

ANNUAL REPORT
2020–2021



SMIFS CAPITAL MARKETS LTD.

SMIFS CAPITAL MARKETS LIMITED

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SMIFS CAPITAL MARKETS LIMITED

(CIN NO.: L74300WB1983PLC036342)

Board of Directors

Mr. Utsav Parekh	–	Chairman
Mr. Ramesh Maheshwari	–	Independent Director
Mr. Ajay Kumar Kayan	–	Director
Mr. Santosh Kumar Mukherjee	–	Independent Director
Mrs. Pushpa Mishra	–	Independent Director
Mr. Kishor Shah	–	Managing Director

Registered office address

“Vaibhav” (4F), 4, Lee Road, Kolkata-700020

Phone: (033)2290-0544/22907400

Fax no. (033)22871042/6884

Email:smifcap@gmail.com, cs.smifs@gmail.com

Company Secretary

Mrs. Poonam Bhatia

Auditors

S.K. Agarwal and Co Chartered Accountants LLP
Chartered Accountants

Bankers

HDFC Bank Ltd
State Bank of India
ICICI Bank

Registrar & Transfer Agents

M/s. Maheshwari Datamatics Private Ltd
23, R.N. Mukherjee Road, 5th Floor
Kolkata – 700 001
Phone: (033)2243-5029/2248-2248
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: cs.smifs@gmail.com Website: www.smifscap.com

NOTICE

NOTICE is hereby given that the Thirty Eighth Annual General Meeting of the members of **SMIFS CAPITAL MARKETS LIMITED** will be held on Saturday, 25th September, 2021, at 11 am through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2021, the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint Director in place of Mr. Utsav Parekh (DIN No.00027642), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

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

"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, 2021 to March 31, 2024 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.”

4. CONSENT OF THE MEMBERS FOR INCREASE IN THE LIMITS APPLICABLE FOR MAKING INVESTMENTS/ EXTENDING LOANS AND GIVING GUARANTEES OR PROVIDING SECURITIES IN CONNECTION WITH LOANS TO PERSONS / BODIES CORPORATE

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

“**RESOLVED THAT** in supersession of the earlier resolutions and pursuant to the provisions of Section 186 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”) to (i) give any loan to any person or other Body Corporate that includes the loan to be given to the Companies under the same management or same group; (ii) give any guarantee or provide any security in connection with a loan to any other Body Corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other Body Corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or Body Corporates along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed in aggregate a sum of Rs. 125 Crores (Rupees One hundred and twenty five Crores only) even if it exceeds the limit of 60% of the Paid-Up Share Capital, Free Reserves And Securities Premium Account of the Company or 100% of Free Reserves And Securities Premium Account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

Regd. Office:

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

The 29th day of June, 2021

By Order of the Board of Directors

Sd/-

(Poonam Bhatia)

Company Secretary-cum-Senior Manager Legal

NOTES:

- 1) In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020, January 13, 2021 (collectively referred to as "MCA Circulars") along with SEBI Circular dated January 15, 2021 had permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- 2) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
- 3) Additional information pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with Stock Exchanges on appointment of Directors at the Annual General Meeting is appearing in the Corporate Governance Report.
- 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 : cs.smifs@gmail.com) or to Registrars, M/s. Maheshwari Datamatics Pvt. Ltd., 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700001 (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 : cs.smifs@gmail.com) or to the Registrars, M/s. Maheshwari Datamatics Pvt. Ltd., 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700001 (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 18th, 2021 to September 25th, 2021(both days inclusive).
- 11) Members of the Company had approved appointment of M/s S K Agarwal and Co Chartered Accountants LLP as Statutory Auditors of the Company at the 35th Annual General Meeting of the Company held on 22nd September, 2018 for a period of 4 years from the conclusion of the Thirty Fifth Annual General Meeting till the conclusion of the Thirty Ninth Annual General Meeting of the Company subject to the ratification by the Members at every Annual General Meeting. In view of the amendments made by Companies (Amendment) Act, 2017 the requirement of ratification of appointment of Statutory Auditors at every Annual General Meeting is no more necessary. As such resolution for seeking ratification of appointment of Statutory Auditor has not been placed before the shareholders at this Annual General Meeting.
- 12) In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2020-21 will also be available on the Company's website at www.smifscap.com, on the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of CDSL i.e. www.evotingindia.com
- 13) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 14) 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 2014, 2015, 2016, 2017, 2018, 2019 and 2020. Such Members are requested to write to the Company / Registrars and obtain payment thereof.

The Members/ claimants whose shares, unclaimed dividend, sale proceeds of fractional shares etc. have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF -5(available on www.iepf.gov.in) along with requisite fee as decided by it from time to time. The Member / claimant can file only one consolidated claim in a financial year as per the IEPF Rules.
- 15) Investor Grievance Redressal: Company has an exclusive e-mail id, viz. cs.smifs@gmail.com for investors to register their grievances if any.
- 16) 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.
- 17) In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended to date and Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given hereinbelow. The remote e-voting period commences at 10.00 A.M. on Tuesday, September 21, 2021 and ends at

5.00 P.M. (IST) on Friday, September 24, 2021. During this period, Members holding shares either in physical or de-materialized form as on the Cut-Off Date i.e., Saturday, September 18, 2021, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

- 18) Members holding shares in physical form are informed that Securities and Exchange Board of India has amended SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 which has come into force wherein except in cases of transmission or transposition of securities requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. Hence, members holding securities in physical form are requested to convert their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company's RTA for assistance in this regard.
- 19) Members who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically.

The instructions for shareholders voting electronically are as under:

CDSL e-Voting System – For Remote e-voting and e-voting during AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.smifscap.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on September 21, 2021, (10.00 a.m.) and ends on September 24, 2021 (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) of September 18, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings alongwith links of the respective e-Voting service provider i.e. CDSL/NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.