

**SMC GLOBAL SECURITIES LIMITED**  
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 Company Secretary & Compliance Officer: Mr. Suman Kumar

**PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF SMC GLOBAL SECURITIES LIMITED ("COMPANY") FOR BUY-BACK OF EQUITY SHARES FOR AN AMOUNT NOT EXCEEDING ₹ 75,00,00,000/- (RUPEES SEVENTY-FIVE CRORE ONLY) FROM THE OPEN MARKET THROUGH STOCK EXCHANGES AS PRESCRIBED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED.**

This Public Announcement (the "Public Announcement") is being made in accordance with the provisions of Regulation 16(i)(b) and other applicable provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("Buy-back Regulations") and contains the disclosures as specified in Schedule IV read with Schedule 1 of the Buy-back Regulations.

Certain figures contained in this Public Announcement, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

**OFFER FOR BUY-BACK OF FULLY PAID UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF ₹ 2/- (RUPEES TWO ONLY) EACH FROM THE OPEN MARKET THROUGH STOCK EXCHANGES.**

**Part A - Disclosures in accordance with Schedule I of the Buy-back Regulations**

**1. Details of the Buy-back Offer and Offer Price**

1.1. The Board of Directors of SMC Global Securities Limited (hereinafter referred to as the "Board" or "Board of Directors") which expression shall include any committee constituted and authorized by the Board to exercise its powers, at its meeting held on May 07, 2022 ("Board Meeting"), has pursuant to the provisions of Article 39 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013 ("Act"), the Companies (Share Capital and Debentures) Rules, 2014 ("Share Capital Rules"), Companies (Management and Administration) Rules, 2014, as amended ("Management Rules") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) thereon for the time being in force, to the extent applicable ("LODR Regulations") to the extent applicable and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("Buy-back Regulations") and subject to such other approvals, permissions and sanctions as may be necessary, approved the proposal to buy-back of fully paid up equity shares having face value of ₹ 2/- each ("Equity Share(s)") from the members of the Company (other than the promoters, promoter group and persons in control of the Company) payable in cash for an amount not exceeding ₹ 75,00,00,000/- (Rupees Seventy Five Crore Only) ("Maximum Buy-back Size") at a price not exceeding ₹ 115/- (Rupees One Hundred and Fifteen Only) per Equity Share ("Maximum Buy-back Price" or "Offer Price") through the Open Market through stock exchanges where the equity shares of the Company are listed. The Maximum Buy-back Size does not include transaction costs viz, brokerage, advisors' fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes such as tax on distributed income on buy-back, securities transaction tax, goods and services tax, income tax, stamp duty and other incidental and related expenses etc. ("Transaction Costs"). Subject to the market price of the Equity Shares being equal to or less than the Maximum Buy-back Price, the indicative maximum number of Equity Shares to be bought back would be 65,21,739 Equity Shares ("Proposed Buy-back Shares"), comprising approximately 5.76% of the total paid-up equity share capital of the Company as at March 31, 2022. The Buy-back period shall commence from the date of the passing of the board resolution until the last date on which the payment of consideration for the Equity Shares bought back by the Company is made ("Buy-back Period").

1.2. The Maximum Buy-back size represents 9.64% and 8.78% of the aggregate of the total paid-up share capital and free reserves of the Company, based on the latest audited financial statements of the Company as at March 31, 2022 on a standalone basis and consolidated basis, respectively, which is within the prescribed limit of 15% of the total paid-up share capital and free reserves. Since the Maximum Buy-back Size is not more than 10% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company, the approval of shareholders of the Company is not required in terms of Section 68(2)(b) of the Act and Regulation 5(b) of the Buy-back Regulations.

1.3. The Company will comply with the requirement of maintaining a minimum public shareholding of at least 25% of the total paid-up equity share capital of the Company as provided under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") during the Buy-back period and upon completion thereof.

1.4. The Buy-back will be implemented by the Company from its free reserves (including securities premium account) and/or such other sources as permitted under the Buy-back Regulations or the Act in accordance with Regulation 4(i) and in accordance with Regulation 4(i)(b)(ii) read with Regulation 16 of the Buy-back Regulations from the open market through the stock exchange using the order matching mechanism except "all or none" order matching system as provided under the Buy-back Regulations. Further, as required under the Act and Buy-back Regulations, the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or until the Equity Shares become transferable. There are no partly paid-up Equity Shares with calls in arrears.

1.5. The Buy-back is subject to receipt of such sanctions and approvals from statutory, regulatory or governmental authorities as may be required under applicable laws.

1.6. The Buy-back from non-resident members, Overseas Corporate Bodies ("OCBs") and Foreign Portfolio Investors ("FPIs"), and members of foreign nationality, if any, etc., is subject to such approvals as may be required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any, and such approvals shall be required to be taken by such non-resident members.

1.7. A copy of this Public Announcement will be available on the website of SEBI (www.sebi.gov.in) as well as on the website of the Company (www.smcindiaonline.com) and the website of the stock exchanges (www.bseindia.com and www.nseindia.com). The proposed timeline for the Buy-back is set out under paragraph 17 of this Public Announcement.

**2. NECESSITY OF THE BUY-BACK**

2.1. Undertaking this buyback offer is a strategic decision by the Company taken based on assimilation of the operational cash needs in the medium term and for returning surplus funds to the members in an effective and efficient manner.

The Buy-back is generally expected to improve return on equity through distribution of cash and improve earnings per share and reduction in the equity base in the long term, thereby leading to long-term increase in members' value.

The Buy-back gives an option to the members of the Company, either to sell their Equity Shares and receive cash or not to sell their Equity Shares and get a resultant increase in their percentage shareholding in the Company post the Buy-back, without additional investment.

