



Private Wealth

Building Wealth,  
Enriching Lives...

# DISCLOSURE DOCUMENT

**SMC GLOBAL SECURITIES LIMITED**

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**Registered Office:**

11/6B, Shanti Chambers, Pusa Road, New Delhi-110005

**Phone:** +91-11-40815200

**CIN:** L74899DL1994PLC063609



## PORTFOLIO MANAGEMENT SERVICES

### DISCLOSURE DOCUMENT

- The document has been filed with the Securities and Exchange Board of India along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- The purpose of the document is to provide essential information about the portfolio management services in a manner to assist and enable the investors in making informed decisions for engaging a Portfolio Manager.
- The necessary information about the Portfolio Manager required by an investor before investing is disclosed herewith and the investors are advised to carefully read this entire document before making a decision and retain it for future reference.
- All the intermediaries (brokers) involved in the Portfolio Strategies are registered with SEBI as on the date of the document.
- Investors may contact the Portfolio Manager to seek further clarifications or obtain modification / changes to the Disclosure document, in the future, from the Portfolio Manager.
- The Principal Officer designated by the Portfolio Manager is as under:

**Principal Officer** : Mr. Ajay Garg  
(Director & Chief Executive Officer)  
**Phone** : +91 11 40815200  
**E-Mail** : [ajay@smcindiaonline.com](mailto:ajay@smcindiaonline.com)  
**Website** : [www.smcwealth.com](http://www.smcwealth.com)

- The Disclosure Document is dated April 16<sup>th</sup>, 2024



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## 1. DISCLAIMER

This document has been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations 2020 and filed with Securities and Exchange Board of India (SEBI). This document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the document.

## 2. DEFINITIONS

In this Disclosure Document, unless the context otherwise requires;

- a) **“Act”** means the Securities and Exchange Board of India Act, 1992 (15 of 1992)
- b) **“Board”** means the Securities and Exchange Board of India.
- c) **“Client”** or **“Investor”** means any person who registers with the portfolio manager for availing services of portfolio management.
- d) **“Custodian”** means any person who carries on or proposes to carry on the business of providing custodial services and shall be registered with SEBI. SMC Global Securities Private Limited has outsourced custody, trade settlement, portfolio accounting, reporting and allied services presently to HDFC Bank Limited.
- e) **“Depository Account”** means any account of the client or for the client with an entity registered as a depository participant as per the relevant regulations.
- f) **“Financial Year”** means the year starting from 1<sup>st</sup> April and ending on 31<sup>st</sup> March of the following year.
- g) **“Funds”** means the monies managed by the portfolio manager on behalf of the client pursuant to an agreement and includes the monies mentioned in the application, any further monies placed by the client with the portfolio manager for being managed pursuant to the agreement, the proceeds of the sale or other realization of the portfolio and interest, dividend or other monies arising from the assets, so long as the same is managed by the Portfolio Manager.
- h) **“Initial Corpus”** means the value of the funds and the market value of investments brought in by the Client at the time of registering as a Client with the Portfolio Manager and as accepted by the Portfolio Manager.
- i) **“Portfolio”** means the securities managed by the portfolio manager on behalf of the client pursuant to this agreement and includes any securities mentioned in the application, any further securities placed by the client with the portfolio manager for being managed pursuant to this agreement, securities acquired by the portfolio manager through investment of funds, bonus and rights shares in respect of securities forming part of the portfolio, so long as the same is managed by the portfolio manager.
- j) **“Portfolio Manager”** means SMC Global Securities Limited (CIN-L74899DL1994PLC063609), a company incorporated under the Companies Act, 2013 and having its registered office at 11/ 6B, Shanti Chambers Pusa Road, New Delhi - 110005.
- k) **“Regulations”** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.
- l) **“Strategy”** means any of the current investment Strategy or such Strategies / Portfolio that may be introduced at any time in future by the Portfolio Manager.
- m) **“Net Asset Value” (NAV)** is the market value of assets in portfolio consisting of equity, debt, mutual funds, cash & cash equivalents and other permitted investments etc.
- n) **“Securities”** means “Securities” as defined under the Securities Contracts (Regulations) Act, 1956, and includes shares, stocks, bonds, warrants, convertible and non-convertible debentures, fixed return investments, equity linked instruments, negotiable instruments, deposits, money market instruments, commercial paper, certificates of deposit, units issued by the Unit Trust of India and / or by any mutual funds, mortgage backed or other asset backed securities, derivatives, derivative instruments, options,

futures, foreign currency commitments, hedges, swaps or netting off and any other securities issued by any company or other body corporate, any trust, any entity, the Central Government, any State Government or any local or statutory authority and all money rights or property that may at any time be offered or accrue (whether by rights, bonus, redemption, preference, option or otherwise) and whether in physical or dematerialized form in respect of any of the foregoing or evidencing or representing rights or interest therein; and any other instruments or investments (including borrowing or lending of securities) as may be permitted by applicable law from time to time.

Words and expressions used in this disclosure document and not expressly defined shall be interpreted according to their general meaning and usage. The definitions are not exhaustive. They have been included only for the purpose of clarity and shall in addition be interpreted according to their general meaning and usage and shall also carry meanings assigned to them in regulations governing Portfolio Management Services.

### **3. DESCRIPTION.**

#### **(a) History, present business and background of the portfolio manager.**

SMC Global Securities Limited was incorporated on 19 day of December, 1994 and commenced business on 2<sup>nd</sup> day of January, 1995. The journey of SMC began, with its bagging of the membership of Delhi Stock Exchange (DSE) in 1990 & entered into the arena of Stock Exchange. This privilege gave the consistent momentum to the expansion & diversification of the SMC Group. Over the span of time SMC along with its group companies has earned appreciable reputation and brand recognition through its client service focused model. Presently, SMC along with its group companies is one of the leading financial services companies providing Broking, Distribution of mutual funds & IPOs, Insurance Broking, depository services, equity research services, Financing, Real Estate & Wealth Advisory, Commodity Broking, NRI & FPI services, Investment Banking and Alternative Investment fund with nearly over 500 cities across India, UAE and United States. The company provides these services through on-line and off-line distribution channel. SMC along with its group companies leads with the team of more than 3000+ enthusiastic workforce who are efficient, determined and passionate to take the company at new heights.

The Company registered itself as a Portfolio Manager with SEBI and having registration number, INP000006703 dated 26 April, 2019.

Company has its Registered Office at 11/ 6B, Shanti Chambers, Pusa Road, New Delhi-110005.

#### **(b) Merger of Portfolio Manager Business of SMC Investments and Advisors Ltd (Wholly Owned Subsidiary) with the Company**

In order to simplify the entity structure and gain synergies in operations and as a part of the internal business restructuring plan, SMC Investments and Advisors Limited (Wholly Owned Subsidiary of the Company) vide NCLT order NO CA (CAA) No. 112 (PB) 2018 connected with CA (CAA) 631/230-232/NCLT/MB/MAH/2018 dated 11.07.2019 demerged the Portfolio Management Services (PMS) business into the Company. In this regard, SMC Global has obtained a PMS license from SEBI vide registration number INP000006703 under SEBI (Portfolio Managers) Regulations 1993 dated 26th April 2019.

On receipt of the National Company Law Tribunal's order and the PMS license of the Company, Company has entered into an assignment agreement with SMC Investment and Advisors Ltd (Wholly Owned Subsidiary of the Company) for assigning its PMS business along with its clients to the Company with effect from 01<sup>st</sup> September 2019, all the clients of SMC Investments and Advisors Limited shall become the clients Company.

The clients will get wider scope of services under one roof in a more efficient manner

#### **(c) Promoters of the Portfolio Manager, Directors, KMP's and their background**

##### **PROMOTERS**

The journey of SMC began, with its bagging of the membership of Delhi Stock Exchange (DSE) in 1990 & entered into the arena of Stock Exchange. Mr. Subhash C. Aggarwal and Mr. Mahesh C. Gupta, founders of SMC Global Securities Limited started this fabulous journey after obtaining the membership of Delhi Stock Exchange (DSE) and geared up themselves for equity broking business.

## DIRECTORS

The Management of the Company presently consists of twelve (12) Directors, having vast experience in the field of Finance and Capital Markets. They are as under:-

**1. Mr. Subhash C Aggarwal (Chairman and Managing Director)**

Mr. Subhash C. Aggarwal is the Chairman and Managing Director of the Company since inception. He is a fellow member of the Institute of Chartered Accountants of India (ICAI). He is one of the co-founder and promoter of SMC Group having over four decades of diverse experience in the financial, stock broking industry in India and abroad. His visionary and astute leadership has resulted in building the SMC's reputed empire as a leading financial concoction. Mr. Aggarwal is widely recognized for his path-breaking and visionary contributions to the building of SMC as one of the finest financial services conglomerate having retail presence pan India and through his pioneering role as a corporate leader and a dedicated professional. He is a senior member of the management committee of ASSOCHAM and also act as the Chairman/ Co-Chairman of the National Council of Capital Markets.

**2. Mr. Mahesh C Gupta (Vice Chairman & Managing Director)**

Mr. Mahesh.C. Gupta is the Vice Chairman & Managing Director of the Company. He has been associated with the Company as the backbone of the SMC Group since its inception as promoter and co-founder. He is responsible for the overall working of the Company and is instrumental in making strategic decisions for the Company. He graduated with Bachelor's in Commerce from Delhi University and is fellow member of the Institute of Chartered Accountants of India (ICAI). He is also an optimist leader, administrator and contributor in various Fora, having specialization in the area of equity brokerage, stock market, Distribution, Corporate Social Responsibility and Corporate Governance etc. He has been recognised by CEO insight, magazine as one of the "top 10 leaders in investment company

**3. Mr. Ajay Garg (Director & CEO)**

Mr. Ajay Garg is the Director & CEO of the SMC Group. He is a merit holder and a fellow member of the Institute of Chartered Accountants of India (ICAI). He has spent almost 26 years in building a range of operating in Securities and commodities market and played vital role in substantial expansion of SMC Group. He is the one who create SMC's state-of-art web portal & internet based trading platform. He is heading Broking Division and NRI/ FPI Business of SMC. His key roles & responsibilities include business development, risk management, technological up-gradation development and administration of day to day activities. His firm inclination and belief in the power of technology has helped SMC expand its wing and develop a strong network of 2680+ Franchise and 100+ Branches across 460+ cities of India. He has been awarded with ET's Most Promising Business Leader of Asia – 2019 at The Economic Times - Asian Business Leaders Conclave, Singapore. He has been recognized as ' Top 10 Group CEOs of 2021' by CEO Insights Magazine. He is also the Vice Chairman of Commodity Participants Association of India (CPAI).

**4. Mr. Anurag Bansal (Whole Time Director)**

Mr. Anurag Bansal is rank holder and fellow member of the Institute of Chartered Accountants of India (ICAI) and also a member of Institute of Cost Accountants of India (ICMAI) and Whole Time Director in the Company. He has over two decades experience in the Capital market. He is responsible for the managing, operating and Supervising of various businesses including Investment banking, Institutional Equities, distribution division apart from legs and other strategic functions of the organization of the Company and is Instrumental in making various strategic decisions for the Company besides this. He is also vice chairman of BSE Brokers Forum (and also on the board of International Council of Securities Associations.

**5. Mr. Himanshu Gupta (Director)**

Mr. Himanshu Gupta is a Director and CEO of Moneywise Financial Services Private Limited. He is a Fellow member of The Institute of Chartered Accountants of India and also a graduate in Commerce (Hons.) from Delhi University. He embarked his career with SMC Group in 2011 as Senior Vice President (Operations). He consistently pioneers new ideas and opportunities for the furtherance of the group. He is playing a pragmatic role in scaling up the financial business and thus contributing significantly towards group revenue. He is responsible for envisaging its core strategies, business development, risk management and digital

upgradation. He has an experience of 13 years in Financing & Securities market along with a strong hold into the intricacies of the capital market, also he heads the core business of NBFC at SMC along with fixed Income securities & bullion business apart from taking care of the overall functioning of the Group.

**6. Shruti Aggarwal (Whole Time Director)**

Ms. Shruti Aggarwal is a MBA from London Business School. She is also a member of Institute of Chartered Accountants of India (ICAI) and has cleared all three levels of CFA course from the CFA Institute, USA. She has over 15 years of experience and has worked with PwC, Vedanta Resources, Kraft Heinz UK. Her expertise is in the areas of management advisory, financial services and strategic planning, contributing to the success and growth of our organization.

