for DBO valuation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Effect on DBO due to 0.5% increase in discount rate	(105.48)	(101.33)
Effect on DBO due to 0.5% decrease in discount rate	115.91	111.65
Effect on DBO due to 0.5% increase in salary escalation rate	100.15	96.27
Effect on DBO due to 0.5% decrease in salary escalation rate	(94.21)	(90.65)

NOTE NO. 31.07**Maturity profile of defined benefit obligation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Within one year	148.24	112.82
One to five years	298.94	287.19
More than five years	810.72	751.51

NOTE NO. 31.08**Assumptions to determine the defined benefit obligations**

Particulars	As at	
	March 31, 2021	March 31, 2020
Discount rate	6.90%	6.80%
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	As at	
	March 31, 2021	March 31, 2020
Present value of the obligation as at the end of the year	446.10	388.54
Fair value of plan assets as at the end of the year	-	-
Net liability recognised in balance sheet	446.10	388.54

NOTE NO. 31.10**Number of compensated leave absences outstanding**

(in Days)

Particulars	As at	
	March 31, 2021	March 31, 2020
Total leave balance (days)	39,724.86	36,061.86

NOTE NO. 31.11**Assumption used in valuation**

Particulars	As at	
	March 31, 2021	March 31, 2020
Discount rate	6.90%	6.80%
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)

Particulars	As at	
	March 31, 2021	March 31, 2020
1 Corporate guarantee executed by the company for credit facility extended to subsidiaries	20,350.00	9,500.00
2 ESI demand (Total amount paid under protest ₹ 12.43 Lakhs (2020: ₹ 12.43 Lakhs))	31.06	31.06
3 Service Tax Demand (Total amount paid under protest ₹ 42.77 Lakhs (2020: Nil))	615.98	615.98
4 (a). Income Tax Demand (A.Y. 2013-14) (Total amount paid under protest ₹ 31.47 Lakhs (2020: ₹ 31.47 Lakhs))	31.47	31.47
(b). Income Tax Demand (A.Y. 2013-14 to A.Y. 2019-20) (Total amount paid under protest ₹ Nil)	356.78	-
5 Provident Fund	-	-
6 Stamp Duty	-	-

Notes:

- The Company has given corporate guarantee towards credit facility of the subsidiaries M/s Moneywise Financial Services Private Limited for ₹ 19,850.00 lakhs and M/s Moneywise Finvest Limited for ₹ 500.00 lakhs.
- 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 has filed an appeal against the order before the Customs, Excise and Service Tax Appellate Tribunal (CESTAT).
- (a) 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 Appellate Tribunal (ITAT), Delhi.
(b) Block Assessment u/s 153(A) for the A.Y 2013-14 to A.Y 2019-20 has been completed and certain disallowances made by the Income Tax Department. The company has filed necessary appeals before the Commissioner of Income Tax (Appeals), Delhi.
- 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**

- 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	As at	
	March 31, 2021	March 31, 2020
Contracts remaining to be executed on account of capital (net of advances)		
For purchase of software and others	14.66	10.00
For purchase of office building	101.45	-

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, 2021 were as follows:

(₹ in Lakhs)

Particulars	Amortised cost / Transaction price	Financial assets/ liabilities carried at fair value through profit and loss:		Financial assets/ liabilities carried at fair value through OCI:		Total carrying value:	Total fair value
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required		
Assets:							
Cash and cash equivalents	2,753.22	-	-	-	-	2,753.22	2,753.22
Other bank balance	1,00,853.46	-	-	-	-	1,00,853.46	1,00,853.46
Trade receivables	22,053.20	-	-	-	-	22,053.20	22,053.20
Other receivables	450.00	-	-	-	-	450.00	450.00
Loans	1,282.61	-	-	-	-	1,282.61	1,282.61
Investments	37,481.22	367.03	8,527.63	-	2,031.25	48,407.13	48,407.13
Other financial assets	3,462.69	-	4,859.58	-	-	8,322.27	8,322.27
Total	1,68,336.40	367.03	13,387.21	-	2,031.25	1,84,121.89	1,84,121.89
Liabilities:							
Trade payables	37,638.69	-	-	-	-	37,638.69	37,638.69
Other payables	148.87	-	-	-	-	148.87	148.87
Lease liabilities	2,466.03	-	-	-	-	2,466.03	2,466.03
Debt securities	-	-	-	-	-	-	-
Borrowings	23,811.84	-	-	-	-	23,811.84	23,811.84
Other financial liabilities	57,214.92	-	3,497.01	-	-	60,711.93	60,711.93
Total	1,21,280.35	-	3,497.01	-	-	1,24,777.36	1,24,777.36

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	Financial assets/ liabilities carried at fair value through profit and loss:		Financial assets/ liabilities carried at fair value through OCI:		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required		
Assets:							
Cash and cash equivalents	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	1,18,447.53	284.91	12,447.24	-	948.30	1,32,127.98	1,32,127.98
Liabilities:							
Trade payables	29,523.24	-	-	-	-	29,523.24	29,523.24
Other payables	212.87	-	-	-	-	212.87	212.87
Lease Liability	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

NOTE NO. 33.02**Credit quality of debt securities**

The table below sets out the credit quality of debt securities

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Government bonds:		
Rated sovereign	28.31	202.59
Corporate bonds:		
Rated AAA	262.32	23.04
Rated AA- to AA+	85.17	60.54
Rated A- to A+	14.51	12.36
Rated D	-	6.39
Fair value and carrying amount	390.31	304.92

NOTE NO. 33.03**Collateral****(A) Assets pledged as collateral**

The company has pledged its certain assets as collateral for liabilities.

The below table set out the assets held as collateral:

(₹ in Lakhs)

Particulars	As at			
	March 31, 2021		March 31, 2020	
	Collateral	Non-collateral	Collateral	Non-collateral
Assets:				
Cash and cash equivalents	-	2,753.22	-	16,702.31
Other bank balances	1,00,185.97	667.49	39,517.67	1.58
Trade receivables	17,013.75	5,039.45	5,742.00	11,219.29
Other receivables	-	450.00	-	568.62
Loans -	-	1,282.61	-	1,259.72
Investments	-	48,407.13	1,649.74	42,354.45
Other financial assets	-	8,322.27	-	13,112.60
Total	1,17,199.72	66,922.17	46,909.41	85,218.57

(B) Asset taken as collateral

The Company holds collateral and other credit enhancements against certain of its credit exposures.

The table below sets out the principal types of collateral held against different types of financial assets.

(₹ in Lakhs)

Particulars	As at			
	March 31, 2021		March 31, 2020	
	Value of asset	Fair value of collateral held	Value of asset	Fair value of collateral held
Assets:				
Cash and cash equivalents	2,753.22	-	16,702.31	-
Other bank balance	1,00,853.46	-	39,519.25	-
Trade receivables				
Secured	20,992.29	4,73,002.15	16,119.39	6,72,577.41
Unsecured	1,060.91	-	841.90	-
Other receivables	450.00	-	568.62	-
Loans	1,282.61	-	1,259.72	-
Investments	48,407.13	-	44,004.19	-
Other financial assets	8,322.27	-	13,112.60	-
Total	1,84,121.89	4,73,002.15	1,32,127.98	6,72,577.41

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, 2021:

(₹ in Lakhs)

Particulars	As at March 31, 2021	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments				
Equity instruments	47,721.88	10,504.12	37,217.22	0.54
Mutual Funds	30.94	30.94	-	-
Debt	654.31	390.31	264.00	-

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	-

Valuation techniques used to determine fair value

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

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

NOTE NO. 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:

(i) 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/enhancement of the Company's processes, quality control, fraud prevention and legal compliance. The internal audit reports are reviewed by audit committee and also placed with the Board.

Credit Exposure:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	As at	
	March 31, 2021	March 31, 2020
Trade receivables	22,053.20	16,961.29
Other receivables	450.00	568.62
Loans	1,282.61	1,259.72
Investments	48,407.13	44,004.19
Other financial assets	8,322.27	13,112.60
Total	80,515.21	75,906.42

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	As at									
	March 31, 2021					March 31, 2020				
	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 year	1,051.06	15.21	94.83	883.83	0.44	1,256.48	15.45	87.01	883.83	2.43
Addition/ reversal during the year	240.81	2.70	16.00	-	0.40	(114.39)	(0.24)	7.82	-	-
Written off	(270.46)	0.84	-	-	(0.34)	(91.03)	-	-	-	(1.99)
Closing balance at the end of the year	1,021.41	18.75	110.83	883.83	0.50	1,051.06	15.21	94.83	883.83	0.44

(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 :

- depositing funds with banks to obtain term deposits and guarantees towards margins payable to the exchanges/clearing houses;
- payments to stock

exchanges/clearing houses towards settlement obligations;

- payment towards purchase of various trading assets; and
- meeting expenses incurred for operations.

Management of liquidity risk

Working capital requirements fluctuate on a regular basis depending on the business requirements. The Company's approach to managing liquidity is to ensure, as far as possible to have sufficient funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To fund the working capital requirements, the Company currently relies principally on internal accruals and short term credit facilities from banks and financial institutions against pledge of derivative assets, term deposits, receivables from clients and investments carried

at fair value through profit and loss. By maintaining sufficient liquid funds and drawing facilities with banks, the Company comfortably meets the foreseeable liabilities in the present and immediate future, as well as unforeseeable contingencies.

Central treasury receives information from business units regarding the liquidity profile of their financial assets and liabilities and projected cash flows. Central treasury maintains surplus funds in cash and cash equivalents including term deposits with banks and in investment securities for which there is an active and liquid market. These assets can be readily sold to meet liquidity requirements. Hence, the Company believes that the above monetary mechanism adequately addresses the liquidity risk.

Maturity analysis for financial assets and financial liabilities

March 31, 2021

(₹ 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	2,753.22	2,753.22	-	-	-	-	-
Other bank balances	1,00,853.46	11,941.77	27,250.31	33,618.65	25,583.05	2,459.68	-
Trade receivables	22,053.20	22,053.20	-	-	-	-	-
Other receivables	450.00	450.00	-	-	-	-	-
Loans	1,282.61	0.00	52.01	1,230.60	-	-	-
Investments	48,407.13	8,894.67	-	264.00	2,007.42	23.28	37,217.76
Other financial assets	8,322.27	6,620.36	-	-	-	-	1,701.91
Total	1,84,121.89	52,713.22	27,302.32	35,113.25	27,590.47	2,482.96	38,919.67
Liabilities:							
Trade payables	37,638.69	37,638.69	-	-	-	-	-
Other payables	148.87	148.87	-	-	-	-	-
Lease liabilities	2,466.03	185.24	183.44	363.18	699.80	993.79	40.58
Borrowings	23,811.84	90.57	7.57	23,652.03	32.24	29.43	-
Other financial liabilities*	60,711.93	13,062.12	14,527.36	17,922.38	13,638.53	1,311.28	250.26
Total	1,24,777.36	51,125.49	14,718.37	41,937.59	14,370.57	2,334.50	290.84

* Maturity analysis of margin from clients (under other financial liabilities) ₹ 53,765.81 Lakhs has been bench marked to the corresponding fixed deposits (under other bank balances).

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	1,32,127.97	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	6,023.84	356.00	250.02
Total	78,607.81	56,760.34	1,930.36	11,335.93	7,178.57	1,095.63	306.98

(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 macro-economic factors.

Any changes in market prices of these asset classes will affect the Company's income or the value of its holdings of financial instruments. The Company segregates its exposure to market risks between price risk, interest rate risk and currency risk.

Management of market risks:

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

(a) Price risk

Trading and investment portfolios include proprietary positions taken in equities, fixed income securities, commodities, foreign currency and their derivatives mainly for availing arbitrage opportunities. All financial assets and liabilities are accounted on fair value basis. Management actively monitors its market risk by reviewing the effectiveness of arbitrage and setting outstanding position limits. The Company manages market risk

with central oversight, analysis and formation of risk policy, specific maximum risk levels to which the individual trader must adhere to and real time continuous monitoring by the senior management. In respect of the proprietary positions, the Company is exposed to volatility in the price of the underlying securities.

