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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

Date: 03rd June, 2022

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
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Dear Sir/ Ma'am,

Subject: Annual Report along with Notice of Annual General Meeting for the financial year ended 31st March, 2022.

Pursuant to Regulation 34 and Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submitting the Annual Report including Business Responsibility Report of the Company for the financial year 2021-22 along with Notice of 28th Annual General Meeting scheduled to be held on Saturday, 25th June, 2022 through VC /OAVM at 11:00 A.M., which is already being sent to the Members, who have registered their e-mail addresses with the Company/ Depositories, through electronic mode.

Annual Report and the Notice of Annual General Meeting are also uploaded on the Company's website at <https://smcindiaonline.com/investors/> 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/>.

We would like to inform you that in respect of the 28th Annual General Meeting to be held on Saturday, 25th June, 2022, the voting rights of the members/beneficial owners shall be in proportion to their shares in total paid up share capital of the Company as on the cut-off date i.e. 18th June, 2022.

Kindly take the same on your record.

For SMC Global Securities Limited


Suman Kumar

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

KOLKATA OFFICE: 18, Rabindra Sarani, Poddar Court, Gate No. 4, 5th Floor, Kolkata - 700001 Ph : +91-33-66127000 Fax : +91-33-66127004
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 28th Annual General Meeting

NOTICE IS HEREBY GIVEN

THAT the Twenty Eighth (28th) Annual General Meeting of the Shareholders of **SMC Global Securities Limited (the 'Company')** will be held on **Saturday, June 25, 2022 at 11:00 A.M.** through Video Conferencing (VC)/other audio visual means (OAVM) in conformity with the regulatory provisions and Circulars issued by Ministry of Corporate Affairs, to transact following business (es):

ORDINARY BUSINESS (ES):**Item No. 1: Adoption of Annual Financial Statements**

To receive, consider and adopt the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2022 together with the Director's and Auditor's Reports thereon.

Item No. 2: Declaration of Final Dividend:

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 during the year and declare a Final Dividend of 60% on the Face Value of the Equity Share (i.e. ₹ 1.20 per Equity Shares of Face Value of ₹ 2/- each) for the Financial Year 2021-22.

Item No. 3: Re-appointment of Mr. Ajay Garg, Director and Chief Executive Officer (DIN: 00003166) who retires by rotation:

To appoint a Director in place of Mr. Ajay Garg, (DIN: 00003166), Director & Chief Executive Officer who retires by rotation at this Annual General Meeting, in terms of Section 152(6) of Companies Act, 2013 and being eligible,

offers himself for re-appointment.

SPECIAL BUSINESS (ES):**Item No. 4: Re-appointment of Mr. Mahesh Chand Gupta (DIN: 00003082) as Vice-Chairman & Managing Director 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 Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the Act) read with allied Rules framed there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s),

amendment(s) or re-enactment(s) thereof, for the time being in force], Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors, and subject to any required regulatory approvals and applicable conditions thereof, the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Mahesh C. Gupta (DIN:00003082) Vice Chairman and Managing Director whose term expires as Managing Director of the Company on 31st August, 2022 for a period of 5 (Five) consecutive years with effect from 1st September, 2022 to 31st August, 2027, whose office shall not be liable to retire by rotation, upon the approved terms and conditions including remuneration payable from time to time, which at all times, shall be within the limits of the Act or any statutory amendment(s) and/or modification(s) thereof, as recommended by the Nomination and Remuneration Committee of the Board of Directors and as set out in the Explanatory Statement of the Notice of Annual General Meeting.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the Company may, for three years or such lesser period as is available in his tenure, pay to him such remuneration as minimum remuneration as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 from time to time.

RESOLVED FURTHER THAT the Board of Directors be are hereby authorized to alter and vary the terms and conditions, from time to time, in such manner as the Board may deem fit, subject to the overall limit of remuneration approved by the shareholders.

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable to give effect to the aforementioned resolution.”

Item No. 5: Re-appointment of Mr. Naveen ND Gupta (DIN: 00271748) as Independent Director (Non-Executive) of the Company:

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 149, 150, 152 and other applicable provisions read with Schedule IV of the Companies Act, 2013 ('the Act') (including any statutory modification and enactments, thereof) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force and pursuant to the recommendation of the Nomination & Remuneration Committee and Board of Directors and subject to any required regulatory approvals and applicable conditions thereof and in respect of whom the Company has received a notice in writing from a Member in terms of

section 160 of the Companies Act, 2013 proposing his candidature, the approval of the Members of the Company be and is hereby accorded for reappointment of Mr. Naveen ND Gupta (DIN: 00271748) who holds office of Independent Director upto 30th January, 2023 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and who is eligible to be appointed as an Independent Director on the Board of the Company, be and is hereby reappointed for a second term of five (5) consecutive years i.e. from 31st January, 2023 to 30th January, 2028, whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary,

proper or desirable to give effect to the aforementioned resolution.”

Item No. 6: Alteration of object clause of Memorandum of Association of the Company

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 of the Companies Act, 2013 read with its allied Rules, (including any modification or re-enactment thereof) and other applicable provisions of law and pursuant to approval of Board of Directors and such other authorities as may be required, the approval of the Shareholders of the Company be and is hereby accorded for insertion of Para 5 in Clause IIIA i.e. the Main object clause of the Memorandum of Association of the Company to read as follows:

“Subject to approval of the Securities and Exchange Board of India (SEBI) and any other regulatory/government authorities wherever required

and subject to the compliance with SEBI (Alternative Investment Funds) Regulations, 2012, SEBI (Portfolio Managers) Regulations, 2020 and any other applicable laws, regulations or rules, to act as investment advisors, asset/investment managers, co-investment portfolio manager, management consultants, financial consultants, trustee, settlor, sponsor of investment vehicles including alternative investment fund/s, to seek appropriate regulatory licensing and carry out activities as required and permitted by the concerned regulator/s and to render all other services/activities as are usually rendered by investment advisors, asset/investment managers, co-investment portfolio managers, management consultants, financial consultants, including support and incidental services, to clients in India and abroad.”

RESOLVED FURTHER THAT anyone amongst the Directors of the Company or the Company Secretary of the Company, be and are hereby

severally authorized to do all such acts, deeds, matters and things and to sign all such other documents, in each case, as they or any of them may deem necessary, proper or desirable (including without limitation making the appropriate e-filings with the Registrar of Companies, NCT of Delhi & Haryana/ Ministry of Corporate Affairs) or intimating/disclosing any other authority, in connection with the amendment of Memorandum of Association of the Company, as approved by the members of the Company.”

Item No. 7: Approval for increase in remuneration of Mr. Ajay Garg, Director and Chief Executive Officer of the Company

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 Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the

Act) read with allied Rules framed there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force], Articles of Association of the Company and pursuant to recommendation of Nomination and Remuneration Committee and the Board of Directors and any required regulatory approvals and applicable conditions thereof, and in furtherance to earlier resolution passed in the Extra Ordinary General Meeting held on 04th February, 2016, the approval of the shareholders of the Company be and is hereby accorded to increase the remuneration of Mr. Ajay Garg (DIN:00003166) Director and Chief Executive Officer from ₹ 6,50,000 (Rupees Six Lakhs and Fifty Thousand Only) per month to ₹ 9,00,000 (Rupees Nine Lakhs Only) per month, plus one month’s salary as bonus, which may be further increased up to an overall limit of ₹ 12,00,000 (Rupees

Twelve Lakhs Only) per month, plus one month’s salary as bonus, w.e.f. 1st April, 2022 which shall be within the limits specified under section 197 and Schedule V of the Act.

RESOLVED FURTHER THAT the Company shall have the absolute discretion to pay additional bonus/performance incentives to Mr. Ajay Garg in addition to his monthly remuneration, subject to the condition that the total remuneration payable to him does not exceed the limits specified under Companies Act, 2013.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the Company may, for three years or such lesser period as is available in his tenure, pay to him such remuneration as minimum remuneration as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 from time to time.

RESOLVED FURTHER THAT

save and except as aforesaid, all other existing terms and conditions of appointment and remuneration of Mr. Ajay Garg passed at the Extra Ordinary General Meeting of the Company held on 4th February, 2016 and any subsequent alterations made by the Board of Directors, under the authority granted the members, shall continue to remain in full force and effect.

RESOLVED FURTHER THAT

the Board shall have the discretion and authority to modify the aforesaid terms and remuneration, within, the limit as approved by the Members.

RESOLVED FURTHER THAT

any of the Directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable to give effect to the aforementioned resolution."

Item No. 8: Approval for increase in remuneration of Mrs. Reema Garg, Chief

Human Resource Officer of the Company and occupying office or place of profit in the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with rule 15 Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), pursuant to the recommendation of Nomination and Remuneration Committee, Audit Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for increase in remuneration of Mrs. Reema Garg, who is relative of Mr. Ajay Garg, Director & Chief Executive Officer of the Company and holding office or place of profit as Chief

Human Resource Officer and Senior Management Personnel of the Company from ₹2,50,000 (Rupees Two Lakhs Fifty Thousand Only) per month to ₹4,00,000 (Rupees Four Lakhs Only) per month, plus one month's salary as bonus which may further be increased up to an overall limit of ₹ 5,00,000/- (Rupees Five Lakh Only) per month, plus one month's salary as bonus on such terms and conditions as determined by the Nomination and Remuneration Committee, Audit Committee and the Board of Directors effective from 01st April, 2022.

RESOLVED FURTHER THAT

any of the Directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable to give effect to the aforementioned resolution."

Item No. 9: Approval for increase in remuneration of Mrs. Nidhi Bansal, Regional Director- West of the

Company and occupying office or place of profit in the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with rule 15 Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), pursuant to the recommendation of Nomination and Remuneration Committee, Audit Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for increase in remuneration of Mrs. Nidhi Bansal, who is relative of Mr. Anurag Bansal, Whole Time Director of the Company and holding office or place of profit as Regional Director- West in the Company, from ₹ 2,50,000 (Rupees Two Lakhs

Fifty Thousand Only) per month to ₹ 4,00,000 (Rupees Four Lakhs Only) per month, plus one month's salary as bonus which may further be increased an overall limit of upto ₹ 5,00,000/- (Rupees Five Lakh Only) per month, plus one month's salary as bonus, on such terms and conditions as determined by the Nomination and Remuneration Committee and the Board of Directors and subject to alteration and variation in the terms and conditions by the Board of Directors within the limits approved by the Members effective from 1st April, 2022.

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable to give effect to the aforementioned resolution.”

Item No. 10: Appointment of Mrs. Neha Aggarwal, as Vice President in the Company i.e. at office or place of profit in the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with rule 15 Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), pursuant to the recommendation of Audit Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded for appointment of Mrs. Neha Aggarwal, who is relative of Mr. Damodar Krishan Aggarwal, Promoter of the Company, to hold an office or place of profit as Vice President of the Company at monthly remuneration of ₹ 2,50,000 (Rupees Two Lakhs and Fifty Thousand Only) plus one month's salary as bonus, which may further may be further increased upto an overall limit of ₹ 5,00,000/-

(Rupees Five Lakh Only) plus one month salary as bonus with effect from 18th April, 2022 on such terms and conditions as set out in the explanatory statement attached hereto, subject to alteration and variation in the terms and conditions by the Board of Directors within the limits approved by the Members w.e.f. 18th April, 2022.

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable to give effect to the aforementioned resolution.”

Item No. 11: Appointment of Mr. Anuj Kansal, at office or place of profit in the Company:

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

“**RESOLVED THAT** pursuant to the provisions of Section

188(1)(f) of the Companies Act, 2013 read with rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), pursuant to the recommendation of Audit Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded for appointment of Mr. Anuj Kansal, who is relative of Mr. Subhash Chand Aggarwal, Chairman & Managing Director of the Company, to hold an office or place of profit as Head- HFT of the Company at monthly remuneration of ₹ 5,00,000 (Rupees Five Lakhs Only) plus one month’s salary as bonus which may be further increased upto ₹ 10,00,000/- (Rupees Ten Lakhs Only) plus one month’s salary as bonus and shall be entitled to an incentive of 25% on the profits earned on the strategies developed by him, which shall be over and above the monthly remuneration payable to him and shall be

on such terms and conditions as determined by the Board of Directors and shall be subject to alteration and variation by the Board of Directors within the limits approved by the members w.e.f. 18th April, 2022.

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable to give effect to the aforementioned resolution.”

Item No. 12: Approval for increase in remuneration in remuneration of Mr. Ayush Aggarwal, Fund Manager who is appointed in office or place of profit in the Company:

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

“**RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with rule 15

Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), pursuant to the recommendation of Audit Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for increase in remuneration of Mr. Ayush Aggarwal, who relative of Mr. Damodar Krishan Aggarwal, Promoter of the Company, holding

office or place of profit as Fund Manager in the Company, from a remuneration of ₹ 2,50,000 (Rupees Two Lakhs and Fifty Thousand Only) per month to ₹ 4,00,000 (Rupees Four Lakhs Only) per month plus bonus equivalent to one month's salary which may further be increased upto an overall monthly remuneration limit of ₹ 5,00,000/- (Rupees Five Lakh Only) per month, plus one month's salary as bonus, on such terms and conditions as determined by the Board of Directors and subject to alteration and

variation in the terms and conditions by the Board of Directors within the limits approved by the Members effective from 1st April, 2022.

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable to give effect to the aforementioned resolution."

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

Sd/-

**Suman Kumar
Executive Vice President
(Corporate Affairs) & Company Secretary**

Date: 7th May, 2022

Place: Kathmandu, Nepal

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the special business under item no. 4 to 12 of the accompanying Notice, is annexed thereto. The Board of Directors of the Company at its meeting held on 7th May, 2022 considered that the special businesses mentioned in the Notice are required to be transacted at the 28th AGM of the Company.
 2. Considering the continued COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular dated May 5, 2020, April 8, 2020 and April 13, 2020 and recent circular dated December 14, 2021 and May 5, 2022 (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 till 31st December, 2022. 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 i.e. 11/6B, Shanti Chamber, Pusa Road, New Delhi- 110005.
 3. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.
 4. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed and therefore the facility for appointment of proxies by the members under section 105 of the Act will not be available for the 28th AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
- However, in pursuance of section 112 and 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-voting, for participation in the 28th AGM through VC/OAVM facility and e-voting.
5. Members may join the 28th AGM through VC/OAVM facility by following the procedure as mentioned in the notice which shall be kept open for the members from 10:30 AM IST i.e. 30 mins before the time scheduled to start the AGM and the Company may close the window for joining the facility, 30 mins after the scheduled time to start.
 6. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
 7. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of

- India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars, the Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the 28th AGM and facility for those members participating in the 28th AGM to cast vote through e-voting system at the AGM. Accordingly, the Company is providing the facility of voting before the AGM through the remote e-voting facility and facilitating voting at the AGM electronically through the instavote facility.
8. Corporate/Institutional members (i.e. other than Individuals, HUF, NRI, etc.) intending to attend the meeting in accordance with the terms of Section 113 of the Companies Act, 2013 are required to send scanned certified true copy (PDF format) of the board resolution/ power of attorney/ authority letter, etc. to the Scrutinizer at e-mail id: csarvindroy@rediffmail.com to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting.
9. Members who have questions or seeking clarifications on the Annual Report or on the proposals as contained in this Notice are requested to send e-mail to the Company at sumankumar@smcindiaonline.com on or before Tuesday, 21st June, 2022. This will enable the Company to compile the information and provide replies at the meeting.
10. The Company will allot time for members to express their views or give comments during the meeting. The members who wish to speak at the meeting need to register themselves as a speaker by sending an e-mail from their registered e-mail ID mentioning their name, DP ID and Client ID/ Folio number and mobile number, on e-mail ID at sumankumar@smcindiaonline.com on or before Tuesday, 21st June, 2022. Depending on the availability of time, the Company reserves the right to restrict the number of speakers at the meeting.
11. The members who have registered their e-mail addresses with the Company/their depository can cast their vote through remote e-voting or through the e-voting during the AGM using the process mentioned below for e-voting through electronic system means.
12. When a pre-registered speaker is invited to speak at the meeting, but he/she does not respond for more than 3 minutes, the next speaker will be invited to speak. Accordingly, all the speakers are requested to get connected to a device with good audio/video facility along with good internet speed.
13. 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.
14. In compliance with the MCA and SEBI Circulars, notice of the AGM along with the Annual Report 2021-22 is being sent through electronic mode to those members whose email addresses are registered with the Company/Depositories. Members holding shares in dematerialised form who have not updated their

email addresses are requested to contact their Depository Participant for updation of their email ID.

15. Members may please note that the AGM notice, annual reports as mentioned in the annual report are available on the Company's website at www.smcindiaonline.com on websites of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also on the website of CDSL and NSDL and also on the website of Linkin Time India Private Limited at <https://instavote.linkintime.co.in>
16. **The remote e-voting period will commence from 22nd June, 2022 (09:00 AM IST) and end on 24th June, 2022 (05:00 PM IST). During this period, members of the Company holding shares either in physical form or in demat form as on the cut off date of the purpose of voting i.e. 18th June, 2022 may cast their vote electronically. The voting right shall be in proportion to the share of each shareholder in the paid up equity share capital of the**

Company as on the aforementioned cut-off date.

17. 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 11th June, 2022 to 15th June, 2022 (Both days inclusive)**, for determining the names of members eligible for Final Dividend on Equity Shares, if declared, at the meeting.
18. Payment of dividend as recommended by the Board of Directors, if approved at the meeting, will be made to those members whose names are on the Company's **Register of Members on 10th June, 2022 i.e. Record Date** and those whose names appear as Beneficial Owners as at the close of the business hours on 10th June, 2022 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository

Services (India) Limited (CDSL) for this purpose.

19. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source (TDS) from dividend paid to the members at the applicable rates.
20. Members holding shares in electronic form are advised to keep the bank details updated with the respective Depositories, viz. NSDL and CDSL. Member holding shares in physical form are requested to update bank details with the Company's Registrar and Share Transfer Agents.
21. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the

- Act will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection without any fee by the members from the date of circulation of this notice up to the date of AGM, i.e. 25th June, 2022 during business hours. Members seeking to inspect such documents may send a request on the email id at sumankumar@smcindiaonline.com at least one working day before the date on which they intend to inspect the document.
22. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules, 2017 notified by the Ministry of Corporate Affairs, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed by the members for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF) Suspense Account. Adhering to various requirements set out in the Rules, the Company has taken appropriate action for transferring the shares to the Demat Account opened by the IEPF Authority. The shares transferred to IEPF Suspense Account including all benefits accruing on such shares, if any, can be claimed by the members from IEPF Authority, after following the procedure prescribed under the Rules and as disclosed on the website of the Company at <https://smcindiaonline.com/wp-content/uploads/2021/05/Procedure-for-claiming-dividend-and-shares-from-IEPF-Authority-2.pdf>
23. In the previous year, the unpaid dividend and respective equity shares for interim dividend paid for the FY 2013-14 has been transferred to IEPF. During the year, the Company transferred ₹ 1,48,202.40 and ₹ 1,41,650.40 pertaining to Final Dividend of FY 2013-14 and Interim Dividend of FY 2014-15, respectively to the IEPF. Members who have not encashed their dividend warrants for last seven years are requested to write to the Company's Registrar and Share Transfer Agents and claim their dividends. The total amount of unclaimed dividend has been disclosed in the financial statements. Also, please find below the schedule of unpaid and unclaimed dividend along with the last date of transfer to the IEPF Authority for information and necessary action of the investors.

Sl.No.	Dividend and Year	% of Dividend Declared	Dividend Per Share	Date of Declaration	Date of creation of Unpaid Dividend Account	Last Date of Claim
1.	Final Dividend for FY 14-15	18%	0.36	1st June, 2015	3rd July, 2015	2nd July, 2022
2.	Interim Dividend for FY 15-16	12%	0.24	3rd November, 2015	4th December, 2015	3rd December, 2022
3.	Final Dividend for FY 15-16	18%	0.36	16th July, 2016	16th August, 2016	15th August, 2023
4.	Interim Dividend for FY 16-17	18%	0.36	29th November, 2016	2nd January, 2017	1st January, 2024
5.	Final Dividend for FY 16-17	24%	0.48	29th July, 2017	30th August, 2017	29th August, 2024
6.	Interim Dividend for FY 17-18	24%	0.48	14th August, 2017	20th September, 2017	19th September, 2024
7.	Final Dividend for FY 17-18	24%	0.48	21st July, 2018	27th August, 2018	26th August, 2025
8.	Interim Dividend for FY 18-19	24%	0.48	7th December, 2018	9th January, 2019	8th January, 2026
9.	Final Dividend for FY 18-19	24%	0.48	28th September, 2019	1st November, 2019	31st October, 2026
10.	Interim Dividend for FY 19-20	36%	0.72	4th February, 2020	7th March, 2020	6th March, 2027
11.	Final Dividend for FY 19-20	12%	0.24	30th September, 2020	2nd November, 2020	1st November, 2027
12.	Interim Dividend for FY 2020-21	60%	1.20	10th February, 2021	15th March, 2021	14th March, 2028
13.	Final Dividend for FY 2020-21	40%	0.80	7th August, 2021	8th September, 2021	7th September, 2028
14.	Interim Dividend for FY 21-22	60%	1.20	8th November, 2021	13th December, 2021	12th December, 2028
15.	Final Dividend for FY 21-22	60%	1.20	25th June, 2022*	-	-

*Recommended to the Members for approval in the 28th Annual General Meeting of the Company

24. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 Shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Directors, Key Managerial Personnel, the Chairperson(s) of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.
25. The Company will avail the services of Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company as the authorized agency for conducting the AGM through VC/OAVM and providing the e-voting facility.
26. As a part of the green initiatives, the Members who have not yet registered their E-mail addresses are requested to register their E-mail addresses with their DPs in case the shares are held by them in electronic form and with Link Intime India Private Limited in case the shares are held by them in physical form. Upon such registration, all communication from the Company/RTA will be sent to the registered email address.
27. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
28. In compliance with the aforesaid MCA Circulars, the Company will also publish a public notice by way of an advertisement to be made on 30th May, 2022 preferably in the newspaper editions of Financial Express and Jansatta, both having nation wide circulation along with their electronic editions, as required inter alia, advising the members whose e-mail ids are not registered with the Company, its Registrar and Share Transfer Agent (RTA) or Depository Participant(s) (DPs) as the case may be, to register their e-mail ids with them.
29. Recorded transcript of the Meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company.
30. Pursuant to Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 (SS-2) on General Meetings, details of directors seeking appointment / reappointment at the Annual General Meeting are furnished in Annexure A which forms part of the notice.
31. The members who have not yet registered their e-mail ids with the Company may contact to the

- Company at smc@smcindiaonline.com, or RTA at delhi@linkintime.co.in or at Company's Tel No. +91-11-30111000 or at RTA's Tel No. +91-11-41410592 for registering their e-mail ids on or before [may keep a date similar to the cut-off date fixed for entitling the members to cast their vote].
32. The Company shall send the Notice to such members whose e-mail ids get registered within the aforesaid time enabling them to participate in the meeting and cast their votes.
33. 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.
34. Company will disclose 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.
35. The Members of the Company are hereby informed that SEBI vide its notification no. SEBI/LAD/NRO/GN/2018/24 dated 8th June, 2018 & notification no. SEBI/LADNRO/GN/2018/49 dated 30th November, 2018 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2022 ('Amendment Regulations, 2022') dated 24th January, 2022 has amended the provisions of Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which provides that from 1st April, 2019 transfer of securities would not be processed unless the securities are held in dematerialized form with a depository. Further, the Amendment Regulations, 2022 has also restricted transmission or transposition of securities in physical form. In view of the same, the shares cannot be transferred/transmitted in the physical mode. Hence, all the members holding shares in physical form are requested to dematerialize their holdings immediately. Please be informed that the restriction imposed by SEBI is only on transfer, transmission & transposition of shares, hence, the members at its own discretion might hold the shares in physical form. Further, in order to protect the interests of the investors in the securities

- market and to curb fraud and manipulation involved in physical transfer, transmission & transposition of securities by unscrupulous entities, it is imperative to mandate compulsory holding of securities in dematerialized form for effecting transfer. Hence, dematerialization of shares is highly recommended and all the shareholders are requested to do the same.
36. 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.
37. The Company/RTA has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/ HO/MIRSD /MIRSD_RTAMB/P/CIR/20 21/655 dated November 3, 2021. The aforesaid communication is also intimated to the stock exchanges and available on the website of the Company. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication under the web link at https://smcindiaonline.com/wp-content/uploads/2022/02/Write-up_Norms-for-investors-service-request.pdf.
38. 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.
39. 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.

40. Members may please note that all investor related communication may be addressed to the Registrar and Share Transfer Agent at the following address:

Link Intime India Private Limited Unit:

SMC Global Securities Limited LINK
INTIME INDIA PVT 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:

- (i) the R&T Agent of the Company, viz. Link Intime India Pvt. Ltd., if shares are held in physical form; and
- (ii) their respective Depository Participant (DP), if shares are held in electronic form.

41. 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.

42. Any person who acquires shares and becomes the member of the Company after the dispatch of the notice of e-AGM on the basis of the cut-off date of 27th May, 2022 i.e. for the purpose of issuance of Notice, 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 for e-voting i.e. 18th June, 2022 should treat the notice of the e-AGM available in public domain for information purpose only.

43. 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.

44. 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 18th June, 2022. i.e. the cut-off date for the purpose of evoting.
- 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.

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

A Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 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.

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
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<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 section. A new screen will open. You will have to enter your User ID and Password. • 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.

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<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 i.e. "LINK INTIME". • 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 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.
<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: - <ol 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.

Type of shareholders	Login Method
	<p>C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</p> <p>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <ul style="list-style-type: none"> Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above <p>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).</p> <p>Click "confirm" (Your password is now generated).</p> <ol style="list-style-type: none"> Click on 'Login' under 'SHARE HOLDER' tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. After successful login, you will be able to see the notification for e-voting. Select 'View' icon. E-voting page will appear. 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). 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 & e-voting 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 022-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-voting 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 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:

1. 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.

**EXPLANATORY STATEMENT SETTING
OUT ALL MATERIAL FACTS CONCERNING
EACH OF THE SPECIAL BUSINESS (ES)
TO BE TRANSACTED AT THE 28TH
ANNUAL GENERAL MEETING OF THE
COMPANY**

**[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 special business mentioned in item no. 4, 5, 6, 7, 8, 9, 10, 11, 12 in the accompanying Notice of the Annual General Meeting are annexed herewith:-

ITEM NO. 4: Re-appointment of Mr. Mahesh C. Gupta (DIN: 00003082) as Vice- Chairman & Managing Director of the Company:

Mr. Mahesh C. Gupta (DIN 00003082) was appointed as a Vice-Chairman and Managing Director of the Company by the members of the Company at the 23rd AGM for a term of 5 (five) years from 01st September, 2017 to 31st August, 2022. The term of appointment of Mr. Mahesh C. Gupta as a Managing Director in terms of section 196 and 197 of the Companies Act, 2013 is expiring on 31st August, 2022. Considering the whole hearted sincerity and commitment of Mr. Mahesh C.

Gupta in the development and growth of the Company, the Board of Directors pursuant to the recommendation of Nomination and Remuneration Committee recommends reappointment of Mr. Mahesh C. Gupta as the Managing Director of the Company for a further tenure of 5 (five) years i.e. from 1st September, 2022 to 31st August, 2027.

Accordingly, the approval of the shareholders is sought for re-appointment of Mr. Mahesh C. Gupta as the Managing Director of the Company for a further period of 5 (five) years i.e. from 1st September, 2022 to 31st August, 2027. In this regard, the remuneration payable to Mr. Mahesh C. Gupta shall be as determined by the Board of Directors but within the overall limits approved by the shareholders of the Company and in accordance with the applicable provisions of the Companies Act, 2013 and rules made thereunder.

The Members are also informed that during the proposed extended tenure of appointment of Mr. Mahesh C. Gupta, the Vice Chairman and Managing Director shall attain the age of 70 (seventy) years. Hence, the Members are recommended to approve the same in accordance with the provisions of Companies Act, 2013.

The information required under the Section II of Part II of the Schedule V of the Companies Act, 2013 is given below:

Term of re-appointment

1st September, 2022 to 31st August, 2027.

Information about Mr. Mahesh C. Gupta

Particulars	Details
Background details	Mr. Mahesh C. Gupta is a fellow member of the Institute of Chartered Accountants of India and has more than 30 years' experience in the field of Securities Markets and Financial Services. He is promoter and co-founder of SMC Group and has been associated with the Company as the backbone since its inception.
Past remuneration	Monthly remuneration of ₹13,00,000 per month (Rupees Thirteen Lakhs Only)
Recognition or awards	NIL
Job profile and his suitability	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. He possesses good knowledge about the intricacies of the Indian Stock Market and has an acclaimed exposure and experience in it of more than 30 years. He is an idealistic leader who has effectively handled all the matters and phases of the dynamic stock market. He oversees the policy, vision and diversification and strategic planning and ensures flawless performance of the Group.
Remuneration proposed	Currently, Mr. Mahesh C. Gupta is drawing a monthly remuneration of ₹ 13,00,000 (Rupees Thirteen Lakhs) per month which can be further increased upto ₹ 16,00,000 (Rupees Sixteen Lakhs Only) per month as approved by the shareholders in their meeting held on 7th June, 2021
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Mr. Mahesh C. Gupta is being re-appointed on the same terms and conditions, including remuneration, hence, the comparative analysis of remuneration are not applicable in the instant case.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Mr. Mahesh C. Gupta is also the promoter and co-founder of the Company. Mr. Mahesh C. Gupta holds 8248500 equity shares of the Company amounting to 7.29% of total shareholding in the Company. He does not have any pecuniary relationship with any managerial personnel of the Company. Mr. Himanshu Gupta, son of Mr. Mahesh C. Gupta is the Director of the Company.

Remuneration

In so far as the remuneration of Mr. Mahesh C Gupta, Vice Chairman and Managing Director is concerned, the Members have by way of a Special Resolution at the Extra-Ordinary General Meeting held on 28th September, 2019 approved payment upto INR 16,00,000 (Rupees Sixteen Lakhs Only) per month to Mr. Mahesh C. Gupta which is within overall limit as prescribed under Schedule V of the Companies Act, 2013 and delegated the authority to the Board of Directors amend and alter the remuneration of Mr. Gupta within the approved maximum limits.

Where in any financial year during the currency of the tenure of Mr. Mahesh C. Gupta as Managing Director, the Company has no profits or its profits are inadequate, it will pay to Mr. Gupta in respect of such financial years in which such inadequacy or loss arises or a period of three years, whichever is lower, the remuneration as set out above by way of consolidated salary, perquisites and allowances as minimum remuneration, in

accordance with the provisions of Section 197 and / or Schedule V of the Act or such higher limit as may be approved by the Central Government or other appropriate authority, if any, required in this regard.

Pursuant to the provisions of Schedule V of the Companies Act, 2013, the following information is being provided to the Members. The Board will provide other information (which is not available as on the date of this Notice) in the year in which Schedule V will be applicable due to having inadequate profit or loss in the Company.

Perquisites/Benefits

The Managing Director shall be entitled to perquisites like benefit as per Company's Policy and shall be subject to the condition that the total remuneration shall not exceed the maximum remuneration approved by the shareholders in accordance with the limits prescribed under Schedule V of the Companies Act, 2013.

Information required under Schedule V of the Companies Act, 2013**General Information**

- i. Nature of industry -Financial Services (Stock Broking)
 ii. Date of commencement of commercial production- Not Applicable
 iii. Financial performance based on given indicators

(₹ in Lakhs)

Particulars	Standalone Basis For the year ended 31st March, 2022	Consolidated Basis For the year ended 31st March, 2022	Standalone Basis For the year ended 31st March, 2021	Consolidated Basis For the year ended 31st March, 2021
Revenue from Operations (net)	66,994.06	1,10,632.94	50,129.98	90,126.74
Other Income	1,415.55	1,449.14	1,967.18	693.37
Total Income	68,409.61	1,12,082.08	52,097.16	90,820.11
Total Expense	50,192.66	89,942.54	41,573.56	76,638.95
Profit Before Tax	18,216.95	22,138.58	10,523.60	14,254.48
Profit After Tax	14,461.03	17,456.85	7,494.29	10,501.53

- iv. Foreign investments or collaborations, if any - Nil.

III. Other information

- (1) **Reasons for loss or inadequate profits**
 The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/ loss arises.
- (2) **Steps taken or proposed to be taken for improvement:**
 The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/ loss arises.
- (3) **Expected increase in productivity and profits in measurable terms:**
 The related information will be provided in the Board's Report prepared for the

relevant year in which inadequate profit/ loss arises.

IV. Disclosures:

Disclosures pursuant to Schedule V of the Act are given in the Explanatory Statement hereinbefore and in the Corporate Governance Report which is annexed to the Board's Report.

Other disclosures required under the Act, Secretarial Standard-2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) have been provided as an Annexure to this Notice. Your Board of Directors recommends passing of Special Resolution for re-appointment of Mr. Mahesh C. Gupta as the Vice Chairman

and Managing Director of the Company for another term of five consecutive years i.e. from 1st September, 2022 to 31st August, 2027 as set out in item no. 4 of the accompanying Notice.

Except Mr. Mahesh C. Gupta and his

relatives, none of the Directors or the Key Managerial Personnel of the Company is concerned or interested financially or otherwise in the said resolutions except to the extent of their shareholding in the Company or their interest as Director.

ITEM NO. 5: Re-appointment of Mr. Naveen ND Gupta (DIN: 00271748) as Independent Director (Non-Executive) of the Company:

Mr. Naveen ND Gupta (DIN: 00271748) was appointed as an Independent Non- Executive Director of the Company by the members at the 24th AGM of the Company held on 21st July, 2018 for a period of five consecutive years commencing from 31st January, 2018 upto 30th January, 2023. Accordingly, the tenure of Mr. Naveen ND Gupta as an Independent Director is due for expiry on 30th January, 2023. As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re- appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

The Nomination and Remuneration Committee of the Company considered the performance of Mr. Naveen ND Gupta as a Member of the Board/Committees of the Company as an Independent Director. The Committee also considered his educational background and rich professional experience in the areas of

finance as an added advantage to the Company. Accordingly, the Committee is of the view that Mr. Naveen ND Gupta fulfills the criteria of skills and capabilities required on the Board and that his continued association would be beneficial to the Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Gupta, being eligible for re-appointment as an Independent Director, is proposed to be re- appointed as an Independent Director for second term of five consecutive years from 31st January, 2023 upto 30th January, 2028. The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also received his consent for continuation to act as an Independent Director in the Company, if so

appointed by the members in their meeting.

After taking into account the performance evaluation, during his first term of five years and considering the knowledge, acumen, expertise and experience in respective fields and the substantial contribution of Mr. Naveen ND Gupta, the Board is of the opinion that Mr. Naveen ND Gupta fulfills the conditions specified in the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Naveen ND Gupta an Independent Director and accordingly at its meeting held on 7th May, 2022, recommended reappointment of Mr. Naveen ND Gupta.

The Company has received a notice in writing under Section 160 of the Companies Act, 2013, from Mr. Himanshu Gupta, Member and Director of the Company, proposing the candidature of Mr. Gupta for the office of Independent Director of the Company, not liable to retire by rotation.

The Company has received from Mr. Gupta (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) intimation in Form DIR-8 in terms of the Companies (Appointment and

Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. Mr. Gupta has confirmed that he has not been debarred from holding office of a Director by virtue of any Order passed by SEBI or any other such authority. Further, Mr. Gupta has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company.

Mr. Naveen ND Gupta is Member of Audit Committee and Nomination and Remuneration Committee of the Company. Mr. Gupta does not hold any shares of the Company.

The Details of Mr. Naveen ND Gupta is provided in the Annexure- A to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The brief profile of the director can be referred at www.smcindiaonline.com.

The Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Naveen ND Gupta as an Independent Director for another term of five consecutive years with effect from 31st January, 2023 to 30th

January, 2028, for the approval by the members of the Company.

Except Mr. Naveen ND Gupta, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of the AGM for approval of the members. Mr. Naveen ND Gupta is not related to any Director of the Company.

ITEM NO. 6: Alteration of object clause of Memorandum of Association of the Company

The Members of the Company are hereby informed that the Company is proposing to incorporate an Alternative Investment Fund (AIF) Category III which is to be registered with SEBI in the form of a trust or company or limited liability partnership or body corporate in accordance with the provisions of SEBI (Alternate Investment Funds) Regulations, 2012. In this regard, the Company is intending to act as an Investment Manager of the AIF and accordingly, the object clause of the Memorandum of Association needs to be amended to include the said business object. The Company recommends alteration in object clause of its Memorandum of Association by way of addition of one more sub-clause i.e. sub-clause no. 5 in Clause III (A) with respect to the main object clause of Memorandum of Association of the Company.

Sub-clause 5 in Clause III (A) of Memorandum of Association of the Company shall contain object relating to establishment of Alternate

Investment Fund (AIF) and acting investment advisors, asset/investment managers, co-investment portfolio manager, management consultants, financial consultants, trustee, settlor, sponsor of investment vehicles including alternative investment fund/s, to seek appropriate regulatory licensing and carry out activities as required and permitted by the concerned regulator/s and to render all other services/activities as are usually rendered by investment advisors, asset/investment managers, co-investment portfolio managers, management consultants, financial consultants, including support and incidental services, to clients in India and abroad subject to the approval and compliance of applicable laws of SEBI and other regulators.

The copy of the Memorandum of Association proposed for approval, would be available for inspection electronically at www.smcindiaonline.com.

In terms of Section 4 and 13 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for proposed amendments in the Memorandum of Association of the Company. Your Directors recommend passing of this resolution by way of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolutions set out in Item No. 6, except to the extent of their shareholding in the Company. Accordingly, the Board recommends the Special Resolution as

set out in item no. 6 for approval of the members.

ITEM NO. 7: Approval for increase in remuneration of Mr. Ajay Garg, Director and Chief Executive Officer of the Company

The Members of the Company are hereby informed that at the Extra Ordinary General Meeting of the Company held on 4th February, 2016 approved increase in remuneration of Mr. Ajay Garg who was a Whole Time Director at that time, upto a limit of ₹8,00,000 per month, excluding bonus. Further, in the Meeting of Board of Directors held on 14th May, 2018, the Board approved change in designation of Mr. Ajay Garg from Whole Time Director to Director and Chief Executive Officer of the Company on same terms and conditions as approved by the Members, and in accordance with the provisions of the Companies Act, 2013.

In this regard, the Board of Directors on the recommendation of the Nomination and Remuneration Committee is proposing to increase the maximum limit of remuneration of Mr. Ajay Garg from INR 8,00,000 per month to INR 12,00,000 per month subject to the condition that it does not exceeds the limits prescribed under the Companies Act, 2013 or any law made thereunder.

In accordance with the aforesaid and pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the Act) read with allied Rules framed there under and SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force] the approval of shareholders is required in case the remuneration proposed to be paid exceeds the limit approved by the shareholders. Hence, the approval of the shareholders of the Company is sought for payment of remuneration upto INR 12,00,000 per month, including one month's salary as bonus, to Mr. Ajay Garg, Director and Chief Executive Officer subject to the condition that it does not exceeds the limits prescribed under the abovementioned sections and Schedule V of the Companies Act, 2013.

Pursuant to the applicable provisions of the Companies Act, 2013 and relevant Rules made thereunder, the consent of the Members is sought by way of a Special Resolution.

Except Mr. Ajay Garg, Director & CEO 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 recommends passing of the Special Resolution for Item No. 7 of the Notice.

ITEM NO. 8: Approval for increase in remuneration of Mrs. Reema Garg, Chief Human Resource Officer of the Company and occupying office or place of profit in the Company:

The Members of the Company are hereby

informed that the Nomination and Remuneration Committee, Audit Committee and the Board of Directors at their meeting held on 7th May, 2022 has approved and recommended increase in remuneration of Mrs. Reema Garg, Chief Human Resource Officer of the Company from ₹ 2,50,000 (Rupees Two Lakh and Fifty Thousand Only) per month to ₹ 4,00,000 (Four Lakhs Only) per month, plus one month's salary as bonus, which may be further increased up to an overall limit of ₹ 5,00,000/- (Rupees Five Lakh Only) per month plus one month's salary in terms of the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Mrs. Reema Garg is a relative of Mr. Ajay Garg, Director and Chief Executive Officer of the Company. Mr. Reema Garg, is Chief Human Resource Officer and Senior Management Personnel in the Company. Pursuant to the provisions of Section 188(1) (f) of the Companies Act, 2013 read with Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014, where a Director or relative of a director is appointed to an office or a place of profit under the Company or a subsidiary of the Company and their monthly remuneration exceeds ₹2,50,000 (Rupees Two Lakhs and Fifty Thousand Only), the approval of the members of the Company is required.

Accordingly, the members of the Company are hereby requested to pass an Ordinary Resolution for increase in remuneration of Mrs. Reema Garg, relative of Mr. Ajay Garg, Director & CEO of the Company, holding office or place of profit as Chief Human Resource Officer and Senior Management Personnel of the Company from ₹ 2,50,000 (Rupees Two Lakh and Fifty Thousand Only) per month to ₹ 4,00,000 (Rupees Four Lakhs Only) per month, plus one month's salary as bonus, which may be further increased up to an overall limit of ₹ 5,00,000/- (Rupees Five Lakh Only) per month plus one month's salary on such terms and conditions as approved by the Board of Directors w.e.f. 1st April, 2022.

The Members of the Company are informed that the appointment and increase in remuneration of Mrs. Reema Garg who is holding office and place of profit in the Company is in the ordinary course of business and at arm's length basis.

The brief profile of Mrs. Reema Garg is available at the website at www.smcindiaonline.com for reference of the Members. Also, 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;	Mrs. Reema Garg
b) Name of the Director or Key Managerial Personnel who is related, if any;	Mrs. Reema Garg is wife of Mr. Ajay Garg, Director & Chief Executive Office
c) Nature of Relationship;	Mr. Ajay Garg (Director & Chief Executive Office is husband of Mrs Reema Garg)
d) Nature, Material terms, Monetary value and Particulars of the contract or arrangement;	<p>a) Mrs. Reema Garg is holding office and place of profit as Chief Human Resource Officer and Senior Management Personnel in the Company.</p> <p>b) The current remuneration of ₹ 2,50,000 (Rupees Two Lakhs and Fifty Thousand Only) per month is proposed to be increased to ₹ 4,00,000 (Rupees Four Lakhs Only) per month, plus one month's salary as bonus.</p> <p>c) The maximum limit of remuneration payable to Mrs. Reema Garg is proposed to be ₹5,00,000 (Rupees Five Lakhs Only) per month, excluding bonus.</p> <p>d) Other benefits, perquisites, allowances, amenities and facilities as applicable/ payable to other employees occupying similar position in the Company.</p>
e) Any other information relevant or important for the members to take a decision on the proposed resolution.	Mrs. Reema Garg has experience of more than 13 years in Human Resource Department. She holds Bachelor's Degree in B.Sc (Computer Science) from University of Delhi and Masters in Computer Applications. She is currently pursuing PHD in Human Resources.

Except Mr. Ajay Garg, Director & CEO 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 Ordinary Resolution.

ITEM NO. 9: Approval for increase in remuneration of Mrs. Nidhi Bansal, Regional Director- West of the Company and occupying office and place of profit in the Company:

The Members of the Company are hereby informed that the Audit Committee and the Board of Directors at their meeting held on 7th May, 2022 has approved and recommended

increase in remuneration of Mrs. Nidhi Bansal, Regional Director-West of the Company from ₹ 2,50,000 (Rupees Two Lakh and Fifty Thousand Only) per month to ₹ 4,00,000 (Rupees Four Lakhs Only) per month, plus one month's salary as bonus, which may be further increased up to an overall limit of ₹ 5,00,000/- (Rupees Five Lakh Only) per month plus one month's salary in terms of the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Mrs. Nidhi Bansal is a relative of Mr. Anurag Bansal, Whole Time Director of the Company. Pursuant to the provisions of Section 188(1) (f) of the Companies Act, 2013 read with Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014, where a Director or relative of a director is appointed to an office or a place of profit under the Company or a subsidiary of the Company and their monthly remuneration exceeds ₹ 2,50,000 (Rupees Two Lakhs and Fifty Thousand Only), the approval of the members of the Company is required.

Accordingly, the members of the Company are hereby requested to pass an Ordinary

Resolution for increase in remuneration of Mrs. Nidhi Bansal, relative of Mr. Anurag Bansal, Whole Time Director, holding office or place of profit as Regional Director-West of the Company from ₹ 2,50,000 (Rupees Two Lakh and Fifty Thousand Only) per month to ₹ 4,00,000 (Rupees Four Lakhs Only) per month, plus one month's salary as bonus, which may be further increased up to an overall limit of ₹ 5,00,000/- (Rupees Five Lakh Only) per month plus one month's on such terms and conditions as approved by the Board of Directors w.e.f. 1st April, 2022.

The Members of the Company are informed that the appointment and increase in remuneration of Mrs. Nidhi Bansal who is holding office and place of profit in the Company is in the ordinary course of business and at arm's length basis.

The brief profile of Mrs. Nidhi Bansal is available at the website of the Company at www.smcindiaonline.com for the reference of the Members. Also, 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;	Mrs. Nidhi Bansal
b) Name of the Director or Key Managerial Personnel who is related, if any;	Mr. Anurag Bansal (Whole Time Director)
c) Nature of Relationship;	Mrs. Nidhi Bansal is wife of Mr. Anurag Bansal
d) Nature, Material terms, Monetary value and Particulars of the contract or arrangement;	<p>a) Mrs. Nidhi Bansal is holding office and place of profit as Regional Director - West in the Company.</p> <p>b) The current remuneration of ₹ 2,50,000 (Rupees Two Lakhs and Fifty Thousand Only) per month is proposed to be increased to ₹ 4,00,000 (Rupees Four Lakhs Only) per month, plus one month's salary as bonus.</p>

Particulars	Specification
	<p>c) The maximum limit of remuneration payable to Mrs. Nidhi Bansal is proposed to be ₹ 5,00,000 (Rupees Five Lakhs Only) per month, excluding bonus.</p> <p>d) Other benefits, perquisites, allowances, amenities and facilities, as applicable / payable to the other employees occupying similar position in the Company</p>
<p>e) Any other information relevant or important for the members to take a decision on the proposed resolution.</p>	<p>Mrs. Nidhi Bansal is a graduate in commerce and a fellow member of the Institute of Chartered Accountants of India (ICAI). She is heading the business development, operations and human resource section of the western zone of the Company.</p>

Except Mr. Anurag Bansal, Whole Time 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 Ordinary Resolution

ITEM NO. 10: Appointment of Mrs. Neha Aggarwal, as Vice President in the Company i.e. at office or place of profit in the Company

The Members of the Company are hereby informed that the Audit Committee and the Board of Directors at their meeting held on 7th May, 2022 has approved appointment of Mrs. Neha Aggarwal, relative of Mr. Damodar Krishan Aggarwal, Promoter of the Company as Vice President in the Company with a remuneration ₹ 2,50,000 (Rupees Two Lakh Fifty Thousand) per month, plus one month's salary as bonus, which may be further increased up to an overall limit of 5,00,000 (Rupees Five Lakhs Only) plus one month's salary as bonus.

Mrs. Neha Aggarwal is a relative of Mr. Damodar Krishan Aggarwal, Promoter of the Company. Pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014, where a Director or relative of a director is appointed to an office or a

place of profit under the Company or a subsidiary of the Company and their monthly remuneration exceeds ₹ 2,50,000, the approval of the members of the Company is required.

Accordingly, the members of the Company are hereby requested to pass an Ordinary Resolution for appointment of Mrs. Neha Aggarwal, relative of Mr. Damodar Krishan Aggarwal, at a office or place of profit as Vice President of the Company at a remuneration of ₹ 2,50,000 (Two Lakh Fifty Thousand) per month, plus one month's salary as bonus, which may be further increased up to an overall limit of ₹ 5,00,000/- (Rupees Five Lakh Only) per month on such terms and conditions as approved by the Board of Directors w.e.f. 18th April, 2022.

The Members of the Company are informed that the appointment of Mrs. Neha Aggarwal who is holding office and place of profit in the Company is in the ordinary course of business and at arm's length basis.

The brief profile of Mrs. Neha Aggarwal is available at the website of the Company at www.smcindiaonline.com for reference of the Members. Also, 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;	Mrs. Neha Aggarwal
(b) Name of the Director or Key Managerial Personnel who is related, if any;	Mr. Damodar Krishan Aggarwal (Promoter of the Company)
c) Nature of Relationship;	Mrs. Neha Aggarwal is daughter in law of Mr. Damodar Krishan Aggarwal, Promoter of the Company.
d) Nature, Material terms, Monetary value and Particulars of the contract or arrangement;	<p>a) Mrs. Neha Aggarwal shall hold office or place of profit as Vice President in the Company.</p> <p>b) Appointment at a monthly remuneration of ₹ 2,50,000 (Two Lakh Fifty Thousand) per month, plus one month's salary as bonus,</p> <p>c) The maximum limit of remuneration payable to Mrs. Neha Aggarwal is proposed to be INR 5,00,000 per month, excluding bonus.</p> <p>d) Other benefits, perquisites, allowances, amenities and facilities, as applicable / payable to the other employees occupying similar position in the Company.</p>
e) Any other information relevant or important for the members to take a decision on the proposed resolution.	Mrs. Neha Aggarwal is an MBA from Symbiosis Centre for Distance Learning, Pune and a graduate from Sri Guru Gobind Singh College of Commerce, Delhi University. She also holds Diploma in Diet and Nutrition from JIMS, IP University and has done Summer Schooling from London School of Economics

None of the Directors and Key Managerial Personnel is 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 **Ordinary Resolution.**

ITEM NO. 11: Appointment of Mr. Anuj Kansal, as Head- HFT (High Frequency Trading) in the Company i.e. at office or place of profit in the Company:

The Members of the Company are hereby informed that the Audit Committee and the Board of Directors at their meeting held on 7th May, 2022 has approved appointment of Mr. Anuj Kansal, relative of Mr. Subhash Chand Aggarwal, Chairman and Managing Director in the Company as Head-HFT (High

Frequency Trading) with a remuneration upto INR 10,00,000/- (Rupees Ten Lakh Only) per month in terms of the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 w.e.f. 18th April, 2022.

Mr. Anuj Kansal is a relative of Mr. Subhash Chand Aggarwal, Chairman and Managing Director in the Company. Pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014, where a Director or relative of director is appointed to an office or a place of profit under the Company or a subsidiary of the Company and their monthly remuneration exceeds 2,50,000 (Rupees Two Lakhs and Fifty Thousand Only) plus

discretionary bonus/incentive of 25% on the profits earned by the strategies provided by him. the approval of the members of the Company is required.