**7. Mr. Naveen ND Gupta (Independent & Non-Executive Director)**

Mr. Naveen ND Gupta, who has been a chartered accountant for more than 26 years widely recommended for his role in making the income disclosure Scheme, 2016 a success. He represents ICAI in many important committees constituted by the government and regulators. He was Board Member of South Asian Federation of Accountants (Apex body of SAARC) and Confederation of Asian and Pacific Accountants, Manila. He is board member of Insurance Regulatory Development Authority. He is Chairman of Corporate Affairs Committee of PHD Chamber of Commerce and Industry. He was the ICAI vice president in 2017-2018 and former president of ICAI and Director in various Companies. He joined the Company on January, 2018 as a Non Executive and Independent Director of the Company. He has immense experience in consultancy of Direct Taxes and handling corporate affairs.

**8. Mr. Kundan M. Agarwal (Independent & Non-Executive Director)**

Mr. Kundan M. Agarwal is a person with meticulous bend of mind and unmatched sharp knowledge in Auditing, Taxation, Company Law Matters, Corporate & Management Advisory and Compliance Audit. Strong Analytical, Problem Solving & Organizational Abilities. He is serving and nurturing the Board of SMC Global as Independent and Non Executive Director. He is a fellow member of Institute of Chartered Accountants of India (ICAI) and has experience and professional expertise stretch of more than four decades in financial services industry.

**9. Mr. Hari D. Khunteta (Independent & Non -Executive Director)**

Mr. Harish Das Khunteta is a fellow member of the Institute of Chartered Accountants of India (ICAI) and is a commerce graduate from University of Rajasthan who has the experience of over 48 years in the field of Financial management, Investor servicing Corporate Governance & Resource mobilization from Domestic as well International market.

He had worked as Director of Finance of REC Ltd from May 2004 to July 2012 and as its CMD from April 2011 to November 2011. He has also served on the Board of NHPC as an Executive Director of Finance and Accounts.

**10. Mr. Chandra Wadhwa (Independent & Non -Executive Director)**

Mr. Chandra Wadhwa serves the company as an Independent and Non-Executive Director on the Board of SMC Global Securities Limited and SMC Insurance Brokers Private Limited (Subsidiary of SMC Global Securities Limited). He is the fellow member of Institute of Cost Accountant of India (ICMAI) & Institute of Company Secretaries of India (ICSI). He also received Bachelors of Law as well Masters of Commerce Degree from Delhi University. CMA Chandra Wadhwa was the member of the Expert Committee constituted by the Ministry of Corporate Affairs to examine the issues relating to maintenance of Cost Records and Cost Audit in the year 2014. He has rich and varied exposure of over 41 Years in the field of Financial cost management accounting as well as in cost management auditing sector. He also serves in the Board of several Companies and was a nominated member of Central Council of the Institute of Chartered Accountants of India since 12th Feb, 2016. He is a member of Quality Review Board of the Institute of Chartered Accountants of India and Institute of Companies Secretaries of India.

**11. Dr. Madhu Vij (Independent & Non -Executive Director)**

Dr. Madhu Vij holds a Master degree in Commerce and a doctorate degree. She is the owner of eminent personality and is a role model for many youths and professionals. She has an academic expertise,

experience and exposure of over three decades as a Professor of Finance at the Faculty of Management Studies, University of Delhi and her area of Specialization includes Banking, Corporate Finance, Financial Accounting, Risk Management, Behavioral Finance, foreign exchange risk management, treasury management, corporate valuation, credit ratings and financial crisis, currency correlation and corporate governance. She was also a Member of Academic Council, Indian Institute of Foreign Trade, 2008, 2009, 2010 and also in Ad-Hoc Task Force, Results Framework Document (2011-2013).

**12. Mr. Narendra Kumar (Independent & Non -Executive Director)**

Mr. Narendra Kumar is recently associated with our group and serves the company as an Independent and Non-Executive Director on the Board of SMC Global Securities Limited, w.e.f. 16th September, 2022. He is a retired I.A.S Officer from 1988 batch and is a Certified Associate of Indian Institute of Bankers(CAIB). He holds Bachelors of Commerce [B.Com (Hons)] from Shri Ram College of Commerce, University of Delhi as well as M.Com. with specialization in Finance from Delhi School of Economics. Mr. Kumar has more than 34 years of experience in various sectors of the Government. He is awarded the JP Award for Excellence in Public Service and Administration on 11 March, 2017 in Lok Nayak Jai Prakash International Studies Development Centre (LNJPISDC), New Delhi.

**13. Mr. Dinesh Kumar Sarraf (Non-Executive Independent Director)**

Mr. Dinesh Kumar Sarraf is the member of Institute of Cost Accountants of India, member of Institute of Company Secretaries of India (ICSI). He holds Bachelors of Commerce [B.Com (Hons)] from Shri Ram College of Commerce, University of Delhi as well as M.Com. from University of Delhi and has passed an examination of Valuer (Securities & Financial Assets) conducted by IBBI. He mentors various start-up organisations engaged in Oil & Gas, Technology, Finance areas provides consultancy in the areas of Oil & Gas, Finance and Energy, works as Arbitrator and Conciliator in related areas and also engaged with NGOs and research organisations. He has held major positions like Chairperson of Petroleum and Natural Gas Regulatory Board, Chairman & Managing Director of Oil and Natural Gas Corporation Limited & Chairman ONGC group companies, Managing Director & CEO of ONGC Videsh Limited, Director (Finance) and CFO of Oil and Natural Gas Corporation Limited, various positions in Oil India Limited and DCM Shri Ram Group. He was also associated with UN Global Compact Network- India as President, Federation of Indian Petroleum Industry (FIPI) as Chairman, Petrotech as Chairman, Bharat Lok Shiksha Parishad (of Ekal Foundation) as Trustee, Council of Scientific and Industrial Research (CSIR) as Member Governing Body and currently he is associated with Indian Institute of Petroleum of CSIR as Chairman-Research Council.

**14. Mr. Gobind Ram Choudhary (Non-Executive Independent Director)**

Mr. Gobind Ram Choudhary is Non-Executive Independent Director in SMC Global Securities Limited and a commerce graduate from University of Calcutta, Kolkatta in 1987 from St. Xaviers College. He is associated with Anmol Industries for more than 2 decades, with his novel and futuristic approach, under the leadership of Mr Gobind Ram Choudhary's, Business Achievement have earned recognition at the national level. Anmol Industries was honoured with number of awards. Received Best Productivity Award from National Productivity Council. Then Business Sphere Award in 2006-2007, Think India Award 2014, For Emerging FMCG Company Transforming India Conclave. Awarded with Man of Excellence Award 2014 in 36th National Seminar Delhi. In 2015, honoured ET Bengal Corporate Award for Fast Growing Company. He has been honoured with the "SME Excellence Award 2016" in Cost Competitiveness Category by ASSOCHAM. In 2018, Service Excellence Award was awarded by ASSOCHAM. Furthermore, he is an active member at Bharat Lok Shiksha Parishad, Delhi, a council member with western UP council of CII, Executive member of Indian Industries Association of Greater Noida and member PHD chamber. Also, closely linked with some social groups who are working for the upliftment of society such as Marwari Yuva Manch and BhaoRao DeoRas Sewa Nyas. He always wants to do his bit for the welfare of the society therefore is fully engrossed in social work, such as free food distribution in hospital, accommodation to the relative of medical patients near AIIMS, distributing free books for under privileged children, organising blood donation camps, installation of sanitary napkin machines and incinerator at girls school, biscuits distribution in various schools and during disasters or natural calamities.

**15. Mr. Hemant Bhargava (Non-Executive Independent Director)**

Mr. Hemant Bhargava is Non-Executive Independent Director in SMC Global Securities Limited and has rich experience of being on the Board of different companies since Year 2000. At the age of 41, he joined the



board of National Mutual Fund, Mauritius. He has been on the board of almost two dozen companies in India and abroad over last 23 years. At present he serves on the boards of ITC Limited as Independent Director, Larsen & Toubro Limited as Nominee Director, TATA Power Limited as Nominee Director, UGRO Capital Limited as Independent Director, Providence Life Limited PCC Mauritius as Independent Director and Westend Investment & Fin. Consultancy as Independent Director. Academically, he is a post graduate in Economics (Honors). He has more than 39 year's professional experience with expertise in finance and insurance. He is adept at establishing new strategic initiatives with multiple stakeholders, designing innovative marketing & sales campaigns and motivating skilled professionals across the finance value chain. Mr. Bhargava was a Direct Recruit Officer of LIC who had worked across multiple verticals in India and abroad in various capacities with experience spread across Finance and Accounts, Information Technology, HR and Industrial Relation, Customer Relations Management, Human Resource Development and Estates which gave a multi-faceted view of the functioning of Corporation, International Operations and Credit Card Services. He also worked as Country Head, Mauritius and Founded the "Indo-Mauritian Business Group" for promoting the business interests of companies of Indian origin working in "Ile Maurice" with the High Commissioner of India, as the Patron. He was the founding CEO of LIC Cards Services Company for credit cards business, and had also set up separate vertical for Micro Insurance immediately after the IRDAI Regulations came out in 2005.

## **KEY MANAGERIAL PERSONS**

### **1. Mr. Ajay Garg (Principal Officer)**

Mr. Ajay Garg is the Director & CEO of the SMC Group. He is a merit holder and a fellow member of the Institute of Chartered Accountants of India (ICAI). He has spent almost 26 years in building a range of operating in Securities and commodities market and played vital role in substantial expansion of SMC Group. He is the one who create SMC's state-of-art web portal & internet based trading platform. He is heading Broking Division and NRI/ FPI Business of SMC. His key roles & responsibilities include business development, risk management, technological up-gradation development and administration of day to day activities. His firm inclination and belief in the power of technology has helped SMC expand its wing and develop a strong network of 2680+ Franchise and 100+ Branches across 460+ cities of India. He has been awarded with ET's Most Promising Business Leader of Asia – 2019 at The Economic Times - Asian Business Leaders Conclave, Singapore. He has been recognized as 'Top 10 Group CEOs of 2021' by CEO Insights Magazine. He is also the Vice Chairman of Commodity Participants Association of India (CPAI).

### **2. Mr. Ashok Aggarwal (Compliance Officer)**

Mr. Ashok K. Aggarwal is Compliance Officer and Senior Vice President of the Company. He is a fellow member of the Institute of Chartered Accountants of India and has 43 years of well-endowed experience in the field of audit, taxation and corporate matters. His commitment, expertise and diversity in the field of Tax matters, SEBI and Exchanges Compliance, Depository Participant Operations contribute as the key to the success and growth of our Company. Prior to joining the company he was a practicing Chartered Accountant. He believes in capitalizing on new Business opportunities and delivering industry-leading operational efficiency in order to support our goal of delivering sustainable growth in value.

### **3. Mr. Ayush Aggarwal (Fund Manager)**

Mr. Ayush Aggarwal is Director in SMC Group. He is graduated from Delhi University and MBA from S.P. Jain Institute of Management and Research, Mumbai. He has indepth knowledge of financial markets and experience of dealing in Equity, capital markets and overseas the research team as well as takes care of the wealth management vertical at SMC Group. He also guides HNI clients on the opportunities that might not be visible to others. He has developed a keen eye for identifying high growth as well as fundamentally strong companies. He has time and again addressed various platforms through his interviews and articles in various reputed media such as Economic Times, CNBC TV18, Zee News.

## **(c) Top 10 Group companies/firms of the Portfolio Manager in India**

- Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)  
(Wholly-owned Subsidiary of SMC Global Securities Limited)
- SMC Insurance Brokers Private Limited  
(Wholly-owned subsidiary of SMC Global Securities Limited)

- SMC Capitals Limited  
(Wholly owned Subsidiary of SMC Global Securities Limited)
- Moneywise Financial Services Private Limited  
(Wholly owned Subsidiary of SMC Global Securities Limited)
- SMC Real Estate Advisors Private Limited  
(Wholly-owned subsidiary of SMC Global Securities Limited)
- SMC & IM Capitals Investment Managers LLP
- SMC Investments and Advisors Limited  
(Wholly-owned subsidiary of SMC Global Securities Limited)
- Moneywise Finvest Limited  
(Wholly-owned subsidiary of SMC Global Securities Limited)
- SMC Global IFSC Private Limited  
(Wholly-owned subsidiary of SMC Global Securities Limited)
- SMC Global USA Inc.

