

**Independent Auditors' Report****To the Members of SMC Global Securities Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of **SMC Global Securities Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its jointly controlled entity, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Opinion**

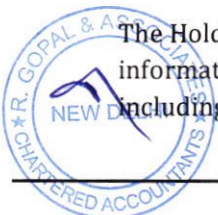
We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Key Audit Matter**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in and in our opinion, there is no any such matter to be reported by us.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's



Information, but does not include the consolidated financial statements and our auditor's report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and Joint venture are also responsible for overseeing the financial reporting process of the Group and Joint venture.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements, which have been audited by other auditors; such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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

### **Other Matters**

Seven subsidiaries whose financial statements reflect the total assets of Rs 26,108.88 lakhs as at 31.03.2024, total revenue of Rs 7,808.60 lakhs, net profit after tax of Rs 600.67 lakhs and total comprehensive income Rs 722.20 lakhs and net cash inflow of Rs 533.66 lakhs for the year ended 31.03.2024 as considered in the consolidated financial statements. The Consolidated financial statements includes the financial result of 1 jointly controlled entity which reflect groups share of net loss of Rs (2.77) lakhs for the year ended 31.03.2024. These Financial Statements have been audited by other auditors have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and Jointly controlled entity , and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries , and jointly controlled entity , are based solely on the reports of the other auditors.

The consolidated financial result includes the financial result of one subsidiary which has not been reviewed by their auditor, whose financial results reflect total assets of Rs Nil as at 31.03.2024, total revenue of Rs. Nil, total net profit after tax of Rs 183.41 lakhs, total comprehensive income Rs 182.14 lakhs and net cash inflow of Rs Nil for the year ended 31.03.2024. The financial statement has been certified by the management and has been furnished to us and in our opinion insofar as it relates to the amount included in respect of subsidiary are based solely on such financial results as certified by the management.

Attention is drawn to Note No 45 to the financial results regarding restatement of the figures for the year ended March 31,2023 which are in accordance with the requirements of applicable Ind AS. In our opinion, such adjustments are appropriate and have been properly applied.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books read with the matters stated in paragraph 1(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.



- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the holding Company as on March 31, 2024 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1(b) above on reporting under Section 143(3)(b) of the Act and paragraph 1 (i) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the holding company and the operating effectiveness of such controls; refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control with reference to financial statements of those companies, for reasons stated therein.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 37 to the consolidated financial statements.
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31 March, 2024.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries company incorporated in India.



- iv.
- a) The respective Managements of the holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, as disclosed in Note 41 (xv) to the Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - b) The respective Managements of the holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, as disclosed in Note Note 41 (xv) to the Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that 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)
- (a) The final dividend proposed in the previous year, declared and paid by the holding Company and its subsidiaries company during the year is in accordance with Section 123 of the Act, as applicable.
  - (b) The interim dividend declared and paid by the holding Company and its subsidiary company during the year and until the date of this report is in compliance with Section 123 of the Act.
  - (c) The Board of Directors of the holding Company and its subsidiaries company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed are in accordance with section 123 of the Act, as applicable.
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- Based on our examination which included test checks, and as communicated by the respective auditors of two subsidiaries, the holding company and its subsidiaries companies incorporated in India have used accounting software for maintaining its books of account for the financial year ended 31 March 2024, which have a feature of recording audit trail (edit log) facility except for the instances mentioned below
- (a) In case of Holding company and its two subsidiary companies incorporated in India, the feature of recording audit trail (edit log) facility was not enabled at the database level for accounting software relating to payroll.



(b) In case of Holding company the feature of recording audit trail (edit log) facility was not enabled at the database level for accounting software relating to operations.

(c) In case of one of the subsidiary company incorporated in India, the feature of recording audit trail (edit log) facility was not enabled at the database level for accounting software relating to loan book.