Accordingly, the members of the Company are hereby requested to pass an Ordinary Resolution for appointment of Mr. Anuj Kansal, relative of Mr. Subhash Chand Aggarwal, at a office or place of profit as Head HFT of the Company at a remuneration of ₹ 5,00,000 (Rupees Five Lakhs Only) plus one month's salary as bonus and entitlement of 25% incentive on the profits earned on the strategies to be developed by him, which shall be over and above the monthly remuneration and shall be on such terms and conditions as determined by the Board of Directors subject to overall limit upto ₹ 10,00,000/- (Rupees Five Lakh Only) per month excluding bonus

and incentive as he may be entitled, subject to alteration and variation in the terms and conditions by the Board of Directors within the limits approved by the Members. and on such terms and conditions as approved by the Board of Directors.

The Members of the Company are informed that the appointment of Mr. Anuj Kansal who is holding office or place of profit in the Company is in the ordinary course of business and at arm's length basis.

The brief profile of Mr. Anuj Kansal is available at the website of the Company at www.smcindiaonline.com for reference of the Members. Also, 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;	Mr. Anuj Kansal
(b) Name of the Director or Key Managerial Personnel who is related, if any;	Mr. Subhash Chand Aggarwal (Chairman & Managing Director of the Company)
c) Nature of Relationship;	Mr. Anuj Kansal is Son-in-Law of Mr. Subhash Chand Aggarwal, Chairman and Managing Director of the Company.
d) Nature, Material terms, Monetary value and Particulars of the contract or arrangement;	<p>a) Mr. Anuj Kansal shall hold office and place of profit as Head-HFT (High Frequency Trading) in the Company.</p> <p>b) Remuneration of ₹ 5,00,000 (Rupees Five Lakhs Only) plus one month's salary as bonus and entitlement of 25% incentive on the profits earned on the strategies to be developed by him, which shall be over and above the monthly remuneration</p> <p>c) The maximum limit of remuneration payable to Mr. Anuj Kansal is proposed to be INR 10,00,000 per month plus discretionary bonus upto one month's salary depending on the performance plus 25% incentive on the profits earned on the strategies developed by him.</p> <p>d) Other benefits, perquisites, allowances, amenities and facilities, as applicable / payable to the other employees occupying similar position in the Company.</p>

Particulars	Specification
(e) Any other information relevant or important for the members to take a decision on the proposed resolution.	<p>Mr. Anuj Kansal MSc. in Actuarial Science - Heriot-Watt University, Edinburgh, UK and recipient of Faculty of Actuaries Prize for the year 2010. He has degree of Bachelor of Engineering-Information Technology from Delhi College of Engineering.</p> <p>He has worked for Price Waterhouse Coopers (PWC), Lloyds Banking Group, Edinburgh, UK, Direct Line Group, London UK, EMEA Financial Lines Pricing Actuary, London Market, UK, RPC Consulting London, UK and Chubb, London, UK.</p>

Except Mr. Subhash Chand Aggarwal, Chairman & Managing Director of the Company, none of the Directors and Key Managerial Personnel is 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 **Ordinary Resolution.**

ITEM NO. 12: Approve increase in remuneration of Mr. Ayush Aggarwal, Fund Manager who is appointed in office or place of profit in the Company

The Members of the Company are hereby informed that the Audit Committee and the Board of Directors at their meeting held on 7th May, 2022 has approved and recommended increase in remuneration of Mr. Ayush Aggarwal, Fund Manager of the Company from a remuneration of ₹2,50,000 (Rupees Two Lakhs and Fifty Thousand Only) per month to ₹ 4,00,000 (Rupees Four Lakhs Only) per month plus bonus equivalent to one month's salary, which may be further increased upto an overall monthly

remuneration limit of ₹ 5,00,000/- (Rupees Five Lakh Only) per month, plus one month's salary as bonus in terms of the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 effective from 1st April, 2022.

Mr. Ayush Aggarwal is a relative of Mr. Damodar Krishan Aggarwal, Promoter of the Company. Pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014, where a Director or relative of a director is appointed to an office or a place of profit under the Company or a subsidiary of the Company and their monthly remuneration exceeds ₹ 2,50,000 (Rupees Two Lakhs and Fifty Thousand Only), the approval of the members of the Company is required.

Accordingly, the members of the Company are hereby requested to pass an Ordinary Resolution for increase in remuneration of Mr. Ayush Aggarwal, relative of Mr. Damodar Krishan Aggarwal, Promoter of the Company

and holding office or place of profit as Fund Manager of the Company from a remuneration of ₹2,50,000 (Rupees Two Lakhs and Fifty Thousand Only) per month to ₹ 4,00,000 (Rupees Four Lakhs Only) per month plus bonus equivalent to one month's salary which may be further increased upto an overall monthly remuneration limit of ₹ 5,00,000/- (Rupees Five Lakh Only) per month on such terms and conditions as approved by the Board of Directors.

The Members of the Company are informed

that the appointment and increase in remuneration of Mr. Ayush Aggarwal who is holding office or place of profit in the Company is in the ordinary course of business and at arm's length basis.

The brief profile of Mr. Ayush Aggarwal is available at the website of the Company i.e. www.smcindiaonline.com for reference of the Members. Also, 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;	Mr. Ayush Aggarwal
(b) Name of the Director or Key Managerial Personnel who is related, if any;	Damodar Krishan Aggarwal (Promoter of the Company)
(c) Nature of Relationship;	Mr. Ayush Aggarwal is son of Mr. Damodar Krishan Aggarwal, Promoter of the Company
(d) Nature, Material terms, Monetary value and Particulars of the contract or arrangement;	<p>a) Mr. Ayush Aggarwal is holding office or place of profit as Fund Manager in the Company.</p> <p>b) The maximum limit of remuneration payable to Mr. Ayush Aggarwal is proposed to be ₹ 5,00,000 (Rupees Five Lakhs Only) per month, excluding bonus.</p> <p>c) Other benefits, perquisites, allowances, amenities and facilities, as applicable / payable to the other employees occupying similar position in the Company.</p>
(e) Any other information relevant or important for the members to take a decision on the proposed resolution.	Mr. Ayush Aggarwal is an MBA (PGP-FMB) from SP Jain Institute of Management and Research, Mumbai and a graduate from University of Delhi. He has great understanding and in-depth knowledge of financial market.

None of the Directors and Key Managerial Personnel is 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 **Ordinary Resolution.**

Annexure A to the Notice

Details of Directors 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	Mr. Mahesh C. Gupta (DIN-00003082)	Mr. Naveen ND Gupta (DIN: 00271748)
Age	65 Years	49 Years
Qualifications	Fellow Chartered Accountant	Fellow Chartered Accountant
Experience (including expertise in specific functional area)	<p>He has more than 30 years’ experience in the field of Securities Markets and Financial Services. He possesses good knowledge about the intricacies of the Indian Stock Market.</p> <p>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.</p>	<p>He has over 25 years of professional standing, CA Naveen ND Gupta was Category A member on the Board of International Federation of Accountants, New York, USA a federation of accounting regulators of 176 countries. He is past president of Indian Institute of Chartered Accountants of India (ICAI) and presently the Chairman of Shaheed Sukhdev College of Business Studies, Delhi University.</p>
Terms and Conditions of Appointment / Reappointment	Appointed in the 23rd AGM for a term of 5 years from 1st September, 2017 to 31st August, 2022. The director is proposed to be reappointed on the same terms and conditions approved by the Members.	Appointed in the 24th AGM for a term of 5 years from 31st January, 2018 to 30th January, 2023. The director is proposed to be reappointed on the same terms and conditions approved by the Members.
Remuneration last drawn (including sitting fees, if any)	₹ 1,36,50,000 remuneration paid (Within the limits approved by the Members) during the FY 2021-22	₹ 3,70,000 during the financial year 2021-22 as sitting fees for attending Board and Committee Meetings.
Remuneration proposed to be paid	Upto ₹16,00,000 per month plus one month's salary as bonus	As per existing terms and conditions
Date of first appointment on the Board	01/09/2007	31/01/2018
Shareholding in the Company as on March 31, 2022	82,48,500 equity shares of SMC Global Securities Limited amounting to 7.29% of the total shareholding in the Company as on 31st March, 2022.	Nil

Particulars	Mr. Mahesh C. Gupta (DIN-00003082)	Mr. Naveen ND Gupta (DIN: 00271748)
Relationship with other Directors/Key Managerial Personnel	His son i.e. Mr. Himanshu Gupta is Non-Executive Director in the Company	None
Number of meetings of the Board attended during the year	4 meetings of Board of Directors were attended (7th June, 2021, 11th August, 2021, 8th November, 2021 and 31st January, 2022)	4 meetings of Board of Directors were attended (7th June, 2021, 11th August, 2021, 8th November, 2021 and 31st January, 2022)
Directorships of other Boards as on March 31, 2022	SMC Insurance Brokers Private Limited	<ol style="list-style-type: none"> 1. BSES Yamuna Power Limited 2. TATA Power Delhi Distribution Limited 3. BSES Rajdhani Power Limited 4. Four Plus Security Services Private Limited
Membership / Chairmanship of Committees of other Boards as on March 31, 2022	Member in following committees of SMC Insurance Brokers Private Limited <ul style="list-style-type: none"> - Audit Committee - Corporate Social Responsibility Committee 	Member in following committees of BSES Yamuna Power Limited and BSES Rajdhani Power Limited <ul style="list-style-type: none"> - Audit Committee - Nomination and Remuneration Committee Chairman in following committees of Tata Power Delhi Distribution Limited <ul style="list-style-type: none"> - Audit Committee - Liquidation and Regulatory Assets Committee
Listed entities from which the person has resigned in the past three years.	None	None

Particulars	Mr. Mahesh C. Gupta (DIN-00003082)	Mr. Naveen ND Gupta (DIN: 00271748)
<p>In case of appointment of Independent Directors, the justification for choosing the appointees for appointment as Independent Directors shall be disclosed and in case of re-appointment of Independent Directors, performance evaluation report of such Director or summary thereof shall be included in the explanatory statement.</p>	NA	Average rating of performance of Mr. Naveen ND Gupta has been marked as Excellent
<p>In case of Independent Directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.</p>	NA	<p>The Nomination and Remuneration Committee at its meeting held on 7th May, 2022 discussed and determined that the Company requires a Director with financial acumen and accounting skills which are possessed by Mr. Naveen ND Gupta. Accordingly, the Committee recommended reappointment of Mr. Naveen ND Gupta as the Independent Director of the Company for another term of five years.</p>

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

Sd/-

(Suman Kumar)

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

Date: 7th May, 2022

Place: Kathmandu, Nepal



Moneywise. Be wise.

A grayscale photograph of a person's hands holding a tablet. Overlaid on the image are various financial data visualizations, including a candlestick chart, a line graph with a dotted trend line, and a bar chart. The background is a solid yellow color.

ANNUAL REPORT 2021-22

UNLOCKING
FINANCIAL
POTENTIAL

SMC GLOBAL SECURITIES LIMITED



Moneywise. Be wise.

28th Annual General Meeting

Day: Saturday

Date: 25th of June, 2022

Time: 11:00 A.M.

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

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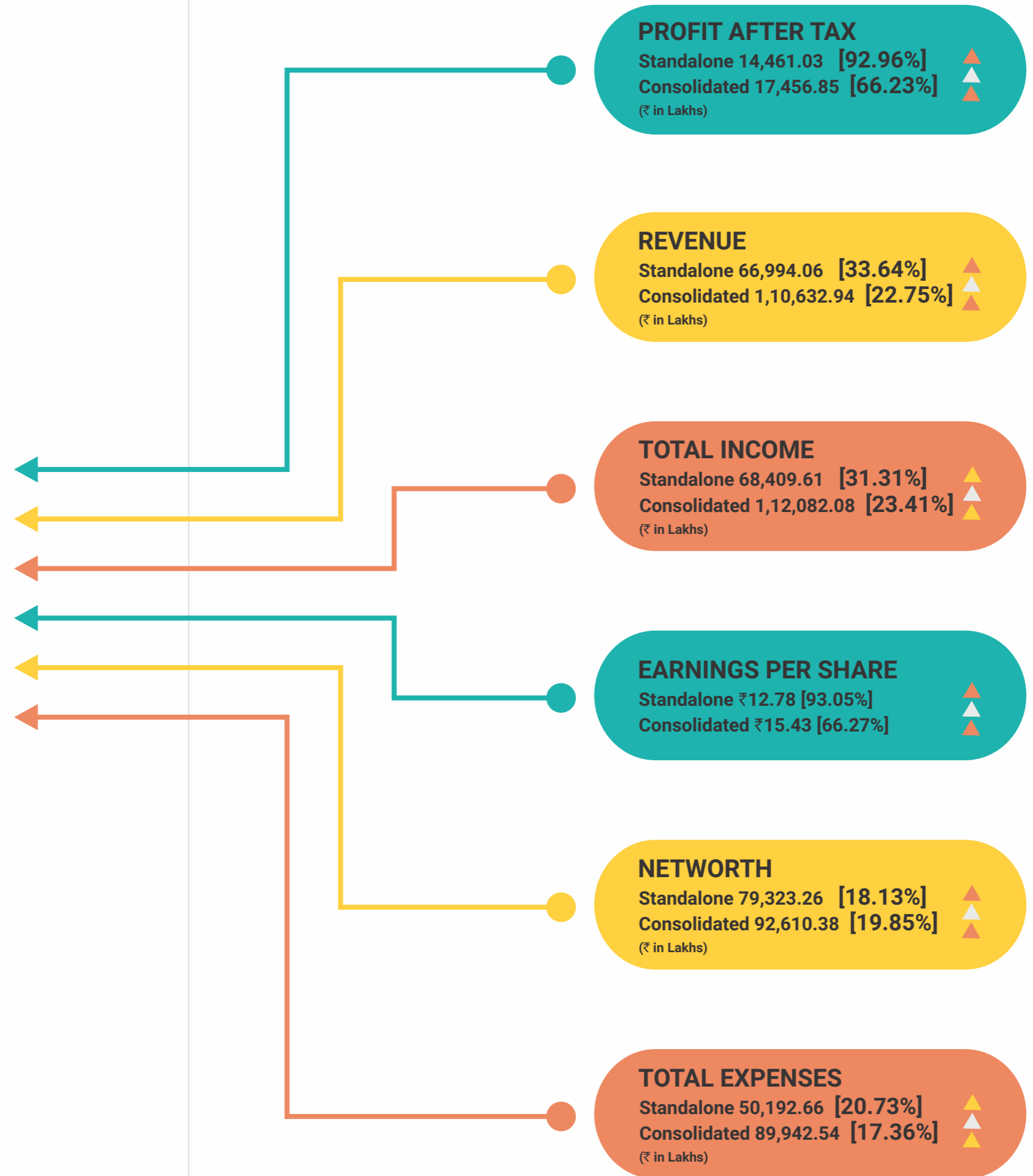
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PERFORMANCE SNAPSHOT



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OUR MANAGEMENT



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. Himanshu Gupta
Non-Executive Director



Ms. Shruti Aggarwal
Non-Executive Director



Mr. Kundan Mal Agarwal
Independent & Non - Executive Director



Mr. Roop C. Jindal*
Independent & Non - Executive director



Mr. Naveen ND Gupta
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. Vinod Kumar Jamar
President & Group Chief Financial Officer



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

**Mr. Roop C. Jindal has tender his resignation from the Board of Directors of the Company on 4th May, 2022 subject to approval of the exchange where the Company is a trading or clearing member.*

THE SMC JOURNEY: GOING FROM STRENGTH TO STRENGTH



SMC Global Securities Limited was incorporated.

1994



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

1995



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.

1996



Started providing NRI services, Institutional trading and advisory services.

2007



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

2006



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

2000



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



Launched corporate hedging desk.

2010



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

2003



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

2017



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

2009



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

2014



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

2016



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 on 31st March, 2021.

2021



INDIAKALOAN.COM Started online marketplace for instant customized rate quotes on loans.

SMC GOLD DESK Introduced ultimate service experience for exclusive clients.

2018



SMC became Clearing and Trading Member of India International Bullion Exchange IFSC and has also incorporated Alternate Investment Fund Category III (AIF) in the form of a trust in the Gift City of Gujarat in the name of SMC IFSC Global Opportunities Fund. SMC also has launched its own Gold and Silver Coins in various denominations under its own brand name as "SMCCOINS".

2022



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

2019

SMC 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)

** Mr. Roop C. Jindal, Independent & Non-Executive Director tendered his resignation on 4th May, 2022, effective from the date of approval of the exchanges where the Company is a trading/clearing member.*

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

State Bank of India, Yes Bank Ltd.,
Punjab National Bank, Kotak Mahindra
Bank, Axis Bank Ltd., ICICI Bank Ltd.,
Hdfc Bank Ltd., Indusind Bank Ltd., DCB
Bank Ltd., RBL Bank Ltd., The Federal
Bank Ltd., Indian Overseas Bank,
AU Small Finance Bank Ltd., NSDL
Payments Bank, Dhanlaxmi Bank Ltd.



FOREWORD BY THE CHAIRMAN

“If you are working on something exciting that you really care about, you don't have to be pushed. The vision pulls you.

- Steve Jobs



DEAR STAKEHOLDERS,

I would like to begin by wishing all the stakeholders and their family members good health and safety. The year gone by witnessed people across the world being largely confined to their homes with several travel restrictions in place. However, the restrictions have now been relaxed and slowly the economy is moving towards revival from the pandemic.

The global financial markets are currently facing turbulence due to war sentiments around the world; however, India has achieved a milestone by achieving a market capitalisation of \$3.21 trillion, which has surpassed the United Kingdom to become the sixth largest as per market capitalisation, in the world. Considering the economics of the world, India is going to remain in a bright spot in the current financial year as well.

As per the projections made by the International

Monetary Fund (IMF), India is poised to grow at the fastest pace year on year among the major economies of the world. With strong IPO inflows and increase in retail investors, the Indian Stock Market was able to witness a great performance during the year. For the FY 2021-22, the BSE Sensex and NIFTY jumped at approximately 18%. This has benefitted the investors at large and motivated a lot of people to invest in primary markets. Your Company being in the stock broking business has been beneficiary of increased level of activity in the markets.

We look at SMC Group's performance for the FY 2021-22 with great pride and satisfaction. The Company has recorded consolidated income of ₹1, 12,082 lakhs in FY 2021-22 as compared to ₹90, 820 lakhs in previous year and a PAT i.e. Profit after tax of ₹ 17,457 lakhs as compared to ₹ 10,501 lakhs in previous year, which is a surge of 66.2% in the profits of the Company compared to previous year. At this stage, I would also like to highlight that the profit recorded for the FY 2021-22 is the highest profit ever achieved by the Company. During the year, the Company recorded earnings per share at ₹15.43 per share on consolidated basis against ₹9.28 per share in previous financial year. The category wise performance has been discussed in detail in the Management Discussion and Analysis Report forming part of this Annual Report.

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 60% for FY 2021-22 i.e. ₹1.20/- per equity share of ₹2/- each, which if approved, shall result in payment of total dividend of 120%* i.e. ₹2.4/- each on the face value of the equity share of ₹ 2/- each for the FY 2021-22. At this stage, I would like to inform the Members that your Company has also come up with Buyback of its

fully paid equity shares of the Company on basis of the profits for the FY 2021-22. The Board of Directors of the Company have approved to buyback fully paid up equity shares of the Company from open market through stock exchange mechanism in accordance with the provisions of SEBI (Buy Back of Securities) Regulations, 2018 for an amount not exceeding ₹75,00,00,000 (Rupees Seventy Five Crores Only) excluding transaction costs and applicable taxes on Buyback and at a price not exceeding ₹ 115/- per equity share, payable in cash. This represents 9.64% and 8.78% of the aggregate of the paid up equity share capital and free reserves (including securities premium account) as per the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2022, respectively. Hence, the Company has not only distributed profits for the FY 2021-22 with the shareholders in the form of dividend but also declared buyback of equity shares of the Company for distributing adequate share of profits among the shareholders. The dividend distribution policy of the Company endeavours to maintain a dividend pay-out in the range of 25% to 35% of the profits of the Company. However, the Company during the last five years have declared and paid dividend (including interim and final dividend) at a minimum range of 40% and has reached maximum range of 120%*

As on 31st March, 2022, the Company has been ranked among top 1000 listed companies as per the market capitalisation of the Company by NSE. During the year, the Company had voluntarily filed a delisting application with Calcutta Stock Exchange for delisting its equity shares from the exchange. In this regard, the Company has received approval from the said exchange and from 21st October, 2021, the equity shares of the Company got delisted from Calcutta Stock Exchange. Accordingly, as on 31st March, 2022, the equity shares of the Company are listed only on the nationwide trading platforms of Bombay Stock Exchange and National Stock Exchange.

*Includes 60% final dividend recommended by the Board of Directors for FY 2021-22 and is subject to approval of the Members of the Company.

On the regulatory front, since the Company has been ranked among top 1000 listed companies in India, the requirement of preparing Business Responsibility Report is applicable on the Company and is annexed to this Annual Report. During the year under review, the Company has amended the Nomination and Remuneration Policy and Policy on Related Party Transactions in accordance with the amendments introduced by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021. The Company has constituted a Risk Management Committee and formulated a Risk Management Policy in accordance with the provisions of SEBI Regulations.

It gives me great joy to announce that during the year, the Company through its subsidiary SMC Comtrade Limited has launched its own gold and silver coins in various denominations under its own brand name i.e. SMC COINS. These coins are BIS certified in assured 24k (999) purity and come in different sizes and shapes. SMC has also entered into a 3-in-1 Banking Tie Up with Karur Vysya Bank & Dhanlaxmi Bank to offer online trading services to bank customers with an integrated three-in-one account service comprising a Savings account, a Demat account, and a Trading account all in one.

The Company along with its subsidiary i.e. SMC Global IFSC Private Limited has incorporated an Alternative Investment Fund (AIF), Category III named as SMC IFSC Global Opportunities Fund in the Gift City Gujarat and has obtained registration from Internal Financial Services Centre Authority on 28th December, 2021. Your Company shall act as an investment manager to the said AIF.

On societal level, SMC Group has contributed approximately ₹ 175.49 lakhs towards Corporate Social Responsibility initiatives. This included contribution towards COVID relief. The vision and mission of the Company is always aligned with the Company's CSR initiatives. During the year under review, the CSR expenditure of the Company mainly

focused on promotion of health and safety, promotion of education and disaster relief. The Company is further intending to continue its support for prevention and cure of COVID-19 by allocating some portion of its CSR budget of upcoming years for disaster relief. The Company has provided free COVID vaccinations to the employees of the Company and their family members for the welfare and safety of employees and society at large.

SMC is now a 28-year-old company and the journey so far has been thrilling with unexpected hurdles and obstacles coming our way, however, with help of the entire team, we were able to overcome these hurdles and rise as a Company. Today, 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 ₹21,912 lakhs as against ₹14,479 lakhs in the previous year. The insurance broking segment and financing activities segment also witnessed a surge of approximately 62.27% and 46.74% in the profit before interest and tax when compared with previous year.

The performance of material subsidiary companies of the Company i.e. Moneywise Financial Services Private Limited and SMC Insurance Brokers Private Limited has also commendable. The total Asset under Management of Moneywise Financial Services Private Limited as on 31st March, 2022 has reached approximately ₹ 686 crores and the

total amount of term loans disbursed by the Company during the year aggregates to ₹ 431 Crores as compared to ₹ 280.6 Crores in previous financial year, which is a surge of approximately 53%. During the year under review, the total revenue stood at ₹ 9,854 Lakhs as compared to ₹ 8,273 Lakhs in previous year, which is an increase in revenue by 19.11% as compared to previous year. In this regard, SMC Insurance Brokers Private Limited has also performed well with approximately 8,01,589 active policies during FY 2021-22 as compared to 7,45,669 active policies during the previous year. During the year under review, the total revenue of the said company stood at ₹27,625 Lakhs as compared to ₹24,563 Lakhs in previous year, which is an increase in revenue by 12.47% as compared to previous year.

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. The Board of Directors of the Company comprises leaders with domain expertise from diverse fields such as finance, business, strategy, finance, risk management, and human resources & continues to guide the top management in achieving its long-term goals.

We continue to reaffirm our commitment to deliver a sustainable long term business growth and improved earnings so as to leverage our vision and mission. Further, being socially responsible, the Company has strong commitment towards environment sustain ability 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.

I would like to reiterate that the financial year 2021-22 was all about reinvention for us through the 3Rs i.e. Reimagine, Recast and Retrain. During

the pandemic phase, our Company has focused on the importance of virtual presence and reinvented the same in the Company in the form of virtual meetings, virtual learning, virtual recruitments, virtual orientations etc. The past years has helped us proceed towards paperless working through introduction of work from anywhere concept. Hence, I feel that the pandemic situation will reside eventually; however, the adoption of digital concepts during such period will grow exponentially.

Before concluding, I would like to convey that your Company along with its subsidiaries and joint venture companies is swiftly moving towards our aspiration to become global organization having dominant position in financial and investment services across the world. The Company is grasping new opportunities that are coming its way in a very informed and sensitive manner, in the interest of the stakeholders. Hence, the support of all the stakeholders and the investors during the journey shall be worthwhile.

I would like to place on record my appreciation to entire SMC Group who has risen to meet the challenges which this pandemic threw up over the years and have delivered great results. I would also like to thank my fellow directors for their valuable guidance and support to the business. Finally, let me close by thanking all our shareholders, investors, business associates and business partners for the trust and confidence they have placed upon us. I look forward to your support in our endeavour to continue delivering value for all our stakeholders over the coming years.

Sincerely,

Sd/-

Subhash Chand Aggarwal
Chairman & Managing Director

FOREWORD BY THE VICE-CHAIRMAN

“Believe you can and you’re halfway there

- Teddy Roosevelt



DEAR STAKEHOLDERS,

Let me begin by wishing all of you good health and safety. I am glad to inform that we have delivered robust performance and continued to consolidate our opportunities for future growth. On the economic front, the Indian Economy is steadily proceeding towards \$ 5 trillion economy and undergoing significant policy changes.

The recent economic data like high GDP growth rate, foreign exchange reserves, rising trend in GST collection along with improved corporate earnings suggest that the economy is in good shape. On the market front, the Indian stock market has recovered strongly from the pandemic and despite the turbulence in stock markets across the globe, India has achieved yet

another milestone in market capitalization. On the way forward, we remain positive about further growth of the Indian stock markets. We have learned that the number of demat accounts in the Country has increased almost two times of what existed in the previous year with CDSL & NSDL having approximately 90 million active accounts as on 31st March, 2022. It could be seen that easy access to trading platforms, databases and research tools has made the stock market more accessible to the investors.

Talking about the business, your Company with its subsidiaries is one of the leading Financial and Investment Solutions Companies in India, having a robust model reflecting a significant presence in almost all the important segments 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.

It is my pleasure to inform you all that Company has recorded consolidated income of ₹ 1,12,082 lakhs in FY 2021-22 as compared to ₹ 90, 820 lakhs in previous year and a PAT i.e. Profit after tax of ₹17,457 lakhs as compared to ₹ 10,501 lakhs in previous year, which is a surge of 66.2% in the profits of the Company compared to previous year and the highest profit of the Company upto the date of this report. During the year, the Company

recorded earnings per share at ₹15.43 per share on consolidated basis against ₹9.28 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 12.47% in the number of clients, whereas the currency broking segment recorded around 14% and commodity broking segment recorded around 16.63% increase and the discount broking segment recorded an increase of approximately 135.57% in the number of clients. 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 STOKKART is also gaining momentum gradually and as on 31st March, 2022, the total clientele of this company increased to 1,05,844 in number as against only 44,930 at the end of the previous financial year.

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 channel partners for distribution of third party products. Currently, the Company has a cumulative Asset under Management (AUM) of more than ₹3080 crores as compared to ₹3040 crore in the previous year and also has over 1.95 lakhs folios in mutual fund segment as on 31st March, 2022.

While talking about the performance of the Company, I would like to mention that your Company has always aligned its vision and mission with the interest of the stakeholders. Accordingly, during the year, the Company declared & recommended an interim dividend of 60% on the face value of each equity share amounting to ₹1.2 per equity share and further recommends 60% final dividend on the face value of each equity share of the Company i.e. ₹ 1.2 per equity share, which if declared would result in payment of total dividend of 120%* i.e. ₹2.4/- each on the face value of equity share of ₹2/- each for the FY 2021-22. Further, the Company has also come up with Buyback of its fully paid equity shares of the Company on basis of the profits for the FY 2021-22. The Company has approved to buyback fully paid up equity shares of the Company from open market through stock exchange mechanism in accordance with the provisions of SEBI (Buy Back of Securities) Regulations, 2018 for an amount not exceeding ₹75,00,00,000 (Rupees Seventy Five Crores Only) excluding transaction costs and applicable taxes on Buyback and at a

price not exceeding ₹ 115/ per equity share, payable in cash. This represents 9.64% and 8.78% of the aggregate of the paid up equity share capital and free reserves (including securities premium account) as per the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2022, respectively.

During the year under review, your Company has entered into strategic alliances with different banks for offering online trading services to bank customers through a 3-in-1 account comprising of savings, demat and trading account. Your Company is intending to enter into gold loan business as it foresees immense scope in the gold loan market considering the prevailing economic scenario and is exploring opportunities in the segment. Your Company through its subsidiary SMC Comtrade Limited has also launched its own gold and silver coins in various denominations under its own brand name i.e. SMC COINS. These coins are BIS certified in assured 24k (999) purity and come in different sizes and shapes. I would also like to mention that during the year, the Company has been felicitated by CDSL for its notable contribution of Demat Accounts with the depository.

Your Company has identified that 'Technology' is the core area which can provide edge to the Company in this dynamic environment and

accordingly has launched Mobile eKYC application which helps SMC business partners to open paper less account in few minutes through Aadhar Based Esign. Apart from the Mobile eKYC application, our mobile trading app 'SMC Ace' is a successfully running application. Further, in the coming future, the Company is planning to launch another mobile trading app to enhance customer experience.

As a group, we aim to move forward in a sustainable and resilient manner. The management of the Company closely monitors the activities of the 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 its subsidiaries has contributed approximately ₹175.49 lakhs for the social responsibility initiatives, mainly for the promotion of health, education and for revival of the society from the pandemic.

We have kept our people at the core and nurtured them by identifying their needs for well-being, learning and development, health and safety, and overall growth of our employees. With continuous training programs and orientations, we have trained our employees for the future.

Considering the overall financial performance of the Company and the entire SMC group during the FY 2021-22, it can be said that the performance

has been excellent and the Company has been successful in generating commendable profits in almost all segments of business.

I would like to convey my sincere gratitude to all stakeholders in the Company, our board members, senior management, shareholders and investors at large. I would like to take this opportunity to applaud the stellar work being done by all our managers, staff and workers throughout India and our global establishment. I extend my warm wishes to everyone for their good health, safety and well-being.

Sincerely

Sd/-

Mahesh C. Gupta

Vice- Chairman & Managing Director



Moneywise. Be wise.

OUR TIMELY RESEARCH HELPS INVESTORS AND TRADERS TAKE WISE DECISIONS

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

KEY HIGHLIGHTS OF THE YEAR

LAUNCH OF OWN GOLD AND SILVER COINS UNDER BRAND NAME "SMC COINS"



120% DIVIDEND FOR FY 2021-22*



PROFIT SURGE OF 66% FROM THE PREVIOUS YEAR



ANNOUNCEMENT OF BUYBACK OF EQUITY SHARES OF THE COMPANY



*Includes 60% final dividend as recommended by the Board of Directors for the FY 2021 -22 , subject to approval of the members of the Company.

**INCORPORATION OF AIF CATEGORY III
IN GIFT CITY GUJARAT**



**TIE UP WITH DHANLAXMI BANK AND
KARUR VYSYA BANK FOR OFFERING 3-IN-1
ACCOUNT SERVICE TO CUSTOMERS**



**AWARDED BY CDSL FOR NOTABLE
CONTRIBUTION IN DEMAT ACCOUNTS OF
THE DEPOSITORY**



**OBTAINED TRADING & CLEARING MEMBERSHIP
OF INTERNATIONAL BULLION EXCHANGE IFSC**





**LIVE YOUR
LEGACY WHILE
WE MANAGE
YOUR WEALTH**



PORTFOLIO MANAGEMENT SERVICES

MULTI MANAGER INVESTMENT SOLUTIONS

TRADING IN EQUITY, CURRENCY, INTEREST RATE FUTURES

DEPOSITORY SERVICES | MUTUAL FUNDS & IPOs

FIXED INCOME PRODUCTS

NEAR RISK FREE ARBITRAGE PRODUCTS

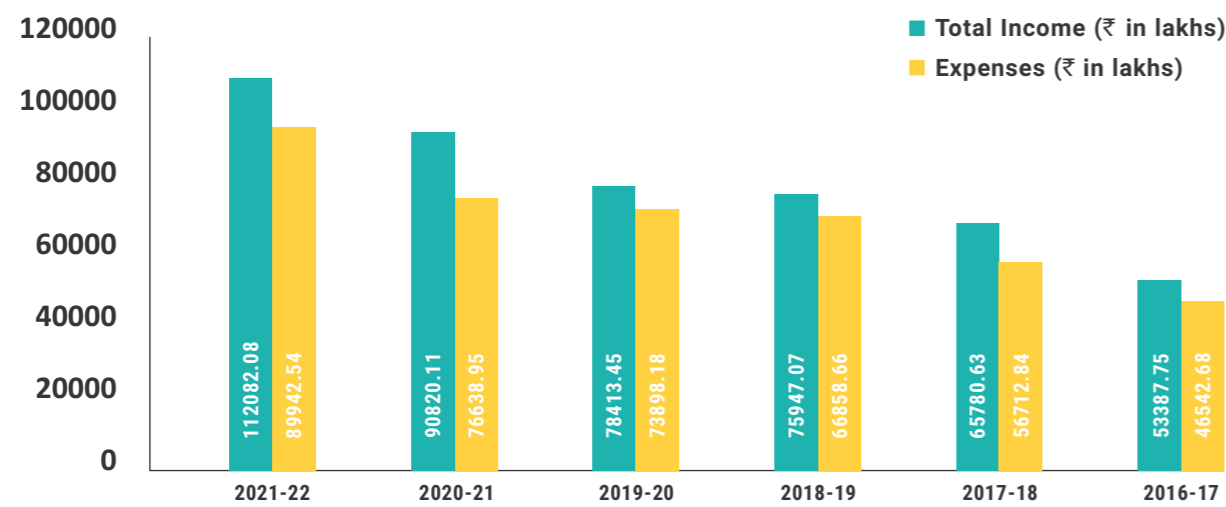
STRUCTURED PRODUCTS | PORTFOLIO ADVISORY

REAL ESTATE FUNDS | PRIVATE EQUITY FUNDS

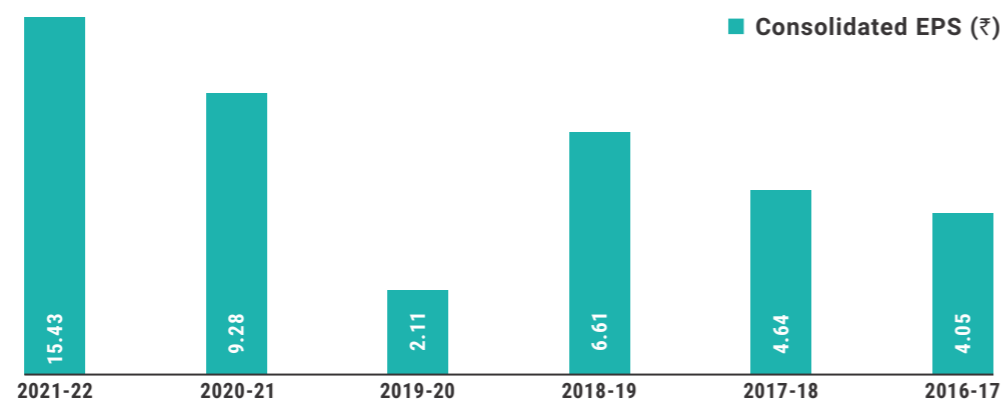
FINANCIAL PLANNING | HEDGING SERVICES

FINANCIAL HIGHLIGHTS

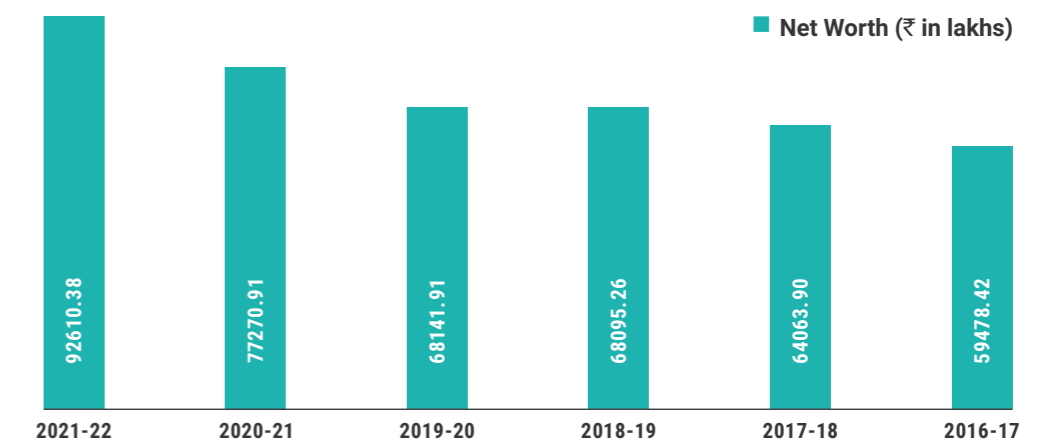
CONSOLIDATED TOTAL INCOME V/S EXPENSES



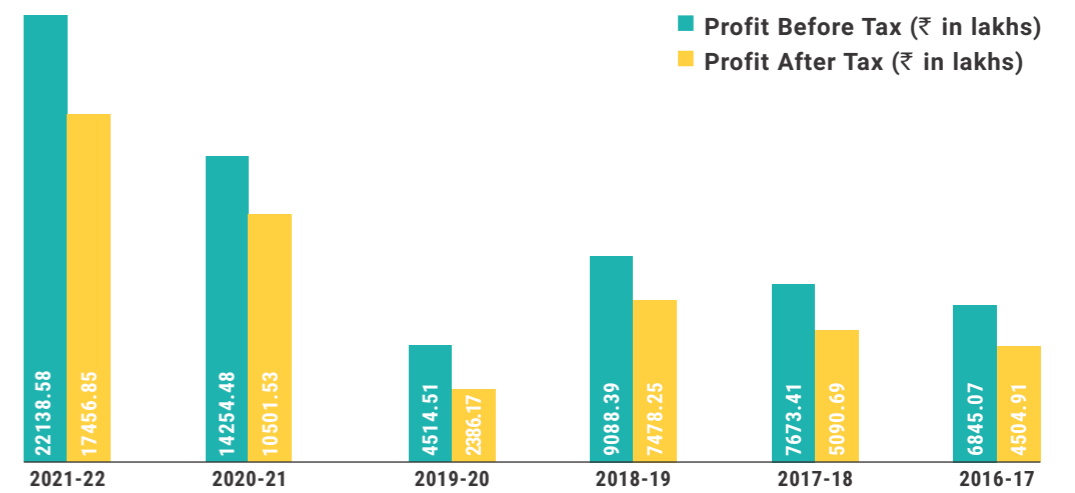
CONSOLIDATED EARNING PER SHARE



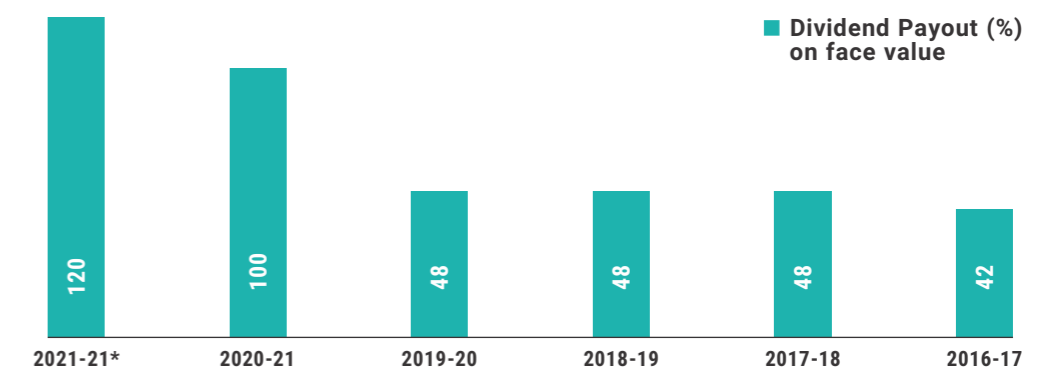
CONSOLIDATED NET WORTH (EXCLUDING MINORITY INTEREST)



CONSOLIDATED PBT V/S PAT



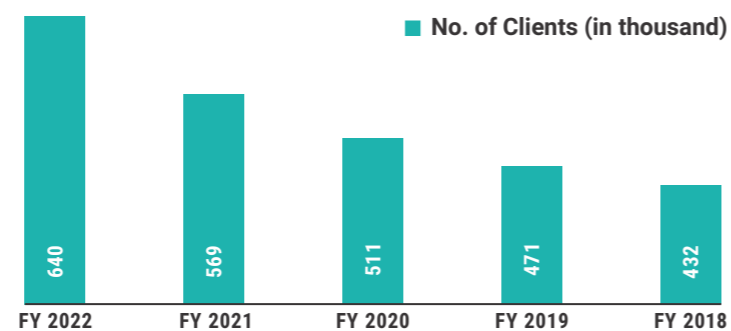
DIVIDEND PAYOUT (%)



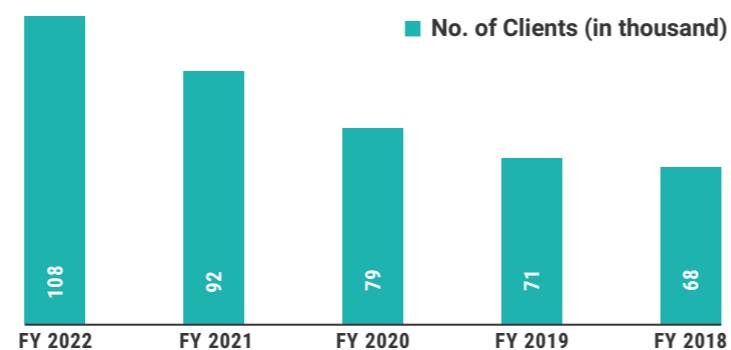
Includes recommended final dividend of 60% for the FY 2021-22.

NUMBER OF CLIENTS- BROKING BUSINESS

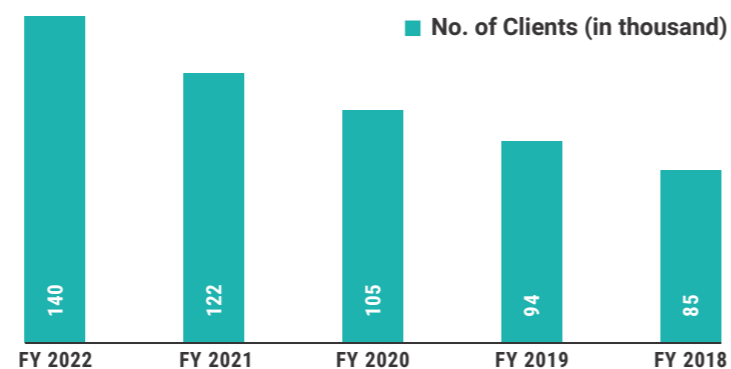
A) EQUITY BROKING



B) COMMODITY BROKING



C) CURRENCY BROKING



KEY RATIO – CONSOLIDATED

1. RETURN ON AVERAGE EQUITY (%)



2. EBIT MARGINS (%)

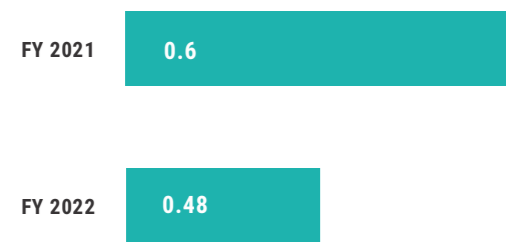


3. NET PROFIT MARGIN %



All the figures before Financial Year 2018-19 are prepared in accordance with IGAAP
 * Includes recommended final dividend of FY 2021-22

4. DEBT EQUITY RATIO



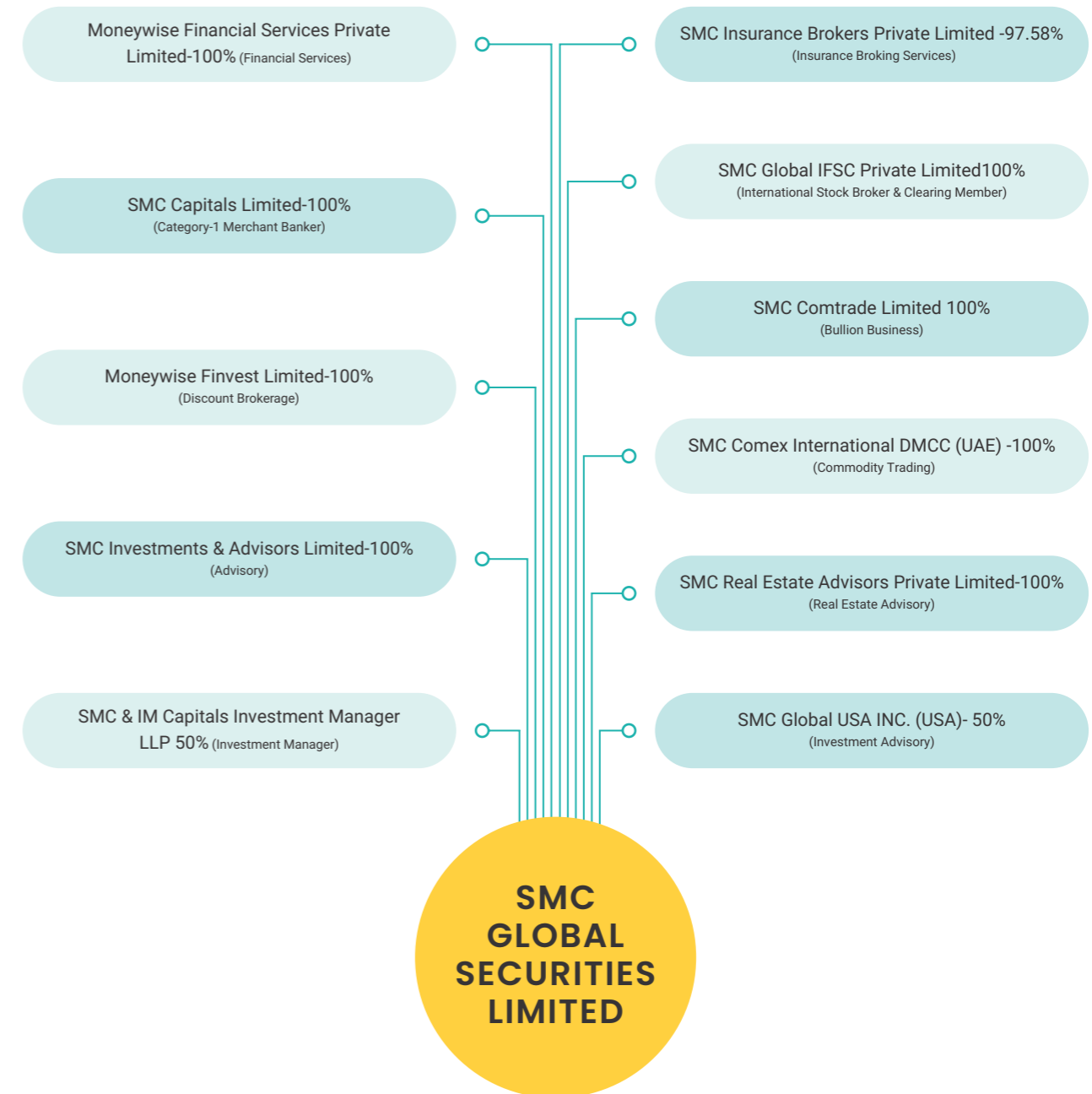
■ Debt Equity Ratio

5. INTEREST COVERAGE RATIO



■ Interest Coverage Ratio

OUR STRUCTURE



STRONG NUMBERS

455+

Covers 455+ cities across India

20,00,000+

Serving 20,00,000+ unique clients

7,93,000+

7,93,000+ client accounts in NSDL & CDSL

13,674

13,674 network of independent distributors

12,000+

12,000+ point of sale (PoS) persons for insurance distribution

8,01,589

Sold 8,01,589 Life Insurance and General Insurance Policies (FY 21-22)

65,949

Running SIPs [65,949] in various schemes of mutual fund

3,300+

Workforce of 3,300+ employees

2,513

Large network of 2,513 sub-brokers and authorized persons

3,080

Cumulative AUM/AUA under Mutual Funds ₹3,080 crores

300+

Clearing settlement service to 300 trading members

95+

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

50,000+

50,000+ active borrowers in NBFC segment



Moneywise. Be wise.

SMC OFFICES

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.



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.



Moneywise. Be wise.

SMC VALUES

Living by Principles



RELATIONSHIP

One transaction,
Lifetime relationship.



INNOVATION

Being ahead with
Research & technology.



TRUSTWORTHY

Keeping our promise.
Every time.



INTEGRITY

Being ethical to build trust.



EVOLUTION OF SMC

Our progress since inception is testament to our unique, robust and agile business model. By identifying opportunities and anticipating challenges early, we have been able to remain responsive, resilient and focused on achieving our objectives and have been able to remain 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 455+ 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 3300+ 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 mispricing 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 7.93 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.

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 & forthcoming stocks that keep investors at par with market developments. "Wise Money" has been widely appreciated by our clients and the general investors.

2006- PROTECTING OUR LEGACY

Distribution of financial products

Registered with Association of Mutual Funds of India (AMFI) and Mutual Funds AMCs and became one of the leading distributors of IPOs and mutual fund products.

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 & 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 & 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 & 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 & 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 & 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 50,000+ 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 various States as corporate real estate agent for providing Real Estate Services, mortgage facility, loan advisory and distress sale amongst others.

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 455+ cities. We have always been giving utmost importance to the training and development for our employees in our organization. We ensure 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.

Systematically important NBFC

We have expanded our business keeping the skeptical 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.

2021-2022- REACHING NEW HEIGHTS

Launched SMC Gold Coin

During the year, the Company through its subsidiary SMC Comtrade Limited has launched its own Gold and Silver Coins in various denominations under its own brand name SMC as "SMCCOINS". The coins are BIS certified in assured 24K (999) purity and comes in different sizes and shapes.