**(d) Details of services being offered by the Portfolio Manager**

Portfolio Manager offers Discretionary, Non-Discretionary and Advisory Services. Please refer Clause 5 (Services Offered) for more details regarding said services.

**4. PENALTIES, PENDING LITIGATIONS OR PROCEEDINGS ETC.**

S. NO.	PARTICULARS	REMARKS
1.	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made there under.	Annexure-1
2.	The nature of penalty / direction.	Annexure-1
3.	Penalties imposed for any economic offence and / or for violation of any securities law.	None
4.	Any Pending material litigation/ legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any.	None
5.	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	None
6.	Any enquiry / adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or Rules or Regulations made there under.	Annexure 1

These details have been disclosed in good faith, on the basis of information available with the Portfolio Manager.

(5) **SERVICES OFFERED**

(1) The Portfolio Manager broadly offers services under following categories:

a. **Discretionary Services**

Under these services, the choice as well as the timings of the investment decisions rest solely with the portfolio manager. In other words the portfolio manager shall have the sole and absolute discretion to invest clients' funds in any type of securities and in any market as it deems fit as per the executed agreement. The Securities invested/ disinvested by the portfolio manager for client in the same Strategy may differ from client to client. The portfolio managers' decision (taken in good faith ) in deployment of the Clients' account is absolute and final and cannot be called in question or be open to review at any time during the currency of the agreement or any time thereafter except on the ground of malafide intent, fraud, conflict of interest or gross negligence etc. Periodical statements in respect of client's portfolio are sent to the respective clients.

Currently under the discretionary services, following strategies / portfolios are being offered to investors

- (i) SMC - Moderate
- (ii) SMC – Growth
- (iii) SMC – Customized
- (iv) Equity Quant Strategy (EQS)
- (v) SMC Growth - NRI

(i) **SMC Moderate**

The objective of this portfolio is to seek capital appreciation through investing mainly in proven businesses and growth potential companies to generate good returns with moderate risk over a fairly longer period. The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations. The investment will be made in fairly large and midcap companies with smaller proportion in small caps. The focus will also be on quality management with intent of good corporate governance and businesses in high growth sectors. The portfolio may also use short term investments in debt or liquid funds so as to maximize the returns or for defensive purposes whenever felt necessary. Derivatives may also be used to hedge the exposure. We have selected NIFTY 50 TRI as a benchmark for this strategy. SMC Moderate is a large cap biased multi-cap strategy; hence to increase our range of stocks we have selected NIFTY 50 TRI as benchmark.

**Investment Approach:**

**Investment Objective**

The objective of this portfolio is to seek capital appreciation through investing mainly in proven businesses and growth potential companies to generate good returns with moderate risk over a fairly longer period.

**Description of types of securities e.g. equity or debt, listed, unlisted (if only allowed by SEBI), convertible instruments, etc.**

The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations.

**Basis Of Selection Of Such Types Of Securities As Part Of The Investment Approach**

Below are the stock selection parameters:

- The investment will be made in fairly large and midcap companies with smaller proportion in small caps.
- The focus will also be on quality management with intent of good corporate governance and businesses in high growth sectors.
- The portfolio may also use short term investments in debt or liquid funds so as to maximize the returns or for defensive purposes whenever felt necessary.

- Derivatives may also be used to hedge the exposure.

#### **Allocation of Portfolio Across Types Of Securities**

The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations.

#### **Benchmark To Compare Performance And The Basis For The Choice Of Benchmark**

We have selected NIFTY 50 TRI as a benchmark for this strategy. SMC Moderate is a large cap biased multi-cap strategy; hence to increase our range of stocks we have selected NIFTY 50 TRI as benchmark.

#### **Indicative Tenure Or Investment Horizon**

Minimum three years

#### **Risks Associated With The Investment Approach**

All investments involve a certain amount of risk, including the possible erosion of the principal amount invested which varies depending on the security selected. For example, investments in small and mid-sized companies tend to involve more risk than investments in larger companies.

#### **(ii) SMC- Growth**

The objective of the strategy is to buy fundamentally sustainable growing businesses and outperform the benchmark indices by investing in equity and equity-related instruments including mutual funds. On the discretion of the Fund Manager or if the Fund Manager think it is beneficial for the client, Fund Manager can invest the 100% AUM in the equity mutual funds. The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations. Attractive Valuation, Strong Fundamentals, Future Outlook of the company and Good Corporate Governance are the stock selection parameters. We have selected BSE 500 TRI as a benchmark for this strategy. SMC Growth is a multi-cap strategy; hence to increase our range of stocks we have selected BSE 500 TRI as benchmark.

#### **Investment Approach:**

##### **Investment Objective**

The objective of the strategy is to buy fundamentally sustainable growing businesses and outperform the benchmark indices by investing in equity and equity-related instruments including mutual funds. On the discretion of the Fund Manager or if the Fund Manager think it is beneficial for the client, Fund Manager can invest the 100% AUM in the equity mutual funds.

##### **Description of types of securities e.g. equity or debt, listed, unlisted (if only allowed by SEBI), convertible instruments, etc.**

The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations.

#### **Basis Of Selection Of Such Types Of Securities As Part Of The Investment Approach**

Below are the stock selection parameters:

- Attractive Valuation
- Strong Fundamentals
- Future Outlook of the company
- Good Corporate Governance

#### **Allocation of Portfolio Across Types Of Securities**

The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations.

#### **Benchmark To Compare Performance And The Basis For The Choice Of Benchmark**

We have selected BSE 500 TRI as a benchmark for this strategy. SMC Growth is a multi-cap strategy; hence to increase our range of stocks we have selected BSE 500 TRI as benchmark.

**Indicative Tenure Or Investment Horizon**

Minimum three years

**Risks Associated With The Investment Approach**

All investments involve a certain amount of risk, including the possible erosion of the principal amount invested which varies depending on the security selected. For example, investments in small and mid-sized companies tend to involve more risk than investments in larger companies.

**(iii) SMC- Customised**

The investment objective of this portfolio is to design a customised diversified portfolio that is consistent with client's need and objectives for capital appreciation or regular income. The asset allocation will be made as per client requirement and it can include any asset class or mix of different asset classes like equity and equity related instruments, debt and debt related instruments, all type of mutual fund instruments whether in equity or debt or mix of both and other financial instrument permitted by SEBI regulations. The portfolio manager will have the discretion to choose the instruments so as to generate the optimum returns and the portfolio can have any ratio among the asset mix as far as 100% in particular asset class towards achievement of the portfolio objective. We have selected BSE 500 TRI as a benchmark for this strategy. SMC Customised is a multi-cap strategy; hence to increase our range of stocks we have selected BSE 500 TRI as benchmark.

**Investment Approach:****Investment Objective**

The investment objective of this portfolio is to design a customised diversified portfolio that is consistent with client's need and objectives for capital appreciation or regular income.

**Description of types of securities e.g. equity or debt, listed, unlisted (if only allowed by SEBI), convertible instruments, etc.**

The asset allocation will be made as per client requirement and it can include any asset class or mix of different asset classes like equity and equity related instruments, debt and debt related instruments, all type of mutual fund instruments whether in equity or debt or mix of both and other financial instrument permitted by SEBI regulations.

The portfolio manager will have the discretion to choose the instruments so as to generate the optimum returns and the portfolio can have any ratio among the asset mix as far as 100% in particular asset class towards achievement of the portfolio objective.

The derivative instruments can also be used as may be felt suitable and desired from time to time.

**Basis Of Selection Of Such Types Of Securities As Part Of The Investment Approach**

- Fully understand client's need and objectives.
- Investment according to client's goal and risk ability
- Regular review of client's need
- Investment in different asset classes to follow the diversification

**Allocation Of Portfolio Across Types Of Securities**

The asset allocation will be made as per client requirement and it can include any asset class or mix of different asset classes like equity and equity related instruments, debt and debt related instruments, all type of mutual fund instruments whether in equity or debt or mix of both and other financial instrument permitted by SEBI regulations.

**Benchmark To Compare Performance And The Basis For The Choice Of Benchmark**

We have selected BSE 500 TRI as a benchmark for this strategy. SMC Customised is a multi-cap strategy; hence to increase our range of stocks we have selected BSE 500 TRI as benchmark.

**Indicative Tenure Or Investment Horizon**

As per client need's.

**Risks Associated With The Investment Approach**

All investments involve a certain amount of risk, including the possible erosion of the principal amount invested which varies depending on the security selected.

#### (iv) Equity Quant Strategy (EQS)

The Equity Quant Strategy aims to consistently outperform the benchmark index i.e. BSE 500 TRI overtime regardless of market trends. It has rigorous risk management practices add value and are essential to mitigate unintended active risks. It is an exclusive and innovative quantitative model for scalable stock selection model that is 100% invested in equity. It targets excess returns that are stable, explainable and repeatable. The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations. We have selected BSE500 TRI as a benchmark for this strategy. SMC EQS is a multi-cap strategy; hence to increase our range of stocks we have selected BSE 500 TRI as benchmark.

##### **Investment Approach;**

##### **Investment Objective**

The Equity Quant Strategy aims to consistently outperform the benchmark index i.e. BSE 500 TRI overtime regardless of market trends.

- Rigorous risk management practices add value and are essential to mitigate unintended active risks.
- An exclusive and innovative quantitative model. A scalable stock selection model that is 100% invested in equity.
- Targets excess returns that are stable, explainable and repeatable.

##### **Description of types of securities e.g. equity or debt, listed, unlisted (if only allowed by SEBI), convertible instruments, etc.**

The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations.

##### **Basis Of Selection Of Such Types Of Securities As Part Of The Investment Approach**

Below are the stock selection parameters:

- Returns & risk are forecasted for each stock in the universe using momentum factors based on historical price data
- The portfolio optimization model generates multiple portfolios with varying combinations of risk return profiles.
- Portfolio selection is done after filtering the universe for liquidity, market capitalization and historical data availability
- Expected returns & risk are estimate during the proprietary Equity Quant Strategy model

##### **Allocation of Portfolio Across Types of Securities**

The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations.

##### **Benchmark To Compare Performance And The Basis For The Choice Of Benchmark**

We have selected BSE500 TRI as a benchmark for this strategy. SMC EQS is a multi-cap strategy; hence to increase our range of stocks we have selected BSE 500 TRI as benchmark.

##### **Indicative Tenure Or Investment Horizon**

Minimum three years

##### **Risks Associated With The Investment Approach**

All investments involve a certain amount of risk, including the possible erosion of the principal amount invested which varies depending on the security selected. For example, investments in small and mid-sized companies tend to involve more risk than investments in larger companies.

#### (v) SMC GROWTH – NRI

The objective of the strategy is to buy fundamentally sustainable growing businesses and outperform the benchmark indices by investing in equity and equity-related instruments including mutual funds. The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations. Attractive Valuation, Strong Fundamentals, Future Outlook of the company and Good Corporate Governance are the stock selection parameters. We have selected BSE500 TRI as a benchmark for this

strategy. This portfolio is a multi-cap strategy; hence to increase our range of stocks we have selected BSE 500 TRI as benchmark.

**Investment Approach:**

**Investment Objective**

The objective of the strategy is to buy fundamentally sustainable growing businesses and outperform the benchmark indices by investing in equity and equity-related instruments including mutual funds.

**Description of types of securities e.g. equity or debt, listed, unlisted (if only allowed by SEBI), convertible instruments, etc.**

The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations.

**Basis Of Selection Of Such Types Of Securities As Part Of The Investment Approach**

Below are the stock selection parameters:

- Attractive Valuation
- Strong Fundamentals
- Future Outlook of the company
- Good Corporate Governance

**Allocation of Portfolio Across Types Of Securities**

The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations.

**Benchmark To Compare Performance And The Basis For The Choice Of Benchmark**

We have selected BSE 500 TRI as a benchmark for this strategy. This portfolio is a multi-cap strategy; hence to increase our range of stocks we have selected BSE500 TRI as benchmark.

**Indicative Tenure Or Investment Horizon**

Minimum three years

**Risks Associated With The Investment Approach**

All investments involve a certain amount of risk, including the possible erosion of the principal amount invested which varies depending on the security selected. For example, investments in small and mid-sized companies tend to involve more risk than investments in larger companies.

