



SMART CAPITAL SERVICES LIMITED

ANNUAL REPORT

2015-16

CORPORATE INFORMATION

KEY MANAGERIAL PERSONNEL

Mr. Harish Kumar	Managing Director (MD)
Ms. Meena	Chief Financial Officer (CFO)
Mr. Ishant	Company Secretary and Compliance Officer (CS)

BOARD OF DIRECTORS

Mr. Pawan Kumar Mittal	Additional Director
Ms. Kiran Mittal	Additional Director
Mr. Rohit Mittal	Additional Director
Mr. Prakash Chand Jajoria	Director (Independent)
Ms. Prem Prakash Gandhi	Additional Director (Independent)
Mr. Hitesh Rai Makhija	Additional Director (Independent)

STATUTORY AUDITORS

V.N. Purohit & Co.,
Chartered Accountants
214, New Delhi House, 2nd Floor
27, Barakhamba Road,
New Delhi-110001
Contact Person: Mr. Gaurav Joshi
Ph.: (011) 43596011
E-mail Id: vnpdelhi@vnpaudit.com

SECRETARIAL AUDITOR

Sakshi Jain & Associates
Company Secretary,
F- 17/ 16, Sector- 8,
Rohini, New Delhi- 110085
Ph.: 9953806570
E-mail Id: sakshi.j2636@yahoo.com

INTERNAL AUDITOR

S.K. Goel & Associates
Chartered Accountants
C-1/117, 3rd Floor, Janakpuri, New Delhi-110058
Ph.: (011) 25533400
E-mail Id: info@skgoel.com

BANKERS

Punjab National Bank
HDFC

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
D-153A, First Floor, Okhla Industrial Area,
Phase-I New Delhi-110020
Ph: (011) - 64732681-88
E-mail Id: admin@skylinerta.com

NAME OF THE STOCK EXCHANGE AT WHICH THE COMPANY'S SECURITIES ARE LISTED

The Delhi Stock Exchange of India Limited (DSE) [DSE was derecognized by SEBI w.e.f November 19, 2015]
Metropolitan Stock Exchange of India Limited (MSEI) [formerly known as MCX Stock Exchange Limited]

ANNUAL GENERAL MEETING

Date: 23rd September, 2016
Time: 11:00 A.M.
Day: Friday
Venue: 325, IIIrd Floor, Aggarwal Plaza, Sector-14,
Rohini, New Delhi-110085

REGISTERED OFFICE

325, IIIrd Floor, Aggarwal Plaza, Sector-14,
Rohini, New Delhi-110085
Ph.: (011) 65360036
Website: www.smartcapitalservices.in
E-mail -Id: smartcap.delhi@gmail.com

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Notice of 21st Annual General Meeting

Notice is hereby given that the 21st Annual General Meeting of the members of Smart Capital Services Limited will be held on Friday, September 23, 2016, at 11:00 A.M. at 325, IIIrd Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085 to transact the following business:

ORDINARY BUSINESS:

Item No. 1- ADOPTION OF FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2016 and the Reports of the Board of Directors and the Auditors thereon.

Item No. 2 - TO RATIFY THE APPOINTMENT OF STATUTORY AUDITOR OF THE COMPANY

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

"**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the resolution passed by the members at the AGM held on September 29, 2015, the appointment of M/s V.N. Purohit & Co., Chartered Accountants (FRN: 304040E) as the Statutory Auditors of the Company till the conclusion of 25th AGM, be and are hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2017, as may be determined by the Audit Committee in consultation with Statutory Auditors."

SPECIAL BUSINESS

Item No. 3 - APPOINTMENT OF MR. PAWAN KUMAR MITTAL AS DIRECTOR OF THE COMPANY

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

"**RESOLVED THAT** pursuant to the provisions of Section 152, 161 and all other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Pawan Kumar Mittal (DIN: [00749265](#)), who was appointed by the Board of Directors as an Additional Director with effect from March 01, 2016 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from Mr. Pawan Kumar Mittal under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Director of the Company whose period of office will be liable to determination by retirement of directors by rotation."

Item No. 4 – APPOINTMENT OF MR. ROHIT MITTAL AS DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 152, 161 and all other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rohit Mittal (DIN: [02527072](#)), who was appointed by the Board of Directors as an Additional Director with effect from March 01, 2016 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from Mr. Rohit Mittal under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation.”

Item No. 5 - APPOINTMENT OF MS. KIRAN MITTAL AS DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 152, 161 and all other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Kiran Mittal (DIN: [00749457](#)), who was appointed by the Board of Directors as an Additional Director with effect from March 29, 2016 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from Ms. Kiran Mittal under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation.”

Item No. 6 - APPOINTMENT OF MR. PREM PRAKASH GANDHI AS INDEPENDENT DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Prem Prakash Gandhi (DIN: [07062091](#)), who was appointed by the Board of

Directors as an Additional Director (in the Capacity of Independent Director) with effect from May 28, 2016 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the

Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto May 27, 2021 and shall not be not liable to retire by rotation."

Item No. 7 - APPOINTMENT OF MR. HITESH RAI MAKHIJA AS INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Hitesh Rai Makhija (DIN: [07509495](#)), who was appointed by the Board of Directors as an Additional Director (in the Capacity of Independent Director) with effect from May 28, 2016 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto May 27, 2021 and shall not be not liable to retire by rotation."

Item no 8- ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting, be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Item No 9- ADOPTION OF NEW SET OF MEMORANDUM OF ASSOCIATION

To consider and if though fit, to pass with or without modification the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft clauses contained in the Memorandum of Association submitted to this meeting, be and are hereby approved and adopted in substitution, and to the entire exclusion, of the clauses contained in the existing Memorandum of Association of the Company subject to the condition that there will not be any change in content of main object clause and incidental object clause of Memorandum of Association the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By the order of the Board
For Smart Capital Services Limited**

Sd/-
(Ishant)

**Company Secretary & Compliance officer
M. No. : A46044**

Date: 13/08/2016
Place: New Delhi

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of item no.s 3 to 9 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HEREWITH AND IF INTENDED TO BE USED, IT SHOULD BE DEPOSITED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF ANNUAL GENERAL MEETING.**
3. **A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a certified copy of the relevant Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

5. Pursuant to section 91 of the Companies Act, 2013, the register of members and the share transfer books of the Company will remain closed from Friday, 16th September, 2016 to Friday, 23rd September, 2016 (both days inclusive) for the purpose of Annual General Meeting.

6. The ISIN of the Equity Shares of Rs.10/- each is INE980S01017

7 Sections 101 and 136 of the Companies Act, 2013 read with the rules made thereunder, permit the listed companies to send the notice of Annual General Meeting and the Annual Report, including financial statements, board's report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company or for the other whose e-mail id is not registered same shall couriered to them.

8. Members may also note that the Notice of the AGM and the Annual Report for FY 2015-16 will also be available on the Company's website [http:// www.smartcapitalservices.in/](http://www.smartcapitalservices.in/).

9. The following Statutory Registers are open for inspection of members and others at the registered office of the Company as prescribed in the respective sections of the Companies Act, 2013 as specified below:

- a. Register of contracts with related party and contracts and bodies etc. in which directors are interested under section 189 of the Companies Act, 2013 shall be open for inspection on all working days during business hours.
- b. Register of directors and key managerial personnel and their shareholding under section 170 of the Companies Act, 2013 shall be open for inspection on all working days during business hours.

The aforesaid registers shall be kept open for inspection at the Annual General Meeting by any person attending the meeting.

10. Members are requested to notify change in address, if any, to the Share Transfer Agent and to the Company quoting their Folio Numbers, number of shares held etc.

11. Members are requested to register their e-mail addresses for receiving communications including Annual Reports, Notices, and Circulars etc. by the Company electronically.

12. Members/proxies/ Authorised Representatives are requested to bring to the Meeting necessary details of their Shareholding, attendance slip(s) and copies of their Annual Reports.

13. Members holding shares in demat form are requested to submit their Permanent Account Number (PAN) to their respective Depository Participant and those holding shares in physical form are requested to submit their PAN details to the company in order to comply with the SEBI guidelines.

14. Members are requested to bring along their Attendance Slip in the meeting, as enclosed with the Notice.

15. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.

16. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, the Company is pleased to provide the Members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by CDSL / NSDL. Details and Instructions for e-Voting are enclosed along with the Notice.

17. All documents referred to in accompanying Notice and Explanatory Statement shall be open for inspection and shall be available at the registered office of the Company on all working days during business hours from the date of this Notice up to the date of AGM.

Voting through Electronic Means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the Members, facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The e- Voting facility is available at the link <https://www.evoting.nsdl.com>

The e- Voting facility will be available during the following voting period:

Commencement of e- Voting	19 th September, 2016 at 9:00 A.M.
End of e- Voting	22 nd September, 2016 at 5:00 P.M.

INSTRUCTIONS FOR E-VOTING

1. The Notice of the 21st Annual General Meeting (AGM) of the Company, inter-alia, indicating the process and manner of e-Voting is being sent to all the Members.
2. NSDL shall be sending the User ID and Password to those Members whose shareholding is in the dematerialized format and whose e-Mail addresses are registered with the Company/Depository Participants. For Members who have not registered their e-Mail Address, can use the details as provided in this document.
3. Launch internet browser by typing the following URL:https://www.evoting.nsdl.com
4. Click on Shareholder – Login
5. Put User ID and Password as provided in this document and click Login. If you are already registered with NSDL for e-Voting then you can use your existing User ID and Password for the Login.
6. If you are logging in for the first time, the Password change menu will appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

7. Once the home page of e-voting opens. Click on e-voting: **Active Voting Cycles**.
8. Select “EVEN (Electronic Voting Event Number)” of Smart Capital Services Limited.
9. Once you enter the **Cast Vote page** will open. Now you are ready for e-voting.
10. Cast your Vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
11. Upon confirmation, the message “**Vote cast successfully**” will be displayed.
12. Once you have voted on the resolution, you will not be allowed to modify your vote.
13. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter etc. together with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at amitkumar_cs@hotmail.com with a copy marked to evoting@nsdl.co.in.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that login to e-Voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through “Forget Password” option available on the site to reset the same.

GENERAL INSTRUCTIONS:

1. In case of any queries, you may refer the Frequently Asked Question (FAQs) for Shareholders and e-Voting user manual for Shareholders available to the Downloads section of <https://www.evoting.nsdl.com>
2. You can also update your mobile number and e-mail id in the profile details of the folio which may be used for sending future communication(s).
3. The e-voting period commences on Monday, 19th September, 2016 (09:00 a.m. IST) and ends on Thursday, 22nd September, 2016 (05:00 p.m. IST). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date (record date) of Friday, 16th September, 2016 may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
4. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 16th September, 2016.
5. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Friday, September 16, 2016.
6. A person who is not a member as on the cut-off date should treat this notice for information purpose only.

7. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding either in physical form or in dematerialized form, as on the cut-off date of Friday, 16th September, 2016 and not casting their vote electronically, may only cast their vote at the 21st Annual General Meeting.
8. Mr. Amit Kumar, Practising Company Secretary (Membership No.: ACS F5917; C.P No.: 6184) has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
9. The Scrutinizer shall immediately after the conclusion voting at the AGM, first count the voting cast at the meeting, thereafter unblock the votes cast through remote e-Voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and to submit the same to the Chairman of the AGM not later than three working days from the conclusion of the AGM.
10. The Results shall be declared forthwith after the submission of Consolidated Scrutinizer's Report either by Chairman of the Company or by any person authorized by him in writing and the resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company www.smartcapitalservices.in and on the website of NSDL immediately after the declaration of the results by the Chairman

By the order of the Board
For **Smart Capital Services Limited**

Date: 13/08/2016
Place: New Delhi

Sd/-
Ishant
Company Secretary & Compliance officer
M. No. : A46044

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**ITEM NO. 3****Appointment Mr. Pawan Kumar Mittal As Director of the Company**

Mr. Pawan Kumar Mittal was appointed as an Additional Director by the Board of Directors on 1st March, 2016. In terms of Section 161(1) of the Companies Act, 2013, Mr. Pawan Kumar Mittal hold the office up to the date of the ensuing Annual General Meeting of the Company. The Company has received a notice from Mr. Pawan Kumar Mittal along with requisite fee under section 160 of the Companies Act, 2013, signifying his intention for the proposed appointment as a Director, who shall be liable to retire by rotation.

The Board considers that, the appointment of Mr. Pawan Kumar Mittal as Director of the Company would be of immense benefit to the Company.

Information about the appointees:**Brief Resume of Mr. Pawan Kumar Mittal is as under:**

Name:	Pawan Kumar Mittal
Age:	46 Years
Nature of his expertise in specific functional area	Accounting/Finance
Name of the other Companies in which Directorship held	1. KGPM Corporate Services Private Limited 2. Dolf Leasing Limited. 3. Delta Industrial Resources Limited 4. Aawas Infratech Private Limited 5. R.S. Football Club 6. Gulmohar Investments and Holdings Limited
Name of the other Companies in which Committee Membership held	1. Delta Industrial Resources Limited
Shareholding in the Company	1. KGPM Corporate Services Private Limited-50% 2. Dolf Leasing Limited-36.27% 3. Delta Industrial Resources Limited-14.19% 4. Aawas Infratech Private Limited-67% 5. R.S. Football Club-75%

Except Mr. Pawan Kumar Mittal, being an appointee, Mr. Rohit Mittal & Ms. Kiran Mittal being a relative of the appointee director, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the resolution as set out in Item no. 3.

The Board of directors therefore, recommends the resolution for appointment of Pawan Kumar Mittal as Director of the Company for approval of the members by passing the **Ordinary resolution**.

ITEM NO. 4**Appointment Mr. Rohit Mittal as Director of the Company**

Mr. Rohit Mittal was appointed as an Additional Director by the Board of Directors on 1st March, 2016. In terms of Section 161(1) of the Companies Act, 2013, Mr. Rohit Mittal hold the office up to the date of the ensuing Annual General Meeting of the Company. The Company has received a notice from Mr. Rohit Mittal along with requisite fee under section 160 of the Companies Act, 2013, signifying his intention for the proposed appointment as a Director, who shall be liable to retire by rotation.

The Board considers that, the appointment of Mr. Rohit Mittal of the Company would be of immense benefit to the Company..

Information about the appointees:**Brief Resume of Mr. Rohit Mittal is as under:**

Name:	Rohit Mittal
Age:	27 Years
Nature of his expertise in specific functional area	Business Management
Name of the other Companies in which Directorship held	1. Dolf Leasing Limited. 2. PRM Hospitality Private Limited 3. Delta Industrial Resources Limited 4. KGR Technologies Private Limited 5. Gulmohar Investments and Holdings Limited
Name of the other Companies in which Committee Membership held	1. Dolf Leasing Limited. 2. Delta Industrial Resources Limited
Shareholding in the Company	1. Dolf Leasing Limited-3.12% 2. PRM Hospitality Private Limited-50% 3. KGR Technologies Private Limited-50%

Except Mr. Rohit Mittal, being an appointee, Mr. Pawan Kumar Mittal & Ms. Kiran Mittal being a relative of the appointee director, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the resolution as set out in Item no. 4.

The Board of directors therefore, recommends the resolution for appointment of Rohit Mittal as Director of the Company for approval of the members by passing the **Ordinary resolution.**

ITEM NO. 5**Appointment Ms. Kiran Mittal As Director of the Company**

Ms. Kiran Mittal was appointed as an Additional Director by the Board of Directors on 29th March, 2016. In terms of Section 161(1) of the Companies Act, 2013, Ms. Kiran Mittal hold the office up to the date of the ensuing Annual General Meeting of the Company. The Company has received a notice from Ms. Kiran Mittal along with requisite fee under section 160 of the Companies Act, 2013, signifying her intention for the proposed appointment as a Director, who shall be liable to retire by rotation.

The Board considers that, the appointment of Ms. Kiran Mittal as Director of the Company would be of immense benefit to the Company.

Information about the appointees:

Brief Resume of Ms. Kiran Mittal is as under:

Name:	Kiran Mittal
Age:	45 Years
Nature of his expertise in specific functional area	Cost Accounting
Name of the other Companies in which Directorship held	1. Gulmohar Investments and Holdings Limited 2. Dolf Leasing Limited 3. Delta Industrial Resources Limited 4. Crazypricing Online Services Limited
Name of the other Companies in which Committee Membership held	1. Crazypricing Online Services Limited
Shareholding in the Company	1. Dolf Leasing Limited-57.54% 2. Delta Industrial Resources Limited-7.42% 3. Crazypricing Online Services Limited-9.21%

Except Ms. Kiran Mittal, being an appointee, Mr. Pawan Kumar Mittal & Mr. Rohit Mittal being a relative of the appointee director, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the resolution as set out in Item no. 5.

The Board of directors therefore, recommends the resolution for appointment of Kiran Mittal as Director of the Company for approval of the members by passing the **Ordinary resolution**.

ITEM NO. 6

Appointment Mr. Prem Prakash Gandhi as an Independent Director of the Company

Mr. Prem Prakash Gandhi was appointed as an Additional Director by the Board of Directors on 28th May, 2016. In terms of Section 161(1) of the Companies Act, 2013, Mr. Prem Prakash Gandhi shall hold the office up to the date of the ensuing Annual General Meeting of the Company. The Company has received a notice from a member of the company along with requisite fee under section 160 of the Companies Act, 2013, proposing the candidature of Mr. Prem Prakash Gandhi for the office of Director of the Company.

Mr. Prem Prakash Gandhi has given declaration to the Board of Directors that he meets the criteria of independence as provided under Section 149 of the Act and relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. Prem Prakash Gandhi, fulfill the conditions for their appointment as Independent Director in terms of Section 149 of the Act.

As per the provisions of the Companies Act, 2013, the Independent Directors are not liable to retire by rotation and required to be appointed by shareholders. Therefore, it is proposed to appoint Mr. Prem Prakash Gandhi as Independent Directors of the Company for the term of five consecutive years commencing from original date of appointment i.e May 28, 2016 till May 27, 2021.

Mr. Prem Prakash Gandhi is not disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consent to act as Director & a declaration that it fulfills the criteria as specified in 149(6) of Companies Act, 2013.

Board considers that his association with the Company would be of immense benefit to the Company and it is desirable to avail services of Mr. Prem Prakash Gandhi as an Independent Director.

Information about the appointees:

Brief Resume of Mr. Prem Prakash Gandhi is as under:

Name:	Prem Prakash Gandhi
Age:	68 Years
Nature of his expertise in specific functional area	Finance
Name of the other Companies in which Directorship held	1. Delta Industrial Resources Limited. 2. CrazyPricing Online Services Limited
Name of the other Companies in which Committee Membership held	1. Delta Industrial Resources Limited 2. CrazyPricing Online Services Limited
Shareholding in the Company	NIL

Except Mr. Prem Prakash Gandhi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the resolution as set out in Item no. 6.

The Board of directors therefore, recommends the resolution for appointment of Mr. Prem Prakash Gandhi as an Independent Director of the Company for approval of the members by passing the **Ordinary resolution**.

ITEM NO. 7

Appointment Mr. Hitesh Rai Makhija as an Independent Director of the Company

Mr. Hitesh Rai Makhija was appointed as an Additional Director by the Board of Directors on 28th May, 2016. In terms of Section 161(1) of the Companies Act, 2013, Mr. Hitesh Rai Makhija shall hold the office up to the date of the ensuing Annual General Meeting of the Company. The Company has received a notice from a member of the company along with requisite fee under section 160 of the Companies Act, 2013, proposing the candidature of Mr. Hitesh Rai Makhija for the office of Director of the Company.

Mr. Hitesh Rai Makhija has given declaration to the Board of Directors that he meets the criteria of independence as provided under Section 149 of the Act and relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. Hitesh Rai Makhija fulfill the conditions for their appointment as Independent Director in terms of Section 149 of the Act.

As per the provisions of the Companies Act, 2013, the Independent Directors are not liable to retire by rotation and required to be appointed by shareholders. Therefore, it is proposed to appoint Mr. Hitesh Rai Makhija as an Independent Directors of the Company for the term of five consecutive years commencing from original date of appointment i.e May 28, 2016 till May 27, 2021.

Mr. Hitesh Rai Makhija is not disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consent to act as Director & a declaration that it fulfills the criteria as specified in 149(6) of Companies Act, 2013.

Board considers that his association with the Company would be of immense benefit to the Company and it is desirable to avail services of Mr. Hitesh Rai Makhija as an Independent Director.

Information about the appointees:

Brief Resume of Mr. Hitesh Rai Makhija is as under:

Name:	Hitesh Rai Makhija
Age:	32 Years
Nature of his expertise in specific functional area	Business Management
Name of the other Companies in which Directorship held	1. Gulmohar Investments and Holdings Limited. 2. CrazyPricing Online Services Limited
Name of the other Companies in which Committee Membership held (as per Clause 49 of the Listing Agreement)	1. Gulmohar Investments and Holdings Limited. 2. CrazyPricing Online Services Limited
Shareholding in the Company	NIL

Except Mr. Hitesh Rai Makhija, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the resolution as set out in Item no. 7.

The Board of directors therefore, recommends the resolution for appointment of Hitesh Rai Makhija as an Independent Director of the Company for approval of the members by passing the **Ordinary resolution**.

ITEM NO. 8 & 9:

Adoption of Memorandum & Article of Companies as Per Companies Act, 2013

As you all are aware that the new Companies Act, 2013 has been implemented and it is advisable that we should follow the rules and regulations as formulated in the new Act. Hence as per the new Act, the content of the Memorandum of Association is provided in Table A of Schedule I and which doesn't have the OTHER OBJECTS clause.

Your Board is of the opinion that we should adopt the Table A of Schedule I.

In order to comply with the provisions of Section 4, 13 and other applicable provisions, if any, of the Companies Act, 2013, the Company needs to alter the Liability Clause of the Memorandum of Association. The modification in the Memorandum of Association is carried out to give effect to the provisions of the Companies Act, 2013.

