



SMIFS CAPITAL MARKETS LTD.



Annual Report 2014 - 2015

SMIFS CAPITAL MARKETS LIMITED

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SMIFS CAPITAL MARKETS LIMITED

(CIN: L74300WB1983PLC036342)

Board of Directors

Mr. Utsav Parekh	–	Chairman
Mr. Ramesh Maheshwari	–	Director
Mr. Ajay Kumar Kayan	–	Director
Mr. Santosh Kumar Mukherjee	–	Director
Mrs. Ramya Hariharan	–	Director
Mr. Kishor Shah	–	Managing Director

Company Secretary

Ms. Poonam Bhatia

Auditors

M/s. J. S. Vanzara & Associates
Chartered Accountants

Bankers

HDFC Bank Ltd
State Bank of India
Axis Bank
The Federal Bank Ltd.

Registrar & Transfer Agents

M/s Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor,
Kolkata – 700 001
Phone No. : (033) 2243-5029 / 5809, 2248-2248
Fax No. : (033) 2248-4787
Email : mdpldc@yahoo.com



SMIFS CAPITAL MARKETS LIMITED

CIN : L74300WB1983PLC036342

Regd Office : 'Vaibhav' ,4F, 4, Lee Road, Kolkata – 700 020

Tel No. : 033-2290-7400 / 7401 / 7402 / 0544, Fax No. : 033-2287-4042, 2240-6884

E-mail : smifscap@vsnl.com, cs.smifs@gmail.com, Website : www.smifscap.com

NOTICE

NOTICE is hereby given that the Thirty Second Annual General Meeting of the members of **SMIFS CAPITAL MARKETS LIMITED** will be held on September 26, 2015 at Prangoli Banquet Hall, 'Vaibhav', 4, Lee Road, Ground Floor, Kolkata - 700 020 at 10.00 a.m. for transacting the following :

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2015, the Statement of Profit & Loss and the Cash Flow Statements for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.
2. To declare dividend for the year ended March 31, 2015.
3. To appoint Director in place of Mr. Utsav Parekh, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from conclusion of the Thirty Second Annual General Meeting until the conclusion of the Thirty Third Annual General Meeting and to authorize the Board to fix their remuneration.

Special Business :

To consider and if, thought fit, to pass the following resolution as Special Resolution.

5. REAPPOINTMENT OF MR. KISHOR SHAH, AS MANAGING DIRECTOR OF THE COMPANY:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the reappointment of Mr. Kishor Shah (holding DIN 00170502) as Managing Director of the Company for a period of 3 (Three) years from April 1, 2015 to March 31, 2018 upon the terms and conditions including the remuneration to be paid in the event of loss or inadequacy of profits in any Financial Year as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Kishor Shah, Managing Director.

RESOLVED FURTHER THAT the Board of Directors be authorized to take such steps as may be necessary, proper or expedient to give effect to the resolution."

Regd. Office :

'Vaibhav' (4F), 4 Lee Road,
Kolkata - 700 020

By Order of the Board of Directors

(POONAM BHATIA)

Company Secretary-cum-Senior Manager Legal

The 27th day of May, 2015

NOTES :

- 1) **A Member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a Member of the Company. Proxies, in order to be effective, must be received by the Company at its registered office at 'Vaibhav' (4F), 4, Lee Road, Kolkata - 700 020 not less than 48 (forty-eight) hours before the commencement of this Annual General Meeting.**
- 2) The explanatory statement pursuant to Section 102 of the Companies Act, 2013 (corresponding to Section 173(2) of the Companies Act, 1956) relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
- 3) Additional information pursuant to Clause 49 of the Listing Agreement with Stock Exchanges on appointment of Directors at the Annual General Meeting is appearing in the Report and Accounts.
- 4) Pursuant to the Circular of Ministry of Corporate Affairs No. 17/2011 dated 21-4-2011, members are requested to provide their email ids to the Company at its Registered Office at 'Vaibhav' (4F), 4, Lee Road, Kolkata - 700 020 (email id : smifscap@vsnl.com, cs.smifs@gmail.com) or to Registrars, M/s. Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata - 700 001 (e-mail id – mdpldc@yahoo.com).
- 5) Members are requested to notify any change in their address / mandate / bank details immediately to the Company at its Registered Office at 'Vaibhav' (4F), 4, Lee Road, Kolkata - 700 020 (email id : smifscap@vsnl.com, cs.smifs@gmail.com) or to the Registrars, M/s. Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata - 700 001 (e-mail id: mdpldc@yahoo.com).
- 6) Members who have multiple accounts in identical names or joint accounts in the same order are requested to consolidate all such shareholdings into one account to facilitate better service.
- 7) Depository System–The Company, consequent to introduction of the Depository System, entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Members, therefore, now have the option of holding and dealing in shares of the Company in electronic form through NSDL or CDSL. With effect from 26-12-2000 trading in shares of the Company on any Stock Exchange is permitted only in dematerialized form.
- 8) Individual shareholders can avail the facility of nomination. The nominee shall be the person in whose name all rights of transfer and / or amount payable in respect of shares shall lie in the event of the death of the shareholder and the joint holder(s), if any. A minor can be a nominee provided the name of the guardian is given in the Nomination Form. Non-individual including Society, Trust, Body Corporate, Partnership Firm, Karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate. For further details in this regard shareholders may contact M/s Maheshwari Datamatics Pvt. Ltd., Registrars and Transfer Agents.
- 9) Members are requested to quote their account / folio number and in case their shares are held in dematerialized form, they must quote their Client ID Number and DP ID Number.
- 10) The Register of Members and Share Transfer Books of the Company shall remain closed from September 19, 2015 (Saturday) to September 26, 2015 (Saturday) (both days inclusive).
- 11) Members / Proxies should bring attendance slip sent herewith duly filled in, for attending the meeting.
- 12) As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies to the Meeting.