(b) Interest rate risk

Interest rate risk arises from movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to interest rate risk relates to the loans taken from banks, investment in term deposits placed with banks, investment in debt securities and investments of its excess funds in liquid instruments. A majority of the financing of the Company has come from overdraft facility with banks. The business of the Company is exposed to fluctuation in interest rate for the following activities:

- Term deposits placed with banks are generally for short term on fixed interest rates;
- Facilities availed from banks and other financial institutions generally include short term working capital loans on

floating interest rates;

- Interest paid by Company on clients' funds earmarked as fixed margin are generally for short term on fixed interest rates.

Management of Interest Rate

Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for re-pricing bands. However the Company does not use derivative financial instruments to hedge its interest rate risk.

The Company's investments in majority of term deposits with banks are for both short and long duration, and therefore do not expose the Company to significant interest rate risk. Further significant portion of exposure on term deposits with banks is offset with clients' funds earmarked as margins on fixed rate basis. The interest rates on the overdraft facility availed are marginally higher than the interest rates on term deposits with the banks and generally linked to the term deposit rates with the bank. Accordingly, there is limited interest rate risk exposure on the company.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term and long-term debt obligations with floating / fixed interest rates, which are included in loans and borrowings. The loans and borrowings represent loans and borrowing taken both fixed and floating interest rate.

(c) Currency risk

The Company is not significantly exposed to currency risk as there is no mismatch between the currencies in which sales of services, purchase of goods/services and borrowings are dominated and the respective functional currencies

of Company. Further, the functional currency of the Company is primarily the Indian Rupee and do not expose the Company to significant currency risk. The Company considers the valuation changes in foreign currency derivatives it trades in as part

of investment/price risk as those derivatives are exchange traded, managed and monitored based on exchange price and are settled in near term in Indian Rupees.

Exposure

The table below sets out the assets and liabilities subject to price risk.

Particulars	As at	
	March 31, 2021	March 31, 2020
(₹ in Lakhs)		
Assets subject to price risk		
Equity instrument fair value through profit and loss	8,527.63	5,349.75
Equity instrument fair value through other comprehensive income	1,977.03	887.31
Debt instrument fair value through profit and loss	367.03	284.91
Debt instrument fair value through other comprehensive income	23.28	20.01
Mutual fund fair value through other comprehensive income	30.94	40.98
Derivative financial assets	4,859.58	7,097.49
	(A) 15,785.49	13,680.45
Liabilities subject to price risk		
Derivative financial liabilities	3,497.01	3,483.90
	(B) 3,497.01	3,483.90
Total	(A-B) 12,288.48	10,196.55

Sensitivity Analysis

Below table shows the sensitivity analysis for different financial instrument

(₹ in Lakhs except otherwise stated)

Particulars	Risk category	% change increase	% change decrease	For the year ended March 31, 2021		For the year ended March 31, 2020	
				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%	86.21	(86.21)	27.38	(27.38)
Investment in equity & other instruments carried through other than fair value through profit and loss	Price risk	5%	5%	101.56	(101.56)	47.42	(47.42)
Inventories	Price risk	5%	5%	65.87	(65.87)	-	-
Debt instruments	Interest rate risk	1%	1%	(3.67)	3.67	(2.98)	2.98
Borrowings	Interest rate risk	1%	1%	(238.12)	238.12	(61.53)	61.53
Currency risk	Currency risk	5%	5%	8.14	8.14	8.35	(8.35)

*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.

NOTE NO. 34**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
6	SMC Global USA Inc (Foreign company)	Subsidiary
7	SMC Global IFSC Private Limited	Subsidiary
8	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	SMC Global Foundation	Trust where in the company has control
13	Mr. Subhash Chand Aggarwal	Key managerial personnel
14	Mr. Mahesh Chand Gupta	Key managerial personnel
15	Mr. Ajay Garg	Key managerial personnel
16	Mr. Anurag Bansal	Key managerial personnel
17	Mr. Vinod Kumar Jamar	Key managerial personnel
18	Mr. Suman Kumar	Key managerial personnel
19	Mr. Himanshu Gupta	Director
20	Ms. Shruti Aggarwal	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. Reema Garg	Relative of key managerial personnel
30	Ms. Meetu Goel	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:-**

(₹ in Lakhs)

Sr. No.	Particulars of Transactions	Relationship	For the year ended	
			March 31, 2021	March 31, 2020
1	Remuneration			
	Salaries, wages & other benefits	Key managerial personnel	427.21	426.04
	Contribution to defined benefit plan	Key managerial personnel	21.50	21.89
	Total		448.71	447.93
	Salaries, wages & other benefits	Relative of Key managerial personnel	94.39	102.01
	Contribution to defined benefit plan	Relative of Key managerial personnel	5.73	5.98
	Total		100.12	107.99
2	Directors sitting fee	Independent director	18.25	14.55
3	Investment (equity and preference shares purchased)			
	Moneywise Financial Services Private Limited	Subsidiary	-	5,000.00
	SMC Real Estate Advisors Private Limited	Subsidiary	1,000.00	2,000.00
	Moneywise Finvest Limited	Subsidiary	700.00	250.00
4	Investment (purchase NCD) - (including accrued interest)			
	Moneywise Financial Services Private Limited	Subsidiary	-	5,000.00
	SMC Insurance Brokers Private Limited	Subsidiary	2,721.60	1,042.18
5	Investment (sale NCD) - (including accrued interest)			
	SMC Real Estate Advisors Private Limited	Subsidiary	244.59	97.47
	SMC Insurance Brokers Private Limited	Subsidiary	1,664.04	4,043.13
6	Loans & advances given (net)			
	SMC Real Estate Advisors Private Limited	Subsidiary	270.84	-
	SMC Investments & Advisors Ltd	Subsidiary	150.71	634.01
7	Loans & advances recovered (net)			
	SMC Comtrade Limited	Subsidiary	-	-
	Moneywise Financial Services Private Limited	Subsidiary	378.48	5,594.33
	SMC Real Estate Advisors Private Limited	Subsidiary	-	2,083.87
8	Loans & advances taken (net)			
	SMC Comtrade Limited	Subsidiary	8.04	76.03

(₹ in Lakhs)

Sr. No.	Particulars of Transactions	Relationship	For the year ended	
			March 31, 2021	March 31, 2020
9	Brokerage received			
	Moneywise Finvest Limited	Subsidiary	39.07	3.78
	SMC Insurance Brokers Private Limited	Subsidiary	0.15	0.03
	SMC Real Estate Advisors Private Limited	Subsidiary	536.61	340.14
10	Rent received			
	SMC Capitals Limited	Subsidiary	4.23	4.23
	SMC Insurance Brokers Private Limited	Subsidiary	160.79	98.01
11	Demat charges received			
	Moneywise Finvest Limited	Subsidiary	9.13	0.16
	SMC Insurance Brokers Private Limited	Subsidiary	0.03	0.30
	SMC Real Estate Advisors Private Limited	Subsidiary	0.48	1.53
12	Interest income			
	Moneywise Financial Services Private Limited	Subsidiary	275.46	817.91
	SMC Investments & Advisors Limited	Subsidiary	65.20	55.97
	SMC Real Estate Advisors Private Limited	Subsidiary	215.75	254.79
13	Interest income on NCD (net)			
	Moneywise Financial Services Private Limited	Subsidiary	4.85	94.04
14	Delay payment charges			
	Moneywise Financial Services Private Limited	Subsidiary	1.24	-
	SMC Real Estate Advisors Private Limited	Subsidiary	(0.65)	0.00
15	Income from distribution of financial products			
	SMC Capitals Limited	Subsidiary	279.24	329.86
16	Dividend received			
	SMC Insurance Brokers Private Limited	Subsidiary	808.00	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	6.02	3.66
	Moneywise Finvest Limited	Subsidiary	133.38	16.29
	SMC Capitals Limited	Subsidiary	47.61	-

(₹ in Lakhs)

Sr. No.	Particulars of Transactions	Relationship	For the year ended	
			March 31, 2021	March 31, 2020
19	Impairment on financial instruments			
	SMC Global USA Inc	Subsidiary		
	Loan		16.00	7.82
20	Contribution to Trust			
	CSR Contribution	Trust where in the company has control	5.22	0.76
21	Reimbursement of expenses received (net)			
	Moneywise Financial Services Private Limited	Subsidiary	-	3.50
	SMC Global IFSC Private Limited	Subsidiary	0.90	0.01
	Moneywise Finvest Limited	Subsidiary	26.73	2.15
	SMC Capitals Limited	Subsidiary	2.21	-
	SMC Comtrade Limited	Subsidiary	1.92	-
	SMC Investments & Advisors Limited	Subsidiary	5.13	23.07
	SMC Insurance Brokers Private Limited	Subsidiary	22.29	25.31
	SMC Real Estate Advisors Private Limited	Subsidiary	28.08	18.97
22	Reimbursement of expenses paid (net)			
	Moneywise Financial Services Private Limited	Subsidiary	4.76	-
	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**

Sr. No.	Particulars of Transactions	Relationship	As at	
			(₹ in Lakhs)	
			March 31, 2021	March 31, 2020
1	Loans			
	Moneywise Financial Services Private Limited	Subsidiary	-	378.48
	SMC Global USA Inc (net of provision)	Subsidiary	52.01	72.18
	SMC Real Estate Advisors Private Limited	Subsidiary	445.89	175.05
	SMC Investments & Advisors Limited	Subsidiary	784.72	634.01
2	Trade receivables			
	Moneywise Financial Services Private Limited	Subsidiary	-	0.00
	SMC Capitals Limited	Subsidiary	50.61	30.57
	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
	Moneywise Finvest Limited	Subsidiary	-	0.06
	SMC Capitals Limited	Subsidiary	0.68	-
	SMC Real Estate Advisors Private Limited	Subsidiary	4.63	-
	SMC Investments & Advisors Limited	Subsidiary	2.92	-
4	Trade payables			
	Moneywise Finvest Limited	Subsidiary	495.59	106.94
	Moneywise Financial Services Private Limited	Subsidiary	68.82	-
	SMC Insurance Brokers Private Limited	Subsidiary	0.00	-
	SMC Comtrade Limited	Subsidiary	10.10	-
	SMC Real Estate Advisors Private Limited	Subsidiary	664.76	3.49
5	Other payables			
	Moneywise Finvest Limited	Subsidiary	2.56	3.09
	SMC Capitals Limited	Subsidiary	-	3.99
	SMC Insurance Brokers Private Limited	Subsidiary	0.04	1.01
	SMC Real Estate Advisors Private Limited	Subsidiary	-	22.48
	Moneywise Financial Services Private Limited	Subsidiary	6.69	-
6	Borrowings			
	SMC Comtrade Limited	Subsidiary	84.07	76.03
7	Other financial liabilities			
	Moneywise Financial Services Private Limited	Subsidiary	-	4.35
	Moneywise Finvest Limited	Subsidiary	1,651.81	49.90
	SMC Insurance Brokers Private Limited	Subsidiary	49.00	49.00
	SMC Real Estate Advisors Private Limited	Subsidiary	114.74	0.79

NOTE NO. 35

Certain assets acquired pursuant to the composite scheme of arrangement (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) 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, based on the confirmation received till the date of finalisation of balance sheet. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year end are furnished below:

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
The Principal amount remaining unpaid at the year end	-	-
The Interest amount remaining unpaid at the year end	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
The amount of interest accrued and remaining unpaid at the year end	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-

NOTE NO. 37

The novel coronavirus (COVID-19) pandemic continues to spread across the globe including India. With substantial increase in COVID-19 cases across different parts of the country, governments have introduced a variety of measures to contain the spread of the virus, including, lockdowns, and restrictions on movement of people and goods across different geographies. Stock broking services, being part of Capital Market operations have been declared as essential services and accordingly the Company has faced no business interruption on account of the lockdowns. The management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 pandemic on the Company and has taken into account all the possible impact of known events arising out of the same. The ongoing COVID-19 situation may result in some changes in the overall economic and market conditions, which may have an impact on the operations of the Company going forward, however the Company is closely monitoring its operations on a continuous basis.

Based on the current assessment, management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of assets and liabilities is not material.

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:

Broking, Distribution & Trading : 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.

NOTE NO. 39

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits have been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.

NOTE NO. 40

Previous year's figures have been regrouped and rearranged wherever necessary to confirm to this year's classification.