**b. Non Discretionary Services**

The objective of this portfolio is to seek capital appreciation through managing the portfolio after consultation with the Client. The Assets will be managed as per the requirements of the Client after due consultation. The Client will have complete discretion to decide on the investment. The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations. The Portfolio Manager inter-alia will provide research report, structuring of clients portfolios, investment advice and guidance at the Client's request and manage transaction execution, accounting, recording of corporate benefits, valuation and reporting aspects on behalf of the Client. Portfolio Manager on client advice will invest in unlisted securities as per the Portfolio Managers Regulations updated by SEBI from time to time. The Portfolio Manager shall execute orders as per the mandate received from Clients. The deployment of the Client's Funds by the Portfolio Manager on the instructions of the Client is absolute and final and can never be called in question. The rights and obligations of the Portfolio Manager shall be exercised strictly in accordance with the Act, Rules and/or Regulations, guidelines and notifications in force from time to time. Periodical statements in respect of Client's Portfolio shall be sent to the respective Clients. Depending upon the portfolio constructed as per the desire of the client, appropriate benchmark shall be ascertained by the portfolio manager.

**Investment Approach:**

**Investment Objective**

The objective of this portfolio is to seek capital appreciation through managing the portfolio after consultation with the Client. The Assets will be managed as per the requirements of the Client after due consultation. The Client will have complete discretion to decide on the investment.

**Description of types of securities e.g. equity or debt, listed, unlisted, convertible instruments, etc.**

The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations.

**Basis Of Selection Of Such Types Of Securities As Part Of The Investment Approach**

- The Portfolio Manager inter-alia will provide research report, structuring of clients portfolios, investment advice and guidance at the Client's request and manage transaction execution, accounting, recording of corporate benefits, valuation and reporting aspects on behalf of the Client.
- The Portfolio Manager shall execute orders as per the mandate received from Clients. The deployment of the Client's Funds by the Portfolio Manager on the instructions of the Client is absolute and final and can never be called in question.
- The rights and obligations of the Portfolio Manager shall be exercised strictly in accordance with the Act, Rules and/or Regulations, guidelines and notifications in force from time to time. Periodical statements in respect of Client's Portfolio shall be sent to the respective Clients.

**Allocation of Portfolio Across Types Of Securities**

The strategy will primarily invest in equity asset class. However, we may consider other asset classes permitted by SEBI regulations.

**Benchmark To Compare Performance And The Basis For The Choice Of Benchmark**

Depending upon the portfolio constructed as per the desire of the client, appropriate benchmark shall be ascertained by the portfolio manager.

**Indicative Tenure Or Investment Horizon**

As per clients investment goals

**Risks Associated With The Investment Approach**

All investments involve a certain amount of risk, including the possible erosion of the principal amount invested which varies depending on the security selected. For example, investments in small and mid-sized companies tend to involve more risk than investments in larger companies.

**c. Advisory Services**

The Portfolio Manager will also provide Advisory Portfolio Management Services, in terms of the Regulations, which shall be in the nature of investment advisory and shall include the responsibility of advising on the portfolio strategy and Investment and divestment of individual securities on the client's portfolio, for an agreed fee structure, entirely at the Client's risk. Portfolio Manager may provide advice to client to invest in unlisted securities, as per the Portfolio Managers Regulations updated by SEBI from time to time.

The Portfolio Manager shall be solely acting as an advisor to the portfolio of the client and shall not be responsible for the investment/ divestment of securities and/ or administrative activities on the client's portfolio. The Portfolio Manager shall, provide advisory services in accordance with such guidelines and /or directives issued by the regulatory authorities and/ or the Client, from time to time, in this regard. The clients of the portfolio managers could be Indian resident investors and / or offshore investors.

The services provided to clients are in accordance with the legal agreements / other documents executed with them.

**2. Type of securities where investment may be made by the Portfolio Manager.**

The Portfolio Manager reserves the right to invest in all permitted securities, instruments and assets as permitted under the applicable Rules and Regulations. The uninvested amounts forming part of the Client's Assets may be at the discretion of the Portfolio Manager be held in cash or deployed in Liquid fund schemes, Exchange Traded Index funds, debt oriented schemes of Mutual funds, Gilt schemes, Bank deposits and other short term avenues for Investment. The Portfolio Manager may lend the securities through an Approved Intermediary, for interest as per applicable rules and regulations.



The performance of the Portfolios may not be strictly comparable with the performance of the Indices, due to the inherent differences in the construction of the portfolios. The Portfolio Manager may from time to time, review the benchmark selection process and make suitable changes as to use of the benchmark, or related to composition of the benchmark, whenever it deems necessary.

### **3. Policy for investment in group/ associate companies and availing of services of group/associate companies**

The Portfolio Manager may invest in shares, mutual funds, debts, derivatives, deposits and other financial instruments of Group / associate Companies / entities subject to applicable Laws/Regulations & Guidelines.

The Portfolio Manager may also utilize the Services of Associate/Group Companies. The Portfolio Manager shall avail services from such companies on commercial terms and on arms length basis and to the extent permitted under SEBI Regulations.

## **6. RISK FACTORS**

The following is an indicative list of some of the risks associated with the Services / Portfolios;

- (a) Investments in securities are subject to market and other risks, the portfolio Manager makes no guarantee or assurance that the objectives of the Strategies/portfolio will be achieved. The investments may not be suited to all kind of investors.
- (b) The past performance of the Portfolio Manager does not indicate the future performance of the same Strategy in future or any other future Strategies of the portfolio manager,
- (c) Investors are not being offered any guaranteed or assured return/s i.e. either of Principal or appreciation on the portfolio.
- (d) The debt instruments and other fixed income securities may be subject to interest rate risk, liquidity risk, credit risk and reinvestment risk. Liquidity in these investments may be affected by the trading volumes, settlement periods and transfer procedures.
- (e) In case of investments by a portfolio in the schemes of Mutual Funds, investors may have to bear the expenses as charged by the portfolio manager, over and above the expenses charged, to the underlying scheme(s) by the investment manager (s) of the Mutual Fund scheme(s).
- (f) Investors may note that Portfolio Manager's investment decisions may not be always profitable, as actual market movements may be at variance with anticipated trends.
- (g) The liquidity of the Portfolio's investments is inherently restricted by trading volumes in the securities in which it invests.
- (h) The valuation of the Portfolio's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. There will be no prior intimation or prior indication given to the Clients when the composition/ assets allocation pattern changes.
- (i) The portfolio investments and returns on portfolios may be affected due to trade execution risk, delisting of securities, company level risk, concentration risk, country level risk and non-performance or execution out of natural calamities or any other unforeseen risk of such nature.
- (j) Technology stocks and some of the investments in niche sectors run on the risk of volatility, high valuation, obsolescence and low liquidity.
- (k) Trading Volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Portfolio. Different segments of the Indian Financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio Manager to make intended securities purchases due to

settlement problems could cause the Portfolio to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the portfolio due to absence of a well developed and liquid secondary market for debt securities would result, at times, in potential losses to the Portfolio, in case of a subsequent decline in the value of securities held in the Portfolio.

- (l) The Portfolio Manager may, considering the overall level of risk of the portfolio, invest in lower rated/unrated securities offering higher yields, zero coupon securities that offers attractive yields, unlisted securities, or any other similar securities. This may increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.
- (m) In case of Dividend Yield Portfolios, returns of the Portfolio could depend on the dividend earnings and capital appreciation, if any, from the underlying investments in various dividend yielding companies. The dividend earnings of the portfolio may, vary from year to year based on the philosophy and other consideration of each of the high-dividend yielding companies. Further, it should be noted that the actual distribution of dividends and frequency thereof- by the high – dividend yielding companies in future would depend on the quantum of profits available for distribution by each of such companies. Dividend declaration by such companies will be entirely at the discretion of the shareholders of such companies, based on the recommendations of its Board of Directors. Past track record of dividend distribution may not be treated as indicative of future dividend declarations. Further the dividend yielding stocks may be relatively less liquid as compared to growth stocks.
- (n) Securities, which are not listed on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The Portfolio Manager may choose to invest in unlisted securities that offer attractive yields. This may however increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.
- (o) While securities that are listed on the Stock Exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market securities, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of the Portfolio(s) and may lead to the investment(s) incurring losses till the security is finally sold.
- (p) To the extent that the portfolio will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.
- (q) Interest Rate Risk: As with all debt securities, changes in interest rates may affect valuation of the Portfolios, as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long – term securities generally fluctuate more in response to interest rate changes than prices of Short- term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the valuations of Portfolios.
- (r) Liquidity or Marketability Risk: This refers to the ease with which a security can be sold at or near to its valuation yield- to maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristics of the Indian fixed income market.
- (s) Credit Risk: Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e. will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.
- (t) Reinvestment Risk: This risk refers to the interest rate levels at which cash flows received from the securities under a particular Portfolio are reinvested. The additional income from reinvestment is

the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.

- (u) Currency Risk: The Portfolio Manager may also invest in overseas Fixed Income or other Securities/ instruments as permitted by the concerned regulatory authorities in India. To the extent that the portfolio of the Strategy will be invested in securities/ instruments denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes/ fluctuation in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of Capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.
- (v) The portfolio Manager may use various derivative products as permitted by the Regulations. Use of derivatives requires an understanding of not only the underlying instrument but also of the derivative itself. Derivatives requires the maintenance of adequate controls to monitor the transactions entered into, the ability to access the risk that a derivative adds to the Portfolio. Some of other risks include, the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Such products are highly leverage instruments and their uses require a high degree of skill, diligence and expertise. Small price movements in the underlying security may have a large impact on the value of derivatives/ futures and options. Also the derivatives/ future and options market is nascent in India.
- (w) The Portfolio Manager may use derivatives instruments like Stock/ Index Futures and Options, Interest Rate Swaps, Forward Rate Agreements or other derivative instruments, as permitted under the Regulations and guidelines. Usage of derivatives will expose the Portfolio to certain risks inherent to such derivatives.
- (x) The names of the Strategies do not in any manner indicate their prospects or returns. The performances in the equity Strategies may be adversely affected by the performance of individual companies, changes in the market place and industry and macro economic factors.
- (y) The Strategies may invest in no-publicly offered debt securities and unlisted equities. This may expose the Strategy to liquidity risks and credit risk.
- (z) Engaging in securities lending is subject to risks related to fluctuations in collateral value/ settlement / liquidity and counter party.
- (aa) In the case of stock lending, risk relate to the default from counter parties with regard to security length and the corporate benefits accruing thereon, inadequacy of collateral and settlement risks. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the Strategies.
- (bb) The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the Strategies. All Strategies under portfolio management are subject to change at any time at the discretion of the Portfolio Manager.
- (cc) Portfolio Manager is also registered as a broker with SEBI. Therefore, Portfolio Manager is taking a broking services from the SMC Global Securities Limited.
- (dd) Exposure to select sector(s) carry the performance risk of the relevant sector, which could outperform or under perform the market and / or various indices.
- (ee) All risks arising out of refusal by a Company or corporation for whatever reasons, to register the transfer of any of the securities in the name of the Client or the Portfolio Manager shall be borne by the client. The Securities which are so purchased and not transferred in the name of the Client or the Portfolio Manager, will be sold by the Portfolio Manager, at the best available market rate, at the risk of the Client.

7. CLIENT REPRESENTATION-

	Category of Clients	No. of Clients	Fund Managed (Rs. in Cr.)	Discretionary/ Non-Discretionary/Advisory
A	Associate/ Group Companies			
	As on 31st January 2024	1	0.57	Discretionary
	As on 31st January 2023	1	29.15	Discretionary
	As on 31st January 2022	1	28.42	Discretionary
B	Others			
	As on 31st January 2024	108	88.21	Discretionary
	As on 31st January 2023	65	46.91	Discretionary
	As on 31st January 2022	57	39.86	Discretionary
C	Total	109	88.78	

- (a) We are a registered portfolio manager vide SEBI Registration No. INP000006703 dated 26th April, 2019. In order to simplify the entity structure and gain synergies in operations and as a part of the internal business restructuring plan, SMC Investments and Advisors Limited (Wholly Owned Subsidiary of the Company) vide NCLT order NO CA (CAA) No. 112 (PB) 2018 connected with CA (CAA) 631/230-232/NCLT/MB/MAH/2018 dated 11th July, 2019 demerged the Portfolio Management Services (PMS) business to the Company. In this regard, SMC Global has obtained a PMS license from SEBI vide registration number INP000006703 under SEBI (Portfolio Managers) Regulations 1993 dated 26th April 2019.
- (b) On receipt of the National Company Law Tribunal's order and the PMS license of the Company, Company has entered into an assignment agreement with SMC Investment and Advisors Ltd (Wholly Owned Subsidiary of the Company) for assigning its PMS business along with its clients to the Company. With effect from 01st September 2019, all the clients of SMC Investments and Advisors Limited shall become the clients Company.
- (c) The Portfolio Manager may receive commission / remuneration from issuers of financial products (such as from issuers of Mutual Funds units, debentures, shares and other securities / instruments) as consideration on account of investing on behalf of its clients/ selling / distributing / advising and / or recommending their products to its clients. The Portfolio Manager shall however ensure that investments in financial products on behalf of its clients / advise and/or recommendation to invest in financial products to the clients are done in the best interests of the clients and are not influenced by the commission / remuneration received from the issuers of financial products.
- (d) **Complete disclosures in respect of transactions with related parties pertaining to Portfolio Management Services.**

In accordance with the requirements of Accounting Standard 18 "Related Party Disclosure" issued by Institute of Chartered Accountant of India, we hereby submit that all related party transaction have been reported in the Financial Year 2022-23;

SMC Global Securities Limited is regulated as a Portfolio Manager registered under the SEBI (Portfolio Managers) Regulations, 2020.