Further, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. During the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only w.e.f. 1 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, on preservation of audit trail as per the statutory requirements for record retention is not applicable for financial year ended 31 March 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

  
Vikash Aggarwal  
Partner  
Membership No: 519574  
UDIN: 24519574BKDICU7895  
Date: 13<sup>th</sup> May, 2024  
Place: New Delhi



**Annexure - A to the Independent Auditors' Report  
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the  
Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March 2024, we have audited the internal financial controls with reference to financial statements of SMC Global Securities Limited ("the Holding Company") and its subsidiaries company which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.





### **Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matter**

Our aforesaid reports u/s 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding company, in so far as it relates to six subsidiaries which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

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

  
Vikash Aggarwal  
Partner  
Membership No: 519574  
UDIN: 24519574BKDICU7895  
Date: 13<sup>th</sup> May, 2024  
Place: New Delhi



SMC GLOBAL SECURITIES LIMITED  
Consolidated Balance Sheet

₹ in Lakhs

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023*
<b>Assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	3	12,811.70	3,243.96
Other bank balances	4	2,23,041.49	1,42,746.43
Receivables			
Trade receivables	5	52,287.26	37,382.93
Other receivables	6	884.12	1,657.38
Loans	7	1,37,200.95	1,08,817.08
Investments	8	7,025.64	5,699.66
Other financial assets	9	16,962.48	8,309.96
<b>Non-financial assets</b>			
Inventories	10	648.63	523.23
Current tax assets (net)	34	1,651.29	2,904.88
Deferred tax assets (net)	34	3,217.56	3,037.98
Investment property under development	11	448.29	175.83
Property, plant and equipment	12	8,451.80	8,949.68
Capital work-in-progress	12.1	2,681.17	893.49
Right of use asset	13	4,403.11	3,550.54
Other intangible assets	14	238.22	287.73
Intangible assets under development	14.1	64.60	109.75
Other non-financial assets	15	2,400.27	2,172.56
Asset held for sale	16	240.76	240.76
<b>Total assets</b>		<b>4,74,659.34</b>	<b>3,30,703.83</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Payables			
Trade payables	17		
- to micro and small enterprises		11.67	17.15
- to other than micro and small enterprises		82,929.91	47,381.56
Lease liabilities	13.1	4,602.31	3,615.49
Debt securities	18	3,966.65	6,366.88
Borrowings	19	1,38,113.13	84,397.62
Other financial liabilities	20	1,27,139.80	89,094.98
<b>Non-financial liabilities</b>			
Current tax liabilities (net)	34	755.44	428.06
Provisions	21	3,578.34	2,935.42
Other non-financial liabilities	22	3,767.59	2,952.10
<b>Equity</b>			
Equity share capital	23	2,094.00	2,094.00
Other equity		1,07,478.71	91,179.46
Non-controlling interest		221.79	241.11
<b>Total liabilities and equity</b>		<b>4,74,659.34</b>	<b>3,30,703.83</b>

\* restated, refer note 45

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

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In terms of our report of even date attached