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: 07th June, 2021

For and on behalf of the Board

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

Sd/-
Vinod Kumar Jamar
Group CFO

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

Sd/-
Ajay Garg
Director & CEO
DIN: 00003166

Sd/-
Suman Kumar
Company Secretary

timely and meticulous research solutions

Daily, weekly & annual reports on equity | Derivatives report |
Daily, monthly & annual reports on commodity (both in English &
Hindi) | Daily currency reports | Special reports | IPO report |
Weekly mutual fund report | Weekly newsletter (Wise Money) |
SMS alert service | Chat room



Independent Auditors' Report

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

Opinion

We have audited the accompanying consolidated financial statements of **SMC Global Securities Limited** ("the Holding Company") 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, 2021, 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, 2021, 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.

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 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 above-referred information is expected to be made available to us after the date of this audit report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other

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

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

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

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

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always

detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(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 Rs 83,793.25 lakhs as at 31.03.2021, total revenue of Rs 16,869.41 lakhs, net profit after tax of Rs 3,200.06 lakhs and net cash out flows Rs 3,803.28 lakhs for the year ended 31.03.2021 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 ₹ 73.32 lakhs for the year ended 31.03.2021. 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

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

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

Sd/-
Vikash Aggarwal
Partner
Membership No: 519574
UDIN: 21519574AAAADL4479

**Date : 07th June 2021
Place : New Delhi**

(Accounts) Rules, 2014.

- e. On the basis of the written representations received from the directors of the Company as on March 31, 2021 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, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the holding company and the operating effectiveness of such controls; refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control with reference to financial statements of those companies, for reasons stated therein.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of

our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group and jointly controlled entity has disclosed the impact of Pending litigations on its financial statements- Refer note 33 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries company incorporated in India.

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 2021, 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 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 2021, 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 Matter

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.

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

Sd/-

Vikash Aggarwal

Partner
Membership No: 519574
UDIN: 21519574AAAADL4479

Date : 07th June 2021

Place : New Delhi

CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
Assets			
Financial assets			
Cash and cash equivalents	2	4,456.27	23,302.88
Other bank balances	3	1,04,742.35	42,179.09
Receivables			
Trade receivables	4	28,786.21	27,221.60
Other receivables	5	596.79	606.16
Loans	6	57,212.52	49,946.59
Investments	7	11,708.89	8,566.79
Other financial assets	8	15,488.41	19,698.29
Non-financial assets			
Inventories	9	1,318.06	-
Current tax assets (net)	30	2,238.03	3,053.18
Deferred tax assets (net)	30	3,170.45	3,990.03
Assets held for sale	10	240.76	240.76
Property, plant and equipment	11	2,681.32	2,897.18
Capital work - in - progress	11	-	50.14
Right to use - Lease	12	3,504.59	3,887.79
Other intangible assets	13	168.46	158.02
Intangible work-in-progress	13	5.80	84.22
Other non-financial assets	14	2,417.86	1,782.57
Total assets		2,38,736.77	1,87,665.29
Liabilities and equity			
Liabilities			
Financial liabilities			
Payables			
Trade payables			
- to micro and small enterprises		52.02	58.14
- to other than micro and small enterprises		41,852.48	42,213.83
Other payables			
- to micro and small enterprises		-	-
- to other than micro and small enterprises		1,003.28	1,231.46
Lease Liabilities	12	3,384.40	3,599.86
Debt securities	15	7,826.00	462.18
Borrowings	16	38,008.76	18,009.16
Other financial liabilities	17	64,989.56	49,912.19
Non-financial liabilities			
Current tax liabilities (net)	30	146.13	51.66
Provisions	18	2,338.54	2,662.81
Other non-financial liabilities	19	1,702.38	1,154.51
Equity			
Equity share capital	20	2,262.69	2,262.69
Other equity		75,008.19	65,879.22
Non-controlling interest		162.34	167.58
Total liabilities and equity		2,38,736.77	1,87,665.29

The accompanying notes form an integral part of the consolidated financial 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

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: 07th June, 2021

Sd/-
Vinod Kumar Jamar
Group CFO

Sd/-
Suman Kumar
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations			
Fees and commission income	21	56,185.78	46,934.64
Interest income	22	15,201.40	14,950.98
Dividend income		821.34	78.03
Net gain on proprietary trading		17,085.88	15,889.15
Total revenue from operations		89,294.40	77,852.80
Other income	23	864.52	560.65
Total income		90,158.92	78,413.45
Expenses			
Fees and commission expenses	24	44,576.64	38,176.30
Employee benefits expenses	25,32	17,649.09	18,185.03
Finance costs	26	4,235.90	5,991.55
Depreciation and amortisation	27	1,797.93	1,920.83
Impairment on financial instruments	28	2,605.30	1,267.57
Other expenses	29	5,774.09	8,356.90
Total expenses		76,638.95	73,898.18
Profit before share of profit/(loss) of joint venture, exceptional item and tax		13,519.97	4,515.27
Share in profit/(loss) in joint venture		73.32	(0.76)
Profit before tax		13,593.29	4,514.51
Tax expense:			
Current tax	30	3,020.75	1,898.41
Deferred tax	30	565.10	229.93
Total tax expense		3,585.85	2,128.34
Profit after tax		10,007.44	2,386.17
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset		496.05	(278.93)
Tax effect of Items that will not be reclassified subsequently to profit and loss		(126.98)	100.93
Items that will be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign operation		(97.72)	266.81
Fair value changes on investments		661.18	(850.63)
Tax effect of Items that will be reclassified subsequently to profit and loss		(167.10)	130.62
Total other comprehensive income (net of tax)		765.43	(631.20)
Total comprehensive income for the year (comprising of profit and other comprehensive income for the year)		10,772.87	1,754.97

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit attributable to:			
Owners of the equity		9,993.30	2,360.33
Non controlling interest		14.14	25.84
Total comprehensive income attributable to:			
Owners of the equity		10,758.11	1,736.28
Non controlling interest		14.76	18.69
Earnings per equity share (Face value ₹2)			
Basic & Diluted (in ₹)	31	8.85	2.11

The accompanying notes form an integral part of the consolidated financial statements. 1-42

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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

Place: New Delhi
Date: 07th June, 2021

Sd/-
Vinod Kumar Jamar
Group CFO

Sd/-
Suman Kumar
Company Secretary

SMC GLOBAL SECURITIES LIMITED Consolidated statement of changes in equity

(₹ in Lakhs)

Particulars	Other equity										Total	Non controlling interest		
	Equity share capital		Reserves & surplus					Other comprehensive income					Total attributable to equity holders	
	Equity share capital	Reserve fund u/s 45-IC of RBI act 1934 *	Securities premium reserve	Retained earnings	General reserve	Capital reserve	Debenture redemption reserve	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
Balance as at April 1, 2019	2,262.69	34,448.91	20,327.55	7,914.09	1,035.71	-	1,911.21	199.12	(113.97)	184.49	(74.54)	65,832.57	68,095.26	148.89
Changes in equity for the year ended March 31, 2020														
Profit for the year	-	-	2,360.33	-	-	-	-	-	-	-	-	2,360.33	2,360.33	25.84
Addition/(deduction) during the year	-	-	(370.67)	-	-	-	370.67	(278.09)	266.81	(843.21)	230.44	(624.05)	(624.05)	(7.15)
Payment of dividends	-	-	(1,391.62)	-	-	-	-	-	-	-	-	(1,391.62)	(1,391.62)	-
Tax on dividends	-	-	(298.01)	-	-	-	-	-	-	-	-	(298.01)	(298.01)	-
Balance as at March 31, 2020	2,262.69	34,448.91	20,627.58	7,914.09	1,035.71	-	2,281.88	(78.97)	152.84	(658.72)	155.90	65,879.22	68,141.91	167.58
Changes in equity for the year ended March 31, 2021														
Profit for the year	-	-	9,993.30	-	-	-	-	-	-	-	-	9,993.30	9,993.30	14.14
Addition/(deduction) during the year	-	-	(1,328.31)	-	-	-	328.31	493.95	(97.72)	662.16	(293.58)	764.81	764.81	0.62
Payment of dividends	-	-	(1,629.14)	-	-	-	-	-	-	-	-	(1,629.14)	(1,629.14)	(20.00)
Balance as at March 31, 2021	2,262.69	34,448.91	27,663.43	7,914.09	1,035.71	1,000.00	2,610.19	414.98	55.12	3.44	(137.68)	75,008.19	77,270.88	162.34

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

The accompanying notes form an integral part of the consolidated financial 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

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: 07th June, 2021

Sd/-
Vinod Kumar Jamar
Group CFO

Sd/-
Suman Kumar
Company Secretary

SMC GLOBAL SECURITIES LIMITED

Consolidated statement of cash flows

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flows from operating activities:		
Profit after tax	10,007.44	2,386.17
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax expense	3,585.85	2,128.34
Depreciation, amortization and impairment	949.94	1,121.97
Depreciation on lease assets	847.99	798.86
Interest expense	3,840.42	5,691.67
Finance charges on lease	395.48	299.88
Dividend income	(19.55)	(18.84)
Interest income other than from financing business	(135.18)	(62.49)
Allowance for impairment of trade receivables	476.32	13.53
Allowance for impairment of loans	2,125.88	1,254.28
Allowance for impairment of deposits	2.70	(0.24)
Allowance for impairment of other financial assets	0.40	-
Rent income	-	(63.34)
Net loss/profit on derecognition of property, plant and equipment	(29.18)	(4.88)
Net gain on the investments	(94.80)	(83.22)
Exchange difference on conversion of foreign currency monetary items	3.64	(13.55)
Operating profit before working capital changes	21,957.35	13,448.14
Changes in assets and liabilities		
Other bank balances	(62,563.26)	2,724.70
Trade receivables	(2,040.93)	51,396.74
Other receivables	6.67	(468.21)
Loans	(9,391.81)	5,851.78
Investment carried at fair value through profit and loss	(2,947.10)	11,237.06
Security receipts of trust held under securitisation business	824.61	(1,190.65)
Inventories	(1,318.06)	592.59
Other financial assets	4,209.48	(5,267.72)
Other non-financial assets	(635.23)	288.72
Trade payables	(367.47)	17,642.51
Other payables	(228.18)	892.25
Other financial liabilities	14,965.26	(14,603.85)
Other non-financial liabilities	537.19	(97.64)
Provisions	169.68	491.38
Cash generated / (used in) from operations	(36,821.80)	82,937.80
Income taxes paid (net of refund)	(2,150.23)	(2,431.88)
Net cash generated / (used in) from operating activities (A)	(38,972.03)	80,505.92
Cash flows from investing activities:		
Purchase of property, plant and equipment including intangible assets	(715.74)	(838.79)
Sale of property, plant and equipment including intangible assets	128.96	11.25
Addition to right to use - lease asset	(464.79)	(4,657.42)
Interest received	135.18	62.49
Dividend received	19.48	19.95
Rent received	-	63.34
Acquisition of assets held for sale	-	170.03

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Change in investment in joint venture	(73.33)	(3.70)
Payments to acquire financial assets		
Equity instruments	(2,097.38)	(4,349.73)
Mutual funds	(202.99)	(648.83)
Proceeds on sale of financial assets		
Equity instruments	1,906.49	4,334.98
Mutual funds	204.56	814.19
Net cash (used in) / generated from investing activities (B)	(1,159.56)	(5,022.24)
Cash flow from financing activities:		
Payment of dividends (net of unclaimed dividend)	(1,618.46)	(1,690.41)
Payment of interest	(3,728.31)	(5,701.39)
Addition / (repayment) to lease liabilities (net)	(610.94)	3,299.98
Proceeds / (repayment) from borrowings (net)	19,999.60	(55,834.04)
Proceeds from debt securities	7,363.82	329.08
Net cash (used in) / generated from financing activities (C)	21,405.72	(59,596.78)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(18,725.88)	15,886.90
Effect of change in exchange rate on foreign operations and foreign currency monetary items	(101.36)	280.36
Adjustment on account of change in minority interest	(19.38)	(7.15)
Cash and cash equivalents at the beginning of the year	23,302.88	7,142.77
Cash and cash equivalents at the end of the year (refer note 2)	4,456.27	23,302.88

Notes:

- The above statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 notified u/s 133 of the Companies Act, 2013.
- Interest expense includes other borrowing cost.
- Figures in brackets indicate cash outflow.
- The accompanying notes form an integral part of the consolidated financial statements (Refer note no. 1-42).

