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Company Snapshot

- **Total Weightage % in Portfolio = 6% (CMP = ₹85)**
- **Single Phase Buying Strategy = Buy 6% between ₹80-90. (Downside is limited to 65-70rs)**
- **Price Target = Around ₹160 in next 12 months, ₹450-500 in next 3-5 years. Expect 30% CAGR Return.**

SMC Global Securities is a **leading financial service provider in India** offering services across **brokerage, investment banking, wealth management etc.** It was incorporated in the year 1994 by founders Mr. Subhash C. Aggarwal and Mr. Mahesh C. Gupta. The company is governed by strong board of directors and is run by a highly qualified and experienced management team. There is a lot of potential for growth in upcoming years. Intense Competition, low presence in South India, no global presence are some of the risk factors for the company.



Market Cap: INR 960 Cr.	Current Price: INR 85 (20th Jan'22)	52 weeks H/L: 105/65
ROE: 13.7%	EPS: 15.76	Dividend Yield: 1.69%
ROCE: 16.5%	Debt to Equity: 0.36	Dividend Payout: 14.10%
Profit Growth (TTM): 105%	Pledged Percentage: 2.98%	Asset Turnover: 0.42
Face Value: 2	Promoter Holding: 62.4%	Debt(Cr): 310
Market cap to sales: 0.77	Stock PE: 5.39	Sales Growth (TTM) : 25%

Long track record & Established market position

Dear Investors,

As Warren Buffett said "If the Business Does Well, the Stock Eventually Follows"

In other words, if a company has a consistent operating history, is generating high and sustainable profit margins and its share price is trading below expectations for its future growth, then it's a stock you may want to own.

Companies with the above parameters have the highest probability of providing with a strong return on investment while at the same simultaneously removing downside risk. These are businesses that you know are going to be around after this crisis is over.

Secondly, businesses that generate recurring revenues by targeting a large market with perpetual demand have tremendous potential, apparently any particular stock is bought taking into account the industry in which the business operates, the extent of competitive advantage and the future potential for its goods.

Covid-19 has proven to be a blessing in disguise for some of the industries and sectors, though the company which we have to offer today has sailed its boat from hard times. But the company witnesses a constructive comeback as the numbers are extremely well in nature and aligned to the market competitors.

Every challenge brings an opportunity with it. From FY2019 the company started focusing on e-platforms for investors and have successfully provided its clients with the ease of trading 24*7, by launching its highly appraised and efficient **online platforms~ Stoxkart & indiakaloan.com**