For R. Gopal & Associates

Chartered Accountants

Firm Registration No. : 000846C

Vikash Aggarwal

Partner

Membership No. : 519574



Place: New Delhi

Date: May 13, 2024

For and on behalf of the Board

S.C. Aggarwal  
Chairman &  
Managing Director  
DIN: 00003267

Vinod Kumar Jamar  
President & Group CFO

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



Ajay Garg  
Director & CEO  
DIN: 00003166

Suman Kumar  
Company Secretary

## SMC GLOBAL SECURITIES LIMITED

## Consolidated Statement of Profit and Loss

₹ in Lakhs

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023*
<b>Revenue from operations</b>			
Fee and commission income	24	1,05,669.07	77,533.72
Interest income	25	35,314.14	25,103.94
Rental income		117.85	11.41
Dividend income		64.39	108.01
Net gain on proprietary trading		17,004.41	16,506.32
Net gain on fair value changes	26	5,081.62	1,893.93
Net gain on derecognition of financial instruments under amortized cost		598.21	-
<b>Total revenue from operations</b>		<b>1,63,849.69</b>	<b>1,21,157.33</b>
Other income	27	654.49	408.13
<b>Total income</b>		<b>1,64,504.18</b>	<b>1,21,565.46</b>
<b>Expenses</b>			
Fees and commission expenses	28	78,648.64	58,445.56
Employee benefits expenses	29	29,947.22	25,051.71
Finance cost	30	15,456.22	8,932.73
Depreciation and amortisation	31	3,210.18	2,269.41
Impairment on financial instruments	32	1,603.81	640.01
Other expenses	33	11,185.96	10,030.52
<b>Total expenses</b>		<b>1,40,052.03</b>	<b>1,05,369.94</b>
<b>Profit before share of profit/(loss) of joint venture and tax</b>		<b>24,452.15</b>	<b>16,195.52</b>
Share in profit/(loss) in joint venture		(2.77)	0.14
<b>Profit before tax</b>		<b>24,449.38</b>	<b>16,195.66</b>
<b>Tax expense:</b>			
Current tax	34	5,624.54	5,036.12
Income tax earlier year	34	189.07	147.08
Deferred tax	34	(191.88)	(1,027.16)
<b>Total tax expense</b>		<b>5,621.73</b>	<b>4,156.04</b>
<b>Profit after tax</b>		<b>18,827.65</b>	<b>12,039.62</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of the net defined benefit liability / asset		(33.73)	62.60
Tax effect of items that will not be reclassified subsequently to profit and loss		13.44	(8.26)
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange difference on translation of foreign operations		102.37	448.54
<b>Total other comprehensive income (net of tax)</b>		<b>82.08</b>	<b>502.88</b>
<b>Total comprehensive income for the year (comprising profit and other comprehensive income for the year)</b>		<b>18,909.73</b>	<b>12,542.50</b>
<b>Profit attributable to:</b>			
Owners of the equity		18,727.65	12,005.47
Non controlling interest		100.00	34.15
<b>Total comprehensive income attributable to:</b>			
Owners of the equity		18,812.05	12,509.75
Non controlling interest		97.68	32.75
<b>Earnings per equity share (Face value ₹ 2)</b>			
Basic & Diluted (in ₹)	35	17.89	11.25

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

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\* restated, refer note 45

In terms of our report of even date attached

For R. Gopal &amp; Associates

Chartered Accountants

Firm Registration No. : 000846C

  
 Vikash Aggarwal  
 Partner

Membership No. : 519574

Place: New Delhi  
Date: May 13, 2024


For and on behalf of the Board

  
 S.C. Aggarwal  
 Chairman &  
 Managing Director  
 DIN: 00003267

  
 Vinod Kumar Jamar  
 President & Group CFO

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

  
 Ajay Garg  
 Director & CEO  
 DIN: 00003166

  
 Suman Kumar  
 Company Secretary

SMC GLOBAL SECURITIES LIMITED  
Consolidated statement of changes in equity

A. Equity share capital (Refer note 23)

Particulars	₹ in Lakhs				
	Balance as at April 1, 2022	Changes in equity share capital due to prior period errors	Restated balance as on April 1, 2022	Changes in equity share capital during the period	Balance as at March 31, 2023
Equity share capital	2,262.69	-	-	(168.69)	2,094.00

Particulars	₹ in Lakhs				
	Balance as at April 1, 2023	Changes in equity share capital due to prior period errors	Restated balance as on April 1, 2023	Changes in equity share capital during the period	Balance as at March 31, 2024
Equity share capital	2,094.00	-	-	-	2,094.00