**3. MAXIMUM AND MINIMUM BUY-BACK SIZE AND MAXIMUM AND MINIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUY-BACK**

3.1. The maximum amount to be utilised under the Buy-back will not exceed ₹ 75,00,00,000/- (Rupees Seventy Five Crore only) which represents 9.64% and 8.78% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements and audited consolidated financial statements for the financial year ended on March 31, 2022, respectively. The Maximum Buy-back Size does not include any expenses or transaction costs incurred or to be incurred for the Buy-back, such as brokerage, filing fees, advisory fees, intermediaries' fees, public announcement publication expenses, printing and dispatch expenses, applicable taxes such as buyback tax, securities transaction tax, goods and services tax, stamp duty etc. and other incidental and related expenses ("Transaction Costs").

3.2. At the Maximum Buy-back Size and the Maximum Buy-back Price, the indicative maximum number of Equity Shares to be bought back under the Buy-back will be 65,21,739 Equity Shares ("Maximum Buy-back Shares"), which represent 5.76% of the total paid-up equity share capital of the Company. If the Equity Shares are bought back at a price below the Maximum Buy-back Price, the actual number of Equity Shares bought back might exceed the indicative Maximum Buy-back Shares (assuming full deployment of the Maximum Buy-back Size) but will always be subject to the Maximum Buy-back Size. The actual number of Equity Shares bought back under the Buy-back will depend upon the actual price (excluding the Transaction Costs) paid for the Equity Shares bought back and the aggregate consideration paid in the Buy-back, subject to the Maximum Buy-back Size. Further, the number of Equity Shares bought back under the Buy-back will not exceed 25% of the total number of Equity Shares of the Company.

3.3. Further, in accordance with Regulation 15 of the Buy-back Regulations, the Company shall utilise at least 50% of the amount earmarked as the Maximum Buy-back Size for the Buy-back, i.e. ₹ 75,00,00,000/- (Rupees Seventy Five Crore only) ("Minimum Buy-back Size") and based on the Minimum Buy-back Size and the Maximum Buy-back Price, the Company will purchase indicative minimum of 32,60,869 Equity Shares ("Minimum Buy-back Shares") in the Buy-back, which represents 2.88% of the total number of paid-up equity share capital of the Company.

3.4. The Company confirms that consequent to the Buyback, the ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice of the paid-up share capital and free reserves after the Buyback.

3.5. Shareholders are advised that the Buyback of the Equity Shares will be carried out through the Stock Exchanges by way of the open market route, where the Equity Shares of the Company are listed, by the Company, in its sole discretion, based on, among other things, the prevailing market prices of the Equity Shares, which may be below the Maximum Buy-back Price of ₹ 115/- per Equity Share.

3.6. The quantum of daily purchases by the Company during the Buyback period may vary from day to day. As permitted by the Buyback Regulations, the Buyback will be carried out over a maximum period of 6 (six) months.

**4. MAXIMUM BUY-BACK PRICE AND BASIS OF ARRIVING AT THE BUY-BACK PRICE AND MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUY-BACK**

4.1. The Equity Shares of the Company are proposed to be bought back at a price not exceeding ₹ 115/- per Equity Share. The Maximum Buy-back Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices of the Equity Shares on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges" where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per share.

4.2. The Maximum Buy-back Price of ₹ 115/- (Rupees One Hundred Fifteen Only) per Equity Share represents:

4.2.1. Premium of 40.24% and 40.24% over the closing price of the Equity Shares on BSE and on NSE, respectively, as on May 07, 2022, being the date on which the Company has filed the Buy-back offer with its intention to consider the proposal for buyback of shares at the Board Meeting held on May 07, 2022; and

4.2.2. Premium of 47.08% over the volume weighted average market price of the Equity Shares on NSE, being the Stock Exchange with higher Trading Volume of Stock of the Company, during the three months preceding May 04, 2022, being the date on which the Company intimated the Stock Exchanges about its intention to consider the proposal for buyback of shares at the Board Meeting held on May 07, 2022.

4.2.3. Premium of 41.51% over the volume weighted average market price of the Equity Shares on NSE, being the Stock Exchange with higher Trading Volume of Stock of the Company, during the two weeks preceding May 04, 2022, being the date on which the Company intimated the Stock Exchanges about its intention to consider the proposal for buyback of shares at the Board Meeting held on May 07, 2022.

4.3. The Buy-back is proposed to be completed within a maximum period of six months from the date of opening of the Buy-back. Subject to the Maximum Buy-back Price of ₹ 115/- (Rupees One Hundred Fifteen Only) per Equity Share for the Buy-back and maximum validity period of six months from the date of opening of the Buy-back, the achievement of the Minimum Buy-back Size, the actual time frame and the price of the Buy-back will be determined by the Board or any committee authorized representatives of the Board or any committee thereof, at their discretion, in accordance with the Buy-back Regulations.

**5. METHOD TO BE ADOPTED FOR BUYBACK AS REFERRED TO IN REGULATION 4(i)(b) AND REGULATION 16 OF THE BUY-BACK REGULATIONS**

5.1. In terms of Regulation 40(1) of the LODR Regulations, as amended, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. Accordingly, the Buyback is open to beneficial owners holding Equity Shares in dematerialized form ("Demat Shares").

5.2. The Buyback will be implemented by the Company by way of open market purchases through the stock exchanges, by the order matching mechanism except "all or none" order matching system, as provided under the Buyback Regulations. The promoters, promoter group, and persons in control of the Company shall not participate in the Buyback.

5.3. Further, as required under the Buyback Regulations, the Company will not buy back Equity Shares which are locked-in or non-transferable, until the pendency of such lock-in or until the time such Equity Shares become transferable, as defined in relation to the Buyback of Demat Shares, the execution of the order, issuance of contract note and delivery of the stock to the member and receipt of payment would be carried out by the broker, appointed by the Company, in accordance with the requirements of the Stock Exchanges and SEBI.

**6. TIME LIMIT FOR COMPLETION OF BUYBACK**

The Buyback, subject to regulatory consents and approvals, if any, is proposed to be completed within a period of 1 year from the date of the board resolution approving the Buyback.