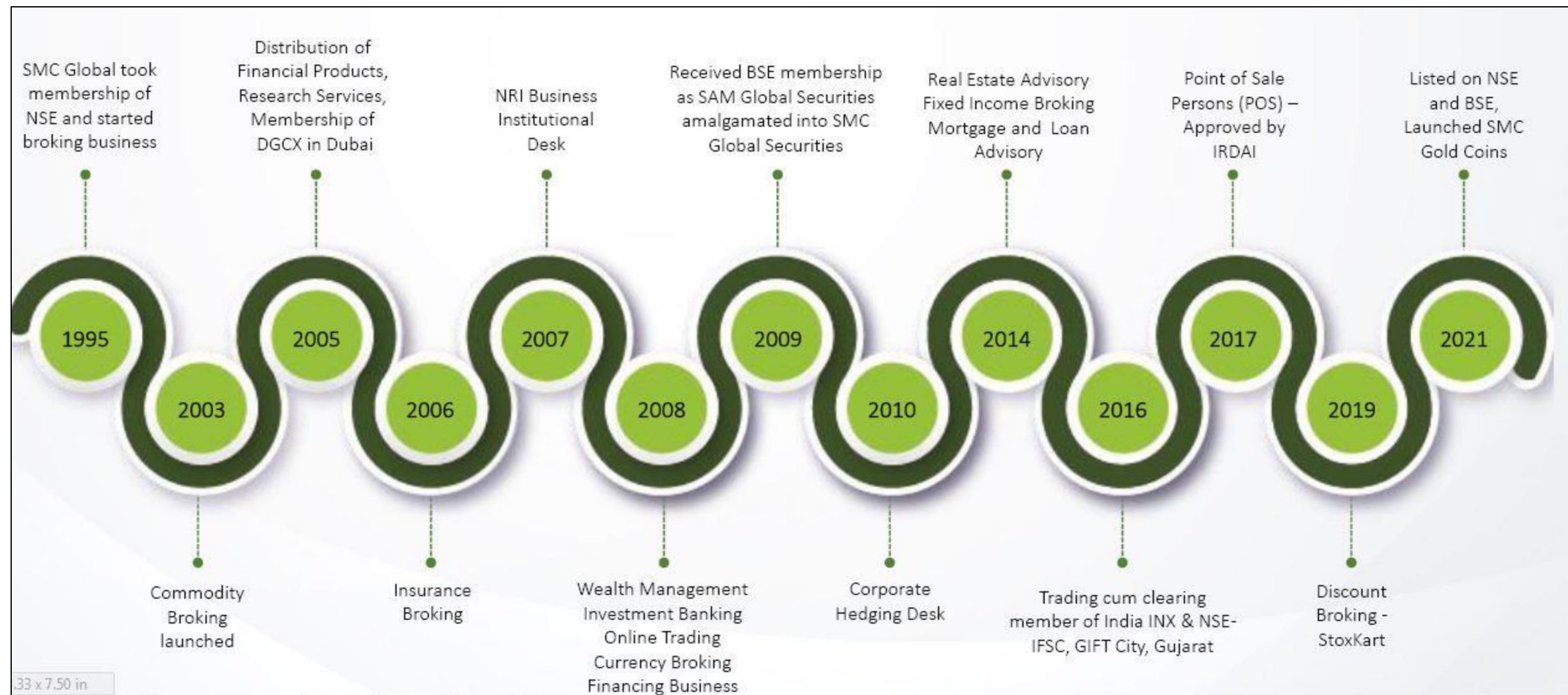
Over the years, the company has grown into a diversified financial services company offering brokerage services, investment banking, wealth management, distribution of financial products, financing, insurance broking, clearing & depository services, fixed income securities, financial advisory services to corporates, institutions, high net worth individuals and other retail clients.

Through a strong network of approx. 2,750 Sub Brokers and Authorized Persons the company's footprint spreads over 550 cities across India.