The accompanying notes form an integral part of the consolidated financial 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

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: 07th June, 2021

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 Company's equity shares are listed and traded on National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE") in India with effect from February 24, 2021. The Group provides the following range of services: Broking, distribution and trading services includes brokerage services (in equity, derivative, commodity and currency segments on various stock exchanges in India and abroad), clearing services, depository participant services, portfolio management, wealth management, distribution of financial products such as mutual funds and initial public offerings, financing mortgage and loan advisory, real estate brokerage and investment banking services which advises middle class to high net worth individuals.

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. Insurance broking services comprises of providing services in life and non-life insurance products. The Holding Company is a Limited Liability Company incorporated in the year 1994 and domiciled in India. The registered address of the company is 11/6B, 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 intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment are eliminated in full.
- (c) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are

converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in other comprehensive income (OCI).

- (d) Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of disposal.
- (e) The Company's cost of its investment in its subsidiaries has been eliminated against the Company's portion of equity of each subsidiary as

on the date of investment in that subsidiary. The excess/short is recognized as 'Goodwill' or 'Capital Reserve', as the case may be.

- (f) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- (g) Investment in joint venture has been accounted under equity method as per Ind AS 28 - Investments in joint ventures and associates.

- (h) Non controlling interest's share of profit/loss of consolidated subsidiaries for the years identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
- (i) Non controlling interest's share of net assets of consolidated subsidiaries is identified and presented in consolidated balance sheet.

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

Name Of Subsidiaries/Joint venture	Country of Incorporation	As at March 31, 2021	As at March 31, 2020
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 services and governed by Real Estate (Regulation and Development) Act, 2016 ("RERA").

1.05 Use of estimates

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

1.06 Revenue recognition

The group derives its revenue primarily from the brokerage services, clearing services, depository services, distribution of financial products such as mutual fund and initial public offerings, proprietary trading, management and consultancy and interest income from financing business. The group follows Ind AS 115 Revenue

from Contract with Customer, which prescribed the core principle to recognise revenue. This core principle is delivered in a five-step model framework:

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

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

- Broking:** In these types of contract performance obligation is to provide the platform to traders for trading in securities, commodities and the performance obligation satisfies point in time i.e. as and when the trade is executed. In real estate broking, the performance obligation is satisfied as and when the property is booked by the customer and a minimum threshold amount specified in the agreement is paid to the developer. The revenue is recorded when the threshold limit is

achieved and the same is confirmed by the developer. In insurance broking, the performance obligation satisfies as and when the policy is logged in/placed in case of general insurance and on Weighted Received Premium (WRP) basis in case of life insurance. 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.

- 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 and the revenue is recognised on periodical basis and also considering performance based criteria of fund (as applicable).

(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.

(x) 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 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.

(c) Hedge accounting

The group complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the 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 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.

1.13 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 non-funded except in case of the holding company where it is partly funded.

The calculation of defined benefit obligations are performed annually by a qualified actuary using the projected unit credit method except companies listed at serial no. 'a', 'f', '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. The Company has adopted Ind AS 116 with effect from 1st April 2019 and 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-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 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 set-out below) prescribed in Part C of Schedule II to the Companies Act, 2013:

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 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.

1.24 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, 2021	March 31, 2020
Cash in hand	30.32	21.34
Balances with banks		
In current accounts*	4,425.95	23,281.54
Total cash and cash equivalent	4,456.27	23,302.88

* Includes unclaimed dividend of ₹ 42.52 lakhs and ₹ 31.85 lakhs as of March 31, 2021 and March 31, 2020, respectively.

NOTE NO. 3

Other Bank Balances

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Deposit pledged with banks*	36,508.91	32,067.92
Deposit pledged with the clearing corporations and stock exchanges as margin	67,341.87	9,925.33
Deposit placed under lien with consumer court	2.88	2.88
Placed under lien with statutory authority	5.40	5.40
Deposit placed with pension fund regulatory and development authority	20.00	20.00
Deposit placed under arbitration	160.82	106.00
Fixed deposits having maturity more than 3 months	702.47	51.56
Total other bank balances	1,04,742.35	42,179.09

* Deposit pledged with bank as margin deposit for the guarantees issued of ₹ 44,011.75 lakhs and ₹ 62,313.00 lakhs as of March 31, 2021 and March 31, 2020, respectively, credit facilities or otherwise.

NOTE NO. 4

Trade receivables

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Secured considered good	21,052.90	16,131.07
Secured credit impaired	375.23	427.20
Less: Provision for impairment	(375.23)	(427.20)
	(A)	21,052.90
Unsecured considered good	7,733.31	11,090.53
Unsecured credit impaired	1,550.29	1,302.86
Less: Provision for impairment	(1,550.29)	(1,302.86)
	(B)	7,733.31
Total trade receivables	(A+B)	28,786.21

NOTE NO. 5

Other receivables

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Unsecured		
Other receivables	615.54	621.37
	615.54	621.37
Less: Provision for impairment	(18.75)	(15.21)
Total other receivables	596.79	606.16

NOTE NO. 6

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Secured		
Carried at amortised cost		
Loans relating to financing business	31,302.13	32,955.79
Others	1,000.00	1,000.00
	32,302.13	33,955.79
Less: Provision for impairment	(1,279.85)	(1,699.09)
	(A) 31,022.28	32,256.70
Unsecured		
Carried at amortised cost		
Loans relating to financing business	26,619.02	17,271.74
Others	701.17	802.30
	27,320.19	18,074.04
Less: Provision for impairment	(1,129.95)	(384.15)
	(B) 26,190.24	17,689.89
Net loans	(A+B) 57,212.52	49,946.59
In India	57,143.18	49,875.47
Outside India	69.34	71.12

NOTE NO. 7

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Quoted		
Investments carried at fair value through profit and loss		
Equity instruments	8,542.73	5,352.98
Debt instruments	367.03	594.10
	(A) 8,909.76	5,947.08
Investments carried at fair value through other comprehensive income		
Equity instruments	227.29	394.67
Equity instruments under portfolio management service	1,976.49	886.77
Mutual funds	30.94	40.97
Debt instruments	46.56	40.09
	(B) 2,281.28	1,362.50
Sub - Total	(A+B=C) 11,191.04	7,309.58

NOTE NO. 7

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Unquoted		
Investments carried at amortised cost		
Investment in joint venture (partnership firm)	88.77	15.44
Security receipts of trust held under securitisation business	366.04	1,190.65
	(D) 454.81	1,206.09
Investments carried at fair value through profit and loss		
Equity instruments	-	15.58
	(E) -	15.58
Investments carried at fair value through other comprehensive income		
Equity instruments	378.04	350.54
Less : Provision for impairment	(315.00)	(315.00)
	(F) 63.04	35.54
Sub - Total	(D+E+F=G) 517.85	1,257.21
Total investments	(C+G) 11,708.89	8,566.79
In India	11,708.89	8,566.79
Outside India	-	-

NOTE NO. 8

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Other financial assets		
Interest accrued but not due	923.16	709.84
Derivative financial instruments	4,860.56	7,097.49
Unbilled revenue	4,004.52	787.82
Security deposits	5,718.17	11,121.08
	15,506.41	19,716.23
Less: Provision for impairment	(18.00)	(17.94)
Total other financial assets	15,488.41	19,698.29
Financial asset carried at amortized cost	10,627.85	12,600.80
Financial asset carried at fair value through profit and loss	4,860.56	7,097.49

NOTE NO. 9**Inventories**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Commodities	1,318.06	-
Total inventories	1,318.06	-

NOTE NO. 10**Assets held for sale**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Building	240.76	240.76
Total assets held for sale	240.76	240.76
In India	240.76	240.76
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.

One of the subsidiary company namely, Moneywise Financial Services Private Limited, has acquired certain residential properties in the process of recovery from the borrowers, those property are not used in business and held for sale in the future course of action. The management is taking appropriate actions to find the right buyer for the sale of property.

NOTE NO. 11**Property, plant and equipment**

(₹ in Lakhs)

Particulars	Office Building	Computer Equipment	Office Equipment	Furniture & Fixtures	Vehicles	VSAT	Total
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 at March 31, 2020	2,451.38	3,572.37	997.95	2,260.49	732.22	368.22	10,382.63
Opening gross carrying value as at April 1, 2020	2,451.38	3,572.37	997.95	2,260.49	732.22	368.22	10,382.63
Additions during the year	14.55	468.34	71.66	64.30	114.51	-	733.36
Deletions during the year	(106.86)	(179.05)	(24.22)	(4.26)	(64.09)	(368.22)	(746.70)
Translation difference	(5.65)	(5.38)	(0.54)	(1.70)	-	-	(13.27)
Closing gross carrying value as at March 31, 2021	2,353.42	3,856.28	1,044.85	2,318.83	782.64	-	10,356.02
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 at March 31, 2020	660.91	3,144.80	863.04	1,968.14	494.89	353.67	7,485.45
Opening accumulated depreciation as at April 1, 2020	660.91	3,144.80	863.04	1,968.14	494.89	353.67	7,485.45
Depreciation for the year	127.25	407.93	95.52	122.29	96.01	4.05	853.05
Accumulated depreciation on deletions	(65.95)	(170.22)	(23.76)	(4.15)	(33.54)	(357.72)	(655.34)
Translation difference	(1.43)	(5.15)	(0.50)	(1.38)	-	-	(8.46)
Closing accumulated depreciation as at March 31, 2021	720.78	3,377.36	934.30	2,084.90	557.36	-	7,674.70
Carrying value as at March 31, 2020	1,790.47	427.57	134.91	292.35	237.33	14.55	2,897.18
Carrying value as at March 31, 2021	1,632.64	478.92	110.55	233.93	225.28	-	2,681.32

Capital work-in-progress

₹ in Lakhs

Particulars	As at	
	March 31, 2021	March 31, 2020
Capital work-in-progress	-	50.14
Total capital work-in-progress	-	50.14

NOTE NO. 12**Right to use - Lease**

(₹ in Lakhs)

Particulars	Lease hold assets		Total
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		4,687.45
Opening gross carrying value as at April 1, 2020	4,687.45		4,687.45
Additions during the year	1,003.51		1,003.51
Deletions during the year	(728.02)		(728.02)
Closing gross carrying value as at March 31, 2021	4,962.94		4,962.94
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
Opening accumulated depreciation as at April 1, 2020	799.66		799.66
Depreciation for the year	847.99		847.99
Accumulated depreciation on deletions	(189.30)		(189.30)
Closing accumulated depreciation as at March 31, 2021	1,458.35		1,458.35
Carrying value as at March 31, 2020	3,887.79		3,887.79
Carrying value as at March 31, 2021	3,504.59		3,504.59

NOTE NO. 12.01**Detail of lease liability**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Opening balance	3,599.86	-
Addition during the year	1,003.51	4,778.34
Deletions during the year	(397.07)	-
Finance charges on lease	395.48	299.88
Write back during the year	(140.79)	-
Repayment during the year	(1,076.59)	(1,478.36)
Closing balance	3,384.40	3,599.86
Interest rate used for capitalisation	9.66%	9.66%

NOTE NO. 13**Other intangible assets**

(₹ in Lakhs)

Particulars	Computer software		Trademark logo	Total
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 gross carrying value as at April 1, 2020	1,024.22	0.36		1,024.58
Additions during the year	110.76	0.18		110.94
Deletions during the year	(4.38)	-		(4.38)
Translation difference	(0.24)	-		(0.24)
Closing gross carrying value as at March 31, 2021	1,130.36	0.54		1,130.90
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
Opening accumulated amortization as at April 1, 2020	866.30	0.26		866.56
Amortization for the year	96.85	0.04		96.89
Accumulated amortization on deletions	(0.82)	-		(0.82)
Translation difference	(0.19)	-		(0.19)
Closing accumulated amortization as at March 31, 2021	962.14	0.30		962.44
Carrying value as at March 31, 2020	157.92	0.10		158.02
Carrying value as at March 31, 2021	168.22	0.24		168.46

Intangible work-in-progress

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Intangible work-in-progress	5.80	84.22
Total intangible work-in-progress	5.80	84.22

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**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Capital advances	211.98	6.60
Prepaid expenses	687.46	426.74
Dividend receivable	0.08	0.01
Withholding taxes and other taxes receivable	589.12	581.57
Advance payment to vendors for supply of goods	924.56	760.42
Salary advances	4.66	7.23
Total other non financial assets	2,417.86	1,782.57

NOTE NO. 15**Debt securities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Secured - at amortised cost		
Non convertible debentures*	7,826.00	96.00
Unsecured - at amortised cost		
Loan repayable within one year		
Commercial paper	-	370.00
Less: unamortised balance of discount on issue of commercial paper	-	(3.82)
Total debt securities	7,826.00	462.18
In India	7,826.00	462.18
Outside India	-	-

* During the year ended March 31, 2021, one of the subsidiary company namely, Moneywise Financial Services Private Limited, issued two series of non convertible debentures secured by way of charge by hypothecation on all present and future eligible of book debts namely, 9.50% secured listed rated redeemable non convertible debentures, with a maturity date of March 11, 2022 and May 10, 2022 respectively. The interest on these debentures is payable quarterly. 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.