**7. COMPLIANCE WITH REGULATION 4 OF THE BUYBACK REGULATIONS**

In terms of the provisions of the Buyback Regulations, the offer for Buyback under open market route cannot be made for 15% or more of the aggregate total paid-up share capital and free reserves of the Company, based on both standalone and consolidated financial statements of the Company. The maximum amount of funds required for the Buyback will not exceed ₹ 75,00,00,000 (Rupees Seventy Five Crore only), being 9.64% and 8.78% of the aggregate of the total paid-up share capital and free reserves of the Company, which is less than 15% of the aggregate of the total paid-up share capital and free reserves of the Company based on the latest audited financial statements of the Company as at March 31, 2022 (on a standalone and consolidated basis, respectively).

**8. THE AGGREGATE SHAREHOLDING OF THE PROMOTERS AND PROMOTER GROUP PERSONS WHO ARE IN CONTROL, THE DIRECTORS OF THE PROMOTER WHERE PROMOTER IS A COMPANY, AND OF DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY AND THE DETAILS OF THE TRANSACTIONS UNDERTAKEN BY SUCH PERSONS.**

8.1. The aggregate shareholding of the promoters and promoter group of the Company and the persons in control of the Company ("Promoters and Promoter Group") as on the date of the Public Announcement i.e., May 09, 2022 is given below:

Sl. No.	Name of Shareholders	Category	No. of Shares held	Percentage of Holding
1.	Maheesh C Gupta	Promoter	82,48,500	7.29
2.	Subhash Chand Aggarwal	Promoter	80,95,500	7.16
3.	Sushma Gupta	Promoter	75,66,550	6.69
4.	Hemlata Aggarwal	Promoter Group	50,00,000	4.42
5.	Pranay Aggarwal	Promoter Group	47,20,550	4.17
6.	Ginni Devi	Promoter Group	22,00,000	1.94
7.	Himanshu Gupta	Promoter Group	20,00,000	1.77
8.	Madan Gopal Aggarwal	Promoter Group	9,84,000	0.87
9.	Ajay Garg	Promoter Group	8,41,600	0.74
10.	Damodar Krishan Aggarwal	Promoter	7,81,970	0.69
11.	Anurag Bansal	Promoter Group	2,50,000	0.22
12.	Archana Aggarwal	Promoter Group	30,000	0.03
13.	Shruti Aggarwal	Promoter Group	20,175	0.02
14.	Asm Pipes Private Limited	Promoter Group	1,86,67,140	16.50
15.	Pulin Investments Pvt. Ltd.	Promoter Group	92,77,205	8.20
16.	Jai Ambej Share Broking Ltd.	Promoter Group	16,16,770	1.43
17.	SMC Share Brokers Ltd.	Promoter Group	2,25,000	0.20
18.	Aditi Aggarwal	Promoter Group	33,05,000	2.93
<b>Total</b>			<b>7,05,57,910</b>	<b>62.37</b>

8.2. The aggregate shareholding of the Directors of the companies which are a part of the promoter and promoter group as on the date of the Public Announcement i.e., May 09, 2022 is given below:

Sl. No.	Name of Director	Name of the Promoter/ Promoter Group Company	No. of Shares held	Percentage of Holding
1.	Maheesh C Gupta	Promoter	82,48,500	7.29
2.	Subhash Chand Aggarwal	Promoter	80,95,500	7.16
3.	Himanshu Gupta	Promoter Group	20,00,000	1.77
4.	Ajay Garg	Promoter Group	8,41,600	0.74
5.	Anurag Bansal	Promoter Group	2,50,000	0.22
6.	Shruti Aggarwal	Promoter Group	20,175	0.02
7.	Suman Kumar	Company Secretary	-	-
8.	Vinod Kumar Jamar	Chief Financial Officer	-	-
<b>Total</b>			<b>1,94,55,775</b>	<b>17.20</b>

8.3. Aggregate shareholding of the Directors and Key Managerial Personnel of the Company as on the date of the Public Announcement i.e., May 09, 2022 is given below:

Sl. No.	Name of Director/ Key Managerial Personnel	Designation	No. of Shares held	Percentage of Holding
1.	Maheesh C Gupta	Promoter	82,48,500	7.29
2.	Subhash Chand Aggarwal	Promoter	80,95,500	7.16
3.	Himanshu Gupta	Promoter Group	20,00,000	1.77
4.	Ajay Garg	Promoter Group	8,41,600	0.74
5.	Anurag Bansal	Promoter Group	2,50,000	0.22
6.	Shruti Aggarwal	Promoter Group	20,175	0.02
7.	Suman Kumar	Company Secretary	-	-
8.	Vinod Kumar Jamar	Chief Financial Officer	-	-
<b>Total</b>			<b>1,94,55,775</b>	<b>17.20</b>

8.4. The aggregate number of Equity Shares purchased or sold by the promoter & promoter group, Directors of the companies which are a part of the promoter and promoter group and directors & key managerial personnel of the Company during a period of 12 months preceding the date of the Public Announcement, i.e., May 09, 2022, is as follows:

Name of shareholder	Number of Equity Shares purchased/sold	Nature of transaction	Maximum price (Rs.)	Date of maximum price	Minimum price (Rs.)	Date of minimum price
Pulin Investment Private Limited	61,00,000	Pledge	NA	NA	NA	NA
Ms. Shruti Aggarwal	6,425	Purchase through open market	77.75	11-June-2021	77.75	11-June-2021
Mr. Himanshu Gupta	10,00,000	Gift acquired from Mr. Maheesh Chand Gupta	NA	NA	NA	NA
Mr. Maheesh Chand Gupta	10,00,000	Gift given to Mr. Himanshu Gupta	NA	NA	NA	NA
Mr. Pranay Aggarwal	20,00,000	Gift acquired from Mr. Subhash Chand Aggarwal	NA	NA	NA	NA
Mr. Subhash Chand Aggarwal	20,00,000	Gift given to Mr. Pranay Aggarwal	NA	NA	NA	NA
Ms. Aditi Aggarwal	30,362	Purchase through open market	77.09	12-Nov-2021	71.30	07-Mar-2022

8.5. Except as disclosed above, the Promoters and Promoter Group have not purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings for last twelve months prior to the date of the Public Announcement.

