



RAJENDRA CHAUHAN & CO.

Chartered Accountants

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Independent Auditor's Report

To the Partners of
SMC AND IM Capitals Investment Manager LLP

Report on the Financial Statements

We have audited the accompanying financial statements of SMC and IM Capitals Investment Manager LLP ("the LLP"), which comprise the Statement of Assets and Liabilities as at 31 March 2019, the Statement of Income and Expenditure Account and Cash Flow statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Partners's Responsibility for the Financial Statements

The Partners are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flow of the LLP in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India. This responsibility also includes maintenance of adequate accounting records 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by ICAI. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial controls relevant to the LLP's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the LLP has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Partners, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Statement of Assets and Liabilities of the state of affairs of the LLP as at 31 March 2019;
- b) In the case of Income and Expenditure Account, of the Deficit, for the period ended on that date.
- c) In the case of cash flow statement of its Cash flows for the period ended on that date.

Other Legal and regulatory matters:

- 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 LLP so far as it appears from our examination of those books;
- c) the Statement of Assets and Liabilities, the Statement of Income and Expenditure dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements dealt with by this report comply with the Accounting Standards to the extent applicable.

For RAJENDRA CHAUHAN & Co.

Chartered Accountants

Firm's registration number: 013214N


Rajendra Chauhan

Partner

Membership number: 089108



Place: New Delhi

Date: 10.05.2019

SMC AND IM CAPITALS INVESTMENT MANAGER LLP

Balance Sheet as at 31st March, 2019

Particulars	Note	Amount in ₹	Amount in ₹
		As at 31st March 2019	As at 31st March 2018
CONTRIBUTION AND LIABILITIES			
Partner's Funds			
Partners Capital Account (Fixed)	2.01	30,000,000	30,000,000
Partner's Capital (Current)	2.02(a)	(26,795,678)	(27,147,130)
Reserve & Surplus	2.02(b)	-	-
		<u>3,204,322</u>	<u>2,852,870</u>
Non-current liabilities			
Long-term provisions	2.03	-	-
Current liabilities			
Trade payable	2.04	-	594,072
Other Current Liabilities	2.05	25,000	50,000
Short-term provisions	2.06	-	-
		<u>25,000</u>	<u>644,072</u>
Total		3,229,322	3,496,942
ASSETS			
Non-current assets			
Fixed assets	2.07	-	-
- Tangible assets		-	-
- Intangible assets		-	-
Deferred Tax Asset	2.08	-	-
Long-term loans and advances	2.09	2,804	4,283
		<u>2,804</u>	<u>4,283</u>
Current assets			
Trade receivables	2.10	-	-
Cash and Bank Balances	2.11	3,465	301,420
Short-term loans and advances	2.12	3,223,053	3,191,239
Other current assets	2.13	-	-
		<u>3,226,518</u>	<u>3,492,659</u>
Total		3,229,322	3,496,942

Significant accounting policies and notes to the financial statements 1, 2

As per our Report on financials of even date attached

For Rajendra Chauhan & co
Chartered Accountants
Firm registration no.: 013214N



For and on behalf of
SMC & IM CAPITALS INVESTMENT MANAGER LLP

Nilesh Kumar
Nilesh Kumar
(Designated Partner)
DIN-07515650

Damodar Krishan Aggarwal
Damodar Krishan Aggarwal
(Designated Partner)
DIN-00003215

Rajendra Chauhan
Rajendra Chauhan
Partner

M No 089108

Place: New Delhi

Date: 10-05-2019

SMC AND IM CAPITALS INVESTMENT MANAGER LLP

Statement of Profit & Loss for the period Ended 31st March, 2019

Particulars	Note	Amount in ₹	
		For the year ended 31st March, 2019	For the year Ended 31st March, 2018
REVENUE			
Revenue from operations	2.14	-	200,000
Other income	2.15	324,072	-
Total revenue		324,072	200,000
EXPENSES			
Operating Expenses	2.16	-	-
Employee benefits expenses	2.17	-	8,958,853
Other expenses	2.18	327,620	4,537,791
Depreciation and amortization	2.19	-	-
Total expenses		327,620	13,496,644
Profit/(Loss) before tax		(3,548)	(13,296,644)
Tax expense			
Current tax		-	-
Deferred tax		-	8,142,300
Profit/(Loss) for the year		(3,548)	(21,438,944)
Deferred Tax Reversed for Earlier Years			
Credited (Debited) to Founder Partners Current A/c as under:			
IM+ Capitals Limited		(1,774)	(10,719,472)
SMC Investments & Advisors limited		(1,774)	(10,719,472)