Upon enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and in view of the same the Articles of Association of the Company needs to be re-aligned as per the provisions of the new Act.

Accordingly, it is proposed to adopt a new set of Articles of Association of the Company, primarily based on Table "F" of Schedule I of the Companies Act, 2013 which sets out the model Articles of Association for a Company limited by Shares, and also including such additional matters as are necessary for the management of the Company in place of the existing Articles of Association.

In accordance with the applicable provisions of the Companies Act, 2013 and Companies (Incorporation) Rules, 2014, alteration of Memorandum of Association of the company requires approval of the members by way of Special Resolution.

By virtue of Section 5 and 14 of the Companies Act, 2013, approval of Members is required by way of Special Resolution in General Meeting to amend the Articles of Association of the Company.

Accordingly, the Board of Directors of the Company seek the approval of the members of the Company for the aforesaid alteration by way of a Special Resolution. A copy of the altered Memorandum and Articles of Association will be available for inspection at the Annual General Meeting and such copy will be so made available for inspection in physical or in electronic form during the business hours i.e. from 9:00 a.m. to 6:00 p.m. at the registered office of the Company at 325, IIIrd Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085.

None of the Directors and/or Key Managerial Persons of the Company and their relatives except to the extent of their shareholding in the Company is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 8 & 9 of the Notice.

**By the order of the Board
For Smart Capital Services Limited**

Sd/-
Ishant

**Company Secretary & Compliance officer
M. No. : A46044**

Date: 13/08/2016
Place: New Delhi

Directors' Report

To the Shareowners

Your Directors take pleasure in presenting the 21st Annual Report on the business and operations of your Company along with the audited standalone financial statements for the year ended March 31, 2016.

BACKGROUND

Smart Capital Services Limited was incorporated under Companies Act, 1956 on 28th June, 1994. Equity Shares of the Company are listed on **Delhi Stock Exchange Limited (DSE)** [DSE was derecognized by SEBI w.e.f November 19, 2015] and 45,01,170 Equity shares of Rs. 10/- each of the company are also listed on the **Metropolitan Stock Exchange of India Limited (MSEI)** (formerly known as MCX Stock Exchange Limited) w.e.f 27th July, 2016 vide letter no. MSEI/LIST/SL/2016/3342 dated July 25, 2016.

FINANCIAL SUMMARY/HIGH LIGHTS/PERFORMANCE OF THE COMPANY(SATANDALONE)

The Company's financial results are as under:

Particular	(Amount in Rs.)	
	Current Year 2015-16	Previous Year 2014-15
Revenue from Operations	77,25,793	14,750
Total Revenue (Including Other Income)	77,25,793	63,765
Total Expenses:	74,45,747	25,726
Profit before tax	2,80,046	38,038
Tax Expenses:		
Less: Current tax	(86,500)	-
Profit after tax	1,93,546	38,038

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR

The company is dealing in Trading in fabrics and financial consultancy in all its aspects. These activities is beneficial for the company by taking up these figure into consideration i.e the total revenue from operations of your Company for the year ended March 31, 2016 stood at Rs. 77,25,793 as against Rs. 63,765 for the year ended March 31, 2015. The Profit before tax stood at Rs. 2,80,046 as compared to Rs. 38,038 in the previous year. The Profit after tax for the year ended March 31, 2016 stood at Rs. 1,93,546 as compared to Rs. 38,038 in the previous year ended March 31, 2015.

STATE OF COMPANY'S AFFAIR

With the expected positive momentum in the Indian economy, the Company is focused on growth and achieving profitability along with a renewed commitment to customer service. Innovations, investment and positive modifications are expected in the near future, boosting the Company's revenue. Together with forward looking strategy, the Company is also focusing extensively on expanding the business and operational improvements through various strategic projects for operational excellence.

RESERVES

Your Company has not transferred any amount to general reserve out of the profits of the year.

DIVIDEND

The Company needs further funds to enhance its business operations, to upgrade the efficiency and to meet out the deficiencies in working capital. The Directors, therefore, do not recommend any dividend on Equity Shares for the financial year 2015-16.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

In the opinion of the Board, there has been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

*45,01,170 Equity shares of Rs. 10/- each of the company are also listed on the **Metropolitan Stock Exchange of India Limited (MSEI)** (formerly known as MCX Stock Exchange Limited) w.e.f 27th July, 2016 vide letter no. MSEI/LIST/SL/2016/3342 dated July 25, 2016.*

SHARE CAPITAL

During the year under review, there is no change in share capital of the Company.

RISK MANAGEMENT

While the business risk associated with operating environment, ownership structure, Management, System & Policy, the financial risk lies in Asset Quality, Liquidity, Profitability and Capital Adequacy. The company recognizes these risks and makes best effort to mitigate them in time. Risk Management is also an integral part of the Company's business strategy.

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risk as also identify business opportunities.

INTERNAL CONTROL SYSTEMS

The Company's Internal Control System is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficiency of the Company's internal controls, including its systems and processes and compliance with regulations and procedures.

VIGIL MECHANISM

The Company believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to develop a culture in which every employee feels free to raise concerns about any poor or unacceptable practice and misconduct. In order to maintain the standards has adopted lays down this Whistle Blower Policy to provide a framework to promote responsible and secure whistle blowing. The Board of Directors of your Company has adopted the Vigil Mechanism and Whistle Blower Policy in compliance of Companies Act, 2013.

HUMAN RESOURCES

People remain the most valuable asset of your Company. Your Company follows a policy of building strong teams of talented professionals. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. It has built an open, transparent and meritocratic culture to nurture this asset.

The Company recognizes people as its most valuable asset and the Company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operations of the Company.

COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the Ministry of Corporate Affairs (MCA), Stock Exchange(s), Securities and Exchange Board of India (SEBI) etc.

The Company has complied with all applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, Listing Agreement executed with the Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time.

DEPOSITS

During the year under review, the Company has not accepted any deposits from the public under Section 73 of the Companies Act, 2013 and rules made thereunder. There is no unclaimed or unpaid deposit lying with the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**Key Managerial Personnel(KMP)**

1. The Board of Directors of the Company has appointed Mr. Abhinav Dora (Membership No.: ACS 39682) as Company Secretary and Compliance Officer of the Company w.e.f August 13, 2015.
2. Mr. Harish Kumar has been appointed as Managing Director of the Company w.e.f. 29.09.2015 in the Annual General Meeting held on September 29, 2015.
3. The Board of Directors of the Company has appointed Ms. Meena as Chief Financial Officer w.e.f March 01, 2016.
4. Mr. Abhinav Dora (Membership No.: ACS 39682) has resigned from the Post of Company Secretary and Compliance Officer w.e.f July 07, 2016. In his place Board of Directors of the Company has appointed Mr. Ishant (Membership No.: ACS 46044) as Company Secretary and Compliance Officer of the Company w.e.f July 07, 2016.

Board of Director

1. Ms. Pamela Wassan has resigned from the post of directorship of the Company w.e.f. July 06,2015.
2. Mr. Jitendra Kumar Agarwal, Mr. Prakash Chand Jajoria and Ms. Vandana Gupta has been appointed as Additional Director of the Company w.e.f. 10th August, 2015 and he/she has regularised as Independent Directors of the Company in the Annual General Meeting held on September 29, 2015.

3. Ms. Sonia Parti has resigned from the post of directorship of the Company w.e.f. September 01, 2015.
4. Mr. Vivek Parti has resigned from the post of directorship of the Company w.e.f. March 01, 2016 and the Board appoint Mr. Pawan Kumar Mittal, Mr. Rohit Mittal, Mr. Govind Ram Saini and Ms. Koyal Saini as a Additional Director of the Company w.e.f. March 01, 2016.

Mr. Pawan Kumar Mittal (DIN: 00749265) and Mr. Rohit Mittal (DIN: 02527072), was appointed as Additional Director of the Company w.e.f March 01, 2016. As per Section 161 of the Companies Act, 2013, Mr. Pawan Kumar Mittal and Mr. Rohit Mittal, being Additional Directors hold office upto the date of the forthcoming Annual General Meeting. The Company has received a notice in writing from Mr. Pawan Kumar Mittal and Mr. Rohit Mittal under Section 160 of the Act proposing his candidature for the office of Director of the Company. Your Board recommends their appointment as Directors of the Company whose period of office will be liable to determination by retirement of directors by rotation.”

5. Mr. Govind Ram Saini and Ms. Koyal Saini has resigned from the post of directorship of the Company w.e.f. March 29, 2016 and the Board appoint Ms. Kiran Mittal as a Additional Director of the Company w.e.f. March 29, 2016.

Ms. Kiran Mittal (DIN: 00749457), was appointed as Additional Director of the Company w.e.f March 29, 2016. As per Section 161 of the Companies Act, 2013, Ms. Kiran Mittal, being Additional Directors hold office upto the date of the forthcoming Annual General Meeting. The Company has received a notice in writing from Ms. Kiran Mittal under Section 160 of the Act proposing her candidature for the office of Director of the Company. Your Board recommends their appointment as Directors of the Company whose period of office will be liable to determination by retirement of directors by rotation.”

6. Mr. Jitendra Kumar Agarwal and Ms. Vandana Gupta has resigned from the post of directorship of the Company w.e.f. May 28, 2016 and the Board appoint Mr. Prem Prakash Gandhi and Mr. Hitesh Rai Makhija as a Additional Director of the Company w.e.f. May 28, 2016.

Mr. Prem Prakash Gandhi (DIN: 07062091) and Mr. Hitesh Rai Makhija (DIN: 07509495) was appointed as Additional Director (in the category of independent directors) of the Company, w.e.f May 28, 2016. As per Section 161 of the Companies Act, 2013, Mr. Prem Prakash Gandhi and Mr. Hitesh Rai Makhija being Additional Directors hold office upto the date of the forthcoming Annual General Meeting. The Company has received a notice in writing from the member(s) under his hand signifying the intention of such member to propose their candidature for that office, along with the requisite deposit. Further, in terms of provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Prem Prakash Gandhi and Mr. Hitesh Rai Makhija are being appointed as Independent Directors for a period of 5 years subject to the approval of Shareholders in ensuing AGM. Your Board recommends their appointment as Independent Directors of the Company.

BOARD EVALUATION

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Directors	Ratio to median remuneration*
Ms. Pamela Wassan	N.A.
Ms. Sonia Parti	N.A.
Mr. Vivek Parti	N.A.
Mr. Harish Kumar	N.A.
Mr. Jitendra Kumar Agarwal	N.A.
Ms. Vandana Gupta	N.A.
Mr. Prakash Chand Jajoria	N.A.
Mr. Govind Ram Saini	N.A.
Ms. Koyal Saini	N.A.
Mr. Pawan Kumar Mittal	N.A.
Mr. Rohit Mittal	N.A.
Ms. Kiran Mittal	N.A.