**9. NON-PARTICIPATION OF THE PROMOTERS AND PROMOTER GROUP OF THE COMPANY IN THE BUY-BACK**

9.1. In accordance with Regulation 16(i) of the Buy-back Regulations, the Buy-back of Equity Shares shall not be made by the Company from the Promoter and Promoter Group of the Company.

9.2. Further, in accordance with the Regulation 24(i)(e) of the Buy-back Regulations, the promoters or their associates shall not deal in the Equity Shares or other specified securities of the Company in the stock exchange or off-market, including inter-se transfer of shares among the promoters during the period from the date of Board Meeting till the closing of the Buy-back offer.

**10. NO DEFAULTS**

The Company confirms that there are no defaults subsisting in the repayment of deposits or interest thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banks.

**11. CONFIRMATION FROM THE COMPANY AS PER THE PROVISIONS OF THE BUY-BACK REGULATIONS AND THE ACT**

11.1. All the Equity Shares for Buyback are fully paid-up;

11.2. The Company, as per provisions of Section 68(b) of the Act, shall not make further issue of the same kind of Equity Shares within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or Equity Shares issued to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;

11.3. The Company shall not raise further capital for a period of 1 year from the expiry of the Buyback period, except in discharge of subsisting obligations;

11.4. The Board resolution approving the Buyback will be valid for a maximum period of one year from the date of passing of the said resolution (or such extended period as may be permitted under the Act or the Buyback Regulations or by the appropriate authorities). The exact timeline for the Buyback shall be decided by the Board (or its duly constituted committee) in accordance with applicable laws within the above time limits;

11.5. The Equity Shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;

11.6. The Company shall not issue and allot any Equity Shares or other specified securities including by way of bonus, till the date of expiry of Buyback period;

11.7. The Company shall not buy back locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;

11.8. The Company shall not buy back Equity Shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;

11.9. The Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act.

11.10. That funds borrowed from banks and financial institutions will not be used for the Buyback;

11.11. The aggregate amount of the Buyback i.e. ₹ 75,00,00,000 (Rupees Seventy Five Crores only) does not exceed 15% of the total paid-up share capital and free reserves of the Company as on March 31, 2022 on a standalone and consolidated basis;

11.12. The indicative maximum number of Equity Shares at the Maximum Buyback Price and the Maximum Buy-back Size bought back would be 65,21,739 Equity Shares, comprising approximately 5.76% of the total paid-up equity share capital of the Company. If the Equity Shares are bought back at a price below the Maximum Buyback Price, the number of Equity Shares bought back could exceed the Proposed Buy-back Shares, but will always be subject to the Maximum Buyback Size.

11.13. The maximum number of Equity Shares proposed to be purchased under the Buyback, does not exceed 25% of the total number of equity shares in the paid-up equity share capital;

11.14. The Company shall not make any offer of buyback within a period of 1 year reckoned from the date of expiry of the Buyback period and the Company has not undertaken a buyback of any of its securities during the period of 1 year immediately preceding the date of the Board Meeting approving the Buyback;

11.15. There is no pendency of any scheme of amalgamation or compromise or arrangement proposed to the provisions of the Companies Act, as on date;

11.16. The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up share capital and free reserves after the Buyback;

11.17. The Company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act, interest payment thereon, redemption of debentures or preference shares or payment of dividend to any Shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banking company;

11.18. The Buyback shall be completed within a period of 1 year from the date of passing of Board resolution;

11.19. The Company shall not withdraw the Buyback offer after the public announcement of the Buyback is made, except where any event or restriction may render Company unable to effect Buyback;

11.20. The Company is not undertaking the Buyback to delist its Equity Shares or any other specified securities from the stock exchanges;

11.21. Consideration of the Equity Shares bought back by the Company will be paid only by way of cash;

11.22. The Company will not directly or indirectly purchase its own Equity Shares or other specified securities

i. Through any subsidiary company including its own subsidiary companies; or  
 ii. Through any investment company or group of investment companies.

11.23. The Company will submit the information regarding the Equity Shares bought back by the Company to BSE and NSE, where the Equity Shares of the Company are listed on a daily basis in accordance with the Buyback Regulations and in such form as may be prescribed by SEBI and the Stock Exchanges so as to enable them to upload the same on their website immediately. The Company will also upload the information regarding the Equity Shares bought back on its website on a daily basis; and

11.24. The Buyback shall be implemented by the Company by way of open market purchases through BSE and NSE, through order matching mechanism except "all or none" order matching system, in accordance with the Buyback Regulations.

**12. CONFIRMATION BY THE BOARD OF DIRECTORS OF THE COMPANY**

The Board of Directors of the Company has, at its meeting held on May 07, 2022, confirmed that they have made full enquiry into the affairs and prospects of the Company and that they have formed an opinion-

a. that immediately following the date of this Board Meeting at which the Buyback of the Equity Shares of the Company is approved, there will be no grounds on which the Company could be found unable to pay its debts;

b. that as regards the prospects of the Company for the year immediately following the date of this Board Meeting held to approve the Buyback and having regard to the Board's intentions with respect to the management of its business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board Meeting.

c. in forming its opinion as aforesaid, the Board has taken into account the liabilities as of the Company were being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities).