* 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 way of charge by hypothecation on all present and future eligible of book debts 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, 2021 are as follows :

(₹ in Lakhs)

Particulars	As at March 31, 2021			As at March 31, 2020		
	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
Total	-	-	-	370.00	(3.82)	366.18

NOTE NO. 16**Borrowings**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Secured		
Term loan		
from banks	7,048.16	3,505.39
Loan repayable on demand		
from banks	26,055.36	8,726.55
from others	-	15.00
	(A)	
	33,103.52	12,246.94
Unsecured		
Loan repayable on demand		
from others	4,905.24	5,762.22
	(B)	
	4,905.24	5,762.22

NOTE NO. 16**Borrowings**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Total borrowings	(A+B)	
	38,008.76	18,009.16
In India	33,103.52	12,246.94
Outside India	4,905.24	5,762.22

- Term Loan amounting ₹ 168.99 lakhs and ₹ 145.27 lakhs as of March 31, 2021 and March 31, 2020, respectively, are secured by way of hypothecation of vehicles and are repayable over a period of five years.
- Term Loan amounting ₹ 6,879.17 lakhs and ₹ 3,360.12 lakhs as of March 31, 2021 and March 31, 2020, respectively, are secured by way of hypothecation of loan book, guarantee given by the holding company and personal guarantee of promoters directors.
- Loan from banks and others amounting ₹ 26,055.36 lakhs and ₹ 8,741.55 lakhs as of March 31, 2021 and March 31, 2020, respectively, are secured against shares, receivables, loan book, certain office buildings, guarantee given by the holding company and personal guarantee of promoters directors.

Repayment terms of borrowings

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
In the first year	34,421.01	16,830.41
In the second year	1,875.57	1,144.71
In the third to fifth year	1,211.49	34.04
Over fifth Year	500.69	-
Total	38,008.76	18,009.16

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

(₹ in Lakhs except otherwise stated)

Particulars	As at	
	March 31, 2021	March 31, 2020
Weighted average rate		
Secured		
Fixed rate borrowings	8.81%	8.21%
Floating rate borrowings	8.07%	9.50%
Unsecured		
Floating rate borrowings	7.96%	7.83%
Amount borrowed		
Secured		
Fixed rate borrowings	2,152.31	395.27
Floating rate borrowings	30,951.21	11,851.67
Unsecured		
Floating rate borrowings	4,905.24	5,762.22
Total borrowings	38,008.76	18,009.16

NOTE NO. 17**Other financial liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Book overdraft from banks	711.80	7,233.96
Security deposits received	1,216.75	1,063.30
Interest accrued but not due	200.39	88.28
Employee benefit payable	766.71	1,672.11
Derivative financial instruments	3,497.01	3,483.90
Accrued expenses	5,519.79	2,316.01
Margin received from client	53,077.11	34,054.63
Total other financial liabilities	64,989.56	49,912.19
Financial liability carried at amortized cost	61,492.55	46,428.29
Financial liability carried at fair value through profit and loss	3,497.01	3,483.90

NOTE NO. 18**Provisions**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Provision for employee benefits		
Gratuity	1,227.61	1,486.42
Leave encashment	710.40	655.39
Provision for CSR	-	92.65
Provision for insurance cancellation	279.92	347.85
Others	120.61	80.50
Total provisions	2,338.54	2,662.81

NOTE NO. 18.01**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, 2021	March 31, 2020
Opening provision	92.65	93.50
Provision made during the year	178.89	186.60
CSR spent during the year	(271.54)	(187.45)
Closing provision	-	92.65

b) Details of amount spent

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
i) Construction/acquisition of any asset	-	-
ii) on purpose other than (i) above	271.54	187.45
Total	271.54	187.45

c) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure - ₹ 61.47 Lakhs (PY: ₹ 2.27 Lakhs).

NOTE NO. 19**Other non-financial liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Unearned income	423.58	268.84
Unpaid dividend	42.52	31.85
Withholding taxes and other taxes payable	1,200.51	837.16
Others	35.77	16.66
Total other non-financial liabilities	1,702.38	1,154.51

NOTE NO. 20**Equity share capital****NOTE NO. 20.01****Authorised issued and subscribed capital**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Authorised		
47,75,50,000 (March 31, 2020 : 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, 2020 : 11,31,34,450) equity shares of ₹ 2/- each	2,262.69	2,262.69
	2,262.69	2,262.69

NOTE NO. 20.02**Reconciliation of number of equity shares outstanding**

(in numbers)

Particulars	As at	
	March 31, 2021	March 31, 2020
At the beginning of the year	11,31,34,450	11,31,34,450
Issued during the year	-	-
Buyback/forfeiture during the year	-	-
At the end of the year	11,31,34,450	11,31,34,450

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Board of Directors has proposed an equity dividend @ 40% i.e. ₹ 0.80 (P.Y. ₹ 0.24) per share for the financial year ending March 31, 2021 at there meeting held on dated June 7, 2021, 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 ₹ 1.20 (P.Y. ₹ 0.72).

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. 20.03**Shares held by shareholders holding more than 5% shares**

(in numbers)

Name of shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% held	No. of Shares held	% held
ASM Pipes Private Limited	1,86,67,140	16.50	1,86,67,140	16.50
Millennium Investment and Acquisition Co. Inc.	27,00,000	2.39	91,04,690	8.05
Mahesh C. Gupta	92,48,500	8.17	92,48,500	8.17
Subhash Chand Aggarwal	1,00,95,500	8.92	1,00,95,500	8.92
Sanlam International Investment Partners Limited	-	-	94,60,590	8.36
Signature Global (India) Private Limited	79,72,457	7.05	88,65,885	7.84
Sushma Gupta	75,66,550	6.69	75,66,550	6.69
Pulin Investments Private Limited	92,77,205	8.20	89,77,205	7.94

SMC GLOBAL SECURITIES LIMITED
Notes to consolidated financial statements**NOTE NO. 21****Fees and commission income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Income from:		
Brokerage Income	47,032.72	38,843.77
Distribution of financial product	6,398.94	6,682.84
Depository activities	404.69	325.01
Research support services	498.75	231.30
Portfolio management services	30.12	20.19
Service & Administration charges	66.05	60.72
Management and advisory	552.67	716.33
Incentives from exchange	1,201.84	54.48
Total fees and commission income	56,185.78	46,934.64

NOTE NO. 22**Interest income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
On financial assets measured at amortised cost		
Interest on loans	7,952.60	8,502.07
Interest on deposits with banks	4,933.30	3,451.38
Interest on delayed payment/ margin trade funding	2,191.13	2,847.81
Securitisation receipt	122.29	147.83
Other interest Income	2.08	1.89
Total interest income	15,201.40	14,950.98

NOTE NO. 23**Other income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Interest income	135.18	62.49
Net gain on derecognition of financial instruments measured at fair value through other comprehensive income	94.62	83.22
Net gain on derecognition of financial instruments measured at fair value through amortised cost	0.19	-
Net gain on derecognition of property, plant and equipment	29.18	4.88
Dividend income	19.55	18.84
Rent income	-	63.34
Liability no longer required written back	188.49	200.38
Net gain on translation of foreign currency monetary items	-	13.55
Miscellaneous income	397.31	113.95
Total other income	864.52	560.65

NOTE NO. 24**Fees and commission expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Client introduction charges	29,879.33	23,676.98
Exchange & other regulatory charges	5,178.61	4,621.33
Expense for distribution of financial products	4,892.26	5,312.83
VPN, leaseline, internet & VSAT expenses (net)	274.22	179.65
Securities/commodities transaction tax	4,344.99	4,376.17
Demat charges	7.23	9.34
Total fees and commission expenses	44,576.64	38,176.30

NOTE NO. 25**Employee Benefits Expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Salaries and incentives	16,325.50	16,820.81
Staff welfare	148.59	266.64
Contribution to provident and other funds	701.50	754.75
Gratuity	473.50	342.83
Total employee benefits expenses	17,649.09	18,185.03

NOTE NO. 26**Finance cost**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
On financial liabilities measured at amortised cost		
Interest on borrowings from banks and financial institution	1,337.08	3,211.46
Interest on debt securities	371.35	4.71
Interest on deposits	54.24	81.20
Interest-others	1,623.39	1,694.11
Discount on issue of commercial papers	3.82	31.77
Other borrowing cost	450.54	668.42
Finance charges on lease	395.48	299.88
Total finance cost	4,235.90	5,991.55

NOTE NO. 27**Depreciation and amortisation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Depreciation on tangible assets	853.05	1,040.81
Amortisation of intangible assets	96.89	81.16
Depreciation on lease assets	847.99	798.86
Total depreciation and amortisation	1,797.93	1,920.83

NOTE NO. 28**Impairment on financial instruments**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
On financial assets measured at amortised cost/transaction price		
Trade receivable	476.32	13.53
Loans	2,125.88	1,254.28
Other receivables	2.70	(0.24)
Security deposits	0.40	-
Total impairment on financial instruments	2,605.30	1,267.57

NOTE NO. 29**Other expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Advertisement	1,245.13	2,500.64
Business promotion	250.29	1,029.95
Computer repair & maintenance	613.72	509.58
Conveyance & traveling expenses	245.59	609.79
Director sitting fees	23.96	20.25
Donation	35.10	48.64
Insurance	36.27	35.94
Legal & professional charges	679.24	500.22
Bank charges	44.37	120.06
Stock exchange listing fee	16.74	1.67
Office repair & maintenance	467.78	509.65
Printing and stationery	132.81	207.32
Rent	661.11	782.53
Electricity and water expenses	515.82	587.35
Membership fees & subscription	20.74	30.57
Communication expenses	370.47	342.61
Vehicle running & maintenance	37.75	67.34
Net loss on foreign currency transaction and translation	3.64	-
Rates & taxes	38.59	84.63
CSR expenses	178.89	186.60
Miscellaneous expenses	101.94	130.61
Auditor's fees and expenses		
as statutory auditor	44.20	36.78
as tax auditor	6.90	5.45
as fees for other services	3.04	8.72
Total other expenses	5,774.09	8,356.90

NOTE NO. 30**Income tax****NOTE NO. 30.01****Income tax expense in the statement of profit and loss**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Current tax expense		
For the year	3,062.98	1,918.69
Change in estimates relating to prior years	(42.23)	(20.28)
	3,020.75	1,898.41
Deferred tax charge/(benefit)		
Origination and reversal of temporary differences	176.00	247.79
Minimum alternate tax	389.10	(17.86)
	565.10	229.93
Total income tax expense	3,585.85	2,128.34

NOTE NO. 30.02**Tax expense recognised in other comprehensive income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Remeasurement of the net defined benefit liability / asset	126.98	(100.93)
Fair value changes on investments	167.10	(130.62)
Total tax expense recognised in other comprehensive income	294.08	(231.55)

NOTE NO. 30.03**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, 2021	March 31, 2020
Profit before tax	13,593.29	4,514.51
Enacted tax rate in India	25.168%	34.944%
Computed expected tax expense	3,421.16	1,577.55
Non deductible permanent difference	92.05	114.37
Non deductible temporary difference	21.25	650.61
Deductible permanent difference	203.51	20.71
Income exempt from tax	(231.55)	(46.02)
Deferred tax asset / MAT reversed	478.90	-
Change in estimates relating to prior years	(42.23)	(20.28)
Deduction u/s 80M	(566.75)	-
Deduction u/s 80JJAA	(75.41)	(109.93)
Effect of change in tax rate due to different class of income	14.20	2.43
Effect of differential tax rates / change in tax rates u/s 115BAA	270.72	(44.23)
Carry Forward of loss adjusted	-	(16.87)
Income tax expense	3,585.85	2,128.34

The applicable Indian statutory tax rates for fiscal 2021 and fiscal 2020 is 25.168% and 34.944%, respectively.

