SMC INVESTMENTS AND ADVISORS LIMITED

AUDITED ANNUAL ACCOUNTS

(UDIN:- 22089108AINWLA5632)

Financial year 2021-22

RAJENDRA CHAUHAN & CO.
Chartered Accountants
83, (IInd Floor), Shyam Lal Road, Darya Ganj, New Delhi-110002
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Independent Auditor's Report

To the Members of SMC Investments and Advisors Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial statements of **SMC Investments and Advisors 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 financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, its Profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the 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'sCode 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters, and there are no reportable Key Audit Matters.

Information Other than the Financial Statements and Auditor's Report thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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FRN : 013214N
New Delhi
Chartered Accountants

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, considers whether the other information is materially inconsistent with the 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. We have nothing to report in this regard.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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

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uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2020 ("hereinafter referred as 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 said 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 financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on March 31, 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 section 197(16) of the Act, as amended:

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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 provided/disclosed the impact of pending litigations as at 31st March 2022, in its financial position in its 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 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) The company has not declared any interim or final dividend.

For Rajendra Chauhan & Co.
Chartered Accountants
Firm Registration No.: 013214N

RAJENDRA CHAUHAN & CO. FRN : 013214N New Delhi Chartered Accountants

Rajendra Chauhan
Partner
Membership No.: 089108
UDIN : 22089108AINWLA5632
Place : New Delhi
Date : May 06th, 2022

Annexure - A to the Auditors' Report
Reg.: **SMC Investments and Advisors Limited**

The Annexure referred to in Independent Auditor's Report to the members of the Company on the 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) The Company has regular programme of physical verification of its Property, Plant & Equipment by which Property, Plant & Equipment are verified by rotation every year, so that all the assets are covered. In accordance with this programme, Property, Plant & Equipment verified during the year and no material discrepancies were noticed on such verification. In our opinion the periodicity of physical verification and procedure followed is reasonable having regard to size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and the record examined by us, the company does not have any immovable property in its name, however in case where the company is a lessee, the lease agreements are duly executed in favour of the company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and Intangible Assets during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company and does not have any inventories of stock of shares or commodities during the year, accordingly requirements of clause 3(ii)(a) are not applicable to the company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during any point of time of the year under our audit, the company has not been sanctioned any working capital limit in excess of five crores in aggregate from any bank of financial institution, accordingly requirements of clause 3(ii)(a) are not applicable to the company.

(iii) According to the information and explanation given to us, and on the basis of our examination of the records of the company, the Company has not made any investments, provided any guarantee, or security, or granted any loan, or advances in the nature of loan, accordingly requirements of clause 3(iii) are not applicable to the company.

(iv) According to the information and explanation given to us, and on the basis of our examination of the records of the company, In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, if applicable with respect to the loans, investments, guarantee and security made. The company has not given any loan to its directors, hence provision of section 185 are not applicable.

(v) The Company has not accepted any deposits from the public within the meaning of section 73 to 76 of the Companies 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 Companies Act, 2013, for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is regular in depositing undisputed statutory dues including Good and Service tax,

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provident fund, employee state insurance, income-tax, sales tax, service tax, value added tax, duty of customs, duty of excise, value added tax and any other statutory dues, as applicable. As per our our examination of record, there is no arrear of outstanding statutory dues as on the last day of the financial year for more than six months from the date it becomes payable.

(b) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, there are no amount of statutory dues in respect of Good and Service tax, provident fund, employee state insurance, income-tax, sales tax, service tax, value added tax, duty of customs, duty of excise, value added tax and any other statutory which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

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

(c) In our opinion and according to the information and explanations given to us by the management, the company has not taken any term loans, accordingly clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used 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, joint ventures or associate companies, accordingly clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, accordingly clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including Debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and Explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration and observed that no whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

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(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in Note no. 31 of the financial statements as required by the applicable accounting standards.

(xiv) Based on information and explanations provided to us, the requirements of having Internal audit system as required under sec 138 of The Companies Act, 2013 are not applicable to the company, Accordingly, clause 3(xiv) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, and based on the examination of records, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not conducting any non-banking financial activities and is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, accordingly the requirement of clause 3(xvi) (a) and (b) are not applicable to the company.

(a) The company is neither a Core Investment Company, nor has any other core Investment company in its group, accordingly the requirement of clause 3(xvi) (c) and (d) are not applicable to the company.

(xvii) The Company has not incurred cash losses in the current financial year, though it has incurred cash losses of Rs. 15059.97 thousands in the immediately preceding financial year.

(xviii) There are no resignation of the statutory auditors during the year, accordingly the requirement of clause 3(xviii) are not applicable to the company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and 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 as and when they fall due.

(xx) Aaccording to the information and explanations given to us, there is no unspend amount of Corporate Social Responsivities (CSR) under section 135 of The Companies Act, 2013, requires to transferred to a fund specified in Schedule VII to the Companies Act, 2013.

(xxi) According to the information and explanations given to us, the company does not have any of its subsidiary, and no accounts are being incorporated in the financial statement, accordingly, clauses 3(xxi) of the Order are not applicable.

For **Rajendra Chauhan & Co.**
Chartered Accountants
Firm's registration number: 013214N

RAJENDRA CHAUHAN & CO. FRN : 013214N New Delhi Chartered Accountants

Rajendra Chauhan
Partner
Membership number: 089108
UDIN : 22089108AINWLA5632
Place :New Delhi
Date : May 06th, 2022

Annexure - B to the Auditors' Report
Reg.: **SMC Investments and Advisors Limited**

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

Opinion:

We have audited the internal financial controls over financial reporting of SMC Investments and Advisors Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 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 Institute of Chartered Accountants of India (the "Guidance Note").

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 ('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 over financial reporting 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, 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 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting 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.