**13. REPORT ADDRESSED TO THE BOARD OF DIRECTORS BY THE COMPANY AUDITORS**

The text of the report dated May 07, 2022 received from R Gopal & Associates, Chartered Accountants (Firm registration number -0000846C) the Statutory Auditors of the Company and the annexed statement of computation of permissible capital payments for the proposed Buy-back of Equity Shares of the Company, addressed to the Board of Directors of the Company are reproduced below:

**To,**  
 The Board of Directors,  
 SMC Global Securities Limited  
 11/6B, Shanti Chamber, Pusa Road New Delhi, India  
 Dear Sirs / Madam,

**Re: Statutory Auditor's Report in respect of proposed buyback of equity shares by SMC Global Securities Limited (the "Company") in terms of Clause (x) of Schedule I of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (the "Buy-back Regulations")**

1. This Report is issued in accordance with the terms of our engagement letter dated May 6, 2022.

2. The Board of Directors of the Company have approved the proposal for buyback of equity shares by the Company at its meeting held on May 07, 2022, in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013, as amended (the "Act") and the Buyback Regulations.

3. We have been



## BRH WEALTH KREATORS CASE

## SC notice to HDFC Bank on Sebi, NSE appeal against SAT order

INDU BHAN  
New Delhi, May 9

THE SUPREME COURT on Monday sought response from HDFC Bank in a case related to its invoking of securities pledged by stockbroker BRH Wealth KREATORS.

A Bench led by Justice SA Nazeer issued notice to the private lender after both Sebi and the National Stock Exchange challenged the Securities Appellate Tribunal's decision that quashed the Sebi's January 21, 2021, order that had imposed a ₹1-crore fine on private lender for flouting directions passed in its interim order of October 2019.

The regulator had also directed HDFC to transfer ₹158.68 crore with a 7% interest per annum into an escrow account till the issue of settlement of clients' securities was reconciled.

The SAT had on February 18 held that the HDFC Bank was justified in invoking the pledge made by the broker BRH and did not violate any Sebi directions. While Sebi and NSE were represented by attorney gen-



## LEGAL TANGLE

■ SAT quashed Sebi's January 21, 2021, order that had imposed a ₹1-crore fine on private lender

■ Sebi also directed the bank to transfer ₹158.68 crore with a 7% interest per annum into an escrow account

■ SAT had on February 18 held that the HDFC Bank was justified in invoking the pledge made by the broker BRH and did not violate any Sebi directions

eral KV Venugopal and senior counsel Shyam Divan, respectively, senior counsel AM Singhvi appeared on behalf of the bank.

Stating that it had all through prohibited creation of charge on client securities, the market regulator said the SAT had grossly erred in law in construing that its various circulars issued from 1993 to 2020, including the two in September 2016 and June 2019, would apply only to the stock broker BRH and not the bank. Sebi told the SC that the tribunal had failed to consider and appreciate that a pledge created on the securities of investors/clients in favour of the bank was bad in law and against the intent of the Depositories Act, 1996 as well as the Sebi Act 1992 and the circulars issued under them.

Sebi had found that BRH had misappropriated its clients securities to the tune of ₹169.24 crore in September 2019 and misutilised the securities by pledging those for grant of loan facility by the bank to the tune of ₹191.16 crore, Sebi said in its appeal

filed through counsel Pratap Venugopal.

"Because in any event, the banks/NBFCs as a pledgee of DMAT securities as well as a prospective transferee on invocation is a "person associated with the securities markets". It cannot be said that the banks, therefore, are not within the jurisdiction of Sebi, any person dealing with securities, including a person dealing in the depository system by creating a pledge in his favour, is within the Sebi jurisdiction and bound by the Sebi orders," it added.

BRH had availed a loan against shares from HDFC Bank. The brokerage firm had in October 2019 defaulted on its obligations following which HDFC Bank recalled a loan worth ₹191 crore. As BRH failed to repay the loan, the private bank sold shares pledged by the broker worth ₹140 crore between October and December 2019. This was despite Sebi in October 2019 restraining BRH and seven other related parties from accessing the securities market and disposing of its assets and NSE suspending BRH from October 1, 2019.

## Neobank Fi plans foray into P2P lending

Looks at scaling user base to 3 million by the end of the year

TUSHAR GOENKA  
Bengaluru, May 9

SEQUIA-BACKED NEOBANK Fi is looking at scaling its user base to three million users by the end of the current calendar year, from around a million users at present. The company, which had earlier announced its foray into the mutual funds investments space, also plans to launch peer-to-peer (P2P) lending soon.

"After having crossed a million users within the first 10 months, we are looking at having three million users by the end of 2022. Most of our users are very active - overall 70% of them are active on a portfolio level and among those active users, almost 50% transact every alternate day. Having worked on multiple products across, these are numbers that I would have loved any day on any product," said co-founder Sumit Gwalani.

With the P2P lending service, which the company plans to launch in a few weeks, it expects users would get a yield of around 9% annually. On the relatively

low rate of return, given Fi focuses on millennial and the gen Z, Gwalani explained: "There are people who want a slightly more conservative return, but want to be sure that their money is guaranteed. India has always been a savings market at the end of the day. They would prefer a percent-or-two less, but want to be 100% sure their money is not going down. Especially in this market, where stock prices are fluctuating wildly, you want to ensure your money is safe and that is important."

Sujith Narayanan, co-founder, Fi, said: "In 12-18 months from now, with interest rates being on an upward

trajectory, some of these numbers will have to be re-looked at and it's something we'll be working closely with our partners."

The neobank is aiming at launching more lending services and even issue credit cards in the next 12 months. Fi has tied up with Federal Bank to facilitate opening of savings bank accounts and issue debit cards to its consumers.

Out of \$75 million it has raised so far, \$50 million came in its Series B round where it was valued at \$315 million in October 2021. The founders refused to comment on talks of an additional \$100 million being raised at \$700-million valuation.

## FROM THE FRONT PAGE

## Samsung beats Apple in premium war

However, Apple changed the smartphone game from 2020 when it came out with models like iPhone 11, 12 and 13, and topped Samsung from the leadership position. In 2021, for instance, Apple sold about 5.4 million devices in the domestic market in the premium segment against Samsung's 1.1 million.