Entered into a strategic alliance with Karur Vysya Bank & Dhanlaxmi Bank

SMC has entered into a 3-in-1 Banking Tie Up with Karur Vysya Bank and Dhanlaxmi Bank to offer online trading services to bank customers with an integrated three-in-one account service comprising a Savings account, a Demat account, and a Trading account all in one.

Incorporated Alternate Investment Fund (AIF)- Category III

The Company along with its subsidiary i.e. SMC Global IFSC Private Limited has incorporated an Alternate Investment Fund Category III (AIF) in the form of a trust in the Gift City of Gujarat in the name of SMC IFSC Global Opportunities Fund and has obtained registration certificate from Internal Financial Services Centers Authority on 28th December, 2021, where, SMC Global Securities Limited shall act as an investment manager to the said AIF.

Clearing & Trading Member of India International Bullion Exchange IFSC

SMC Global Securities Limited through its subsidiary company i.e. SMC Global IFSC Private Limited has become the Clearing and Trading Member of India International Bullion Exchange IFSC.

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.



DISTRIBUTION

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



BROKERAGE & CLEARING

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



FINANCING (NBFC)

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



INSTITUTIONAL TRADING

Institutional Trading and Advisory Services



REAL ESTATE ADVISORY

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



INSURANCE BROKING

Insurance Broking - Life & General



WEALTH MANAGEMENT

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



NRI & FPI SERVICES

Providing Trading facilities to NRI & FPI



INVESTMENT BANKING

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

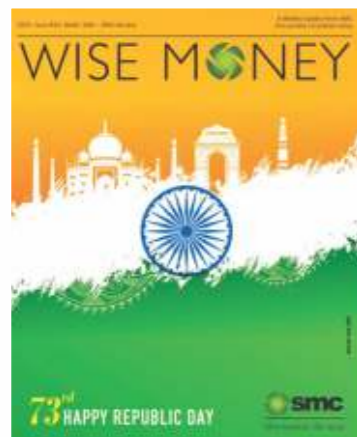
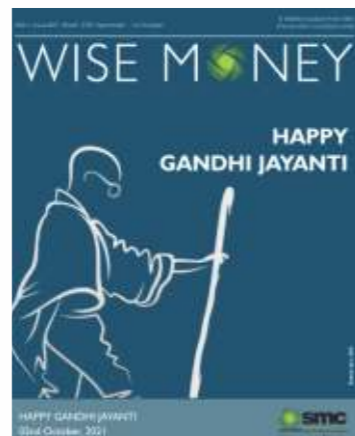


DEPOSITORY SERVICES

Depository Services for both Equities & Commodities

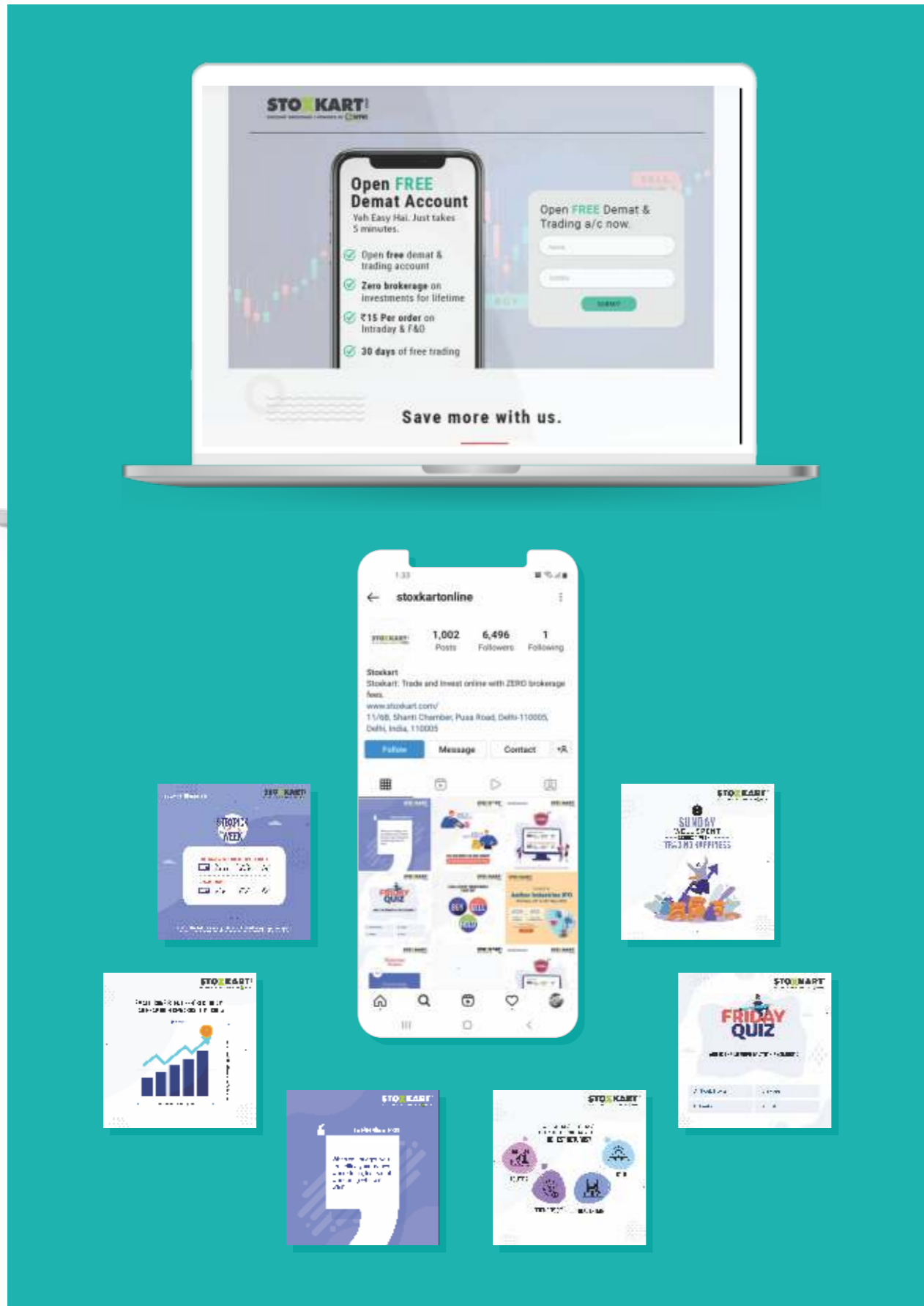
SMC DIGITAL COMMUNICATION & INITIATIVES

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

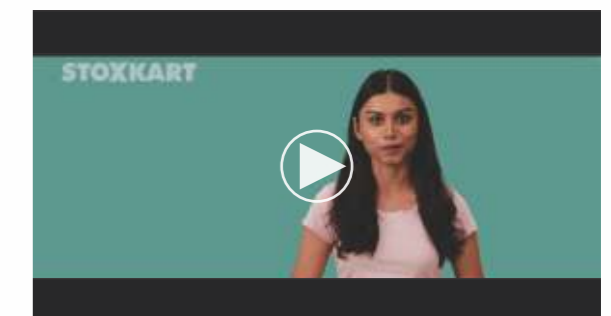
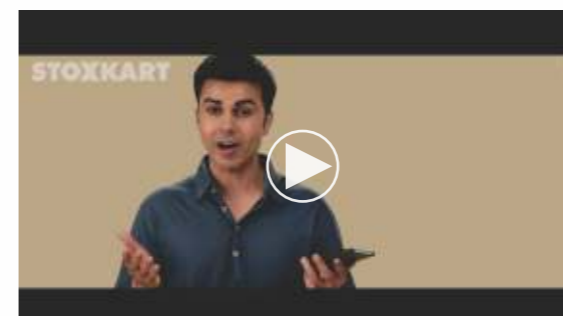
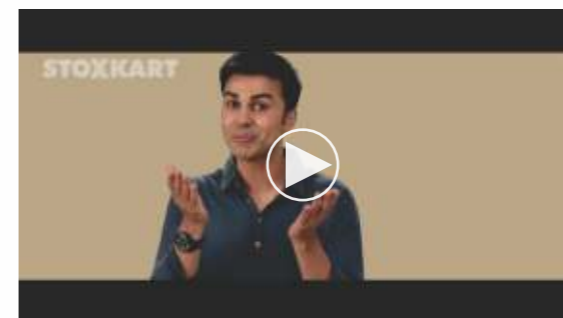


SMC'S WEEKLY RESEARCH BULLETIN, WISE MONEY HELPS BUILD UNDERSTANDING OF MARKET TRENDS TO ENABLE INFORMED DECISIONS.





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.



SMC RECOGNITION

Continued journey of awards and recognition



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



AWARDED AND ACCLAIMED

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

- Jonas Salk



BUSINESS PERSON OF THE YEAR

Mr. Subhash Chand Aggarwal, Chairman and Managing Director of the Company was awarded as 'Business Person of the Year 2021' by Dare2Dream Awards organized by TV9 Hindi Network Channel on 30th November, 2021.



INAUGRAL CEREMONY OF SMC COINS

On 28th June, 2021, Mr. Subhash Chand Aggarwal, Chairman and Managing Director, Mr. Mahesh C. Gupta, Vice Chairman and Managing Director, Mr. Himanshu Gupta, Non-Executive Director and Mrs. Aakansha Gupta, Director of SMC Insurance Brokers Pvt Ltd and other employees gathered for the launch SMC Coins at our registered office.



CDSL AWARD

The Company has been awarded by CDSL for its notable contribution of the Demat Accounts with the Depository on 11th April 2022 at the registered office of the Company.



SMC PREMIER LEAGUE (SPL) AWARDS - EAST

Mr. Ajay Garg (Director & CEO), Mrs. Reema Garg (Chief Human Resource Officer) & Mr. Narendra Balasia (Regional Director), during the distribution of awards at the SPL award ceremony held on 8th & 9th of April 2022 at Kolkata.



GOLD COIN TO WINNERS

Distribution of SMC Gold Coins to the Winners of the ongoing SMC Gold Coin Incentive Scheme for Sub brokers held at Pan India level during 2021-22.



SMC PREMIER LEAGUE (SPL) AWARDS - WEST

Mrs. Nidhi Bansal (Regional Director-West, SMC Global Securities Ltd.) during the SPL award ceremony held on 9th April 2022 at Mumbai.

WELFARE AND REWARDS - HUMAN CAPITAL

“Financial Resources may be lifeblood of a company, but human resources are the brains.”
- ROB Silzer

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 enviable 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.

Organizations grow when people are deeply engaged and empowered to be their best. When people thrive, organizations succeed. To us, employee engagement is an evolving concept that incorporates the benefits we provide to our people, the culture we drive to build, the right environment we strive for our people to grow their careers, feel engaged, and connect with the communities where they live and work.

Our employee experience practice is the sum of multiple efforts, driven through:

- Supporting the overall wellbeing of our people – that includes physical, emotional, and financial wellbeing.

- Practicing empathy and understanding that there is a human behind every transaction our company enables.
- Ensuring continuous learning & talent advancement opportunities for our people
- Driving digital collaboration through tools and workspaces that bring people together to innovate and exchange ideas

Building a gender-diverse and inclusive organization that provides equal growth and participation opportunities for everyone

During the pandemic, we supported our people and their families through medical assistance and benefits which in turn ensured that they have both physical and emotional wellbeing. In 2021-22, we drove a flexible and gradual approach towards the shift from virtual office to physical presence at office and assisted our employees in managing the change smoothly.

Since the beginning of 2021, the major goal of our HR Department was employee's well-being considering the continuing pandemic situation. We hereby share some glimpse of our employee engaging programmes/activities conducted during the year.



Glimpse of rangoli made by our employees during the Diwali Celebration at our Head Office.



DIWALI CELEBRATIONS

Glimpse of competitions held during the Diwali Celebrations held on 2nd November, 2021 at the registered office of the Company.



MATCH BETWEEN SMC & NSE

Mr. Ajay Garg (Director and CEO, SMC Global Securities Limited) during the Cricket match between Team SMC & Team NSE held on 18th Dec 2021 where Team SMC won the match by 7 wickets.



NAVRATRI CELEBRATIONS

Glimpses of Navratri Celebrations with Mr. S.C. Aggarwal (CMD, SMC Group) & Mr. M.C. Gupta (Vice CMD, SMC Group) at SMC Head Office held on 14th October, 2021



TEAM BUILDING

Glimpses of the Team Lunch at Naivedyam organised by Mr. Himanshu Gupta (Director & Chief Executive Officer (CEO)- Moneywise Financial Services Private Limited) and Mrs. Akanksha Gupta (Whole Time Director- SMC Insurance Brokers Private Limited) on 4th December 2021



OFFICE TRIP

Glimpse of the trip of Distribution Team to Lohagarh Farms on 11th December 2021.



WOMEN'S DAY CELEBRATION

Glimpse of celebration of women's day of our office on 8th March, 2022.



HEALTH TALK

On the occasion of women's day, SMC celebrated by organising health talk on women's well being with Sri Gangaram Hospital at New Delhi and signed agreement with the hospital on 8th March, 2022.



HOSPITAL TIE UP

Mrs. Reema Garg (CHRO & Director, SMC Group) and Mr. Vineet Goyal (AVP, Corporate Communication & Branding) during the agreement signing with our Hospital Partners i.e. Fortis Hospital, Venkateshwar Hospital and BLK Hospital.



PRIORITY SERVICES TIE UP

Mr. Vineet Goyal, Assistant Vice President of the Company during impartment with Action Balaji hospital, Paschim Vihar for providing priority services to SMC employees on OPD, IPD & tests at the hospital.



HEALTH CHECK CAMP

Mrs. Reema Garg, (CHRO, SMC Global Securities Limited) at the Free Health Check Up Camp organised by the Company in association with Venkateshwar Hospital on 24th February, 2022.



HEALTH CHECK UP CAMP

SMC organised Free Health Check Up Camp for its employees wherein an expert team of doctors, nurses etc conducted tests for Blood Pressure, Sugar, Bone Mass Density, ECG, neuropathy, etc in association with Venkateshwar Hospital on 24th February, 2022.



VACCINATION DRIVE

Free Covid Vaccination Drive of Booster dose for the employees of the Company held at the registered office of the Company on 22nd April, 2022.

EMPLOYEE ENGAGEMENT

A) Workshops and Webinars on Wellbeing

During the year, the Company has organized various webinars and workshops for the employees virtually and invited various agencies including imminent speakers from ISKON for deliberating on topics including Motivation, Stress Management, Prevention and Cure of COVID – 19 etc for mental and emotional well-being of employees. These exclusive sessions which were undertaken during the year, not only helped us in connecting & engaging with employees virtually but helped us in creating awareness and self-care. Various webinars on the topic of Mental, Emotional and Psychic Wellbeing of employees were also organized in collaboration with renowned Doctors of BLK Hospital, Delhi.

B) Vaccination Drives

The Company conducted free COVID-19 vaccination drive, including booster dose vaccination for the employees of the Company at the office premises.

C) International Women's Day

On 8th March, 2022 i.e. International Women's Day, the Company organized an exclusive Health Talk for the women employees of the Company

on Cancer Awareness and preventions. Women employees were made conscious about the importance of self-care and diet to be followed across the ages. Achievements of women employees across the company was also celebrated and rewarded on the same day.

D) Lakshya 2021 and Pinnacle 2021

The Company organized the two Virtual Award Ceremony "Lakshya 2021" and "Pinnacle 2021" for Distribution and Retail vertical respectively. The ceremony was planned in such a way that it was enjoyable for employees without being physically present for the event. Videos of the previous years' celebration, live session and address by the stakeholders including some virtual performances were the highlights of the programs.

E) Celebration of Festivals

The Company celebrated Diwali and Holi for the first time together post pandemic and organized get together of the employees at the office premises while adhering with the existing COVID-19 norms. During Holi Festival various gaming stalls were set up for celebration and interaction among employees of the Company. Also, Online Quiz was conducted on Dhanteras and was the main highlight of the Diwali Celebration. The winners of Quiz Competition were rewarded with Gifts. The Company received an overwhelming

response on the Rangoli Competition organized by the Company on the auspicious function of Diwali where employees of the Company participated at PAN India level.

F) Synergy of HOD's

A collaborative session for HOD's was conducted for creating synergy and culture building among the senior employees. The event was executed in Rishikesh and was full three days program which included training workshop, engaging activities and adventure sports.

G) Online Orientation Program

The major strategy for employee retention is giving the new joiners an excellent on-boarding experience. We at SMC ensure that an employee is not right away put into a role and assigned with KRA and Targets on the first day of their Joining. We ensure to have an employee connect before placing them on job. An Orientation program, labelled as Abhinandan was introduced for getting the employee adjusted with the culture and processes of the Organization. Key Management Personnel's interact with the employees for keeping them motivated and establishing bond. Also, the HR on the continuous basis interacts about Career Progression, Culture and Values followed within

the Organization for establishing a mutual connect between the employer and the employee.

H) Newsletter

Release of our Online HR Newsletter – HR Patrika Volume 1 which was focused on Gender Diversity was the prime highlight of the year. We had various articles from women achievers and career progression within our Organization. Also, we have created a video on Women Empowerment in SMC which is published at the Home page of our Newsletter.

I) Employee of the Quarter Award

An exclusive Reward and Recognition program was designed for our support staff based upon their quarterly performance. We had three prime parameters for evaluation i.e. Trainings Undertaken, Attendance and Punctuality Score and Peer Ratings. Employees who won were acknowledged with Employee of the Quarter Batch and Gift. An Exclusive Video was also created and circulated amongst the groups.

J) Telegram

For better employee communication we have launched our HR Bot on telegram for bringing people together and encouraging innovation and exchange of ideas.

**EVENTS & CONFERENCES:
BRINGING PEOPLE TOGETHER**



MEETING WITH FOREIGN DELEGATES

Mr. Subhash Chand Aggarwal, Chairman and Managing Director of the Company attended dinner party at Meriden hotel with former Prime Minister of Canada and Australia on 24th April, 2022.



INAUGURATION OF NEW BRANCH IN AGRA

Mr. Ajay Garg (CEO & Director, SMC Global Securities Ltd.) & Mrs. Reema Garg (Chief Human Resource Officer of SMC Global Securities Ltd.) during the inauguration of SMC Agr Branch held on Monday, 05th July, 2021.



INAUGURATION OF NEW BRANCH PUNE

Mr. Anurag Bansal (Director, SMC Global) at the inauguration of a new branch at Pune on 3rd December, 2021.



TIE UP WITH DHANLAXMI BANK

The Company celebrated the tie-up between SMC Global Securities Limited and Dhanlaxmi Bank for offering 3-in-1 accounts (Savings, Demat & Trading) to the bank's customers via a virtual ceremony held on 15th July, 2021.



GUJARAT GLOBAL SUMMIT

Mr. Narendra Balasia (Regional Director, SMC Global) along with Regional Managers Mr. Arnab Chakraborty, Mr. Sushil Gupta and Area Manager Mr. Rana Chatterjee representing SMC Global at Vibrant Gujarat Global Summit, an interactive session with Shri Jagdish Panchal, Hon'ble Minister of State of Industries, Govt. of Gujarat and Shri Ropwath Singh, IAS, Commissioner of Geology & Mining, Govt. of Gujarat, at the Oberoi Grand, Kolkata on 15th December 2021.



TIE UP WITH KARUR VYASA BANK

Mr. Ajay Garg (CEO & Director, SMC Global) with Mr. B Ramesh Babu (MD & CEO, KarurVysya Bank) during the signing of the 3-in-1 banking tie up agreement with Karur Vyasa Bank.



Glimpses of the celebration for the tie up between the Company & Karur Vysya Bank with Mr. Vijay Kumar (DGM, Karur Vysya Bank), Mr. Sarvanun (GM, Karur Vysya Bank) & Mr. Kumar (DGM, Karur Vysya Bank) from Karur Vysya Bank and Mr. Mahesh Gupta (Vice-CMD, SMC Group), Mr. Ajay Garg (Director & CEO, SMC Global Securities Limited) and Mrs. Reema Garg (Director & CHRO, SMC Global Securities Limited) were present during the celebration held on 5th January, 2022 at SMC Head Office Delhi.



MTF FUNDING

Glimpses of Directors with employees during the celebration held on achieving 100 crores funding in MTF on 24th Jan 2022 at the registered office of the Company.



INDIA INTERNATIONAL TRADE FAIR

Mrs. Reema Garg, Chief Human Resource Officer, Mr. Ajay Garg, Director and CEO and Mr. Damodar Krishan Aggarwal, CMD of SMC Investments and Advisors Limited participated at the India International Trade Fair held in November 2021.



INAUGURATION OF WOMEN'S BRANCH - PCG

Mrs. Reema Garg, (Chief Human Resource Officer, SMC Group) at the inauguration ceremony of women branch of PCG at Daryaganj Office of the Company.



EKAL CSR MEET

Mr. S C Aggarwal (CMD, SMC Global) with Dr. Krishna Gopalji (SahSarkaryawah, RSS) and Mr. Gopal Krishna Agarwal Ji (National Spokesperson, BJP) during the Ekal CSR Meet on 23rd Feb 2022, supported by SMC Group.



EKAL CSR MEET

Mr. Subhash Chand Aggarwal (CMD, SMC Group) and Mr. Mahesh C. Gupta (Vice Chairman & MD, SMC Group) at the Ekal CSR Meet held of the Company on 23rd December, 2021.



FELICITATION OF DR. RAJ CHAWLA (CA)

Dr. Raj Chawla (CA) being felicitated by Mr. Subhash Chand Aggarwal (CMD, SMC Group) for being elected as the Central Council Member of ICAI at the registered office of the Company on 23rd December, 2021.



INAUGURATION OF JAMMU BRANCH

Mr. Ajay Garg (Director and CEO, SMC Global Securities Limited) and Mrs. Reema Garg (Chief Human Resource Officer, SMC Global Securities Limited) during the inauguration of Jammu branch on 14th March, 2022.



INAUGURATION OF LUDHIANA BRANCH

Mr. Ajay Garg (Director and Chief Executive Officer, SMC Global Securities Limited) during the inauguration of Ludhiana branch on 22nd March 2022.



BUDGET REVIEW MEETING

Mr. Ajay Garg (Director & CEO) during the Annual Budget Review meeting with Delhi & NCR Branches held on 12th April, 2022 at the registered office of the Company.



SEBI CHAIRMAN MEETING

Courtesy Meeting with new Chairperson of SEBI- Mrs. Madhabi Puri Buch along with Mr. Ajay Garg (Director & CEO, SMC Global Securities Limited) held at SEBI Office, New Delhi.



CYBER SECURITY AWARENESS

Glimpse of the awareness programme conducted by Mr. Nanda Mohan D Shenoy from Bestfit Business Solutions Pvt Ltd. on Cyber Security for the Board of Directors and Senior Officers at Le Meridien Hotel, New Delhi on 12th March, 2022.



BRANCH MEETING

Mr. S.C. Aggarwal (CMD, SMC Group), Mr. Mahesh C. Gupta (Vice CMD, SMC Group) and Mr. Ajay Garg (Director & CEO, SMC Global) during the budget review meeting with the Branch Heads of North & South Zone on 28-29th April, 2022 at registered office.



MARK O NOVA

Mr. Vineet Kumar Goyal (Head, Digital Marketing and Branding, SMC Global Securities Limited) was invited as the Jury of 'Mark-O-Nova', the marketing event of Vincenza 3.0, on 26th April at Shahid Sukhdev Singh College of Business Studies, Delhi University.

TRADING PLATFORMS

1. PRIVILEGE (ODIN DIET CLIENT)

SMC Privilege is a state-of-the-art desktop application designed for clients who are actively involved in the stock market and do bulk trading. It provides comprehensive facilities on a single screen, similar to that of a broker's terminal, allowing investors to save time and effort. Some of the key features include:

- 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 a browser-based platform with advanced features. It provides our clients with all market-related information in a convenient manner, including an informative market watch and quick links to trade-related reports. It also gives clients the ability to use an Advance Chart from Chart IQ, one of the world's leading advance chart solution providers. SMC ACE Web has a few key features:
- 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 MOBILE APP (LIGHT VERSION)

The SMC Easy Trade Mobile App is available on both the Google Play Store and the App Store. The key features of the SMC Easy Trade Mobile Application are as follows:

- 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

4. SMC ACE MOBILE APP (ADVANCED VERSION)

It is a recently launched next-generation mobile trading platform. It has a user-friendly interface that allows you to invest in Stocks, Equity, FNO, Currency and commodity markets with market data for informed decision making. The SMC ACE gives you an advantage over other available applications in the market by putting trading and market information at your fingertips. In future versions, more features will be added.

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
- 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

SMC RESEARCH

SMC Research takes a 360-degree approach to client advisory, aiming to meet each client's unique trading and investment needs. Even in volatile market situations, we have the team strength and tools to guide our clients. We have been a catalyst in our clients' long-term wealth creation over the past year. Our research products have always earned our clients' trust. Important considerations:

- 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 assist you in serving your clients through MFI (Demat) and MFD (Physical) mapping, which can be swapped out depending on 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 is advanced trading research software that can help you analyse the market quickly and thoroughly using unique data analysis and an automated tool to help you time your trades more efficiently.

- 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 simplest method is to use eKYC to create an account. It's an online KYC platform that's completely paperless and painless. Simply fill in your information, including your Aadhar card number and Pan Number. We'll verify these details in real time, and you'll be able to open an account in under 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 expanding financial brokerage house with the goal of making trading easier and more affordable for Indian traders and investors by removing all cost, support, and technology barriers.

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
- 0 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
- 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
- Instant WhatsApp notification
- Refer and Earn Module

STOXKART Invest (Web)

STOXKART Invest Web is a more advanced browser-based Mutual Fund platform. It provides all Mutual Fund related information to our clients in a hassle-free manner, with informative data and quick links to Mutual Fund Investing.

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 Demat based Transaction
- Multiple Reports including Mutual Fund Portfolio of your clients
- Important MIS reports for better self help
- Increased customer service & client satisfaction

STOXKART eKYC

The simplest method is to use eKYC to open an account. It is a paperless and hassle-free online KYC platform. Simply enter your information, including your Aadhar card number and your Pan number. We will verify these details in real time, and you will be able to open an account in less than 15 minutes.

The salient features are:

- Easy to use application
- Faster Account opening process
- Paperless Account Opening
- Instant Approval of account

STOXKART Invest (Mobile)

It is a newly launched next-generation mobile trading platform. It has a rich user interface for investing in mutual funds, as well as MF analytics data for making informed decisions. In future versions, more features will be added to this application.

The salient features of STOXKART INVEST mobile applications are mentioned below:

The App will help you cater to Invest in Mutual Fund.

“STOXKART Invest” Mobile application is available on Play 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 EasyGoPlus

Our branches and business partners can now use the SMCEasyGO+ mobile application to help their clients 24 hours a day, 7 days a week, even when they're on the go.

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

SMC EasyGoPro

It's a cutting-edge mobile platform that we recently launched for our branches and business partners. It has a rich user interface for opening accounts on behalf of clients and checking each stage with a single click.

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

The salient features are:

- User Friendly Interface
- Light Weight Mobile Application
- Easy to use Mobile Applications
- Most useable options are available on fingertips.
- Open an account using Mobile APP
- Most usable Backoffice Report will be available Soon



Moneywise. Be wise.



Row 1 Left to Right: 1. **Mr. Suman Kumar** (EVP Corporate Affairs & Company Secretary). 2. **Mrs. Reema Garg** (CHRO, SMC Global Securities Ltd.). 3. **Ms. Shruti Aggarwal** (Non- Executive Director, SMC Global Securities Ltd.). 4. **Ms. Anshika Aggarwal**, (WTD- SMC Real Estate Advisors Pvt. Ltd.). 5. **Ms. Nidhi Bansal** (Director, SMC Comtrade Limited). 6. **Mrs. Akanksha Gupta** (Whole-Time Director, SMC Insurance Brokers Pvt. Ltd.). 7. **Mr. Vinod K. Jamar** (President & Group CFO)

Row 2 Left to Right: 1. **Mr. Anurag Bansal** (Whole Time Director, SMC Global Securities Ltd.). 2. **Mr. Ayush Aggarwal** (Director - SMC Real Estate Advisors Pvt. Ltd.). 3. **Dr. Damodar K. Aggarwal** (CMD, SMC Investment & Advisors Ltd.). 4. **Mr. Subhash C. Aggarwal** (Chairman & MD, SMC Global Securities Ltd.). 5. **Mr. Mahesh C. Gupta** (Vice Chairman & MD, SMC Global Securities Ltd.). 6. **Mr. Himanshu Gupta** (Chairman & CEO, Moneywise Financial Services Pvt. Ltd.). 7. **Mr. Rajendra P. Mahipal** (Independent & Non- Executive Director, SMC Insurance Brokers Pvt Ltd).

Row 3 Left to Right: 1. **Mr. Ajay Garg** (Director & CEO, SMC Global Securities Ltd.). 2. **Mr. Sunil K. Agarwal** (Statutory Auditor, R. Gopal & Associates, Chartered Accountants). 3. **Mr. Kundan M. Agarwal** (Independent & Non- Executive Director, SMC Global Securities Ltd.). 4. **Mr. Roop C. Jindal** (Independent & Non- Executive Director, SMC Global Securities Ltd.). 5. **Mr. Pranay Aggarwal** (Director & CEO- Moneywise Finvest Limited). 6. **Mr. Hari D. Khunteta** (Independent & Non- Executive Director, SMC Global Securities Ltd.).

Row 4 Left to Right: 1. **Mr. Vikas Aggarwal** (Statutory Auditor, R. Gopal & Associates, Chartered Accountants). 2. **Mr. Chandra Wadhwa** (Independent & Non- Executive Director, SMC Global Securities Ltd.). 3. **Mr. Naveen ND Gupta** (Independent & Non- Executive Director, SMC Global Securities Ltd.). 4. **Dr. Madhu Vij** (Independent & Non- Executive Director, SMC Global Securities 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 & 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 fall in the list of top 1000 listed Companies based on its market capitalization as on 31st March, 2022 at NSE. 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 presence pan India and through his pioneering role as a corporate leader and a dedicated professional. He is having excellence leadership skills, discipline and robust governance ability and under his leadership, the SMC group has successfully established & proved its prudence, strategic might & to emerge resilient & 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 is 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 having specialization in the areas of equity markets, distribution, Corporate Social Responsibility and Corporate Governance etc. Mr. Gupta has been a visionary, clearly focused, consistent and purpose-driven throughout SMC's Journey right since the seed phrase.

He possess 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.



Moneywise. Be wise.



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 Group is amongst the top financial services companies in India having a network of 2510+ spread across 455 cities in India. It has 24000+ registered associates/service providers in distribution segment serving the financial needs of a large base of investors efficiently. 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 Spiritz 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:

- Former Member of the Governing Body of Sports Authority of India from March, 2017 to March, 2020
- Member of Advisory Board of Amity University
- Member of GST Grievance Redressal Committee (GRC) constituted by The Central Board of Indirect Tax and Customs (CBIC).
- Former National President of Commodities Participants Association of India, the only association of commodity exchange members across India.
- Former Member, BSE Board Advisory Committee
- Member, MSEI Board Advisory Committee
- Member, NCDEX Board Advisory Committee
- Member, MCX Board Advisory Committee

- Former Vice President of PHD Chamber of Commerce from October, 2017 to September, 2018 & Sr. Vice President from October 2018 to September 2019.

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
National Vice President
Commodity Participants Association of India (CPAI)

Mr. Ajay Garg is the Director & CEO of the SMC Group. He is a merit holder & a fellow member of the Institute of Chartered Accountants of India (ICAI). He has wide and rich experience of about 25 years in Securities, Commodities & Currency markets along with a strong hold into the intricacies of the capital market. He heads the core businesses of Broking & Clearing services at SMC apart from taking care of the NRI & FPI businesses for the company. He is responsible for business development, risk management, technological up-gradation, brand building and marketing activities of the entire Group.

His firm inclination and belief in the power of technology has helped SMC expand its wing and develop a strong network of 2680+ Franchise and 100+ Branches across 460+ cities of India. 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, SMC ACE a mobile trading app, Algo Trader, Robo Advisory enabled platform and Portfolio Health Checker.

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 of his leadership skills and futuristic approach. He has been recognized as 'Top 10 Group CEOs of 2021' by CEO Insights Magazine. Mr. Garg has also been honored as the 'Entrepreneur of the Year (Innovation in Financial Services)' by Times Now & Franchise India in 2015. He is also the National Vice President of Commodity Participants Association of India (CPAI).



Mr. Anurag Bansal

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

Mr. Anurag Bansal is the Whole Time Director of SMC Global Securities Limited. 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 Accountants of India (ICMAI).

He has rich legacy of professional exposure in the Capital market. He is responsible for managing, operating and supervising 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. 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 (Dean's List), 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 14 years of experience and has worked with PwC, Vedanta Resources, Kraft Heinz UK. Her expertise is in the areas of management advisory, financial services and strategic planning, contributing to the success and growth of our organization.



Mr. Himanshu Gupta
Director & CEO-Moneywise Financial
Services Private Limited
Non-Executive 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 12 years in Financing & Securities' market along with a strong hold into the intricacies of the capital market. He heads the core business of NBFC at SMC along with fixed Income securities & bullion business apart from taking care of the overall functioning of the Group. He is responsible for envisaging its core strategies, business development, risk management and digital 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 & business acumen the organization has navigated market challenges with setting new industry benchmarks and has carved a name for it by growing into a respectable brand.

He has led from front and over the years ensured that simplification of processes and customer centricity is kept as organizational priority for success and sustainability in the long run. He firmly believes 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. He has also been instrumental in various initiatives, that helped to create a nimble and agile 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.

A Gen-Y entrepreneur and owner of a charming personality, Mr. Gupta is a role model and inspiration for many of the youths & 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

A man of professional wisdom, vision and strong organisational skills with a firm belief in inclusive growth of Indian Economy, **CA. Naveen ND Gupta is the Past President of The Institute of Chartered Accountants of India (ICAI)** representing more than 3 lacs Chartered Accountants and 7.50 lacs students which makes it largest Accountancy Education Body in the world. Presently, he is **Chairman of Shaheed Sukhdev College of Business Studies, Delhi University**. He is also Director on the Board of Tata Power Delhi Distribution Limited, BSES Rajdhani Power Limited and BSES Yamuna Power Limited.

A seasoned professional of around 25 years of standing, CA. Naveen ND Gupta was Category A member on the Board of International Federation of Accountants, New York, USA a federation of accounting regulators of 176 countries. He was Board Member of South Asian Federation of Accountants (2018-19) (Apex body of SAARC) and Confederation of Asian and Pacific Accountants, Manila (2018-19). He is board member of Insurance Regulatory Development Authority (2018-19). He is Chairman of Corporate Affairs Committee of PHD Chamber of Commerce and Industry.

He was member of important committees constituted by the Government Ministries/ Regulators such as Government Accounting Standards Advisory Board (GASAB) and Audit Advisory Board both constituted by Comptroller & Auditor General of India, National Advisory Committee on Accounting Standards (NACAS), National Advisory Committee on Valuation Standards of Ministry of Corporate Affairs, Insolvency Legal Committee, Government of India and SEBI's Primary Market Advisory Committee. Member, Committee for Preparation of Manual for the guidance of Official Liquidators constituted by the Ministry of Corporate Affairs, Government of India. (2014-15). Member of Delhi Value Added Tax Advisory Committee, Ministry of Finance, Government of Delhi. Public Interest Director of Delhi Stock Exchange Ltd (Nominated by Securities & Exchange Board of India; Chairman, Listing Committee and Audit Committee of the Delhi Stock Exchange Ltd. (2009-2012)

He was Chairman of Board of Directors of ICAI- Accounting Research Foundation) and XBRL India, which is instrumental in driving governmental accounting reforms in various bodies such as Indian Railways, MCD and KMC. He was also Director, Indian Institute of Insolvency Professionals of ICAI, which is the first Indian IPA.

He is Regular faculty in officer's training programmes organised by the office of Comptroller & Auditor General of India, Central Board of Direct Taxes etc. And, regular speaker and paper writer/contributor in several conferences, Continuing Professional Education Seminars and budget talks at national and inter-national forums;



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. He also on the Board of NBFC's & Other Companies.

Core Competence Mr. Agarwal is more than 4 decade in Accounting Profession such as Auditing, Taxation, Company Law Matters, Corporate & Management Advisory and Compliance Audit Strong Analytical, Problem Solving & Organizational Abilities. Mr. Agarwal is also involved in social Services like Past President of **Rotary Club of Vasant Velly and President of Delhi Chapter of Aroyga Foundation of India which is affiliate of "Ekal Foundation of India"**



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 47 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. Chandra Wadhwa
Independent & Non-Executive Director of
SMC Global Securities Limited

Mr. Chandra Wadhwa serves the company as an Independent and Non-Executive Director on the Board of SMC Global Securities Limited and SMC Insurance Brokers Private Limited (Subsidiary of SMC Global Securities Limited). 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 40 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. He is Nominee Director on the Board of ICMAI Management Accounting Research foundation since 14.09.2021.

CMA Wadhwa chaired the working group to examine the requirement and make suggestions for an Institutional Framework for Corporate Valuations, constituted by the MCA. He served as member of Indo-UK Task Force on Corporate Governance, constituted by MCA, as member of Expert Group to review Cost Accounting Record Rules, Cost Audit Report Rules and Cost Accounting Standards. CMA Chandra Wadhwa has made more than 150 presentations on various topics at Regional, National & International seminars and also represented the Institute on various national and international forums. He is the man of eminent personality. He has been adding value to the organization from beginning & 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 since 12th Feb, 2016. He is a member of Quality Review Board of the Institute of Chartered Accountants of India and Institute of Companies Secretaries of India. He is also Chairman of technical cell of the Institute of Cost Accountants of India. He is associated with our group since 2012.



Mr. Satish Chandra Gupta
Independent & Non-Executive Director
Moneywise Financial Services Pvt. Ltd.

Mr. Gupta received his bachelor's degree from Agra University & Masters of Commerce from Meerut University. He is an Independent and Non-Executive Director on the Board of Moneywise Financial Services Pvt. Ltd. He is a doyen in the field of Banking having expertise of over 50 plus years. He is certified Member of Indian Bankers Association. He previously presided as Chairperson & Managing Director of Punjab National Bank & Indian Overseas Bank.



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

Mr. Rajendra P Mahipal is an Independent and Non-Executive Director on the Board of SMC Insurance Brokers Private Limited. 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, co-ordination and support is remarkable. He is a promoter and director of Pinkcity Electronics Pvt Ltd and has over 42 years of experience in import Export, Finance, Administration and Capital Market. He is a doyen personality in the field of taxation, handling business matters. He has proven himself as man of dedication and devotion. He is associated with our group since 2014.



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 on the Board of SMC Global. 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 & administration ideas, accepting challenges for growth and progress of the organization. She 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. 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.



Mrs. Reema Garg (MCA)
CHRO & Director - HR and L&D
SMC Global Securities Limited

Ms Reema Garg is CHRO & Director - HR and L&D at SMC Group of Companies and she has done her Masters in Computer Application (MCA) and B.Sc. in Computer Science from the University of Delhi. Mrs. Garg possesses excellent communication and inter-personal skills and plays a key and active role in strategic planning & brand building for the organization. She is a self-motivated person having a professional approach emphasizing on the core values of the organization.

She innovates, develops and effectively implements new ideas for the growth and progress of the Human Resources, Customer Care, Quality management and Administration functions of the organization. She is technology savvy and has successfully implemented robust HRIS, LMS and highly intensive CRM system in the organization. As a Transformational leader she has adopted various HR Interventions in the work processes including Redesigning of Organizational Hierarchical Structure and process re-engineering.

She believes in employee-centric policies & process-driven work culture with focus on acquisition and retention of talent pool in the organization. Also, a significant amount of time is invested in employee's overall development through various programs viz. skill development, behavioral training, inter-personal relationships, etc. She lives by the philosophy People-wise, Be-wise coined by her and has successfully worked to develop a culture of Team-work, Transparency and Openness amongst the employees resulting in better organizational efficiency and harmony.

AWARDS WON BY SMC UNDER HER ABLE LEADERSHIP:

1. Awarded 'The Economics Times Most Promising Women Leaders, 2021' by the Economic Times Edge
2. Awarded 'HR Value Creators Award 2017- Initiatives for Employee Happiness, 2017' by Creating Values
3. Awarded 3rd DMA Thomas National Award for Excellence in Talent Management, 2015 by Delhi Management Association and Thomas Assessments Pvt Ltd.
4. Awarded for Continuous Innovation in HR Strategy at Work, 2013 by World HRD Congress.
5. Awarded 'Learning and Talent Technology Excellence Award, 2012' by Star News HR and Leadership Awards.



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 in 2016, he was associated with Price waterhouse coopers. He is a man of creativity, values, devotion and dedication. He is a remarkable young talent who has played a key role in launching of Stoxkart (Discount brokerage platform). His keen business acumen, result oriented approach, energetic leadership and qualities like ebullient, focused, passionate, sincere, hard-working and dynamic has 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 delivering industry-leading operational efficiency in order to support our goal of delivering sustainable growth in value.



Mr. Pankaj Gupta
Director-SMC Comex International DMCC

Mr. Pankaj Gupta is a certified SAP consultant & Economics Honors Graduate. Pankaj, with more than 26 years of experience in three different continents, is serving clients with their specific requirements. He understands global financial sphere as well as regional market trends to assist clients and gets 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.



Ms. Nidhi Bansal
Director - SMC Comtrade Limited

Ms. Nidhi Bansal is Director of the SMC Comtrade Limited (Subsidiary of SMC Global Securities Limited). She is 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

Ms. 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 transition 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 diverse exposure, he handles all the tasks and assigned projects with great efficiency & effectiveness. He, a man with robust governance qualities, is associated with SMC Global Securities Limited 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 very efficiently. 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 37 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 is the fellow member of the Institute of Company Secretaries of India (ICSI). He has varied and chequered experiences in contemporary industries and has excelled himself as hardworking and extraordinary managerial skills. He has joined SMC Group in the year 2005 as a Company Secretary and has been associated with the company since then. Under the inspiring leadership of Mr. Kumar, the company had withstood challenging and intricate corporate complex issues and every time the company had emerged triumph over all the pressing circumstances. Mr Kumar had also obtained degree in bachelor of law from University of Delhi on account of his keen interest in the field of law in order to supplement his un-famished desire in pursuit of corporate knowledge. His contribution and commitment towards the assignment has been quintessentially acknowledged by the higher management of SMC Group which resulted in quicker elevation of responsibilities and finally he rose to become "Executive Vice President (Corporate Affairs and Company Secretary)" of SMC Global Securities Limited. Presently, Mr Kumar has been exquisitely discharging his assigned responsibilities with unmatched skills of management with a team of more than 30 professionals.

Mr. Kumar has been seasoned professional in finding ingeniously viable solution against irreversible circumstances. His knowledge and exemplary acumen-ship led to the resolution of extremely complex corporate issues of great ramification and consequences. Mr. Kumar is combining in himself multiple expertises and experiences over verity of fields which make him multifaceted professional with marked outstanding caliber. He is a person of honesty and high integrity and believes in leading a simple life. He believes in building and maintaining credibility, transparency and good governance. He believes in seeking excellence and performing his duties with devotion and commitment. He has been continuously inspiring young professionals.

He is known for his hard work, loyalty, credentials and integrity. He has also served as the speaker for creating the awareness about the Indian stock market, different instruments, risks and philosophies, objectives of the instruments and have addressed more than 125 locations across the country under the banner of SMC Group and also with NSE, BSE, Ministry of Corporate Affairs, ICSI, ICAI and have widely travel across the country. He has addressed the "Orientation program on Arbitration" for the Arbitrators of Delhi (Delhi Region) & For the Arbitrators of Dehradun Region by Bombay Stock Exchange (BSE Limited). He has been an eminent speaker and shares his experience and expertise at well-known management institutes of the country. After few years he has extended his profile to manage the entire investor grievances and arbitration mechanism for and against the company and have made investor grievances wing within the organization. In due course he has further, extended his profile to manage the entire litigation of the group whether under negotiable instruments, criminal proceedings, civil proceedings, Consumer matters etc. beside the Corporate Governance aspects.



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 30 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 14 years and is currently heading ECM and Debt Syndication of Investment Banking business. He has over four decades of rich experience in Corporate Finance & Investment Banking. He has spearheaded various transactions both in Debt and Equity Capital Markets predominantly in the area of Debt Syndication, Restructuring, M&A, Corporate Advisory, Fund raising- PE / IPO etc. His varied experience helps organization to work unitedly towards the Vision & Mission of the Organization.



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

By leading the organization in a more efficient way, Mr. Vishwanath Bansal is associated with us as CFO - SMC Capitals Limited. He is also a Fellow member of The Institute of Chartered accountants of India (FCA) and is a graduate in commerce. He has considerable experience of more than 14 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.



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

Mr. Aggarwal has brought a strong leadership skill in the management of the Company which leads to the better management and achieving desired goals and objective. He is Compliance Officer and Senior Vice President of the Company. He is a fellow member of the Institute of Chartered Accountants of India. Mr. Aggarwal has a wide breadth of experience of 42 years of in the field of audit, taxation and corporate matters. He has a diverse exposure in the field of Tax matters, SEBI and Exchanges Compliance, Depository Participant Operations. He handles & execute long-term Business Strategies, Growth Plan, Researching and implementing new directives for business growth and prosperity monitoring employee productivity with great efficiency and effectiveness. 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 with 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.



COVERAGE AS WIDE AS CONTINGENCIES

LIFE INSURANCE | CAR INSURANCE |
HEALTH INSURANCE | CHILD INSURANCE |
TRAVEL INSURANCE | HOME INSURANCE |
OTHER INSURANCE

Directors' Report

TO THE MEMBERS,

Your Directors take pleasure in presenting the twenty eighth (28th) 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, 2022.

Financial Summary

The financial performance of your Company for the financial year ended 31st March, 2022 is summarized below:

(₹in Lakhs)

PARTICULARS	Standalone		Consolidated	
	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22
Revenue from operations	50,129.98	66,994.06	90,126.74	1,10,632.94
Other Income	1,967.18	1,415.55	693.37	1,449.14
Total Income	52,097.16	68,409.61	90,820.11	1,12,082.08
Total Expenses	41,573.56	50,192.66	76,638.95	89,942.54
Profit before share of profit/loss from joint ventures, exceptional items and tax	10,523.60	18,216.95	14,181.16	22,139.54
Share of profit/(loss) from associates or joint ventures	-	-	73.32	(0.96)
Profit before tax	10,523.60	18,216.95	14,254.48	22,138.58
Tax expense	3,029.31	3,755.92	3,752.95	4,681.73
Profit after tax	7,494.29	14,461.03	10,501.53	17,456.85

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 forms part of 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.

Further in accordance with IND AS-8 'Accounting Policies, changes in Accounting Estimates and Errors' and IND AS-1 'Presentation of Financial Statement', the Company has retrospectively restated the Financial Statements, both Consolidated & Standalone for the year ended 31st March, 2021.

Detailed elaboration about the restatement of financial statement can be referred from Note No. 32 of the Standalone Financial Statements and Note No. 34 of the Consolidated Financial Statements.

FINANCIAL PERFORMANCE

Consolidated

On a consolidated basis, your Company has recorded an excellent performance with turnover of ₹1,10,632.94 lakhs as against ₹90,126.74 lakhs in previous year and profit after tax of ₹17,456.85 lakhs as against ₹10,501.53 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 to surge in the domestic equities, revival in economic activity, and robust corporate earnings.

Standalone

On a standalone basis, your Company recorded an exceptional performance with turnover of ₹66,994.06 lakhs as against ₹50,129.98 Lakhs in previous year and profit after tax stood at ₹14,461.03 Lakhs as against ₹7,494.29 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 new investors into the market. Your Company being a stock broking company has been a beneficiary of the increased level of activity in stock markets.

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, 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.

Change in the Nature of Business

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

Listing Information

The equity shares of the Company is listed on nationwide trading platforms i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) Further, as per the data issued by NSE as on 31st March, 2022, your Company has been ranked as 961 among the top 1000 listed entities in India.

In furtherance to above, we would like to inform that the Company has applied to voluntarily delist its 11,31,34,450 equity shares having face value of ₹ 2/- each from Calcutta Stock Exchange in accordance with Regulation 6(a) of SEBI (Delisting of Equity Shares) Regulations, 2021. In this regard, the approval has been granted by the Exchange on 21st October, 2021.

The below mentioned table depicts the listing information of the Company as on 31st March, 2022:

Sl. No.	ISIN/Scrip No.	Stock Exchange	Type of security	No. of securities listed	Status
1.	INE103C01036/ Scrip Code. SMCGLOBAL	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	Delisted w.e.f 21st October, 2021

*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.

Return of surplus funds to Shareholders

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 16th November, 2021 being the record date. The Company has spent approximately ₹13, 57, 61,340/- (Rupees Thirteen Crore Fifty-Seven Lakhs Sixty-One Thousand Three Hundred Forty Only) on account of interim dividend distribution pertaining to FY 2021-22 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 60% on the face value of equity shares i.e. ₹1.20 per equity share, which if approved, shall result in payment of total dividend @ 120% i.e. ₹2.4 on the face value of equity shares of ₹ 2 each for the FY 2021-22. The record date for the purpose of distribution of final dividend is 10th June, 2022 and Book closure period is fixed from 11th June, 2022 to 15th June, 2022.

Particulars	FY 2021-22		FY 2020-21	
	Per Share (in ₹)	Payout (₹ in crores)	Per Share (in ₹)	Payout (₹ in crores)
Interim Dividend	1.20	13.58	1.20	13.58
Final Dividend	1.20*	13.58*	0.80	9.05
Total Dividend	2.40	27.16	2	22.63
Payout ratio	120%		100%	

*Recommended by the Board of Directors in its meeting held on 7th May, 2022. The payment is subject to approval by the shareholders in the Annual General Meeting proposed to be held on 25th June, 2022.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders which was effective from 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.

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 published on the website of the Company and is available at <https://smcindiaonline.com/wp-content/uploads/2021/06/DIVIDEND-DISTRIBUTION-POLICY.pdf>.

In addition to the above, the Board of Directors of the Company have approved the Buyback of fully paid up

equity shares of the Company from open market through stock exchange mechanism in accordance with the provisions of SEBI (Buyback of Securities) Regulations, 2018 for an amount not exceeding ₹ 75,00,00,000 (Rupees Seventy Five Crores Only) excluding transaction costs and applicable taxes on Buyback and at a price not exceeding ₹115/- per equity share. This represents 9.64% and 8.78% of the aggregate of the paid up equity share capital and free reserves (including securities premium account) as per the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2022, respectively.

Transfer to Reserves

The Company has not transferred any amount to any reserve for the financial year ended 31st March, 2022.