For **Rajendra Chauhan & Co.**
Chartered Accountants
Firm's registration number: 013214N

RAJENDRA CHAUHAN & CO. FRN : 013214N New Delhi Chartered Accountants

Rajendra Chauhan
Partner
Membership number: 089108
UDIN : 22089108AINWLA5632
Place : New Delhi
Date : May 06th, 2022

O/C

SMC INVESTMENTS AND ADVISORS LIMITED

Balance Sheet

₹ in Thousands

Particulars	**Notes**	**As at March 31, 2022**	**As at March 31, 2021**
Assets			
Financial assets			
Cash and cash equivalents	2	4,505.98	2,335.82
Receivables			
Trade receivables	3	13,309.20	8,405.58
Loans	4	1,00,000.00	1,44,806.64
Investments	5	6,780.35	9,714.83
Other financial assets	6	618.55	618.55
Non-financial assets			
Current tax assets (net)		3,545.65	4,065.62
Property, plant and equipment	7	289.94	413.74
Other intangible assets	8	17.34	30.12
Right of use assets	9	4,899.69	5,832.60
Other non-financial assets	10	806.50	812.90
Total assets		**1,34,773.20**	**1,77,036.40**
Liabilities and equity			
Liabilities			
Financial liabilities			
Trade payables	11	660.06	1,538.58
Lease liabilities	9.01	6,259.01	7,006.47
Borrowings	12	32,856.83	78,471.65
Other financial liabilities	13	1,269.20	1,373.19
Non-financial liabilities			
Provisions	14	4,042.90	3,224.94
Other non-financial liabilities	15	1,242.70	3,496.22
Equity			
Equity share capital	16	75,000.00	75,000.00
Other equity		13,442.50	6,925.35
Total liabilities and equity		**1,34,773.20**	**1,77,036.40**

The accompanying notes form an integral part of the financial statements. 1-35

In terms of our report of even date attached
For Rajendra Chauhan & Co.
Chartered Accountants
Firm Registration No.: 013214N

RAJENDRA CHAUHAN & CO. Chartered Accountants FRN : 013214N New Delhi

Rajendra Chauhan
Partner
Membership No.: 089108
UDIN:-22089108AINWLA5632
Place: New Delhi
Date: 6th May, 2022

For and on behalf of Board of Directors

Dr. Damodar Krishan Aggarwal
Chairman & Managing Director
DIN No: 00003215

Anshika Aggarwal
Director
DIN No: 08248613

SMC Investments And Advisors Limited New Delhi

SMC INVESTMENTS AND ADVISORS LIMITED

Statement of Profit and Loss

₹ in Thousands

Particulars	**Notes**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Revenue from operations			
Fee and commission income	17	27,725.52	14,080.27
Interest income	18	-	26.15
Net gain on proprietory trading		24,771.30	1,634.59
Total revenue from operations		**52,496.82**	**15,741.01**
Other income	19	2,868.42	6,397.60
Share in profit in firm/LLP	20	3,941.91	7,332.36
Total income		**59,307.15**	**29,470.97**
Expenses			
Fee and commission expenses	21	3,519.90	2,245.29
Employee benefits expenses	22	38,616.38	30,441.49
Finance costs	23	5,727.37	7,264.63
Depreciation and amortisation	24	1,140.12	2,379.91
Impairment on financial instruments	25	(81.73)	75.00
Others expenses	26	4,364.87	4,579.53
Total expenses		**53,286.91**	**46,985.85**
Profit before tax		**6,020.24**	**(17,514.88)**
Tax Expense:			
Current tax		-	-
Total tax expense		-	-
Profit / (loss) for the period from continuing operations		**6,020.24**	**(17,514.88)**
Profit after tax		**6,020.24**	**(17,514.88)**
Other comprehensive income (OCI)			
items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset	29	496.91	521.10
Total other comprehensive income (net of tax)		**496.91**	**521.10**
Total comprehensive income for the year (comprising profit and other comprehensive income for the year)		**6,517.15**	**(16,993.78)**
Earnings per equity share (Face value ₹10)			
Basic & Diluted (in ₹)	27	0.80	(2.34)
The accompanying notes form an integral part of the financial statements.	1-35		

In terms of our report of even date attached
For Rajendra Chauhan & Co.
Chartered Accountants
Firm Registration No.: 013214N

RAJENDRA CHAUHAN & CO. FRN : 013214N New Delhi Chartered Accountants

Rajendra Chauhan
Partner
Membership No.: 089108
UDIN:-22089108AINWLA5632

Place: New Delhi
Date: 6th May, 2022

For and on behalf of Board of Directors

Dr. Damodar Krishan Aggarwal
Chairman & Managing Director
DIN No: 00003215

Anshika Aggarwal
Director
DIN No: 08248613

SMC Investments And Advisors Limited New Delhi

SMC INVESTMENTS AND ADVISORS LIMITED

Statement of Changes in Equity

A. Equity share capital (Refer note 16)

As at 31st March, 2021

₹ in Thousands

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	75,000.00	-	-	-	75,000.00

As at 31st March, 2022

₹ in Thousands

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	75,000.00	-	-	-	75,000.00

B. Other equity

Particulars	Reserves & surplus		Other comprehensive income	Total
	Retained earnings	General reserve	Remeasurement of the net defined benefit liability / asset	
Balance as at April 1, 2020	21,000.73	-	2,918.40	23,919.13
Changes in equity for the year ended March 31, 2021				
Profit/(loss) during the year	(17,514.88)	-	521.10	(16,993.78)
Addition during the year	-	-		-
Balance as at March 31, 2021	3,485.85	-	3,439.50	6,925.35
Balance as at April 1, 2021	3,485.85	-	3,439.50	6,925.35
Changes in equity for the year ended March 31, 2022				
Profit (Loss) during the year	6,020.24	-	496.91	6,517.15
Addition during the year	-	-	-	-
Balance as at March 31, 2022	9,506.09	-	3,936.41	13,442.50

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

In terms of our report of even date attached
For Rajendra Chauhan & Co.
Chartered Accountants
Firm Registration No.: 013214N