One reason for Samsung's losing the top position in the premium segment was the phasing out of its hugely successful Note series, without coming out with any equivalent alternative. This void seems to have been filled with the Galaxy S22 series, which was launched

in March.

It remains to be seen whether Samsung is able to consolidate its position going ahead. During the January-March quarter, Apple continued to be the leader in the premium segment with a 38% market share followed by Samsung at 25%.

According to Aditya Babbar, senior director and head of product marketing, mobile business, Samsung India, the company has received an unprecedented response for its latest flagship. "The growth in non-metros has been 3 times higher compared to metro cities, which shows the device has been loved by people across the country," he said.

"Samsung has a momentum now in the premium segment as our channel checks are indicating a robust demand going into the second quarter as well," said

Tarun Pathak, research director, Counterpoint Research.

## Final day: LIC IPO subscribed 2.9x

"The issue was subscribed predominantly by domestic investors. Response from foreign investors hasn't been very good," he said.

The IPO received bids for 478 million equity shares against 162 million shares on offer. Prior to the offer, LIC had garnered ₹5,627 crore from anchor investors.

Most of the bids from institutional investors and high net-worth individuals (HNIs) came in on the last day of bidding on Monday, with the portion set aside for qualified institutional buyers (including FPIs/banks/mutual funds) being subscribed 2.83 times

and the portion for non-institutional investors being subscribed 2.91 times.

Amid a discount of ₹60 for the insurer's policyholders, the quota reserved for them was subscribed 6.1 times till Monday, whereas the employee portion, which included a discount of ₹45 per equity share for employees of the company, was subscribed 4.4 times on the final day. Retail investors bid for 137 million shares against 69 million shares on offer - with the quota being subscribed 1.9 times overall, data from exchanges showed. Retail investors, too, had a discount of ₹45 per equity share in the public offer.

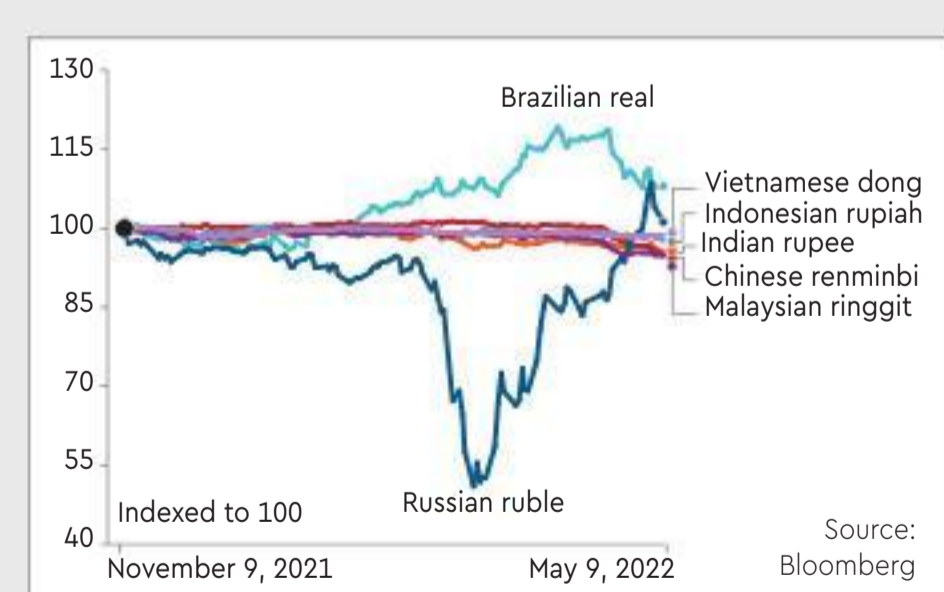
Financial service secretary Sanjay Malhotra said the LIC shares "should give decent returns" to investors in the short, medium and long terms.

## Rupee dips to new low against dollar

DESPITE A RISING trade deficit since September last year and large FPI (foreign portfolio investors) outflows, the rupee has lost relatively less value, due to intervention by the RBI. Since November 2021, FPIs have pulled out around \$25 billion while the reserves have fallen by around \$45 billion.

Madan Sabnavis, chief economist at Bank of Baroda, said the rupee is still somewhat overvalued compared to its peers. "So, there is some reason for the rupee to depreciate further," he said, pointing out that the RBI has intervened to the tune of some \$15 billion and also in the forwards market. "If the rupee does not move up to around ₹77/\$ in the next couple of days, the 78 level will be tested," he added.

Since January 2021, the DXY has put on some 14% while the rupee, before Monday's fall, had lost some 4.5%. Jayesh Mehta, country treasurer, Bank of America, said the rupee has not depreciated as much as its peer currencies in recent months because



foreign direct investment flows have been strong and it looked like crude oil prices would not go up beyond a point. "So, there was a belief the current account deficit would be reined in within 3%. Now, given our dependence on imported crude, the uncertainty on oil prices is worrying, the dollar is less of a concern," Mehta observed.

One reason experts are not overly concerned about Monday's dip in the currency, unlike in 2012 and 2013, is that companies do not have a significant unhedged ECB (external commercial borrowings) exposure following the tightening of norms for

dollar exposures. They also point to the RBI's stash of reserves of close to \$600 billion of reserves plus an estimated \$40-50 billion in the forward markets appears adequate.

Anindya Banerjee, vice president, Kotak Securities, said while the forward premium has increased since the repo rate hike last week, importers generally don't hedge much given the cost. "While there have been episodes of volatility in the last few years, external risks such as unhedged ECB exposures have been largely contained," he added.

Banerjee believes the

interest rate hikes would support the currency though the rupee could touch 78.00-78.50 against the greenback over the next one month.