Significant accounting policies and notes to the financial statements 1, 2

As per our Report on financials of even date attached

For Rajendra Chauhan & co
Chartered Accountants
Firm registration no.: 013214N



Rajendra Chauhan
Rajendra Chauhan
Partner

M. No. 089108

Place: New Delhi

Date: 10-04-2019

For and on behalf of
SMC & IM CAPITALS INVESTMENT MANAGER LLP

Nilesh Kumar Jain
Nilesh Kumar Jain
(Designated Partner)
DIN-07515650

Damodar Krishan Aggarwal
Damodar Krishan Aggarwal
(Designated Partner)
DIN-00003215

SMC AND IM CAPITALS INVESTMENT MANAGER LLP

Cash Flow Statement for the year ended 31st March, 2019

Particulars	Amount in ₹	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
A Cash Flow From Operational Activities		
Profit (Loss) before Tax	(3,548)	(13,296,644)
Add:		
Depreciation & Amortization	-	-
Loss on Fixed Assets discarded	-	-
Cenvat Credit Reversed	-	-
Provision for Leave Encashment	-	-
Provision for Gratuity	-	-
Deferred Tax Written off	-	-
	(3,548)	(13,296,644)
Less:		
Interest on FDR	-	-
Profit on sale of Fixed Assets	-	-
Operating Profit/(Loss) before Working Capital Changes	(3,548)	(13,296,644)
Adjustments for:		
Increase/(Decrease) in Non-Current Liabilities		
Long Term Provisions	-	-
Increase/(Decrease) in Current Liabilities		
Trade payables	(594,072)	(243,427)
Other Payables	(25,000)	(1,276,950)
Short-term provisions	-	-
(Increase)/Decrease in Non-Current Assets		
Long-term loans and advances	1,479	1,973
(Increase)/Decrease in Current Assets		
Trade receivables	-	-
Short-term loans and advances	(31,814)	(610,772)
Other current assets	-	-
Cash Generated from Operations	(652,955)	(15,425,820)
Direct Taxes Paid (net of refunds)	-	-
Net Cash From/(Used) Operating Activities	A (652,955)	(15,425,820)
B Cash Flow from Investing Activities		
Proceed from Sale of Fixed Assets	-	-
Purchase of Fixed Assets	-	-
Interest received from FDR	-	-
Net Cash From/(Used) in Investing Activities	B -	-

Cash Flow Statement for the Year ended 31st March, 2019

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Nitesh Jain

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Particulars	Amount in ₹	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
C Cash Flow From Financing Activities		
Repayment of share application money	-	-
Proceeds of capital from Partners	-	-
Proceeds of contribution through Partner's Current Account	355,000	12,500,000
Proceeds from premium on share capital	-	-
Interest paid	-	-
Deffered revenue expenditures	-	-
Net Cash From/(Used) in Financing Activities	C 355,000	12,500,000
Net Increase in cash and cash Equivalents	(A+B+C) (297,955)	(2,925,820)
Cash and Cash Equivalent at the beginning of the year	301,420	3,227,240
Cash and Cash Equivalent at the end of the year	3,465	301,420
Cash and cash Equivalent includes:		
Cash in hand	1,622	2,272
Cheque in Hand	-	-
Balance with scheduled banks:	1,843	299,148
	3,465	301,420

As per our Report on financials of even date attached

For Rajendra Chauhan & co
Chartered Accountants
Firm registration no.: 013214N



Rajendra Chauhan
Partner
M. No. 089108
Place: New Delhi
Date: 10-05-2019

For and on behalf of
SMC & IM CAPITALS INVESTMENT MANAGER LLP

Nilesh Kumar Jain
(Designated Partner)
DIN-07515650

Damodar Krishan Aggarwal
(Designated Partner)
DIN-00003215

SMC AND IM CAPITALS INVESTMENT MANAGER LLP

Summary of significant accounting policies and Notes on Accounts for the year ended 31.03.2019.

(All amounts are in Indian Rupees unless otherwise stated)

Background

SMC AND IM CAPITALS INVESTMENT MANAGER LLP ("the Company") incorporated on 30th Day of June, 2016 with the Registrar of Companies, NCT of Delhi and Haryana, New Delhi, vide its registration no. AAG-8181 with the following partners:

Sl. No.	Name of Partners	Name of Holding/subsidiary Company	Share in Profit/Loss
1.	IM Capitals Limited		50.00%
2.	SMC Investments & Advisors Limited	SMC Global securities Ltd	50.00%

The company is incorporated with the object of carrying on the business of Investments and Assets Management and to carry on advisory services, consultation, counseling, planning and facilities of every description in Investments related activities.

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared financial statements to comply in all material respect with the accounting standards issued by Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India. The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, as at the date of reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates, if any, is recognized in the year in which the estimates are revised and in any future year affected.