No Remuneration was paid to directors during the year under review:

ii) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year:** NIL, as there is no remuneration being paid to the Directors of the Company during the financial year as well as previous year and all current KMPs to whom remuneration has been paid was appointed during FY 2015-16. Hence, the comparison between the two cannot be made.

iii) **The percentage increase in the median remuneration of employees in the financial year:** NIL

iv) **The number of permanent employees on the rolls of company.** 2

v) **average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** There was no remuneration paid to employees except managerial personnel in the last financial year. Hence, the comparison between the two cannot be made.

vi) **Affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OR MANAGERIAL PERSONNEL) RULES, 2014

There is No Directors/Employees In the Company For Which Disclosure Is Have To Be Made Under Rule 5 (2) & (3) Of The Companies (Appointment And Remuneration Or Managerial Personnel) Rules, 2014

A. Details of Top ten employees in terms of remuneration drawn:

Name & Designation	Age (in Years)	Remuneration Received	Nature of Employment (Contractual or otherwise)	Qualification & Experience	Date of commencement of Employment	Last Employment of Ent	%of Equity Share held	Whether related to Director or Manager
Abhinav Dora, Company Secretary	26	92000	Regular	C.S.	13-07-2015	Fresher	-	No
Meena, Chief Financial Officer	36	90000	Regular	C.F.O	01-03-2016	Dolf Leasing Limited	-	No

B. Details of other employees under aforesaid Rules:

NIL.

DIRECTOR'S APPOINTMENT AND REMUNERATION POLICY

The Company's policy on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub section (3) of Section 178 of the Companies Act, 2013, as is adopted by the Board.

The Company has adopted a comprehensive policy on Nomination and Remuneration of Directors on the Board. As per such policy, candidates proposed to be appointed as Directors on the Board shall be first reviewed by the Nomination and Remuneration Committee in its duly convened Meeting. The Nomination and Remuneration Committee shall formulate the criteria for determining the qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the Remuneration for the Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Committee shall ensure that—

- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) Remuneration to directors and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. During the year under review, none of the Directors of the company receive any remuneration.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTOR OF THE COMPANY

All the Independent Directors are well appointed on the Board of Company in compliance with the Companies Act, 2013. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence under sub-section (6) of section 149 of the Act.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

In due compliance with the provisions of the Companies Act, 2013 read with the rules made there under a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole was evaluated, taking into account the views of directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the Board, its committees and individual directors was discussed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE U/S 186

The company does not give any loans, guarantees or investments during the year and also company fully complied all the provisions of Section 186 of the Companies Act, 2013 and rules made there under.

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES U/S 188

During the year under review, there are no transactions within the purview of Section 188 of the Companies Act, 2013.

MEETINGS

The agenda and Notice for the Meetings is prepared and circulated in advance to the Directors. The Board of Directors of the Company met Ten(10) times during the financial year 2015-16 i.e. 30th May, 2015, 14th July 2015, 20th July 2015, 10th August, 2015, 13th August, 2015, 01st September, 2015, 13th November, 2015, 12th February, 2016, 01st March 2016 and 29th March, 2016.

Details of attendance of board meetings by directors of the Company are as follows:

Name of the Director	Nos. of meetings attended
Mr. Vivek Parti	4
Ms. Sonia Parti	4
Ms. Pamela Wassan	3
Mr. Harish Kumar	10
Mr. Jitendra Kumar Agarwal	7
Ms. Vandana Gupta	7
Mr. Prakash Chand Jajoria	7
Mr. Govind Ram Saini	2

Ms. Koyal Saini	2
Mr. Pawan Kumar Mittal	2
Mr. Rohit Mittal	2
Ms. Kiran Mittal	1

The necessary quorum was present in all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by the Companies Act, 2013.

COMPOSITION/COMMITTEES OF THE BOARD:

AUDIT COMMITTEE:

The Board has re-constituted an Audit Committee in accordance with the requirement of Companies Act, 2013 and other applicable provisions. All members of Audit Committee are financially literate and 2 Directors out of 3 members have financial management expertise. This Committee comprises of the following Directors as on date:

S.No.	Name of the Director	Category
1.	Mr. Hitesh Rai Makhija (DIN: 07509495)	Chairperson
2.	Mr. Prem Prakash Gandhi (DIN: 07062091)	Member
3.	Mr. Harish Kumar (DIN: 02591868)	Member

The Audit Committee met Five (5) times during the financial year 2015-16 on May 28, 2015, August 07, 2015, August 28, 2015, November 11, 2015 and February 10, 2016. Details of attendance of meetings of Committee by members are as follows:

Name of the Member	Nos. of meetings attended
Vivek Parti*	4
Sonia Parti#	2
Harish Kumar	5
Vandana Gupta	1
Prakash Chand Jajoria	3

#Audit Committee was reconstituted effective from August 10, 2015, where Mr. Prakash Chand Jajoria was inducted in place of Ms. Sonia Parti.

#Audit Committee was reconstituted effective from November 13, 2015, where Ms. Vandana Gupta was inducted in place of Mr. Vivek Parti.

#Audit Committee was reconstituted effective from May 28, 2016, where Mr. Hitesh Rai Makhija and Mr. Prem Prakash Gandhi was inducted in place of Mr. Prakash Chand Jajoria and Ms. Vandana Gupta.

During the year under review, the Board accepted all the recommendations made by the Audit Committee of the Board.

NOMINATION AND REMUNERATION COMMITTEE:

The Company had re-constituted the Remuneration Committee (renamed as Nomination and Remuneration Committee) to decide and fix payment of remuneration and sitting fees to the Directors of the Company as per provisions u/s 178 of the Companies Act, 2013. This committee will look after the functions as enumerated u/s 178 of the Companies Act, 2013. As on date, this Committee comprises of the following Directors:

S.No.	Name of the Director	Category
1.	Mr. Hitesh Rai Makhija (DIN: 07509495)	Chairperson
2.	Mr. Prem Prakash Gandhi (DIN: 07062091)	Member
3.	Mr. Prakash Chand Jajoria (DIN: 07020057)	Member

The Nomination and Remuneration Committee met Six (6) times during the financial year 2015-16 on August 07, 2015, August 11, 2015, August 28, 2015, February 10, 2016, February 26, 2016, and March 25, 2016. Details of attendance of meetings of committee by directors are as follows:

Name of the Member	Nos. of meetings attended
Vivek Parti*	3
Sonia Parti#	0
Harish Kumar**	4
Vandana Gupta	3
Prakash Chand Jajoria	5
Jitendra Kumar Agarwal	2

#Nomination and Remuneration Committee was reconstituted effective from August 10, 2015, where Mr. Prakash Chand Jajoria was inducted in place of Ms. Sonia Parti.

*Nomination and Remuneration Committee was reconstituted effective from November 13, 2015, where Ms. Vandana Gupta was inducted in place of Mr. Vivek Parti.

**Nomination and Remuneration Committee was reconstituted effective from February 12, 2016, where Mr. Jitendra Kumar Agarwal was inducted in place of Mr. Harish Kumar.

Nomination and Remuneration Committee was reconstituted effective from May 28, 2016, where Mr. Hitesh Rai Makhija and Mr. Prem Prakash Gandhi was inducted in place of Mr. Jitendra Kumar Agarwal and Ms. Vandana Gupta.

During the year under review, the Board accepted all the recommendations made by the Nomination and Remuneration Committee of the Board.

STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder Relationship Committee looks into the redressal of the shareholders complaints in respect of any matter including transfer of shares, non -receipt of annual report, non -receipt of declared dividend etc. As on date, this Committee comprises of the following Directors:

S.No.	Name of the Director	Category
1.	Mr. Hitesh Rai Makhija(DIN: 07509495)	Chairperson
2.	Mr. Prem Prakash Gandhi(DIN: 07062091)	Member
3.	Mr. Prakash Chand Jajoria (DIN: 07020057)	Member

The Stakeholder Relationship Committee met Four (4) times during the financial year 2015-16 on November 19, 2015, December 04, 2015, February 17, 2016 and March 25, 2016. Details of attendance of board meetings by directors are as follows:

Name of the Member	Nos. of meetings attended
Vivek Parti*	0
Sonia Parti#	0
Harish Kumar**	2
Vandana Gupta	4
Prakash Chand Jajoria	4
Jitender kumar agarwal	2

#Stakeholder Relationship Committee was reconstituted effective from August 10, 2015, where Mr. Prakash Chand Jajoria was inducted in place of Ms. Sonia Parti.

*Stakeholder Relationship Committee was reconstituted effective from November 13, 2015, where Ms. Vandana Gupta was inducted in place of Mr. Vivek Parti.

** Stakeholder Relationship Committee was reconstituted effective from February 12, 2016, where Mr. Jitendra Kumar Agarwal was inducted in place of Mr. Harish Kumar.

Stakeholder Relationship Committee was reconstituted effective from May 28, 2016, where Mr. Hitesh Rai Makhija and Mr. Prem Prakash Gandhi was inducted in place of Mr. Jitendra Kumar Agarwal and Ms. Vandana Gupta.

During the year under review, the Board accepted all the recommendations made by the Stakeholder Relationship Committee of the Board.

AUDITORS

STATUTORY AUDITORS

M/s V.N. Purohit & Co., Chartered Accountants were appointed as Statutory Auditors of the Company to hold office until the conclusion of the 25th AGM which was subject to the ratification at every AGM.

As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Statutory Auditors is required to be ratified by members at every Annual General Meeting. Accordingly, the appointment of M/s. V.N. Purohit & Co., Chartered Accountants, as Statutory Auditor of the Company is placed for ratification by the shareholders.

STATUTORY AUDITORS' REPORT

The Auditors Report has been annexed with this report; Auditors' observations are self explanatory, which do not call for any further clarifications. There has been no qualification, reservation or adverse remarks made by the Auditor in their report for the financial year ended 31st March, 2016.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s Sakshi Jain & Associates, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the Financial Year 2015-16. The Secretarial Audit Report is annexed herewith as "Annexure A".

SECRETARIAL AUDITORS' REPORT

The Secretarial Auditors Report has been annexed with this report; Auditors' observations are not self explanatory and call for further clarifications from the directors of the company. There has been no qualification, reservation or adverse remarks made by the Auditors in their report except the followings:

- a) The Company has not filed its Balance Sheet and Annual Return, if any, with the Registrar of Companies (ROC) for the financial year 2014-15 during the financial year under review.

Board Justification: Company could not able to file Balance Sheet and Annual Return for Financial Year 2014-15 till the end of Financial Year 2015-16 due to oversight. Now, Company is in process of filing the same. Further, Company will file the financials for financial year 2014-15, once the relevant forms will be available on the MCA Portal.

INTERNAL AUDITORS

Pursuant to the provision of Section 138 of the Companies Act, 2013 has mandated the appointment of Internal Auditor in the Company. Accordingly, the Board had appointed M/s S.K. Goel & Associates, Chartered Accountants, as the Internal Auditors of the Company for the financial year 2015-16.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in Form MGT 9 is annexed herewith as "**Annexure B**".

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of the activities carried out by the Company, Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption, are not applicable to the Company. However, the Company makes all efforts towards conservation of energy, protection of environment and ensuring safety. During the year under review, the Company had no earnings and expenditure in foreign exchange.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, your directors hereby confirm that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;

- (d) the directors have prepared the annual accounts for the financial year ended March 31, 2016, on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company.