The holding company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The Company accordingly has recognized Provision for Income Tax for the year ended March 31, 2021 and re-measured its Deferred Tax Assets on the basis the rate prescribed in the said section. The impact of this change has been recognized in the Statement of Profit & Loss including write off of deferred tax assets relating to earlier years of ₹ 353.84 lakhs and MAT Credit of ₹ 478.90 lakhs. However, the above MAT Credit would be utilised to settle tax liabilities pertaining to past periods, if any.

NOTE NO. 30.04**Details of income tax assets and income tax liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Income tax assets pertaining to current year	3,315.70	2,600.44
Income tax liabilities pertaining to current year	3,062.98	1,918.69
Net income tax assets/ (liability) pertaining to current year (A)	252.72	681.75
Income tax assets pertaining to previous years	1,839.18	2,319.77
(B)	1,839.18	2,319.77
Total income tax assets / (liability) - net (A+B)	2,091.90	3,001.52
Current tax assets (net)	2,238.03	3,053.18
Current tax liabilities (net)	146.13	51.66
	2,091.90	3,001.52

NOTE NO. 30.5**Movement in current tax asset / (liability)**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Net current tax asset / (liability) at the beginning	3,001.52	1,842.40
Current year income tax expense	(3,020.75)	(1,898.41)
Income tax paid	36.84	192.60
Refund received during the year	(1,386.19)	(59.63)
Tax deducted at source for current year	3,315.70	2,600.44
Tax deducted at source for earlier years on assessment	144.78	324.12
Net current tax asset / (liability) at the end	2,091.90	3,001.52

NOTE NO. 30.06**Movement in the temporary differences of deferred tax**

(₹ in Lakhs)

Particulars	Balance as at April 1, 2019	Recognised in profit or loss during 2019-20	Recognised in other comprehensive income	Utilization of MAT credit	Balance as at March 31, 2020	Recognised in profit or loss during 2020-21	Recognised in other comprehensive income	Utilization of MAT credit	Balance as at March 31, 2021
Employee benefits	303.26	100.32	100.93	-	504.51	(33.15)	(126.98)	-	344.38
Investment securities	(32.24)	-	130.62	-	98.38	-	(167.10)	-	(68.72)
ICDS	(66.89)	22.53	-	-	(44.36)	(78.66)	-	-	(123.02)
Provisions	299.97	76.00	-	-	375.97	180.62	-	-	556.59
Property, plant & equipment and intangible assets	356.44	51.13	-	-	407.57	(102.56)	-	-	305.01
Provision for impairment on receivable from clients	1,103.31	(94.67)	-	-	1,008.64	33.77	-	-	1,042.41
Other temporary differences	89.21	46.55	-	-	135.76	13.64	-	-	149.40
Total	2,053.06	201.86	231.55	-	2,486.47	13.66	(294.08)	-	2,206.05
Minimum alternate tax	1,522.29	17.86	-	(668.45)	871.70	(389.12)	-	39.60	522.18
Carried forward of tax losses shares	47.30	(43.04)	-	-	4.26	9.47	-	-	13.73
Carried forward of tax losses and unabsorbed depreciation (net of addition on account of tax losses)	1,034.21	(406.61)	-	-	627.60	(199.11)	-	-	428.49
	4,656.86	(229.93)	231.55	(668.45)	3,990.03	(565.10)	(294.08)	39.60	3,170.45

NOTE NO. 31**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, 2021	March 31, 2020
Profit attributable to equity share holders.	10,007.44	2,386.17
Weighted average number of share outstanding during the year	11,31,34,450	11,31,34,450
Nominal value per share (₹)	2.00	2.00
Basic & Diluted (₹)	8.85	2.11

NOTE NO. 32**Employee Benefits****(a) Gratuity****NOTE NO. 32.01****Breakup of amount recognised in statement of profit and loss**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Interest on defined benefit obligation	87.96	59.20
Current service cost	370.13	272.51
Management estimation	15.41	11.12
Total expense recognized in the statement of profit and loss	473.50	342.83

NOTE NO. 32.02**Break up of amount recognised in the statement of other comprehensive income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Remeasurements of the net defined benefit liability/ (asset)		
Opening amount recognised in OCI outside profit and loss account	78.28	(200.65)
Actuarial gains / losses	(308.93)	169.06
Return on plan assets (greater) / less than discount rate	(187.12)	109.87
	(417.77)	78.28

NOTE NO. 32.03**Breakup of the amount recognised in balance sheet**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Present value of the obligation as at the end of the year	2,228.86	2,200.41
Fair value of plan assets as at the end of the year	(1,001.25)	(713.99)
Net liability recognised in balance sheet	1,227.61	1,486.42

NOTE NO. 32.04**Reconciliation of defined benefit obligation and plan asset**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Change in benefit obligations		
Present value of the obligation as at the beginning of the year	2,200.41	1,672.38
Current service cost	370.13	272.51
Interest cost	138.21	118.90
Liability assumed on acquisition/ (settled on divestiture)	15.41	11.12
Actuarial (gain)/loss on obligations	(308.93)	169.06
Benefits paid	(184.17)	(52.56)
Effects of movement in exchange rate	(2.20)	9.00
Benefit obligations at the end (A)	2,228.86	2,200.41
Change in plan assets		
Fair value of plan assets at the beginning of the year	713.99	786.37
Interest income on plan assets	50.25	59.70
Contributions	100.00	-
Benefits paid	(50.11)	(22.21)
Return on plan assets greater (lesser) than discount rate	187.12	(109.87)
Fair value of plan assets at the end (B)	1,001.25	713.99
Amount recognised in balance sheet [(surplus) / deficit] (A-B)	1,227.61	1,486.42

NOTE NO. 32.05**Sensitivity of significant assumptions used for DBO valuation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Effect on DBO due to 0.5% increase in discount rate	(135.64)	(134.41)
Effect on DBO due to 0.5% decrease in discount rate	149.37	148.44
Effect on DBO due to 0.5% increase in salary escalation rate	130.19	128.40
Effect on DBO due to 0.5% decrease in salary escalation rate	(121.95)	(119.92)

NOTE NO. 32.06**Maturity profile of defined benefit obligation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Within one year	202.81	175.90
One to five years	386.24	383.83
More than five years	1,087.82	1,082.88

NOTE NO. 32.07**Assumptions to determine the defined benefit obligations**

Particulars	As at	
	March 31, 2021	March 31, 2020
Discount rate	6.90%	6.80%
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 assumptions used for the valuation of the defined benefit obligation by 50bps, keeping all other actuarial assumptions constant.

(b) Compensated absences**NOTE NO. 32.08****Breakup of the amount recognised in balance sheet**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Present value of the obligation as at the end of the year	710.40	655.39
Fair value of plan assets as at the end of the year	-	-
Net liability recognised in balance sheet	710.40	655.39

NOTE NO. 32.09**Number of compensated leave absences outstanding**

Particulars	As at	
	March 31, 2021	March 31, 2020
Total leave balance (days)	60,607.34	56,407.46

NOTE NO. 32.10**Assumption used in valuation**

Particulars	As at	
	March 31, 2021	March 31, 2020
Discount rate	6.90%	6.80%
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. 33**Contingent liabilities and commitments****NOTE NO. 33.01****Contingent liabilities not provided in the financial statements:**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
1 ESI demand (Total amount paid under protest ₹ 12.43 Lakhs (2020: ₹ 12.43 Lakhs))	31.06	31.06
2 Service tax demand (Total amount paid under protest ₹ 42.77 Lakhs (2020: Nil))	615.98	615.98
3 Income tax demand	388.25	31.47
4 Insurance Regulatory and Development Authority of India (IRDAI)	300.00	300.00
5 Provident fund	-	-
6 Stamp duty	-	-

Notes:

- An ESI demand is being agitated by the parent company at Additional Senior Civil Judge, Tis Hajari court, Delhi.
- Service Tax demand of ₹ 45.66 Lakhs is being agitated by the 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 filed an appeal against the order before the Customs, Excise and Service Tax Appellate Tribunal (CESTAT).
- 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 Appellate Tribunal (ITAT)
SMC Global Securities Limited	356.78	-	2013-14 to 2019-20	Commissioner of Income Tax (Appeals), Delhi

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 Appellate Tribunal (ITAT), Delhi.

Block Assessment u/s 153(A) for the A.Y 2013-14 to A.Y 2019-20 has been completed and certain disallowances made by the Income Tax Department. The company has filed necessary appeals before the Commissioner of Income Tax (Appeals), 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 MISIP (Motor Insurance Service Provider) Guidelines. Appeal has been filed by the company on 06/02/2020 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 12/02/2020. In the stay order next hearing date was mentioned 12/03/2020. On 12/03/2020 hearing, next date was finalized as 27/03/2020 which could not take place due to lockdown. Last hearing was held on 03/05/2021 and the matter is now listed for hearing on 25/06/2021. SAT has given respondent time to file reply.
- PF matter related to parent company is pending before High Court and amount is not quantifiable.
- (a) The parent company had received a notice dated 21.11.2014 from the Collector of Stamp (HQ), Delhi on account of verification of records pertaining to Stamp duty chargeable on the basis of broker's Note for the period 2010 to 21.11.2014. Matter is sub-judice and has been stayed by jurisdictional High Court at Delhi vide its order dated 09/12/2014 until further order.
- (b) The demerged company M/s SMC Comtrade Limited had received a show cause notice of demand dated 05/01/2015 from the Office of The Collector of Stamps, Delhi, on account of levy of stamp duty on commodity transactions. The matter is sub-judice and has been stayed by jurisdictional High Court at Delhi vide its order dated 19/01/2015 in the matter of WP/C/516/2015.

NOTE NO. 33.02**Other litigations**

- Title of the property located at Office no 205, 2nd Floor, Plot no 4A, Community Centre, 21st Century Plaza, Sector 8, Rohini, New Delhi having book value of ₹ 46.12 Lakhs in parent company is under dispute and sealed due to the allegation of acquisition of the said property by the transferor from the funds of Ganga Yamuna Finvest Pvt. Ltd, which is under liquidation.
- The group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The group's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the group's results of operations and financial condition.

Pending completion of the legal process the impact of liability, if any, cannot be ascertained at this stage, however, management believes that, based on legal advice, the outcome of these contingencies will be favorable and that outflow of economic resources is not probable.

NOTE NO. 33.03**Commitments**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Contracts remaining to be executed on account of capital (net of advances)		
For purchase of software and others	14.66	15.00
For purchase of office building	202.90	-

NOTE NO. 34**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, based on the confirmation 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, 2021	March 31, 2020
The Principal amount remaining unpaid at the year end	52.02	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. 35**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 ₹ 458.84 Lakhs (Previous year ₹ 678.59 Lakhs).