Subsidiaries, Associates and Joint Ventures

As on 31st March, 2022, 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 2021-22 are as under:

Company Name	Total Income	Profit before tax	Profit after tax
Moneywise Financial Services Private Limited	9,854.20	2,972.06	2,244.58
SMC Insurance Brokers Private Limited	27,624.71	946.63	795.77
Moneywise Finvest Limited	1,485.37	(53.25)	(35.04)
SMC Global IFSC Private Limited	98.05	18.84	18.80
SMC Capitals Limited	855.85	(60.51)	(44.78)
SMC Real Estate Advisors Pvt Limited	2,646.80	110.06	82.04
SMC Investments and Advisors Limited*	594.03	61.16	61.16
SMC Comtrade Limited	150.49	42.61	26.01
SMC Comex International DMCC	1,604.23	518.32	518.32
SMC Global USA Inc	-	-	-

The amount shown in () in the above table are negative in value
* excludes profit of SMC & IM capitals investment manager 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 period of review.

SMC Comtrade Limited and SMC Investments and Advisors Limited, wholly owned subsidiaries of the Company incorporated a Limited Liability Partnership with equal contribution named as Qnance Research Capital LLP, however, during the year, due to operational difficulties, the subsidiaries disinvested their capital holdings from the LLP before closure of the financial 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 1.

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)(c) 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 recognized 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/wp-content/uploads/2021/06/POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARY-COMPANIES.pdf>

Directors' Responsibility Statement

Pursuant to the section 134(3) (c) & 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, 2022 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 2021-22 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 if any.

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.

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/wp-content/uploads/2021/09/Familiarisation-programme-2021-22.pdf>

Deposits

During the FY 2021-22, 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 the 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 yearly basis.

The Audit Committee receives, investigates and redresses the complaints received under the vigil mechanism. The Policy on vigil mechanism is available on the website of the Company at <https://smcindiaonline.com/wp-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. Also, online training programs were run for the employees of the Company to enhance awareness and knowledge about sexual harassment within the organisation.

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 an 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. During the year, the related party transaction policy underwent revision due to the recent amendments introduced by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021. 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/wp-content/uploads/2021/09/POLICY-ON-RELATED-PARTY-TRANSACTIONS-01.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, Practising Chartered Accountants as the Internal Auditors of the Company for FY 2021-22 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. During the last quarter of the financial year, M/s Prachi Agnihotri & Associates resigned from Company due to other pre-occupations and M/s PNG & Co., Practising Chartered Accountants were appointed as the Internal Auditors for the last quarter of FY 2021-22.

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. Further, the Company has a risk management committee which along with the Audit Committee monitors and reviews the risk existent in the Company.

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. However, on 4th May, 2022, Mr. Roop Chand Jindal, Non-Executive Independent Director of the Company tendered his resignation from the position of Independent Director of the Company due to his advanced age and related health issues. His resignation shall be effective from the date of approval as may be granted by the exchanges where the Company is a trading/clearing member. Apart from Mr. Roop Chand Jindal, no director has resigned or was removed from the Company. The Board places on record its appreciation for the invaluable contribution and guidance of Mr. Roop Chand Jindal during his tenure as an independent director of the Company. Also, no key managerial personnel of the Company have resigned or was/were removed from the Company during the year.

At the 27th Annual General Meeting of the Company held on 7th August, 2021, Mrs. Shruti Aggarwal, Non-Executive Director of the Company retired by rotation and being eligible was reappointed at the Meeting. Mr. Ajay Garg, Director and CEO of the Company (DIN:00003166), retires by rotation at this 28th AGM and being eligible, has offered himself

for reappointment. The agenda seeking approval of the Members for his reappointment forms part of the Notice of 28th AGM.

Further, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has recommended reappointment of Mr. Mahesh C. Gupta, Vice Chairman and Managing Director (DIN: 00003082) whose term of appointment as a Managing Director is expiring on 31st August, 2022. Accordingly, the Board of Directors recommends reappointment of Mr. Mahesh C. Gupta as Vice Chairman and Managing Director of the Company for another term of five years i.e. from 1st September, 2022 to 31st August, 2027 by the Members in the 28th AGM. The requisite details as required under applicable laws are annexed to the Notice of the AGM.

The Board of Directors on the recommendation of Nomination and Remuneration Committee also recommends reappointment of Mr. Naveen ND Gupta, Independent Non-Executive Director of the Company (DIN: 00271748) whose term as an Independent Director is expiring on 30th January, 2023. Basis the consent and declaration received from Mr. Naveen ND Gupta as Independent Non-Executive Director of the Company for another term of five years i.e. from 31st January, 2023 to 30th January, 2028 by the Members in the 28th AGM. The requisite details as required under the applicable laws are annexed to the Notice of the AGM.

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.

Committees of Board

As on March 31, 2022, 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
5. Risk management 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 by virtue of SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021. In the Board Meeting held on 7th June, 2021, the Directors constituted a voluntary committee named as Business Responsibility and Sustainability Committee for the review and approval of the Business Responsibility Report as applicable on the Company.

During the year under review, the Board of Director in their meeting held on 7th May, 2022 also constituted a non-statutory voluntary committee named as the Buyback Committee for the purpose of execution of the Buyback proposal approved by the Board of Directors of the Company. The composition details of the committee are discussed in the Corporate Governance Report.

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/wp-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 during the year and a declaration to that effect, signed by the CEO 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 7th June, 2021, 11th August, 2021, 08th November, 2021 and 31st January, 2022 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 27th Annual General Meeting (AGM) of the Company was held on Saturday 7th August, 2021. Further, the 28th Annual General Meeting of the Company for the FY 2021-22 is scheduled to be held on Saturday, 25th June, 2022. 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 12th March, 2022 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 on the basis of its ranking among the top 1000 listed companies in India as per the market capitalisation issued by NSE as on 31st March, 2022.

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 2021-22 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 an appropriate mix of executive and non-executive directors. As on 31st March, 2022 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. During the year under review, the Nomination and Remuneration

Policy of the Company underwent revision due to the amendments introduced by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021.

The policy is available on the website of the Company at <https://smcindiaonline.com/wp-content/uploads/2021/09/NOMINATION-AND-REMUNERATION-POLICY.pdf>

Corporate Social Responsibility

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

The Company has incurred a CSR expenditure of ₹. 91.44 lakhs and the entire SMC group have spent approximately ₹. 175.49 Lakhs towards CSR during the FY 2021-22. 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 Rules. 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/wp-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 Activities as is annexed to this Report as Annexure 2.

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
4. Related Party Transaction Policy
5. Nomination and Remuneration Policy

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 revisited some of 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, 2022 in the prescribed format is available at company's website at <https://smcindiaonline.com/investor/>.

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 2021-22 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 2021-22 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 2021-22 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 2021-22. The Secretarial Audit Report in form MR-3 for the financial year ended 31st March, 2022 is annexed herewith and marked as Annexure 3. The Secretarial Audit Report is self explanatory and does not call for any further comments. 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 2021-22.

The Secretarial audit report of SMC Insurance Brokers Private Limited and Moneywise Financial Services Private Limited does not contain any qualification, reservation or adverse remark.

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 2021-22 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, 2022, there were foreign currency earnings of ₹ 52,08,570 and the foreign exchange outgo was of ₹ 24,51,530.

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 3,300+ employees as on 31st March, 2022 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 4.

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 4.

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 Final Dividend pertaining to FY 2013-14 of ₹ 1,48,202.40 (One Lakh Forty Eight Thousand Two Hundred And Two Only) and Interim Dividend pertaining to FY 2014-15 of ₹ 141,650.40 (One Lakh Forty One Thousand Six Hundred And Fifty Only) 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 3,07,897 (Three Lakhs Seven Thousand and Eight Ninety Seven Only) equity shares of face value ₹ 2/- each which is approximately 0.27% 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, 2022.

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

have 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.

Further, during the year, the Company has created awareness about cyber security among senior officials, including Directors of Company by organizing a seminar / webinar.

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.

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.

For and on behalf of the Board

Sd/-
Subhash Chand Aggarwal
Chairman and Managing Director

Place: Kathmandu, Nepal
Date: 07th May, 2022

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.

Sd/-
Mahesh C. Gupta
Vice Chairman and Managing Director

ANNEXURE-1**Form AOC-1****Statement containing salient features of the financial statement of subsidiaries and 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 of Shareholding
	Subsidiaries												
1	SMC Capitals Ltd.	August 16, 2008	INR	1,000.00	444.11	1,609.25	165.14	-	855.85	(60.51)	(15.73)	(44.78)	100
2	Moneywise Financials Services Pvt. Ltd.	August 1, 2008	INR	4,365.69	32,024.06	76,050.39	39,660.64	451.84	9,854.20	2,972.07	727.50	2,244.57	100
3	SMC Comtrade Ltd.	April 26, 2007	INR	250.00	28.30	2,085.36	1,807.06	266.32	150.49	42.62	16.60	26.02	100
4	SMC Investments and Advisors Ltd.*	April 1, 2008	INR	750.00	134.43	1,347.73	463.30	67.80	594.03	61.16	-	61.16	100
5	SMC Global USA Inc**	February 29, 2016	In USD	11.53	(12.81)	0.94	2.22	-	-	-	-	-	50
			In INR	779.71	(876.14)	71.52	167.95	-	-	-	-	-	
6	SMC Global IFSC Pvt. Ltd.	December 8, 2016	INR	1,199.98	1,794.86	3,535.84	541.00	-	98.05	18.84	0.05	18.79	100
7	Moneywise Finvest Ltd.	November 6, 2009	INR	2,000.00	(424.68)	4,780.32	3,205.00	-	1,485.37	(53.25)	(18.21)	(35.04)	100
8	SMC Real Estate Advisors Pvt. Ltd.	February 8, 2013	INR	3,000.00	(3,932.01)	1,936.50	2,868.51	240.58	2,646.80	110.07	28.02	82.05	100
9	SMC Insurance Brokers Pvt. Ltd.	April 23, 2007	INR	4,140.00	956.02	9,762.58	4,666.56	1,791.98	27,624.71	946.62	150.85	795.77	97.58
10	SMC Comex International DMCC**	November 16, 2005	In USD	24.05	11.12	85.42	50.25	-	21.53	6.96	-	6.96	100
			In INR	1,538.28	1,128.08	6,475.63	3,809.27	-	1,604.23	518.32	-	518.32	

Notes:

- The aforesaid data is in respect of ten (10) subsidiary companies as on 31st March, 2022.
- 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 20% 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
- **Converted to Indian Rupees at the exchange rate 1USD = INR 75.8071

Part B Joint Venture

(₹ in Lakhs)

S. No.	Name of the entity	Latest audited Balance Sheet Date	Shares of Associate/ Joint Ventures held by the company on the year end	Amount of Investments*	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Turnover	Profit/(Loss) For the Year		Percentage of Shareholding
								Considered in Consolidation	Not Considered in Consolidation	
1.	SMC & IM Capitals Investment Manager LLP	3/31/2022	N.A.	150.00	N.A.	-	-	(0.96)	(0.96)	50

Notes:

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

ANNEXURE 2

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/2021/09/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY-1>

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/2021/09/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY-1>

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.

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 2021-22.

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 ₹45,71,94,802

7. Following details:

Sl. No.	Particulars	Details
A	Two percent of the average net profit of the Company as per section 135(5)	₹91,43,896
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)	₹91,43,896

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
₹91,43,896	NIL	NA	NA	NIL	NA

b. Details of CSR amount spent against 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 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												

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	Promotion of Education	Promotion of Education (ii)	Yes	New Delhi	Naraina	FY 2021-22	2,00,000	No	Ganga Sewa Sanstha	CSR00016547
2	For fighting with COVID	Disaster Management (xii)	Yes	New Delhi	Chanakyapuri	FY 2021-22	1,00,000	No	Assocham Foundation	CSR00001076
3	Promotion of health	Promotion of health (i)	Yes	New Delhi	Paschim Vihar	FY 2021-22	1,00,000	No	Durbal Divyang Kalyan Society	-
4	Promotion of health	Promotion of health (i)	Yes	New Delhi	Shastri Nagar	FY 2021-22	1,00,000	No	CSR Research Foundation	CSR00011620
5	Promotion of education	Promotion of Education (ii)	Yes	New Delhi	Lawrence Road	FY 2021-22	11,00,000	No	Bharat Lok Shiksha Parishad	CSR00000667
6	Promotion of health	Promotion of health (i)	No	Mumbai	Nariman Point	FY 2021-22	2,00,000	No	Rotary Club of Mumbai	CSR00004275
7	Promotion of education	Promotion of education (ii)	Yes	New Delhi	Tarun Enclave, pitampura	FY 2021-22	21,00,000	No	Indraprasth Global	CSR00008796
8	Promotion of education	Promotion of education (i)	Yes	New Delhi	Punjabi Bagh	FY 2021-22	13,00,000	No	Iskcon	CSR00005241
9	Promotion of education	Promotion of education (ii)	Yes	New Delhi	Lawrence Road	FY 2021-22	20,00,000	No	Bharat Lok Shiksha Parishad	CSR00000667
10	Promotion of education	Promotion of Education (ii)	Yes	New Delhi	Moti Nagar	FY 2021-22	1,00,000	No	Shikshalya	CSR00019440
11	Sponsoring 5000 bhagwad geeta to students	Promotion of Education (ii)	Yes	New Delhi	Karkarduma	FY 2021-22	7,50,000	No	Iskcon	CSR00005241
12	Promotion of education	Promotion of education (ii)	Yes	New Delhi	Daryaganj	FY 2021-22	2,51,000	No	Shakti Shiksha Nyas	-
13	Promotion of education	Promotion of education (iv)	Yes	New Delhi	Faiz Road, Karol Bagh	FY 2021-22	5,00,000	No	Rashtriya Sewa Bharti	CSR00001081
14	Promotion of education and health	Promotion of education and health	Yes	New Delhi	Gole Market	FY 2021-22	3,00,000	No	Sewa Bharti	CSR00003477
15	Health Care/ Environmental sustainability/ Disaster Management	Promotion of health (i) and Disaster Management (xii)	Yes	New Delhi	New Delhi	FY 2021-22	42,896	No	SMC Foundation*	CSR00010811
Total							₹ 91,43,896			

*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.

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)- ₹91,43,896

g. Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹)
	NA	

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

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135(6) (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 2020-21	NA	₹73,29,287		NA		NIL
2	FY 2019-20	NA	₹3,18,863		NA		NIL
3	FY 2018-19	NA	₹34,61,453		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 3

FORM No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31,2022,

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

To,
The Members,
SMC GLOBAL SECURITIES LIMITED,
11/6B, Shanti Chambers, Pusa Road,
New Delhi- 110005.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SMC GLOBAL SECURITIES LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion there on. 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 authorized 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, 2022 (hereinafter called the 'Audit Period') 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 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 31,2022 according to the provisions of:

- The Companies Act, 2013 ('the Act') and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment; **(External Commercial Borrowings and Foreign Direct Investment Not Applicable to the Company during the Audit Period);**
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,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, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; **(Not Applicable to the Company during the Audit Period)**
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.(Not Applicable to the Company during the Audit Period)

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards and

- The Company has Adopted MOA/AOA as per Companies Act-2013 during the Review Period.
- The shares of the Company has been delisted from CSE (Calcutta Stock Exchange) on 21.10.2021

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- The Securities and Exchange Board of India (Research Analysts) Regulations, 2014;
- The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992;
- The Securities and Exchange Board of India (Underwriters) Regulations, 1993;
- The Securities and Exchange Board of India (Stock brokers) Regulations, 1992 and Rules, Regulations and Bye-laws of Stock Exchanges;
- The Securities and Exchange Board of India (KYC (Know Your Client) Registration Agency) Regulations, 2011;
- The Securities and Exchange Board of India (Investment Advisers) Regulations, 2013;
- The Securities and Exchange Board of India (Certification of Associated Persons in the Securities Markets) Regulations, 2007;
- The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

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. 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 clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out 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.

For
A.K.ROY & ASSOCIATES
Practicing Company Secretary

Sd/-
Arvind Kumar Roy
Proprietor
FCS No. - 8308
CP No. - 9147
UDIN- F008308D000251201

Place- New Delhi
Date: 01st.May .2022

This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

ANNEXURE

To,
The Members,
SMC GLOBAL SECURITIES LIMITED,
11/6B, Pusa Road, New Delhi-110005.

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

1. Maintenance of secretarial record 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 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.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of 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 the efficacy or effectiveness with which the management has conducted the affairs of the Company

Thanking You.

Your's faithfully

For
A.K.ROY & ASSOCIATES
Practicing Company Secretary

Sd/-
Arvind Kumar Roy
Proprietor
FCS No.- 8308
CP No. - 9147
UDIN- F008308D000251201

Place- New Delhi
Date: 01st May, 2022

ANNEXURE 4**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 2021-22 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	35.23%	53.52
2.	Mr. Mahesh Chand Gupta*	Vice Chairman & Managing Director	39.67%	55.28
3.	Mr. Ajay Garg	Director & Chief Executive Office	17.05%	33.19
4.	Anurag Bansal	Whole Time Director	Nil	26.39
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	1.47%	NA
8.	Mr. Vinod Jamar*	Chief Financial Officer	14.295	NA

*During the year, the Board of Directors in its meeting held 7th June, 2021 increased the remuneration of Mr. Subhash Chand Aggarwal, Chairman and Managing Director, Mr. Mahesh C. Gupta, Vice Chairman and Managing Director and Mr. Vinod Kumar Jamar, President & Chief Financial Officer w.e.f. 1st April, 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.

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

There was an increase of 5.47% in the median of remuneration paid to the employees of the Company during the financial year 2021-22.

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

As on 31st March, 2022, the Company has 2187 permanent employees on its pay roll (including Directors & Key Managerial Personnel of the Company).

3. 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 the employees other than the managerial personnel is 5.45%, whereas the increase in remuneration of employees including managerial personnel is 5.47%

4. 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.

Notes:

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 (in yrs)	Qualification	Experience (in yrs)	Date of Employment	Designation	Remuneration received (₹)	Name of last employer
1	Abhinav Aggarwal	37	Masters in Computer Science	14	1st April, 2015	Vice President, Quantitative Trading	2,95,29,334	Citadel LLC
2	Roopesh Ramaprasad	36	Masters in Electrical Engineering	14	13th April, 2015	Vice President, Quantitative Trading	2,94,59,229	Citadel LLC
3	Barath Krishnan	35	Post Graduate Diploma in Management (PGDM)	12	5th August, 2019	Senior Quantitative Researcher	2,14,30,048	Edelweiss Financial Limited
4	Nitin Kuma Murarka	44	Chartered Accountant	13	1st March, 2007	Vice President, Research	1,28,79,688	Evalueserve
5	Ashok Kumar Aggarwal	66	Chartered Accountant	42	1st August, 2012	Senior Vice President, Senior Management	57,34,040	Self-employed - Practising Chartered Accountant
6	Mohit Shyngle	49	Bachelors of Commerce	28	1st April, 2004	Senior Vice President, Business Development	47,22,481	S&F Securities Private Ltd.
7	Narendra Balasia	50	Bachelors of Commerce	28	1st February, 2020	Regional Director	40,79,946	SMC Comtrade Limited
8	Rohit Jain	39	Higher Secondary (12th)	18	1st August, 2019	Senior Vice President, SMC Private Wealth	51,06,990	NA
9	Deen Dayal Goyal	56	M.Com	17.5	1st June, 2015	Senior Vice President, Debt	39,36,720	Pioneer Sec Pvt. Ltd.
10	Raju Ramjatan Mahto	40	Bachelors of Commerce	18	1st July, 2019	Vice President	37,68,285	Reliance Limited

1. 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.
2. Apart from those mentioned above, 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 holds 2% of equity shares of the Company as on 31st March, 2022.
3. Nature of employment is contractual in all cases.
4. Remuneration includes Salary, allowances, Contribution to Provident Fund and other perquisites.



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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 fulfill the business responsibility of every entity. SMC Global Securities Ltd. has been ranked among top 1000 listed entities by NSE wherein the securities of the Company are listed. 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 conduct which takes 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 INX, 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, 2021 to March 31, 2022

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	37.52

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 in Dubai, UAE]

b. Number of National Locations – SMC has its presence at 95+ 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: 66,994.06 (₹ in Lakhs) Consolidated: 1,10,632.94 (₹ in Lakhs)
3.	Total profit after taxes (INR)	Standalone: 14,461.03 (₹ in Lakhs) Consolidated: 17,456.85 (₹ in Lakhs)
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) on standalone basis	₹91,43,896 which is 0.63%
5.	List of activities in which expenditure in 4 above has been incurred:-	(a) Promotion of Education (b) For fighting with COVID (c) Promotion of Health

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 three subsidiary companies i.e. Moneywise Financial Services Private Limited, SMC Insurance Brokers Private Limited and SMC Investments & Advisors Limited besides 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? If 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 as 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 is 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?
- Yes, the company Publishes Business Responsibility Report and it shall be published as a part of Annual Report on Annual Basis.

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 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, conducts seminars for employees to abide by the Company's policies in true spirit.
 - The SMC Group has a professional code of conduct for its employees 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 not received any complaints from the shareholders. We have received 100 stakeholders' complaints/ grievances during the financial year, out of which 91.00% got satisfactorily resolved.

During the Financial Year 2021-22, we have received 91 investor complaints in NSE related to trade and transactions, {SMC has 1,60,010. Active Clients in NSE (Active UCC) as on March 31, 2022}. Out of the above, 82 grievances resolved and 9 are pending. Out of these 9 Grievances, six matters are reserved for Award, 3 matters are still pending before Hon'ble Arbitrator. In addition to this, in BSE, 07 Investor grievances received and resolved during the financial year. In MCX, 2 Grievances received and resolved. In totality, out of 100 complaints, 91 grievances were resolved and 9 are pending.

As on date total 24 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 from time to time wherever practically possible and feasible for its day to day administrative and operational activities. The Company tries to help built 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- 2187 as on March 31, 2022
- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis- NIL as on March 31, 2022
- 3. Please indicate the Number of permanent women employees- 374 as on March 31, 2022
- 4. Please indicate the Number of permanent employees with disabilities- 11 as on March 31, 2022
- 5. Do you have an employee association that is recognized by management?
- 6. What percentage of your permanent employees is members of this recognized employee association?

There is no employee association.

Not Applicable.

7. 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	2187	1322	60.45%
Permanent Women Employees	374	323	86.36%
Casual/Temporary/Contractual Employees	0	0	0%
Employees with Disabilities	11	8	72.73%

e-Guru (online learning portal)	Total Employees	Catered	%
Permanent Employees	2187	848	38.77%
Permanent Women Employees	374	225	60.16%
Casual/Temporary/Contractual Employees	0	0	0%
Employees with Disabilities	11	5	45.45%

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) for 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 professional exams (like exams being conducted by NISM).

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 and 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 providing health facilities, better education opportunities, 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?
Yes, policies of the Company covering human rights extend to its subsidiaries, Joint Ventures.
In all the policies of the 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.

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 2021-22	Complaints Resolved during FY 2021-22	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>reducing dependence on paper communication and encourages use of electronic means of communication which serves towards environmental protection and sustainable growth.</p> | <p>technology, energy efficiency, renewable energy, 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>The Company emphasizes on</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 takes necessary steps to mitigate them.</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>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>5. Has the Company undertaken any other initiatives on – clean</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 AND 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</p> | <p>Exchange Brokers' Forum. Further its subsidiary, SMC 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,</p> | <p>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 principles 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

1. Does the Company have specified programmes /initiatives /projects in pursuit of the policy related to Principle 8? If yes details thereof.

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.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

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 of SMC Global Foundation in November, 2020, for especially taking care of CSR activities in the field of health, education and other sectors.

3. Have you done any impact assessment of your initiative?

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 2021-22.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Company has spent an amount of ₹ 91,43,896/- during the Financial year 2021-22 towards programs and projects directly or through various NGOs and other organizations in its focused areas mainly promoting education, health, towards stakeholders, especially those who are disadvantaged, vulnerable and marginalized (Durbal Divyang Kalyan Society,

Iskcon, Bharat Lok Parishad etc) 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 2021-22.

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.

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 for 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.

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

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

At the end of the Financial Year, 26.61% customer complaints/consumer cases are pending as compared to total number of complaints/ consumer cases received/ pending from previous year . The total 24 Consumer complaints are pending before Hon'ble District/State Consumer Dispute Redressal Forum/Commission at the end of the Financial Year 2021-22. Further, out of 100 Investor

grievances received through exchange, 91 got resolved.)

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)

Not Applicable, being the Financial Service provider.

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 pending as

on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

The Company keeps track of complaints/responses / comments received by the Company. However, the Company has not carried out any formal consumer survey.

For and on Behalf of the Board
SMC Global Securities Limited

Sd/-

Anurag Bansal
(Whole time Director)
DIN: 00003294

Place: Kathmandu, Nepal
Date: 07th May, 2022

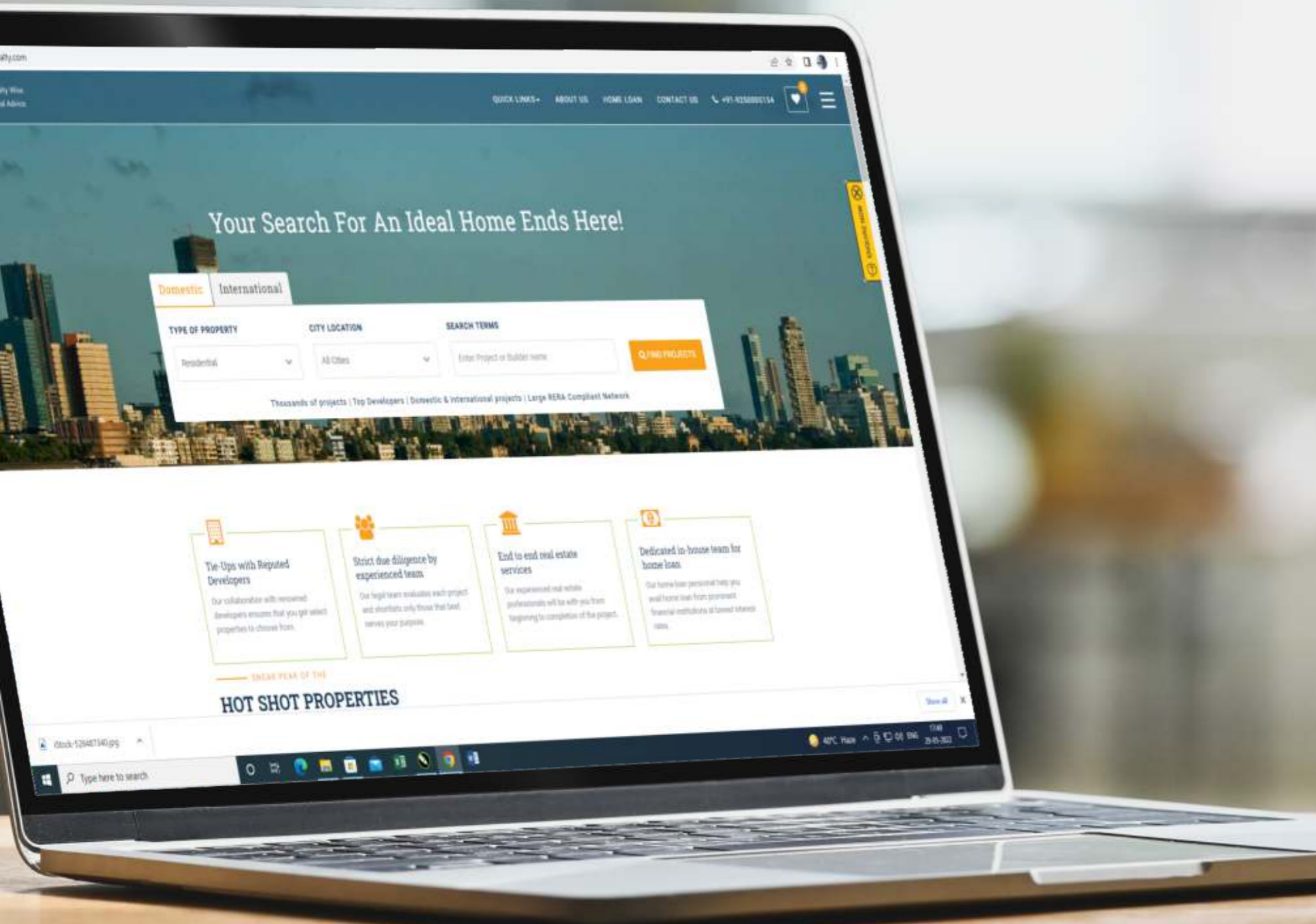


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Report on Corporate Governance

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, 2022, the Board of Directors consisted of twelve (12)

members. Out of twelve members, four (4) members are Executive Directors including Managing Director, 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 (2) women

Directors on Board out of which one (1) is Independent Director and other is a Non-Executive 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 C. 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	6	50%
Total			12	100%

*Mr. Roop Chand Jindal, Independent Director of the Company has tendered his resignation from the Board of Directors of the Company on 4th May, 2022, effective from the date of approval of the Exchanges where the Company is a trading /clearing member.

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 has 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.

*Mr. Roop Chand Jindal, Independent Director of the Company has tendered his resignation from the Board of Directors of the Company on 4th May, 2022, effective from the date of approval of the Exchanges where the Company is a trading /clearing member.

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

The Board meets atleast once in 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 the 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 finalized 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 the financial year 2021-22, four Board Meetings were held i.e. on 7th June, 2021, 11th August, 2021, 08th November, 2021 and 31st January, 2022.

Considering the pandemic situation throughout the nation and the relaxations provided by the regulators, the Company conducted 3 Board Meetings during the year through video conferencing (VC) and one (1) Meeting was conducted physically at the registered office of the Company. Further, in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standard -1, 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 07th August, 2021 is as under:

Name of Director	Date of appointment/re-appointment	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 C. 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	5	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	6	Nil	1	1	Nil
Mr. Naveen N D Gupta	31/01/2018	Independent Director	4	4	No	4	Nil	3	Nil	Nil
Mr. Roop Chand Jindal*	01/04/2019	Independent Director	4	4	Yes	Nil	Nil	Nil	Nil	Nil

*Mr. Roop Chand Jindal, Independent Director of the Company has tendered his resignation from the Board of Directors of the Company on 4th May, 2022, effective from the date of approval of the Exchanges where the Company is a trading /clearing member.

*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 as on 31st March, 2022.

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 C. Gupta, Vice Chairman & Managing Director of the Company

The Company has two Non-Executive & Non-Independent Directors. In this regard, Mr. Himanshu Gupta, Non-Executive Director of the Company holds 20,00,000 Equity Shares in the Company and Ms. Shruti Aggarwal, Non-Executive Director of the Company holds 20,175 Equity Shares of the Company as on 31st March, 2022.

5. Familiarization 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/2021/09/Appointment-letter-of-IDs-1.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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 12th March, 2022 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/2021/09/Familiarization-programme-2021-22.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, 2022, the Company had five statutory Board committees namely, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee. We have an Independent Chairperson in case of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. 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.

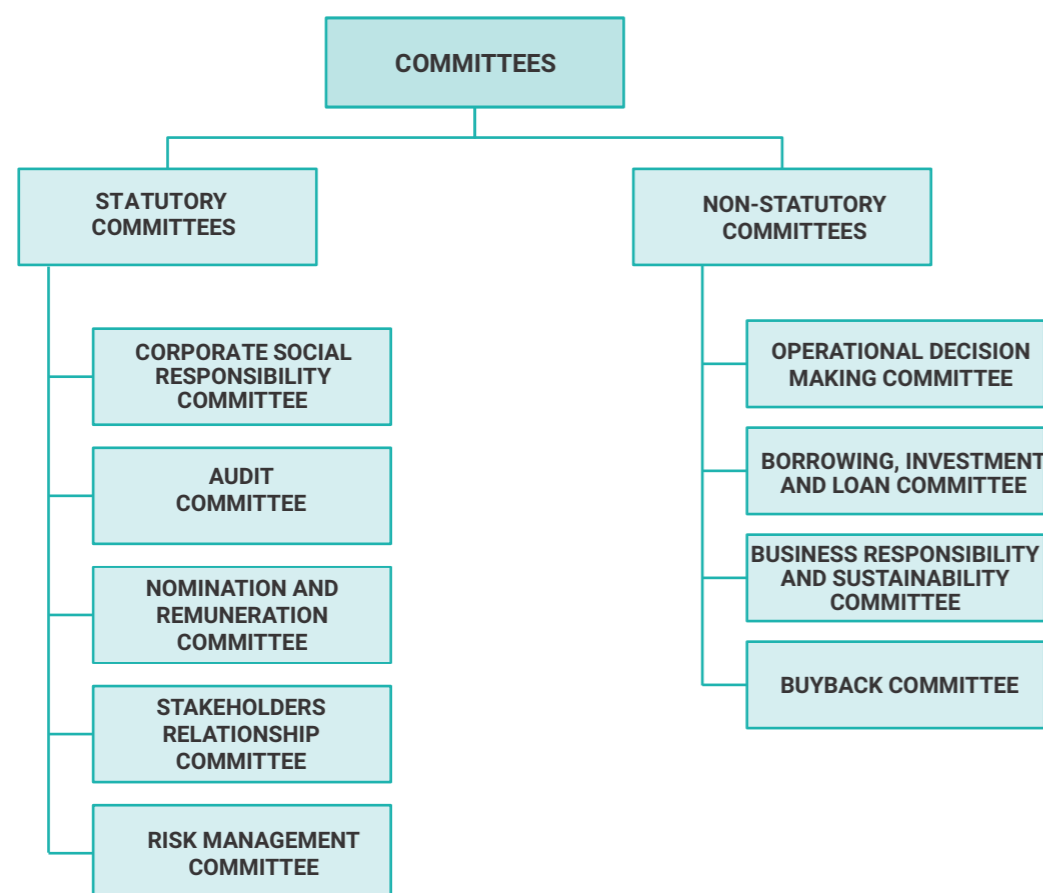
In furtherance to above, the Company also had some functional non-statutory committees for operational purposes delegated by the Board of Directors. These committees includes / included

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). However, the Board of Directors in the Board Meeting held on 11th

August, 2021 approved to dissolve some non-functional non-statutory committees of the Company namely Restructuring Committee, Public Issue and Listing Committee (PI&LC) and American Depository Receipts/Global Depository Receipts Committee (ADRs/GDRs). on contrary to the above, the Board of Directors recently in their Meeting held on 7th May, 2022 approved to

constitute a Buyback Committee for the purpose of execution of Buyback of fully paid up equity shares of the Company through open market i.e. through exchanges.

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:



A. Audit Committee

1. Composition of Committee

The primary objective of the Audit Committee is to monitor and provide an effective supervision to 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, 2022, the Company's Audit Committee comprised of four (4) 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 7th June, 2021, 11th August, 2021, 08th November, 2021 and 31st January, 2022. 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

*Mr. Roop Chand Jindal, Independent Director of the Company has tendered his resignation from the Board of Directors of the Company on 4th May, 2022, effective from the date of approval of the Exchanges where the Company is a trading /clearing member.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 re-appointment 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 transactions 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, if any.

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 Senior Management 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, 2022, the Company's Nomination and Remuneration Committee comprised of four (4) Non-Executive Independent Directors. The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee. The Committee held three (3) meetings during the year i.e. on 07th June, 2021, 11th August, 2021 and 31st January, 2022. 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

*Mr. Roop Chand Jindal, Independent Director of the Company has tendered his resignation from the Board of Directors of the Company on 4th May, 2022, effective from the date of approval of the Exchanges where the Company is a trading /clearing member.

2. Role of the Committee

Pursuant to the provisions of section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

f. 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.

g. Review and recommend the structure, size and composition including skills, knowledge, experience and diversity of Board.

h. Identify the skills/expertise/competencies required for the Board.

i. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 centered 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, 2022, the Company's Stakeholder's Relationship Committee comprised of three (3) Non-Executive Independent Directors. The Company Secretary of the Company acts as the Secretary to the Stakeholder's Relationship Committee. The Committee held four (4) meetings during the year i.e. on 07th June, 2021, 11th August, 2021, 08th November, 2021 and 31st January, 2022. 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. Anurag Bansal**	Whole Time Director	Member	NA	NA
Mr. Suman Kumar	Company Secretary	Secretary	4	4

* Mr. Roop Chand Jindal, Independent Director tendered his resignation from the Board and all the committees where he is a member/chairman on 4th May, 2022. However, his resignation shall be effective from the date of approval of the exchange where the Company is a trading/clearing member.

** Mr. Anurag Bansal, Whole Time Director of the Company was appointed as the Member of the Committee by the Board of Directors in the Board Meeting held on 7th May, 2022.

Mr. Suman Kumar, E.V.P. (Corporate Affairs) & Company Secretary of the Company acts as the Compliance Officer for the purpose of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is responsible for ensuring prompt and effective services to the shareholders and for monitoring the dedicated e-mail address for receiving investors' grievances.

The contact details of the Compliance officer are available on our website at <https://smcindiaonline.com/wp-content/uploads/2021/09/GENERAL-GRIEVANCE-REDRESSAL.pdf>.

3. Details of investors complaints received and resolved during the year

Sl. No.	Particulars	No. of complaints
a)	Opening as on April 1, 2021	Nil
b)	Complaints received during the year	1
c)	Complaints resolved during the year	1
d)	Closing as on March 31, 2022	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

The Board of Directors in the Board Meeting held on 07th May, 2022 approved to appoint Mr. Anurag Bansal, Whole Time Director as the Member of the Committee.

2. Role of the Committee

1. 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.
2. Review measures taken for

effective exercise of voting rights by shareholders.

3. Review adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar and Share Transfer Agent.
4. 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.

Independent Director. The Company Secretary of the Company acts as the Secretary to the committee. The Committee held two (2) meetings during the year i.e. 07th June, 2021 and 31st January, 2022. 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 C. 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:

- a) 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 Companies Act, 2013, and the applicable Rules; if any.
- b) Formulate/amend/alter the annual action plan in pursuance of the CSR policy of the Company every financial year;
- c) 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;
- d) Formulate the CSR budget based on the CSR activities
- e) Ensure unspent funds, if any, are transferred to specified accounts/funds within the time stipulated in law;
- f) 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;
- g) Determine whether surplus expenditure of any financial year has to be set off with the CSR obligation of upcoming years;
- h) Create an effective due diligence and monitoring mechanism for implementation of the approved CSR activities;
- i) Submit monitoring reports to the Board of Directors in respect of the CSR activities undertaken;
- J) Any other activity as may be required for executing CSR

planned for the year;

obligation in the Company or as may be required by law.

E. Risk Management Committee

1. Composition of the Committee

The primary objective of the Risk Management Committee is to formulate a detailed risk management policy and approve any amendment / modification thereof. The Committee monitors and oversees implementation of risk management policy including evaluating adequacy of risk management systems. As on 31st March, 2022, the Company's Risk Management Committee comprises of two (2) Executive Directors, one (1) Non-Executive Director & one (1) Independent Director. The Company Secretary of the Company acts as the Secretary to the committee. The Committee held two (2) meetings during the year i.e. 16th November, 2021 and 12th March, 2022. 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. Anurag Bansal	Whole Time Director	Chairman	2	2
Mr. Ajay Garg	Chief Executive Officer	Member	2	2
Mr. Himanshu Gupta	Non-Executive Director	Member	2	2
Mr. Chandra Wadhwa	Independent Director	Member	2	2
Mr. Suman Kumar	Company Secretary	Secretary	2	2

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 amendments/modifications 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.
- Appointment, removal and

- terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the committee.
- 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.
- Monitoring and reviewing the risk management for various functions including cyber-security.

F. Business Responsibility and Sustainability Committee

1. Composition of the 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. 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.

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. During the year, the Company conducted one meeting of Business Responsibility and Sustainability Reporting dated 17th November, 2021. 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	1	1
Mrs. Reema Garg	Chief Human Resource Officer	Member	1	1
Mr. Suman Kumar	Company Secretary	Secretary	1	1

2. 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 finalize Business Responsibility Report required to be annexed to the Annual

Report of the Company

iii. 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. Buyback Committee

The Board of Directors of the Company in the Board Meeting held on 7th May, 2022 constituted a voluntary-non-statutory Board Committee named as the

Buyback Committee for the purpose of execution of Buyback of fully paid up equity shares of the Company through open market mechanism through stock

exchanges as approved by the Board of Directors. 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. Himanshu Gupta	Non-Executive Director	Chairman	NA	NA
Mr. Ajay Garg	Director & CEO	Member	NA	NA
Mr. Subhash Chand Aggarwal	Chairman & Managing Director	Member	NA	NA
Mr. Suman Kumar	Company Secretary	Secretary	NA	NA

1. Role of the Committee

The brief terms of reference of the committee are as follows:

- a. Finalize the terms of the Buyback including the opening and closing dates of the Buyback, the price and number of Equity Shares to be bought back under the Buyback subject to the terms approved under the resolution and in compliance with the provisions of the Companies Act 2013, and SEBI (Buyback of Securities) Regulations, 2018 (Buyback Regulations).
- b. Making arrangement for adequate resources of funds for the Buyback as may be necessary in accordance with the applicable laws.
- c. Finalize and issue the public announcement, any corrigendum or addendum thereto, post Buyback public announcement and any other advertisement and documents in connection with the Buyback in accordance with the Buyback Regulations.
- d. Take all actions for the verification, acceptance and extinguishment of Equity Shares bought back under the Buyback in accordance with the applicable laws.
- e. Decide the closure of the Buyback and complete all other requisite formalities as specified under the Companies Act, 2013, the Buyback Regulations, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and all other applicable laws.
- f. Authorize and make payment of expenses incidental to the Buyback.
- g. Delegate all or any of the powers conferred under this resolution to any Director or officer of the Company as may be necessary to give effect to the aforementioned resolution.
- h. To do all such acts, deeds and things as may be necessary, expedient and incidental for the implementation of the Buyback in accordance with the Act, the Buyback Regulations and other applicable laws.
- i. Any other responsibility as may be determined by the Board/Committee.

7. Remuneration of Directors

A. Executive Directors

The details of remuneration including commission to all Executive Directors for the year ended 31st March, 2022 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	1,11,72,000	20,13,000	-	1,31,85,000
Mr. Mahesh C. Gupta	Vice Chairman & Managing Director	1,17,09,000	19,08,500	-	1,36,17,500
Mr. Ajay Garg	Director & Chief Executive Officer	77,77,900	3,98,600	-	81,76,500
Mr. Anurag Bansal	Whole Time Director	58,10,000	6,90,000	-	65,00,000

Notes:

1. The appointment of each executive Director is for a period of five years from the date of appointment.
2. The terms of employment of Executive Directors are governed by the applicable policies of the Company at the relevant point of time.
3. The Company has not granted any stock options to the Directors of the Company.
4. Allowances, perquisites and other benefits include 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 2021-22 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	3,40,000	NIL	3,40,000
Mr. Naveen ND Gupta	Independent Director	3,70,000	NIL	3,70,000
Mr. Roop Chand Jindal*	Independent Director	4,30,000	NIL	4,30,000
Dr. Madhu Vij	Independent Director	2,65,000	NIL	2,65,000
Mr. Hari Das Khunteta	Independent Director	3,85,000	NIL	3,85,000
Mr. Kundan Mal Agarwal	Independent Director	4,60,000	NIL	4,60,000

*Mr. Roop Chand Jindal, Independent Director of the Company has tendered his resignation from the Board of Directors of the Company on 4th May, 2022, effective from the date of approval of the Exchanges where the Company is a trading /clearing member.

*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.

* Includes sitting fees paid for attending Board and Board Committee Meetings.

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 2021-22.

None of the Non-Executive Directors, except Mr. Roop Chand Jindal, Independent Director have given any notice of their resignation / termination to the Company. Mr. Roop Chand Jindal, Non-Executive Independent Director of the Company

tendered his resignation from the position of Independent Director of the Company on 4th May, 2022 due to his advanced age and health reasons. His resignation shall be effective from the date of approval of the exchanges where the Company is a trading/clearing member. In this regard, Mr. Roop Chand Jindal vide his resignation letter has confirmed that there are no other material reasons for his resignation other than provided in his letter. The matter was placed before the Board of Directors at their meeting held on 7th May, 2022. Also, there is no separate provision for payment of any severance fees to the Directors of the Company. The appointment of Directors in the Company is 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. The brief profile and other particulars of the Directors seeking appointment/re-appointment is provided in the Notice of 28th Annual General Meeting

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/wp-content/uploads/2021/09/CRITERIA-FOR-MAKING-PAYMENTS-TO-NED.pdf>.

8. General body meetings

a) Details of last three (3) Annual General Meetings

Financial Year	Venue	Date	Time	Special Resolutions Passed
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 C. 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
2020-2021	Meeting through Video Conferencing	August 07, 2021	11:00 AM	<ol style="list-style-type: none"> 1. Adoption of new Memorandum of Association (MOA) pursuant to the provisions of Companies Act, 2013 2. Adoption of new Articles of Association (AOA) pursuant to the provisions of Companies Act, 2013 3. Authorization to hold office or place of profit by Ms. Shweta Aggarwal, Daughter 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.

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 of the Board and sent to respective stock exchanges where the Company's shares are listed within the time specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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, and codes of the Company,

intimation to stock exchanges are made available on the website of the Company. The Company also publishes details of any official news releases and also presentations made to any institutional investors or to analysts, if any. Further, the presentations made to the analysts and institutional investors are submitted to the stock exchanges where the securities of the Company is listed for access of the investors.

10. General Shareholder Information

1.	Date, time and venue of Annual General Meeting	Saturday, 25th June, 2022 to be conducted through video conferencing (VC) and other audio visual means. [Deemed venue of the Meeting: Registered Office of the Company i.e. 11/6B, Shanti Chamber, Pusa Road, New Delhi- 110005]
2.	Financial Year	1st April, 2021 to 31st March, 2022 [FY: 2021-22]
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: The Board of Directors recommends dividend of ₹ 1.20 per equity share (60%) per equity shares of ₹2/- each for the financial year 2021-22 to the 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	1. National Stock Exchange (NSE) Jeevan Vihar Building, 4th Floor, Road Area, 3, Sansad Marg, Janpath, Connaught Place, New Delhi- 110001 2. Bombay Stock Exchange (BSE) Address-Phiroze Jeejeebhoy Towers, Dalal Street. Mumbai- 400001
5.	Annual Listing Fees	The listing fees has been paid till 31st March, 2022
6.	Stock code/symbol	National Stock Exchange- 543263 Bombay Stock Exchange –SMCGLOBAL
7.	ISIN for Equity Shares	INE103C01036

8.	Registrar to an issue and share transfer agents	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 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 reviewed by the Stakeholders Relationship Committee.
9.	Plant locations	Not Applicable. Considering the Company is involved in service industry; hence, there are no plant locations of the Company. The SMC group has footprints nearly over 455 cities across India. Kindly refer the Management Discussion and Analysis Report annexed to this Annual Report for more information.
10.	Address for correspondence	11/6B, Shanti Chamber, Pusa Road, New Delhi- 110005
11.	Depositories	National Securities Depository Limited Trade World, 'A' Wing, 4th & 5th Floor, Kamala Mills Compound, Lower Parel, Mumbai-400013. Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013
12.	Outstanding ADRs/GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity	NA
13.	Securities are suspended from trading the director's report shall explain the reason	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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top 1000 listed entities as per market capitalization, calculated as on 31st March of every financial year, are required to formulate a dividend distribution policy. Your Company qualified among top 1000 listed entities as per market capitalization and has in place a Dividend Distribution Policy which lays down principles to be considered while declaring and payment of dividend. The policy of the Company available on the website of the Company on following web link <https://smcindiaonline.com/wp-content/uploads/2021/09/DIVIDEND-DISTRIBUTION-POLICY.pdf>.

The details regarding declaration of dividend during FY 2021-22 is provided in detail in the Director's Report of the Company.

Share Transfer System

Transfer of shares in dematerialized 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 dematerialized or rematerialized during the quarter is reviewed by the Stakeholders Relationship Committee.

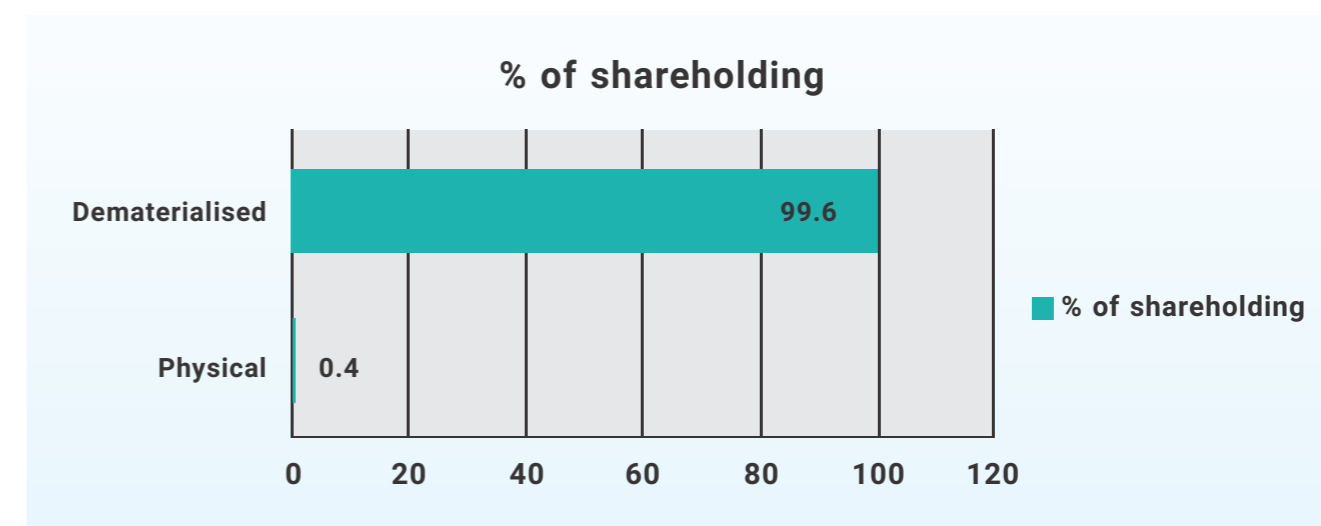
In this regard, SEBI vide its notification no. SEBI/LAD-NRO/GN/2018/24 dated 8 June, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30 November, 2018 amended the provisions of Regulation 40 of

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. 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. In furtherance to the aforesaid, SEBI vide circular dated 13th November, 2021, 11th December, 2021 and 25th February, 2022 have amended the provisions of Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to restrict transmission and transposition of shares through physical form. Accordingly, no request for transfer, transmission and transposition of the shares can be affected in physical form.