Portfolio Manager may avail services from its group/ business associates/subsidiaries or other SEBI registered intermediaries.

The Portfolio Manager may avail the merchant banking Services of SMC Capitals Limited, Category- I Merchant Banker registered with SEBI.

8. (A) **FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER**

(FIGURES IN Lakhs)

Standalone Balance Sheet as at March 31, 2023			
Particulars	As at March 31, 2021(Audited)	As at March 31, 2022(Audited)	₹ in Lakhs As at March 31, 2023(Audited)
<b>Assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	2,753.22	5,697.88	2,059.29
Other bank balances	1,00,853.46	1,13,627.87	1,34,719.15
Receivables			
Trade receivables	22,053.20	26,774.60	29,859.61
Other receivables	450.00	473.51	1,202.48
Loans	1,282.61	10,907.83	18,873.73
Investments	48,407.13	55,273.50	42,018.86
Other financial assets	8,322.27	8,419.49	6,750.45
<b>Non-financial assets</b>			
Inventories	1,317.48	2,366.41	18.54
Current tax assets (net)	1,626.09	2,125.09	1,059.71
Deferred tax assets (net)	795.49	211.18	1,040.89
Investment property	-	-	-
Property, plant and equipment	2,095.10	7,414.49	8,066.27
Right to use asset	2,636.42	2,460.48	2,539.01
Capital work-in-progress	-	-	893.49
Other intangible assets	83.32	77.12	129.66
Intangible work-in-progress	-	80.48	107.90
Other non-financial assets	1,372.95	1,247.34	1,393.27
<b>Total assets</b>	<b>194,048.74</b>	<b>237,157.27</b>	<b>250,732.31</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			

Payables			
Trade payables			
- to micro and small enterprises	-	-	-
- to other than micro and small enterprises	37,638.69	63,556.28	37,662.54
Other payables			
- to micro and small enterprises	-	-	-
- to other than micro and small enterprises	148.87	-	-
Borrowings	23,811.84	15,093.56	38,457.15
Other financial liabilities	63,177.96	76,373.70	93,787.54
<b>Non-financial liabilities</b>			
Current tax liabilities (net)	-	-	157.87
Provisions	1,281.34	1,578.23	1,932.69
Other non-financial liabilities	842.92	1,232.24	1,934.27
<b>Equity</b>			
Equity share capital	2,262.69	2,262.69	2,094.00
Other equity	64,884.43	77,060.57	74,706.25
<b>Total liabilities and equity</b>	<b>194,048.74</b>	<b>237,157.27</b>	<b>250,732.31</b>

#### **B) RELATED PARTY DISCLOSURE**

Disclosure in respect of transactions with related parties as per the standards specified by the Institute of Chartered Accountants of India is attached as **Annexure 2** (as per the last audited Annual Accounts of March 31, 2023).

#### **9. PORTFOLIO MANAGEMENT PERFORMANCE OF THE PORTFOLIO MANAGER**

Name of Strategies	Particulars	Financial Year		
		(2020-21) (Audited)	(2021-22) (Audited)	(2022-23) (Audited)
<b>Growth</b>	Portfolio Performance	85.27	13.80	4.72
	Benchmark Performance {BSE 500}	76.62	20.88	-2.26
<b>Growth NRI</b>	Portfolio Performance	78.29	10.94	-0.01
	Benchmark Performance {BSE 500}	76.62	20.88	-2.26
<b>Moderate Equity</b>	Portfolio Performance	69.33	21.42	11.53
	Benchmark Performance {BSE 200}	74.25	19.87	-2
<b>Customised Portfolio</b>	Portfolio Performance	85.77	2.25	0.11

	Benchmark Performance {BSE 200}	74.25	19.87	-2
Equity Quant Strategy	Portfolio Performance	59.03	-	-
	Benchmark Performance {BSE 200}	74.25	-	-

Note:

1. Performances are net of all fees and charges levied by the Company and calculated on weighted average method.

- (a) We are a registered portfolio manager vide SEBI Registration No. INP000006703 dated 26th April, 2019. In order to simplify the entity structure and gain synergies in operations and as a part of the internal business restructuring plan, SMC Investments and Advisors Limited (Wholly Owned Subsidiary of the Company) vide NCLT order NO CA (CAA) No. 112 (PB) 2018 connected with CA (CAA) 631/230-232/NCLT/MB/MAH/2018 dated 11th July, 2019 demerged the Portfolio Management Services (PMS) business to the Company. In this regard, SMC Global has obtained a PMS license from SEBI vide registration number INP000006703 under SEBI (Portfolio Managers) Regulations 1993 dated 26th April 2019.
- (b) On receipt of the National Company Law Tribunal's order and the PMS license of the Company, Company has entered into an assignment agreement with SMC Investment and Advisors Ltd (Wholly Owned Subsidiary of the Company) for assigning its PMS business along with its clients to the Company. With effect from 01st September 2019, all the clients of SMC Investments and Advisors Limited shall become the clients Company.

## 10. Audit Observations

There is no observation raised by the Auditor since the date of PMS license obtained from SEBI vide registration number INP000006703 under SEBI (Portfolio Managers) Regulations dated 26th April 2019

## 11. NATURE OF EXPENSES

The following are indicative types of cost and expenses for clients availing the portfolio management services. The exact basis of charge relating to each of the following shall be as per/annexed to the Portfolio Management Agreement and the agreements in respect of each of the services availed at the time of execution of such agreements.

### (i) Portfolio Management and Advisory Fees

Management Fees relate to the Portfolio Management Services offered to clients. The fee may be fixed charge or a percentage of the quantum of funds manages or linked to portfolio returns achieved or a combination of any of these, as agreed by the Client in the Client Agreement. The fee may include the upfront fees or pre-mature withdrawal fee or any other fees as decided by the Portfolio Manager. Profit /performance shall be computed on the basis of High Water Mark principle over the life of the investment, for charging of performance / profit sharing fee.

**High Water Mark Principle:** High Water Mark shall be the highest value that the portfolio/account has reached. Value of the portfolio for computation of high watermark shall be taken to be the value on the date when performance fees are charged. For the purpose of charging performance fee, the frequency shall not be less than quarterly. The Portfolio Manager shall charge performance based fee only on increase in portfolio value in excess of the previously achieved High Water Mark.

With regard to the management fees linked to portfolio returns achieved, the terms will be decided as per the Client agreement.

### Premature Exit/ Withdrawal Guidelines

(a) **Fixed Fee option**

In case of withdrawal/ part withdrawal before completion of any quarter, full fee for that quarter will be charged.

(b) **Profit Sharing Option**

Fee charged would be total of the fixed part of the management fee as well as profit sharing on the basis of the Portfolio Management Agreement and its schedules and annexure. Profit /performance shall be computed on the basis of High Water Mark principle over the life of the investment, for charging of performance / profit sharing fee.

(ii) **Custodian/ Depository Fees**

The charges relate to opening and operation of depository accounts, custody and transfer charges for shares, bonds and units, dematerialization and rematerialization, Pledge and other charges in connection with the operation and management of the depository accounts.

(iii) **Registrar and transfer agent fees**

Charges payable to registrars and transfer agents in connection with effecting transfer of securities and bonds including stamp charges, cost of affidavits, notary charges, postage stamps and courier charges and other related charges would be recovered.

(iv) **Brokerage and transaction costs**

The brokerage charges and other charges like service tax, stamp duty, transaction costs including bank charges, turnover tax, securities transaction tax or any other tax levied by statutory authorities, foreign transaction charges ( if any ) on the purchase and sale of shares, stocks, bonds, debt, deposits, other financial instrument and entry or exit loads (if any) on the purchase and sale of shares, stocks , bonds, debt, deposits, units of mutual funds or otherwise and other financial instruments.

The investment under the Portfolio Management Strategy would be done through registered member of stock exchange who may charge brokerage upto maximum of 2.5 % of the contract value. The investments under the portfolio management strategy would be usually done through SMC Global Securities Limited registered members of stock exchange. The brokerage fees will be charged at the rate as will be mutually decided by the parties in the client agreement.

All statutory and regulatory charges will be as applicable by respective authorities from time to time.

(v) **Securities lending and borrowing charges**

The charges pertaining to lending of securities, cost of borrowing including interest and costs associated with transfer of securities connected with the lending and borrowing transfer operations would be recovered.

(vi) **Certification and professional charges**

Charges payable for out sourced professional services like accounting, auditing taxation and legal services etc. for documentation notarizations, certifications attestations required by bankers or regulatory authorities including legal fees etc. would be recovered.

(vii) **Incidental expenses**

All incidental and ancillary expenses not recovered above but incurred by the Portfolio Manager on behalf of the client shall be charged to the Client.

The Portfolio Manager shall deduct directly from the cash account of the client all the fees/costs as specified above and shall send a statement to the client for the same. The fees charged to the client for PMS come under the ambit of "fees for technical services" under Section 194J of the Income Tax Act, 1961("the Act"). As the section calls for withholding tax, the client is required to withhold tax @ 10 % (plus applicable surcharge and education cess) on the fees that the client pays to the Portfolio Manager, if he / she fall under the following two categories:



- a) Individual / HUF client is required to deduct TDS if their accounts were subject to audit u/s 44AB in the previous year;  
b) Corporates- This implies the client while making payment of the fees would deduct tax at source.

## **12. TAXATION**

### **12.1 General**

The information given hereinafter is only for general information purpose and is based on the law and practice currently in force in India and the Investors should be aware that the relevant fiscal rules or their interpretation may change from time to time.

The portfolio gains in an account could be in the nature of capital gains (either short- term or long-term depending upon the holding period) or business income depending on the status and intent of the client at the time of entering into agreement for portfolio management.

In view of the above, and since the Individual nature of tax consequences may differ in each case on its merits and facts, each investor is advised to consult his/ her or its own professional tax advisor with respect to the specific tax implication arising out of its participation in the PMS Strategy/ option as an investor. The portfolio manager shall not be responsible for assisting in or completing the fulfillment of the Client's tax obligations.

The following are the tax provisions applicable to Clients investing in the Portfolio Management Services under the taxation laws as on the date herewith, as advised by our Tax Consultants.

### **12.2 Dividend**

Dividends declared, distributed or paid on or after April 1, 2003 by domestic companies will be exempt in the hands of the shareholder recipient but a distribution tax (as a percentage of amount distributed) i.e. 15% percent (as increased by surcharge @12 percent) 2 percent Education Cess and 1 percent Secondary and Higher Education Cess) will be payable by the domestic company. Income distributed on or after April 1, 2003 by a mutual fund specified u/s 10(23D) of the Act will be exempt in the hands of the unit holders but a tax on distributed income will be paid as under:

- ☐ In case of distribution by a money market mutual fund or a liquid fund or any other fund:

Distribution to	Income Tax	Surcharge	Education Cess	Secondary and Higher Education Cess	Total
Individual or Hindu Undivided Family	33.33	3.99	0.75	0.37	38.45
Any Other person	42.86	5.14	0.96	0.48	49.44

However, no tax on such distributed income is payable by an equity oriented mutual fund.