NOTE NO. 36**Financial Instruments****NOTE NO. 36.01****Financial instruments by category**

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

(₹ in Lakhs)

Particulars	Amortised cost / Transaction price	Financial assets/liabilities carried at fair value through profit and loss		Financial assets/liabilities carried at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required		
Assets:							
Cash and cash equivalents	4,456.27	-	-	-	-	4,456.27	4,456.27
Other bank balances	1,04,742.35	-	-	-	-	1,04,742.35	1,04,742.35
Trade receivables	28,786.21	-	-	-	-	28,786.21	28,786.21
Other receivables	596.79	-	-	-	-	596.79	596.79
Loans	57,212.52	-	-	-	-	57,212.52	57,212.52
Investments	454.81	367.03	8,542.73	-	2,344.32	11,708.89	11,708.89
Other financial assets	10,627.85	-	4,860.56	-	-	15,488.41	15,488.41
Total	2,06,876.80	367.03	13,403.29	-	2,344.32	2,22,991.44	2,22,991.44
Liabilities:							
Trade payables	41,904.50	-	-	-	-	41,904.50	41,904.50
Other payables	1,003.28	-	-	-	-	1,003.28	1,003.28
Lease liabilities	3,384.40	-	-	-	-	3,384.40	3,384.40
Debt securities	7,826.00	-	-	-	-	7,826.00	7,826.00
Borrowings	38,008.76	-	-	-	-	38,008.76	38,008.76
Other financial liabilities	61,492.55	-	3,497.01	-	-	64,989.56	64,989.56
Total	1,53,619.49	-	3,497.01	-	-	1,57,116.50	1,57,116.50

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	Financial assets/liabilities carried at fair value through profit and loss		Financial assets/liabilities carried at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatorily required	Designated upon initial recognition	Mandatorily required		
Assets:							
Cash and cash equivalents	23,302.88	-	-	-	-	23,302.88	23,302.88
Other bank balances	42,179.09	-	-	-	-	42,179.09	42,179.09
Trade receivables	27,221.60	-	-	-	-	27,221.60	27,221.60
Other receivables	606.16	-	-	-	-	606.16	606.16
Loans	49,946.59	-	-	-	-	49,946.59	49,946.59
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	1,57,063.21	594.10	12,466.05	-	1,398.04	1,71,521.40	1,71,521.40
Liabilities:							
Trade payables	42,271.97	-	-	-	-	42,271.97	42,271.97
Other payables	1,231.46	-	-	-	-	1,231.46	1,231.46
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
Other financial liabilities	46,428.29	-	3,483.90	-	-	49,912.19	49,912.19
Total	1,12,002.92	-	3,483.90	-	-	1,15,486.82	1,15,486.82

NOTE NO. 36.02

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			
	March 31, 2021		March 31, 2020	
	Collateral	Non-collateral	Collateral	Non-collateral
Assets:				
Cash and cash equivalents	-	4,456.27	-	23,302.88
Other bank balances	1,04,039.88	702.47	42,127.53	51.56
Trade receivables	17,013.75	11,772.46	5,742.00	21,479.60
Other receivables	-	596.79	-	606.16
Loans	27,546.21	29,666.31	16,082.31	33,864.28
Investments	-	11,708.89	1,649.74	6,917.05
Other financial assets	-	15,488.41	-	19,698.29
Total	1,48,599.84	74,391.60	65,601.58	1,05,919.82

(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			
	March 31, 2021		March 31, 2020	
	Value of asset	Fair value of collateral held	Value of asset	Fair value of collateral held
Assets:				
Cash and cash equivalents	4,456.27	-	23,302.88	-
Other bank balances	1,04,742.35	-	42,179.09	-
Trade receivables				
Secured	21,052.90	4,73,450.18	16,131.07	6,72,647.42
Unsecured	7,733.31	-	11,090.53	-
Other receivables	596.79	-	606.16	-
Loans				
Secured	31,022.28	84,574.63	32,256.70	87,073.14
Unsecured	26,190.24	-	17,689.89	-
Investments	11,708.89	-	8,566.79	-
Other financial assets	15,488.41	-	19,698.29	-
Total	2,22,991.44	5,58,024.81	1,71,521.40	7,59,720.56

NOTE NO. 36.03

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, 2021:

(₹ in Lakhs)

Particulars	As at March 31, 2021	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
		Assets		
Investments				
Equity instruments	10,809.55	10,746.51	-	63.04
Investment in joint venture (partnership firm)	88.77	-	-	88.77
Mutual Funds	30.94	30.94	-	-
Debt	413.59	413.59	-	-

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
Investment in joint venture (partnership firm)	15.44	-	-	15.44
Mutual Funds	40.97	40.97	-	-
Debt	634.19	634.19	-	-

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. 36.04

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.

The Group's risk management policies and procedures are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees and stakeholders understand their roles and obligations.

Different types of risks arising from financial instruments as identified by the Group above have been explained below:

(i) Credit risk

The credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivable from clients and exchange and trading members, loan and advances, investments other than the quoted securities given. Credit risk in respect of quoted securities is expected to have a direct correlation with the quoted market prices and risk.

The Group is exposed to the risk that third parties that owe money or securities will not perform their obligations. Such third parties include clients/customers, trading members, exchanges, clearing houses, and other financial intermediaries. These parties may default on their obligations owed to the Group due to insolvency, lack of liquidity, operational failure, government or other regulatory intervention or other reasons. In these circumstances, the Group is exposed to risks arising, for example, from holding securities of third parties; executing securities trades that fail to settle at the required time due to non-delivery by the counterparty trading members, exchanges, clearing houses or other financial intermediaries. Significant failures by third parties to timely perform their obligations owed could materially and adversely affect the Group's financial position, and ability to borrow in the credit markets and ability to operate the business.

For the risk management purposes, the Company considers and consolidates all elements of credit risk exposures such as individual obligator default risk, country and sector risk.

Management / mitigation of credit risk

The Group operates in a highly regulated environment which limits its credit risk against exchanges and clearing houses. The Group collects upfront margins in form of funds and/or securities/commodities from clients and trading members against their trading positions. The Group monitors positions, margins, mark to market losses and risks on real time basis through risk management systems and policies specially designed to mitigate the credit risk.

The Company's Board of Directors has delegated responsibility for the oversight of credit risk to the Risk Management Committee ("the Committee"). The Committee is responsible for management of the Group's credit risk, including the following:

- (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 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 its subsidiary Moneywise Financial Services Private Limited. The Company is exposed to high credit risk due to the inherent limitation of the business. The Company lends both secured and unsecured loans to its customer. To mitigate the credit risk the Company has implemented a loan policy to identify the broad principles which the Company follows to accept borrowers and loan proposals, to manage loan portfolio, and recover

its dues so as to protect business revenues with consumer satisfaction. To reduce the credit risk in financing, the Company performs a detail credit assessment on the prospective borrower or seek security over some assets of the borrower or a guarantee from a third party. The Company takes all reasonable and business precautions through policies and procedures to mitigate and manage the credit risk. The senior management in the Company is responsible for evaluation of internal financial controls and risk management systems. The Company conducts regular internal audits of various business units to identify scope of improvement/enhancement of the Company's processes, quality control, fraud prevention and legal

compliance. The internal audit reports are reviewed by audit committee and also placed with the Board. While considering loan proposals, the Company also manages risk through limiting concentration of exposure to individual borrowers, industry, underlying collateral, etc. All Loans to customers are sanctioned based on various factors like financials analysis, credit worthiness of the customer, market references, and historical client relations with Company and future business prospects. The Company collects upfront collateral and pledge securities for the loans and advances granted wherever required. Despite all the measure taken by the Company and its management it is

inherent in the financing business that the customer may default in the repayment of the loan granted to them. The Company 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:

Particulars	As at	
	March 31, 2021	March 31, 2020
Trade receivables	28,786.21	27,221.60
Other receivables	596.79	606.16
Loans	57,212.52	49,946.59
Investments	11,708.89	8,566.79
Other financial assets	15,488.41	19,698.29
Total	1,13,792.82	1,06,039.43

(₹ in Lakhs)

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.

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Less than equal to 50 %	8,248.31	16,193.32
51 - 70%	2,850.85	4,345.78
71 - 90%	16,291.31	7,423.07
91 - 100%	3,809.71	3,502.77
more than 100%	101.95	1,490.85
Total	31,302.13	32,955.79

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, 2021	March 31, 2020
Government bonds:		
Rated sovereign	51.59	222.66
Corporate bonds:		
Rated sovereign	-	306.30
Rated AAA	262.32	25.94
Rated AA- to AA+	85.17	60.54
Rated A- to A+	14.51	12.36
Rated BBB-	-	-
Rated D	-	6.39
Fair value and carrying amount	413.59	634.19

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.

(₹ in Lakhs)

Particulars	As at									
	March 31, 2021					March 31, 2020				
	Trade receivables	Other receivables	Loans	Investments	Other financial asset	Trade receivables	Other receivables	Loans	Investments	Other financial asset
Opening balance at the beginning of the year	1,730.06	15.21	2,083.24	315.00	17.94	1,811.64	15.45	2,495.60	315.00	19.93
Addition/ reversal during the year	476.32	2.70	2,125.88	-	0.40	13.53	(0.24)	1,254.28	-	-
Exchange difference	-	-	(4.71)	-	-	-	-	14.60	-	-
Written off	(280.86)	0.84	(1,794.61)	-	(0.34)	(95.11)	-	(1,681.24)	-	(1.99)
Closing balance at the end of the year	1,925.52	18.75	2,409.80	315.00	18.00	1,730.06	15.21	2,083.24	315.00	17.94

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

- depositing funds with banks to obtain term deposits and guarantees towards margins payable to the

- exchanges/clearing houses;
- payments to stock exchanges/clearing houses towards settlement obligations;
- payment towards purchase of various trading assets;
- disbursement of loans to customers;
- repayment of borrowings/credit lines taken; and
- meeting expenses incurred for operations.

Management of liquidity risk

Working capital requirements fluctuate on a regular basis depending on the business requirements. The Group's approach to managing liquidity is to ensure, as far as possible to have sufficient funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

To fund the working capital requirements, the Group currently relies principally on internal accruals

and short term credit facilities from banks and financial institutions against pledge of term deposits, receivables from clients and investments carried at fair value through profit and loss. By maintaining sufficient liquid funds and drawing facilities with banks, the Group comfortably meets the foreseeable liabilities in the present and immediate future, as well as unforeseeable contingencies.

Central treasury receives information from business units regarding the liquidity profile of their financial assets and liabilities and projected cash flows. Central treasury maintains surplus funds in cash and cash equivalents including term deposits with banks and in investment securities for which there is an active and liquid market. These assets can be readily sold to meet liquidity requirements. Hence, the group believes that the above monetary mechanism adequately addresses the liquidity risk.

Maturity analysis for financial assets and financial liabilities**March 31, 2021**

(₹ 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	4,456.27	4,456.27	-	-	-	-	-
Other bank balances	1,04,742.35	11,966.77	27,250.31	34,172.15	28,157.99	2,460.08	735.05
Trade receivables	28,786.21	28,724.62	-	61.59	-	-	-
Other receivables	596.79	596.79	-	-	-	-	-
Loans	57,212.52	8,126.27	6,180.19	23,418.21	12,148.31	5,411.97	1,927.57
Investments	11,708.89	9,383.67	140.18	26.46	2,030.71	23.28	104.59
Other financial assets	15,488.41	10,328.18	1.10	5.30	0.50	81.03	5,072.30
Total	2,22,991.44	73,582.57	33,571.78	57,683.71	42,337.51	7,976.36	7,839.51
Liabilities:							
Trade payables	41,904.50	41,904.50	-	-	-	-	-
Other payables	1,003.28	1,003.28	-	-	-	-	-
Lease liabilities	3,384.40	256.95	228.95	457.06	920.86	1,360.23	160.35
Debt securities	7,826.00	-	-	2,500.00	4,805.00	521.00	-
Borrowings	38,008.76	1,515.99	809.43	32,095.59	1,875.57	1,211.49	500.69
Other financial liabilities*	64,989.56	15,874.90	14,612.86	18,695.30	14,220.21	1,336.03	250.26
Total	1,57,116.50	60,555.62	15,651.24	53,747.95	21,821.64	4,428.75	911.30

* Maturity analysis of margin from clients (under other financial liabilities) ₹ 53,077.11 Lakhs has been bench marked to the corresponding fixed deposits (under other bank balances).

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	27,221.60	27,221.60	-	-	-	-	-
Other receivables	606.16	606.16	-	-	-	-	-
Loans	49,946.59	2,144.05	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	1,71,521.40	77,638.26	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	1,231.46	1,231.46	-	-	-	-	-
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	-
Other financial liabilities	49,912.19	31,070.10	1,737.45	9,660.49	6,887.13	356.00	201.02
Total	1,15,486.82	75,310.30	2,496.23	25,691.87	9,635.67	1,824.60	528.15

(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 macro-economic 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:

- Term deposits placed with banks are generally for short term on fixed interest rates;
- Facilities availed from banks

and other financial institutions generally include short term working capital loans on floating interest rates; (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 pre-approved limits for re-pricing bands. However the Group does not use derivative financial instruments to hedge its interest rate risk.

The Group's investments in majority of term deposits with banks are for both short and long duration, and therefore do not expose the 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 long-term debt obligations with floating / fixed interest rates,

which are included in loans and borrowings. The loans and borrowings represent loans and borrowing taken both fixed and floating interest rate.

