

SMC Global Securities Limited

September 22, 2021

Ratings

Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Commercial Paper	-	-	Withdrawn

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the rating assigned to the Commercial Paper issue of SMC Global Securities Limited (SMC) with immediate effect at the request of the company, as the company has not raised anything against the proposed Commercial Paper issue and there is no outstanding under the said issue as on date.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

SMC is a Delhi based stock broking Company which was incorporated on December 19, 1994 and is the flagship company of the SMC group. The group is one of the old integrated capital market intermediaries in the financial sector engaged in the business of broking, arbitrage trading, financial product distribution (Mutual Funds, Debt Products and Insurance), depository services, portfolio management services (PMS) and lending operations. SMC has pan-India branch and franchisee presence and is present in over 550+ Cities and has a network of over 95 branches, 3,650+ employees, 2500+ Sub-brokers, 13,6700+ Independent Distributors as on March-21. AUM of Moneywise (NBFC) stood at Rs.580 crore as on March-21

Brief Financials (Rs. Crore)	FY20 (A)	FY21 (A)
SMC (Consolidated)	INDAS	IND AS
Total income	784.1	901.6
Net Income (adjusted for commission to sub-brokers)	547.6	602.8
PAT	23.9	100.1
Interest coverage (times)	2.1	4.6
Overall Gearing	0.4	0.6
Total Assets	1,832.9	2,353.9
RONW (%)	3.7	14.5
Moneywise (Standalone)		
NNPA (%)	2.46	3.66

A: Audited

#Note: Total Assets is calculated after excluding intangible assets and deferred tax assets

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure 4

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Commercial Paper- Commercial Paper (Standalone)	-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Commercial Paper- Commercial Paper (Standalone)	ST	-	-	-	1)CARE A1+ (01-Mar-21)	1)CARE A1+ (02-Mar-20)	1)CARE A1+ (03-Sep-18)

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: NA**Annexure 4: Complexity level of various instruments rated for this Company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Commercial Paper (Standalone)	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact Us

Media Contact

Name-Mr. Mradul Mishra
Contact no. – +91-22-6754 3573
Email ID – mradul.mishra@careratings.com

Analyst Contact:

Name: Gaurav Dixit
Tel: +91-11-4533 3235
Mobile: +91 9717070079
Email: gaurav.dixit@careratings.com

Business Development Contact

Name: Swati Agrawal
Contact no. : +91-11-4533 3200 / +91-98117 45677
Email ID : swati.agrawal@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.