CORPORATE GOVERNANCE

Since, the paid-up capital of the Company is less than Rs. 10 Crores and Net worth is less than Rs. 25 Crores, the provisions of the Corporate Governance as stipulated under Clause 49 of the Standard Equity Listing Agreement are not applicable to the Company. However, your Company has made every effort to comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served. It has always been the Company's endeavor to excel through better Corporate Governance and fair & transparent practices, many of which have already been in place even before they were mandated by the law of land.

The management of Company believes that it will further enhance the level of Corporate Governance in the Company.

CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to spend any amount in respect of Corporate Social Responsibility as provisions relating to Corporate Social Responsibility under Section 135 of Companies Act, 2013 is not applicable to Company.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules there under, the Company has not received any complaint of sexual harassment during the year under review

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There has been no significant and material order passed by any regulator, courts or tribunals impacting the going concern status and operations of the Company in future.

DISCLOSURE OF FRAUDS IN THE BOARD'S REPORT U/S 143 OF THE COMPANIES ACT, 2013

During the year under review, your Directors do not observe any transactions which could result in a fraud. Your Directors hereby declares that the Company has not been encountered with any fraud or fraudulent activity during the Financial Year 2015-2016.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report has been appended separately, which forms part of this report and the Annual Report.

ACKNOWLEDGMENT

Your Directors wish to express their sincere appreciation for the support and cooperation, which the Company continues to receive from its clients, Banks, Government Authorities, Financial Institutions and associates and are grateful to the shareholders for their continued support to the Company. Your Directors place on record their appreciation for the contributions made and the efforts put in by the management team and employees of the Company at all levels.

**By the order of the Board
For Smart Capital Services Limited**

Date: 13/08/2016

Place: New Delhi

Sd/-
Pawan Kumar Mittal
Director
DIN: 00749265

Sd/-
Harish Kumar
Managing Director
DIN: 02591868



**SAKSHI JAIN & ASSOCIATES
COMPANY SECRETARIES**

Annexure-A

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016**

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]**

CIN	L74899DL1994PLC059877
AUTHORISED CAPITAL	Rs. 55,000,000/-
PAID UP CAPITAL	Rs. 45,011,700/-

To,
The Members,
SMART CAPITAL SERVICES LIMITED
325, IIIrd Floor, Aggarwal Plaza,
Sector-14, Rohini,
New Delhi-110085

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SMART CAPITAL SERVICES LIMITED** (hereinafter referred to as the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of –

- i. The Companies Act, 2013 ("Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made under that Act;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI); **(Not Applicable during the Audit Period)**

F- 17/ 16, Sector- 8, Rohini, New Delhi- 110085
Mob.: 9953806570, E- mail: sakshi.j2636@yahoo.com

CONTINUATION SHEET

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – **Not Applicable to the Company during the Audit Period;**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 notified on October 28, 2014 – **Not Applicable to the Company during the Audit Period;**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not Applicable to the Company during the Audit Period;**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not Applicable to the Company during the Audit Period;**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and – **Not Applicable to the Company during the Audit Period;**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not Applicable to the Company during the Audit Period;**

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India notified with effect from July 1, 2015; and
- ii. The Listing Agreements entered into by the Company with the Stock Exchange(s) i.e. Delhi Stock Exchange(DSE) and Metropolitan stock exchange India Limited (MSEI)[#]/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from December 01, 2015.

[#](The Company got listed its 45,01,170 (Fourty Five Lakh One Thousand One Hundred seventy) Equity Shares on **Metropolitan stock exchange India Limited (MSEI)** by way of Direct Listing w.e.f 27th July, 2016 vide letter no. MSEI/LIST/SL/2016/3342 dated July 25, 2016.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company duly constituted with the Executive, Non-Executive and Independent Directors at the end of the year. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

CONTINUATION SHEET

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that;

1. The Company has not made annual filing E-Forms i.e. AOC 4 and MGT 7 for the financial year 2014-15 within time period as prescribed under Companies Act, 2013.

**For Sakshi Jain & Associates
Company Secretaries**

**Sd/-
Sakshi Jain
Proprietor
COP No.: 15252
Membership No.: A37149**

Place: New Delhi
Date: 13-08-2016

Note: This report is to be read with our letter of even date which is annexed as Annexure herewith and forms and integral part of this report.

CONTINUATION SHEET**ANNEXURE TO SECRETARIAL AUDIT REPORT**

To,
The Members,
SMART CAPITAL SERVICES LIMITED
325, IIIrd Floor, Aggarwal Plaza,
Sector-14, Rohini,
New Delhi-110085

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Sakshi Jain & Associates
Company Secretaries

Sd/-
Sakshi Jain
Proprietor
COP No.: 15252
Membership No.: A37149

Place: New Delhi
Date: 13-08-2016

Annexure-B

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2016**

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION & OTHER DETAILS:

I	CIN	L74899DL1994PLC059877
II	Registration Date	28/06/1994
III	Name of the Company	Smart Capital Services Limited
IV	Category/Sub-category of the Company	Company Limited by shares
V	Address of the Registered office and contact details	325, IIIrd Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085
VI	Whether listed Company	Yes
VII	Name, Address and Contact details of Registrar and Transfer Agent, if any:-	Skyline Financial Services Private Limited Address: D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Ph.: 011-64732681

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

S. No	Name and Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1.	Trading of Fabrics	99612310	89.66
2.	Commission Income	99715910	10.34

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NOT APPLICABLE					

IV SHAREHOLDING PATTERN (Equity Share capital Break up as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year#
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares#	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	569,800	569,800	12.66%	0	569,800	569,800	12.66%	0.00%

b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	-	569,800	569,800	12.66%	0	569,800	569,800	12.66%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	569,800	569,800	12.66%	0	569,800	569,800	12.66%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	813360	813360	18.07%	0	764260	764260	16.98%	1.09%

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	3063010	3063010	69.27%	0	3063010	3063010	68.05%	1.22%
c) Others (HUF)	-	55000	55000	1.22%	0	104100	104100	2.31%	1.09%
Non Resident Indians	-	-	-	0.00%	0	0	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	-	3931370	3931370	87.34%	0	3931370	3931370	87.34%	0.00%
Total Public (B)	-	3931370	3931370	87.34%	0	3931370	3931370	87.34%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	-	4501170	4501170	100.00%	-	4501170	4501170	100.00%	0.00%

(ii) **SHARE HOLDING OF PROMOTERS**

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year#
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company#	% of Shares Pledged / encumbered to total shares	
1	Rohit Mittal	284900	6.33%	0	284900	6.33%	0	0%
2	Priyanka Jindal	284900	6.33%	0	284900	6.33%	0	0%
	Total	569800	12.66%	0	569800	12.66%	0	0%

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING (please specify if there is no change)**

There is no change in shareholdings of Promoters

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs)

SN	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Chandra Dhar Sharma				
	At the beginning of the year	142500	3.17%	142500	3.17%
	Shares acquired/sold	-	-	142500	3.17%
	At the end of the year	-	-	142500	3.17%
2	Dileep Kumar Agarwal				
	At the beginning of the year	142500	3.17%	142500	3.17%
	Shares acquired/sold	-	-	142500	3.17%
	At the end of the year	-	-	142500	3.17%
3	Mohini Devi				
	At the beginning of the year	133210	2.96%	133210	2.96%
	Shares acquired/sold	-	-	133210	2.96%
	At the end of the year	-	-	133210	2.96%
4	Manoj Kumar				
	At the beginning of the year	130000	2.89%	130000	2.89%
	Shares acquired/sold	-	-	130000	2.89%
	At the end of the year	-	-	130000	2.89%
5	Mukesh Kumar Jha				
	At the beginning of the year	130000	2.89%	130000	2.89%
	Shares acquired/sold	-	-	130000	2.89%
	At the end of the year	-	-	130000	2.89%
6	Sudesh Sabarwal				
	At the beginning of the year	129000	2.87%	129000	2.87%
	Shares acquired/sold	-	-	129000	2.87%
	At the end of the year	-	-	129000	2.87%
7	Ajay Kumar				
	At the beginning of the year	120000	2.67%	120000	2.67%
	Shares acquired/sold	-	-	120000	2.67%
	At the end of the year	-	-	120000	2.67%
8	Vinesh Kumar				
	At the beginning of the year	116500	2.59%	116500	2.59%
	Shares acquired/sold	-	-	116500	2.59%
	At the end of the year	-	-	116500	2.59%

9	Deepak Raj				
	At the beginning of the year	111600	2.48%	111600	2.48%
	Shares acquired/sold	-	-	111600	2.48%
	At the end of the year	-	-	111600	2.48%
10	Ajay Batra				
	At the beginning of the year	110000	2.44%	110000	2.44%
	Shares acquired/sold	-	-	110000	2.44%
	At the end of the year	-	-	110000	2.44%

(v) Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	ROHIT MITTAL				
	At the beginning of the year	284900	6.33%	284900	6.33%
	Shares acquired/sold	-	-	284900	6.33%
	At the end of the year			284900	6.33%

Except the above, no other directors or KMPs are holding any shares in the Company.

(vi) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	.306	-	.306
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	.306	-	.306
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	.306	-	.306
ii) Interest due but not paid	-	-	-	-

iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	.306	-	.306

(Vii) Remuneration of Directors and Key Managerial Personnel**a. Remuneration to Managing Director, Whole time Director and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount (Rs.)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax 1961 (Rs.)	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (Rs.)	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961(Rs.)	-	-
2	Stock option(Rs.)	-	-
	Sweat Equity	-	-
	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

b. Remuneration to Other Directors:

Sl. No.	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors		
	(a) Fee for attending board committee meetings	-	-
	(b) Commission	-	-
	(c) Others, please specify	-	-
	Total (1)	-	-
2	Other Non Executive Directors	-	-
	(a) Fee for attending board committee meetings	-	-
	(b) Commission	-	-
	(c) Others, please specify.	-	-
	Total (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act.	-	-

c. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		C.E.O	Company Secretary	CFO	
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	92,000	90,000	182,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	0	0	0
2	Stock Option	-	0	0	0
3	Sweat Equity	-	0	0	0
4	Commission as % of profit others, specify	-	0	0	0
5	Others, please specify	-	0	0	0
	Total	0	92,000	90,000	182,000

Viii PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment			N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

**By the order of the Board
For Smart Capital Services Limited**

Date: 13/08/2016
Place: New Delhi

Sd/-
Pawan Kumar Mittal
Director
DIN: 00749265

Sd/-
Harish Kumar
Managing Director
DIN: 02591868

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENT

The past year has been a challenging year for our Industry with lots of ups and downs. In spite of the above, the industry has been able to maintain its steady performance during the year under review. The Fabrics/Textile Industry has played a key role in the country's progress over the years and the situation is likely to gain momentum in the times ahead. The Industry continues to hold a dominant position in country's economic structure because of its huge contribution towards employment generation.

The recovery of the fabrics industry seems to be round the corner as domestic demand is expected to pick up this year on account of improved economic sentiments. In spite of the adverse market conditions prevailing in various businesses in which the Company operates, the overall performance of the Company during the year has improved compared to that of the previous year.

Your Company's performance for the year 2015-16 has to be viewed in the context of aforesaid economic and market environment.