### **12.3 Capital Gains Tax**

\*

Profit on sale of investments, (being shares in a company or any other securities listed on a recognized stock exchange in India or units of the Unit Trust of India established under the Unit Trust of India Act, 1963 (52 of 1963) or units of a Mutual Fund specified under Section 10(23D)) held for a period of more than 12 months (36 months in case of any other investments) immediately preceding the date of transfer, will be treated as long-term capital gains; in all other cases, it would be treated as short-term capital gains. The taxability of long-term and short-term capital gains is discussed below:

#### **12.3.1 Transactions in securities on recognized stock exchange and in units of an equity oriented fund:**

- ☐ Long term capital gains on sale of listed securities and on units of an equity oriented fund are exempt from tax when the transactions for sale take place on recognized stock exchanges and are subject to the Securities Transactions Tax ("STT"). However, such long Term Capital Gains arising to a company shall be taken into account in computing the book profit and income tax payable u/s 115JB.
- ☐ Short term capital gains on sale of listed securities and units of an equity oriented fund are taxable @15% (plus applicable surcharge, Education Cess and Secondary and Higher Education Cess) when the transactions for sale take place on recognized stock exchanges and are subject to the STT.
- ☐ Additionally, STT is payable in respect of purchase of listed securities and units of an equity oriented fund on recognized stock exchanges as follows

Sr. No.	Taxable securities	Transaction Rate (per cent)	Payable by
1	Purchase of equity share in a company where the transaction of such purchase is entered into in a recognized stock exchange (deliver based); Purchase of units of equity oriented fund, where the transaction of such purchase is entered into in a recognized stock exchange (deliver based);	0.1  NIL	Purchaser
2	Sale of equity share in a company where the transaction of such purchase is entered into in a recognized stock exchange (deliver based); Sale of units of equity oriented fund, where the transaction of such purchase is entered into in a recognized stock exchange (deliver based);	0.1  0.001	Seller
3	Sale of an equity share in a company or a unit of an equity oriented fund, where the transaction of such sale is entered into in a recognized stock exchange (non-delivery based)	0.025	Seller
4	Sale of derivative, where the transaction of such sale is entered into in a recognized stock exchange	0.017 of option premium in the case of sale of option (0.05 w.e.f 01 June 2016 where option is not exercised), 0.125 of settlement price in the case of sale of an option where option is exercised, 0.01 of the price in the case of sale of futures	Seller  Purchaser  Seller
5	Sale of unit of an equity oriented fund to the mutual fund	0.001	Seller
6	Sale of unlisted equity shares under an offer for sale to public	0.2	Seller

### 12.3.2 Transactions in other securities or transactions not on recognized stock exchanges

#### (a) Tax on Long Term Gain

##### ☐ For Indian Companies:

Long-term Capital Gains will be chargeable under Section 112 of the Income-tax Act, 1961, at the rate of 20 percent (plus applicable surcharge, Education Cess and Secondary and Higher Education Cess- see note) with indexation or 10 percent without indexation (plus applicable surcharge, Education Cess and Secondary and Higher Education Cess - see note).

##### ☐ For Resident Individuals and HUFs

Long-term Capital Gains will be chargeable under Section 112 of the Income-tax Act, 1961, at the rate of 20 percent (plus Education Cess and Secondary and Higher Education Cess- see note) with indexation or 10 percent without indexation (plus applicable surcharge, Education Cess and Secondary and Higher Education Cess - see note).

Where the taxable income as reduced by long term capital gains is below the exemption limit, the long term capital gains will be reduced to the extent of the shortfall and only the balance long term capital gains will be charged at the flat rate of 20 percent (plus Education Cess and Secondary and Higher Education Cess see note).

☐ For any other Resident:

Long-term Capital Gains will be chargeable under Section 112 of the Income-tax Act, 1961, at the rate of 20 percent (plus Education Cess and Secondary and Higher Education Cess- see note) with indexation or 10 percent without indexation (plus applicable surcharge, Education Cess and Secondary and Higher Education Cess - see note).

☐ For any Non Resident or Foreign Company

Long -term Capital Gains on unlisted securities computed without giving effect to first and second proviso of Section 48 of the Income Tax Act, 1961, will be chargeable at the rate of 10 percent (plus Education Cess and Secondary and Higher Education Cess) and in cases other than Long -term Capital Gains on unlisted securities as above will be chargeable at the rate of 20 percent (plus Education Cess and Secondary and Higher Education Cess).

However, no tax will be charged on any income arising from the transfer of a long term capital asset, being an equity share in a Company or a unit of an equity oriented fund where the transaction of sale of such equity share or unit is entered into on or after 1<sup>st</sup> October 2004 and such transaction is chargeable to Securities Transaction Tax

(c) Tax on Short Term Capital Gain:

Short-term capital gains on sale of short-term capital asset, being an equity share in a company or a unit of an equity oriented fund is chargeable to tax @15% (plus applicable surcharge, Education Cess and Secondary and Higher Education Cess- see note) as per Sec 111A, when the transactions for sale take place on recognized stock exchanges and are subject to Securities Transactions Tax (STT).

Short-term capital gains other than on sale of short-term capital asset are chargeable to tax as per the relevant slab rates.

12.3.3 Capital loss can be set off against any capital gains as follows:

Long-term capital loss of a tax year, which is chargeable to tax, cannot be set off against short-term capital gains arising in that year. On the other hand, short-term capital loss in a year can be set off against both short-term and chargeable long-term capital gains of the same year. Unabsorbed short term and long-term capital loss of prior years shall be separately carried forward. However, short-term capital loss shall be eligible for set off against the chargeable long term capital gains.

12.4 Dividend stripping

Losses arising from the sale/transfer (including redemption) of securities including units purchased up to 3 months prior to the record date (for entitlement of dividends) and sold within 9 months (in case of units) or 3 months (in case of any other securities) after such date, will be disallowed to the extent of income distribution (excluding redemptions) on such units claimed as tax exempt by the unitholder.

12.5 Bonus stripping

In case of units purchased within a period of 3 months prior to the record date (for entitlement of bonus) and sold/ transferred (including redeemed) within 9 months after such date, the loss arising on transfer of original units shall be ignored for the purpose of computing the income chargeable to tax. The loss so ignored shall be treated as cost of acquisition of such bonus units.

12.6 The tax rates applicable to resident individuals and Hindu Undivided Families are as follows:

Slab Tax Rate: SHOULD BE READ ALONG WITH NOTE BELOW:-

(A) In the case of resident Senior citizen, who is of sixty years or more at any time during the previous year but not more than 80 years on the last day of the previous year:

- Old Tax Regime:

Particulars	Rates of Income Tax
Where the total income does not exceed Rs. 3,00,000	Nil
Where the total income exceeds Rs. 3,00,000 but does not exceed Rs. 5,00,000	5% of the amount by which the total income exceeds Rs. 3,00,000
Where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	10000 plus 20% of the amount which the total income exceeds Rs. 5,00,000
Where the total income exceeds Rs. 10,00,000	Rs1,10,000 plus 30% of the amount by which the total income exceeds Rs. 10,00,000

- New Tax Regime:

Particulars	Rates of Income Tax
Where the total income does not exceed Rs. 3,00,000	Nil
Where the total income exceeds Rs. 3,00,001 but does not exceed Rs. 6,00,000	5%
Where the total income exceeds Rs. 6,00,001 but does not exceed Rs. 9,00,000	10%
Where the total income exceeds Rs. 9,00,001 but does not exceed Rs. 12,00,000	15%
Where the total income exceeds Rs. 12,00,001 but does not exceed Rs.15,00,000.	20%
Where the total income exceeds Rs. 15,00,000	30%

Notes:-

1. Surcharge (subject to marginal relief):

(a) Surcharge is 10% of Income Tax if net income exceeds Rs. 50 lakhs but does not exceed Rs.1 Crore.

(b) Surcharge is 15% of Income tax, if net income exceeds Rs. 1 Crore but does not exceed Rs. 2 Crore.

(c) Surcharge is 25% of Income tax, if net income exceeds Rs. 2 Crore but does not exceed Rs. 5 Crore.

(d) Surcharge is 37% of Income tax, if net income exceeds Rs. 5 Crore.

2. Health & Education Cess: It is 4% of Income Tax plus Surcharge (if any).

(B) In the case of resident super senior citizen, who is of 80 years or more at any time during the previous year:

- Old Tax Regime:

Particulars	Rates of Income Tax
Where the total income does not exceed Rs. 5,00,000	Nil
Where the total income exceeds Rs. 5,00,001 but does not exceed Rs. 10,00,000	20% of the amount by which the total income exceeds Rs. 5,00,000.
Where the total income exceeds Rs. 10,00,000	Rs 1,00,000 plus 30% of the amount by which the total income exceeds Rs. 10,00,000

- New Tax Regime:

Particulars	Rates of Income Tax
Where the total income does not exceed Rs.	Nil

3,00,000	
Where the total income exceeds Rs. 3,00,001 but does not exceed Rs. 6,00,000	5%
Where the total income exceeds Rs. 6,00,001 but does not exceed Rs. 9,00,000	10%
Where the total income exceeds Rs. 9,00,001 but does not exceed Rs. 12,00,000	15%
Where the total income exceeds Rs. 12,00,001 but does not exceed Rs. 15,00,000.	20%
Where the total income exceeds Rs. 15,00,000	30%

Notes:-

1. Surcharge (subject to marginal relief):

(a) Surcharge is 10% of Income Tax if taxable income exceeds Rs. 50 lakhs but does not exceed Rs. 1 Crore.

(b) Surcharge is 15% of Income tax, if taxable income exceeds Rs. 1 Crore but does not exceed Rs. 2 Crore.

(c) Surcharge is 25% of Income tax, if taxable income exceeds Rs. 2 Crore but does not exceed Rs. 5 Crore.

(d) Surcharge is 37% of Income tax, if taxable income exceeds Rs. 5 Crore.

2. Health & Education Cess: It is 4% of Income Tax plus Surcharge (if any).

(C) In the case of any other individual, every HUF /AOP/BOI/ artificial judicial person:

- Old Tax Regime:

Particulars	Rates of Income Tax
Where the total income does not exceed Rs. 2,50,000	Nil
Where the total income exceeds Rs. 2,50,001 but does not exceed Rs. 5,00,000	5% of the amount by which the total income exceeds Rs. 2,50,000
Where the total income exceeds Rs. 5,00,001 but does not exceed Rs. 10,00,000	Rs. 12,500 plus 20% of the amount by which the total income exceeds Rs. 5,00,000.
Where the total income exceeds Rs. 10,00,000	Rs 1,12,500 plus 30% of the amount by which the total income exceeds Rs. 10,00,000

- New Tax Regime:

Particulars	Rates of Income Tax
Where the total income does not exceed Rs. 3,00,000	Nil
Where the total income exceeds Rs. 3,00,001 but does not exceed Rs. 6,00,000	5%
Where the total income exceeds Rs. 6,00,001 but does not exceed Rs. 9,00,000	10%
Where the total income exceeds Rs. 9,00,001 but does not exceed Rs. 12,00,000	15%
Where the total income exceeds Rs. 12,00,001 but does not exceed Rs. 15,00,000.	20%
Where the total income exceeds Rs. 15,00,000	30%

Notes:-

1. Surcharge (subject to marginal relief):

- (a) Surcharge is 10% of Income Tax if taxable income exceeds Rs. 50 lakhs but does not exceed Rs. 1 Crore.  
 (b) Surcharge is 15% of Income tax, if taxable income exceeds Rs. 1 Crore but does not exceed Rs. 2 Crore.  
 (c) Surcharge is 25% of Income tax, if taxable income exceeds Rs. 2 Crore but does not exceed Rs. 5 Crore.  
 (d) Surcharge is 37% of Income tax, if taxable income exceeds Rs. 5 Crore.  
 2. Health & Education Cess: It is 4% of Income Tax plus Surcharge (if any).

#### 12.7 Partnership Firms

□ In case of Partnership Firms, the tax rate applicable would be 30 percent. (Plus 4% Health & Education Cess on the amount of tax + Surcharge at the rate of 12% of Income Tax if net income exceeds Rs. 1 Crore. It is subject to marginal relief)

#### 12.8 Indian Companies:

(a) In case of domestic company, the rate of Income-tax shall be:

Condition	Income Tax Rate (excluding surcharge and cess)
If Total Turnover or Gross Receipts of company during the previous year 2020-21 does not exceed ₹ 400 crores	25%
If company opted for Section 115BA of the Income Tax Act, 1961	25%
If company opted for Section 115BAA of the Income Tax Act, 1961	22%
If company opted for Section 115BAB of the Income Tax Act, 1961	15%
Any other Domestic Company of the Income Tax Act, 1961	30%

Notes: -

1. Surcharge (subject to marginal relief):

- (a) Surcharge is 7% of Income Tax if taxable income exceeds Rs. 1 Crore but does not exceed Rs. 10 Crore.  
 (b) Surcharge is 12% of Income tax, if taxable income exceeds Rs. 10.  
 (c) Surcharge is 10% of Income tax, if company opting for taxability u/s 115BAA or u/s 115BAB.