Journey of SMC Global Securities Ltd

Source: SMC investor presentation report

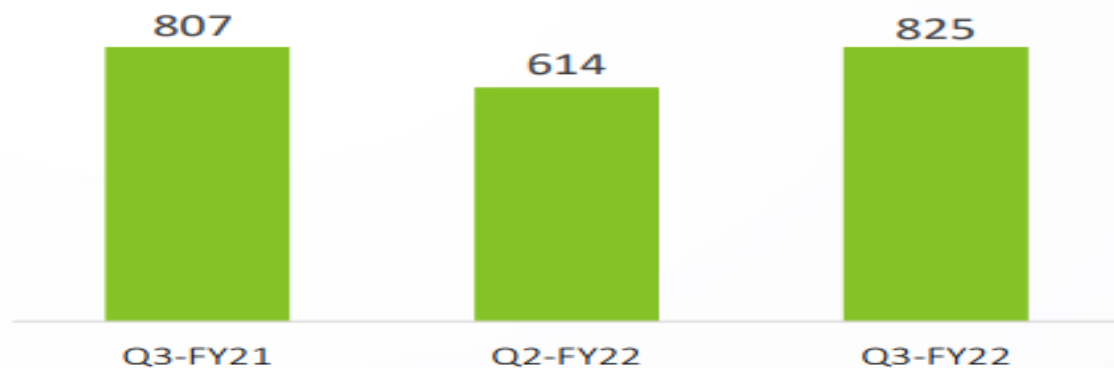
3C Capitals



Business Overview

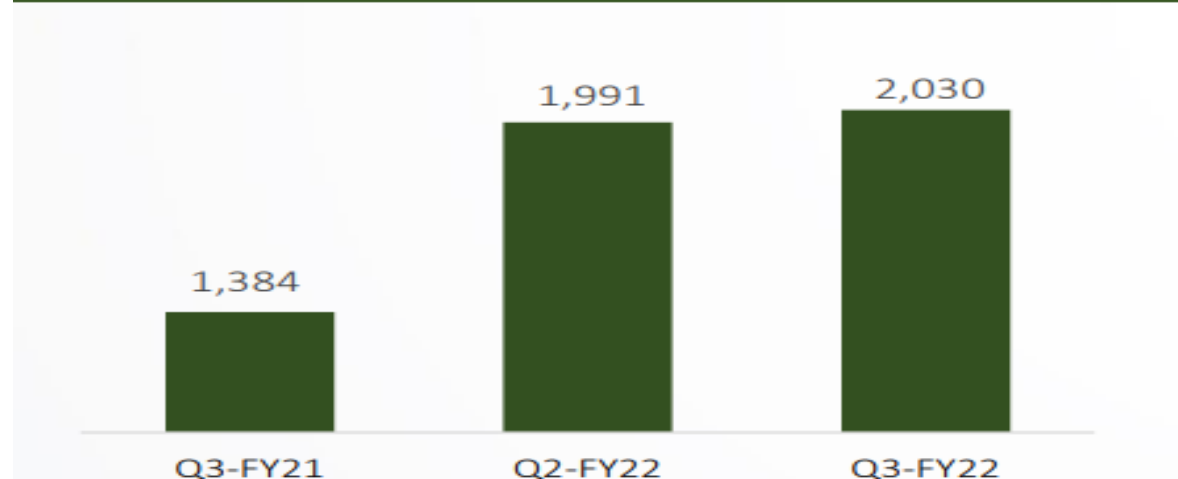
Business Segments	Products offered
Broking, distribution and trading	Equity, commodity and currency broking, clearing services, wealth management, investment banking, real estate advisory, Forex, discount broking – Stoxkart
Insurance broking services	General insurance, life insurance
Financing activities	LAP, WCTL, CMF, Onward lending, asset finance, consumer durables

INSURANCE BROKING (INR MN)

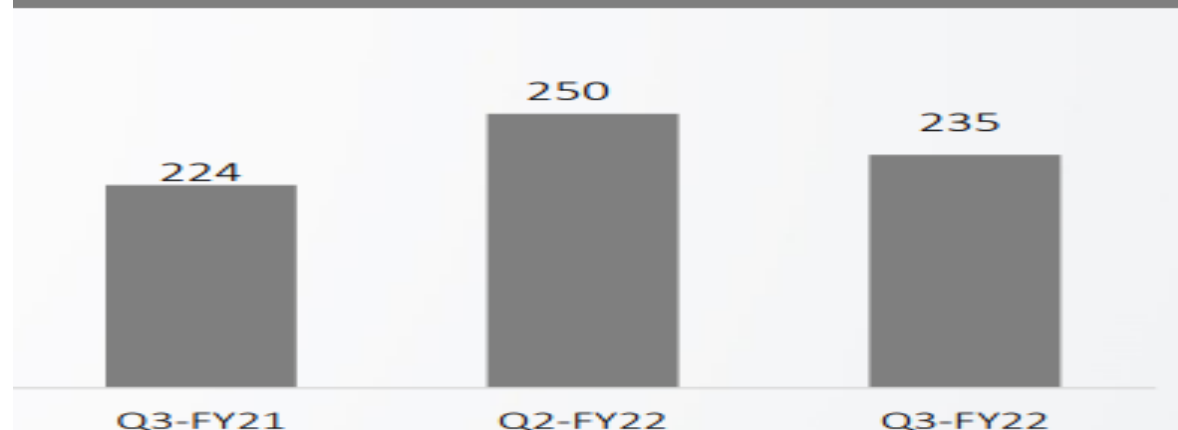


Consolidated Segmental Revenue

BROKING, DISTRIBUTION & TRADING (INR MN)



FINANCING (INR MN)



Financial Services Industry~ Global & Indian Outlook

GLOBAL MARKET

The global financial services market is expected to grow from \$20490.46 billion in 2020 to **\$22515.17 billion in 2021 at a compound annual growth rate (CAGR) of 9.9%.**

INDIAN MARKET

The Indian market size is 37.33 trillion (US\$ 500.67 billion). As of October 2021, the total number of accounts stood at 114.4 million. As of September 2021, AUM managed by the mutual funds industry stood at Rs. 36.73 trillion (US\$ 489.11 billion). Till FY2021 the CAGR is 12.36%