- 13) Unclaimed Dividend: It is observed that some Members have still not encashed their Dividend Warrants in respect of earlier years i.e. for the years ended 2008, 2010, 2011, 2012, 2013 and 2014. Such Members are requested to write to the Company / Registrars and obtain payment thereof.
- 14) Investor Grievance Redressal: Company has an exclusive e-mail id, viz. smifscap@vsnl.com, cs.smifs@gmail.com for investor to register their grievance.
- 15) Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN detail to the Company/Registrars and Transfer Agents.
- 16) Voting through electronic means- In compliance with provision of Section 108 of the Companies Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e - voting service. The facility of casting the votes by the member using an electronic voting system from a place other than venue of the AGM ("remote e- voting") will be provided by Central Depository Services (India) Limited (CDSL).
- 17) Members who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

The instructions for e-voting for shareholders voting electronically are as under :

- (i) The voting period begins on at September 22, 2015 (10:00 a.m.) and ends on September 25, 2015 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) i.e. September 19, 2015 (Saturday), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through polling paper shall be made available at the AGM and the members as on the "cut-off date" i.e. Record date, attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the Meeting through polling paper.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below :

	For Members holding shares in Demat Form and Physical Form
PAN	<ul style="list-style-type: none"> Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<ul style="list-style-type: none"> Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<ul style="list-style-type: none"> Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN against the Company Name for which you choose to vote i.e. “SMIFS Capital Markets Limited” on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

Other Instructions :

- (A) The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
- (B) The members who have cast their vote by remote e- voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (C) The remote e-voting period commences on September 22, 2015 (10:00 a.m.) and ends on September 25, 2015 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 19, 2015 (Saturday), may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (D) The voting rights of the members shall be in proportion to their shares in the paid-up equity share capital of the Company as on September 19, 2015 (Saturday).
- (E) Mr. Arani Guha, Practicing Company Secretary (Membership No. A26011, CP No. 9573) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is araniguha@gmail.com.
- (F) The Chairman shall, at the AGM at the end of discussion on the resolution on which voting is to be held, allow voting with assistance of scrutinizer, by use of polling paper for all those



member who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- (G) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (H) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.smifscap.com and the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and The Calcutta Stock Exchange Ltd.
- (I) The Scrutinizer shall within a period not exceeding 3 (Three) working days from the conclusion of the e-voting period unblock the votes in the presence of atleast 2 witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

18) Detail of dividends declared by the Company for last 5 (Five) years :

Financial year related to	Dividend per Share	Date of Payment of the Dividend
2009-2010	₹ 1.50/-	5 th October, 2010
2010-2011	₹ 1.70/-	15 th September, 2011
2011-2012	₹ 1.40/-	12 th September, 2012
2012-2013	₹ 1.40/-	5 th October, 2013
2013-2014	₹ 1.00/-	25 th September, 2014

19) All documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days between 10.00 a.m. to 12.00 p.m. upto the date of the Annual General Meeting.

Regd. Office :

'Vaibhav' (4F), 4 Lee Road,
Kolkata - 700 020

The 27th day of May, 2015

By Order of the Board of Directors

(POONAM BHATIA)

Company Secretary-cum-Senior Manager Legal

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
(CORRESPONDING TO SECTION 173 OF THE COMPANIES ACT, 1956)**

Item No. 5

The 3 (Three) years tenure of Mr. Kishor Shah as Managing Director of the Company ended on March 31, 2015. Nomination and Remuneration Committee in its Meeting held on January 30, 2015 recommended and the Board of Directors in their meeting held on the even date approved, subject to the approval of the members by Special Resolution in the ensuing Annual General Meeting, the appointment of Mr. Kishor Shah as Managing Director for a further period of three years with effect from April 1, 2015 at a remuneration and on such terms and conditions as specified in the agreement entered into between the Company and Mr. Kishor Shah, Managing Director and subject to such limits as mentioned in Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V, Part II, Section II (A) to the Companies Act, 2013.

Information required to be furnished under Schedule V, Part II Section II (A) to the Companies Act, 2013 is given as under :

(i)	Effective Capital as on 31.03.2015	₹ 828,675,066	
I.	General Information :		
1)	Nature of Industry	Financial Services	
2)	Expected date of commencement of commercial production.	The Company is in operation and is engaged in financial services.	
3)	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.	
4)	Financial performance based on given indicators.	(a)	Profit/ (loss) Before Tax
			₹
		31.03.15	10,038,981
		31.03.14	4,629,094
		31.03.13	13,666,455
		(b)	Provision for Taxation (Including Deferred Tax)
			₹
		31.03.15	488,587
		31.03.14	2,538,028
		31.03.13	3,477,464
		(c)	Profit/(Loss) after Tax
			₹
		31.03.15	9,550,394
		31.03.14	2,091,066
31.03.13	10,188,991		
5)	Foreign investments or collaborations, if any.	NIL	
II.	Information about the appointee :		
1)	Back ground details	(a)	Age : 58 Yrs
		(b)	Qualification : B.Com (Hons), ACA, ACS
		(c)	Profession : Service
		(d)	Experience : Over 35 years of experience. Director of two Companies and also member of various Committees.