2. OPPORTUNITIES

There is confidence of a revival in global the economic outlook in the coming years though this view is not presently supported by economic fundamentals driven by higher economic growth in the advanced economies and constrained by moderate growth in emerging markets.

A 'Make in India' campaign has been veiled by the Prime Minister. The 'Make in India' scheme also puts in place the systems to address in a timely manner queries of potential investors. At present, the Government of India allows 100% Foreign Direct Investment (FDI) under the automatic route in the textile sector, subject to all applicable regulations and laws, which effectively backs the 'Make in India' program for the textile and garment industry. Under the 'Make in India' initiative, investment opportunities for foreign companies and entrepreneurs are available across the entire value chain of synthetics, value-added and specialty fabrics, fabric processing set-ups for all kinds of natural and synthetic textiles, technical textiles, garments, and retail brands.

Changes in China's Textile Policy severely affected the country's export to that country. In spite of the above, we are of the firm opinion that the future of the Textile Industry is quite promising. We hope that with the recoveries in economies of U.S.A and European Union will propel the growth of the Textile Industry. Ever growing retailing sector and increased purchasing power of both urban and rural people, are still present in the economy and will lead to the growth of the Industry. The shifting of orders from China to India, due to various favourable factors will also help the Industry to increase its global share.

3. THREATS

Major threat faced by Smart Capital Services Limited would be circumstances of not being able to raise funds for its future business operations.

4. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE OF THE COMPANY

The Company is engaged in a single segment i.e trading of fabrics. Details of performance have been provided in this Directors' report.

5. OUTLOOK:

Smart Capital Services Limited expects to improve its performance in financial year 2016- 17 and hopes to grow at rate faster than the growth of bank credit. The approach would be to continue with the growth momentum while balancing risk.

6. RISK MANAGEMENT:

Risk Management is an integral part of our Company's business strategy. A dedicated team is a part of the management processes governed by the senior management team. This team reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyzes risk exposure related to specific issues and provides oversight of risk across the organization. The team nurtures a healthy and independent risk management function to avoid any kind of misappropriations in the Company. As part of the Risk Management framework, the management of Credit Risk, Market Risk, Operational Risk and Fraud Risk are placed under the Head – Risk. The Credit Risk management structure includes separate credit policies and procedures for various businesses. The risk policies define prudential limits, portfolio criteria, exceptional approval metrics, etc. and cover risk assessment for new product offerings. Concentration Risk is managed by analyzing counter-party, industry sector, geographical region, single borrower and borrower group. Retail Finance credit approval is based on product / programs and monitoring is primarily done at the portfolio level across products and programs. Causal analysis is carried out and corrective actions are implemented on key risk indicators. A Senior Management oversight committee meets periodically to review the operational risk profile of the organization. Fraud risks are mitigated through a fraud risk management team.

7. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficiency of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company's internal control system is commensurate with the size, nature and operations of the Company.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED::

We recognize people as our most valuable asset and we have built an open, transparent and meritocratic culture to nurture this asset. Talent Management is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within our Organization. Attrition has been managed well and has been below industry benchmarks. Delta Industrial Resources Limited has kept a sharp focus on Employee Engagement. We follow 360 degree feedback to ensure the satisfaction of our people. We have a strong system of grievance handling too. No concern of our people goes without addressing. We strive for excellence by thriving on Delta

Industrial Resources Limited's positivity. As on March 31, 2016, total number of employee on the pay roll of the Company is 3.

9. COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the Ministry of Corporate Affairs (MCA), Stock Exchange(s), Securities and Exchange Board of India (SEBI) etc.

The Company has complied with all applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, Listing Agreement executed with the Stock Exchanges, SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time

**By the order of the Board
For Smart Capital Services Limited**

Date: 13/08/2016
Place: New Delhi

Sd/-
Pawan Kumar Mittal
Director
DIN: 00749265

Sd/-
Harish Kumar
Managing Director
DIN: 02591868



V. N. PUROHIT & CO.
CHARTERED ACCOUNTANTS
(ESTD. 1961)

214, New Delhi House, 2nd Floor
27, Barakhamba Road
New Delhi- 110 001
Telefax: 43596011
E-mail: vnpdelhi@vnpaudit.com
Website: www.vnpaudit.com

INDEPENDENT AUDITOR'S REPORT

To the Members of SMART CAPITAL SERVICES LIMITED Report on Financial Statements

We have audited the accompanying financial statements of **SMART CAPITAL SERVICES LIMITED**, which comprise the Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on

whether the Company has in place the adequate internal financial control system over financial reporting and the operating effectiveness of such controls.

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place the adequate internal financial control system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- i. In case of the Balance Sheet, of the **state of affairs** of the company as at 31st March 2016;
- ii. In case of Statement of Profit and Loss, of the **profit** for the year ended on that date; and
- iii. In case of Cash Flow Statement, of the **cash flows** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 (the Order), as amended, 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 paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) *Except in case of writing off certain assets to the extent of Rs. 1,40,36,236, as mentioned in Note 23 of the financial statements, the observation of financial transactions does not reveal any matter which has any adverse effect on the functioning of the Company.*
- g) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure- B**.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations in its financial statements;
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses. However, company does not enter into any long-term contracts including derivative during the specified period;
 - iii) The Company is not required to transfer any amount to the Investor Education and Protection Fund.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
Gaurav Joshi
Partner
Membership No. 516027

New Delhi, the 28th day of May 2016

ANNEXURE- A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of “Report on other Legal and Regulatory Requirements” of our report of even date to the members of **Smart Capital Services Limited** (the Company) for the year ended on 31st March 2016.

- (i) (a) As per information and explanation given to us, the Company is maintaining proper records showing full disclosures of the fixed assets;
 - (b) As per information and explanation given to us, physical verification of fixed assets has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification;
 - (c) According to information and explanation given to us, the title deeds of the immovable properties are held in the name of the company;
- (ii) As per information and explanation given to us, physical verification of inventory has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification;
- (iii) According to information and explanations given to us, the Company has not granted unsecured loans to parties covered in register maintained under section 189 of the Companies Act, 2013 and hence provisions of this sub- clause are not applicable;
- (iv) According to information and explanations given to us, the Company has complied with the provisions of Section 185 and Section 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security so given;
- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii)(a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;
 - (b) According to information and explanations given to us, there are no outstanding statutory dues on the part of Company which is not deposited on account of dispute;
- (viii) According to information and explanations given to us, the company has not obtained any loans and borrowings from any financial institution, bank, government or dues to debenture holders, and hence question of default of repayment does not arise;
- (ix) According to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer. The Company has not taken any term loans and hence question of its utilization does not arise;

- (x) According to information and explanations given to us, there is no noticed or unreported fraud on or by the Company during the year under audit;
- (xi) According to information and explanations given to us, the Company has paid managerial remuneration in accordance with applicable provisions of the Companies Act, 2013;
- (xii) As per information, the Company is not a Nidhi Company, hence provisions of sub- clause (xii) of the Paragraph 3 of the Order are not applicable;
- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xv) According to information and explanations given to us, the Company has not entered into non- cash transactions with directors or persons connected with him;
- (xvi) According to information and explanations given to us, the Company is not a Non- Banking Financial Company and does not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

Sd/-

Gaurav Joshi

Partner

Membership No. 516027

New Delhi, the 28th day of May 2016

ANNEXURE- B TO THE AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub- section (3) of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of **Smart Capital Services Limited** (the Company) as on 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the 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 controls stated in the Guidance Note on Audit of Internal Financial Control 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 fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's 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 ICAI. 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 aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control 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 risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences 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 reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the Company are being 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 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 could not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial controls 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 Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on "the internal financial controls over financial reporting criteria 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".

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

Sd/-

Gaurav Joshi

Partner

Membership No. 516027

New Delhi, the 28th day of May 2016

SMART CAPITAL SERVICES LIMITD

BALANCE SHEET AS AT 31ST MARCH 2016

	Notes	31st March 2016 (Rupees)	31st March 2015 (Rupees)
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share capital	2	45,011,700	39,175,950
Reserves and surplus	3	(38,511,894)	(24,669,204)
Non- Current Liabilities			
Long-Term borrowings	4	30,600	30,600
Current Liabilities			
Trade Payables	5	6,698,108	-
Short term Provisions	6	6,600	-
Other Current Liabilities	7	203,900	11,770
Total		13,439,014	14,549,116
ASSETS			
Non- current assets			
Non Current Investments	8	-	12,440,000
Current Assets			
Inventories	9	-	191,332
Trade Receivables	10	7,645,893	1,621,124
Cash and Cash Equivalents	11	5,749,391	296,660
Other Current Assets	12	43,730	-
Total		13,439,014	14,549,116
Summary of significant accounting polices	1		
The accompanying notes are an integral part of the financial statements.			
As per our report of even date			
FOR V. N. Purohit & CO.		For and on behalf of the Board of Directors of	
Chartered Accountants		Smart Capital Services Limited	
Firm Regn. No. 304040E			
		sd/-	sd/-
Sd/-		Harish Kumar	Pawan Kumar Mittal
Gaurav Joshi		Managing Director	Director
Partner		DIN: 02591868	DIN: 00749265
Membership No. 516027			
		sd/-	sd/-
		Meena	Abhinav Dora
		CFO	CS
New Delhi, the 28th day of May 2016		PAN: BTSPM8829F	PAN: BRWPD6858H

SMART CAPITAL SERVICES LIMITD

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2016

CIN: L74899DL1994PLC059877

	Notes	31st March 2016 (Rupees)	31st March 2015 (Rupees)
Income			
Revenue from Operations	13	7,725,793	14,750
Other Income	14	-	49,015
Total Revenue (I)		7,725,793	63,765
Expenses			
Purchases of stock in trade	15	6,698,378	-
Changes in inventories	16	191,332	-
Employee Benefit Expenses	17	371,000	-
Other Administrative Expenses	18	185,037	25,726
Total (II)		7,445,747	25,726
Profit Before Tax		280,046	38,038
Tax Expense			
Current Tax		86,500	-
Profit/ (loss) for the year		193,546	38,038
Earning per equity share (EPS)			
[nominal value of share Rs. 10]			
Basic		0.0430	0.0085
Diluted		0.0430	0.0085