Dematerialization of shares and liquidity

As on 31st March, 2022, the breakup of shares held in physical and dematerialized form is as follows:

Shareholding	No. of Shares	% of Total
Physical Mode	4,49,640	0.40
Dematerialised Mode	11,26,84,810	99.60
Total	11,31,34,450	100



Out of the entire shareholding in dematerialised form, 82.66% shareholding is held in demat form by CDSL and 16.95% 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+ on the basis of the 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 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Commercial Paper	25.00	CARE A1+	CARE A1+	CARE A1+	CARE A1+

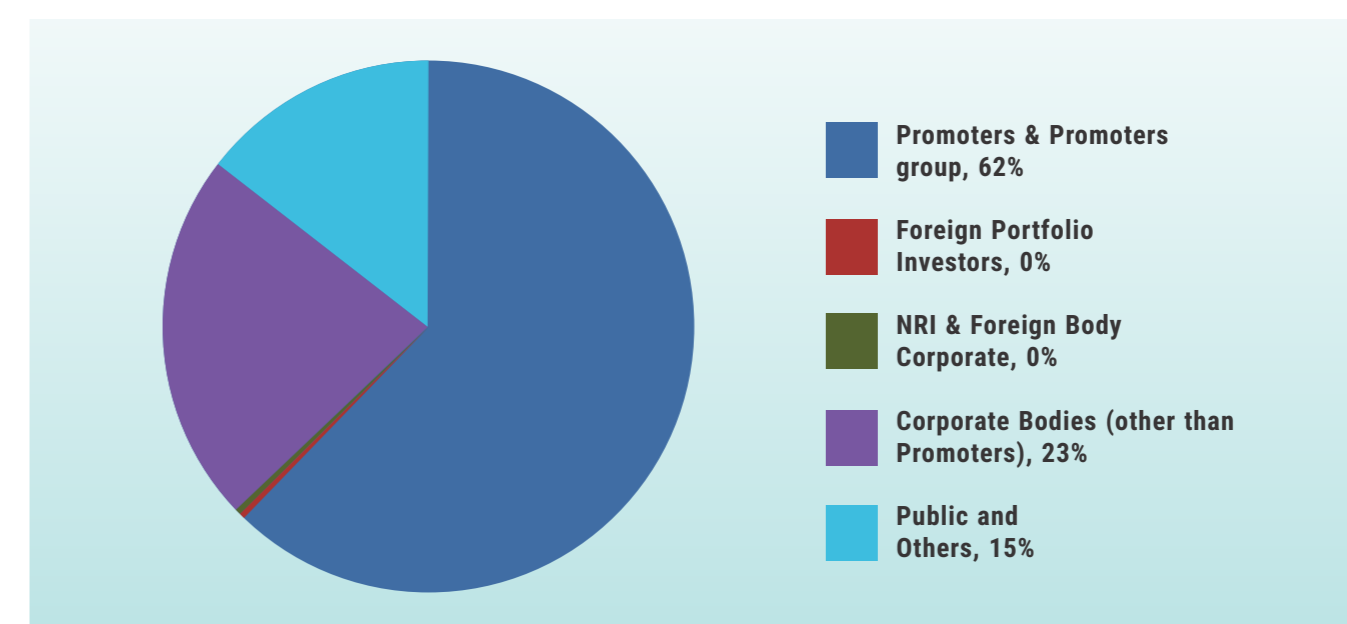
Distribution of shareholding as on 31st March, 2022

By size

Shareholding of Shares (Range)	Number of Shareholders	Shareholders (In %)	Total shares for the Range	Issued capital (In %)
1-500	15,182	79.06	20,43,812	1.81
501 - 1000	1,865	9.71	15,74,388	1.39
1,001- 2,000	967	5.03	15,30,651	1.35
2,001 - 3,000	366	1.91	9,69,275	0.86
3,001 - 4,000	149	0.78	5,55,606	0.49
4,001 - 5,000	171	0.89	8,21,661	0.73
5,001 - 10,000	242	1.26	18,53,251	1.64
10,001 & above	260	1.35	10,37,85,806	91.74
TOTAL	19,202	100	11,31,34,450	100

By Category

Category	No. of Shares	Equity (in %)
Promoters & Promoters Group	7,05,57,910	62.37
Foreign Portfolio Investors	1,350	0.00
NRI and Foreign Body Corporate	2,83,644	0.25
Corporate Bodies (other than Promoters)	2,57,74,627	22.78
Indian Public and Others	1,65,16,919	14.60
Total	11,31,34,450	100



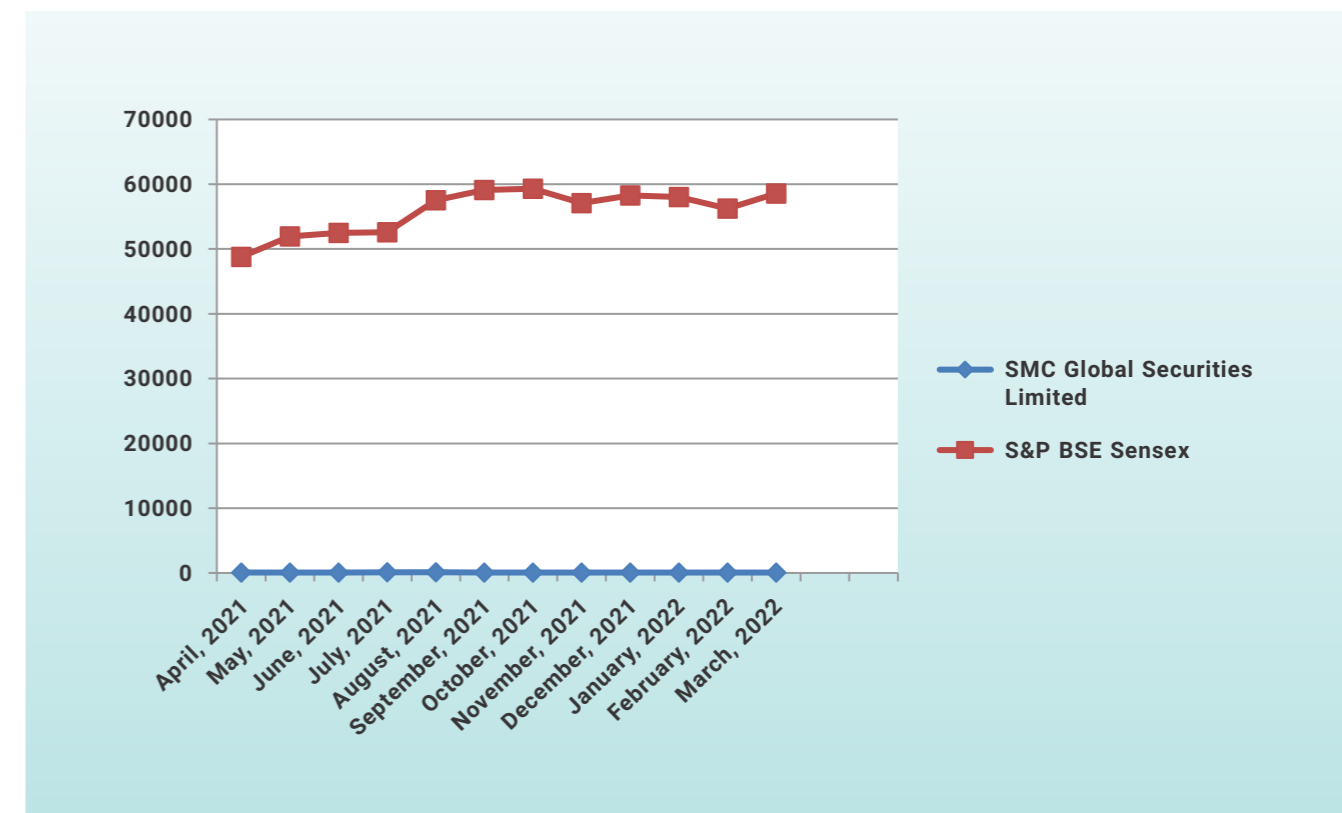
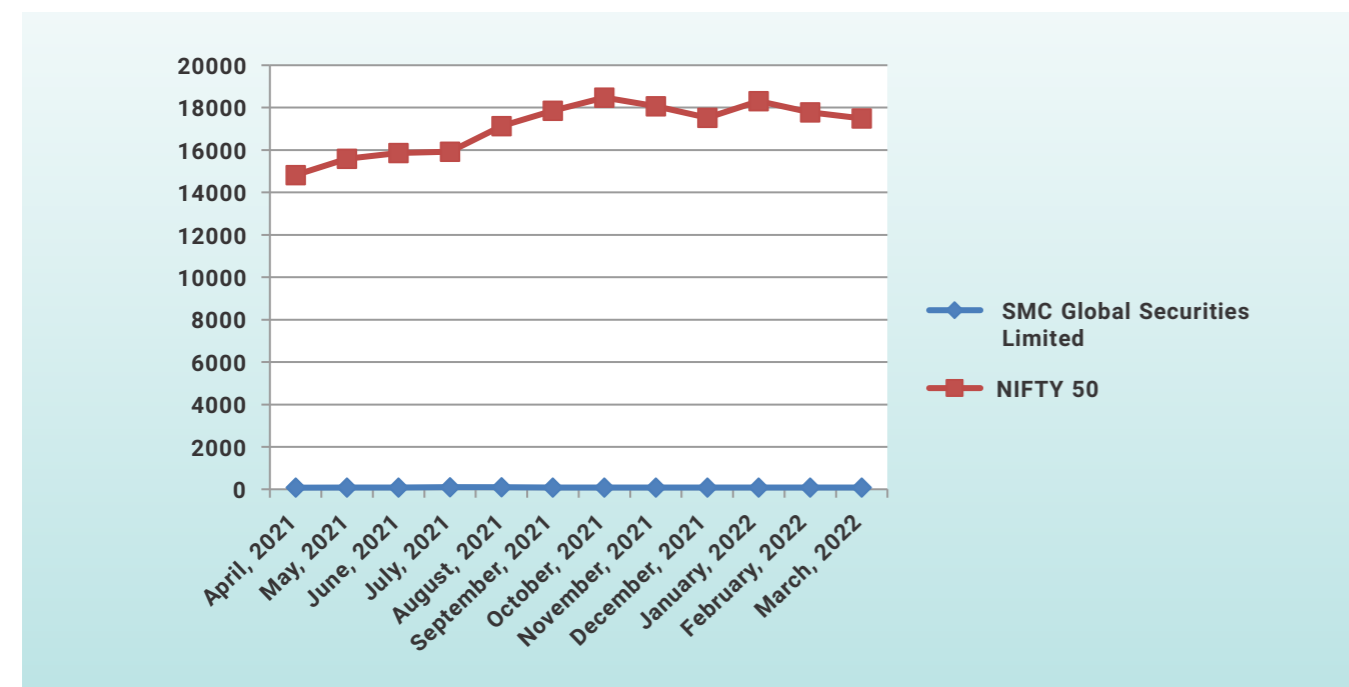
Market price data- high low during each month in last financial year

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. 01st April, 2021 to 31st March, 2022 at BSE and NSE are given below:

Stock Exchange	NSE		BSE	
	High (₹)	Low (₹)	High(₹)	Low(₹)
April, 2021	75.75	67.30	78.50	65.00
May, 2021	76.45	67.25	80.00	65.80
June, 2021	86.95	69.70	90.55	69.40
July, 2021	101.35	77.50	104.80	74.90
August, 2021	92.85	70.15	94.60	68.10
September, 2021	77.50	74.80	80.00	71.50
October, 2021	80.30	72.45	82.90	68.25
November, 2021	84.15	72.30	87.85	71.60
December, 2021	77.80	71.65	80.35	69.00
January, 2022	86.00	75.75	87.65	74.95
February, 2022	84.30	70.25	89.00	68.55
March, 2022	79.40	71.15	82.30	69.05

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. Accordingly, our reporting period for the below mentioned reporting is from 1st April, 2021 to 31st March, 2022.



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

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 2021-22	NIL
2	No. of complaints disposed off during the financial year 2021-22	NIL
3	No. of complaints pending as at the end of the financial year 2021-22	NIL

7. Disclosure of commodity price risks and commodity hedging activities- Not Applicable

<https://smcindiaonline.com/wp-content/uploads/2021/09/POLICY-ON-RELATED-PARTY-TRANSACTIONS-1.pdf>.

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/2021/09/Code-of-Conduct-1.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 on standalone basis for the services rendered by the statutory auditor and to all the entities in network firm/network entity belonging to them, are as follows:

Particulars	Amount (₹)
Statutory Audit fees	27,00,000
Tax Audit Fees	3,00,000
Other services	Nil
Total	30,00,000

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/>

[2021/09/POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARY-COMPANIES.pdf](https://smcindiaonline.com/wp-content/uploads/2021/09/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 2021- 2022. 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: Kathmandu, Nepal
Date: 7th May, 2022

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, 2022**, 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 Agreement.

No investor grievance is pending as on **March 31, 2022**.

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
Practicing Company Secretary

SD/-

Priyank Kukreja
 Membership Number: A40585
 CP. No.: 19465
 Place: New Delhi
 Date: 22/04/2022
 UDIN: - A040585D000190427

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to regulation 34(3) and schedule V Para C clause (10) " 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, 2022:

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 MalAgarwal
9. Mrs (Dr) Madhu Vij
10. Mr. Himanshu Gupta
11. Mr. Naveen ND Gupta
12. Ms. Shruti Aggarwal

For CS Priyank Kukreja
 Practicing Company Secretary

SD/-

Priyank Kukreja
 Membership Number: A40585
 CP. No.: 19465
 Place: New Delhi
 Date: 22/04/2022
 UDIN:- A040585D000190427

Compliance Certificate under Regulation 17(8) read with Regulation 33(2)(a) 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 2022 of SMC Global Securities Limited and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions were entered into by the listed entity during the quarter and year ended 31st March 2022 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:
- Significant changes in internal control over financial reporting during the quarter;
 - 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
 - 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 & CEO

Place: New Delhi
 Date: 07/5/2022

SD/-
(Vinod Kumar Jamar)
Chief Financial Officer

Place: Kathmandu, Nepal
 Date: 07/5/2022

DECLARATION BY CEO PURSUANT TO SCHEDULE V (PART D) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE WITH CODE OF CONDUCT OF BOARD OF DIRECTOR AND SENIOR MANAGEMENT

TO,
The Member
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, 2022.

Date: 6th May, 2022

Place: New Delhi

SD/-

Ajay Garg

Director and Chief Executive Officer

DIN: 00003166



**WE CONTINUE TO
UNLOCK FINANCIAL
POTENTIAL BY
CONSISTENTLY
RAISING OUR
PERFORMANCE.**

Management Discussion and Analysis Report



1. OVERVIEW & OUTLOOK

1.1 Global and Indian Economy

The outlook of the global economy is much dependent on how the conflict between Russia and Ukraine would evolve. Global economy, which is already under pressure from monetary tightening as central banks try to stem rising inflation; the global economy is dealing with Russia and Ukraine war saga, sending commodity prices through the roof and triggering waves of economic sanctions. Undoubtedly, the war has created a new negative supply shock for the world economy, just when some of the supply-chain challenges seen since the beginning of the pandemic appeared to be starting to fade. The effects of the war will operate through many different channels, and are likely to evolve, if the conflict deepens further. Moreover, the COVID-19 pandemic is still causing shutdowns in major economies such as China, and a new wave could undo the progress and easing global supply chain blockages. With China currently facing a trifecta of shocks—a new wave of Covid-19 lockdowns, the ongoing stress of deleveraging and war-related collateral damage, it seems that the world economy can no longer rely on China as a source of resilience.

With a series of fiscal and monetary policy measures, the Indian economy has seen robust growth. According to IMF, India is the world's fastest-growing major economy in the world, according to Gross Domestic Product (GDP) growth projections in the Financial Year (FY) 2021-22.

Given strong growth of foreign trade, the Indian economy is recovering from the COVID-19 pandemic, with efforts being made to advance manufacturing and infrastructure sectors. Indian economy is expected to accelerate to 8.2 per cent in 2022-23, as per Asian Development Bank. The report also stated that India is on the path to a sustained economic recovery, thanks to the vigorous countrywide drive to deliver safe and wide-reaching COVID-19 vaccinations, which helped reduce the severity of the third pandemic wave with minimal disruptions to mobility and economic activity. The recent economic data like high GDP growth rate, increasing foreign exchange reserves, rising trend in GST collection along with improved corporate earnings and optimistic management comments suggest that the economy is in good shape. To note, Goods and services tax (GST) collections touched an all-time high of over ₹1.42 lakh crore in March'22, boosted by improved economic activity. The rapid development of India's foreign trade has led to a significant improvement in the export structure as it now shows India's manufacturing capabilities and growth in high-tech products, electronics and agricultural products. This has also led to a significant improvement in consumer confidence and employment. The Private Capex by large corporates, which has been down and out over the past several years, had shown some promise lately in view of the roll-out of the Production-linked Incentive Scheme and increased manufacturing sector capacity

utilisation driven by higher exports. Government initiative such as PM Gati Shakti is likely to improve India's logistics infrastructure, increased financial and technical support to states to expand capital investment will boost infrastructure spending and help spur economic growth. Even it could be seen that labor market conditions have improved and this is likely to boost the Private consumption. There is a prediction of normal monsoon this year. With a normal Monsoon the agriculture output will improve and hence expansion in farmer's income is expected. Besides, the government's production-linked incentive scheme will continue to provide a thrust to the manufacturing sector. However, the current Russia-Ukraine conflict is expected to further aggravate the price rise of imported commodities. Considering all these factors, Indian economy will continue to remain a bright spot among its peers.

1.2 Industry Structure and Developments - Capital Market

The global financial markets are now jolting with weak sentiments due to Ukraine war, huge rise in energy and metals prices, aggressive central bank policy tightening led by the U.S. Federal Reserve, and China's policy of locking down cities to ward off COVID. Investors have reacted by pushing bond yields off recent multi-year highs. Now with global inflation at multi-decade highs, this may force investors and policymakers alike to walk the thin

line between the two. The rapid rise in inflation, which is pushing the US Federal Reserve to lift interest rates, is causing shifts within the global financial system reflected in the sharp rise of the dollar against other major currencies. While the European Central Bank (ECB) has indicated that it is moving to tighten monetary policy, but it is not expected to shift as rapidly as the Fed.

Despite the turbulence in stock markets across the globe, India has achieved yet another milestone in market capitalization. It surpassed the United Kingdom for the first time to become the sixth largest in the world. Domestic financial markets continued to make new highs on the prospect of good fundamentals of the Indian economy. Nevertheless, investors are weighing the possibility of a global slowdown because of monetary tightening by central banks, a lockdown in China, and the Russia-Ukraine war. The continued accommodative stance by both government and RBI is expected to support the growth momentum in the long run with intermediate headwind due to global factors.

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.

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 in the past. The list of awards in last three years are as follows:

- Krishi awards developing the retail segment- NCDEX 2021
- 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., 2,513 (PY 2,550) authorized persons and sub brokers, SMC footprints cover nearly over 455 (PY 550) cities across India. SMC group employs around 3,300 (PY 3,650) employees as on March 31, 2022, 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 2021-22	% to Total Revenue	FY 2020-21	% to Total Revenue
Total Revenue	1,12,082	100.00%	90,820	100.00%
Total Expenditure	89,943	80.25%	76,639	84.38%
Profit before tax	22,139	19.75%	14,254	15.69%
Less: Tax expense	4,682	4.18%	3,753	4.13%
Profit After Tax (PAT) Before Minority Interest	17,457	15.58%	10,501	11.56%
Total other comprehensive income for the Year	165	0.15%	271	0.29%
Total comprehensive income for the Year	17,622	15.72%	10,773	11.86%
Share of Minority Interest in Profit (Loss)	19	0.02%	13	0.01%
Net Profit After Tax, Minority Interest	17,438	15.56%	10,488	11.55%
Earnings per Share (Basic) (FV ₹2) In "₹"	15.43	-	9.28	

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

(₹ in Lakhs)

Particulars	FY 2021-22	% to Total Revenue	FY 2020-21	% to Total Revenue
Total Revenue	68,410	100.00%	52,097	100.00%
Total Expenditure	50,193	73.37%	41,574	79.80%
Profit before tax	18,217	26.63%	10,524	20.2%
Less: Tax expense	3,756	5.49%	3,029	5.81%
Profit After Tax (PAT)	14,461	21.14%	7,494	14%
Total other comprehensive income for the Year	(22)	(0.03)%	254	0.49%
Total comprehensive income for the Year	14,439	21.11%	7,748	14.87%
Earnings per Share (Basic) (FV ₹2) In "₹"	12.78	-	6.62	-

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 2021-22 and FY 2020-21 is tabulated below:

Table 3.c: Segment-wise Performance - Consolidated

(₹ in Lakhs)

Particulars	Year Ended	
	March 31, 2022	March 31, 2021
Segment Revenue		
(1) Broking, distribution and trading	77,190	60,753
(2) Insurance broking services	27,598	24,523
(3) Financing activities	9,854	8,273
Total	1,14,642	93,549
Less: Inter Segment Revenue	2,560	2,729
Total Revenue	1,12,082	90,820
Segment Profit/(Loss) before tax		
(1) Broking, distribution and trading	21,912	14,479
(2) Insurance broking services	972	599
(3) Financing activities	5,007	3,412
Total	27,891	18,490
Less: Interest	5,752	4,236
Total Profit/(Loss) Before Tax	22,139	14,254

Table 3.d: Performance of Material Subsidiaries- Standalone (for the year ended March 31, 2022)

(₹ in Lakhs)

Company Name	Revenue from Operations	Profit before tax	Profit after tax
Moneywise Financial Services Private Limited	9,854	2,972	2,245
SMC Insurance Brokers Private Limited	27,625	947	796

3.2 Business Performance Highlights

SEGMENT 1

1 (a). Broking, Distribution & Trading Equity Broking

SMC has been successful in generating a combined turnover of approx. ₹328.41 Lakhs crores (PY ₹146.1 Lakhs crores) higher by 125% as compared to previous year. Total number of clients in this segment are 6,40,233 (PY 5,69,250).

Currency Broking

SMC clocked combined volume of ₹15.25 Lakhs crores (PY ₹ 10.6 Lakhs crores) higher by 44% as compared to previous year. Total number of clients in this segment are 1,39,595 (PY 1,22,450).

Commodity Broking

SMC clocked a combined volume of ₹4.77 Lakhs crores (PY ₹2.4 Lakhs crores) higher by 97% as compared to previous year. Total number of clients in this segment are 1,07,651 (PY 92,300).

Discount Broking

Moneywise Finvest Ltd., a wholly owned subsidiary of SMC Global Securities Ltd. is a Discount broking platform under brand name STOXKART. It's a first of its kind in broking industry where customers are charged only for profitable transactions. STOXKART is a rapidly growing financial brokerage platform with the goals 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. As on 31st March, 2022, total clients are 1,05,844 (PY 44,930) and numbers of partners associated are 1,923 (PY 1,330).

1 (b). 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.

1 (c). Financial Products Distribution

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 issuances (for over last ten years).
- Developed vast network of channel partners around 13,674 (PY 13,670+) for distribution of third party products.
- Built a cumulative Asset under

Management (AUM) of more than ₹3,080 crores (PY ₹3,040 crores) and having over 1.95 Lakhs (PY 1.85 Lakhs) Folios in Mutual Fund segment as on March 31, 2022.

1 (d). Investment Banking

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.

1 (e). Wealth Management

SMC Global Securities Ltd. - Wealth Management Division offers Financial Planning and Wealth Management solutions to HNI clients through a host of in-house and third party products. SMC Global Securities Ltd is also a SEBI registered Portfolio Manager. Wealth Management Division'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 ₹540 Crores (PY ₹439.75 Crores) as on March 31, 2022.

1 (f). Real Estate Advisory

SMC Real Estate Advisors Pvt. Ltd. is registered with Real Estate Regulatory Authority (RERA) in 15 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 400 developers /projects of repute pan India with national as well as regional presence.

1(g). Mortgage and Loan Advisory

SMC Investments and Advisors Ltd. is wholly owned subsidiary of SMC Global Securities Ltd. and offers the loan facilitation and advisory to clients through tie ups with various Banks, NBFC's and other financial institutions and debt advisory services to raise debt for SMEs & large corporates. Currently, the Company has tied up with 40 plus major banks and NBFCs to provide the loan advisory to clients. The company has also launched online sourcing platform named **Indiakaloan.com**.

SEGMENT 2

Insurance Broking Business

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 21-22

stood at 8,01,589 as compared to 7,45,669 policies in FY 20-21. SMC Insurance Brokers Pvt Ltd has a huge network of 12,000 (PY 11,100) POS (Point of Sales) Person and 282 (PY 370) MISP (Motor Insurance Service Provider) registered with the entity for solicitation of insurance as at 31 March 2022.

During the year under review, the total revenue stood at ₹27,625 Lakhs as compared to ₹24,563 Lakhs in previous year, an increase in revenue by 12.47% as compared to previous year.

SEGMENT 3

Financing Business

The Company's wholly owned subsidiary Moneywise Financial Services Private Limited (Moneywise) is registered with RBI as non-deposit taking systematically important non-banking finance company (NBFC), offering a wide spectrum of financial products focused on Small and Medium Enterprises (SME) customers as well as 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, Medical Equipment (MEQ), etc. Moneywise

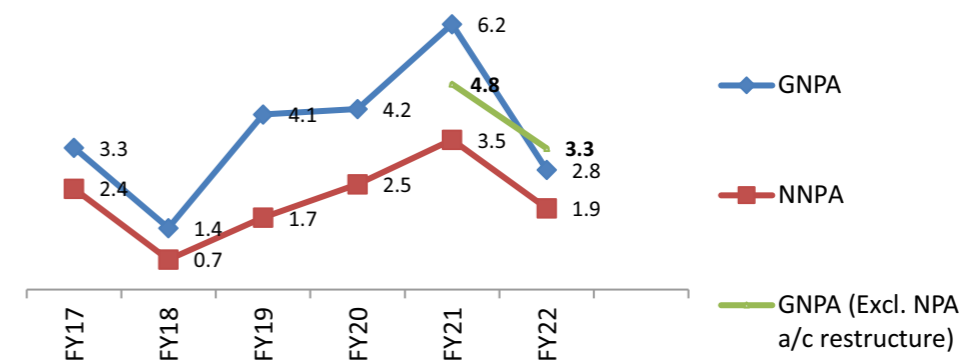
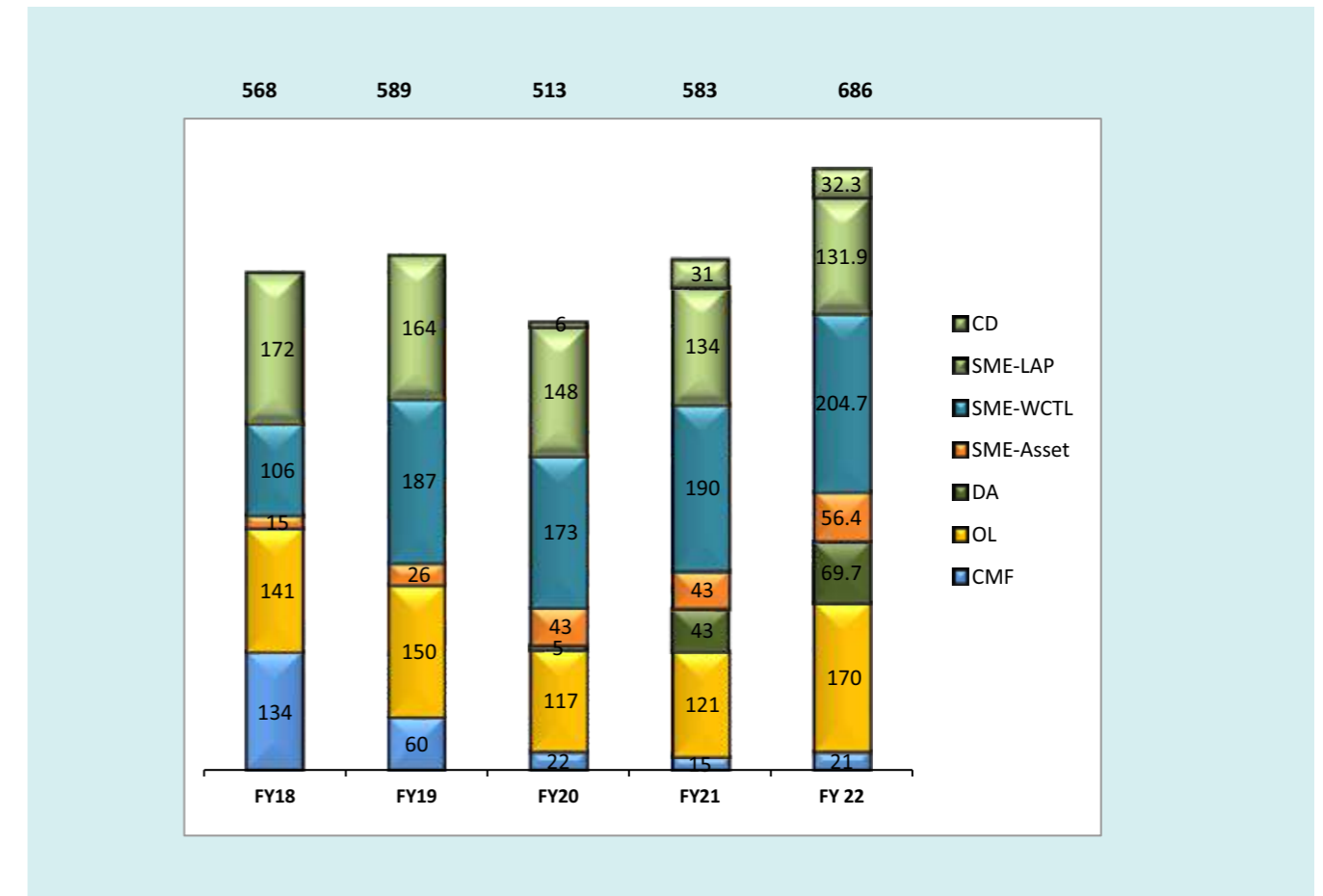
has a long term rating of A- (stable) from CARE, A-(stable) from ICRA.

Moneywise has Assets under Management (AUM) of approx. ₹686 crore as on 31st Mar, 2022. Over the last five years, Moneywise has demonstrated AUM growth at CAGR of 17.0% and revenue growth at CAGR of 18.0% and a very comfortable CAR of 51.5%. 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 96.90% of total portfolio. The aggregate amount of term loans disbursed during the year is ₹ 431 (PY 280.6) crore. Major expansion plans envisaged with opening of new branches. The company has implemented state-of-the-art loan management system in order to further enhance operational efficiency.

Covid Recovery

The last two years have been challenging due to COVID 19 pandemic. However, the company has maintained healthy and consistent collection efficiency with average efficiency for Q4 FY 21 at 90% and for Q4 FY22 at 103%.

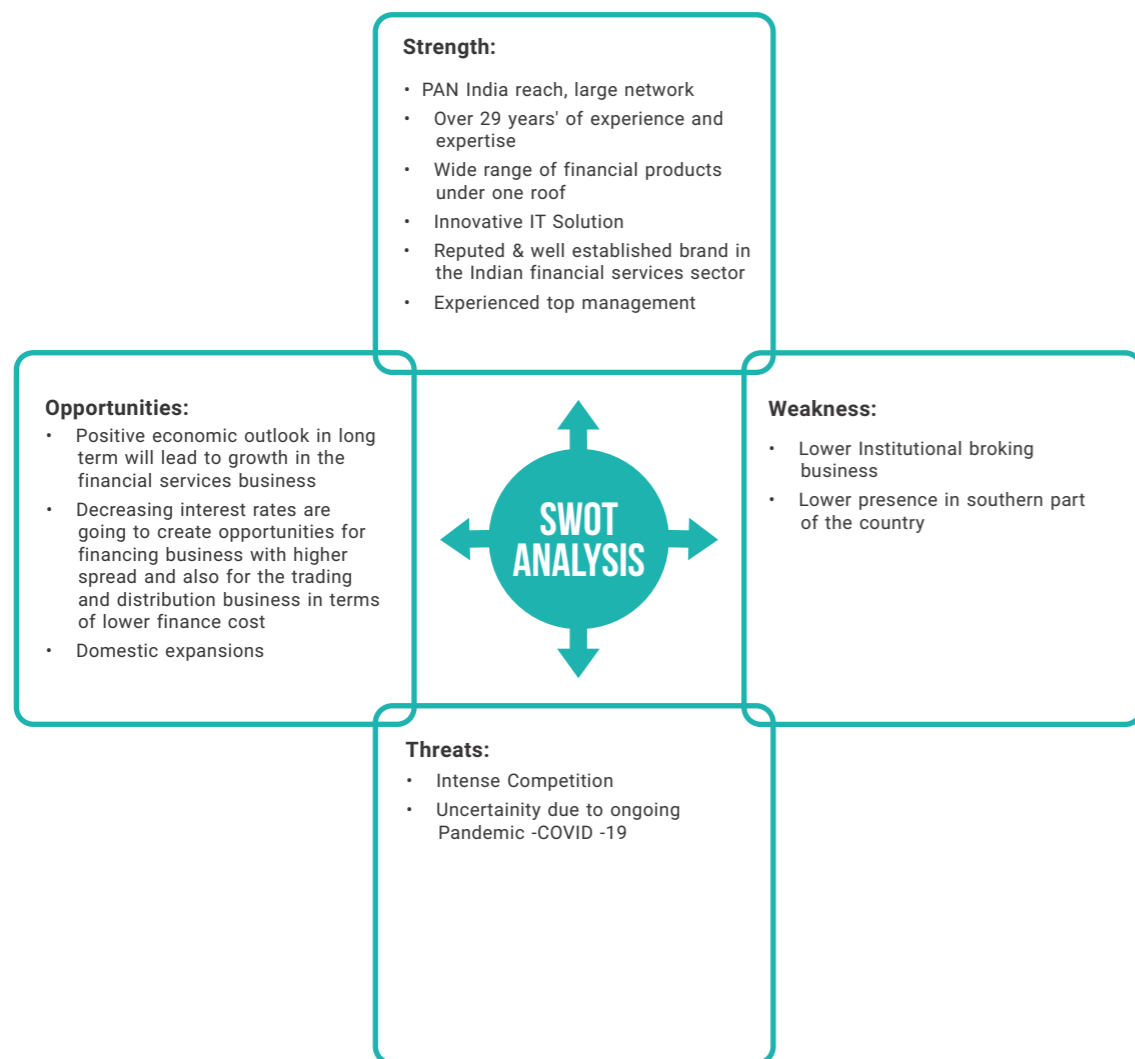
Below chart shows the growth in our financing business – by showing growth in AUM



4. KEY RATIOS – SMC GLOBAL SECURITIES LTD. (CONSOLIDATED)

Particulars	FY 2022	FY 2021
Return on Average Equity	20.6%	14.4%
EBIT Margins	24.9%	20.4%
Net profit Margins	15.58%	11.56%
Debt equity Ratio	0.48	0.60
Interest Coverage Ratio	4.85	4.37

5. SWOT ANALYSIS



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.

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.

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.

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 Financials 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 2021-22, the group has spent ₹175.43 Lakhs (PY ₹271.54 Lakhs) on CSR activities.

9. HUMAN RESOURCES

The world may have got vaccinated but it still needs the ability to respond and adapt to change continually. No wonder, despite the Pandemic, year 2021-22 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 2021-22 was all about reinvention for us through the 3Rs- Reimagine, Recast, and finally Retrain.

A) Employee Safety and Concerns

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 outspread 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 two years have been a steep learning curve for both organizations and employees as it revealed 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 3300+ as on March 31, 2022.

10. THE WAY FORWARD

COVID-19, the accompanying lockdowns and the ongoing Russia Ukraine war weigh heavily on the

growth outlook. The actual outturn would depend upon the progress of war and the speed with which the virus 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 employees, partners and stakeholders. We are aligned to government advisories and will ensure taking all the precautions and preventions at our offices. As the covid situation improved in India, we started work from office.

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 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. Improvement and expansion of our digital infrastructure, people and geographical reach shall continue to be key focus going forward. We are in the process of strengthening our I.T. infrastructure and will continue to progress on the roadmap of using digital, analytics and automation opportunities. Our HR policies are well aligned to motivate and retain existing employees and are rigorous as well as attractive enough to acquire new talent. We are also looking at further expanding in

selective geographies which will help us to gain additional market share.

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.



SMOOTH GATEWAY TO WORLD-CLASS COMMODITY TRADE IN DGCX, DUBAI

SMC COMEX INTERNATIONAL DMCC, A WHOLLY-OWNED SUBSIDIARY OF SMC COMTRADE LTD., IS A MEMBER OF THE DUBAI GOLD AND COMMODITY EXCHANGE (DGCX) AND REGULATED BY SECURITIES AND COMMODITIES AUTHORITY (SCA).

TRADING OPPORTUNITIES IN DGCX AND ARBITRAGE DESK
RESEARCH BASED ADVISORY IN SUPPORT WITH
BLOOMBERG, REUTERS AND DOW JONES
PORTFOLIO ADVISORY SERVICES
ONLINE TRADING PLATFORM FOR BULLION
ROBUST RISK MANAGEMENT AND SURVEILLANCE SYSTEM

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, 2022, 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, 2022 and its profit, 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. 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 ethical 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 and shareholder information, 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, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional

skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone

financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably

be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matter

We audited the restatement adjustments, as disclosed in Note No. 32 to the financial statements, which have been made to the comparative financial information presented for the Year ended March 2021 in accordance with the requirements of applicable Ind AS. In our opinion, such adjustments are appropriate and have been properly applied. Our Opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2020 ("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.
- e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- G. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec

197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note no 34 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.
 - IV. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been

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

sd/-

Vikash Aggarwal
Partner

Membership No: 519574
UDIN: 22519574AIPLCM4367

advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party

("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

V. As stated in Note 19 to the standalone financial statements:-

- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

Date: 07th May, 2022
Place: Kathmandu, Nepal

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 2022, we report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) Property, Plant & Equipment are physically verified by the management according to a phased manner 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 Property, Plant & Equipment 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 (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and Intangible Assets during the year.
- (e) As per information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
- (a) 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 and coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

- (b) During the year Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the Company with such banks or financial institutions are in accordance with terms and conditions and the Company has never reported in excess of books.
- (iii)
- (a) During the year Company has granted loans to its subsidiaries. Details of the loan are stated below. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.

₹ in Lakhs

Particulars	Loan
Aggregate amount granted/ provided during the year to	
subsidiaries	12,087.85*
Other	-
Balance outstanding as at balance sheet date in respect of above cases	
subsidiaries	2,044.57
Other	-

*The Company extends revolving credit facilities to its wholly owned Subsidiaries which is within the limit assigned.

- (b) According to the information and explanations given to us, the terms and conditions of loans granted by the Company to its subsidiaries are not prejudicial to the interest of the Company. The Company has not provided any guarantee during the year.
- (c) The Company has granted loans during the year to its subsidiaries which are repayable on demand and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days.
- (e) There were no loans granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has granted loans to its subsidiaries as defined in clause (76) of Section 2 of the Companies Act, 2013, which are repayable on demand. The Company has not given any loan to its promoters.

₹ in Lakhs

Particulars	Related Parties
Aggregate amount of loans/ advances in nature of loans	11,784.46
Repayable on demand	
Percentage of loans to the total loans	97.49%

(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 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub -clause (a) above which have not been deposited as on March 31,2022 on accounts of dispute are given below:

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 of Service Tax, Audit 1, Delhi
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	52.89	A.Y 2013-2014 to A.Y 2019-2020	Commissioner of Income Tax (Appeals), Delhi
The Employee State Insurance Act,1948	ESI	18.63	September 2005 to December 2007	Additional Senior Civil Judge, Tis Hajari Court - Delhi
The Indian Stamp Act, 1899*	Stamp Duty	-	2010 to 21.11.2014	High Court, Delhi
The Employees Provident Fund Act, 1952*	PF	-	October 1995 to November 2003	High Court, Delhi

* Amount not ascertained.

(viii) As per information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

(a) According to the information and explanations given to us the Company has not defaulted in repayment of loans and borrowings including interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has utilized the money obtained by way of term loan during the year for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the

financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Company does not have any associates and joint venture.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Company does not have any associates and joint venture.

(x)

(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) 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 convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause (x)(b) of the Order is not applicable.

(xi)

(a) According to the information and explanations given to us, no fraud by / on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) In our opinion and according to the information and explanations given to us, the

- Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv)
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(b), of the Order is not applicable.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub-section 5 of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of the ongoing projects, there are no unspent amounts which is required to be transferred to special account in compliance with provision of sub section (6) of section 135 of the said Act; Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company

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

Sd/-

Vikash Aggarwal
Partner

Membership No: 519574
 UDIN: 22519574AIPLCM4367

Date: 07th May, 2022
 Place: Kathmandu, Nepal

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 2022 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, 2022, 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: 22519574AIPLCM4367

Date: 07th May, 2022

Place: Kathmandu, Nepal

SMC GLOBAL SECURITIES LIMITED

Standalone Balance sheet

Particulars	Note No.	(₹ in Lakhs)	
		As at March 31, 2022	As at March 31, 2021
Assets			
Financial assets			
Cash and cash equivalents	2	5,697.88	2,710.69
Other bank balances	3	1,13,627.87	1,01,417.42
Receivables			
Trade receivables	4	35,637.86	23,290.09
Other receivables	5	473.51	450.00
Loans	6	2,044.57	1,282.61
Investments	7	55,273.50	48,409.58
Other financial assets	8	8,419.49	6,561.50
Non-financial assets			
Inventories	9	2,366.41	1,317.48
Current tax assets (net)	30	2,125.09	1,626.09
Deferred tax assets (net)	30	211.18	795.49
Property, plant and equipment	10	7,414.49	2,095.10
Right of use assets	11	2,460.48	2,636.42
Other intangible assets	12	77.12	83.32
Intangible assets under development	12	80.48	-
Other non-financial assets	13	1,247.34	1,372.95
Total assets		2,37,157.27	1,94,048.74
Liabilities and equity			
Liabilities			
Financial liabilities			
Payables			
Trade payables	14		
- to micro and small enterprises		-	-
- to other than micro and small enterprises		63,556.28	39,790.31
Lease liabilities	11	2,372.98	2,466.03
Borrowings	15	15,093.56	23,840.61
Other financial liabilities	16	74,000.72	58,722.93
Non-financial liabilities			
Provisions	17	1,578.23	1,281.34
Other non-financial liabilities	18	1,232.24	800.40
Equity			
Equity share capital	19	2,262.69	2,262.69
Other equity		77,060.57	64,884.43
Total liabilities and equity		2,37,157.27	1,94,048.74

The accompanying notes form an integral part of the standalone financial statements

1-43

In terms of our report of even date attached

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

Sd/-
Vikash Aggarwal
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: Kathmandu, Nepal
Date: May 07, 2022

Sd/-
Vinod Kumar Jamar
President & Group CFO

Sd/-
Suman Kumar
Company Secretary

SMC GLOBAL SECURITIES LIMITED

Standalone statement of profit and loss

Particulars	Note No.	(₹ in Lakhs)	
		For the year ended March 31, 2022	For the year ended March 31, 2021*
Revenue from operations			
Fee and commission income	20	36,025.16	29,087.00
Interest income	21	10,963.90	7,098.54
Dividend income		840.00	838.36
Net gain on proprietary trading		15,141.05	12,360.44
Net gain on fair value changes	22	4,023.95	745.64
Total revenue from operations		66,994.06	50,129.98
Other income	23	1,415.55	1,967.18
Total income		68,409.61	52,097.16
Expenses			
Fees and commission expenses	24	27,798.32	22,648.79
Employee benefits expenses	25,33	12,917.25	10,898.10
Finance cost	26	3,718.74	2,800.75
Depreciation and amortisation	27	1,439.99	1,181.53
Impairment on financial instruments	28	146.28	259.91
Other expenses	29	4,172.08	3,784.48
Total expenses		50,192.66	41,573.56
Profit before tax		18,216.95	10,523.60
Tax expense			
Current tax	30	3,164.14	2,030.31
Deferred tax	30	591.78	999.00
Total tax expense		3,755.92	3,029.31
Profit after tax		14,461.03	7,494.29
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset		(29.67)	339.00
Tax effect of Items that will not be reclassified subsequently to profit and loss		7.47	(85.32)
Total other comprehensive income (net of tax)		(22.20)	253.68
Total comprehensive income for the year (comprising profit and other comprehensive income for the year)		14,438.83	7,747.97
Earnings per equity share (Face value ₹ 2)			
Basic & Diluted (in ₹)	31	12.78	6.62

The accompanying notes form an integral part of the standalone financial statements

1-43

* Restated. Refer Note no. 32

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 Aggarwal
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: Kathmandu, Nepal
Date: May 07, 2022

Sd/-
Vinod Kumar Jamar
President & Group CFO

Sd/-
Suman Kumar
Company Secretary

SMC GLOBAL SECURITIES LIMITED

Standalone statement of changes in equity

A. Equity share capital (Refer note 19)

(₹ in Lakhs)

Particulars	Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance as on April 1, 2020	Changes in equity share capital during the period	Balance as at March 31, 2021
Equity Share Capital	2,262.69	-	-	-	2,262.69

(₹ in Lakhs)

Particulars	Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as on April 1, 2021	Changes in equity share capital during the period	Balance as at March 31, 2022
Equity Share Capital	2,262.69	-	-	-	2,262.69

B. Other equity

(₹ in Lakhs)

Particulars	Reserves & surplus				Other comprehensive income			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	
Balance as at April 1, 2020	34,444.50	15,399.43	7,844.60	1,439.24	(189.86)	(302.60)	130.28	58,765.59
Retrospective restatement (Refer note no. 32)	-	(249.51)	-	-	77.19	302.60	(130.28)	-
Restated balance as at April 1, 2020	34,444.50	15,149.92	7,844.60	1,439.24	(112.67)	-	-	58,765.59
Changes in equity for the year ended March 31, 2021								
Profit for the year	-	7,494.29	-	-	-	-	-	7,494.29
Other comprehensive income for the year	-	-	-	-	253.68	-	-	253.68
Total comprehensive income for the year	-	7,494.29	-	-	253.68	-	-	7,747.97
Transactions with owners in their capacity as owners :								
Payment of dividend	-	(1,629.13)	-	-	-	-	-	(1,629.13)
Balance as at March 31, 2021	34,444.50	21,015.08	7,844.60	1,439.24	141.01	-	-	64,884.43
Balance as at April 1, 2021	34,444.50	21,015.08	7,844.60	1,439.24	141.01	-	-	64,884.43
Changes in equity for the year ended March 31, 2022								
Profit for the year	-	14,461.03	-	-	-	-	-	14,461.03
Other comprehensive income for the year	-	-	-	-	(22.20)	-	-	(22.20)
Total comprehensive income for the year	-	14,461.03	-	-	(22.20)	-	-	14,438.83
Transactions with owners in their capacity as owners :								
Payment of dividend	-	(2,262.69)	-	-	-	-	-	(2,262.69)
Balance as at March 31, 2022	34,444.50	33,213.42	7,844.60	1,439.24	118.81	-	-	77,060.57

Nature and purpose of reserves :

(A) Securities premium reserve

Securities premium is used to record the premium received on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(B) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to generate reserve, dividends or other distributions paid to shareholders.

(C) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations however, the same is not required to be created under Companies Act, 2013. This reserve can be utilised only in accordance with the specified requirements of Companies Act, 2013.

(D) Capital reserve

It is comprising of capital reserve on forfeiture amounting to ₹ 1,239.98 lakhs (PY ₹ 1,239.98 lakhs) and on amalgamation amounting to ₹ 199.26 lakhs (PY ₹ 199.26 lakhs). This reserve can be utilised only in accordance with the specified requirements of Companies Act, 2013.

In terms of our report of even date attached

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

Sd/-
Vikash Aggarwal
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: Kathmandu, Nepal
Date: May 07, 2022

Sd/-
Vinod Kumar Jamar
President & Group CFO

Sd/-
Suman Kumar
Company Secretary

SMC GLOBAL SECURITIES LIMITED

Standalone statement of cash flows

Particulars	For the year ended	
	March 31, 2022	March 31, 2021*
(₹ in Lakhs)		
Cash flow from operating activities:		
Profit after tax	14,461.03	7,494.29
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax expense	3,755.92	3,029.31
Depreciation and amortization	1,439.99	1,181.53
Interest expense	3,718.74	2,800.75
Dividend income	(727.20)	(808.00)
(Gain) / loss on modification of lease	(3.01)	(6.80)
Interest income other than from revenue from operation	(288.57)	(558.14)
Allowance for impairment on financial instruments	146.28	259.91
Rent income	(187.28)	(165.03)
Net loss/(profit) on derecognition of property, plant and equipment	(2.81)	(28.11)
Exchange difference on conversion of foreign currency monetary items	(4.94)	4.17
Operating profit before working capital changes	22,308.15	13,203.88
Changes in assets and liabilities		
Other bank balances	(12,210.45)	(61,539.18)
Trade receivables	(12,435.31)	(6,010.88)
Other receivables	(25.15)	115.91
Loans	(819.07)	(38.90)
Inventories	(1,048.93)	(1,317.48)
Investments	(6,863.91)	(4,391.84)
Other financial assets	(1,858.00)	5,651.29
Other non-financial assets	125.62	(284.38)
Trade payables	23,765.96	8,447.80
Other financial liabilities	15,255.09	20,047.94
Other non-financial liabilities	431.84	286.14
Provisions	274.69	186.77
Cash generated from / (used in) operations	26,900.53	(25,642.93)
Income taxes paid (net of refund)	(3,670.60)	(2,008.81)
Net cash generated from / (used in) operating activities (A)	23,229.93	(27,651.74)
Cash flow from investing activities		
Expenditure on PPE, intangible assets and intangible assets under development	(6,090.43)	(423.00)
Sale proceeds on property, plant and equipment and intangible assets	4.00	89.23
Interest received	288.57	558.14
Dividend received	727.20	808.00
Rent received	187.28	165.03
Net cash generating from / (used in) investing activities (B)	(4,883.38)	1,197.40
Cash flow from financing activities:		
Payment of dividends	(2,239.98)	(1,618.46)
Payment of interest	(3,491.94)	(2,482.40)
Repayment of lease liabilities	(894.24)	(693.26)
Proceeds from term loan	3,811.73	47.24
Repayment of term loan	(31.80)	(23.65)
Proceeds / (repayment) from loan repayable on demand (net)	(12,518.07)	17,635.45
Repayment of debt securities	-	(366.18)
Net cash generating from / (used in) financing activities (C)	(15,364.30)	12,498.74
Net increase / (decrease) in cash and cash equivalents (A+B+C)	2,982.25	(13,955.60)
Effect of change in exchange rate on foreign operations and foreign currency monetary items	4.94	(4.17)
Cash and cash equivalents at the beginning of the year	2,710.69	16,670.46
Cash and cash equivalents at the end of the year (refer note 2)	5,697.88	2,710.69

*Restated - Refer Note no. 32

Notes :**1. Changes in liabilities arising from financing activities**

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
(₹ in Lakhs)		
Opening balance	23,840.61	6,519.92
Addition during the year	3,811.73	17,682.69
Repayments during the year	(12,549.87)	(389.83)
Other Adjustments	(8.91)	27.83
Closing balance	15,093.56	23,840.61

2. 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.