However, India's trade deficit driven up by costlier imports of crude oil, coal and palm oil has averaged \$20 billion over the last six months, and is worrying. The CAD, some believe could even cross 3% in FY23. Indranil Pan, chief economist, Yes Bank, cautioned chances of oil prices falling too much appear slim. "Our sense is the trade gap and current account gap would widen in FY23. Also, now the Chinese yuan has started depreciating quite sharply and this could result in a seismic shock via other Asian currencies into the rupee," Pan explained.

Analysts believe a weaker currency may not be sufficient to boost exports given the expected slowdown in global trade. As per the RBI, India's real effective exchange rate (REER), based on a new 40-country series, is also at an elevated level, and a decline may help.

(Continue from page 1 ...)

Particulars	March 31, 2022 (Audited)	March 31, 2021* (Audited)	March 31, 2020 (Audited)
Equity share capital	2,262.69	2,262.69	2,262.69
Other equity	77,060.57	64,884.43	58,765.59
Net worth (excluding revaluation reserve)	79,323.26	67,147.12	61,028.28
Non-current borrowings	2,045.30	61.67	45.54
Current portion of long term borrowings	1,826.00	29.70	22.24
Current borrowings	11,222.26	23,749.24	6,445.02
Total debt **	15,093.56	23,840.61	6,512.80

(\*The restated figures for the financial year 2020-21 have been reviewed and approved by the Audit committee and board of directors in the meeting held on May 7, 2022, in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Classification of equity and debt investments have been restated retrospectively from OCI to profit and loss account as they are not long term and strategic in nature and held for the purpose of trading, to reflect the business model of the company resulting in more relevant and faithful representation of the financial statements. Equity instruments should be classified as fair value through other comprehensive income (FVTOCI) only when the investment is of strategic and long term in nature and the company doesn't intend to sell over a long period. For details please refer to financial results which are available on the Investor Corner Section of our website [www.smcindiaonline.com](http://www.smcindiaonline.com)

(\*\*) Total debt = current borrowings + non-current borrowings + current portion of long-term borrowings.

The financial ratios of the Company as derived from the financial information about the Company on the basis of audited standalone financial statements of the Company for the last three financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 are set out below:

Particulars	March 31, 2022 (Audited)	March 31, 2021 (Audited)	March 31, 2020 (Audited)
Earnings per share - basic	12.78	6.62	2.63
Earnings per share - diluted	12.78	6.62	2.63
Book value per share	70.11	59.35	53.94
Return on net worth (%)	18%	11%	5%
Debt-equity ratio	0.19	0.36	0.11

## CONSOLIDATED FINANCIAL INFORMATION

Particulars	March 31, 2022 (Audited)	March 31, 2021 (Audited)	March 31, 2020 (Audited)
Total income	1,12,082.08	90,820.11	78,413.45
Total expenses (excluding finance costs and depreciation and amortisation, tax and exceptional items)	82,178.56	70,605.12	65,985.80
Finance cost	5,752.38	4,235.90	5,991.55
Depreciation and amortisation expense	2,011.60	1,797.93	1,920.83
Profit before share of profit/(loss) of joint venture and tax	22,139.54	14,181.16	4,515.27
Share of profit / (loss) in joint venture	(0.96)	73.32	(0.76)
Profit before tax	22,138.58	14,254.48	4,514.51
Tax expense	4,681.73	3,752.95	2,128.34
Profit after tax	17,456.85	10,501.53	2,386.17
Other comprehensive income / (loss) net of tax	165.27	271.34	(631.20)
Total comprehensive income	17,622.12	10,772.87	1,754.97
Equity share capital	2,262.69	2,262.69	2,262.69
Other equity	90,347.69	75,008.22	65,879.22
Net worth (excluding revaluation reserve)	92,610.38	77,270.90	68,141.91
Non-current borrowings	22,541.17	8,844.32	1,150.98
Current portion of long term borrowings	7,909.75	6,029.83	2,354.41
Current borrowings	14,430.61	31,160.99	14,965.95
Total debt **	44,881.53	46,035.15	18,471.34

(\*The restated figures for the financial year 2020-21 have been reviewed and approved by the Audit committee and board of directors in the meeting held on May 7, 2022, in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Classification of equity and debt investments have been restated retrospectively from OCI to profit and loss account as they are not long term and strategic in nature and held for the purpose of trading, to reflect the business model of the company resulting in more relevant and faithful representation of the financial statements. Equity instruments should be classified as fair value through other comprehensive income (FVTOCI) only when the investment is of strategic and long term in nature and the company doesn't intend to sell over a long period. For details please refer to financial results which are available on the Investor Corner Section of our website [www.smcindiaonline.com](http://www.smcindiaonline.com)

(\*\*) Total debt = current borrowings + non-current borrowings + current portion of long-term borrowings.

The financial ratios of the Company as derived from the financial information about the Company on the basis of unaudited limited review standalone financial results for the nine months period ended December 31, 2021 and audited standalone financial statements of the Company for the last three financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 prepared in accordance with Ind AS are set out below:

Particulars	March 31, 2022 (Audited)	March 31, 2021 (Audited)	March 31, 2020 (Audited)
Earnings per share - basic	15.43	9.28	2.11
Earnings per share - diluted	15.43	9.28	2.11
Book value per share	81.86	68.30	60.23
Return on net worth (%)	19%	14%	4%
Debt-equity ratio	0.48	0.60	0.27