RAJENDRA CHAUHAN & CO. FRN : 013214N New Delhi Chartered Accountants

Rajendra Chauhan
Partner
Membership No.: 089108
UDIN:-22089108AINWLA5632

Place: New Delhi
Date: 6th May, 2022

For and on behalf of Board of Directors

Dr. Damodar Krishan Aggarwal
Chairman & Managing Director
DIN No: 00003215

Anshika Aggarwal
Director
DIN No: 08248613

SMC Investments And Advisors Limited New Delhi

SMC INVESTMENTS AND ADVISORS LIMITED

Statement of Cash Flows

₹ in Thousands

Particulars		**For the Period Ended**	
		March 31, 2022	**March 31, 2021**
Cash flow from operating activities:			
Profit After Tax		6,020.24	(17,514.88)
Adjustments to reconcile net profit to net cash provided by operating activities:			
Tax Expense		-	-
Depreciation and amortization		1,140.12	2,379.91
Interest expense		5,727.37	7,264.63
Interest income other than from revenue from operation		(2,133.01)	(5,759.03)
Share in profit on the partnership firms		(3,139.72)	(7,332.36)
Allowance for impairment of trade receivables		(81.73)	75.00
Net loss/profit on derecognition of property plant and equipment		33.49	-
Operating profit before working capital changes		**7,566.76**	**(20,886.73)**
Changes in assets and liabilities			
Other Bank Balances		-	1,500.00
Trade receivables		(4,821.89)	918.67
Loans		44,806.64	9,308.81
Other financial Assets		-	17.89
Other non-financial assets		6.40	223.15
Trade payables		(878.52)	(527.65)
Lease liabilities		(747.46)	(5,293.97)
Other financial liabilities		(103.99)	(1,908.85)
Other non-financial liabilities		(2,253.52)	1,731.47
Provisions		1,314.87	14.96
Cash (used in)/generated from operating activities		**44,889.29**	**(14,902.25)**
Income taxes paid		519.97	(964.91)
Net cash (used in)/generated by operating activities	**(A)**	**45,409.26**	**(15,867.16)**
Cash flow from investing activities:			
Expenditure on property, plant and equipment including intangible assets net of sale proceeds, including changes in retention money and capital creditors		(104.12)	0.00
Right of use assets		-	4,533.83
Investments in partnership firm(net)		5,235.90	-
Investments in Unlisted Equity Share		838.30	(838.30)
Interest received		2,133.01	5,759.03
Net cash (used in)/generated from investing activities	**(B)**	**8,103.09**	**9,454.56**
Cash flow from financing activities:			
Payment of interest		(5,727.37)	(7,264.63)
Proceeds / (repayment) from loan repayable on demand (net)		(45,614.82)	15,070.71
Net cash(used in)/generated in financing activities	**(C)**	**(51,342.19)**	**7,806.08**
Net increase/(decrease) in cash and cash equivalents	**(A+B+C)**	**2,170.16**	**1,393.48**
Cash and cash equivalents at the beginning of the year		2,335.82	942.34
Cash and cash equivalents at the end of the year		**4,505.98**	**2,335.82**

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

In terms of our report of even date attached
For Rajendra Chauhan & Co.
Chartered Accountants
Firm Registration No.: 013214N

RAJENDRA CHAUHAN & CO. FRN : 013214N New Delhi Chartered Accountants

Rajendra Chauhan
Partner
Membership No.: 089108
UDIN:-22089108AINWLA5632

Place: New Delhi
Date: 6th May, 2022

For and on behalf of Board of Directors

Dr. Damodar Krishan Aggarwal
Chairman & Managing Director
DIN No: 00003215

Anshika Aggarwal
Director
DIN No: 08248613

SMC Investments And Advisors Limited New Delhi

1. Significant Accounting Policies and Measurement Basis

1.01 Company overview

SMC Investments And Advisors Limited ('the Company'), a wholly owned subsidiary of SMC Global Securities Limited, domiciled in India and incorporated under the provision of the Companies Act, 2013 ('the Act'). The Company is engaged in the business of corporate finance, distribution of the third-party financial product and other financial services.

1.02 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 accordance with division III of schedule III of the company Act 2013. All figures are in Indian rupees rounded of and in thousand with two decimal points except otherwise stated.

1.03 Use of Estimates and Judgments

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.

1.04 Revenue recognition

The company derives its revenue primarily from the Corporate finance, distribution of the third-party financial product and Other financial services. The company follows Ind AS 109 -Financial Instruments for revenue recognition for the income on the financial assets. In case of other revenues the Company recognised its rêvenue based of criteria prescribed in Ind AS 115- Revenue from Contracts with Customers. 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. **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 the point in time i.e. as and the product is sold

II. **Interest Income:** The interest revenue on the loans and advances are recognised based on the effective interest rate as and when due.

1.05 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 expense and expense on installation and applicable net of GST credit thereon. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The company depreciates property, plant and equipment over their estimated useful lives on written down value method. Right to use assets are net of amortisation as per Ind AS 116 for detail refer to note no 1.12 .The estimated useful lives of assets are as follows:

Computer equipment	3-6	years
Furniture and fixtures	10	years
Office equipment	5	years
Vehicles	8	years

The useful lives for these assets is in compliance with the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

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

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

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1.06 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. 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%

1.07 Impairment of tangible, intangible and right of use assets

At each reporting date, the Company reviews the carrying amounts of its tangible , 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 to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

1.08 Income taxes

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 utilized. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. However in the case of the company, there is no deferred tax Assets/liability.

1.09 Financial instruments

(a) Initial recognition

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

(b) Subsequent measurement

I. Financial assets carried at amortised cost

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

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. All the debt instrument held for trading purpose are designated as 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.

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(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.

1.10 Foreign Currency Translations

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of `monetary items are recognised in the Statement of Profit and Loss.

1.11 Employee benefits

(a) Defined contribution plans

Obligations for contributions to defined contribution plans (provident fund and employees state insurance) are recognized as a personnel expense in 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 20,00,000.

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's determines the net interest expense (income) on the net defined benefit liability (asset) for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual year to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in personnel expenses in Statement of profit or loss.

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

(c) Short-term employee benefits

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

(d) Other long-term employee benefits

Liability for long service leave

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior years. That benefit is discounted to determine its present value. Remeasurements are recognised in Statement of profit or loss in the year in which they arise. The valuation of the long service leave are obtained from actuary.