3. Interest expense includes other borrowing cost.

4. Figures in brackets indicate cash outflow.

5. The significant accounting policies and notes to the financial statements (Refer note no. 1 - 43) form an integral part of the standalone financial statements.

In terms of our report of even date attached

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

Sd/-
Vikash Aggarwal
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: Kathmandu, Nepal
Date: May 07, 2022

Sd/-
Vinod Kumar Jamar
President & 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 clearing and trading member of NSE, BSE, MSEI, MCX and NCDEX 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 jointly controlled entity.

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, fund management services, research support services and also engages in proprietary transactions.

1.02 Statement of compliance

These standalone financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

1.03 Basis of preparation

These standalone financial statements are prepared 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 as stated in respective accounting policies / notes. 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.

1.04 Use of estimates

The preparation of the financial statements in

conformity with Ind AS, 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.

1.05 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:

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

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

- (i) **Broking:** In these types of contract performance obligation is to provide the platform to traders for trading in securities, commodities and the performance obligation satisfies point in time i.e. as and when the trade is executed. Revenue on commission/brokerage on sale made on behalf of principals is accounted for at the time of purchase/sale made on their behalf.
- (ii) **Distribution of third party financial products:** In these types of contract performance obligation is to sell the third party financial products to the subscriber and the performance obligation satisfies point in time i.e. as and when

subscription is ensured and target based incentives are confirmed by registrar / respective companies. Unbilled revenue is the income that has become due on account of services rendered by the Company but pending to be billed.

- (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:** Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets

after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For creditimpaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

It also includes Delayed payment charges.

- (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) **Fund 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) **Incentives from exchange:** Incentives from exchange are recognised on point in time basis.

1.06 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 less cost to sell.

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 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 indicated under Part C of Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed at each 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 and the resultant gains or losses are recognised in net profit in the statement of profit and loss. Assets classified as held for sale are reported at the lower of the carrying value and the fair value less cost to sell.

1.08 Intangible assets

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

Computer software 40%

Trade mark logo 40%

1.09 Impairment of property, plant and equipment, intangible assets and right of use assets

At each reporting date, the Company reviews the carrying amounts of its property, plant and equipment, intangible assets and right of 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 of disposal. 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.

1.10 Income tax

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

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

Deferred tax is recognised based on the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax

asset is realised or the deferred income tax liability is settled.

1.11 Investment in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment, if any.

1.12 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.

(ii) 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 measured at fair value through profit and loss.

(iii) 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) 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.

(d) 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.

1.13 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.

1.14 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.

1.15 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.

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.

1.16 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 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.

1.18 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 disclosed where an inflow of economic benefit is probable.

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

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2022 vide notification no. G.S.R 255(E) dated 23rd March 2022.

Given below are the amendment made in brief and their possible impact on the financial statements of the Company. The Company will be apply the amendments from 1 April 2022 being the effective date of the amendments:

Ind AS 101 – First-time adoption of Indian Accounting Standards:

The amendment removes the conflict between the requirements of paragraph D16(a) of Ind AS 101 which provides exemptions where a subsidiary adopts Ind AS later than its parent and the exemptions on cumulative translation differences. The amendment permits the subsidiary to measure cumulative translation differences at the carrying amount included in the parent's consolidated financial statements. Similar exemption is available to associate and joint venture that uses the exemption in paragraph D16(a) of Ind AS 101. Paragraph D16(a) of Ind AS 101 provides that the

subsidiary can measure its assets and liabilities at the carrying amounts in parent's consolidated financial statements. The amendment is applicable for entities adopting Ind AS from 1 April 2022. As the Company has already adopted Ind AS, there is no impact of this amendment on the Company.

Ind AS 103 – Business Combinations:

The amendments are made to enable change of reference to Conceptual Framework for Financial Reporting under Indian Accounting Standards issued by The Institute of Chartered Accountants of India and have no impact on the financial statements of the Company. The amendments are applicable for business combinations having acquisition date on or after 1 April 2022.

Ind AS 109 – Financial Instruments:

The amendments clarify that only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf will be included in calculating the discounted present value of the cash flow under the new terms on modification of financial liability. The amendment is applicable for modification / exchange of financial liabilities on or after 1 April

2022. The amendment has no impact on the financial statements of the Company.

Ind AS 16 – Property, Plant and Equipment:

The amendment creates a carve-out from IAS 16. IAS 16 requires any sale proceeds and cost of samples produced when testing whether the asset is functioning properly to be recognised in profit or loss whereas the amendment clarifies that the same shall be deducted from the cost of the property, plant and equipment. No transition provisions have been specified and therefore, this amendment shall be applicable retrospectively. The Company has been

following the practice as clarified by the amendment and hence no impact on the financial statements of the Company.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

The paragraph clarifies what cost needs to be considered in the costs to fulfil a contract while determining whether the contract is onerous. Changes previous practice of considering only incremental costs in the costs to fulfil a contract for determination of onerous contract. Now apart from incremental costs, the costs to fulfil a contract includes an allocation of directly attributable costs. The

amendments apply to unfulfilled onerous contracts as on 1 April 2022. As the Company does not have any onerous contract, the said amendment has no impact on the financial statements of the Company.

Ind AS 41 – Agriculture:

The amendment removes taxation cash flows from paragraph 22 indicating tax cash flows must be included in the fair value less costs to sell. The amendment is applicable to fair value measurements on or after 1 April 2022. Ind AS 41 is not applicable to the Company and hence has no impact on the financial statements of the Company.

SMC GLOBAL SECURITIES LIMITED

Notes to standalone financial statements

NOTE NO. 2

Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Cash in hand	14.22	22.37
Balances with banks		
In current accounts	5,683.66	2,688.32
Total cash and cash equivalents	5,697.88	2,710.69

NOTE NO. 3

Other bank balances

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Deposit pledged with banks*	41,465.82	35,953.41
Deposit pledged with the clearing corporations and stock exchanges as margin*	71,313.44	64,048.86
Deposit placed under lien with consumer court	2.12	2.88
Deposit placed with pension fund regulatory and development authority	20.00	20.00
Deposit placed under arbitration	277.35	160.82
Deposit - no lien	41.54	667.49
Emarked balances (unpaid dividend account)	65.24	42.52
Interest accrued but not due	442.36	521.44
Total other bank balances	113,627.87	101,417.42

*Deposit pledged with bank as margin deposit for the guarantees issued of ₹ 80,348.75 lakhs and ₹ 43,955.50 lakhs as of March 31, 2022 and March 31, 2021, respectively, credit facilities or otherwise.

NOTE NO. 4

Trade receivables

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Secured considered good	33,862.70	20,877.41
Secured credit impaired	204.85	489.94
Less: Provision for impairment	(175.29)	(375.07)
	(A)	20,992.28
Unsecured considered good	532.25	1,052.77
Unsecured credit impaired	585.11	654.48
Less: Provision for impairment	(593.63)	(646.33)
	(B)	1,060.92
Unbilled revenue	1,221.87	1,236.89
	(C)	
Total trade receivables	(A+B+C)	23,290.09

Trade receivables ageing schedule as on March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment / transaction					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	34,394.95	-	-	-	-	34,394.95
Undisputed Trade receivables - considered credit impaired	40.83	136.49	13.32	82.35	4.86	277.85
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - considered credit impaired	7.62	20.61	209.57	25.39	248.92	512.11
	34,443.40	157.10	222.89	107.74	253.78	35,184.91
Less: Provision for impairment						(768.92)
						34,415.99
Unbilled revenue						1,221.87
						35,637.86

Trade receivables ageing schedule as on March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment / transaction					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	21,930.18	-	-	-	-	21,930.18
Undisputed Trade receivables - considered credit impaired	26.95	125.77	380.70	28.80	7.20	569.42
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - considered credit impaired	44.54	221.15	10.17	24.42	274.72	575.00
	22,001.67	346.92	390.87	53.22	281.92	23,074.60
Less: Provision for impairment						(1,021.40)
						22,053.20
Unbilled revenue						1,236.89
						23,290.09

NOTE NO. 5

Other receivables

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Other receivables	493.90	468.75
	493.90	468.75
Less: Provision for impairment	(20.39)	(18.75)
Total other receivables	473.51	450.00

NOTE NO. 6

Loans

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Unsecured		
Loans to related party*	2,212.51	1,393.44
	2,212.51	1,393.44
Less: Provision for impairment	(167.94)	(110.83)
Net loans	2,044.57	1,282.61
In India	1,741.34	1,230.60
Outside India	303.23	52.01

*(Refer note no 37.03)

NOTE NO. 7

Investments

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021*
Quoted		
Investments carried at fair value through profit and loss		
Held for trading		
Equity instruments	10,971.78	8,527.63
Debt instruments	792.31	369.42
	(A) 11,764.09	8,897.05
Other than held for trading		
Equity instruments	1,814.94	-
Equity instruments under portfolio management service	2,626.06	1,976.48
Mutual funds	-	30.94
Debt instruments	65.64	23.34
	(B) 4,506.64	2,030.76
Sub - Total (A+B=C)	16,270.73	10,927.81
Unquoted		
Investments carried at cost		
Equity instrument of subsidiaries	37,651.05	36,851.05
Preference instrument of subsidiary	1,000.00	1,000.00
Less : Provision for impairment	(633.82)	(633.82)
	(D) 38,017.23	37,217.23
Investments carried at fair value through profit and loss		
Equity instruments	0.54	0.54
Debt instruments	985.00	264.00
	(E) 985.54	264.54
Sub - Total (D+E=F)	39,002.77	37,481.77
Total investments (C+F)	55,273.50	48,409.58
In India	53,735.23	46,871.31
Outside India	1,538.27	1,538.27

* Restated - Refer Note no. 32

NOTE NO. 7.01**Investments in equity instruments of subsidiaries (Unquoted, fully paid-up)**

Particulars	Face Value	(₹ in Lakhs)			
		No. of shares		As at	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Investments measured at cost (Unquoted)					
Investments in Equity shares of subsidiaries: (Fully paid up)					
SMC Comtrade Limited	10	25,00,000	25,00,000	250.00	250.00
SMC Investments and Advisors Limited	10	75,00,000	75,00,000	750.00	750.00
Moneywise Financial Services Private Limited	10	4,36,56,920	4,36,56,920	23,024.60	23,024.60
SMC Capitals Limited	10	1,00,00,000	1,00,00,000	1,248.77	1,248.77
SMC Insurance Brokers Private Limited	10	4,04,00,000	4,04,00,000	4,040.00	4,040.00
SMC Comex International DMCC	1000 AED	8,840	8,840	1,538.27	1,538.27
Moneywise Finvest Limited	10	2,00,00,000	1,20,00,000	2,125.49	1,325.49
SMC Global USA Inc	\$ 5000	140	140	473.94	473.94
SMC Global IFSC Private Limited	10	1,19,99,800	1,19,99,800	1,199.98	1,199.98
SMC Real Estate Advisors Private Limited	100	30,00,000	30,00,000	3,000.00	3,000.00
				37,651.05	36,851.05
Investment in Preference shares of subsidiary: (Fully paid up)					
SMC Real Estate Advisors Private Limited	100	10,00,000	10,00,000	1,000.00	1,000.00
(1% Cumulative, Redeemable, Non Participating and Optionally Convertible)				1,000.00	1,000.00
				38,651.05	37,851.05

Place of all subsidiaries are in India except SMC Comex International DMCC and SMC Global USA Inc. which are in UAE and USA, respectively.

All subsidiaries are wholly owned except SMC Insurance Brokers Private Limited and SMC Global USA Inc. where the holding is 97.58 % and 50%, respectively.

NOTE NO. 8**Other financial assets**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Derivative financial instruments	7,139.06	4,859.58
Security deposits	1,280.93	1,702.42
	8,419.99	6,562.00
Less : Provision for impairment	(0.50)	(0.50)
Total other financial assets	8,419.49	6,561.50
Financial asset carried at fair value through profit and loss	7,692.53	5,283.14
Financial asset carried at amortized cost	726.96	1,278.36

NOTE NO. 9**Inventories**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Commodities	2,366.41	1,317.48
Total inventories	2,366.41	1,317.48

NOTE NO. 10**Property, plant and equipment**

Particulars	(₹ in Lakhs)							
	Office Building	Computer equipments	Office equipments	Furniture and fixtures	Vehicles	Freehold Land	VSAT	Total
	Opening gross carrying value as at April 1, 2020	2,151.83	2,543.10	657.93	1,827.86	444.82	-	368.22
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 gross carrying value as at April 1, 2021	2,059.52	2,632.65	687.00	1,842.86	498.06	-	-	7,720.09
Additions during the year	-	494.56	70.58	45.36	183.47	5,178.26	-	5,972.23
Deletions during the year	-	(76.90)	(5.34)	(29.84)	(2.93)	-	-	(115.01)
Closing gross carrying value as at March 31, 2022	2,059.52	3,050.31	752.24	1,858.38	678.60	5,178.26	-	13,577.31
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
Opening accumulated depreciation as at April 1, 2021	624.89	2,333.35	614.10	1,668.26	384.39	-	-	5,624.99
Depreciation for the year	100.04	363.11	62.89	68.34	57.26	-	-	651.64
Accumulated depreciation on deletions	-	(76.49)	(5.23)	(29.19)	(2.90)	-	-	(113.81)
Closing accumulated depreciation as at March 31, 2022	724.93	2,619.97	671.76	1,707.41	438.75	-	-	6,162.82
Carrying value as at March 31, 2021	1,434.63	299.30	72.90	174.60	113.67	-	-	2,095.10
Carrying value as at March 31, 2022	1,334.59	430.34	80.48	150.97	239.85	5,178.26	-	7,414.49

NOTE NO. 11**Right of use assets**

Particulars	(₹ in Lakhs)	
	Lease hold assets	Total
	Opening gross carrying value as at April 1, 2020	2,975.01
Additions during the year	859.03	859.03
Termination during the year	(124.43)	(124.43)
Closing gross carrying value as at March 31, 2021	3,709.61	3,709.61
Opening gross carrying value as at April 1, 2021	3,709.61	3,709.61
Additions during the year	590.52	590.52
Termination during the year	(37.19)	(37.19)
Closing gross carrying value as at March 31, 2022	4,262.94	4,262.94
Opening accumulated depreciation as at April 1, 2020	545.10	545.10
Depreciation for the year	556.15	556.15
Accumulated depreciation on termination	(28.06)	(28.06)
Closing accumulated depreciation as at March 31, 2021	1,073.19	1,073.19
Opening accumulated depreciation as at April 1, 2021	1,073.19	1,073.19
Depreciation for the year	744.43	744.43
Accumulated depreciation on termination	(15.16)	(15.16)
Closing accumulated depreciation as at March 31, 2022	1,802.46	1,802.46
Carrying value as at March 31, 2021	2,636.42	2,636.42
Carrying value as at March 31, 2022	2,460.48	2,460.48

NOTE NO. 11.01**Detail of lease liability**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Opening balance	2,466.03	2,112.91
Addition during the year	590.52	859.03
Termination during the year	(22.03)	(96.37)
Finance charges on lease	235.71	290.53
Write back during the year	(3.02)	(6.80)
Repayment during the year	(894.23)	(693.27)
Closing balance	2,372.98	2,466.03
Interest rate used for capitalisation	9.66%	9.66%

NOTE NO. 11.02**Maturity analysis of lease liabilities**

Particulars	Carrying amount	(₹ in Lakhs)					
		1-90 days	91-180 days	181-365 days	1-2 years	2-5 years	More than 5 years
As at March 31, 2022	2,372.98	181.86	171.45	280.34	453.32	895.66	390.35
As at March 31, 2021	2,466.03	185.24	183.44	363.18	699.80	993.79	40.58

NOTE NO. 12**Other intangible assets**

Particulars	(₹ in Lakhs)		
	Computer software	Trademark logo	Total
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 gross carrying value as at April 1, 2021	715.40	0.20	715.60
Additions during the year	37.72	-	37.72
Deletions during the year	-	-	-
Closing gross carrying value as at March 31, 2022	753.12	0.20	753.32
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
Opening accumulated amortization as at April 1, 2021	632.08	0.20	632.28
Amortization for the year	43.92	-	43.92
Accumulated amortization on deletions	-	-	-
Closing accumulated amortization as at March 31, 2022	676.00	0.20	676.20
Carrying value as at March 31, 2021	83.32	(0.00)	83.32
Carrying value as at March 31, 2022	77.12	-	77.12

Intangible assets under development

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Intangible assets under development	80.48	-
Total intangible assets under development	80.48	-

IND AS 101 gives option to choose from fair value as its deemed cost or carrying value in the 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 the previous gaap as deemed cost.

NOTE NO. 13**Other non-financial assets**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Capital advances	203.95	110.52
Prepaid expenses	826.24	332.01
Balances with government authorities and other taxes receivable	128.24	137.75
Advance payment to vendors for supply of goods	88.55	791.94
Salary advances	0.36	0.65
Dividend receivable	-	0.08
Total other non financial assets	1,247.34	1,372.95

NOTE NO. 14**Trade Payables**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade payables - Clients	60,719.18	37,638.68
Trade payables - Expenses	2,837.10	2,151.63
Total trade payables	63,556.28	39,790.31

Ageing schedule as at March 31, 2022

Particulars	(₹ in Lakhs)				Total
	Outstanding for following periods from due date of payment / transaction				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	-	-	-	-	-
Others	60,505.60	364.27	30.65	5.00	60,905.52
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	60,505.60	364.27	30.65	5.00	60,905.52
Accrued expenses					2,650.76
					63,556.28

Ageing schedule as at March 31, 2021

Particulars	(₹ in Lakhs)				Total
	Outstanding for following periods from due date of payment / transaction				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	-	-	-	-	-
Others	37,383.46	324.80	70.15	9.15	37,787.56
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	37,383.46	324.80	70.15	9.15	37,787.56
Accrued expenses					2,002.75
					39,790.31

NOTE NO. 15**Borrowings**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Secured		
Term loan		
from banks	132.04	91.37
from others	3,739.26	-
Loan repayable on demand		
from banks	9,727.39	23,636.40
from others	1,475.00	-
Interest accrued but not due	19.87	28.77
Total secured borrowings (A)	15,093.56	23,756.54
Unsecured		
Loan repayable on demand		
from related party	-	84.07
Total Unsecured borrowings (B)	-	84.07
Total borrowings (A+B=C)	15,093.56	23,840.61
In India	15,093.56	23,840.61
Outside India	-	-

- a) Term Loan amounting ₹ 3,700 lakhs and ₹ Nil as of March 31, 2022 and March 31, 2021, respectively, are secured by way of hypothecation of freehold land and personal guarantee of promoter directors and are repayable in 60 installments.
- b) Term Loan amounting ₹ 171.30 lakhs and ₹ 91.37 lakhs as of March 31, 2022 and March 31, 2021, respectively, are secured by way of hypothecation of vehicles and are repayable over a period up to five years.
- c) Loan from banks amounting ₹ 9,727.39 lakhs and ₹ 23,636.40 lakhs as of March 31, 2022 and March 31, 2021, respectively, are secured against shares, receivables (including exchange balances), fixed deposits, certain office buildings and personal guarantee of promoter directors.
- d) Loan from others amounting ₹ 1,475.00 lakhs and ₹ Nil as of March 31, 2022 and March 31, 2021, respectively, are secured by way of hypothecation of shares and personal guarantee of promoter directors.

Repayment terms of borrowings

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
In the first year	11,425.76	23,778.94
In the second year	927.98	32.24
In the third to fifth year	2,739.82	29.43
Total	15,093.56	23,840.61

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

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Secured		
Weighted average rate		
Fixed rate borrowings	7.99%	8.48%
Floating rate borrowings	8.43%	7.37%
Amount borrowed		
Fixed rate borrowings	3,874.24	91.37
Floating rate borrowings	11,219.32	23,749.24
Total borrowings	15,093.56	23,840.61

Refer note no. 36.05 for contractual maturities of borrowings

NOTE NO. 16**Other financial liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Book overdraft from banks	1,234.54	711.80
Security deposits received	298.83	250.26
Employee benefit payable	563.98	455.53
Derivative financial instruments	5,621.12	3,497.01
Unpaid dividend	65.24	42.52
Margin received from clients	66,217.01	53,765.81
Total other financial liabilities	74,000.72	58,722.93
Financial liability carried at amortized cost	68,379.60	55,225.92
Financial liability carried at fair value through profit and loss	5,621.12	3,497.01

NOTE NO. 17**Provisions**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Provision for employee benefits		
Gratuity	878.96	714.62
Leave encashment	491.26	446.10
Others	208.01	120.62
Total provisions	1,578.23	1,281.34

NOTE NO. 18**Other non-financial liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Unearned income	398.23	220.35
Withholding taxes and other taxes payable	810.22	566.49
Others	23.79	13.56
Total other non-financial liabilities	1,232.24	800.40

NOTE NO.19**Equity share capital****NOTE NO. 19.01****Authorised issued and subscribed capital**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Authorised		
47,75,50,000 (March 31, 2021 : 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, 2021 : 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, 2022	March 31, 2021
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 @ 60% i.e. ₹ 1.20 (P.Y. ₹ 0.80) per share for the financial year ending March 31, 2022 at their meeting held on dated May 7, 2022, 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. ₹ 1.20).

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)

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	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
Mahesh C. Gupta	82,48,500	7.29	92,48,500	8.17
Subhash Chand Aggarwal	80,95,500	7.16	1,00,95,500	8.92
Signature Global (India) Private Limited	18,12,329	1.60	79,72,457	7.05
Sushma Gupta	75,66,550	6.69	75,66,550	6.69
Pulin Investments Private Limited	92,77,205	8.20	92,77,205	8.20

NOTE NO. 19.04**Shareholding of Promoters****Shares held by promoters as at March 31, 2022**

(in Numbers)

Promoter Name	No. of Shares	% of total shares	% Change during the year
Subhash Chand Aggarwal	80,95,500	7.16%	(1.77%)
Mahesh Chand Gupta	82,48,500	7.29%	(0.88%)
Sushma Gupta	75,66,550	6.69%	0.00%
Hemlata Aggarwal	50,00,000	4.42%	0.00%
Pranay Aggarwal	47,20,550	4.17%	1.77%
Ginni Devi	22,00,000	1.94%	0.00%
Himanshu Gupta	20,00,000	1.77%	0.88%
Madan Gopal Aggarwal	9,84,000	0.87%	0.00%
Ajay Garg	8,41,600	0.74%	0.00%
Damodar Krishan Aggarwal	7,81,970	0.69%	0.00%
Anurag Bansal	2,50,000	0.22%	0.00%
Shruti Aggarwal	20,175	0.02%	0.02%
Aditi Aggarwal	33,050	0.03%	0.03%
Archana Aggarwal	30,000	0.03%	0.00%
ASM Pipes Private Limited	1,86,67,140	16.50%	0.00%
Pulin Investments Private Limited	92,77,205	8.20%	0.00%
Jai Ambey Share Broking Limited	16,16,670	1.43%	0.00%
SMC Share Brokers Limited	2,25,000	0.20%	0.00%

Shares held by promoters as at March 31, 2021

(in Numbers)

Promoter Name	No. of Shares	% of total shares	% Change during the year
Subhash Chand Aggarwal	1,00,95,500	8.92%	0.00%
Mahesh Chand Gupta	92,48,500	8.17%	0.00%
Sushma Gupta	75,66,550	6.69%	0.00%
Hemlata Aggarwal	50,00,000	4.42%	0.00%
Pranay Aggarwal	27,20,550	2.40%	0.00%
Ginni Devi	22,00,000	1.94%	0.00%
Himanshu Gupta	10,00,000	0.88%	0.00%
Madan Gopal Aggarwal	9,84,000	0.87%	0.00%
Ajay Garg	8,41,600	0.74%	0.00%
Damodar Krishan Aggarwal	7,81,970	0.69%	0.00%
Anurag Bansal	2,50,000	0.22%	0.00%
Archana Aggarwal	30,000	0.03%	0.00%
ASM Pipes Private Limited	1,86,67,140	16.50%	0.00%
Pulin Investments Private Limited	92,77,205	8.20%	0.27%
Jai Ambey Share Broking Limited	16,16,670	1.43%	0.00%
SMC Share Brokers Limited	2,25,000	0.20%	0.00%

NOTE NO. 20**Fee and commission income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Income from:		
Brokerage	25,150.87	21,357.97
Distribution of financial products	9,208.52	6,545.01
Depository activities	478.30	414.30
Management fees	113.03	30.12
Incentives from exchange	476.22	244.29
Research support services	598.22	495.31
Total fee and commission income	36,025.16	29,087.00

NOTE NO. 21**Interest income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
On financial assets measured at amortised cost		
Interest on deposits with banks	6,501.92	4,867.12
Interest on delayed payment / margin trading facility	4,442.94	2,161.77
On financial assets carried at fair value through profit and loss		
Interest income from investments held for trading	19.04	69.65
Total interest income	10,963.90	7,098.54

NOTE NO. 22**Net gain on fair value changes**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Net gain on financial instruments at fair value through profit or loss		
Realised	2,896.12	103.70
Unrealised	1,127.83	641.94
Total fair value change of investments	4,023.95	745.64

NOTE NO. 23**Other income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Interest income	288.57	558.14
Net gain on derecognition of property, plant and equipment	2.81	28.11
Dividend income*	727.20	808.00
Rent income	187.28	165.03
Liability no longer required written back	116.41	166.64
Net gain on translation of foreign currency monetary items	4.94	-
Miscellaneous income	88.34	241.26
Total other income	1,415.55	1,967.18

* represents dividend received from one of the subsidiary Company.

NOTE NO. 24**Fees and commission expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Client introduction charges	11,673.68	9,596.99
Exchange & other regulatory charges	5,091.15	4,513.72
Expense for distribution of financial products	6,969.76	4,892.26
VPN, leaseline, internet & VSAT expenses (net)	219.52	228.88
Securities transaction tax	3,844.21	3,416.94
Total fees and commission expenses	27,798.32	22,648.79

NOTE NO. 25**Employee benefits expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Salaries and incentives	11,959.30	10,098.81
Staff welfare	142.74	80.81
Contribution to provident and other funds	554.13	439.80
Gratuity	261.08	278.68
Total employee benefits expenses	12,917.25	10,898.10

NOTE NO. 26**Finance costs**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
On financial liabilities measured at amortised cost		
Interest to banks & NBFCs	977.48	709.57
Interest-others	2,033.03	1,401.80
Other borrowing cost	472.52	398.85
Finance charges on lease	235.71	290.53
Total finance costs	3,718.74	2,800.75

NOTE NO. 27**Depreciation and amortisation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Depreciation on tangible assets	651.64	579.87
Amortisation of intangible assets	43.92	45.51
Depreciation on lease assets	744.43	556.15
Total depreciation and amortisation	1,439.99	1,181.53

NOTE NO. 28**Impairment on financial instruments**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
On financial assets measured at amortised cost/transaction price		
Trade receivables	87.53	240.81
Loans	57.11	16.00
Security deposits	-	0.40
Other receivables	1.64	2.70
Total impairment on financial instruments	146.28	259.91

NOTE NO. 29**Other expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Advertisement	488.87	739.38
Business promotion	195.24	40.75
Computer repair & maintenance	524.84	432.97
Conveyance & traveling expenses	140.08	116.98
Directors sitting fee	22.50	18.25
Insurance	31.08	26.53
Legal & professional charges	504.26	436.84
Bank charges	32.31	24.70
Office repair & maintenance	389.15	330.31
Printing and stationery	159.61	118.52
Rent	623.02	606.26
Electricity and water expenses	470.14	395.85
Membership fees & subscription	16.10	9.02
Communication expenses	287.13	237.86
Net loss on foreign currency transaction and translation	-	4.17
Vehicle running & maintenance	46.62	29.47
Rates & taxes	19.51	21.19
CSR expenses	91.44	70.10
Miscellaneous expenses	98.35	93.08
Auditor's fees and expenses		
as statutory auditor	27.00	27.00
as tax auditor	3.00	3.00
as fee for other services	1.83	2.25
Total other expenses	4,172.08	3,784.48

NOTE NO. 30**Income taxes****NOTE NO. 30.01****Income tax expense in the statement of profit and loss**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021*
Current tax expense		
For the year	3,149.40	2,067.69
Change in estimates relating to prior years	14.74	(37.38)
	3,164.14	2,030.31
Deferred tax charge/(benefit)		
Origination and reversal of temporary differences	591.78	520.09
Minimum alternate tax	-	478.91
	591.78	999.00
Total income tax expense	3,755.92	3,029.31

* Restated - Refer Note no. 32

NOTE NO. 30.02**Tax expense recognised in other comprehensive income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021*
Remeasurement of the net defined benefit liability / asset	(7.47)	85.32
Total tax expense recognised in other comprehensive income	(7.47)	85.32

* Restated - Refer Note no. 32

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	For the year ended	
	March 31, 2022	March 31, 2021*
Profit before tax	18,216.95	10,523.60
Enacted tax rates in India	25.168%	25.168%
Computed expected tax expense	4,584.84	2,648.58
Non deductible permanent difference	25.92	60.47
Deductible permanent difference	(38.49)	(15.31)
Income exempt from tax	(8.82)	-
Change in estimates relating to prior years	14.74	(37.38)
Deductions under chapter VI A	(439.29)	(459.79)
Effect of change in tax rate due to different head of income	(265.39)	-
Tax on unrealised gain / loss on investment	(117.59)	-
Effect of change in tax rates u/s 115BAA	-	353.84
Deferred tax asset / MAT reversed	-	478.90
Income tax expense	3,755.92	3,029.31

The applicable Indian statutory tax rates for fiscal 2022 and fiscal 2021 is 25.168%.

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 in the previous year. 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.

* Restated - Refer Note no. 32

NOTE NO. 30.04**Details of current tax assets and current tax liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Current tax assets pertaining to current year	3,744.42	2,103.68
Current tax liabilities pertaining to current year	3,149.40	2,067.69
Net current tax assets/ (liability) pertaining to current year	(A) 595.02	35.99
Current tax assets pertaining to previous years	(B) 1,530.07	1,590.10
Total current tax assets / (liability) - net	(A+B) 2,125.09	1,626.09

NOTE NO. 30.05**Movement in the temporary differences of deferred tax**

(₹ in Lakhs)

Particulars	Balance as at April 1, 2020	Recognised in profit or loss during 2020-21*	Recognised in other comprehensive income*	MAT credit adjustment	Balance as at March 31, 2021	Recognised in profit or loss during 2021-22	Recognised in other comprehensive income	Balance as at March 31, 2022
Employee benefits	441.88	(64.44)	(85.32)	-	292.12	45.26	7.47	344.85
Investment securities	52.87	(161.56)	-	-	(108.69)	(142.99)	-	(251.68)
ICDS	(44.33)	(91.71)	-	-	(136.04)	(450.79)	-	(586.83)
Provisions	140.53	11.26	-	-	151.79	12.79	-	164.58
Property, plant & equipment and intangible assets	384.97	(117.79)	-	-	267.18	(6.03)	-	261.15
Provision for impairment on receivable from clients	367.29	(110.22)	-	-	257.07	(63.54)	-	193.53
Other temporary differences	57.69	14.37	-	-	72.06	13.52	-	85.58
Origination and reversal of temporary differences	1,400.90	(520.09)	(85.32)	-	795.49	(591.78)	7.47	211.18
Minimum alternate tax	435.82	(478.91)	-	43.09	-	-	-	-
Total	1,836.72	(999.00)	(85.32)	43.09	795.49	(591.78)	7.47	211.18

* Restated - Refer Note no. 32

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	For the year ended	
	March 31, 2022	March 31, 2021*
Profit attributable to equity share holders.	14,461.03	7,494.29
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 (₹)	12.78	6.62

* Restated - Refer Note no. 32

NOTE NO. 32**Restatement of financial statements**

In Accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statement', the Company has retrospectively restated -

Statement of Profit and Loss for the year ended March 31, 2021;

Statement of Changes in Equity for the year ended March 31, 2021 and as on April 1, 2020; and

Statement of Cash Flows for the year ended March 31, 2021

Notes for the year ended March 31, 2021 from classification of equity and debt instruments at fair value through OCI (FVTOCI) to FVTPL in accordance with Ind AS 109, Financial Instruments.

As per Ind AS 109 Investments in equity instruments should be classified as fair value through other comprehensive income (FVTOCI) only

when the investment is of strategic and long term in nature and the Company doesn't intend to sell over a long period. Further, debt instruments are to be classified as at fair value through other comprehensive income if the debt instrument is held within a business model of hold to collect contractual cash flows and sell. The Company does not hold the equity investment for strategic purposes and there could be frequent purchases and sales in those instruments. The Company holds debt instruments for trading. Accordingly, the classification of equity and debt investments have been restated retrospectively to reflect the business model of the Company resulting in more relevant and faithful representation of the financial statements. Such restatement did not have any impact in the balance sheet as the equity and debt instruments were already stated at fair value. Also

there is no change in total comprehensive income for the year ended March 31, 2021. The impact of the same have been given in the Statement of Profit and Loss and Statement of Cash Flows for the comparative period, and Statement of Changes in Equity at the beginning of the comparative period and for the comparative period. Further the statement of cash flows has been restated for the effects of non cash items. Moreover, the Balance Sheet at the beginning of the comparative period as on 01 April 2020 is not required as per Para 40A of Ind AS 1, as there is no change on the information in the balance sheet at the beginning of the comparative period.

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Notes to standalone financial statements

The impact of the said retrospective restatement on the various components of the financial performance is as under:

Particulars	(₹ in Lakhs)		
	Year ended March 31, 2021		
	Previously reported March 31, 2021	Restatement / Regrouping	Restated March 31, 2021
Revenue from operations			
Fee and commission income	29,087.00	-	29,087.00
Interest income	7,028.89	69.65	7,098.54
Dividend income	821.31	17.05	838.36
Net gain on proprietary trading	12,360.44	-	12,360.44
Net gain on fair value changes	-	745.64	745.64
Total revenue from operations	49,297.64	832.34	50,129.98
Other income	2,157.58	(190.40)	1,967.18
Total income	51,455.22	641.94	52,097.16
Expenses			
Fees and commission expenses	22,648.79	-	22,648.79
Employee benefits expenses	10,898.10	-	10,898.10
Finance cost	2,800.75	-	2,800.75
Depreciation and amortisation	1,181.53	-	1,181.53
Impairment on financial instruments	259.91	-	259.91
Other expenses	3,784.48	-	3,784.48
Total expenses	41,573.56	-	41,573.56
Profit before tax	9,881.66	641.94	10,523.60
Tax expense:			
Current tax	2,030.31	-	2,030.31
Deferred tax	837.44	161.56	999.00
Total tax expense	2,867.75	161.56	3,029.31
Profit after tax	7,013.91	480.38	7,494.29
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	-	339.00
Tax effect of Items that will not be reclassified subsequently to profit and loss	(85.32)	-	(85.32)
Items that may be reclassified subsequently to profit or loss			
Fair value changes on investments	641.94	(641.94)	-
Tax effect of Items that will be reclassified subsequently to profit and loss	(161.56)	161.56	-
Total other comprehensive income (net of tax)	734.06	(480.38)	253.68
Total comprehensive income for the year (comprising profit and other comprehensive income for the year)	7,747.97	-	7,747.97
Earnings per equity share (Face value ₹ 2)			
Basic & Diluted (in ₹)	6.20	0.42	6.62

The impact of the said retrospective restatement on statement of changes in equity is as under:

Particulars	(₹ in Lakhs)	
	Year Ended	As on
	March 31, 2021	April 1, 2020
Increase / (Decrease) in Retained earnings	230.87	(249.51)
Increase / (Decrease) in Remeasurement of the net defined benefit liability / asset	(8.13)	77.19
Increase / (Decrease) in Fair value changes in investments	(339.34)	302.60
Increase / (Decrease) in Tax effect of other component of equity	116.60	(130.28)
Increase / (Decrease) in Statement of changes in equity	0.00	-

The impact of the said retrospective restatement on statement of cash flows is as under:

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2021	
Increase / (Decrease) in Net cash generated from / (used in) operating activities	(328.14)	
Increase / (Decrease) in Net cash generated from / (used in) investing activities	1,073.34	
Increase / (Decrease) in Net cash generated from / (used in) financing activities	(755.87)	
Increase / (Decrease) in Net increase / (decrease) in cash and cash equivalents due to reclassification of unclaimed dividend from cash and cash equivalents to other bank balances	(10.67)	

NOTE NO. 33

Employee Benefits

(a) Gratuity

NOTE NO. 33.01

Breakup of amount recognised in statement of profit and loss

Particulars	(₹ in Lakhs)	
	For the year ended	
	March 31, 2022	March 31, 2021
Interest on defined benefit obligation	45.86	56.17
Current service cost	215.22	222.51
Total expense recognized in the statement of profit and loss	261.08	278.68

NOTE NO. 33.02**Break up of amount recognised in the statement of other comprehensive income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Remeasurements of the net defined benefit liability/ (asset)		
Opening amount recognised in OCI outside profit and loss account	149.14	(189.86)
Actuarial gains / (losses)	(87.91)	151.88
Return on plan assets (greater) / less than discount rate	58.25	187.12
	119.48	149.14

NOTE NO. 33.03**Breakup of the amount recognised in balance sheet**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Present value of the obligation as at the end of the year	1,946.26	1,715.88
Fair value of plan assets as at the end of the year	(1,067.30)	(1,001.26)
Net liability recognised in balance sheet	878.96	714.62

NOTE NO. 33.04**Reconciliation of defined benefit obligation and plan asset**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Change in benefit obligations		
Present value of the obligation as at the beginning of the year	1,715.88	1,590.02
Current service cost	215.22	222.51
Interest cost	112.90	106.42
Actuarial (gain)/loss on obligations	87.91	(151.88)
Acquisitions (credit)/cost	(26.40)	(1.08)
Benefits paid	(159.25)	(50.11)
Benefit obligations at the end (A)	1,946.26	1,715.88
Change in plan assets		
Fair value of plan assets at the beginning of the year	1,001.26	714.00
Interest income on plan assets	67.04	50.25
Contributions	100.00	100.00
Benefits paid	(159.25)	(50.11)
Return on plan assets greater (lesser) than discount rate	58.25	187.12
Fair value of plan assets at the end (B)	1,067.30	1,001.26
Amount recognised in balance sheet [(surplus) / deficit] (A-B)	878.96	714.62

NOTE NO. 33.05**Disaggregation of plan assets**

Particulars	As at	
	March 31, 2022	March 31, 2021
Managed by Insurance Company	100.00%	100.00%
	100.00%	100.00%

NOTE NO. 33.06**Sensitivity of significant assumptions used for DBO valuation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Effect on DBO due to 0.5% increase in discount rate	(121.14)	(105.48)
Effect on DBO due to 0.5% decrease in discount rate	132.89	115.91
Effect on DBO due to 0.5% increase in salary escalation rate	111.09	100.15
Effect on DBO due to 0.5% decrease in salary escalation rate	(104.99)	(94.21)

NOTE NO. 33.07**Maturity profile of defined benefit obligation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Within one year	132.00	148.24
One to five years	329.33	298.94
More than five years	883.34	810.72

NOTE NO. 33.08**Assumptions to determine the defined benefit obligations**

Particulars	As at	
	March 31, 2022	March 31, 2021
Discount rate	7.20%	6.90%
Salary escalation rate (p.a.)	8.25%	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. 33.09****Breakup of the amount recognised in balance sheet**

Particulars	As at	
	March 31, 2022	March 31, 2021
Present value of the obligation as at the end of the year	491.26	446.10
Fair value of plan assets as at the end of the year	-	-
Net liability recognised in balance sheet	491.26	446.10

NOTE NO. 33.10**Number of compensated leave absences outstanding**

Particulars	As at	
	March 31, 2022	March 31, 2021
Total leave balance (days)	42,873.24	39,724.86

NOTE NO. 33.11**Assumption used in valuation**

Particulars	As at	
	March 31, 2022	March 31, 2021
Discount rate	7.20%	6.90%
Salary escalation rate (p.a.)	8.25%	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. 34**Contingent liabilities and commitments****NOTE NO. 34.01****Contingent liabilities not provided in the financial statements:**

Particulars	As at	
	March 31, 2022	March 31, 2021
1 ESI demand (Total amount paid under protest ₹ 12.43 Lakhs (2021: ₹ 12.43 Lakhs))	31.06	31.06
2 Service Tax Demand (Total amount paid under protest ₹ 42.77 Lakhs (2021: Nil))	615.98	615.98
3 (a). Income Tax Demand (A.Y. 2013-14) (Total amount paid under protest ₹ 31.47 Lakhs (2021: ₹ 31.47 Lakhs))	-	31.47
(b). Income Tax Demand (A.Y. 2013-14 to 2019-20) (2021: A.Y. 2013-14 to 2019-20) (Total amount paid under protest ₹ Nil (2021: Nil))	52.89	356.78
4 Provident Fund	-	-
5 Stamp Duty	-	-

Notes:

- An ESI demand for the period September 2005 to December 2007 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. Another demand of ₹ 570.32 Lakhs was being agitated by the Company 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 which has been decided in favour of the Company during the year and matter has been restored back to the file of AO
(b) Block Assessments u/s 153(A) for the A.Y 2013-14 to A.Y 2019-20 have been completed and certain disallowances made by the Income Tax Department against which the rectification was filed by the Company which has been accordingly rectified by the assessing officer to the extent of apparent mistakes, during the year. The Company has filed necessary appeals before the Commissioner of Income Tax (Appeals), Delhi.
- PF matter for the period October 1995 to November 2003 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. 34.02**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 gross carrying 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. 34.03**Commitments**

Particulars	As at	
	March 31, 2022	March 31, 2021
Contracts remaining to be executed on account of capital (net of advances)		
For purchase of software and others	175.37	14.66
For purchase of office building	9.00	54.56

NOTE NO. 35

The Company has given corporate guarantee towards credit facility availed by two of the wholly owned subsidiaries i.e. M/s Moneywise Financial Services Private Limited for ₹ 16,000 lakhs (PY : ₹ 19,850 lakhs) and M/s Moneywise Finvest Limited for ₹ 500 lakhs (PY : ₹ 500 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, 2022 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities carried at fair value through profit and loss	(₹ in Lakhs)	
			Total carrying value	Total fair value
		Mandatorily required		
Assets:				
Cash and cash equivalents	5,697.88	-	5,697.88	5,697.88
Other bank balance	1,13,627.87	-	1,13,627.87	1,13,627.87
Trade receivables	35,637.86	-	35,637.86	35,637.86
Other receivables	473.51	-	473.51	473.51
Loans	2,044.57	-	2,044.57	2,044.57
Investments*	-	17,256.27	17,256.27	17,256.27
Other financial assets	726.96	7,692.53	8,419.49	8,419.49
Total	1,58,208.65	24,948.80	1,83,157.45	1,83,157.45
Liabilities:				
Trade payables	63,556.28	-	63,556.28	63,556.28
Borrowings	15,093.56	-	15,093.56	15,093.56
Other financial liabilities	68,379.60	5,621.12	74,000.72	74,000.72
Total	1,47,029.44	5,621.12	1,52,650.56	1,52,650.56

* Investments in subsidiaries are at cost amounting to ₹ 38,017.23 lakhs which do not fall within the scope of financial instruments

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities carried at fair value through profit and loss	(₹ in Lakhs)	
			Total carrying value	Total fair value
		Mandatorily required		
Assets:				
Cash and cash equivalents	2,710.69	-	2,710.69	2,710.69
Other bank balance	1,01,417.42	-	1,01,417.42	1,01,417.42
Trade receivables	23,290.09	-	23,290.09	23,290.09
Other receivables	450.00	-	450.00	450.00
Loans	1,282.61	-	1,282.61	1,282.61
Investments*	-	11,192.35	11,192.35	11,192.35
Other financial assets	1,278.36	5,283.14	6,561.50	6,561.50
Total	1,30,429.17	16,475.49	1,46,904.66	1,46,904.66
Liabilities:				
Trade payables	39,790.31	-	39,790.31	39,790.31
Borrowings	23,840.61	-	23,840.61	23,840.61
Other financial liabilities	55,225.92	3,497.01	58,722.93	58,722.93
Total	1,18,856.84	3,497.01	1,22,353.85	1,22,353.85

* Investments in subsidiaries are at cost amounting to ₹ 37,217.23 lakhs which do not fall within the scope of financial instruments

NOTE NO. 36.02**Credit quality of debt securities**

The table below sets out the credit quality of debt securities

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Government bonds:		
Rated sovereign	356.78	28.37
Corporate bonds:		
Rated AAA	31.99	262.32
Rated AA- to AA+	147.58	87.56
Rated A- to A+	321.60	14.51
Fair value and carrying amount	857.95	392.76

NOTE NO. 36.03**Collateral****(A) Assets pledged as collateral**

The Company has pledged its certain assets as collateral for liabilities

Particulars	As at	
	March 31, 2022	March 31, 2021
Assets:		
Other bank balances	1,13,586.33	1,00,749.93
Trade receivables	35,637.86	23,290.09
Investments held for trading	2,961.26	-
Other financial assets (net)	1,517.94	1,362.57
Total	1,53,703.39	1,25,402.59

(B) Asset taken as collateral

Particulars	As at			
	March 31, 2022		March 31, 2021	
	Value of asset	Fair value of collateral held	Value of asset	Fair value of collateral held
Assets:				
Trade receivables				
Secured	34,067.55	2,54,756.57	21,367.35	77,541.98
Total	34,067.55	2,54,756.57	21,367.35	77,541.98

NOTE NO. 36.04**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, 2022:

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments				
Equity instruments	15,413.32	15,412.78	-	0.54
Debt instruments	1,842.95	857.95	985.00	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2021:

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	10,504.65	10,504.11	-	0.54
Mutual funds	30.94	30.94	-	-
Debt instruments	656.76	392.76	264.00	-

Valuation techniques used to determine fair value

Following valuation technique has been used for fair valuation of the assets:

Level 2: Debt instruments have been fair valued based on interest yield and actual transaction data with unrelated parties.

NOTE NO. 36.05**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:

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Trade receivables	35,637.86	23,290.09
Other receivables	473.51	450.00
Loans	2,044.57	1,282.61
Other financial assets	8,419.49	6,561.50
Total	46,575.43	31,584.20

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

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

(₹ in Lakhs)

Particulars	As at									
	March 31, 2022					March 31, 2021				
	Trade receivables	Other receivables	Loans*	Other financial assets	Total	Trade receivables	Other receivables	Loans*	Other financial assets	Total
Opening balance at the beginning of the year	1,021.41	18.75	110.83	0.50	1,151.49	1,051.06	15.21	94.83	0.44	1,161.54
Addition/reversal during the year	87.53	1.64	57.11	-	146.28	240.81	2.70	16.00	0.40	259.91
Written off	(340.02)	-	-	-	(340.02)	(270.46)	0.84	-	(0.34)	(269.96)
Closing balance at the end of the year	768.92	20.39	167.94	0.50	957.75	1,021.41	18.75	110.83	0.50	1,151.49

* Gross carrying value of credit impaired - ₹ 167.94 lakhs (PY : ₹ 162.84 lakhs), impairment provision - ₹ 167.94 lakhs (PY : ₹ 110.83 lakhs)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company require sufficient liquidity to meet their obligations. Individual companies are generally responsible for their own fund management, including the short-term investment of surpluses and the raising of loans to cover deficits from third parties/companies.

The Company's primary liquidity requirements are to finance the working capital needs, which are typically towards margin maintenance at various exchanges. The principal portion of the working capital requirement is utilized by :

- (a) depositing funds with banks to obtain term deposits and guarantees towards margins payable

to the exchanges/clearing houses;

- (b) payments to stock exchanges/clearing houses towards settlement obligations;
- (c) payment towards purchase of various trading assets; and
- (d) meeting expenses incurred for operations.

Management of liquidity risk

Working capital requirements fluctuate on a regular basis depending on the business requirements. The Company's approach to managing liquidity is to ensure, as far as possible to have sufficient funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To fund the working capital requirements, the Company currently relies principally on internal accruals and short term

credit facilities from banks and financial institutions against pledge of derivative assets, term deposits, receivables from clients and investments carried at fair value through profit and loss. By maintaining sufficient liquid funds and drawing facilities with banks, the Company comfortably meets the foreseeable liabilities in the present and immediate future, as well as unforeseeable contingencies.

Central treasury receives information from business units regarding the liquidity profile of their financial assets and liabilities and projected cash flows. Central treasury maintains surplus funds in cash and cash equivalents including term deposits with banks and in investment securities for which there is an active and liquid market. These assets can be readily sold to meet liquidity requirements. Hence, the Company believes that the above monetary mechanism adequately addresses the liquidity risk.

Maturity analysis for financial assets and financial liabilities

March 31, 2022

Particulars	₹ in Lakhs						
	Carrying amount	1-90 days	91-180 days	181-365 days	1-2 years	2-5 years	More than 5 years
Assets:							
Cash and cash equivalents	5,697.88	5,697.88	-	-	-	-	-
Other bank balances	1,13,627.87	16,516.10	7,213.01	23,365.86	42,192.00	24,340.90	-
Trade receivables	35,637.86	35,637.86	-	-	-	-	-
Other receivables	473.51	473.51	-	-	-	-	-
Loans	2,044.57	1,741.34	-	-	-	303.23	-
Investments	17,256.27	14,564.03	-	-	2,691.70	-	0.54
Other financial assets	8,419.49	7,139.06	-	-	-	-	1,280.43
Total	1,83,157.45	81,769.78	7,213.01	23,365.86	44,883.70	24,644.13	1,280.97
Liabilities:							
Trade payables	63,556.28	63,556.28	-	-	-	-	-
Borrowings	15,093.56	34.06	14.46	11,377.24	927.98	2,667.27	72.55
Other financial liabilities*	74,000.72	17,408.53	4,203.40	13,616.53	24,587.52	14,184.74	-
Total	1,52,650.56	80,998.87	4,217.86	24,993.77	25,515.50	16,852.01	72.55

* Maturity analysis of margin from clients (under other financial liabilities) ₹ 66,217.01 Lakhs has been bench marked to the corresponding fixed deposits (under other bank balances).