## 22. DETAILS OF THE ESCROW ACCOUNT

- 22.1. In accordance with Regulation 20 of the Buy-back Regulations and towards security of performance of its obligations under the Buy-back regulations, and escrow agreement dated May 09, 2022 ("Escrow Agreement") has been entered into amongst the Company, the Manager to the Buyback and Kotak Mahindra Bank Limited ("Escrow Agent"). The Escrow Agent has its registered office at 27BKC, C 27, G Block, Bandra Kuria Complex, Bandra (E), Mumbai, Maharashtra - 400051. In terms of the Escrow Agreement, the Company has opened an escrow account in the name and style "SMC GLOBAL BUYBACK ESCROW ACCOUNT" bearing the account number 0646098041.
- 22.2. In accordance with Regulation 20 of the Buyback Regulations, the Company shall deposit a sum equivalent to 25% of the Maximum Buyback Size in the Escrow Account before the Buyback Opening Date i.e. May 20, 2022. In accordance with the Buyback Regulations, the Manager to the Buyback will be empowered to operate the Escrow Account. The funds in the Escrow Account may be released for making payment to the shareholders subject to at least 2.5% of the Maximum Buyback Size remaining in the Escrow Account at all points in time.
- 22.3. If the Company is not able to complete the Buy-back equivalent to the Minimum Buyback Size, except for the reasons mentioned in the Buy-back Regulations, the amount held in the Escrow Account (up to a maximum of 2.5% of the Maximum Buyback Size), may be liable to be forfeited and deposited in the Investor Protection and Education Fund of SEBI or as directed by the SEBI in accordance with the Buy-back Regulations.

## 23. FIRM FINANCIAL ARRANGEMENT

- 23.1. The Company has identified and earmarked funds for the purpose of fulfillment of the obligations of the Company under the Buyback. Such earmarked funds, together with funds provided for escrow arrangements, will meet the requirement of the Buyback Size.
- 23.2. R Gopal & Associates, Chartered Accountants (Partner Name: Mr. Sunil Kumar Agarwal; Membership Number: 093209; Firm Registration Number 0000846C) has certified vide their certificate dated May 09, 2022, that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback.
- 23.3. The Manager to the Buyback, having regard to the above, confirm that firm arrangements for fulfilling the obligations under the Buyback are in place.

## 24. LISTING DETAILS AND STOCK MARKET DATA

- 24.1. The Equity Shares of the Company are listed and traded on NSE with Scrip Symbol: SMCGLOBAL and BSE with Scrip Code: 545263. The ISIN of the Equity Shares of the Company is INE103C01036.
- 24.2. The high, low, average market prices and total volume of Equity Shares traded in the last three financial years (April to March) and the monthly high, low, average market prices and total volume of Equity Shares traded for the six completed calendar months preceding the date of publication of Public Announcement and the corresponding volumes on BSE and NSE are as follows:

Period	High Price (Rs)	Date	Number of shares traded on that date	Low Price (Rs)	Date	Average Price (Rs)	Total Volume Traded in the period (No. of Shares)
PRECEDING 3 YEARS							
April 1, 2021 to March 31, 2022	104.8	19-Jul-21	3,88,038	65.00	13-Apr-21	5,234	84.15
April 1, 2020 to March 31, 2021	109.85	01-Mar-21	40,454	68.00	25-Mar-21	1,936	98.48
April 1, 2019 to March 31, 2020	Not Applicable*						
PRECEDING 6 MONTHS							
April 2022	86.60	07-Apr-22	19,748	77.75	19-Apr-22	2,14,184	82.13
March 2022	82.30	29-Mar-22	36,816	69.05	07-Mar-22	18,453	75.71
February 2022	89.00	01-Feb-22	58,518	68.55	25-Feb-22	61,342	77.98
January 2022	87.65	20-Jan-22	53,011	74.95	05-Jan-22	17,912	81.14
December 2021	80.35	26-Jun-21	19,536	69.00	20-Dec-21	6,818	75.24
November 2021	87.85	09-Nov-21	85,840	71.60	01-Nov-21	1,920	80.79

Source: [www.bseindia.com](http://www.bseindia.com)

(\*The Company got listed on BSE on February 24, 2021.

Note: High and low price for the period are based on intraday prices and average price is based on total turnover and total number of shares traded in the relevant period.

## NSE

Period	High Price (Rs)	Date	Number of shares traded on that date	Low Price (Rs)	Date	Average Price (Rs)	Total Volume Traded in the period (No. of Shares)
PRECEDING 3 YEARS							
April 1, 2021 to March 31, 2022	104.75	19-Jul-21	35,92,603	65.80	28-Feb-21	6,92,670	83.85
April 1, 2020 to March 31, 2021	109.00	01-Mar-21	3,73,791	67.50	25-Mar-21	64,420	86.40
April 1, 2019 to March 31, 2020	Not Applicable*						

Period	High Price (Rs)	Date	Number of shares traded on that date	Low Price (Rs)	Date	Average Price (Rs)	Total Volume Traded in the period (No. of Shares)
PRECEDING 6 MONTHS							
April 2022	86.40	08-Apr-22	2,28,697	73.85	19-Apr-22	1,71,729	82.48
March 2022	82.00	29-Mar-22	2,87,411	69.80	08-Mar-22	3,34,533	75.45
February 2022	86.65	01-Feb-22	7,38,801	70.05	24-Feb-22	2,86,581	79.71
January 2022	87.70	20-Jan-22	5,42,947	75.65	06-Jan-22	1,68,274	82.36
December 2021	78.95	09-Dec-21	1,67,559	70.65	20-Dec-21	96,898	75.29
November 2021	86.90	09-Nov-21	13,25,879	72.00	30-Nov-21	1,09,796	80.19

Source: [www.nseindia.com](http://www.nseindia.com)

(\*The Company got listed on NSE on February 24, 2021.

Note: High and low price for the period are based on intraday prices and average price is based on total turnover and total number of shares traded in the relevant period.

- 24.3. Intimation of the Board Meeting convened to consider the proposal of the Buy-back was given to BSE and NSE on May 04, 2022. The Board, at its meeting held on May 07, 2022, approved the proposal for the Buy-back. The closing market prices of the Equity Shares on BSE and NSE during this period, are summarized below:

Event	Date	BSE	NSE
One trading day prior to Board Meeting Notice	May 02, 2022	INR 81.90	INR 81.90
Notice of the Board Meeting convened to consider the proposal of the Buyback	May 04, 2022	INR 82.00	INR 82.00
One trading day post notice of Board Meeting	May 05		