During the current year the Company has incurred loss. The accompanying financial statements have been prepared on going concern assumption.

Summary of significant accounting policies

a) Basis of preparation of financial statement

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared financial statements to comply in all material respect with the accounting standards issued by Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India.

The financial statement have been prepared on accrual basis and under historical cost convention.

b) Use of estimates

The preparation of financial statements are in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, as at the date of reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future year affected.



Nilesh Jain

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c) Revenue recognition Services other income

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. Revenues from services is recognized as and when the service is rendered, on the basis of an agreed terms and conditions and, in accordance with the terms of the Service Agreements entered into with the clients.

During the year under report, no revenue could have been generated by the LLP.

d) Foreign currency transactions

During the year under report, no transaction have taken place in foreign currency.

e) Income tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations and Income Computation and Disclosure Standards (ICDS). In view of the net loss during the period ended 31.03.2019, no provision for current tax has been made in the account.

f) Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

g) Cash flow statement

Cash flows are reported using the indirect method, whereby net profits/Loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

h) Related party disclosure

The following are the details of transactions with related parties as defined in the Accounting Standard - 18 "Related Party Disclosures" as notified u/s 133 of the Companies Act,2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

Name of the Related Party	Nature of Relationship
IM +Capitals Limited through NileshKumar Jain-Designated Partner	Partner
SMC Investment & Advisors Limited through D.K.Agarwal-Designated Partner	Partner

The Company has the following related party transactions:

Particulars	Relationship	Natures of Transaction	FY 2018-19 Amount	FY 2017-18 Amount
IM + Capitals Limited	Partner	Partners Capital Contribution	₹ 3,55,000/-	₹ 65,00,000/-
SMC Investment & Advisors Limited	Partner	Partners Capital Contribution	₹ 0/-	₹ 60,00,000/-
SMC Global Securities Limited	Holding Company of a Partner	Rent & Others	₹ 0/-	₹ 53,722/-



Nilesh Jain

M.K. Agarwal

j) Segment reporting

Business Segment

The business segment has been considered as the primary segment for disclosure. The Company is primarily engaged in rendering of Investments and Fund advisory and marketing services. The business segment have been identified considering the nature of services, the differing risks and return, the organization structure and the internal financial reporting system. Therefore in view of the facts, there is no reportable business segment.

Geographical Segment

The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate. The company operated in one Geographical Segment namely "within India" and hence no separate information for geographical segment wise disclosure is required.

k) Fixed Assets:

In accordance with AS-10 "Accounting for Fixed Assets", notified u/s 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, fixed assets including Intangible Assets are stated at cost of acquisition including taxes, duties, identifiable direct expenses and expenses on installation, and are net of CENVAT Credit, if any, availed thereon. The company does not have any Fixed assets during the year ended 31.03.2019.

l) Depreciation on Fixed Assets:

The company does not have any Fixed assets during the year ended 31.03.2019, therefore no depreciation has been provided during the year.

Accounting Policies, and notes to the accounts are integral Part of the Accounts.