1.12 Leases

The Company 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 to applied this Standard to contracts that were not previously identified as containing a lease applying Ind AS

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

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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 (lease having monthly rental less than Rs. 5000)

As a lessor the Company identify 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 straight-line basis.

However, as on date, the company has not leased out any asset to anyone.
In accordance with IND AS 116, read with its Para 46, When a lease is terminated in its entirely, there should be no remaining lease liability or right-of-use asset in respect of that lease, and the lessee shall recognise any gain or loss relating to the partial or full termination of the lease in its Profit and Loss Account under 'other income'/'other expense' as the case may be.
During the year under report the company has recorded an amount of Rs. 2,73,240/- as termination benefit in its Profit and Loss Account under the head other income (refer Note No. 9.01)

1.13 Borrowing costs
Borrowing costs that are attributable to acquisition, construction or production of qualifying assets, are capitalized as part of the cost of such qualifying assets. A qualifying asset is an asset that necessarily takes a substantial year of time to get ready for intended use. All other borrowing costs are charged to the Statement of profit and loss.

1.14 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.

1.15 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.

1.16 Statement of Cash Flows
Cash flows are reported using the indirect method where by the net 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.

1.17 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.

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1.18 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 contact 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.

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SMC INVESTMENTS AND ADVISORS LIMITED
Notes to financial statements

2 **Cash and cash equivalents**

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
At amortised cost		
Cash in hand	5.32	19.86
Cheque in Hand	159.24	-
Balances with banks		
In current and deposit accounts	4,341.42	2,315.96
Total cash and cash equivalents	**4,505.98**	**2,335.82**

3 **Trade receivables**

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
At amortised cost		
Secured	-	-
Unsecured		
Receivables unsecured considered good	13,679.24	8,857.35
Receivables - credit impaired	-	-
Total	**13,679.24**	**8,857.35**
Less: Provision for impairment	(370.04)	(451.77)
Total Trade Receivables	**13,309.20**	**8,405.58**

Trade receivables ageing schedule as on March 31, 2022

₹ In Thousands

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	8,193.36	-	409.09	3,466.75	1,240.00	13,309.20
Undisputed Trade receivables - considered credit impaired	-	-	45.00	256.01	69.03	370.04
Disputed Trade receivables - considered good	-					-
Disputed Trade receivables - considered credit impaired	-	-	-	-	-	-
Total Trade Receivables	8,193.36	-	454.09	3,722.76	1,309.03	13,679.24
Less: Provision for impairment						(370.04)
						13,309.20

Trade receivables ageing schedule as on March 31, 2021

₹ In Thousands

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	2,277.78	420.97	3,466.83	2,240.00		8,405.58
Undisputed Trade receivables - considered credit impaired	-	45.00	337.74	69.03		451.77
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - considered credit impaired	-	-	-	-	-	-
Total Trade Receivables	2,277.78	465.97	3,804.57	2,309.03	-	8,857.35
Less: Provision for impairment						(451.77)
						8,405.58

4 **Loans**

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Others		
Loans to related party	-	-
Others *	1,00,000.00	1,00,000.00
Unsecured		
Others		
Loans to related party	-	-
Others	-	44,806.64
Total loans	**1,00,000.00**	**1,44,806.64**
*Loan secured with tangible assets		
In India	1,00,000.00	1,44,806.64
Outside India	-	-

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5 **Investments**

₹ In Thousands

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Unquoted		
Investments carried at amortised cost		
Investment in joint venture (partnership firm)	15,000.00	15,000.00
Current account capital with partnership firm	(8,219.65)	(6,123.47)
Investments carried at fair value through profit and loss		
Unlisted Equity Instruments	-	838.30
Total Investment	6,780.35	9,714.83
In India	6,780.35	9,714.83
Outside India	-	-

5.01 **Investments in Partnership Firm**

₹ In Thousands

Particulars	**Share in Profit/Loss March 31, 2022**	**Share in Profit/Loss March 31, 2021**	**As at March 31, 2022**	**As at March 31, 2021**
SMC IM Capital LLP	50%	50%	6,780.35	9,714.83
Total Investment in Partnership Firm			6,780.35	9,714.83

6 **Other financial assets**

₹ In Thousands

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Security deposits	618.55	618.55
Total other financial assets	618.55	618.55
** Financial assets carried at amortized cost.	618.55	618.55

7 **Property, plant and equipment**

₹ In Thousands

Particulars	**Office equipment**	**Vehicles**	**Furniture and fixtures**	**Computer equipment**	**Total**
Opening gross carrying value as at April 1, 2020	3,292.08	36.33	1,549.65	12,790.39	17,668.45
Additions during the year					-
Deletions during the year					-
Closing gross carrying value as at March 31, 2021	3,292.08	36.33	1,549.65	12,790.39	17,668.45
Opening gross carrying value as at April 1, 2021	3,292.08	36.33	1,549.65	12,790.39	17,668.45
Additions during the year	6.18			102.49	108.67
Deletions during the year	(23.00)	(36.33)		(3,887.47)	(3,946.80)
Closing gross carrying value as at March 31, 2022	3,275.26	-	1,549.65	9,005.42	13,830.33
Opening accumulated depreciation as at April 1, 2020	3,090.62	35.35	1,388.61	12,188.06	16,702.64
Depreciation for the year	104.11	0.43	59.43	388.10	552.07
Accumulated depreciation on deletions					-
Closing accumulated depreciation as at March 31, 2021	3,194.73	35.78	1,448.04	12,576.16	17,254.71
Opening accumulated depreciation as at April 1, 2021	3,194.73	35.78	1,448.04	12,576.16	17,254.71
Depreciation for the year	38.77	0.19	37.48	119.13	195.57
Accumulated depreciation on deletions	(22.77)	(35.97)		(3,851.16)	(3,909.90)
Closing accumulated depreciation as at March 31, 2022	3,210.73	-	1,485.52	8,844.13	13,540.38
Carrying value as at March 31, 2021	97.35	0.55	101.61	214.23	413.74
Carrying value as at March 31, 2022	64.53	-	64.13	161.28	289.94