March 31, 2021

Particulars	₹ in Lakhs						
	Carrying amount	1-90 days	91-180 days	181-365 days	1-2 years	2-5 years	More than 5 years
Assets:							
Cash and cash equivalents	2,710.69	2,710.69	-	-	-	-	-
Other bank balances	1,01,417.42	12,505.73	27,250.31	33,618.65	25,583.05	2,459.68	-
Trade receivables	23,290.09	23,290.09	-	-	-	-	-
Other receivables	450.00	450.00	-	-	-	-	-
Loans	1,282.61	-	52.01	1,230.60	-	-	-
Investments	11,192.35	8,897.05	-	264.00	2,007.42	23.34	0.54
Other financial assets	6,561.50	4,859.59	-	-	-	-	1,701.91
Total	1,46,904.66	52,713.15	27,302.32	35,113.25	27,590.47	2,483.02	1,702.45
Liabilities:							
Trade payables	39,790.31	39,790.31	-	-	-	-	-
Borrowings	23,840.61	119.34	7.57	23,652.03	32.24	29.43	-
Other financial liabilities*	58,722.93	11,586.95	14,446.58	17,822.72	13,562.69	1,303.98	-
Total	1,22,353.85	51,496.61	14,454.15	41,474.75	13,594.93	1,333.41	-

* 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).

(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.

(b) Interest rate risk

Interest rate risk arises from movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to interest rate risk relates to the loans taken from banks, investment in term deposits placed with banks, investment in debt securities and investments of its excess funds in liquid instruments. A

majority of the financing of the Company has come from overdraft facility with banks. The business of the Company is exposed to fluctuation in interest rate for the following activities:

- (i) Term deposits placed with banks are generally for short term on fixed interest rates;
- (ii) Facilities availed from banks and other financial institutions generally include short term working capital loans on floating interest rates;
- (iii) Interest paid by Company on clients' funds earmarked as fixed margin are generally for short term on fixed interest rates.

Management of Interest Rate Risk

Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for re-pricing

bands. However the Company does not use derivative financial instruments to hedge its interest rate risk.

The Company's investments in majority of term deposits with banks are for both short and long duration, and therefore do not expose the Company to significant interest rate risk. Further significant portion of exposure on term deposits with banks is offset with clients' funds earmarked as margins on fixed rate basis. The interest rates on the overdraft facility availed are marginally higher than the interest rates on term deposits with the banks and generally linked to the term deposit rates with the bank. Accordingly, there is limited interest rate risk exposure on the Company.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term and long-term debt obligations with floating / fixed interest rates, which are included in loans and borrowings. The loans and borrowings represent loans

and borrowing taken both fixed and floating interest rate.

(c) Currency risk

The Company is not significantly exposed to currency risk as there is no mismatch between the currencies in which sales of services, purchase of goods/services and borrowings are dominated and the respective functional currencies of Company. Further, the functional currency of the Company is primarily the Indian Rupee and do not expose the Company to significant currency risk. The Company considers the valuation changes in foreign currency derivatives it trades in as part of investment/price risk as those derivatives are exchange traded, managed and monitored based on exchange price and are settled in near term in Indian Rupees.

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, 2022		For the year ended March 31, 2021	
				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%	244.25	(268.92)	186.58	(186.58)
Inventories	Price risk	5%	5%	118.32	(118.32)	65.87	(65.87)
Debt instruments	Interest rate risk	1%	1%	(8.58)	8.58	(3.93)	3.93
Borrowings	Interest rate risk	1%	1%	(150.74)	150.74	(238.12)	238.12
Currency risk	Currency risk	5%	5%	23.56	(23.56)	8.14	(8.14)

*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.

Exposure

The table below sets out the assets and liabilities subject to price risk.

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Assets subject to price risk		
Equity instrument fair value through profit and loss	15,412.78	10,504.11
Debt instrument fair value through profit and loss	857.95	392.76
Mutual fund fair value through profit and loss	-	30.94
Derivative financial assets	7,139.06	4,859.58
(A)	23,409.80	15,787.39
Liabilities subject to price risk		
Derivative financial liabilities	5,621.12	3,497.01
(B)	5,621.12	3,497.01
Total	(A-B)	17,788.68

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	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	Qnance Research Capital LLP*	Subsidiary
12	Pulin Investments Private Limited	Entity in which key managerial personnel are able to exercise significant influence
13	SMC Global Foundation	Trust where in KMPs have control
14	Mr. Subhash Chand Aggarwal	Key managerial personnel
15	Mr. Mahesh Chand Gupta	Key managerial personnel
16	Mr. Ajay Garg	Key managerial personnel
17	Mr. Anurag Bansal	Key managerial personnel
18	Mr. Vinod Kumar Jamar	Key managerial personnel
19	Mr. Suman Kumar	Key managerial personnel
20	Mr. Himanshu Gupta	Director
21	Ms. Shruti Aggarwal	Director
22	Ms. Madhu Vij	Independent director
23	Mr. Kundan Mal Aggarwal	Independent director
24	Mr. Hari Das Khunteta	Independent director
25	Mr. Naveen ND Gupta	Independent director
26	Mr. Chandra Wadhwa	Independent director
27	Mr. Roop Chand Jindal	Independent director
28	Mr. Aayush Aggarwal	Close member of the family of key managerial personnel
29	Ms. Hemlata Aggarwal	Close member of the family of key managerial personnel
30	Ms. Sushma Gupta	Close member of the family of key managerial personnel
31	Ms. Archana Aggarwal	Close member of the family of key managerial personnel
32	Ms. Reema Garg	Close member of the family of key managerial personnel
33	Ms. Meetu Goel	Close member of the family of key managerial personnel

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

* from 01/07/2021 to 30/03/2022

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, 2022	March 31, 2021
1	Remuneration			
	Salaries, wages & other benefits	Key managerial personnel	526.61	427.21
	Contribution to defined benefit plan	Key managerial personnel	33.19	21.50
	Total		559.80	448.71
	Salaries, wages & other benefits	Close member of the family of key managerial personnel	157.06	94.39
	Contribution to defined benefit plan	Close member of the family of key managerial personnel	3.22	5.73
	Total		160.28	100.12
2	Directors sitting fee	Independent director	22.50	18.25
3	Investment (equity and preference shares)			
	SMC Real Estate Advisors Private Limited	Subsidiary	-	1,000.00
	Moneywise Finvest Limited	Subsidiary	800.00	700.00
4	Investment (purchase NCD)			
	SMC Real Estate Advisors Private Limited	Subsidiary	78.28	-
	SMC Insurance Brokers Private Limited	Subsidiary	3,015.77	2,721.60
5	Investment (sale NCD)			
	SMC Real Estate Advisors Private Limited	Subsidiary	559.65	244.59
	SMC Insurance Brokers Private Limited	Subsidiary	2,822.28	1,664.04
6	Investment (purchase MLD)			
	SMC Insurance Brokers Private Limited	Subsidiary	50.00	-
7	Loans & advances given*			
	Moneywise Financial Services Private Limited	Subsidiary	5,620.95	14,856.52
	SMC Real Estate Advisors Private Limited	Subsidiary	3,841.26	2,778.89
	SMC Investments & Advisors Limited	Subsidiary	1.02	182.83
	SMC Comtrade Limited	Subsidiary	2,321.23	-
	SMC Comex International DMCC	Subsidiary	303.39	-
8	Loans & advances recovered			
	SMC Investments & Advisors Limited	Subsidiary	457.17	32.12
	Moneywise Financial Services Private Limited	Subsidiary	5,620.95	15,235.00
	SMC Real Estate Advisors Private Limited	Subsidiary	4,287.15	2,508.06
	SMC Comtrade Limited	Subsidiary	824.38	-
9	Loans & advances taken			
	SMC Comtrade Limited	Subsidiary	-	272.20
	SMC Insurance Brokers Private Limited	Subsidiary	5,521.00	-
10	Loans & advances repaid			
	SMC Insurance Brokers Private Limited	Subsidiary	5,521.00	-
	SMC Comtrade Limited	Subsidiary	-	264.16
11	Brokerage received			
	Moneywise Finvest Limited	Subsidiary	75.66	39.07
	SMC Insurance Brokers Private Limited	Subsidiary	2.59	0.15
	SMC Real Estate Advisors Private Limited	Subsidiary	345.03	536.61
	SMC Comtrade Limited	Subsidiary	2.32	-
	Moneywise Financial Services Private Limited	Subsidiary	4.49	-

(₹ in Lakhs)

Sr. No.	Particulars of Transactions	Relationship	For the year ended	
			March 31, 2022	March 31, 2021
	Qnance Research Capital LLP	Subsidiary	149.30	-
	Pulin Investments Private Limited	Entity in which key managerial personnel are able to exercise significant influence	214.28	-
12	Rent received			
	SMC Capitals Limited	Subsidiary	4.23	4.23
	SMC Insurance Brokers Private Limited	Subsidiary	160.79	160.79
	Moneywise Finvest Limited	Subsidiary	22.25	-
13	Demat charges received			
	Moneywise Finvest Limited	Subsidiary	8.45	9.13
	SMC Insurance Brokers Private Limited	Subsidiary	0.06	0.03
	SMC Real Estate Advisors Private Limited	Subsidiary	0.53	0.48
	Moneywise Financial Services Private Limited	Subsidiary	0.90	-
	Pulin Investments Private Limited	Entity in which key managerial personnel are able to exercise significant influence	0.01	-
14	Interest income			
	Moneywise Financial Services Private Limited	Subsidiary	44.15	275.46
	SMC Investments & Advisors Limited	Subsidiary	51.09	65.20
	SMC Real Estate Advisors Private Limited	Subsidiary	28.21	215.75
	SMC Comex International DMCC	Subsidiary	2.33	-
	SMC Comtrade Limited	Subsidiary	42.98	-
15	Interest income on NCD			
	Moneywise Financial Services Private Limited	Subsidiary	47.54	4.85
16	Fair value gain on MLD			
	Moneywise Financial Services Private Limited	Subsidiary	0.58	-
17	Delay payment charges			
	Moneywise Financial Services Private Limited	Subsidiary	0.01	1.24
	SMC Real Estate Advisors Private Limited	Subsidiary	-	(0.65)
	SMC Insurance Brokers Private Limited	Subsidiary	1.43	-
	Pulin Investments Private Limited	Entity in which key managerial personnel are able to exercise significant influence	0.02	-
18	Income from distribution of financial products			
	SMC Capitals Limited	Subsidiary	500.69	279.24
19	Dividend received			
	SMC Insurance Brokers Private Limited	Subsidiary	727.20	808.00
20	Other borrowing cost			
	SMC Investments & Advisors Limited	Subsidiary	22.50	-
21	Interest expenses			
	SMC Comtrade Limited	Subsidiary	1.05	6.02
	SMC Real Estate Advisors Private Limited	Subsidiary	15.30	-

(₹ in Lakhs)

Sr. No.	Particulars of Transactions	Relationship	For the year ended	
			March 31, 2022	March 31, 2021
	SMC Insurance Brokers Private Limited	Subsidiary	92.63	-
	Moneywise Finvest Limited	Subsidiary	205.62	133.38
	SMC Capitals Limited	Subsidiary	-	47.61
22	Rent expenses			
	SMC Comtrade Limited	Subsidiary	24.48	-
23	Impairment on financial instruments			
	SMC Global USA Inc	Subsidiary		
	Loan		57.11	16.00
24	Contribution to Trust			
	SMC Global Foundation	Trust where in KMPs have control	0.43	5.22
25	Reimbursement of expenses received (net)			
	Moneywise Financial Services Private Limited	Subsidiary	0.10	-
	SMC Global IFSC Private Limited	Subsidiary	-	0.90
	Moneywise Finvest Limited	Subsidiary	23.89	26.73
	SMC Capitals Limited	Subsidiary	1.50	2.21
	SMC Comtrade Limited	Subsidiary	1.64	1.92
	SMC Investments & Advisors Limited	Subsidiary	0.09	5.13
	SMC Insurance Brokers Private Limited	Subsidiary	1.05	22.29
	SMC Real Estate Advisors Private Limited	Subsidiary	29.45	28.08
26	Reimbursement of expenses paid (net)			
	Moneywise Financial Services Private Limited	Subsidiary	-	4.76
	Qnance Research Capital LLP	Subsidiary	56.06	-
	SMC Global IFSC Private Limited	Subsidiary	0.29	-

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.

* The Company extends revolving credit facilities to its wholly owned subsidiaries which is within the limit assigned.

NOTE NO. 37.03**Balances outstanding**

Sr. No.	Particulars	Relationship	(₹ in Lakhs)	
			As at	
			March 31, 2022	March 31, 2021
1	Loans			
	SMC Global USA Inc	Subsidiary	167.94	162.84
	Provision for impairment		(167.94)	(110.83)
	SMC Real Estate Advisors Private Limited	Subsidiary	-	445.89
	SMC Investments & Advisors Limited	Subsidiary	328.57	784.72
	SMC Comex International DMCC	Subsidiary	303.23	-
	SMC Comtrade Limited	Subsidiary	1,412.77	-
2	Trade receivables			
	Moneywise Financial Services Private Limited	Subsidiary	0.06	-
	SMC Capitals Limited	Subsidiary	-	50.61
3	Other receivables			
	SMC Capitals Limited	Subsidiary	-	0.68
	SMC Real Estate Advisors Private Limited	Subsidiary	7.25	4.63
	SMC Investments & Advisors Limited	Subsidiary	-	2.92
4	Trade payables			
	Moneywise Finvest Limited	Subsidiary	2,763.84	498.15
	Moneywise Financial Services Private Limited	Subsidiary	2.36	75.51
	SMC Insurance Brokers Private Limited	Subsidiary	-	0.04
	SMC Comtrade Limited	Subsidiary	39.46	10.10
	SMC Real Estate Advisors Private Limited	Subsidiary	161.23	664.76
5	Borrowings			
	SMC Comtrade Limited	Subsidiary	-	84.07
6	Other financial liabilities			
	Moneywise Finvest Limited	Subsidiary	220.73	1,651.81
	SMC Insurance Brokers Private Limited	Subsidiary	49.00	49.00
	SMC Comtrade Limited	Subsidiary	68.49	-
	SMC Real Estate Advisors Private Limited	Subsidiary	0.05	114.74

NOTE NO. 38

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. 39**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, 2022	March 31, 2021
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. 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 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. 41**Additional regulatory information**

(a) Additional regulatory information/disclosures as required by general instructions to Division-III of Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

(b) Disclosure for loans and advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013)

(₹ in Lakhs)

Type of Borrower	As at			
	March 31, 2022		March 31, 2021	
	Amount	% to total	Amount	% to total
Subsidiaries	2,044.57	100%	1,282.61	100%
	2,044.57	100%	1,282.61	100%

(c) Additional regulatory information required under (WB) (xiv) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

(d) Intangible assets under development ageing schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment / transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	80.48	-	-	-	80.48
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development ageing schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment / transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

(e) Quarterly statements of current assets filed with banks and financial institutions for fund borrowed from those banks and financial institutions on the basis of security of current assets are in accordance with terms and conditions and the Company has never reported in excess of books.

(f) Relationship with struck off Company

(₹ in Lakhs)

Name of struck off Company	Nature of transactions with struck-off Company	Transactions during the year March 31, 2022	Balance Outstanding as at March 31, 2022	Relationship with the Struck off Company, if any
F6 Commodities Private Limited	Payables	-	0.38	Client
Ori Finance Limited	Payables	-	0.04	Client
Adventures India Financial Services Limited	Payables	-	0.01	Client

(₹ in Lakhs)

Name of struck off Company	Nature of transactions with struck-off Company	Transactions during the year March 31, 2021	Balance Outstanding as at March 31, 2021	Relationship with the Struck off Company, if any
Growgraph Consultants Private Limited	Payables	0.04	0.06	Client
F6 Commodities Private Limited	Payables	-	0.38	Client
Ori Finance Limited	Payables	-	0.04	Client
Adventures India Financial Services Limited	Payables	-	0.01	Client

(g) Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Amount required to be spent by the Company during the year	91.44	73.29*
Amount of expenditure incurred	91.44	73.29
Shortfall / (excess) at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, environment sustainability, disaster relief, COVID-19 relief and rural development projects	
Details of related party transactions, e.g., contribution to a trust controlled by KMPs in relation to CSR expenditure as per relevant Accounting Standard	0.43	5.22
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	Nil	Nil

* includes opening provision of ₹ 3.19 Lakhs.

NOTE NO. 42

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

NOTE NO. 43

Previous year figures have been regrouped/reclassified wherever necessary to confirm to the current year presentation in accordance with amendments in Schedule III to the Companies Act, 2013.

In terms of our report of even date attached

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

Sd/-
Vikash Aggarwal
Partner
Membership No. : 519574

Place: Kathmandu, Nepal
Date: May 07, 2022

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/-
Vinod Kumar Jamar
President & Group CFO

Sd/-
Ajay Garg
Director & CEO
DIN: 00003166

Sd/-
Suman Kumar
Company Secretary



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OFFLINE & ONLINE TRADING FACILITIES

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DEDICATED RESEARCH TEAM

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, 2022, 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, 2022, 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. 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 ethical 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 Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in and in our opinion there is no any such matter to be reported by us.

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 Matters

We audited the restatement adjustments, as disclosed in Note No 34 to the financial statements, which have been made to the comparative financial information presented for the Year ended March 2021 in accordance with the requirements of applicable Ind AS. In our opinion, such adjustments are appropriate and have been properly applied. Our opinion is not modified in respect of this matter.

We did not audit the financial statements / financial information of 9 subsidiaries whose financial statements reflect the total assets of Rs 97,892.53 lakhs as at 31.03.2022, and 10 subsidiaries whose financial statements reflect the total revenue of Rs 18,593.37 lakhs, net profit after tax of 2,870.13 lakhs, total comprehensive income Rs 3,027.01 lakhs and net cash inflow Rs 1,909.09 lakhs for the year ended 31.03.2022 as considered in the consolidated financial statements. The Consolidated financial statements include the financial results of 1 jointly controlled entity which reflect groups share of net loss of Rs 0.96 lakhs for the year ended 31.03.2022. These Financial Statements have been audited by other auditors have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts

and disclosures included in respect of these subsidiaries and Jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and jointly controlled entity, are based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - 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 consolidated financial statements.
 - 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.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the

Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors of the holding Company as on March 31, 2022 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, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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 consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 36 to the consolidated financial statements.
- ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31 March, 2022.
- 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.
- iv. a) The respective Managements

of the holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The respective Managements of the holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been

- received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. a) The final dividend proposed in the previous year, declared and paid by the holding Company and its subsidiary company during the year is in accordance with Section 123 of the Act, as applicable.

- b) The interim dividend declared and paid by the holding Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- c) The Board of Directors of the holding Company and its subsidiary company have proposed final dividend for the year which is subject to

- the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed are in accordance with section 123 of the Act, as applicable.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included

in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

Sd/-
Vikash Aggarwal
Partner
 Membership No: 519574
 UDIN: 22519574AIPLBF1295

Date : 07th May 2022
 Place : Kathmandu, Nepal

Annexure - A to the Independent Auditors' Report Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2022, 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 2022, 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: 22519574AIPBF1295

Date : 07th May 2022
Place : Kathmandu, Nepal

SMC GLOBAL SECURITIES LIMITED

Consolidated Balance Sheet

Particulars	Note No.	(₹ in Lakhs)	
		As at March 31, 2022	As at March 31, 2021
Assets			
Financial assets			
Cash and cash equivalents	2	9,224.56	4,413.75
Other bank balances	3	1,18,970.31	1,05,331.81
Receivables			
Trade receivables	4	42,713.51	32,790.74
Other receivables	5	751.73	596.79
Loans	6	69,114.34	57,583.57
Investments	7	17,058.79	11,714.07
Other financial assets	8	12,428.16	10,560.72
Non-financial assets			
Inventories	9	3,451.86	1,318.06
Current tax assets (net)	32	3,647.28	2,238.03
Deferred tax assets (net)	32	2,234.79	3,170.45
Assets held for sale	10	400.76	240.76
Property, plant and equipment	11	7,899.64	2,681.32
Right of use assets	12	3,303.41	3,504.58
Other intangible assets	13	175.82	168.46
Intangible assets under development	13	117.99	5.80
Other non-financial assets	14	2,756.94	2,417.86
Total assets		2,94,249.89	2,38,736.77
Liabilities and equity			
Liabilities			
Financial liabilities			
Payables			
Trade payables	15		
- to micro and small enterprises		-	52.02
- to other than micro and small enterprises		71,080.58	48,375.54
Lease Liabilities	12	3,291.47	3,384.40
Debt securities	16	7,020.52	7,826.00
Borrowings	17	39,393.16	38,209.15
Other financial liabilities	18	75,394.45	59,311.90
Non-financial liabilities			
Current tax liabilities (net)	32	-	146.13
Provisions	19	2,681.10	2,338.54
Other non-financial liabilities	20	2,613.94	1,659.85
Equity			
Equity share capital	21	2,262.69	2,262.69
Other equity		90,347.69	75,008.22
Non-controlling interest		164.29	162.33
Total liabilities and equity		2,94,249.89	2,38,736.77

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

In terms of our report of even date attached

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

Sd/-
Vikash Aggarwal
Partner
Membership No. : 519574

Place: Kathmandu, Nepal
Date: May 7, 2022

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

Sd/-
Vinod Kumar Jamar
President & Group CFO

Sd/-
Suman Kumar
Company Secretary

SMC GLOBAL SECURITIES LIMITED

Consolidated Statement of Profit and Loss

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021*
Revenue from operations			
Fee and commission income	22	66,818.80	56,185.77
Interest income	23	19,847.77	15,271.06
Dividend income		840.05	838.39
Net gain on proprietary trading		19,102.37	17,085.88
Net gain on fair value changes	24	4,023.95	745.64
Total revenue from operations		1,10,632.94	90,126.74
Other income	25	1,449.14	693.37
Total income		1,12,082.08	90,820.11
Expenses			
Fees and commission expenses	26	53,098.78	44,576.64
Employee benefits expenses	27,35	20,572.22	17,649.09
Finance cost	28	5,752.38	4,235.90
Depreciation and amortisation	29	2,011.60	1,797.93
Impairment on financial instruments	30	1,616.57	2,605.30
Other expenses	31	6,890.99	5,774.09
Total expenses		89,942.54	76,638.95
Profit before share of profit/(loss) of joint venture and tax		22,139.54	14,181.16
Share in profit/(loss) in joint venture		(0.96)	73.32
Profit before tax		22,138.58	14,254.48
Tax expense:			
Current tax	32	3,734.90	3,020.75
Deferred tax	32	946.83	732.20
Total tax expense		4,681.73	3,752.95
Profit after tax		17,456.85	10,501.53
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset		13.95	496.04
Tax effect of Items that will not be reclassified subsequently to profit and loss		(3.36)	(126.98)
Items that may be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign operations		154.68	(97.72)
Total other comprehensive income (net of tax)		165.27	271.34
Total comprehensive income for the year)		17,622.12	10,772.87
(comprising of profit and other comprehensive income for the year)			
Profit attributable to:			
Owners of the equity		17,437.63	10,488.25
Non controlling interest		19.22	13.28
Total comprehensive income attributable to:			
Owners of the equity		17,602.16	10,758.11
Non controlling interest		19.96	14.76
Earnings per equity share (Face value ₹2)			
Basic & Diluted (in ₹)	33	15.43	9.28

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

* Restated - Refer Note no. 34

In terms of our report of even date attached

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

Sd/-
Vikash Aggarwal
Partner
Membership No. : 519574

Place: Kathmandu, Nepal
Date: May 7, 2022

For and on behalf of the Board

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

Sd/-
Vinod Kumar Jamar
President & 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

Consolidated statement of changes in equity

A. Equity share capital (Refer note 21)		Balance as at April 1, 2020		Changes in Equity Share Capital due to prior period errors		Restated balance as on April 1, 2020		Changes in equity share capital during the period		Balance as at March 31, 2021		
Equity Share Capital		2,262.69		-		-		-		2,262.69		
Particulars		Balance as at April 1, 2021		Changes in Equity Share Capital due to prior period errors		Restated balance as on April 1, 2021		Changes in equity share capital during the period		Balance as at March 31, 2022		
Equity Share Capital		2,262.69		-		-		-		2,262.69		
B. Other Equity												
Particulars												
		Reserves & surplus				Other comprehensive income				Total		
		Securities premium reserve	Retained earnings	General reserve	Capital reserve	Debt redemption reserve	Reserve fund u/s 45-IC of RBI act 1934	Remeasurement of the net defined benefit liability / asset	Exchange differences on translation of foreign operations	Fair value changes in investments	Tax effect of other component of equity	Non controlling interest
Balance as at April 1, 2020	34,448.91	20,627.58	7,914.09	1,035.71	-	-	2,281.88	(78.97)	152.83	(658.72)	155.90	167.57
Retrospective restatement (Refer note no. 34)	-	(560.99)	-	-	-	-	-	58.17	-	658.72	(155.90)	-
Restated balance as at April 1, 2020	34,448.91	20,066.59	7,914.09	1,035.71	-	-	2,281.88	(20.80)	152.83	-	-	167.57
Changes in equity for the year ended March 31, 2021	-	10,488.25	-	-	-	-	-	-	-	-	-	13.28
Profit for the year	-	-	-	-	-	-	-	367.62	(97.72)	-	-	1.48
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	10,488.25	-	-	-	-	-	367.62	(97.72)	-	-	1.48
Transactions with owners in their capacity as owners :	-	-	-	-	-	-	-	367.62	(97.72)	-	-	14.76
Addition during the year	-	(1,328.31)	-	-	1,000.00	-	328.31	-	-	-	-	0.00
Payment of dividend	-	(1,629.14)	-	-	-	-	-	-	-	-	-	(20.00)
Balance as at March 31, 2021	34,448.91	27,597.39	7,914.09	1,035.71	1,000.00	1,000.00	2,610.19	346.82	55.11	-	-	162.33
Balance as at April 1, 2021	34,448.91	27,597.39	7,914.09	1,035.71	1,000.00	1,000.00	2,610.19	346.82	55.11	-	-	162.33
Changes in equity for the year ended March 31, 2022	-	17,437.63	-	-	-	-	-	-	-	-	-	19.22
Profit for the year	-	-	-	-	-	-	-	9.85	154.68	-	-	0.74
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	17,437.63	-	-	-	-	-	9.85	154.68	-	-	0.74
Transactions with owners in their capacity as owners :	-	17,437.63	-	-	-	-	-	9.85	154.68	-	-	19.96
Addition during the year	-	(6,970.47)	2,500.00	-	4,000.00	-	470.47	-	-	-	-	(0.00)
Transfer to general reserve	-	-	-	-	(2,500.00)	-	-	-	-	-	-	(2,500.00)
Payment of dividend	-	(2,262.69)	-	-	-	-	-	-	-	-	-	(18.00)
Balance as at March 31, 2022	34,448.91	35,801.86	10,414.09	1,035.71	2,500.00	3,080.66	356.67	209.79	209.79	-	-	164.29

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

Nature and purpose of reserves :

(A) Securities premium reserve

Securities premium is used to record the premium received on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(B) Retained earnings

Retained earnings are the profits that the company has earned till date, less any transfers to generate reserve, dividends or other distributions paid to shareholders.

(C) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations however, the same is not required to be created under Companies Act, 2013. This reserve can be utilised only in accordance with the specified requirements of Companies Act, 2013.

(D) Capital reserve

Capital reserve is created out of capital profits and cannot be used for the distribution of profits and dividend.

(E) Debenture redemption reserve

The debenture redemption reserve is created to be utilised towards redemption of debentures issued by the company listed at 'c' in note no. 1.05. The reserve will be utilised in accordance with provisions of the Act.

(F) Reserve fund u/s 45-IC of RBI act 1934

As required by section 45-IC of the RBI Act 1934, the company listed at 'c' in note no. 1.05 is required to maintain a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. The company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date, RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1934.

In terms of our report of even date attached

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

Sd/-
Vikash Aggarwal
Partner
Membership No. : 519574

Place: Kathmandu, Nepal
Date: May 7, 2022

For and on behalf of the Board

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

Sd/-
Vinod Kumar Jamar
President & 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

Consolidated statement of cash flows

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021*
Cash flow from operating activities:		
Profit after tax	17,456.85	10,501.53
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax expense	4,681.73	3,752.95
Depreciation and amortization	2,011.60	1,797.93
Interest expense	5,752.38	4,235.90
Dividend income	(0.27)	(2.51)
(Gain) / Loss on modification of lease	(31.94)	(140.79)
Interest income other than from financing business	(134.73)	(65.52)
Allowance for impairment of trade receivables	1,616.57	2,605.30
Change in investment in joint venture	20.96	(73.32)
Net loss/profit on derecognition of property, plant and equipment	(2.64)	(29.18)
Exchange difference on conversion of foreign currency monetary items	(4.94)	3.64
Operating profit before working capital changes	31,365.57	22,585.93
Changes in assets and liabilities		
Other bank balances	(13,638.50)	(62,754.34)
Trade receivables	(10,086.74)	(5,257.64)
Other receivables	(157.18)	6.67
Loans	(12,981.13)	(9,441.56)
Assets acquired against loan portfolio	(160.00)	-
Investments	(5,365.69)	(3,051.94)
Inventories	(2,133.80)	(1,318.06)
Other financial assets	(1,867.43)	7,639.51
Other non-financial assets	(339.15)	(635.22)
Trade payables	22,653.03	2,608.11
Other financial liabilities	16,059.83	11,761.48
Other non-financial liabilities	954.08	537.19
Provisions	350.52	43.56
Cash generated from / (used in) operations	24,653.41	(37,276.31)
Income taxes paid (net of refund)	(5,299.57)	(2,023.93)
Net cash generated from / (used in) operating activities (A)	19,353.84	(39,300.24)
Cash flow from investing activities:		
Expenditure on PPE, intangible assets and intangible assets under development	(6,395.25)	(715.74)
Sale proceeds on property, plant and equipment and intangible assets	10.09	128.94
Interest received	134.73	65.52
Dividend received	0.35	2.44

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021*
Net cash generated from / (used in) investing activities (B)	(6,250.08)	(518.84)
Cash flow from financing activities:		
Payment of dividends	(2,257.98)	(1,638.46)
Payment of interest	(5,531.73)	(3,728.31)
Repayment of lease liabilities	(1,143.99)	(934.95)
Proceeds from term loan	24,220.58	7,681.92
Repayment of term loan	(7,838.33)	(4,139.16)
Proceeds / (repayment) from loan repayable on demand (net)	(15,096.38)	16,456.84
Proceeds / (repayment) from debt securities (net)	(805.48)	7,363.82
Net cash generated from / (used in) financing activities (C)	(8,453.31)	21,061.70
Net increase/(decrease) in cash and cash equivalents (A+B+C)	4,650.45	(18,757.38)
Effect of change in exchange rate on foreign operations and foreign currency monetary items	159.62	(101.37)
Adjustment on account of change in non controlling interest	0.74	1.48
Cash and cash equivalents at the beginning of the year	4,413.75	23,271.02
Cash and cash equivalents at the end of the year (refer note 2)	9,224.56	4,413.75

* Restated - Refer Note no. 34

Notes :

1. Changes in liabilities arising from financing activities

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2022	March 31, 2021
Opening balance	46,035.15	18,559.62
Addition during the year	24,220.58	31,502.58
Repayments during the year	(23,740.19)	(4,139.16)
Other Adjustments	(101.86)	112.11
Closing balance	46,413.68	46,035.15

2. 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.

3. Interest expense includes other borrowing cost.

4. Figures in brackets indicate cash outflow.

5. The accompanying notes form an integral part of the consolidated financial statements (Refer note no. 1 - 45).

In terms of our report of even date attached

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

Sd/-
Vikash Aggarwal
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: Kathmandu, Nepal
Date: May 7, 2022

Sd/-
Vinod Kumar Jamar
President & 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 Group 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, fund 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, Metropolitan Stock Exchange of India Limited ("MSEI"), Multi Commodity Exchange ("MCX") and National Commodity & Derivatives Exchange Limited ("NCDEX") in the futures and options segment, currency derivative segment and commodity segment. The company also have depository participants registration of Central Depository Services (India) Limited and National Securities Depository Limited, participants of NCDEX Comtrack and AMFI registered mutual fund distributor. The company is regulated by Securities and Exchange Board of India ("SEBI").

1.02 Statement of compliance

These consolidated financial statements are prepared in accordance with the Indian

Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

1.03 Basis of preparation

These consolidated financial statements are prepared 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 as stated in respective accounting policies / notes.

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.

1.04 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.

- (l) Non controlling interest's share of net assets of consolidated subsidiaries is identified and presented in consolidated balance sheet.

1.05 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, 2022	As at March 31, 2021
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").

1.06 Use of estimates

The preparation of the financial statements in conformity with Ind AS, 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.

1.07 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.

- 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.
- Depository:** In these types of contract performance obligation is periodic maintenance of customer account as depository participant and the performance obligation satisfies over time i.e. over the period and there is reasonable certainty of recovery.
- Proprietary trading:** Ind AS 115 Revenue from Contract with Customer is not applicable on this business and hence the revenue is recognised as per Ind AS 109 Financial Instruments i.e. as and when trade is executed.
- Fund 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).
- Management and consultancy:** Revenue from management & advisory services is accounted from revenue.

for when the rendering of service under a contract is completed or substantially completed.

- (vii) **Interest income:** Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash

1.08 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

flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For creditimpaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

It also includes Delayed payment charges.

- (viii) **Commodity trading:** In these types of contracts the performance obligation

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

Depreciation methods, useful lives and residual values are reviewed at each 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

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.

- (ix) **Dividend:** Dividend income is recognised when the shareholders right to receive payment is established.
- (x) **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.
- (xi) **Incentives from exchange:** Incentives from exchange are recognised on point in time basis.

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 and the resultant gains or losses are recognised in net profit in the statement of profit and loss. Assets classified as held for sale are reported at the lower of the carrying value and the fair value less cost to sell.

1.09 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%"

1.10 Impairment of property, plant and equipment, intangible assets and right of use assets

At each reporting date, the group reviews the carrying amounts of its property, plant and equipment, intangible assets and right of 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 of disposal. 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.

1.11 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 less cost to sell.

1.12 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.

1.13 Investment in joint venture

Investment in joint venture is under equity method.

1.14 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.

(ii) 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.

(iii) 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) 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.

(d) 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.

1.15 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 operations is recognised in the other comprehensive income.

1.16 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. 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.

1.17 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.

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.

1.18 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.

1.19 Assets held for sale

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

1.20 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.

1.21 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 disclosed where an inflow of economic benefit is probable.

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

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2022 vide notification no. G.S.R 255(E) dated 23rd March 2022. Given below are the amendment made in brief and their possible impact on the financial statements of the company. The company will be apply the amendments from 1 April 2022 being the effective date of the amendments:

Ind AS 101 – First-time adoption of Indian Accounting Standards:

The amendment removes the conflict between the requirements of paragraph D16(a) of Ind AS 101 which provides exemptions where a subsidiary adopts Ind AS later than its parent and the exemptions on cumulative translation differences. The amendment permits the subsidiary to measure cumulative translation

differences at the carrying amount included in the parent's consolidated financial statements. Similar exemption is available to associate and joint venture that uses the exemption in paragraph D16(a) of Ind AS 101. Paragraph D16(a) of Ind AS 101 provides that the subsidiary can measure its assets and liabilities at the carrying amounts in parent's consolidated financial statements. The amendment is applicable for entities adopting Ind AS from 1 April 2022. As the company has already adopted Ind AS there is no impact of this amendment on the company.

Ind AS 103 – Business Combinations:

The amendments are made to enable change of reference to Conceptual Framework for Financial Reporting under Indian Accounting Standards issued by The Institute of Chartered Accountants of India and have no impact on the financial statements of the company. The amendments are applicable for business combinations having acquisition date on or after 1 April 2022.

Ind AS 109– Financial Instruments:

The amendments clarify that only fees paid or received

between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf will be included in calculating the discounted present value of the cash flow under the new terms on modification of financial liability. The amendment is applicable for modification / exchange of financial liabilities on or after 1 April 2022. The amendment has no impact on the financial statements of the company.

Ind AS 16 – Property, Plant and Equipment:

The amendment creates a carve-out from IAS 16. IAS 16 requires any sale proceeds and cost of samples produced when testing whether the asset is functioning properly to be recognised in profit or loss whereas the amendment clarifies that the same shall be deducted from the cost of the property, plant and equipment. No transition provisions have been specified and therefore, this amendment shall be applicable retrospectively. The company has been following the practice as clarified by the amendment and hence no impact on the financial statements of the company.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

The paragraph clarifies what cost needs to be considered in the costs to fulfil a contract while determining whether the contract is onerous. Changes previous practice of considering only incremental costs in the costs to fulfil a contract for determination of onerous contract. Now apart from incremental costs, the costs to fulfil a contract includes an allocation of directly attributable costs. The amendments apply to unfulfilled onerous contracts as on 1 April 2022. As the company does not have any onerous contract, the said amendment has no impact on the financial statements of the company.

Ind AS 41 – Agriculture:

The amendment removes taxation cash flows from paragraph 22 indicating tax cash flows must be included in the fair value less costs to sell. The amendment is applicable to fair value measurements on or after 1 April 2022. Ind AS 41 is not applicable to the company and hence has no impact on the financial statements of the company.

SMC GLOBAL SECURITIES LIMITED
Notes to consolidated financial statements

NOTE NO. 2

Cash and cash equivalents

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Cheques in hand	3.18	-
Cash in hand	22.42	30.33
Balances with banks		
In current accounts	9,198.96	4,383.42
Total cash and cash equivalents	9,224.56	4,413.75

NOTE NO. 3

Other bank balances

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Deposit pledged with banks*	44,416.57	36,508.91
Deposit pledged with the clearing corporations and stock exchanges as margin*	73,625.55	67,341.88
Deposit placed under lien with consumer court	2.12	2.88
Placed under lien with statutory authority	3.80	5.40
Deposit placed with pension fund regulatory and development authority	20.00	20.00
Deposit placed under arbitration	277.35	160.82
Fixed deposits having maturity more than 3 months	76.52	702.47
Emarked balances (unpaid dividend account)	65.24	42.52
Interest accrued but not due	483.16	546.93
Total other bank balances	1,18,970.31	1,05,331.81

* Deposit pledged with bank as margin deposit for the guarantees issued of ₹80,380.00 lakhs and ₹44,011.75 lakhs as of March 31, 2022 and March 31, 2021, respectively, credit facilities or otherwise.

NOTE NO. 4

Trade receivables

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Secured considered good	35,015.54	20,938.03
Secured credit impaired	207.67	490.09
Less: Provision for impairment	(178.11)	(375.22)
(A)	35,045.10	21,052.90
Unsecured considered good	2,937.76	7,303.17
Unsecured credit impaired	1,801.49	1,980.43
Less: Provision for impairment	(1,521.06)	(1,550.28)
(B)	3,218.19	7,733.32
Unbilled revenue	4,450.22	4,004.52
(C)	4,450.22	4,004.52
Total trade receivables	42,713.51	32,790.74

Trade receivables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment / transaction					Total
	Less than 6 month	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	37,801.45	23.81	14.91	100.73	12.40	37,953.30
Undisputed Trade receivables - considered credit impaired	94.82	209.95	118.26	254.03	726.62	1,403.68
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - considered credit impaired	7.62	20.93	227.59	41.08	308.26	605.48
	37,903.89	254.69	360.76	395.84	1,047.28	39,962.46
Less: Provision for impairment						(1,699.17)
						38,263.29
Unbilled revenue						4,450.22
						42,713.51

Trade receivables ageing schedule as on March 31, 2021

Particulars	Outstanding for following periods from due date of payment / transaction					Total
	Less than 6 month	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	27,382.39	373.62	408.74	76.45	-	28,241.20
Undisputed Trade receivables - considered credit impaired	116.21	204.87	608.71	123.83	749.58	1,803.20
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - considered credit impaired	44.54	222.28	42.75	24.42	333.33	667.32
	27,543.14	800.77	1,060.20	224.70	1,082.91	30,711.72
Less: Provision for impairment						(1,925.50)
						28,786.22
Unbilled revenue						4,004.52
						32,790.74

NOTE NO. 5**Other receivables**

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Unsecured		
Other receivables	772.72	615.54
	772.72	615.54
Less: Provision for impairment	(20.99)	(18.75)
Total other receivables	751.73	596.79

NOTE NO. 6**Loans**

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Secured		
Loans relating to financing business	32,784.94	31,302.13
Others	1,000.00	1,000.00
	33,784.94	32,302.13
Less: Provision for impairment	(780.49)	(1,279.85)
	(A) 33,004.45	31,022.28
Unsecured		
Loans relating to financing business	36,251.25	26,990.07
Others	261.04	701.17
	36,512.29	27,691.24
Less: Provision for impairment	(402.40)	(1,129.95)
	(B) 36,109.89	26,561.29
Net loans	(A+B) 69,114.34	57,583.57
In India	69,042.82	57,514.23
Outside India	71.52	69.34

NOTE NO. 7**Investments**

Particulars	As at	
	March 31, 2022	March 31, 2021*
Quoted		
Investments carried at fair value through profit and loss		
Held for trading		
Equity instruments	11,211.75	8,542.73
Debt instruments	799.24	369.42
	(A) 12,010.99	8,912.15
Other than held for trading		
Equity instruments	2,268.27	227.30
Equity instruments under portfolio management service	2,626.06	1,976.48
Mutual funds	-	30.94
Debt instruments	50.13	46.70
	(B) 4,944.46	2,281.42
Sub - Total	(A+B=C) 16,955.45	11,193.57
Unquoted		
Investments carried under equity method		
Investment in joint venture (partnership firm)	67.80	88.77
	(D) 67.80	88.77
Investments carried at amortised cost		
Security receipts of trust held under securitisation business	-	368.69
	(E) -	368.69
Investments carried at fair value through profit and loss		
Equity instruments	35.54	63.04
	(F) 35.54	63.04
Sub - Total	(D+E+F=G) 103.34	520.50
Total investments	(C+G) 17,058.79	11,714.07
In India	17,058.79	11,714.07
Outside India	-	-

* Restated - Refer Note no. 34

NOTE NO. 8**Other financial assets**

Particulars	As at	
	March 31, 2022	March 31, 2021
Derivative financial instruments	7,150.95	4,860.56
Security deposits	5,295.21	5,718.16
	12,446.16	10,578.72
Less: Provision for impairment	(18.00)	(18.00)
Total other financial assets	12,428.16	10,560.72
Financial asset carried at amortized cost	4,112.57	4,578.41
Financial asset carried at fair value through profit and loss	8,315.59	5,982.31

NOTE NO. 9**Inventories**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Commodities	3,451.86	1,318.06
Total inventories	3,451.86	1,318.06

NOTE NO. 10**Assets held for sale**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Residential properties	400.76	240.76
Total assets held for sale	400.76	240.76
In India	400.76	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**

Particulars	(₹ in Lakhs)							
	Office Building	Computer Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Freehold Land	VSAT	Total
	Opening gross carrying value as at April 1, 2020	2,451.38	3,572.37	997.95	2,260.49	732.22	-	368.22
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 gross carrying value as at April 1, 2021	2,353.42	3,856.28	1,044.85	2,318.83	782.64	-	-	10,356.02
Additions during the year	-	695.13	86.82	45.36	183.47	5,178.26	-	6,189.04
Deletions during the year	-	(187.43)	(100.66)	(86.76)	(17.42)	-	-	(392.27)
Translation difference	6.91	6.99	0.73	2.08	-	-	-	16.71
Closing gross carrying value as at March 31, 2022	2,360.33	4,370.97	1,031.74	2,279.51	948.69	5,178.26	-	16,169.50
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
Opening accumulated depreciation as at April 1, 2021	720.78	3,377.36	934.30	2,084.90	557.36	-	-	7,674.70
Depreciation for the year	113.81	564.66	88.15	90.61	106.06	-	-	963.29
Accumulated depreciation on deletions	-	(180.39)	(98.98)	(82.84)	(17.26)	-	-	(379.47)
Translation difference	2.20	6.72	0.66	1.76	-	-	-	11.34
Closing accumulated depreciation as at March 31, 2022	836.79	3,768.35	924.13	2,094.43	646.16	-	-	8,269.86
Carrying value as at March 31, 2021	1,632.64	478.92	110.55	233.93	225.28	-	-	2,681.32
Carrying value as at March 31, 2022	1,523.54	602.62	107.61	185.08	302.53	5,178.26	-	7,899.64

NOTE NO. 12**Right of use - assets**

Particulars	(₹ in Lakhs)	
	Lease hold assets	Total
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
Termination during the year	(728.02)	(728.02)
Closing gross carrying value as at March 31, 2021	4,962.94	4,962.94
Opening gross carrying value as at April 1, 2021	4,962.94	4,962.94
Additions during the year	785.00	785.00
Termination during the year	(39.68)	(39.68)
Closing gross carrying value as at March 31, 2022	5,708.26	5,708.26
Opening accumulated depreciation as at April 1, 2020	799.67	799.67
Depreciation for the year	847.99	847.99
Accumulated depreciation on termination	(189.30)	(189.30)
Closing accumulated depreciation as at March 31, 2021	1,458.36	1,458.36
Opening accumulated depreciation as at April 1, 2021	1,458.36	1,458.36
Depreciation for the year	961.67	961.67
Accumulated depreciation on termination	(15.18)	(15.18)
Closing accumulated depreciation as at March 31, 2022	2,404.85	2,404.85
Carrying value as at March 31, 2021	3,504.58	3,504.58
Carrying value as at March 31, 2022	3,303.41	3,303.41

NOTE NO. 12.01**Detail of lease liabilities**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Opening balance	3,384.40	3,599.86
Addition during the year	785.00	1,003.51
Termination during the year	(24.52)	(397.07)
Finance charges on lease	322.51	395.48
Write back during the year	(31.94)	(140.79)
Repayment during the year	(1,143.98)	(1,076.59)
Closing balance	3,291.47	3,384.40
Interest rate used for capitalisation	9.66%	9.66%

NOTE NO. 12.02**Maturity analysis of lease liabilities**

Particulars	(₹ in Lakhs)						
	Carrying amount	1-90 days	91-180 days	181-365 days	1-2 Years	2-5 Years	More than 5 years
As at March 31, 2022	3,291.47	227.64	218.24	385.75	739.04	1,234.67	486.13
As at March 31, 2021	3,384.40	256.95	228.95	457.06	920.86	1,360.23	160.35

NOTE NO. 13**Other intangible assets**

Particulars	(₹ in Lakhs)		
	Computer software	Trademark logo	Total
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 gross carrying value as at April 1, 2021	1,130.36	0.54	1,130.90
Additions during the year	93.92	0.09	94.01
Deletions during the year	(2.58)	-	(2.58)
Translation difference	0.29	-	0.29
Closing gross carrying value as at March 31, 2022	1,221.99	0.63	1,222.62
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
Opening accumulated amortization as at April 1, 2021	962.14	0.30	962.44
Amortization for the year	86.51	0.13	86.64
Accumulated amortization on deletions	(2.57)	-	(2.57)
Translation difference	0.29	-	0.29
Closing accumulated amortization as at March 31, 2022	1,046.37	0.43	1,046.80
Carrying value as at March 31, 2021	168.22	0.24	168.46
Carrying value as at March 31, 2022	175.62	0.20	175.82

Intangible assets under development

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Intangible assets under development	117.99	5.80
Total intangible assets under development	117.99	5.80

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**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
Capital advances	350.97	211.98
Prepaid expenses	1,644.85	687.46
Balances with government authorities and other taxes receivable	521.19	589.12
Advance payment to vendors for supply of goods	234.88	924.56
Salary advances	5.05	4.66
Dividend receivable	-	0.08
Total other non financial assets	2,756.94	2,417.86

NOTE NO. 15**Trade Payables**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Total outstanding dues of micro enterprises and small enterprises	-	52.02
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade payables - Clients	64,485.93	41,852.48
Trade payables - Expenses	6,594.65	6,523.06
Total trade payables	71,080.58	48,427.56

Ageing schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment / transaction				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	-	-	-	-	-
Others	64,217.26	499.26	30.79	5.00	64,752.31
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	64,217.26	499.26	30.79	5.00	64,752.31
Accrued expenses					6,328.27
					71,080.58

Ageing schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment / transaction				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	52.02	-	-	-	52.02
Others	42,394.33	380.51	71.76	9.15	42,855.75
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	42,446.35	380.51	71.76	9.15	42,907.77
Accrued expenses					5,519.79
					48,427.56

NOTE NO. 16**Debt Securities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Secured - at amortised cost		
Non convertible debentures*	7,020.52	7,826.00
Total debt securities	7,020.52	7,826.00
In India	7,020.52	7,826.00
Outside India	-	-

* During the year ended March 31, 2022, one of the subsidiary company namely, Moneywise Financial Services Private Limited, issued market linked debentures secured by way of charge by hypothecation on all present and future eligible of book debts namely, 8.60% secured listed rated redeemable principal protected market linked non convertible debentures, with a maturity date of March 27, 2025. The interest on these market linked debentures is payable on maturity.

* 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.

NOTE NO. 17**Borrowings**

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
At amortised cost		
Secured		
Term loan		
from banks	15,216.14	7,048.16
from others	7,614.26	-
Loan repayable on demand		
from banks	12,830.23	26,055.36
from others	1,634.00	-
Interest accrued but not due	98.53	200.39
	(A)	
	37,393.16	33,303.91
Unsecured		
Loan repayable on demand		
from others	2,000.00	4,905.24
	(B)	
	2,000.00	4,905.24
Total borrowings	(A+B)	
	39,393.16	38,209.15
In India	39,393.16	33,303.91
Outside India	-	4,905.24

- a) Term Loan amounting ₹3,700 lakhs and ₹Nil as of March 31, 2022 and March 31, 2021, respectively, are secured by way of hypothecation of freehold land and personal guarantee of promoter directors and are repayable in 60 installments.
- b) Term Loan amounting ₹205.73 lakhs and ₹168.99 lakhs as of March 31, 2022 and March 31, 2021, respectively, are secured by way of hypothecation of vehicles and are repayable over a period of five years.
- c) Term Loan amounting ₹18,924.67 lakhs and ₹6,879.17 lakhs as of March 31, 2022 and March 31, 2021, respectively, are secured by way of hypothecation of loan book, guarantee given by the holding company and personal guarantee of promoters directors.
- d) Loan from banks and others amounting ₹14,464.23 lakhs and ₹26,055.36 lakhs as of March 31, 2022 and March 31, 2021, respectively, are secured against shares, receivables (including exchange balances), loan book, certain office buildings, guarantee given by the holding company and personal guarantee of promoters directors.