For Rajendra Chauhan & Co

Chartered Accountants

Firm registration no. 013214N

Rajendra Chauhan

Partner

M.no. 089108



Place: New Delhi

Dated: 10-02-2019

for SMC & IM Capital Investment Manager LLP

Nilesh Kumar Jain
(Designated Partner)
DIN-07515650

Damodar Krishan Aggarwal
(Designated Partner)
DIN-00003215

SMC & IM Capitals Investment Manager LLP
Notes to the financial statements

Note No.	Particulars	Amount in ₹	Amount in ₹
		As at 31st March 2019	As at 31st March 2018
2.01	Partner's Capital Account (FIXED)		
	IM Capitals Limited	15,000,000	15,000,000
	Add: Share of Profit in LLP	-	-
		<u>15,000,000</u>	<u>15,000,000</u>
	SMC Investments & Advisors limited	15,000,000	15,000,000
	Add: Share of Profit in LLP	-	-
		<u>15,000,000</u>	<u>15,000,000</u>
		<u>30,000,000</u>	<u>30,000,000</u>
2.02(a)	Partner's Capital Account (Current)		
	Profit for the beginning of the Year		
	IM Capitals Limited	(13,323,565)	6,500,000
	Add: Share of Profit in LLP	(1,774)	(19,823,565)
	Add: Contribution in Current A/c	355,000	-
		<u>(12,970,339)</u>	<u>(13,323,565)</u>
	SMC Investments & Advisors limited	(13,823,565)	6,000,000
	Add: Share of Profit in LLP	(1,774)	(19,823,565)
	Add: Contribution in Current A/c	-	-
		<u>(13,825,339)</u>	<u>(13,823,565)</u>
		<u>(26,795,678)</u>	<u>(27,147,130)</u>
2.02(b)	Reserve & Surplus		
	Profit for the beginning of the Year		(18,208,187)
	Add: Profit/Loss for the Period	(3,548)	(21,438,943)
	Less: Utilised During the Period	3,548	39,647,130
		<u>-</u>	<u>-</u>
2.03	Long-term provisions		
	Provision for Employee Benefits		
	Provision for gratuity	-	-
	Provision for Leave Encashment	-	-
		<u>-</u>	<u>-</u>
2.04	Trade Payable		
	Due to micro and small enterprises	-	-
	Others	-	594,072
		<u>-</u>	<u>594,072</u>
2.05	Other Current Liabilities		
	Book Overdraft from Bank	-	-
	Expenses Payable	-	-
	Audit Fees Payable	25,000	25,000
	Employee Group H. Insurance payable	-	-
	Payable to Statutory Authorities	-	25,000
	Salary and reimbursements Payable	-	-
		<u>25,000</u>	<u>50,000</u>
2.06	Short term provisions		
	Provision for employee benefits		
	Gratuity	-	-
	Leave encashment	-	-
	Others	-	-
		<u>-</u>	<u>-</u>



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SMC & IM Capitals Investment Manager LLP
Notes to the financial statements

Note No.	Particulars	Amount in ₹	Amount in ₹
		As at 31st March 2019	As at 31st March 2018
2.08	Non-current assets		
	On Business Loss	-	-
	On preincorporation expenses	-	-
		<u>-</u>	<u>-</u>
2.09	Long-term loans and advances		
	Unsecured, considered good	-	-
	Security deposits	-	-
	Prepaid Expenses	2,804	4,283
	Advance Income tax & TDS	-	-
	Balance With Statutory Authorities	-	-
		<u>2,804</u>	<u>4,283</u>
2.10	Trade receivables		
	(Unsecured, considered good)	-	-
	Debts outstanding for more than six months	-	-
	Others	-	-
		<u>-</u>	<u>-</u>
2.11	Cash and Bank Balances		
	Cash and cash equivalents		
	Foreign Currency in Hand	-	-
	Cash in hand	1,622	2,272
	Cheque in hand	-	-
	Balances with scheduled banks:		
	- in current accounts	1,843	299,148
		<u>3,465</u>	<u>301,420</u>
2.12	Short-term loans and advances		
	Unsecured, considered good	-	-
	Advances recoverable in cash or in kind		
	- To Related Parties	-	-
	- To Others	-	-
	Prepaid Expenses	1,479	4,026
	Balance With Statutory Authorities	3,221,574	3,187,213
		<u>3,223,053</u>	<u>3,191,239</u>
2.13	Other current assets		
	Other current assets	-	-
		<u>-</u>	<u>-</u>



Mitesh Jain

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SJC & IM Capitals Investment Manager LLP
Notes to the financial statements

Note No.	Particulars	Amount in ₹	Amount in ₹
		For the year ended 31st March, 2019	For the year Ended 31st March, 2018
2.14	Revenue from operations		
	Processing Fees	-	200,000
		<u>-</u>	<u>200,000</u>
2.15	Other income		
	Amount W/o	324,072	-
		<u>324,072</u>	<u>-</u>
2.16	Operating Expenses		
	Operating Expenses	-	-
		<u>-</u>	<u>-</u>
2.17	Employee benefits expenses		
	Salaries and wages	-	8,950,857
	Contribution to provident and other funds	-	-
	Gratuity expenses	-	-
	Staff welfare	-	7,996
		<u>-</u>	<u>8,958,853</u>
2.18	Other expenses		
	Bank Charges	944	748
	Communication Expenses	-	43,617
	Legal & Professional Charges	277,000	2,482,090
	Misc. Expenses	24,076	4,364
	Office Maintenance	-	127,556
	Office Rent	-	1,094,976
	Printing & Stationery	-	21,460
	Rates & Taxes	-	790
	Swachh Bharat Cess Expenses	-	10,364
	Travelling Expenses	-	581,353
	Business Promotion Expenses	-	128,691
	News Paper & Periodicals	-	1,946
	Audit Fees	25,000	25,000
	ROC Fees	400	6,410
	Interest on TDS	-	8,426
	GST Late Filing Fees	200	-
		<u>327,620</u>	<u>4,537,791</u>
2.19	Depreciation and amortization		
	Depreciation on tangible assets	-	-
	Depreciation on intangible assets	-	-
		<u>-</u>	<u>-</u>



Nitesh Jain

M. S. S. S. S.