Summary of significant accounting policies 1

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

As per our report of even date

FOR V. N. Purohit & CO.**Chartered Accountants**

Firm Regn. No. 304040E

**For and on behalf of the Board of Directors of
Smart Capital Services Limited**

sd/-

Gaurav Joshi

Partner

Membership No. 516027

sd/-

Harish Kumar

Managing Director

DIN: 02591868

sd/-

Pawan Kumar Mittal

Director

DIN: 00749265

sd/-

Meena

CFO

PAN: BTSPM8829F

sd/-

Abhinav Dora

CS

PAN: BRWPD6858H

New Delhi, the 28th day of May 2016

SMART CAPITAL SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2016

CIN: L74899DL1994PLC059877

	For the year ended 31st March 2016 (Rupees)	For the year ended 31st March 2015 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and after extra- ordinary items	246,934	38,038
Sundry balances written off	-	-
Operating Profit before working capital changes	246,934	38,038
<u>Working capital adjustments: -</u>		
(Increase)/ decrease in inventories	191,332	-
(Increase)/ decrease in trade receivables	(7,667,793)	110,250
(Increase)/ decrease in other current assets	(43,730)	-
Increase/ (decrease) in trade payables	6,698,108	(49,014)
Increase/ (decrease) in other current liabilities	192,130	6,270
Cash generated from operations	(383,019)	105,544
Direct Taxes Paid	-	-
Net cash flow from operating activities (A)	(383,019)	105,544
CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) of Investments	-	-
Net cash flow from investing activities (B)	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Call-in-Arrears	5,835,750	-
Advance Given	(10,000)	-
Repayment of Borrowings	10,000	(150,000)
Net cash flow from financing activities (C)	5,835,750	(150,000)
Net cash flow during the year (A + B + C)	5,452,731	(44,456)
Add: Opening cash and cash equivalents	296,660	341,116
Closing cash and cash equivalents	5,749,391	296,660
Components of cash and cash equivalents		
Cash in hand	4,406,765	248,673
Deposit with banks in current accounts	1,342,625	47,987
Total cash and cash equivalents (Note 11)	5,749,391	296,660

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

As per our report of even date

FOR V. N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

sd/-

Gaurav Joshi

Partner

Membership No. 516027

For and on behalf of the Board of Directors of
Smart Capital Services Limited

sd/-

Harish Kumar

Managing Director

DIN: 02591868

sd/-

Pawan Kumar Mittal

Director

DIN: 00749265

sd/-

Meena

CFO

PAN: BTSPM8829F

sd/-

Abhinav Dora

CS

PAN: BRWPD6858H

New Delhi, the 28th day of May 2016

SMART CAPITAL SERVICES LIMITED**CIN: L74899DL1994PLC059877****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016****1. SIGNIFICANT ACCOUNTING POLICIES****a. Basis of preparation of Financial Statements**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles (Indian GAAP), including Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting periods.

b. Investments

Investments are stated at cost. Provision for diminution in the value of investments is made only if such a decline is of permanent nature.

c. Inventories

Inventories if any are stated at cost.

d. Revenue Recognition

Having regard to the size, nature and level of operation of the business, the company is applying accrual basis of accounting for recognition of income earned and expenses incurred in the normal course of business.

e. Tax Expenses

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

f. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

For and on behalf of the Board of Directors of
Smart Capital Services Limited

Sd/-
Harish Kumar
Managing Director
DIN: 02591868

Sd/-
Pawan Kumar Mittal
Director
DIN: 00749265

Sd/-
Meena
CFO

Sd/-
Abhinav Dora
CS

New Delhi, the 28th day of May 2016

PAN: BTSPM8829F

PAN: BRWPD6858H

SMART CAPITAL SERVICES LIMITED**CIN: L74899DL1994PLC059877**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

2. Share Capital	As at 31st March 2016 (Rupees)	As at 31st March 2015 (Rupees)
Authorised Shares Capital		
55,00,000 Equity shares of Rs. 10/- each	55,000,000	55,000,000
Issued, Subscribed and Paid up Share Capital		
45,01,170 Equity shares of Rs.10/- each		
Consideration received in cash	45,011,700	45,011,700
Less: Calls in arrears	-	(5,835,750)
Total issued, subscribed and fully paid- up share capital	45,011,700	39,175,950

Call-in-Arrears amounting to Rs. 58,35,750 has been received in cash from 7,78,100 Shareholders at the rate of Rs. 7.50 per share during the year.

a. Reconciliation of Shares outstanding at the beginning and at the end of reporting period

	As at 31st March 2016		As at 31st March 2015	
	No.	(Rupees)	No.	(Rupees)
Equity shares at the beginning of the period	4,501,170	45,011,700	4,501,170	45,011,700
Issued during the year	-	-	-	-
Outstanding at the end of the period	4,501,170	45,011,700	4,501,170	45,011,700

b. Terms and rights attached to equity shares

The company has issued only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

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

c. Details of shareholders holding more than 5% shares in the company

	As at 31st March 2016		As at 31st March 2015	
	Nos.	% holding	Nos.	% holding
Priyanka Jindal	284,900	6.33%	284,900	6.33%
Rohit Mittal	284,900	6.33%	284,900	6.33%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

For and on behalf of the Board of Directors of
Smart Capital Services Limited

sd/-
Harish Kumar
Managing Director
DIN: 02591868

sd/-
Pawan Kumar Mittal
Director
DIN: 00749265

sd/-
Meena
CFO
PAN: BTSPM8829F

sd/-
Abhinav Dora
CS
PAN: BRWPD6858H

New Delhi, the 28th day of May 2016

SMART CAPITAL SERVICES LIMITED**CIN: L74899DL1994PLC059877**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	As at 31st March 2016	As at 31st March 2015
	(Rupees)	(Rupees)
3. Reserves and Surplus		
<u>Surplus/(Deficit) in Statement of Profit and Loss</u>		
Opening Balance	(24,669,204)	(24,707,242)
Add: Profit & Loss for the year	193,546	38,038
Less: Balances written off (Refer Note 23)	(14,036,236)	-
	(38,511,894)	(24,669,204)
4. Long term borrowings		
Loan From Related Parties (Unsecured)	30,600	30,600
	30,600	30,600
5. Trade Payables		
Sundry Creditors (Refer Note 19)	6,698,108	-
	6,698,108	-
6. Short term Provisions		
For Income tax (Net of Advances)	6,600	-
	6,600	-
7. Other Current Liabilities		
Audit Fees Payable	34,670	11,770
Salary Payable	90,000	-
Other Expenses Payable	79,230	-
	203,900	11,770
8. Non Current Investments		
<u>In Equity shares, Unquoted (At cost): -</u>		
VSMP Stock Holding Private Limited (Refer Note 23)	-	12,440,000
Nil (31st March 2015: 1,24,400) equity shares of Rs. 10 each	-	-
	-	12,440,000
9. Inventories		
<u>Shares and Securities, Quoted (At Cost): -</u>		
Nil (31st March 2015: 19,800) equity shares of Rs. 10 each fully paid in Twenty First Century Medicare Ltd.*	-	191,332
	-	191,332

* The Company has discarded 19,800 equity shares of Rs. 10 each fully paid in M/s Twenty First Century Medicare Limited at Rs. Nil, due to unavailability of market value.

For and on behalf of the Board of Directors of
Smart Capital Services Limited

Sd/-	Sd/-
Harish Kumar	Pawan Kumar Mittal
Managing Director	Director
DIN: 02591868	DIN: 00749265

Sd/-	Sd/-
Meena	Abhinav Dora
CFO	CS

New Delhi, the 28th day of May 2016

PAN: BTSPM8829F

PAN: BRWPD6858H

SMART CAPITAL SERVICES LIMITED

CIN: L74899DL1994PLC059877

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

10. Trade Receivables	As at 31st March 2016	As at 31st March 2015
	<u>(Rupees)</u>	<u>(Rupees)</u>
<u>Unsecured, considered good</u>		
Outstanding for period exceeding six months	6,926,793	-
Other Receivables	719,100	1,621,124
	<u>7,645,893</u>	<u>1,621,124</u>
11. Cash and Cash Equivalents	As at 31st March 2016	As at 31st March 2015
	<u>(Rupees)</u>	<u>(Rupees)</u>
Bank balance in current accounts	1,342,625	47,987
Cash in hand (as certified)	4,406,765	248,673
	<u>5,749,391</u>	<u>296,660</u>
12. Other Current Assets	As at 31st March 2016	As at 31st March 2015
	<u>(Rupees)</u>	<u>(Rupees)</u>
Prepaid Expenses	36,480	-
Prepaid Taxes (MAT Credit u/s 115JAA)	7,250	-
	<u>43,730</u>	<u>-</u>
13. Revenue from Operations	For the year ended	For the year ended
	31st March 2016	31st March 2015
	<u>(Rupees)</u>	<u>(Rupees)</u>
Sale of information database	-	14,750
Sale of Handloom Cotton Fabrics (29,588 Meters)	6,926,793	-
Commission Income	799,000	-
	<u>7,725,793</u>	<u>14,750</u>
14. Other Income	For the year ended	For the year ended
	31st March 2016	31st March 2015
	<u>(Rupees)</u>	<u>(Rupees)</u>
Miscellaneous Income	-	49,015
	<u>-</u>	<u>49,015</u>
15. Purchases	For the year ended	For the year ended
	31st March 2016	31st March 2015
	<u>(Rupees)</u>	<u>(Rupees)</u>
Purchase of Handloom Cotton Fabrics (29,588 Meters)	6,698,378	-
	<u>6,698,378</u>	<u>-</u>

For and on behalf of the Board of Directors of
Smart Capital Services Limited

Sd/-
Harish Kumar
Managing Director
DIN: 02591868

Sd/-
Pawan Kumar Mittal
Director
DIN: 00749265

Sd/-
Meena
CFO
PAN: BTSPM8829F

Sd/-
Abhinav Dora
CS
PAN: BRWPD6858H

New Delhi, the 28th day of May 2016

SMART CAPITAL SERVICES LIMITED**CIN: L74899DL1994PLC059877**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

16. Changes in Inventories	For the year ended 31st March 2016 (Rupees)	For the year ended 31st March 2015 (Rupees)
Opening Stock of traded goods (Equity Shares)	191,332	191,332
Closing Stock of traded goods (Equity Shares)	-	(191,332)
Changes in Inventories	191,332	-
17. Employee Benefit Expenses	For the year ended 31st March 2016 (Rupees)	For the year ended 31st March 2015 (Rupees)
Salaries & Wages	371,000	-
	371,000	-
18. Other Expenses	For the year ended 31st March 2016 (Rupees)	For the year ended 31st March 2015 (Rupees)
Advertising Expenses	40,668	-
Auditor's Remuneration (Refer Note 26)	24,610	6,270
Bank Charges	1,067	1,685
Conveyance	14,400	-
Courier & Postage Expenses	1,130	-
Listing Fees	41,852	-
Legal & Professional Charges	25,800	2,500
Filling Fees	18,067	5,525
Misc. Expenses	277	-
Printing & Stationery	-	8,150
PF Administrative Expenses	-	1,596
Telephone Expenses	2,275	-
Website Expenses	3,891	-
Freight & Cartage	11,000	-
	185,037	25,726

For and on behalf of the Board of Directors of
Smart Capital Services Limited

Sd/-
Harish Kumar
Managing Director
DIN: 02591868

Sd/-
Pawan Kumar Mittal
Director
DIN: 00749265

Sd/-
Meena
CFO
PAN: BTSPM8829F

Sd/-
Abhinav Dora
CS
PAN: BRWPD6858H

New Delhi, the 28th day of May 2016

SMART CAPITAL SERVICES LIMITED**CIN: L74899DL1994PLC059877****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**

19. There is no Micro, Small and Medium Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 to which Company owes dues which are outstanding for a period more than 45 days as on Balance Sheet Date.

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information availed with the Company and has been duly relied by the auditors of the Company.