8 **Other Intangible**

₹ In Thousands

Particulars	**Computer Software**	**Total**
Opening gross carrying value as at April 1, 2020	7,045.49	7,045.49
Additions during the year	-	-
Deletions during the year	-	-
Closing gross carrying value as at March 31, 2021	7,045.49	7,045.49
Opening gross carrying value as at April 1, 2021	7,045.49	7,045.49
Additions during the year	-	-
Deletions during the year	(258.06)	(258.06)
Closing gross carrying value as at March 31, 2022	6,787.43	6,787.43
Opening accumulated depreciation as at April 1, 2020	6,995.27	6,995.27
Depreciation for the year	20.10	20.10
Accumulated depreciation on deletions		-
Closing accumulated depreciation as at March 31, 2021	7,015.37	7,015.37
Opening accumulated depreciation as at April 1, 2021	7,015.37	7,015.37
Depreciation for the year	11.64	11.64
Accumulated depreciation on deletions	(256.92)	(256.92)
Closing accumulated depreciation as at March 31, 2022	6,770.09	6,770.09
Carrying value as at March 31, 2021	30.12	30.12
Carrying value as at March 31, 2022	17.34	17.34

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9 **Right of use asset**

₹ In Thousands

Particulars	Lease hold asset	Total
Opening gross carrying value as at April 1, 2020	13,992.80	13,992.80
Additions during the year		-
Termination during the year	(4,533.83)	(4,533.83)
Closing gross carrying value as at March 31, 2021	**9,458.97**	**9,458.97**
Opening gross carrying value as at April 1, 2021	9,458.97	9,458.97
Additions during the year		
Termination during the year		-
Closing gross carrying value as at March 31, 2022	9,458.97	9,458.97
Opening accumulated depreciation as at April 1, 2020	1,818.63	1,818.63
Depreciation for the year	1,807.74	1,807.74
Accumulated depreciation on termination	-	-
Closing accumulated depreciation as at March 31, 2021	3,626.37	3,626.37
Opening accumulated depreciation as at April 1, 2021	3,626.37	3,626.37
Depreciation for the year	932.91	932.91
Accumulated depreciation on termination		
Closing accumulated depreciation as at March 31, 2022	4,559.28	4,559.28
Carrying value as at March 31, 2021	5,832.60	5,832.60
Carrying value as at March 31, 2022	4,899.69	4,899.69

9.01 **Detail of lease liability**

Particulars	As at March 31, 2022	March 31, 2021
Opening balance	7,006.47	12,300.44
Addition during the year	-	4,533.83
Termination during the year	618.74	744.39
Finance charges on lease	273.24	519.08
Write back during the year	1,092.96	985.45
Repayment during the year		
Closing balance	6,259.01	7,006.47
Interest rate used for capitalisation	9.66%	9.66%

9.02 **Maturity analysis of lease liabilities**

₹ In Thousands

Particulars	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	6,259.01	136.47	207.92	508.19	933.75	3,928.11	544.57
As at March 31, 2021	7,006.47	120.05	189.35	463.73	852.58	3,381.89	1,998.87

10 **Other non-financial assets**

₹ In Thousands

Particulars	As at March 31, 2022	March 31, 2021
Prepaid expenses	71.63	18.99
Withholding taxes and other taxes receivable	732.04	655.86
Advance payment to vendors for supply of goods	-	67.01
Salary advances	2.83	71.04
Total other non financial assets	806.50	812.90

11 **Trade payables**

₹ In Thousands

Particulars	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	-	206.31
Trade payables - Expenses	660.06	1,332.27
Total Trade Payables	660.06	1,538.58

Trade payables ageing schedule as on March 31, 2022

₹ In Thousands

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	
MSME	-	-	-	-	-	-
Others	116.30	-	-	-	-	116.30
	116.30	-	-	-	-	116.30
Accrued expenses						543.76
						660.06

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Trade payables ageing schedule as on March 31, 2021

₹ In Thousands

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	
MSME	-	-	-	-	-	-
Others	996.16	198.95	16.01	-	-	1,211.12
	996.16	198.95	16.01	-	-	1,211.12
Accrued expenses						327.46
						1,538.58

12 **Borrowings**

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured	-	-
Others		
Loans from related party	32,856.83	78,471.65
Others	-	-
Total Borrowings	32,856.83	78,471.65
All the Intercompany borrowing are repayable within one year and carrying floating rate of interest i.e 9.25% p.a which reset every year.		
In India	32,856.83	78,471.65
Outside India		

12.01 **Repayment terms of borrowings**

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
In the first year	32,856.83	78,471.65
In the second year	-	-
In the third to fifth year	-	-
Total	32,856.83	78,471.65

13 **Other financial liabilities**

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
Employee benefit payable	1,269.20	1,373.19
Total other financial liabilities	1,269.20	1,373.19
Financial liability carried at amortized cost	1,269.20	1,373.19

14 **Provisions**

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Gratuity	2,534.67	2,016.87
Leave Encashment	1,508.23	1,208.07
Total provision	4,042.90	3,224.94

15 **Other non-financial liabilities**

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
Withholding taxes and other taxes payable	1,242.70	753.72
Others	-	60.00
Unearned income	-	2,682.50
Total other non-financial liabilities	1,242.70	3,496.22

16 **EQUITY SHARE CAPITAL**

16.01 **Authorised issued and subscribed capital**

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
Authorized		
Equity Shares of ₹10/- each	2,70,000.00	2,70,000.00
Issued, subscribed and paid-up		
Equity Shares of ₹10/- each fully paid up	75,000.00	75,000.00
	75,000.00	75,000.00

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16.02 Reconciliation of numbers of equity shares outstanding

In Number

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance at the beginning of the year	75,00,000.00	75,00,000.00
Issued during the year	-	-
Buyback/forfeiture during the year	-	-
Closing balance as at the year end	75,00,000.00	75,00,000.00

The Company has only one class of shares referred to as equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