B. Other equity

Particulars	Reserves & surplus									Total	Non Controlling Interest
	Securities premium reserve	Retained earnings	General reserve	Capital Redemption Reserve	Capital reserve	Debenture redemption reserve	Reserve fund u/s 45-IC of RBI act 1934	Remeasurement of the net defined benefit liability / asset	Exchange differences on translation of foreign operations		
Balance as at April 1, 2022	34,448.91	38,301.86	10,414.09	-	1,035.71	2,500.00	3,080.66	356.67	209.79	90,347.69	164.29
Changes in equity for the year ended March 31, 2022	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	12,005.47	-	-	-	-	-	-	-	12,005.47	34.15
Other comprehensive income for the year	-	-	-	-	-	-	-	55.74	448.54	504.28	(1.40)
Total comprehensive income for the year	-	12,005.47	-	-	-	-	-	55.74	448.54	12,509.75	32.75
Transactions with owners in their capacity as owners :											
Adjustment for changes in ownership interest without loss of control (refer note no. 1.05)	-	(14.07)	-	-	-	-	-	-	-	(14.07)	127.77
Adjustment for Capital Reduction in Subsidiary	-	-	-	-	-	-	-	-	-	-	(63.70)
On Buyback of Shares	(9,073.37)	-	-	-	-	-	-	-	-	(9,073.37)	-
Transfer to CRR on buyback of shares	(168.69)	-	-	168.69	-	-	-	-	-	-	-
Refund of Excess Dividend Distribution Tax paid	-	6.16	-	-	-	-	-	-	-	6.16	-
Transfer to Reserve fund	-	(722.88)	-	-	-	722.88	-	-	-	-	-
Transfer to General reserve	-	-	2,500.00	-	-	(2,500.00)	-	-	-	-	-
Payment of dividend	-	(2,596.70)	-	-	-	-	-	-	-	(2,596.70)	(20.00)
Balance as at March 31, 2023	25,206.85	46,979.84	12,914.09	168.69	1,035.71	-	3,803.54	412.41	658.33	91,179.46	241.11
Balance as at April 1, 2023	25,206.85	46,979.84	12,914.09	168.69	1,035.71	-	3,803.54	412.41	658.33	91,179.46	241.11
Changes in equity for the year ended March 31, 2024											
Profit for the year	-	18,727.65	-	-	-	-	-	-	-	18,727.65	100.00
Other comprehensive income for the year	-	-	-	-	-	-	-	(17.97)	102.37	84.40	(2.32)
Total comprehensive income for the year	-	18,727.65	-	-	-	-	-	(17.97)	102.37	18,812.05	97.68
Transactions with owners in their capacity as owners :											
Payment of dividend	-	(2,512.80)	-	-	-	-	-	-	-	(2,512.80)	(117.00)
Transfer to Reserve fund	-	(1,119.53)	-	-	-	1,119.53	-	-	-	-	-
Balance as at March 31, 2024	25,206.85	62,075.16	12,914.09	168.69	1,035.71	-	4,923.07	394.44	760.70	1,07,478.71	221.79

Nature and purpose of reserves :

(A) Securities premium reserve

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

(B) Retained earnings

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

(C) General reserve

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

(D) Capital redemption reserve

The Companies Act, 2013 requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Companies Act, 2013

(E) Capital reserve

A capital reserve is created out of capital profits and cannot be used for the distribution of profits and dividend.

(F) Reserve fund u/s 45-IC of RBI act 1934

As required by section 45-IC of the RBI Act 1934, the company listed at 'c' in note no. 1.05 is required to maintain a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. The company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date, RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1934.

In terms of our report of even date attached

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

  
Vikash Aggarwal  
Partner  
Membership No. : 519574




For and on behalf of the Board

  
S.C. Aggarwal  
Chairman &  
Managing Director  
DIN: 00003267

  
Vinod Kumar Jamar  
President & Group CFO

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

  
Ajay Sang  
Director & CEO  
DIN: 00003166

  
Suman Kumar  
Company Secretary



Place: New Delhi  
Date: May 13, 2024