Repayment terms of borrowings

Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2022	March 31, 2021
In the first year	22,222.58	34,621.40
In the second year	10,467.94	1,875.57
In the third to fifth year	5,336.04	1,211.49
Over fifth Year	1,366.60	500.69
Total	39,393.16	38,209.15

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

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Weighted average rate		
Secured		
Fixed rate borrowings	8.18%	8.81%
Floating rate borrowings	8.75%	8.07%
Unsecured		
Floating rate borrowings	9.50%	7.96%
Amount borrowed		
Secured		
Fixed rate borrowings	7,558.37	2,152.45
Floating rate borrowings	29,834.79	31,151.46
Unsecured		
Floating rate borrowings	2,000.00	4,905.24
Total borrowings	39,393.16	38,209.15

Refer note no. 39.04 for contractual maturities of borrowings

NOTE NO. 18**Other financial liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Book overdraft from banks	1,783.96	711.80
Security deposits received	1,034.79	1,216.75
Employee benefit payable	851.62	766.71
Derivative financial instruments	5,633.20	3,497.02
Unpaid dividend	65.24	42.52
Margin received from client	66,025.64	53,077.10
Total other financial liabilities	75,394.45	59,311.90
Financial liability carried at amortized cost	69,761.25	55,814.88
Financial liability carried at fair value through profit and loss	5,633.20	3,497.02

NOTE NO. 19**Provisions**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Provision for employee benefits		
Gratuity	1,453.72	1,227.61
Leave encashment	788.94	710.40
Provision for insurance cancellation	230.42	279.92
Others	208.02	120.61
Total provisions	2,681.10	2,338.54

NOTE NO. 20**Other non-financial liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Unearned income	690.96	423.58
Withholding taxes and other taxes payable	1,634.83	1,200.51
Others	288.15	35.76
Total other non-financial liabilities	2,613.94	1,659.85

NOTE NO. 21**Equity share capital****NOTE NO. 21.01****Authorised, issued and subscribed capital**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Authorised		
47,75,50,000 (March 31, 2021 : 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, 2021 : 11,31,34,450) equity shares of ₹ 2/- each	2,262.69	2,262.69
	2,262.69	2,262.69

NOTE NO. 21.02**Reconciliation of number of equity shares outstanding**

(in numbers)

Particulars	As at	
	March 31, 2022	March 31, 2021
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 @ 60% i.e. ₹ 1.20 (P.Y. ₹ 0.80) per share for the financial year ending March 31, 2022 at their meeting held on dated May 7, 2022, 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. ₹ 1.20).

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

NOTE NO. 21.03**Shares held by shareholders holding more than 5% shares**

(in numbers)

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	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
Mahesh C. Gupta	82,48,500	7.29	92,48,500	8.17
Subhash Chand Aggarwal	80,95,500	7.16	1,00,95,500	8.92
Signature Global (India) Private Limited	18,12,329	1.60	79,72,457	7.05
Sushma Gupta	75,66,550	6.69	75,66,550	6.69
Pulin Investments Private Limited	92,77,205	8.20	92,77,205	8.20

NOTE NO. 21.04**Shares held by promoters as at March 31, 2022**

Promoter Name	No. of Shares	% of total shares	% Change during the year
Subhash Chand Aggarwal	80,95,500	7.16%	(1.77%)
Mahesh Chand Gupta	82,48,500	7.29%	(0.88%)
Sushma Gupta	75,66,550	6.69%	0.00%
Hemlata Aggarwal	50,00,000	4.42%	0.00%
Pranay Aggarwal	47,20,550	4.17%	1.77%
Ginni Devi	22,00,000	1.94%	0.00%
Himanshu Gupta	20,00,000	1.77%	0.88%
Madan Gopal Agarwal	9,84,000	0.87%	0.00%

NOTE NO. 21.04**Shares held by promoters as at March 31, 2022**

Promoter Name	No. of Shares	% of total shares	% Change during the year
Ajay Garg	8,41,600	0.74%	0.00%
Damodar Krishan Aggarwal	7,81,970	0.69%	0.00%
Anurag Bansal	2,50,000	0.22%	0.00%
Shruti Aggarwal	20,175	0.02%	0.02%
Aditi Aggarwal	33,050	0.03%	0.03%
Archana Aggarwal	30,000	0.03%	0.00%
ASM Pipes Private Limited	1,86,67,140	16.50%	0.00%
Pulin Investments Private Limited	92,77,205	8.20%	0.00%
Jai Ambey Share Broking Limited	16,16,670	1.43%	0.00%
SMC Share Brokers Limited	2,25,000	0.20%	0.00%

NOTE NO. 21.04**Shares held by promoters as at March 31, 2021**

Promoter Name	No. of Shares	% of total shares	% Change during the year
Subhash Chand Aggarwal	1,00,95,500	8.92%	0.00%
Mahesh Chand Gupta	92,48,500	8.17%	0.00%
Sushma Gupta	75,66,550	6.69%	0.00%
Hemlata Aggarwal	50,00,000	4.42%	0.00%
Pranay Aggarwal	27,20,550	2.40%	0.00%
Ginni Devi	22,00,000	1.94%	0.00%
Himanshu Gupta	10,00,000	0.88%	0.00%
Madan Gopal Agarwal	9,84,000	0.87%	0.00%
Ajay Garg	8,41,600	0.74%	0.00%
Damodar Krishan Aggarwal	7,81,970	0.69%	0.00%
Anurag Bansal	2,50,000	0.22%	0.00%
Archana Aggarwal	30,000	0.03%	0.00%
ASM Pipes Private Limited	1,86,67,140	16.50%	0.00%
Pulin Investments Private Limited	92,77,205	8.20%	0.27%
Jai Ambey Share Broking Limited	16,16,670	1.43%	0.00%
SMC Share Brokers Limited	2,25,000	0.20%	0.00%

NOTE NO. 22**Fee and commission income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Income from:		
Brokerage Income	54,393.79	47,032.71
Distribution of financial product	8,960.59	6,398.94
Depository activities	468.35	404.69
Research support services	687.97	498.75
Service & Administration charges	143.77	66.05
Management fess	113.03	30.12
Advisory fees	743.75	552.67
Incentives from exchange	1,307.55	1,201.84
Total fee and commission income	66,818.80	56,185.77

NOTE NO. 23**Interest income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
On financial assets measured at amortised cost		
Interest on loans	8,539.92	7,952.60
Interest on deposits with banks	6,625.12	4,933.30
Interest on delayed payment/ margin trade funding	4,648.56	2,191.13
Securitisation receipt	15.13	122.29
Other interest Income	-	2.08
On financial assets classified at fair value through profit or loss		
Interest income from investments held for trading	19.04	69.66
Total interest income	19,847.77	15,271.06

NOTE NO. 24**Net gain on fair value changes**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Net gain on financial instruments at fair value through profit or loss		
Realised	2,896.12	103.70
Unrealised	1,127.83	641.94
Total fair value change of investments	4,023.95	745.64

NOTE NO. 25**Other income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Interest income	134.73	65.52
Fair value change of investments		
Realised gain / (loss)	793.16	(8.89)
Unrealised gain	238.32	19.24
Net gain on derecognition of property, plant and equipment	2.64	29.18
Dividend income	0.27	2.51
Liability no longer required written back	140.91	188.49
Net gain on translation of foreign currency monetary items	4.94	-
Miscellaneous income	134.17	397.32
Total other income	1,449.14	693.37

NOTE NO. 26**Fees and commission expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Client introduction charges	35,368.25	29,879.33
Exchange & other regulatory charges	5,786.03	5,185.84
Expense for distribution of financial products	6,969.76	4,892.26
VPN, lease line, internet & VSAT expenses (net)	255.51	274.22
Securities/commodities transaction tax	4,719.23	4,344.99
Total fees and commission expenses	53,098.78	44,576.64

NOTE NO. 27**Employee benefits expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Salaries and incentives	19,033.22	16,325.50
Staff welfare	224.50	148.59
Contribution to provident and other funds	852.78	701.50
Gratuity	461.72	473.50
Total employee benefits expenses	20,572.22	17,649.09

NOTE NO. 28**Finance cost**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
On financial liabilities measured at amortised cost		
Interest on borrowings from banks and financial institution	2,017.44	1,337.08
Interest on debt securities	804.79	371.35
Interest-others	2,039.25	1,681.45
Other borrowing cost	568.39	450.54
Finance charges on lease	322.51	395.48
Total finance cost	5,752.38	4,235.90

NOTE NO. 29**Depreciation and amortisation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Depreciation on tangible assets	963.29	853.05
Amortisation of intangible assets	86.64	96.89
Depreciation on lease assets	961.67	847.99
Total depreciation and amortisation	2,011.60	1,797.93

NOTE NO. 30**Impairment on financial instruments**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
On financial assets measured at amortised cost		
Trade receivables	163.96	476.32
Loans	1,450.37	2,125.88
Other receivables	2.24	2.70
Security deposits	-	0.40
Total impairment on financial instruments	1,616.57	2,605.30

NOTE NO. 31**Other expenses**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Advertisement	1,095.94	1,245.13
Business promotion	591.74	250.29
Computer repair & maintenance	794.86	613.72
Conveyance & traveling expenses	326.50	245.60
Director sitting fees	30.15	23.96
Donation	76.39	35.10
Insurance	49.75	36.27
Legal & professional charges	933.28	695.98
Bank charges	37.91	44.37
Office repair & maintenance	556.56	467.78
Printing and stationery	174.34	132.82
Rent	651.69	661.11
Electricity and water expenses	592.43	515.82
Membership fees & subscription	32.30	20.74
Communication expenses	433.72	370.47
Vehicle running & maintenance	62.60	37.75
Net loss on foreign currency transaction and translation	-	3.64
Rates & taxes	63.61	38.58
CSR expenses	175.43	178.89
Miscellaneous expenses	155.33	101.93
Auditor's fees and expenses		
as statutory auditor	45.73	44.20
as tax auditor	7.43	6.90
as fees for other services	3.30	3.04
Total other expenses	6,890.99	5,774.09

NOTE NO. 32**Income tax****NOTE NO. 32.01****Income tax expense in the statement of profit and loss**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021*
Current tax expense		
For the year	3,750.53	3,062.98
Change in estimates relating to prior years	(15.63)	(42.23)
	3,734.90	3,020.75
Deferred tax charge/(benefit)		
Origination and reversal of temporary differences	985.07	343.10
Minimum alternate tax	(38.24)	389.10
	946.83	732.20
Total income tax expense	4,681.73	3,752.95

* Restated - Refer Note no. 34

NOTE NO. 32.02**Tax expense recognised in other comprehensive income**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021*
Remeasurement of the net defined benefit liability / asset	3.36	126.98
Total tax expense recognised in other comprehensive income	3.36	126.98

* Restated - Refer Note no. 34

NOTE NO. 32.03

Reconciliation of the income tax expense to the amount computed by applying the statutory income tax rate to the income before income taxes (₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021*
Profit before tax	22,138.58	14,254.48
Enacted tax rate in India	25.168%	25.168%
Computed expected tax expense	5,571.84	3,587.57
Non deductible permanent difference	47.52	92.05
Non deductible temporary difference	60.33	21.25
Deductible permanent difference	147.65	203.51
Income exempt from tax	(22.21)	(231.55)
Deferred tax asset / MAT reversed	-	478.90
Change in estimates relating to prior years	(15.63)	(42.23)
Deductions under chapter VI A	(620.33)	(642.16)
Effect of change in tax rate due to different class of income	(258.83)	14.89
Effect of differential tax rates / change in tax rates u/s 115BAA	(228.61)	270.72
Income tax expense	4,681.73	3,752.95

The applicable Indian statutory tax rates for fiscal 2022 and fiscal 2021 is 25.168%.

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 in the previous year. 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.

* Restated - Refer Note no. 34

NOTE NO. 32.04

Details of current tax assets and current tax liabilities (₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Current tax assets pertaining to current year	5,187.40	3,315.70
Current tax liabilities pertaining to current year	3,703.75	3,062.98
Net current tax assets/ (liability) pertaining to current year (A)	1,483.65	252.72
Current tax assets pertaining to previous years	2,163.63	1,839.18
(B)	2,163.63	1,839.18
Total current tax assets / (liability) - net (A+B)	3,647.28	2,091.90
Current tax assets (net)	3,647.28	2,238.03
Current tax liabilities (net)	-	146.13
	3,647.28	2,091.90

NOTE NO. 32.05

Movement in the temporary differences of deferred tax (₹ in Lakhs)

Particulars	Balance as at April 1, 2020	Recognised in profit or loss during 2020-21*	Recognised in other comprehensive income*	MAT credit adjustment	Balance as at March 31, 2021	Recognised in profit or loss during 2021-22	Recognised in other comprehensive income	MAT credit adjustment	Others	Balance as at March 31, 2022
Employee benefits	504.51	(33.15)	(126.98)	-	344.38	84.98	(3.36)	-	(10.02)	415.98
Investment securities	98.39	(167.10)	-	-	(68.71)	(158.94)	-	-	-	(227.65)
ICDS	(44.36)	(78.66)	-	-	(123.02)	(475.57)	-	-	-	(598.59)
Provisions	375.97	180.62	-	-	556.59	(52.60)	-	-	-	503.99
Property, plant & equipment and intangible assets	407.57	(102.56)	-	-	305.01	6.15	-	-	-	311.16
Provision for impairment on receivable from clients	1,008.64	33.77	-	-	1,042.41	(372.02)	-	-	-	670.39
Other temporary differences	135.75	13.64	-	-	149.39	16.66	-	-	-	166.05
Total	2,486.47	(153.44)	(126.98)	-	2,206.05	(951.34)	(3.36)	-	(10.02)	1,241.33
Minimum alternate tax	871.70	(389.12)	-	39.60	522.18	13.69	-	24.55	-	560.42
Carried forward of tax losses shares	4.26	9.47	-	-	13.73	(13.73)	-	-	-	-
Carried forward of tax losses and unabsorbed depreciation (net of addition on account of tax losses)	627.60	(199.11)	-	-	428.49	4.55	-	-	-	433.04
	3,990.03	(732.20)	(126.98)	39.60	3,170.45	(946.83)	(3.36)	24.55	(10.02)	2,234.79

* Restated - Refer Note no. 34

NOTE NO. 33**Earnings per share**

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

(₹ in Lakhs except otherwise stated)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021*
Profit attributable to equity share holders	17,456.85	10,501.53
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 (₹)	15.43	9.28

* Restated - Refer Note no. 34

NOTE NO. 34**Restatement of financial statements**

In Accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statement', the Company has retrospectively restated –

Statement of Profit and Loss for the year ended March 31, 2021;

Statement of Changes in Equity for the year ended March 31, 2021 and as on April 1, 2020;

Statement of Cash Flows for the year ended March 31, 2021; and

Segment for the year ended March 31, 2021

Notes for the year ended March 31, 2021 from classification of equity and debt instruments at fair value through OCI (FVTOCI) to FVTPL in accordance with Ind AS 109, Financial Instruments.

As per Ind AS 109 Investments in equity instruments should be classified

as fair value through other comprehensive income (FVTOCI) only when the investment is of strategic and long term in nature and the company doesn't intend to sell over a long period. Further, debt instruments are to be classified as at fair value through other comprehensive income if the debt instrument is held within a business model of hold to collect contractual cash flows and sell. The company does not hold the equity investment for strategic purposes and there could be frequent purchases and sales in those instruments. The company holds debt instruments for trading. Accordingly, the classification of equity and debt investments have been restated retrospectively to reflect the business model of the company resulting in more relevant and faithful representation of the financial statements. Such restatement did not

have any impact in the balance sheet as the equity and debt instruments were already stated at fair value. Also there is no change in total comprehensive income for the year ended March 31, 2021. The impact of the same have been given in the Statement of Profit and Loss and Statement of Cash Flows for the comparative period, and Statement of Changes in Equity at the beginning of the comparative period and for the comparative period. Further the statement of cash flows has been restated for the effects of non cash items. Moreover, the Balance Sheet at the beginning of the comparative period as on 01 April 2020 is not required as per Para 40A of Ind AS 1, as there is no change on the information in the balance sheet at the beginning of the comparative period.

SMC GLOBAL SECURITIES LIMITED

Notes to consolidated financial statements

The impact of the said retrospective restatement on the various components of the financial performance is as under:

(₹ in Lakhs)

Particulars	Year ended March 31, 2021		
	Previously reported March 31, 2021	Restatement / Regrouping	Restated March 31, 2021
Revenue from operations			
Fee and commission income	56,185.77	-	56,185.77
Interest income	15,201.41	69.65	15,271.06
Dividend income	821.34	17.05	838.39
Net gain on proprietary trading	17,085.88	-	17,085.88
Net gain on fair value changes	-	745.64	745.64
Total revenue from operations	89,294.40	832.34	90,126.74
Other income	864.53	(171.16)	693.37
Total income	90,158.93	661.18	90,820.11
Expenses			
Fees and commission expenses	44,576.64	-	44,576.64
Employee benefits expenses	17,649.09	-	17,649.09
Finance cost	4,235.90	-	4,235.90
Depreciation and amortisation	1,797.93	-	1,797.93
Impairment on financial instruments	2,605.30	-	2,605.30
Other expenses	5,774.09	-	5,774.09
Total expenses	76,638.95	-	76,638.95
Profit before share of profit/(loss) of joint venture and tax	13,519.98	661.18	14,181.16
Share in profit/(loss) in joint venture	73.32	-	73.32
Profit before tax	13,593.30	661.18	14,254.48
Tax expense:			
Current tax	3,020.75	-	3,020.75
Deferred tax	565.10	167.10	732.20
Total tax expense	3,585.85	167.10	3,752.95
Profit after tax	10,007.45	494.08	10,501.53
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset	496.04	-	496.04
Tax effect of Items that will not be reclassified subsequently to profit and loss	(126.98)	-	(126.98)
Items that may be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign operation	(97.72)	-	(97.72)
Fair value changes on investments	661.18	(661.18)	-
Tax effect of Items that will be reclassified subsequently to profit and loss	(167.10)	167.10	-
Total other comprehensive income (net of tax)	765.42	(494.08)	271.34
Total comprehensive income for the year (comprising profit and other comprehensive income for the year)	10,772.87	-	10,772.87
Profit attributable to:			
Owners of the equity	9,993.31	494.94	10,488.25
Non controlling interest	14.14	(0.86)	13.28
Total comprehensive income attributable to:			
Owners of the equity	10,758.11	-	10,758.11
Non controlling interest	14.76	-	14.76
Earnings per equity share (Face value ₹ 2)			
Basic & Diluted (in ₹)	8.85	0.43	9.28

The impact of the said retrospective restatement on statement of changes in equity is as under:

Particulars	(₹ in Lakhs)	
	Year Ended	As on
	March 31, 2021	April 1, 2020
Increase / (Decrease) in Retained earnings	(66.08)	(560.99)
Increase / (Decrease) in Remeasurement of the net defined benefit liability / asset	(68.16)	58.17
Increase / (Decrease) in Fair value changes in investments	(3.44)	658.72
Increase / (Decrease) in Tax effect of other component of equity	137.68	(155.90)
Increase / (Decrease) in Statement of changes in equity	0.00	(0.00)

The impact of the said retrospective restatement on statement of cash flows is as under:

Particulars	(₹ in Lakhs)
	For the year ended March 31, 2021
Increase / (Decrease) in Net cash generated from / (used in) operating activities	(328.23)
Increase / (Decrease) in Net cash generated from / (used in) investing activities	640.72
Increase / (Decrease) in Net cash generated from / (used in) financing activities	(344.02)
Increase / (Decrease) in Adjustment on account of change in non controlling interest	20.85
Increase / (Decrease) in Net increase / (decrease) in cash and cash equivalents due to reclassification of unclaimed dividend from cash and cash equivalents to other bank balances	(10.68)

The impact of the said retrospective restatement on segment is as under:

Particulars	(₹ in Lakhs)
	For the year ended March 31, 2021
Increase / (decrease) in segment revenue	
(1) Broking, distribution and trading	641.94
(2) Insurance broking services	(40.50)
(3) Financing activities	59.74
Total	661.18
Less: Inter segment revenue	-
Increase / (decrease) in income from operation and other income	661.18
Increase / (decrease) in segment profit/(loss) before tax from each segment	
(1) Broking, distribution and trading	641.94
(2) Insurance broking services	(40.50)
(3) Financing activities	59.74
Increase / (decrease) in total profit/(loss) before tax	661.18
Increase / (decrease) in segment profit/(loss) after tax from each segment	
(1) Broking, distribution and trading	480.37
(2) Insurance broking services	(35.78)
(3) Financing activities	49.49
Increase / (decrease) in total profit/(loss) after tax	494.08

NOTE NO. 35

Employee Benefits

(a) Gratuity

NOTE NO. 35.01

Breakup of amount recognised in the statement of profit and loss

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2022	March 31, 2021
Interest on defined benefit obligation	76.68	87.96
Current service cost	385.04	385.54
Total expense recognized in the statement of profit and loss	461.72	473.50

NOTE NO. 35.02

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

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2022	March 31, 2021
Remeasurements of the net defined benefit liability/ (asset)		
Opening amount recognised in OCI outside profit and loss account	(417.76)	78.28
Actuarial gains / losses	44.30	(308.93)
Return on plan assets (greater) / less than discount rate	(58.25)	(187.11)
	(431.71)	(417.76)

NOTE NO. 35.03

Breakup of the amount recognised in the balance sheet

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	March 31, 2021
Present value of the obligation as at the end of the year	2,521.01	2,228.86
Fair value of plan assets as at the end of the year	(1,067.29)	(1,001.25)
Net liability recognised in balance sheet	1,453.72	1,227.61

NOTE NO. 35.04**Reconciliation of defined benefit obligation and plan asset**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Change in benefit obligations		
Present value of the obligation as at the beginning of the year	2,228.86	2,200.41
Current service cost	385.04	385.54
Interest cost	143.72	138.21
Actuarial (gain)/loss on obligations	44.30	(308.93)
Acquisitions (credit) / cost	(28.11)	-
Changes on account of loss of control	(4.59)	-
Benefits paid	(249.38)	(184.17)
Effects of movement in exchange rate	1.17	(2.20)
Benefit obligations at the end (A)	2,521.01	2,228.86
Change in plan assets		
Fair value of plan assets at the beginning of the year	1,001.25	713.99
Interest income on plan assets	67.04	50.25
Contributions	100.00	100.00
Benefits paid	(159.25)	(50.11)
Return on plan assets greater (lesser) than discount rate	58.25	187.11
Fair value of plan assets at the end (B)	1,067.29	1,001.25
Amount recognised in balance sheet [(surplus) / deficit] (A-B)	1,453.72	1,227.61

NOTE NO. 35.05**Sensitivity of significant assumptions used for DBO valuation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Effect on DBO due to 0.5% increase in discount rate	(156.05)	(135.64)
Effect on DBO due to 0.5% decrease in discount rate	171.55	149.37
Effect on DBO due to 0.5% increase in salary escalation rate	143.85	130.19
Effect on DBO due to 0.5% decrease in salary escalation rate	(135.34)	(121.95)

NOTE NO. 35.06**Maturity profile of defined benefit obligation**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Within one year	186.04	175.90
One to five years	426.27	383.83
More than five years	1,246.08	1,082.88

NOTE NO. 35.07**Assumptions to determine the defined benefit obligations**

Particulars	As at	
	March 31, 2022	March 31, 2021
Discount rate	7.20%	6.90%
Salary escalation rate (p.a.)	8.25%	7.50%

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

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

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

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

(b) Compensated absences**NOTE NO. 35.08****Breakup of the amount recognised in balance sheet**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Present value of the obligation as at the end of the year	788.94	710.40
Fair value of plan assets as at the end of the year	-	-
Net liability recognised in balance sheet	788.94	710.40

NOTE NO. 35.09**Number of compensated leave absences outstanding**

Particulars	As at	
	March 31, 2022	March 31, 2021
Total leave balance (days)	61,096.59	60,607.34

NOTE NO. 35.10**Assumption used in valuation**

Particulars	As at	
	March 31, 2022	March 31, 2021
Discount rate	7.20%	6.90%
Salary escalation rate (p.a.)	8.25%	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. 36**Contingent liabilities and commitments****NOTE NO. 36.01**

Contingent liabilities not provided in the financial statements:

Particulars	As at	
	March 31, 2022	March 31, 2021
1 ESI demand (Total amount paid under protest ₹ 12.43 Lakhs (2021: ₹ 12.43 Lakhs))	31.06	31.06
2 Service tax demand (Total amount paid under protest ₹ 42.77 Lakhs (2021: ₹ 42.77 Lakhs))	615.98	615.98
3 (a). Income Tax Demand (A.Y. 2013-14)	-	31.47
(b). Income Tax Demand (A.Y. 2013-14 to 2019-20) (2021: A.Y. 2013-14 to 2019-20)	52.89	356.78
4 Insurance Regulatory and Development Authority of India (IRDAI)	300.00	300.00
5 Provident fund	-	-
6 Stamp duty	-	-

Notes:

- An ESI demand for the period September 2005 to December 2007 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. Another demand of ₹ 570.32 Lakhs was being agitated by the Company 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	2013-14	Income Tax Appellate Tribunal (ITAT)
SMC Global Securities Limited	52.89	-	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 which has been decided in favour of the company during the year and matter has been restored back to the file of AO

Block Assessments u/s 153(A) for the A.Y 2013-14 to A.Y 2019-20 have been completed and certain disallowances made by the Income Tax Department against which the rectification was filed by the company which has been accordingly rectified by the assessing officer to the extent of apparent mistakes, during the year. 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 6th Feb 2020 before The Securities Appellate Tribunal at Mumbai. Matter is sub-judice and has been stayed till the pendency of the appeal vide its Stay Order dated 12th Feb 2020. 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 will be favorable and that outflow of economic resources is not probable.
- PF matter for the period October 1995 to November 2003 is pending before High Court and amount is not quantifiable.
- (a) The holding 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. 36.02**Other litigations**

- Title of the property located at Office no 205, 2nd Floor, Plot no 4A, Community Centre, 21st Century Plaza, Sector 8, Rohini, New Delhi having book value of ₹ 46.12 Lakhs in holding 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. 36.03**Commitments**

Particulars	As at	
	March 31, 2022	March 31, 2021
Contracts remaining to be executed on account of capital (net of advances)		
For purchase of software and others	178.12	14.66
For purchase of office building	18.00	202.90

NOTE NO. 37**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	
	March 31, 2022	March 31, 2021
The Principal amount remaining unpaid at the year end	-	52.02
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. 38**Disclosure on frauds pursuant to RBI Master direction**

The company listed at "c" in note no. 1.05 has detected and reported frauds to RBI for the year amounted to ₹ Nil (Previous year ₹ 458.84 Lakhs).

NOTE NO. 39**Financial Instruments****NOTE NO. 39.01****Financial instruments by category**

The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities carried at fair value through profit & Loss	Total carrying value	Total fair value
		Mandatorily required		
Assets:				
Cash and cash equivalents	9,224.56	-	9,224.56	9,224.56
Other bank balances	1,18,970.31	-	1,18,970.31	1,18,970.31
Trade receivables	42,713.51	-	42,713.51	42,713.51
Other receivables	751.73	-	751.73	751.73
Loans	69,114.34	-	69,114.34	69,114.34
Investments*	-	16,990.99	16,990.99	16,990.99
Other financial assets	4,112.57	8,315.59	12,428.16	12,428.16
Total	2,44,887.02	25,306.58	2,70,193.60	2,70,193.60
Liabilities:				
Trade payables	71,080.58	-	71,080.58	71,080.58
Debt securities	7,020.52	-	7,020.52	7,020.52
Borrowings	39,393.16	-	39,393.16	39,393.16
Other financial liabilities	69,761.25	5,633.20	75,394.45	75,394.45
Total	1,87,255.51	5,633.20	1,92,888.71	1,92,888.71

* Investments in joint venture carried under equity method amounting to ₹ 67.80 lakhs which do not fall within the scope of financial instruments

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities carried at fair value through profit & Loss	Total carrying value	Total fair value
		Mandatorily required		
Assets:				
Cash and cash equivalents	4,413.75	-	4,413.75	4,413.75
Other bank balances	1,05,331.81	-	1,05,331.81	1,05,331.81
Trade receivables	32,790.74	-	32,790.74	32,790.74
Other receivables	596.79	-	596.79	596.79
Loans	57,583.57	-	57,583.57	57,583.57
Investments*	-	11,256.61	11,256.61	11,256.61
Other financial assets	4,578.41	5,982.31	10,560.72	10,560.72
Total	2,05,295.07	17,238.92	2,22,533.99	2,22,533.99
Liabilities:				
Trade payables	48,427.56	-	48,427.56	48,427.56
Debt securities	7,826.00	-	7,826.00	7,826.00
Borrowings	38,209.15	-	38,209.15	38,209.15
Other financial liabilities	55,814.88	3,497.02	59,311.90	59,311.90
Total	1,50,277.59	3,497.02	1,53,774.61	1,53,774.61

* Investments in joint venture carried under equity method amounting to ₹ 88.77 lakhs and at cost amounting to ₹ 368.69 lakhs which do not fall within the scope of financial instruments

NOTE NO. 39.02**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:

Particulars	As at	
	March 31, 2022	March 31, 2021
Assets:		
Other bank balances	1,18,345.39	1,04,039.89
Trade receivables	35,637.86	23,290.09
Loans	37,506.13	27,546.21
Investments	2,961.26	-
Other financial assets	1,517.94	1,362.57
Total	1,95,968.58	1,56,238.76

(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.

Particulars	(₹ in Lakhs)			
	As at		As at	
	March 31, 2022		March 31, 2021	
	Value of asset	Fair value of collateral held	Value of asset	Fair value of collateral held
Assets:				
Trade receivables				
Secured	35,223.21	2,54,756.57	21,428.12	77,541.98
Loans				
Secured	33,004.45	93,430.12	31,022.28	84,574.63
Total	68,227.66	3,48,186.70	52,450.40	1,62,116.61

NOTE NO. 39.03**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, 2022:

Particulars	(₹ in Lakhs)			
	As at March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments				
Equity instruments	16,141.62	16,106.08	-	35.54
Mutual Funds	-	-	-	-
Debt	849.37	849.37	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2021:

Particulars	(₹ in Lakhs)			
	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
Mutual Funds	30.94	30.94	-	-
Debt	416.12	416.12	-	-

Valuation techniques used to determine fair value

Following valuation technique has been used for fair valuation of the assets:

Level 2 : Debt instruments have been fair valued based on interest yield and actual transaction data with unrelated parties.

NOTE NO. 39.04**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:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the organizational structure for the approval of new customers or counter parties. Authorization limits are allocated to business unit credit officers or the Arbitrager as appropriate.

- (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, 2022	March 31, 2021
Trade receivables	42,713.51	32,790.74
Other receivables	751.73	596.79
Loans	69,114.34	57,583.57
Other financial assets	12,428.16	10,560.72
Total	1,25,007.74	1,01,531.82

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.

Particulars	As at	
	March 31, 2022	March 31, 2021
Less than equal to 50 %	8,967.53	8,248.31
51 - 70%	7,279.33	2,850.85
71 - 90%	13,534.93	16,291.31
91 - 100%	2,836.86	3,809.71
more than 100%	166.29	101.95
Total	32,784.94	31,302.13

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.

Particulars	As at	
	March 31, 2022	March 31, 2021
Government bonds:		
Rated sovereign	381.84	51.72
Corporate bonds:		
Rated AAA	31.99	262.32
Rated AA- to AA+	154.52	85.17
Rated A- to A+	281.02	16.91
Fair value and carrying amount	849.37	416.12

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, 2022					March 31, 2021				
	Trade receivables	Other receivables	Loans	Other financial assets	Total	Trade receivables	Other receivables	Loans	Other financial assets	Total
Opening balance at the beginning of the year	1,925.50	18.75	2,409.80	18.00	4,372.05	1,730.04	15.21	2,083.24	17.94	3,846.43
Addition/reversal during the year	163.96	2.24	1,450.37	-	1,616.57	476.32	2.70	2,125.88	0.40	2,605.30
Exchange difference	-	-	5.76	-	5.76	-	-	(4.71)	-	(4.71)
Written off	(390.29)	-	(2,683.04)	-	(3,073.33)	(280.86)	0.84	(1,794.61)	(0.34)	(2,074.97)
Closing balance at the end of the year	1,699.17	20.99	1,182.89	18.00	2,921.05	1,925.50	18.75	2,409.80	18.00	4,372.05

(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:

- (a) depositing funds with banks to obtain term deposits and guarantees towards margins payable to the

exchanges/clearing houses;

- (b) payments to stock exchanges /clearing houses towards settlement obligations;
- (c) payment towards purchase of various trading assets;
- (d) disbursement of loans to customers;
- (e) repayment of borrowings/credit lines taken; and
- (f) meeting expenses incurred for operations.

Management of liquidity risk

Working capital requirements fluctuate on a regular basis depending on the business requirements. The Group's approach to managing liquidity is to ensure, as far as possible to have sufficient funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. To fund the working capital requirements, the Group currently relies principally on internal accruals

and short term credit facilities from banks and financial institutions against pledge of term deposits, receivables from clients and investments carried at fair value through profit and loss. By maintaining sufficient liquid funds and drawing facilities with banks, the Group comfortably meets the foreseeable liabilities in the present and immediate future, as well as unforeseeable contingencies.

Central treasury receives information from business units regarding the liquidity profile of their financial assets and liabilities and projected cash flows. Central treasury maintains surplus funds in cash and cash equivalents including term deposits with banks and in investment securities for which there is an active and liquid market. These assets can be readily sold to meet liquidity requirements. Hence, the group believes that the above monetary mechanism adequately addresses the liquidity risk.

Maturity analysis for financial assets and financial liabilities**March 31, 2022**

(₹ 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	9,224.56	9,224.56	-	-	-	-	-
Other bank balances	1,18,970.31	16,526.58	8,423.99	24,692.26	44,983.18	24,344.30	-
Trade receivables	42,713.51	42,662.62	-	50.89	-	-	-
Other receivables	751.73	744.77	-	-	6.96	-	-
Loans	69,114.34	7,584.68	6,832.42	26,530.43	19,782.05	5,264.80	3,119.96
Investments	17,058.79	14,213.46	-	-	2,776.99	67.80	0.54
Other financial assets	12,428.16	7,402.87	0.90	11.69	27.29	12.81	4,972.60
Total	2,70,261.40	98,359.54	15,257.31	51,285.27	67,576.47	29,689.71	8,093.10
Liabilities:							
Trade payables	71,080.58	70,271.02	78.56	-	596.60	-	134.40
Debt securities	7,020.52	2,500.00	1,522.00	-	-	2,998.52	-
Borrowings	39,393.16	3,608.60	1,268.16	17,345.82	10,467.94	5,336.04	1,366.60
Other financial liabilities*	75,394.45	18,016.03	4,264.77	13,715.90	25,208.26	14,189.49	-
Total	1,92,888.71	94,395.65	7,133.49	31,061.72	36,272.80	22,524.05	1,501.00

* Maturity analysis of margin from clients (under other financial liabilities) ₹ 66,025.64 Lakhs has been bench marked to the corresponding fixed deposits (under other bank balances).

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	4,413.75	4,413.75	-	-	-	-	-
Other bank balances	1,05,331.81	12,556.23	27,250.31	34,172.15	28,157.99	2,460.08	735.05
Trade receivables	32,790.74	32,729.15	-	61.59	-	-	-
Other receivables	596.79	596.79	-	-	-	-	-
Loans	57,583.57	8,497.32	6,180.19	23,418.21	12,148.31	5,411.97	1,927.57
Investments	11,714.07	9,388.85	140.18	26.46	2,030.71	23.28	104.59
Other financial assets	10,560.72	5,400.49	1.10	5.30	0.50	81.03	5,072.30
Total	2,22,991.45	73,582.58	33,571.78	57,683.71	42,337.51	7,976.36	7,839.51
Liabilities:							
Trade payables	48,427.56	48,427.56	-	-	-	-	-
Debt securities	7,826.00	-	-	2,500.00	4,805.00	521.00	-
Borrowings	38,209.15	1,716.38	809.43	32,095.59	1,875.57	1,211.49	500.69
Other financial liabilities*	59,311.90	10,197.24	14,612.86	18,695.30	14,220.21	1,336.03	250.26
Total	1,53,774.61	60,341.18	15,422.29	53,290.89	20,900.78	3,068.52	750.95

* Maturity analysis of margin from clients (under other financial liabilities) ₹ 53,077.10 Lakhs has been bench marked to the corresponding fixed deposits (under other bank balances).

(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:

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

generally include short term working capital loans on floating interest rates;

- (iii) Interest paid by Company on clients' funds earmarked as fixed margin are generally for short term on fixed interest rates.
- (iv) Loans and advances on fixed interest rate basis does not expose the Company to interest rate risk.

Management of Interest Rate Risk

Interest rate risk is managed principally through monitoring interest rate gaps and by having 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	
	March 31, 2022	March 31, 2021
Assets subject to price risk		
Equity instrument fair value through profit and loss	16,106.08	10,746.51
Debt instrument fair value through profit and loss	849.37	416.12
Mutual fund fair value through profit and loss	-	30.94
Derivative financial assets	7,150.95	4,860.56
	(A)	24,106.40
Liabilities subject to price risk		
Derivative financial liabilities	5,633.20	3,497.02
	(B)	5,633.20
Total	(A-B)	18,473.20

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, 2022		For the year ended March 31, 2021	
				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 instruments fair value through profit and loss and derivatives	Price risk	5%	5%	269.42	(294.09)	200.28	(200.28)
Inventories	Price risk	5%	5%	172.59	(172.59)	65.90	(65.90)
Debt instruments	Interest rate risk	1%	1%	(8.49)	8.49	(4.16)	4.16
Borrowings	Interest rate risk	1%	1%	(392.95)	392.95	(380.09)	380.09
Foreign currency (PL)	Foreign currency risk	1%	1%	13.98	(13.98)	(11.84)	11.84
Foreign currency (OCI)	Foreign currency risk	1%	1%	52.22	(52.22)	34.73	(34.73)

*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. 40

Related party disclosures

As per Ind AS 24, the disclosures of transactions with related parties are given below :

NOTE NO. 40.01

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	Close member of the family of key managerial personnel
16	Ms. Sushma Gupta	Close member of the family of key managerial personnel
17	Ms. Reema Garg	Close member of the family of key managerial personnel
18	Ms. Meetu Goel	Close member of the family of key managerial personnel
19	Ms. Archana Aggarwal	Close member of the family of key managerial personnel
20	Mr. Aayush Aggarwal	Close member of the family of key managerial personnel
21	SMC Global Foundation	Trust where in KMPs have control
22	Pulin Investments Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence
23	MVR Share Trading Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence
24	Aroma Securities Limited	Enterprises in which key managerial personnel are able to exercise significant influence
25	SMC Share Brokers Limited	Enterprises in which key managerial personnel are able to exercise significant influence

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

NOTE NO. 40.02

Disclosure of transactions between the company & related parties

(₹ in Lakhs)

Sr. No.	Particulars of transactions	Relationship	For the year ended	
			March 31, 2022	March 31, 2021
1	Remuneration			
	Salaries, wages & other benefits	Key managerial personnel	526.61	427.21
	Contribution to defined benefit plan	Key managerial personnel	33.19	21.50
	Total		559.80	448.71
	Directors sitting fee	Independent director	30.15	23.96
2	Remuneration			
	Salaries, wages & other benefits	Close member of the family of key managerial personnel	157.06	94.39
	Contribution to defined benefit plan	Close member of the family of key managerial personnel	3.22	5.73
	Total		160.28	100.12
3	Contribution to Trust			
	SMC Global Foundation	Trust where in KMPs have control	2.04	61.47
4	Brokerage received			
	Pulin Investments Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence	214.28	-
5	Demat charges received			
	Pulin Investments Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence	0.01	-
6	Delay payment charges			
	Pulin Investments Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence	0.02	-
7	Finance Cost			
	Pulin Investments Private Limited	Enterprises in which key managerial personnel are able to exercise significant influence	0.14	2.03
	Aroma Securities Limited	Enterprises in which key managerial personnel are able to exercise significant influence	2.84	-
	SMC Share Brokers Limited	Enterprises in which key managerial personnel are able to exercise significant influence	1.45	-

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. 41

Segment reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the 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

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).

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

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. 41.01 Business segment

Particulars	Broking, Distribution and Trading								Insurance Broking				Financing				Elimination		Total		
	2021-22		2020-21*		2021-22		2020-21*		2021-22		2020-21*		2021-22		2020-21*		2021-22		2020-21*		
Segment revenue including other income	75,062.29	58,583.91	27,161.11	23,963.06	9,858.68	8,273.14	-	112,082.08	-	-	-	-	-	-	-	-	-	-	-	90,820.11	
External revenue	2,127.56	2,169.26	437.28	559.54	(4.49)	-	(2,560.35)	(2,560.35)	(2,560.35)	(2,728.80)	(2,728.80)	-	-	-	-	-	-	-	-	-	
Inter segment revenue	77,189.85	60,753.17	27,598.39	24,522.60	9,854.19	8,273.14	9,854.19	112,082.08	9,854.19	8,273.14	9,854.19	9,854.19	112,082.08	9,854.19	8,273.14	9,854.19	112,082.08	9,854.19	8,273.14	90,820.11	
Expenses																					
Fees and commission expenses	30,468.91	25,046.14	22,795.48	19,579.87	415.06	276.56	(580.67)	53,098.78	415.06	276.56	(580.67)	(325.93)	53,098.78	415.06	276.56	(325.93)	53,098.78	415.06	276.56	44,576.64	
Employee benefits expenses	16,306.95	13,458.26	2,535.93	3,155.63	1,729.34	1,035.20	-	20,572.22	1,729.34	1,035.20	-	-	20,572.22	1,729.34	1,035.20	-	20,572.22	1,729.34	1,035.20	17,649.09	
Finance costs	4,259.55	3,551.99	26.68	44.39	2,432.73	1,978.42	(966.58)	5,752.38	2,432.73	1,978.42	(966.58)	(1,338.90)	5,752.38	2,432.73	1,978.42	(1,338.90)	5,752.38	2,432.73	1,978.42	4,235.90	
Depreciation and amortization	1,582.90	1,349.44	178.52	250.35	250.18	198.14	-	2,011.60	250.18	198.14	-	-	2,011.60	250.18	198.14	-	2,011.60	250.18	198.14	1,797.93	
Impairment on financial instruments	204.78	493.69	18.53	1.73	1,450.37	2,125.88	(57.11)	1,616.57	1,450.37	2,125.88	(57.11)	(16.00)	1,616.57	1,450.37	2,125.88	(16.00)	1,616.57	1,450.37	2,125.88	2,605.30	
Other expenses	5,411.10	4,712.76	1,096.61	936.33	604.45	380.97	(221.17)	6,890.99	604.45	380.97	(221.17)	(255.97)	6,890.99	604.45	380.97	(255.97)	6,890.99	604.45	380.97	5,774.09	
Segment expense	58,234.19	48,612.28	26,651.75	23,968.30	6,882.13	5,995.17	(1,825.53)	89,942.54	6,882.13	5,995.17	(1,825.53)	(1,936.80)	89,942.54	6,882.13	5,995.17	(1,936.80)	89,942.54	6,882.13	5,995.17	76,638.95	
Profit before share of profit/(loss) of joint venture and tax	18,955.66	12,140.89	946.64	554.30	2,972.06	2,277.97	(734.82)	22,139.54	2,972.06	2,277.97	(734.82)	(792.00)	22,139.54	2,972.06	2,277.97	(792.00)	22,139.54	2,972.06	2,277.97	14,181.16	
Share in profit/(loss) in joint venture accounted using equity method of accounting	(0.96)	73.32	-	-	-	-	-	(0.96)	-	-	-	-	(0.96)	-	-	-	(0.96)	-	-	73.32	
Profit before tax	18,954.70	12,214.21	946.64	554.30	2,972.06	2,277.97	(734.82)	22,138.58	2,972.06	2,277.97	(734.82)	(792.00)	22,138.58	2,972.06	2,277.97	(792.00)	22,138.58	2,972.06	2,277.97	14,254.48	
Tax expense	3,803.39	3,161.41	150.85	4.60	727.49	586.94	-	4,681.73	727.49	586.94	-	-	4,681.73	727.49	586.94	-	4,681.73	727.49	586.94	3,752.95	
Profit after tax	15,151.31	9,052.80	795.79	549.70	2,244.57	1,691.03	(734.82)	17,456.85	2,244.57	1,691.03	(734.82)	(792.00)	17,456.85	2,244.57	1,691.03	(792.00)	17,456.85	2,244.57	1,691.03	10,501.53	
Other information																					
Segment assets	220,631.57	180,088.43	9,202.96	9,192.89	75,725.85	58,980.80	(13,545.28)	292,015.10	75,725.85	58,980.80	(13,545.28)	(12,695.80)	292,015.10	75,725.85	58,980.80	(12,695.80)	292,015.10	75,725.85	58,980.80	235,566.32	
Segment liabilities	170,861.25	143,867.83	4,666.56	4,792.95	39,660.64	25,449.38	(13,548.94)	201,639.51	39,660.64	25,449.38	(13,548.94)	(12,644.30)	201,639.51	39,660.64	25,449.38	(12,644.30)	201,639.51	39,660.64	25,449.38	161,465.86	

* Restated - Refer Note no. 34

NOTE NO. 41.02**Geographical segment**

Particulars	(₹ in Lakhs)	
	2021-22	2020-21*
Segment revenue - external		
Within India	1,10,477.85	88,638.56
Outside India	1,604.23	2,181.55
Total	1,12,082.08	90,820.11
Other information		
Segment assets		
Within India	2,85,467.96	2,25,273.11
Outside India	6,547.14	10,293.21
Segment liabilities		
Within India	1,97,662.30	1,53,153.16
Outside India	3,977.21	8,312.70

* Restated - Refer Note no. 34

NOTE NO. 42

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

Name of entity	(₹ in Lakhs)							
	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount	as % of consolidated other comprehensive income	Amount	as % of consolidated total comprehensive income	Amount
SMC Global Securities Limited	85.65	79,323.26	82.93	14,461.03	(13.49)	(22.20)	82.03	14,438.83
Indian Subsidiaries								
SMC Comtrade Limited	0.30	278.30	0.15	26.02	-	-	0.15	26.02
SMC Investments and Advisors Limited	0.96	884.43	0.35	61.16	3.02	4.97	0.38	66.13
Moneywise Financial Services Private Limited	39.29	36,389.76	12.87	2,244.57	(5.85)	(9.63)	12.70	2,234.94
SMC Capitals Limited	1.56	1,444.11	(0.26)	(44.77)	0.33	0.55	(0.25)	(44.22)
SMC Insurance Brokers Private Limited	5.50	5,096.02	4.56	795.77	18.60	30.60	4.69	826.37
Moneywise Finvest Limited	1.70	1,575.33	(0.20)	(35.04)	(1.82)	(2.99)	(0.22)	(38.03)
SMC Global IFSC Private Limited	3.23	2,994.84	0.11	18.80	50.80	83.58	0.58	102.38
SMC Real Estate Advisors Private Limited	(1.01)	(932.01)	0.47	82.05	5.65	9.29	0.52	91.34
Foreign Subsidiaries								
SMC Comex International DMCC	2.88	2,666.35	2.97	518.32	44.99	74.03	3.37	592.35
SMC Global USA Inc.	(0.10)	(96.43)	-	-	(1.78)	(2.93)	(0.02)	(2.93)
Joint Venture								
SMC & IM Capitals Investment Manager LLP	-	-	(0.01)	(0.96)	-	-	(0.01)	(0.96)
Adjustment arising out of consolidation	(39.79)	(36,849.29)	(3.84)	(670.10)	-	-	(3.81)	(670.10)
	100.18	92,774.67	100.11	17,456.85	100.45	165.27	100.11	17,622.12
Non-controlling interest in subsidiaries	(0.18)	(164.29)	(0.11)	(19.22)	(0.45)	(0.74)	(0.11)	(19.96)
Total	100.00	92,610.38	100.00	17,437.63	100.00	164.53	100.00	17,602.16

NOTE NO. 43**Additional regulatory information**

- a Additional regulatory information/disclosures as required by general instructions to Division-III of Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.
- b Additional regulatory information required under (WB) (xiv) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.
- c **Intangible assets under development ageing schedule as at March 31, 2022**

Particulars	(₹ in Lakhs)				TOTAL
	Outstanding for following periods from due date of payment / transaction				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	112.19	5.80	-	-	117.99
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development ageing schedule as at March 31, 2021

Particulars	(₹ in Lakhs)				TOTAL
	Outstanding for following periods from due date of payment / transaction				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	5.80	-	-	-	5.80
Projects temporarily suspended	-	-	-	-	-

- d Quarterly statements of current assets filed with banks and financial institutions for fund borrowed from those banks and financial institutions on the basis of security of current assets are in accordance with terms and conditions of sanctioned and the respective company has never reported in excess of books.

e Relationship with struck off company

(₹ in Lakhs)				
Name of struck off Company	Nature of transactions with struck-off Company	Transactions during the year March 31, 2022	Balance Outstanding as at March 31, 2022	Relationship with the Struck off company
F6 Commodities Private Limited	Payables	-	0.38	Client
Ori Finance Limited	Payables	-	0.04	Client
Adventures India Financial Services Limited	Payables	-	0.01	Client

(₹ in Lakhs)

Name of struck off Company	Nature of transactions with struck-off Company	Transactions during the year March 31, 2021	Balance Outstanding as at March 31, 2021	Relationship with the Struck off company
Growgraph Consultants Private Limited	Payables	0.04	0.06	Client
F6 Commodities Private Limited	Payables	-	0.38	Client
Ori Finance Limited	Payables	-	0.04	Client
Adventures India Financial Services Limited	Payables	-	0.01	Client

f Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend atleast 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Amount required to be spent by the company during the year	175.43	271.54*
Amount of expenditure incurred	175.43	271.54
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, environment sustainability, disaster relief, COVID-19 relief and rural development projects	
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	2.04	61.47
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

* includes opening provision of ₹ 92.65 Lakhs.

44 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

45 Previous year figures have been regrouped/reclassified wherever necessary to confirm to the current year presentation in accordance with amendments in Schedule III to the Companies Act, 2013.

In terms of our report of even date attached**For R. Gopal & Associates
Chartered Accountants**

Firm Registration No. : 000846C

Sd/-
Vikash Aggarwal
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: Kathmandu, Nepal
Date: May 7, 2022

Sd/-
Vinod Kumar Jamar
President & Group CFO

Sd/-
Suman Kumar
Company Secretary



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COMMODITY: MCX, NCDEX, ACE & DGCX

CURRENCY: BSE, NSE, MSEI

DEBT SEGMENT: NSE, BSE & MSEI





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SMC GLOBAL SECURITIES LIMITED

REGISTERED OFFICE: 11/6-B, SHANTI CHAMBER, PUSA ROAD, NEW DELHI-110005

TEL: +91-11-30111000, 40753333 FAX: +91-11-25754365

E-MAIL: SMC@SMCINDIAONLINE.COM WEBSITE: WWW.SMCINDIAONLINE.COM

CIN: L74899DL1994PLC063609