2. Health & Education Cess: It is 4% of Income Tax plus Surcharge (if any).

(b) In case of foreign company, the rate of income-tax shall be:

Condition	Income Tax Rate
Royalty from Government or an Indian concern in pursuance of an agreement made with the Indian concern after 31st March 1961, but before 1st April 1976, or fees for rendering technical services in pursuance of an agreement made after 29th February 1964 but before 1st April 1976 and where such agreement has, in either case, been approved by the Central Government	50%
Any other income	40%

Notes:-

1. Surcharge (subject to marginal relief):

- (a) Surcharge is 2% of Income Tax if taxable income exceeds Rs. 1 Crore but does not exceed Rs. 10 Crore.  
 (b) Surcharge is 5% of Income tax, if taxable income exceeds Rs. 10.

2. Health & Education Cess: It is 4% of Income Tax plus Surcharge (if any).

### 13. ACCOUNTING POLICIES

The following accounting policy/ valuation will be applied for the portfolio investment of clients:

a. Investments in Equities / other traded securities and instruments (including debt and money market instruments) will be valued at the closing market prices of the Bombay Stock Exchange Limited. If these Securities / instruments are not listed on Bombay Stock Exchange then the closing market prices on National Stock Exchange of India Limited or any other exchange where the Securities are listed, will be considered for the purpose of valuations. The Portfolio Manager shall endeavour to be consistent in applying the policy adopted by it. Investment in the units of mutual funds will be valued at latest repurchase Net Assets Value (NAV) declared for the relevant Scheme on the date of valuation of portfolio investment. Non-traded and thinly traded equity securities / instruments, including those not traded within thirty days prior to the valuation date shall be valued at fair value as determined by SMC Global Securities Limited. Non-traded, thinly traded and unlisted debt and money market instruments shall also be valued at fair value determined by SMC Global Securities Limited. The Portfolio Manager shall use its discretion in valuation of securities with an intent to provide appropriate valuation to the investments held by the clients.

b. Realized gains / losses will be calculated by applying the First In First Out (FIFO) method. For example, the earliest purchased quantity will be reckoned for the current / most recent sale at the respective prices at both points in time.

c. Transaction for purchase or sale of securities will be recognized as of the trade date and not as of the settlement date so that the effect of all investments traded during financial year are recorded and reflected in the financial statements for that year.

For derivative transactions (if any), unrealized gains and losses on open position will be calculated by mark to market method.

d. Unrealized gains/ losses are the differences between the current market values or NAV of even date and the historical cost of the securities.

e. Dividend on shares and units in mutual funds, interest on debt instrument, stock lending fees earned etc. shall be accounted on accrual basis.

f. The portfolio manager and the client can adopt any specific norms or methodology for valuation of investments or accounting the same as may be mutually agreed between them on a case specific basis.

### 14. INVESTOR SERVICES

#### (i) Contact information

Name, Address and Telephone number of the Investor Relation Officer who shall attend to the Investor queries and complaints are as under:

Name	:	Mr. Sharad Kumar
Designation	:	Senior Manager- Operations
Address	:	Registered Office-11/6B, Shanti Chambers,Pusa Road, New Delhi-110005
Telephone No	:	+91 1140815200
E- Mail	:	<a href="mailto:clientservicingpms@smcwealth.com">clientservicingpms@smcwealth.com</a> ,

The officer mentioned above will ensure prompt investor services. The portfolio manager will ensure that this official is vested with necessary authority, independence and the means to handle investor complaints.

In case of complaints, investor may also write to Mr. Ashok Aggarwal, Compliance Officer at [igc@smcindiaonline.com](mailto:igc@smcindiaonline.com) . Investor may also register/lodge complaints online on SCORES (SEBI COMPLAINTS REDRESS SYSTEM) portal i.e. <http://scores.gov.in/> by clicking on "Complaint Registration" under "Investor Corner".

#### (ii) Grievance redressal and dispute settlement mechanism

The portfolio manager will endeavor to address all complaints regarding service deficiencies or causes for grievances, for whatever reason, in a reasonable manner and time. If the investor remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the investor and the Portfolio Manager shall be abide by the following mechanisms.

All disputes, differences, claims and questions whatsoever arising between the Client and the Portfolio Manager and/or their respective representatives shall be settled in accordance with and subject to the provisions of the Arbitration and Conciliation Act, 1996, or any statutory requirement, modification or re-enactment thereof. Such arbitration proceeding shall be held at Delhi or such other place as the Portfolio Manager thinks fit.

#### **15. GENERAL**

The portfolio manager and the client can mutually agree to be bound by specified terms through a written two-way agreement between themselves in addition to the standard agreement.

**For SMC Global Securities Limited**

S. NO.	NAME OF THE DIRECTOR	SIGNATURE
1.	Mr. Subhash C. Aggarwal	
2.	Mr. Ajay Garg	



**Date: April 16, 2024**

**Place: New Delhi**

*Aggarwal*

*G*



## Annexure 1

Details of enquiry / adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or Rules or Regulations made there under.

a. Any enquiry / adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee.

NIL

b. Any enquiry / adjudication proceedings initiated by the Board against any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee.

### SMC Global Securities Limited

S.No.	Description of Case	Order Date	Observations	Status of the Matter	Corrective Measures /Steps taken
1	Notice dated 10 <sup>th</sup> December, 2018 was issued to SMC under Rule 4(1) of SEBI (Procedure for holding enquiry and imposing penalties by adjudicating officer) Rules, 1995 read with Section 15-I of the SEBI Act, 1192	10-12-2018	SEBI vide its adjudication order dated 25/09/2019 in the matter of Co-location facility provided by NSE, alleged that "The only default on the part of the Noticee is that it connected to the secondary server repeatedly without making complaint to NSE and despite reprimand from NSE."	SEBI vide its adjudication order dated 25/09/2019 in the matter of Co-location facility provided by NSE, has imposed a penalty of Rs. 5 Lakhs. Matter stands closed.	Continuously improving surveillance & compliance. Matter stands closed.
2	Adjudication Proceedings in respect of Trading Members in the matter of Dealing in illequid Stock Options (ISO) at BSE. Adjudication proceedings were initiated against stock brokers under Section	08-12-2022	Adjudication proceedings were initiated against 150 stock brokers under Section 15HB of SEBI Act, 1992 for the alleged violation of the relevant provisions of the Schedule II of the Code of Conduct for	SMC availed the benefit of the SEBI Settlement Scheme 2022 for Stock Broker and remitted the specified settlement amount of Rs. 6,00,000/- duly confirmed by SEBI through its Settlement order dated 14-03-2023. Matter stands closed.	Continuously improving surveillance & compliance. Matter stands closed.

<p>15HB and in case of some under section 15HA as well of SEBI Act, 1992.</p> <p>Meanwhile SEBI has framed the SEBI Settlement Scheme for Stock Broker, 2022 so as to provide a one-time opportunity to the stock brokers against whom proceedings had been initiated by SEBI and that were pending in the matter of their trading in the illiquid stock options segment at BSE. The said scheme proposed payment of Settlement Amount so as to provide an opportunity for settlement to the eligible stock brokers.</p>		<p>Stock Brokers read with Regulation 9(f) of the SEBI (Stock Brokers) Regulations, 1992 while certain stock brokers were also charged under Section 15HA of the SEBI Act, 1992 since they had failed to take any remedial measures despite receiving alerts from BSE resulting in the alleged violation of Section 12A(a), (b), (c) of SEBI Act, 1992 read with Regulations 3(a),(b),(c),(d) and 4(1) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003.</p>		
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## Annexure 2

### SMC GLOBAL SECURITIES LIMITED

#### Related party disclosures

**As per Ind AS 24, the disclosures of transactions with related parties are given below:**

List of related parties where control exists and also other related parties with whom transactions have taken place and relationships:

Sr. No.	Name of related parties	Relationship
1.	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary
2.	Moneywise Financial Services Private Limited	Subsidiary
3.	SMC Capitals Limited	Subsidiary
4.	Moneywise Finvest Limited	Subsidiary
5.	SMC Investments & Advisors Limited	Subsidiary
6.	SMC Global USA Inc (Foreign company)	Subsidiary
7.	SMC Global IFSC Private Limited	Subsidiary
8.	SMC Insurance Brokers Private Limited	Subsidiary
9.	SMC Comex International DMCC (Foreign company)	Subsidiary
10.	SMC Real Estate Advisors Private Limited	Subsidiary
11.	Qnance Research Capital LLP (from 01/07/2021 to 30/03/2022)	Subsidiary
12.	Pulin Investments Private Limited	Entity controlled by KMPs
13.	SMC & IM Capitals Investment managers LLP	Jointly controlled entity
14.	SMC Global Foundation	Trust controlled by KMPs
15.	SMC IFSC Global Opportunities Fund (w.e.f 28/12/2021)	Trust where in the company act as investment manager
16.	Mr. Subhash Chand Aggarwal	Key managerial personnel
17.	Mr. Mahesh Chand Gupta	Key managerial personnel
18.	Mr. Ajay Garg	Key managerial personnel
19.	Mr. Anurag Bansal	Key managerial personnel
20.	Mr. Vinod Kumar Jamar	Key managerial personnel
21.	Mr. Suman Kumar	Key managerial personnel
22.	Mr. Himanshu Gupta	Key managerial personnel
23.	Ms. Shruti Aggarwal	Key managerial personnel
24.	Ms. Madhu Vij	Key managerial personnel
25.	Mr. Kundan Mal Aggarwal	(Independent director) Key managerial personnel
26.	Mr. Hari Das Khunteta	(Independent director) Key managerial personnel
27.	Mr. Naveen ND Gupta	(Independent director) Key managerial personnel
28.	Mr. Chandra Wadhwa	(Independent director) Key managerial personnel
29.	Mr. Roop Chand Jindal (Cessation date: 23.06.2022)	(Independent director) Key managerial personnel
30.	Mr. Narendra Kumar (w.e.f. 16.09.2022)	(Independent Director) Key managerial personnel
31.	Mr. Dinesh Kumar Sarraf	(Independent director) Key managerial personnel
32.	Mr. Hemant Bhargava	(Independent director) Key managerial personnel
33.	Mr. Gobind Ram Choudhary	(Independent director) Key managerial personnel

34.	Mr. Ayush Aggarwal	Close family members of KMPs
35.	Ms. Hemlata Aggarwal	Close family members of KMPs
36.	Ms. Sushma Gupta	Close family members of KMPs
37.	Ms. Reema Garg	Close family members of KMPs
38.	Ms. Meetu Goel	Close family members of KMPs
39.	Ms. Nidhi Bansal	Close family member of KMPs
40.	Mr. Anuj Kansal	Close family member of KMPs
41.	Mrs. Neha Gupta	Close family member of KMPs
42.	Mrs. Uma Agarwal	Close family member of KMPs

Note: Related party relationship is as identified by the company and relied upon by the auditors.