20. Provisions of Accounting Standard (AS) - 17 on 'Segment Reporting' are not been applicable to the Company.
21. Necessary disclosures as per requirements of AS- 18 on 'Related Party Disclosure' are made as under: -

(a) Related Parties Covered: -

(i)	Key Management Personnel	Mr. Vivek Parti (Past Director) Mr. Harish Kumar (Managing Director) Ms. Pamela Wassan (Past Director) Ms. Sonia Parti (Past Director) Mr. Pawan Kumar Mittal (Director) Mr. Rohit Mittal (Director) Ms. Kiran Mittal (Director) Mr. Govind Ram Saini (Past Additional Director) Ms. Koyal Saini (Past Additional Director) Mr. Abhinav Dora (Company Secretary) Ms. Meena (CFO)
(ii)	Relatives of Key Management Personnel	Mr. K.B. Parti (Father of Director)
(iii)	Enterprises owned or significantly influenced by Key Management Personnel or their Relatives	None

**For and on behalf of the Board of Directors of
Smart Capital Services Limited**

Sd/-
Harish Kumar
Managing Director
DIN: 02591868

Sd/-
Pawan Kumar Mittal
Director
DIN: 00749265

Sd/-
Meena
CFO

Sd/-
Abhinav Dora
CS

New Delhi, the 28th day of May 2016

PAN: BTSPM8829F

PAN: BRWPD6858H

SMART CAPITAL SERVICES LIMITED

CIN: L74899DL1994PLC059877

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

(b) Transaction with Related Parties: -

	Transaction with	Nature of Transaction	31/03/2016 (Rs.)	31/03/2015 (Rs.)
(i)	Key Management Personnel: -			
	Mr. Vivek Parti	Advance Given	10,000	Nil
		Advance Recovered	10,000	Nil
	Ms. Pamela Wasson	Loan Received	Nil	30,600
	Mr. Abhinav Dora	Salary Paid	92,000	Nil
Ms. Meena	Remuneration Given	90,000	Nil	
(ii)	<u>Relatives of Key Management Personnel :- None</u>			
(iii)	<u>Enterprises in which Key Management Personnel and Relatives are having significant influences: - None</u>			

22. Balance shown under head Sundry Debtors, Creditors and Advances are subject to confirmation.
23. There are some balances were outstanding since long time. Hence, management in their meeting held on 13th August 2015 has decided to written off the balance during the year. Details are us under:-

	Particulars	Amount (Rs.)	Remarks
1.	Investments in VSMP Stock Holdings private Limited	1,24,40,000	Company ceases to exist.
2.	Sundry Debtors	15,05,028	Not recoverable since long time
3.	HSBC Credit Card	58,096	Not recoverable since long time
3.	Bank Balances	33,112	Dormant Bank account.
	TOTAL	1,40,36,236	

24. In the opinion of Board of Directors and to the best of their knowledge and belief, the realisable value of Current Assets, Loans and Advances would not be less than the amount at which they are stated in the Balance Sheet.

Particulars	31/03/2016 (Rs.)	31/03/2015 (Rs.)
24. Earnings/ Remittances and/ or Expenditure in Foreign Currency	Nil	Nil

	Particulars	31/03/2016 (Rs.)	31/03/2015 (Rs.)
25.	Contingent Liability not provided for	Nil	Nil

For and on behalf of the Board of Directors of
Smart Capital Services Limited

Sd/-
Harish Kumar
Managing Director
DIN: 02591868

Sd/-
Pawan Kumar Mittal
Director
DIN: 00749265

New Delhi, the 28th day of May 2016

Sd/-
Meena
CFO
PAN: BTSPM8829F

Sd/-
Abhinav Dora
CS
PAN: BRWPD6858H

SMART CAPITAL SERVICES LIMITED
CIN: L74899DL1994PLC059877

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

26. Break- up of Payments made to Statutory Auditors (including Service Tax) is disclosed as under: -

	31/03/2016 (Rs.)	31/03/2015 (Rs.)
In respect of Statutory Audit (including Tax Audit)	22,900	6,270
In respect of Certification	1,710	Nil
TOTAL	24,610	6,270

27. Previous Year's Figures have been re- arranged or re- grouped wherever considered necessary.

28. Figures have been rounded off to the nearest rupees.

29. Figures in brackets indicate negative (-) figures.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of
Smart Capital Services Limited

Sd/-
Gaurav Joshi
Partner
Memberships No. 516027

Sd/-
Harish Kumar
Managing Director
DIN: 02591868

Sd/-
Pawan Kumar Mittal
Director
DIN: 00749265

New Delhi, the 28th day of May 2016

Sd/-
Meena
CFO
PAN: BTSPM8829F

Sd/-
Abhinav Dora
CS
PAN: BRWPD6858H

ATTENDANCE SLIP**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE**

Name	
Address	
DP-ID/CLIENT-ID*	
Regd. Folio No.	
No. of shares held	
Whether the member is attending the meeting in person or by proxy or by authorized representative.	
Name of the proxy (to be filed in if proxy attends instead of the member).	

**Applicable for investors holding shares in Electronic form.*

I certify that I am a registered Shareholders/Proxy for the registered Shareholder of the Company. I/we hereby record my/our presence at the Annual General Meeting of the Company held on Friday, the 23rd day of September, 2016 at 11:00 A.M., at the Registered Office of the Company situated at 325, IIIrd Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085.

**Signature of the Member/Proxy
(To be signed at the time of handing over the slip)**

Form No. MGT-11**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: **L74899DL1994PLC059877**

Name of the Company: **Smart Capital Services Limited**

Venue of the Meeting: **325, IIIrd Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085**

Date and Time: **23rd September, 2016 at 11:00 A.M.**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP-ID/CLIENT-ID*	
Regd. Folio No.	
No. of shares held	

**Applicable for investors holding shares in Electronic form.*

I/We, being the member(s) of shares of the above named company, hereby appoint the following as my/our Proxy to attend vote (for me/us and on my/our behalf at the 21st Annual General Meeting of the Company to be held on 23rd September, 2016 at 11:00 A.M. at 325, IIIrd Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Name: _____
 Address: _____
 E-mail ID: _____
 Signature: _____, or failing him/her

2. Name: _____
 Address: _____
 E-mail ID: _____
 Signature: _____, or failing him/her

3. Name: _____
 Address: _____
 E-mail ID: _____
 Signature: _____, or failing him/her

** I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

S. No.	Resolution	Number of shares held	For	Against
ORDINARY BUSINESS:				
1	To receive, consider and adopt the standalone audited Financial Statements of the Company for the financial year ended March 31, 2016 and the Reports of the Board of Directors and the Auditors thereon.			
2.	To ratify the appointment of Statutory Auditors of the Company.			
SPECIAL BUSINESS:				
3.	Appointment of Mr. Pawan Kumar Mittal as a Director of the Company			
4.	Appointment of Mr. Rohit Mittal as a Director of the Company			
5.	Appointment of Ms. Kiran Mittal as a Director of the Company			
6.	Appointment of Mr. Prem Prakash Gandhi as Independent Director of the Company			
7.	Appointment of Mr. Hitesh Rai Makhija as Independent Director of the Company			
8.	Adoption of New Set of Articles of Association			
9.	Adoption of New Set of Memorandum of Association			

** This is optional. Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signature of shareholder

Signature of Proxy holder(s)

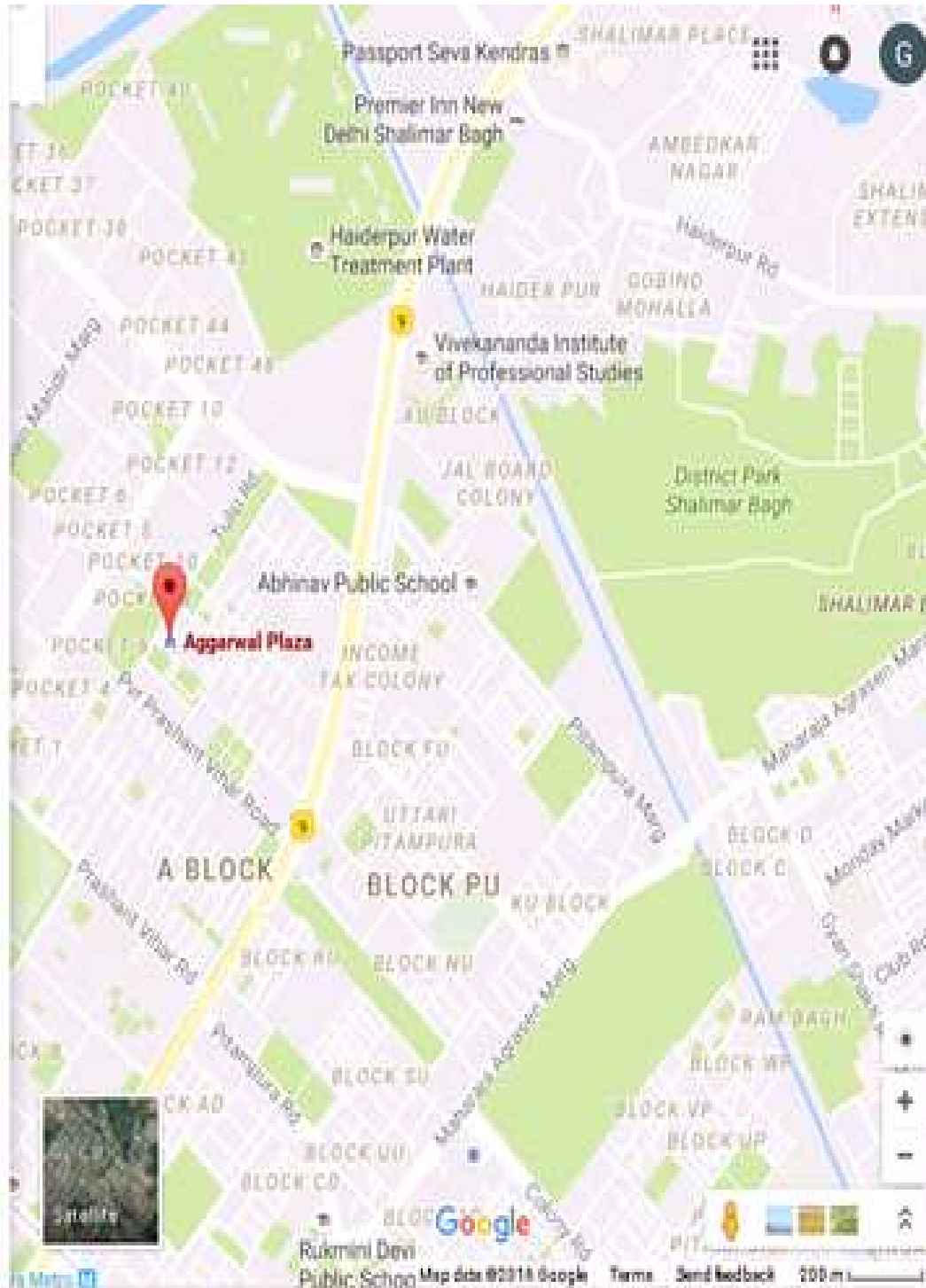
Signed this Day of 2016

Affix One Rupee
Revenue Stamp

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

Route Map to the AGM Venue



THANK YOU