16.03 Shares held by shareholders holding more than 5% shares

In Number

Particulars	As at March 31, 2022	As at March 31, 2021
Name of Shareholder	No. of Shares held	No. of Shares held
SMC Global Securities Limited	75,00,000	75,00,000
% of Holdings	100%	100%

*Including beneficial interest transferred by nominee shareholders to SMC Global Securities Limited

16.04 Shareholding of Promoters

(In numbers)

Shares held by promoters as at March 31, 2022

Promoter Name	No. of Shares	% of total shares	% Change during the year
Mahesh C. Gupta	1	0.00%	0.00%
S. C. Aggarwal	1	0.00%	0.00%
Himanshu Gupta	1	0.00%	0.00%
SMC Global Securities Limited	74,99,994	100.00%	0.00%
Sushma Gupta	1	0.00%	0.00%
Hemlata Aggarwal	1	0.00%	0.00%
Shweta Aggarwal	1	0.00%	0.00%

*Including beneficial interest transferred by nominee shareholders to SMC Global Securities Limited

Shares held by promoters as at March 31, 2021

Promoter Name	No. of Shares	% of total shares	% Change during the year
Mahesh C. Gupta	1	0.00%	0.00%
S. C. Aggarwal	1	0.00%	0.00%
Himanshu Gupta	1	0.00%	0.00%
SMC Global Securities Limited	74,99,994	100.00%	0.00%
Sushma Gupta	1	0.00%	0.00%
Hemlata Aggarwal	1	0.00%	0.00%
Shweta Aggarwal	1	0.00%	0.00%

*Including beneficial interest transferred by nominee shareholders to SMC Global Securities Limited

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17 Fee and commission Income

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
Income from:		
Distribution of financial product	27,725.52	14,080.27
Total fee and commission income	**27,725.52**	**14,080.27**

18 Interest income

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
On financial assets measured at amortised cost		
Interest on deposits with banks	-	26.15
Total	**-**	**26.15**

19 Other income

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
Interest income	2,133.01	5,246.49
Interest on Income Tax Refund	350.43	512.54
Liability no longer required written back	61.73	96.92
Miscellaneous income	323.25	541.65
Total other income	**2,868.42**	**6,397.60**

20 Share in profit in firm/LLP

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
Share in profit on the partnership firm	3,139.72	7,332.36
Interest on Capital With LLP	802.19	-
Total Share in profit in firm/LLP	**3,941.91**	**7,332.36**

21 Fee and commission expenses

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
Client introduction charges	3,519.90	2,245.29
Total Fee and commission expenses	**3,519.90**	**2,245.29**

22 Employee benefits expenses

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
Salaries and incentives	35,872.41	28,079.86
Staff welfare	255.74	236.40
Contribution to provident and other funds	1,473.52	1,110.41
Gratuity	1,014.71	1,014.82
Total employee benefits expenses	**38,616.38**	**30,441.49**

23 Finance costs

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
On financial liabilities measured at amortised cost		
Interest-others	5,108.63	6,520.24
Finance charges on lease	618.74	744.39
Total finance cost	**5,727.37**	**7,264.63**

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24 Depreciation and amortisation

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
Depreciation on tangible assets	195.57	552.07
Amortisation of intangible assets	11.64	20.10
Depreciation on lease assets	932.91	1,807.74
Total depreciation and amortization	**1,140.12**	**2,379.91**

25 Impairment on financial assets

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
On financial assets measured at amtortised cost		
Trade receivable	(81.73)	75.00
Total Impairment on financial assets	**(81.73)**	**75.00**

26 Other expenses

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
Advertisement	3.50	30.08
Business promotion	64.02	-
Computer repair & maintenance	22.44	47.64
Conveyance & traveling expenses	691.54	532.60
Insurance	20.76	29.01
Legal & professional charges	607.47	847.66
Bank charges	5.53	2.78
Net loss on derecognition of property, plant and equipment	33.49	-
Office repair & maintenance	1,084.89	871.53
Printing and stationery	168.22	148.97
Rent	248.17	211.20
Electricity and water expenses	228.11	266.73
Communication expenses	729.38	670.31
Rates & taxes	50.27	40.66
CSR expenses	134.72	591.65
Miscellaneous expenses	122.36	138.71
Auditor's fees and expenses		
as statutory auditor	100.00	100.00
as tax auditor	50.00	50.00
Total other expenses	**4,364.87**	**4,579.53**

27 Earnings per Shares
Numerator and denominator used in computation of basic and

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31,2021
Weighted average number of share outstanding during the year	75,00,000	75,00,000
Profit attributable to equity share holders.(₹)	6,020.24	(17,573.70)
EPS Basic and Diluted (₹)	0.80	(2.34)
Face value (₹)	10	10

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28 Income Taxes

28.01 Income tax expense in the statement of profit and loss comprises:

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax expense		
For the year	-	-
Change in estimates relating to prior years	-	
	-	-
Deferred tax charge/(benefit)		
Minimum alternate tax	-	
	-	-
Total income tax expense	-	-

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

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/Loss before income taxes	6,020.24	(17,514.88)
Enacted tax rates in India	26.00%	26.00%
Computed expected tax expense	1,565.26	-
Non deductible permanent difference	-	-
Deductible permanent difference	-	-
Carry Forward of loss adjusted	(1,565.26)	-
Interest on income tax	-	-
Change in estimates relating to prior years	-	-
Effect of change in tax rate due to different class of income	-	-
Change in Statutory tax rate	-	-
Income tax expense	-	-

The applicable Indian statutory tax rates for fiscal 2022 and fiscal 2021 is 26% .