## Disclosure of transactions between the company &amp; related parties:-

₹ in Lakhs

Sr. No.	Particulars of Transactions	Relationship	For the year ended	
			March 31, 2023	March 31, 2022
<b>1</b>	<b>Remuneration</b>			
	Salaries, wages & other benefits	Key managerial personnel	654.6	526.61
	Contribution to defined benefit plan	Key managerial personnel	37.95	33.19
	<b>Total</b>		<b>692.55</b>	<b>559.8</b>
	Salaries, wages & other benefits	Close family member of KMPs	255.21	157.06
	Contribution to defined benefit plan	Close family member of KMPs	6.4	3.22
	<b>Total</b>		<b>261.61</b>	<b>160.28</b>
<b>2</b>	<b>Directors sitting fee</b>	Independent director	19.2	22.5
<b>3</b>	<b>Investment (equity shares)</b>			
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	700.00	-
	Moneywise Finvest Limited	Subsidiary	1,500.00	800
<b>4</b>	<b>Capital Reduction</b>			
	SMC Insurance Brokers Private Limited	Subsidiary	2576.23	-
<b>5</b>	<b>Investment (purchase NCD)</b>			
	SMC Real Estate Advisors Private Limited	Subsidiary	-	78.28
	SMC Insurance Brokers Private Limited	Subsidiary	-	3,015.77
<b>6</b>	<b>Investment (sale NCD)</b>			
	SMC Real Estate Advisors Private Limited	Subsidiary	202.67	559.65
	SMC Insurance Brokers Private Limited	Subsidiary	1,238.48	2,822.28
<b>7</b>	<b>Investment (purchase MLD)</b>			
	SMC Insurance Brokers Private Limited	Subsidiary	1,690.73	50

		₹ in Lakhs	
Particulars of transactions	Relationship	For the year ended	
		March 31, 2023	March 31, 2022
<b>8 Loans &amp; advances given</b>			
Moneywise Financial Services Private Limited	Subsidiary	-	5620.95
SMC Real Estate Advisors Private Limited	Subsidiary	512	3,841.26
SMC Investments & Advisors Ltd	Subsidiary	530	1.02
Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	-	2,321.23
SMC Comex International DMCC	Subsidiary	-	303.23
<b>9 Loans &amp; advances recovered</b>			
SMC Investments & Advisors Limited	Subsidiary	858.57	457.17
Moneywise Financial Services Private Limited	Subsidiary	-	5,620.95
SMC Real Estate Advisors Private Limited	Subsidiary	512.00	4,287.15
Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	1,412.77	824.38
<b>10 Loans &amp; advances taken (net)</b>			
SMC Insurance Brokers Private Limited	Subsidiary	6,925.00	5,521.00
Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	7,522.54	-
Moneywise Financial Services Private Limited	Subsidiary	5,600.00	-
Moneywise Finvest Limited	Subsidiary	1,300.00	-
<b>11 Loan &amp; advances repaid</b>			
SMC Insurance Brokers Private Limited	Subsidiary	6,925.00	5,521.00
Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	7,522.54	-
Moneywise Financial Services Private Limited	Subsidiary	3,100.00	-
Moneywise Finvest Limited	Subsidiary	300.00	-
<b>12 Brokerage received</b>			
Moneywise Finvest Limited	Subsidiary	69.54	75.66
SMC Insurance Brokers Private Limited	Subsidiary	-	2.59
SMC Real Estate Advisors Private Limited	Subsidiary	300.11	345.03
Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	2.64	2.32
Moneywise Financial Services Private Limited	Subsidiary	3.52	4.49
Quance Research Capital LLP	Subsidiary	-	149.3

	Pulin Investments Private Limited	Entity controlled by KMPs	240.61	214.28
<b>13</b>	<b>Rent received</b>			
	SMC Capitals Limited	Subsidiary	4.23	4.23
	SMC Insurance Brokers Private Limited	Subsidiary	120	160.79
	Moneywise Finvest Limited	Subsidiary	49.8	22.25
<b>14</b>	<b>Other Income</b>			
	Moneywise Financial Services Private Limited	Subsidiary	0.65	-
<b>15</b>	<b>Demat charges received</b>			
	Moneywise Finvest Limited	Subsidiary	4.12	8.45
	SMC Insurance Brokers Private Limited	Subsidiary	0.04	0.06
	SMC Real Estate Advisors Private Limited	Subsidiary	0.06	0.53
	Moneywise Financial Services Private Limited	Subsidiary	0.5	0.9
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	0.02	-
	SMC Investments & Advisors Limited	Subsidiary	0.03	-
	Pulin Investments Private Limited	Entity controlled by KMPs	0.03	0.01
<b>16</b>	<b>Interest income</b>			
	Moneywise Financial Services Private Limited	Subsidiary	-	44.15
	SMC Investments & Advisors Limited	Subsidiary	38.61	51.09
	SMC Real Estate Advisors Private Limited	Subsidiary	14.1	28.21
	SMC Comex International DMCC	Subsidiary	16.08	2.33
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	30.73	42.98
<b>17</b>	<b>Interest income on NCD</b>			
	Moneywise Financial Services Private Limited	Subsidiary	100.1	47.54
	SMC Real Estate Advisors Private Limited	Subsidiary	2.67	-
<b>18</b>	<b>Fair value gain on MLD</b>			
	Moneywise Financial Services Private Limited	Subsidiary	-	0.58
<b>19</b>	<b>Delay payment charges</b>			
	Moneywise Financial Services Private Limited	Subsidiary	-	0.01
	SMC Insurance Brokers Private Limited	Subsidiary	-	1.43
	Pulin Investments Private Limited	Entity controlled by KMPs	66.38	0.02
<b>20</b>	<b>Income from distribution of financial products</b>			
	SMC Capitals Limited	Subsidiary	638.34	500.69

<b>21</b>	<b>Dividend received</b>			
	SMC Insurance Brokers Private Limited	Subsidiary	808.00	727.2
<b>22</b>	<b>Other borrowing cost</b>			
	SMC Investments & Advisors Private Limited	Subsidiary	-	22.5
<b>23</b>	<b>Interest expenses</b>			
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	4.26	1.05
	SMC Real Estate and Advisors Private Limited	Subsidiary	-	15.3
	SMC Insurance Borkers Private Limited	Subsidiary	251.63	92.63
	Moneywise Finvest Limited	Subsidiary	340.35	205.62
	Moneywise Financial Services Private Limited	Subsidiary	55.94	-
<b>24</b>	<b>Rent Expenses</b>			
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	24.48	24.48
<b>25</b>	<b>Commision Expense</b>			
	Moneywise Finvest Limited	Subsidiary	439.98	-
<b>26</b>	<b>Service Expenses</b>			
	Moneywise Financial Services Private Limited	Subsidiary	72.67	-
<b>27</b>	<b>Impairment on financial instrument</b>			
	<b>SMC Global USA Inc.</b>			
	Loan	Subsidiary	-	57.11
<b>28</b>	<b>Contribution to Trust</b>			
	SMC Global Foundation	Trust controlled by KMPs	-	0.43
<b>29</b>	<b>Reimbursement of expenses received (net)</b>			
	Moneywise Financial Services Private Limited	Subsidiary	9.56	0.1
	Moneywise Finvest Limited	Subsidiary	59.87	23.89
	SMC Capital Limited	Subsidiary	2.26	1.5
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	1.8	1.64
	SMC Investments & Advisors Private Limited	Subsidiary	1.99	0.09
	SMC Insurance Borkers Private Limited	Subsidiary	10.02	1.05
	SMC Real Estate Advisors Private Limited	Subsidiary	25.85	29.45
	SMC Global IFSC Private Limited	Subsidiary	0.86	-



**30 Reimbursement of expenses received (net)**

Quance Research Capital LLP	Subsidiary	-	56.06
SMC Global IFSC Private Limited	Subsidiary	-	0.29

Transaction and balances with KMPs and their relatives, related parties (except subsidiaries) through stock exchanges/ depositories/ PMS in the normal course of business have not been disclosed as the same have been transacted at prevailing market prices under online trade mechanism and not material in nature.

As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to individual key Management Personnel are not separately available.

Balance Outstanding ₹ in Lakhs

Sr. No.	Particulars	Relationship	As at	
			March 31, 2023	March 31, 2022
<b>1</b>	<b>Loans</b>			
	SMC Global USA Inc (net of provision)	Subsidiary	182.14	167.94
	Provision for impairment		(182.14)	(167.94)
	SMC Real Estate Advisors Private Limited	Subsidiary	-	-
	SMC Investments & Advisors Private Limited	Subsidiary	-	328.57
	SMC Comex International DMCC	Subsidiary	328.87	303.23
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	-	1,412.77
<b>2</b>	<b>Trade receivables</b>			
	Moneywise Financial Services Private Limited	Subsidiary	-	0.06
	SMC Insurance Brokers Private Limited	Subsidiary	21.5	-
	SMC Capitals Limited	Subsidiary	157.97	-
<b>3</b>	<b>Other receivables</b>			
	SMC Capitals Limited	Subsidiary	1.88	-
	SMC Real Estate Advisors Private Limited	Subsidiary	2.35	7.25
	SMC Investments and Advisors Limited	Subsidiary	0.71	-
	Moneywise Finvest Limited	Subsidiary	0.75	-
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	15.83	-
	Moneywise Financial Services Private Limited	Subsidiary	7.32	-
	SMC Global IFSC Private Limited	Subsidiary	0.79	-
<b>4</b>	<b>Other Financial Assests</b>			
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	6.12	-

<b>5</b>	<b>Trade Payables</b>			
	Moneywise Finvest Limited	Subsidiary	90.1	2,763.84
	Moneywise Financial Services Private Limited	Subsidiary	-	2.36
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	5.75	39.46
	SMC Real Estate Advisors Private Limited	Subsidiary	50.06	161.23
<b>6</b>	<b>Borrowings</b>			
	Moneywise Finvest Limited	Subsidiary	1,000	-
	Moneywise Financial Services Private Limited	Subsidiary	2,500	
<b>7</b>	<b>Other financial Liabilities</b>			
	Moneywise Finvest Limited	Subsidiary	3,991.70	220.73
	SMC Insurance Brokers Private Limited	Subsidiary	49	49
	Pulin Comtrade Limited (erstwhile SMC Comtrade Limited)	Subsidiary	47.54	68.49
	SMC Real Estate Advisors Private Limited	Subsidiary	-	0.05

FORM C

SECURITIES AND EXCHANGE BOARD OF INDIA  
(PORTFOLIO MANAGERS) REGULATIONS, 2020

(REGULATION 22)

SMC Global Securities Limited  
(L74899DL1994PLC063609)

Corporate Office: 11/5B, Pusa Road, New Delhi-110005

Ph.:+91 11 43190800

E-mail: ajay@smcindiaonline.com

We confirm that:

- i. the Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;
- ii. the disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us/investment in the portfolio Management;
- iii. the Disclosure Document has been duly certified by an Independent Chartered Accountant viz. Mr. Rohit Jain (M.No. 99444), partner of M/s Rohit K C Jain & Co. ,ssss 124 , Hans Bhawan , 1 , Bahadur Shah Zafar Marg , New Delhi-110002 (Phone No.: 011-23378891), on 09.04.2024.

Date: April 16, 2024

Place: New Delhi

For SMC Global Securities Limited

Ajay Garg  
(Principal Officer)



Address : SMC Global Securities Limited  
Corporate. Off.: 11/5B, Pusa Road, New Delhi-110005  
Ph. : +91 11 40815200  
E-Mail : ajay@smcindiaonline.com

*[Handwritten signature]*



**CERTIFICATE**

To,

**M/s SMC Global Securities Limited**

**Add: 11/6B, Shanti Chamber, Pusa Road, Delhi-110005.**

We have been requested by **M/s SMC Global Securities Limited** (the Company) having Registered office at 11/6B, Shanti Chambers Pusa Road, New Delhi-110005 and having SEBI Registration No INP000006703, to certify the contents and information provided in the Disclosure document required to be filed with the Securities and Exchange Board of India (SEBI) as per Regulations 22, Schedule V of SEBI (Portfolio Managers), 2020.

We have verified Disclosure Document dated April 16<sup>th</sup>, 2024 and the details with the respective documents provided by the Management of the Company and have relied on various representations made to us by the Management wherever necessary. The disclosure made in the document is made on the model disclosure document as stated in Schedule V of Regulations 22 of Securities and Exchange Board of India (Portfolio Manager) Regulations 2020.

To the best of our knowledge and on the basis of verification and information provided to us, we certify that disclosures made in the Document are true, fair, and adequate as required under Regulations 22 and schedule V of SEBI (Portfolio Managers) Regulations, 2020.

We have relied on the representation given by the Management about the penalties or litigations, group companies, performance calculation of the Portfolio Manager against the Portfolio Manager mentioned in the Disclosure Document.

This certificate has been issued solely for complying with the requirements of SEBI (Portfolio Managers) Regulations, 2020 for the sole purpose of certifying the contents of the Disclosure Document for Portfolio Management Scheme and should not be used or referred to for any other purpose without our prior written consent.

**For M/s Rohit KC Jain & Co.**

**Chartered Accountants**

**FRN. 020422N**

**CA Ritesh Wahal**  
**(Partner)**

**M. No.: 517197**

**UDIN: 24517197BKAKKF2767**



**Date: 02/05/2024**

**Place: New Delhi**