(c) Currency risk

The Group operates internationally and have two foreign subsidiary namely SMC Comex international DMCC and SMC Global USA Inc. Also the Group has one subsidiary whose functional currency is

USD based out of Gift city, Gandhinagar, Gujarat, India. The Group does not take any hedge for the investment in the foreign subsidiary accordingly the Group is exposed to the foreign currency risk. However as the size of the companies is not big the foreign currency risk is contained. The Group companies also trade in the foreign currency derivatives. The Group considers the

valuation changes in foreign currency derivatives it trades in as part of investment/price risk as those derivatives are exchange traded, managed and monitored based on exchange price and are settled in near term in Indian Rupees.

Exposure

The table below sets out the assets and liabilities subject to price risk.

Particulars	As at	
	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Assets subject to price risk		
Equity instrument fair value through profit and loss	8,542.73	5,368.56
Equity instrument fair value through other comprehensive income	2,266.82	1,316.98
Debt instrument fair value through profit and loss	367.03	594.10
Debt instrument fair value through other comprehensive income	46.56	40.09
Mutual fund fair value through other comprehensive income	30.94	40.97
Derivative financial assets	4,860.56	7,097.49
	(A)	16,114.64
Liabilities subject to price risk		
Derivative financial liabilities	3,497.01	3,483.90
	(B)	3,483.90
Total	(A-B)	12,617.63

Sensitivity analysis

Below table shows the sensitivity analysis for different financial instrument

(₹ in Lakhs except otherwise stated)

Particulars	Risk category	% change increase	% change decrease	For the year ended March 31, 2021		For the year ended March 31, 2020	
				Impact on profit before tax due to increase in parameter	Impact on profit before tax due to decrease in parameter	Impact on profit before tax due to increase in parameter	Impact on profit before tax due to decrease in parameter
Investment in equity instrument fair value through profit and loss, derivatives and inventories*	Price risk	5%	5%	86.53	(86.53)	27.54	(27.54)
Investment in equity & other instruments carried through other than fair value through profit and loss	Price risk	5%	5%	117.22	(117.22)	69.90	(69.90)
Debt instruments	Interest rate risk	1%	1%	(3.67)	3.67	(38.35)	40.61
Borrowings	Interest rate risk	1%	1%	(380.09)	380.09	(180.09)	180.09
Foreign currency (PL)	Foreign currency risk	1%	1%	(11.84)	11.84	0.76	(0.76)
Foreign currency (OCI)	Foreign currency risk	1%	1%	34.73	(34.73)	21.60	(21.60)

*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. 37

Related party disclosures

As per Ind AS 24, the disclosures of transactions with related parties are given below :

NOTE NO. 37.01

List of related parties where control exists and also other related parties with whom transactions have taken place and relationships :

Sr. No.	Name of related parties	Relationship
1	Mr. Subhash Chand Aggarwal	Key managerial personnel
2	Mr. Mahesh Chand Gupta	Key managerial personnel
3	Mr. Ajay Garg	Key managerial personnel
4	Mr. Anurag Bansal	Key managerial personnel
5	Mr. Vinod Kumar Jamar	Key managerial personnel
6	Mr. Suman Kumar	Key managerial personnel
7	Mr. Himanshu Gupta	Director
8	Ms. Shruti Aggarwal	Director
9	Ms. Madhu Vij	Independent director
10	Mr. Kundan Mal Aggarwal	Independent director
11	Mr. Hari Das Khunteta	Independent director
12	Mr. Naveen ND Gupta	Independent director
13	Mr. Chandra Wadhwa	Independent director
14	Mr. Roop Chand Jindal	Independent director
15	Ms. Hemlata Aggarwal	Relative of key managerial personnel
16	Ms. Sushma Gupta	Relative of key managerial personnel
17	Ms. Reema Garg	Relative of key managerial personnel
18	Ms. Meetu Goel	Relative of key managerial personnel
19	SMC Global Foundation	Trust where in the company has control
20	Pulin Investments Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence
21	MVR Share Trading Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence
22	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. 37.02

Disclosure of transactions between the company & related parties

(₹ in Lakhs)

Sr. No.	Particulars of transactions	Relationship	For the year ended	
			March 31, 2021	March 31, 2020
1	Remuneration			
	Salaries, wages & other benefits	Key managerial personnel	427.21	426.04
	Contribution to defined benefit plan	Key managerial personnel	21.50	21.89
	Total		448.71	447.93
	Directors sitting fee	Independent director	23.96	20.25
2	Remuneration			
	Salaries, wages & other benefits	Relative of key managerial personnel	94.39	102.01
	Contribution to defined benefit plan	Relative of key managerial personnel	5.73	5.98
	Total		100.12	107.99
3	Contribution to Trust			
	CSR Contribution	Trust where in the company has control	61.47	2.27
4	Interest Income			
	MVR Share Trading Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence	-	2.59
5	Finance Cost			
	Pulin Investments Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence	2.03	4.72
	SMC Share Brokers Limited	Enterprises in which key managerial personnel are able to exercise significant influence	-	2.41

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. 38

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

(₹ in Lakhs)

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	Amount
SMC Global Securities Limited	86.90	67,147.12	70.19	7,013.91	95.98	734.06	72.02	7,747.97
Indian Subsidiaries								
SMC Comtrade Limited	0.33	252.28	(0.04)	(3.95)	-	-	(0.04)	(3.95)
SMC Investments and Advisors Limited	1.06	819.25	(2.49)	(248.47)	0.68	5.21	(2.26)	(243.26)
Moneywise Financial Services Private Limited	44.20	34,154.81	16.43	1,641.54	7.26	55.54	15.77	1,697.08
SMC Capitals Limited	1.93	1,488.33	0.37	36.84	0.19	1.47	0.36	38.31
SMC Insurance Brokers Private Limited	6.49	5,014.85	5.86	585.47	3.35	25.60	5.68	611.07
Moneywise Finvest Limited	1.05	813.36	(1.53)	(152.46)	0.06	0.49	(1.41)	(151.97)
SMC Global IFSC Private Limited	3.74	2,892.46	8.31	830.47	(7.54)	(57.69)	7.18	772.78
SMC Real Estate Advisors Private Limited	(1.32)	(1,023.34)	3.42	341.82	5.33	40.79	3.56	382.61
Foreign Subsidiaries								
SMC Comex International DMCC	2.68	2,074.01	6.81	680.95	(5.55)	(42.43)	5.94	638.52
SMC Global USA Inc.	(0.12)	(93.50)	-	-	0.31	2.39	0.02	2.39
Joint Venture								
SMC & IM Capitals Investment Manager LLP	-	-	0.73	73.32	-	-	0.68	73.32
Adjustment arising out of consolidation	(46.73)	(36,106.41)	(7.93)	(792.00)	-	-	(7.36)	(792.00)
	100.21	77,433.22	100.14	10,007.44	100.08	765.43	100.14	10,772.87
Non-controlling interest in subsidiaries	(0.21)	(162.34)	(0.14)	(14.14)	(0.08)	(0.62)	(0.14)	(14.76)
Total	100.00	77,270.88	100.00	9,993.30	100.00	764.81	100.00	10,758.11

NOTE NO. 39

COVID-19 impact

The novel coronavirus (COVID-19) pandemic continues to spread across the globe including India. With substantial increase in COVID-19 cases across different parts of the country, governments have introduced a variety of measures to contain the spread of the virus, including, lockdowns, and restrictions on movement of people and goods across different geographies. Stock broking services, being part of Capital Market operations and Insurance broking services, being part of

Insurance operations, have been declared as essential services and accordingly the Company has faced no business interruption on account of the lockdowns. The management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 pandemic on the Group and has taken into account all the possible impact of known events arising out of the same. The ongoing COVID-19 situation may result in some changes in the overall economic and market

conditions, which may have an impact on the operations of the Company going forward, however the Company is closely monitoring its operations on a continuous basis.

Based on the current assessment, management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of assets and liabilities is not material.

NOTE NO. 40

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. Broking, distribution and trading primarily comprises
 - a. Brokerage on dealing in shares, commodities, currency, derivatives and other securities on behalf of customers;
 - b. Proprietary trading in shares, commodities, currency, derivatives and other securities;
 - c. Clearing services;
 - d. Depository services rendered as depository participant;
 - e. Distribution of third party financial products;
 - f. Portfolio and wealth management;
 - g. Real estate broking and

- h. Mortgage and loan advisory and investment banking services
2. Insurance broking services primarily comprises providing services in life and non-life insurance products.
3. Financing services primarily comprises business of providing loans.

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

Geographical Segment:

The geographical segments have been identified by the location of the customers and business operations of the group and the same have been considered as secondary segments viz within India and Outside India.

NOTE NO. 40.01

Primary segment information

Particulars	(₹ in Lakhs)									
	Broking, Distribution and Trading		Insurance Broking		Financing		Elimination		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Segment revenue including other income										
External revenue	57,941.96	47,562.73	24,003.56	22,069.64	8,213.40	8,781.08	-	-	90,158.92	78,413.45
Inter segment revenue	2,169.26	3,283.32	559.54	465.57	-	1.34	(2,728.80)	(3,750.23)	-	-
Total	60,111.22	50,846.05	24,563.10	22,535.21	8,213.40	8,782.42	(2,728.80)	(3,750.23)	90,158.92	78,413.45
Expenses										
Fees and commission expenses	25,046.14	21,753.48	19,579.87	15,930.43	276.56	827.66	(325.93)	(335.27)	44,576.64	38,176.30
Employee benefits expenses	13,458.26	13,527.90	3,155.63	3,857.07	1,035.20	800.06	-	-	17,649.09	18,185.03
Finance costs	3,551.99	5,165.90	44.39	33.56	1,978.42	2,721.40	(1,338.90)	(1,929.31)	4,235.90	5,991.55
Depreciation and amortization	1,349.44	1,602.46	250.35	210.88	198.14	107.49	-	-	1,797.93	1,920.83
Impairment on financial instruments	493.69	21.00	1.73	1.05	2,125.88	1,253.34	(16.00)	(7.82)	2,605.30	1,267.57
Other expenses	4,712.76	7,018.26	936.33	1,022.62	380.97	428.07	(255.97)	(112.05)	5,774.09	8,356.90
Segment expense	48,612.28	49,089.00	23,968.30	21,055.61	5,995.17	6,138.02	(1,936.80)	(2,384.45)	76,638.95	73,898.18
Profit before share of profit/(loss) of joint venture and tax	11,498.94	1,757.05	594.80	1,479.60	2,218.23	2,644.40	(792.00)	(1,365.78)	13,519.97	4,515.27
Share in profit/(loss) in joint venture accounted using equity method of accounting	73.32	(0.76)	-	-	-	-	-	-	73.32	(0.76)
Profit before tax	11,572.26	1,756.29	594.80	1,479.60	2,218.23	2,644.40	(792.00)	(1,365.78)	13,593.29	4,514.51
Tax expense	2,999.84	927.29	9.32	410.01	576.69	791.04	-	-	3,585.85	2,128.34
Profit after tax	8,572.42	829.00	585.48	1,069.59	1,641.54	1,853.36	(792.00)	(1,365.78)	10,007.44	2,386.17
Other information										
Segment assets	1,80,088.43	1,30,222.78	9,192.89	9,396.65	58,980.80	51,811.63	(12,695.80)	(7,755.80)	2,35,566.32	1,83,675.26
Segment liabilities	1,43,867.86	1,02,724.88	4,792.95	4,594.29	25,449.38	19,887.27	(12,644.30)	(7,683.06)	1,61,465.89	1,19,523.38

NOTE NO. 40.02

Secondary segment information

Particulars	(₹ in Lakhs)	
	2020-21	2019-20
Segment revenue - external		
Within India	87,977.37	76,647.28
Outside India	2,181.55	1,766.17
Total	90,158.92	78,413.45
Other information		
Segment assets		
Within India	2,25,273.11	1,66,418.90
Outside India	10,293.21	17,256.36
Segment liabilities		
Within India	1,53,153.19	1,03,606.62
Outside India	8,312.70	15,916.77

NOTE NO. 41

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits have been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.

NOTE NO. 42

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

The accompanying notes form an integral part of the consolidated financial 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

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: 07th June, 2021

Sd/-
Vinod Kumar Jamar
Group CFO

Sd/-
Suman Kumar
Company Secretary

add spice to your investment portfolio

Commodity exchanges have longer trading hours

Pan India presence

Offline & Online trading facilities

Strong delivery handling team

Dedicated research team







Moneywise. Be wise.

SMC GLOBAL SECURITIES LIMITED

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