28.03 Details of current tax assets and current tax liabilities

₹ in Thousands

Particulars		As at March 31, 2022	As at March 31, 2021
Current tax assets pertaining to current year		2,153.64	728.21
Curent tax liabilities pertaining to current year		-	-
Net Current tax assets/ (liability) pertaining to current year	(A)	2,153.64	728.21
Current tax assets pertaining to previous years	(B)	1,392.01	3,337.41
Current tax Liability assets pertaining to previous years		-	-
Net current tax assets/ (liability) pertaining to current year		1,392.01	3,337.41
Total Current tax assets / (liability)	**(A+B)**	**3,545.65**	**4,065.62**

29 (a) Gratuity

29.01 Breakup of amount recognised in statement of profit and loss

₹ in Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Defined Benefit Obligation	139.16	128.93
Current Service Cost	875.55	885.89
Total expense recognized in the statement of profit and loss	**1,014.71**	**1,014.82**

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

₹ In Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurements of the net defined benefit liability/ (asset)		
Opening amount recognised in OCI outside profit and loss account	3,439.50	2,918.40
Actuarial (gains) / losses	496.91	521.10
	3,936.41	**3,439.50**

29.03 Breakup of the amount recognised in balance sheet

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
Present Value of the Obligation as at the end of the year	2,534.67	2,016.87
Net Liability recognised in Balance Sheet	2,534.67	2,016.87

29.04 Reconciliation of defined benefit obligation and plan asset

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
Change in benefit obligations		
Present Value of the Obligation as at the beginning of the year	2,016.87	1,977.63
Current Service Cost	875.54	885.88
Interest Cost	139.16	128.93
Actuarial (gain)/loss on obligations	(496.90)	(521.09)
acquisitions (credit)/cost	-	(291.29)
Benefits Paid	-	(163.19)
Benefit obligations at the end	**2,534.67**	**2,016.87**

29.05 Sensitivity of significant assumptions used for DBO valuation

₹ In Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Effect on DBO due to 0.5% increase in discount rate	(132.83)	(107.55)
Effect on DBO due to 0.5% decrease in discount rate	149.07	120.96
Effect on DBO due to 0.5% increase in salary escalation rate	126.15	119.71
Effect on DBO due to 0.5% decrease in salary escalation rate	(114.59)	(107.49)

29.06 Maturity profile of defined benefit obligation

₹ In Thousands

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
With in one year	1,029.38	37.32
One to five year	327.96	1,299.90
More than five year	1,323.52	1,247.31

29.07 Assumptions to determine the defined benefit obligations

Particulars	As at March 31, 2022	As at 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.

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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 a salary in Indian rupees.

(b) Compensated absences

29.08 Breakup of the amount recognised in balance sheet

₹ In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
Present Value of the Obligation as at the end of the year	1,508.23	1,208.07
Fair Value of Plan Assets as at the end of the year	-	-
Net Liability recognised in Balance Sheet	1,508.23	1,208.07

29.09 Number of compensated leave absences outstanding

Particulars	As at March 31, 2022	As at March 31, 2021
Total leave balance (days)	706.76	528.43
	706.76	528.43

29.10 Assumption used in valuation

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.20%	6.90%
Salary Escalation Rate (p.a.)	8.25%	7.50%

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.

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30 Financial Instruments: Disclosures

30.01 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

₹ in Thousand

Particulars	Amortised cost / Transaction price	Financial assets/ liabilities carried at fair value through profit and loss	Total carrying value	Total fair value
		Mandatorily required		
Assets:				
Cash and cash equivalents	4,505.98	-	4,505.98	4,505.98
Trade receivables	13,309.20	-	13,309.20	13,309.20
Other financial assets	618.55	-	618.55	618.55
Total	**18,433.73**	-	**18,433.73**	**18,433.73**
Liabilities:				
Trade payables	660.06	-	660.06	660.06
Borrowings	32,856.83	-	32,856.83	32,856.83
Other financial liabilities	1,269.20		1,269.20	1,269.20
Total	**34,786.09**	-	**34,786.09**	**34,786.09**

* Investments in Firm/LLP are at cost amounting to ₹ 6780.35 thousand 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 / Transaction price	Financial assets/ liabilities carried at fair value through profit and loss	Total carrying value	Total fair value
		Mandatorily required		
Assets:				
Cash and cash equivalents	2,335.82	-	2,335.82	2,335.82
Trade receivables	8,405.58	-	8,405.58	8,405.58
Other financial assets	618.55	-	618.55	618.55
Total	**11,359.95**	-	**11,359.95**	**11,359.95**
Liabilities:				
Trade payables	1,538.58	-	1,538.58	1,538.58
Borrowings	78,471.65		78,471.65	78,471.65
Other financial liabilities	1,373.19	-	1,373.19	1,373.19
Total	**81,383.42**	-	**81,383.42**	**81,383.42**

* Investments in Firm/LLP are at cost amounting to ₹ 9714.83 thousand which do not fall within the scope of financial instruments

30.02 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 mainly following risks arising from financial instruments:

• Credit risk;
• Liquidity risk and
• Market risk

30.03 Financial Risk management framework

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's risk management policies and procedures are established to identify and analysis 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:

30.04 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 , loan and advances.

The Company is exposed to the risk that third parties that owe money or securities will not perform their obligations. These third 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. 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.

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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	As at March 31, 2021
Trade receivables	13,309.20	8,405.58
Loans	1,00,000.00	1,44,806.64
Investments	6,780.35	9,714.83
Other financial assets	618.55	618.55
Total	**1,20,708.10**	**1,63,545.60**

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

Particular	Trade March 31,2022	Trade March 31,2021
Opening balance as at the beginning of the year	451.77	386.11
Addition/Reversal during the year	(81.73)	75.00
Written off	-	9.34
Closing balance at the end of the year	**370.04**	**451.77**

30.05 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.

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.

Maturity analysis for financial assets and financial liabilities

March 31, 2022

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	4,505.98	4,505.98	-	-	-	-	-
Trade receivables	13,309.20	8,220.58	-	5,088.62	-	-	-
Loans	1,00,000.00	-	-	-	-	1,00,000.00	-
Other financial assets	618.55	-	-	618.55	-	-	-
Total	**1,18,433.73**	**12,726.56**	-	**5,707.17**	-	**1,00,000.00**	-
Liabilities:							
Trade payables	660.06	660.06	-	-	-	-	-
Borrowings	32,856.83				-	32,856.83	
Other financial liabilities	1,269.20	1,269.20	-	-	-	-	-
Total	**34,786.09**	**1,929.26**	-	-	-	**32,856.83**	-

March 31, 2021

Particulars	Carrying amount	1-90 days	91-180 days	181-365 days	1-2 years	2-5 years	More than 5 years
Assets:							
Cash and cash equivalents	2,335.82	2,335.82	-	-	-	-	-
Trade receivables	8,405.58	2,246.98	-	6,158.60	-	-	-
Loans	1,44,806.64	-	-	-	-	1,44,806.64	-
Other financial assets	618.55	618.55	-	-	-	-	-
Total	**1,56,166.59**	**5,201.35**	-	**6,158.60**	-	**1,44,806.64**	-
Liabilities:							
Trade payables	1,538.58	1,538.58	-	-	-	-	-
Borrowings	78,471.65				-	78,471.65	
Other financial liabilities	1,373.19	1,373.19	-	-	-	-	-
Total	**81,383.42**	**2,911.77**	-	-	-	**78,471.65**	-

30.06 Market risk
The company is not exposed to any price risk as the company is not direct participatory in any stock market transaction. As far as Interest rate risk is concern the company does not have any borrowing and loans (Except inter company loans within group), so the company is not exposed to any interest rate risk. On the currency rate risk front the company does not deal in any other currency apart from the Indian Rupee.

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31 Related Party Disclosures
(a) Name of the related parties
31.01 Enterprises under common control of the group and Associates

a	SMC Global Securities Limited	Holding Company
b	SMC Comtrade Limited	Fellow Subsidiary
c	SMC Capitals Limited	Fellow Subsidiary
d	Moneywise Financial Services Private Limited	Fellow Subsidiary
e	Moneywise Finvest Ltd	Fellow Subsidiary
f	SMC Real Estate Advisors Pvt. Ltd.	Fellow Subsidiary
g	SMC Insurance Brokers Pvt. Limited	Fellow Subsidiary
h	SMC Global USA Inc.	Foreign Fellow Subsidiary
i	SMC Global IFSC Pvt Ltd	Fellow Subsidiary
j	SMC and IM Capitals Investment Manager LLP	Partnership Firm
k	SMC Comex International DMCC	Foreign Fellow Subsidiary
l	Qnance Research Capital LLP *	Partnership Firm

Note : Related party relationship is as identified by the company and relied upon by the auditors.
* from 01/07/2021 to 30/03/2022

31.02 Key Managerial Personnel:-.

Dr. D. K. Aggarwal	Chairman & Managing Director
Ms. Anshika Aggarwal	Director
Ms. Reema Garg	Director

31.03 Disclosure of Transactions between the Company & Related Parties:-

₹ in Thousands

Transactions with Key Management Personnel	March 31, 2022	March 31, 2021
Remuneration		
Salaries,Wages & other benefit	6,562.38	8,303.62
Contribution to defined benefit plan	359.10	440.70
Income from providing Wealth Management Services		
Total	**6,921.48**	**8,744.32**

Significant Transactions with Related parties

₹ in Thousands

Related Party Transaction Summary	March 31, 2022	March 31, 2021
Income from other financial services		
Moneywise Financial Services Pvt. Ltd	200.00	762.71
SMC Global Securities Limited	2,250.00	
Interest from LLP		
Qnance Research Capital LLP	802.19	-
Amount Paid to LLP		
Qnance Research Capital LLP	10,000.00	-
Amount Receipt From LLP		
Qnance Research Capital Llp	10,000.00	
SMC and IM Capitals Investment Manager LLP	2,000.00	-
Purchase of Unlisted Securities		
SMC Real Estate Advisors Pvt. Ltd.	239.68	-
Sale of Unlisted Securities		
SMC Real Estate Advisors Pvt. Ltd.	212.86	-
Reimbursement of Expenses Received		
SMC Real Estate Advisors Pvt. Ltd.	64.60	0.59
Loan Paid		
SMC Global Securities Limited	45,717.00	3,212.18
Loan Taken		
SMC Global Securities Limited	102.18	18,282.89
Interest paid on Borrowing		
SMC Global Securities Limited	5,108.63	6,520.23
Reimbursement of Expenses paid		
SMC Global Securities Limited	9.15	513.40
SMC Real Estate Advisors Pvt. Ltd.	24.00	24.00

₹ in Thousands

Balances at the Year end	March 31, 2022	March 31, 2021
SMC Global Securities Limited		
Borrowing	32,856.83	78,471.65
Other Payables	-	291.87
SMC and IM Capitals Investment Manager LLP		
Investments in Fixed Capital	15,000.00	15,000.00
In Current Capital account	8,219.65	6,123.47
SMC Real Estate Private Limited		
Other Receivable	-	0.59

32 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) (xi) of Division III of Schedule III amendment, and disclosure of relationship with Struck off companies, is not applicable to the Company as there is no transaction and balance outstanding with any such company in financial year 2021-22 & 2020-21.

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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 not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

33 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 Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
Amount required to be spent by the company during the year	134.72	591.65
Amount of expenditure incurred	134.72	1,322.05
Shortfall / (excess) at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Promoting education	and COVID-19 relief
Details of related party transactions, e.g.,contribution to a trust controlled by KMPs in relation to CSR expenditure as per relevant Accounting Standard SMC Global Foundation controlled by the Holding Company	134.72	222.04
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 ₹ 730.4 thousand

34 Operating Segments

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, the company does not have any reportable segment for its business, and the segments are reported on the consolidated basis hence no disclosure is provided.

35 Disclosure under The Micro, Small and Medium Enterprises

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

Particulars	As at March 31, 2022	As at April 1, 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	-	-

In terms of our report of even date attached
For Rajendra Chauhan & Co.
Chartered Accountants
Firm Registration No.: 013214N

Rajendra Chauhan
Partner
Membership No.: 089108
UDIN:-22089108AINWLA5632
Place: New Delhi
Date: 6th May, 2022

For and on behalf of Board of Directors

Dr. Damodar Krishan Aggarwal
Chairman & Managing Director
DIN No: 00003215

Anshika Aggarwal
Director
DIN No: 08248613

RAJENDRA CHAUHAN & CO. FRN : 013214N New Delhi Chartered Accountants

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