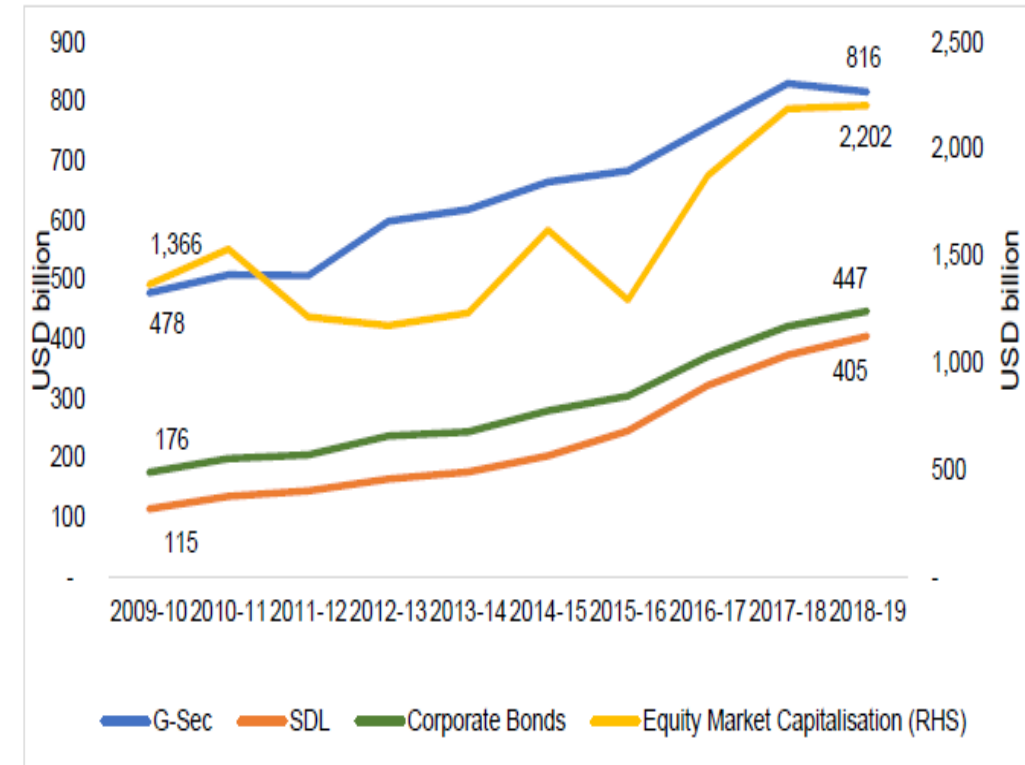
INNOVATIONS IN THE INDUSTRY

Mobile, internet banking and extension of facilities at ATMS's have increased the operational efficiency. RBI announced the launch of its first hackathon **'HARBINGER 2021 – Innovation for Transformation'** with the theme smarter digital payments.

OPPORTUNITIES

The Indian Financial Services industry deals with more than 10 products into the capital markets. With rising literacy and willingness to invest in mutual funds and equities the market is full of ample of opportunities.

Chart 1: Growth in outstanding stock of the Indian capital markets

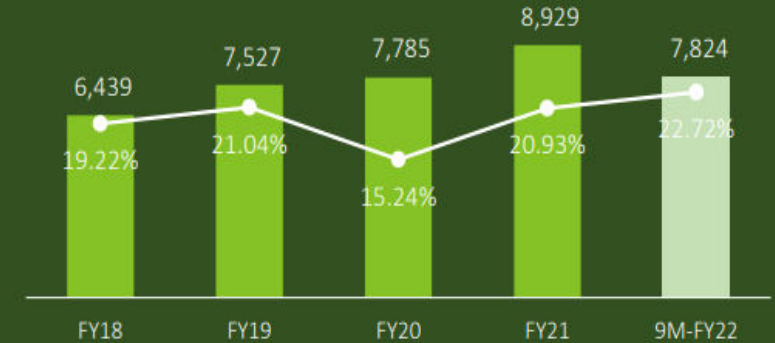


Source: Reserve Bank of India (RBI) and Securities and Exchange Board of India (SEBI)

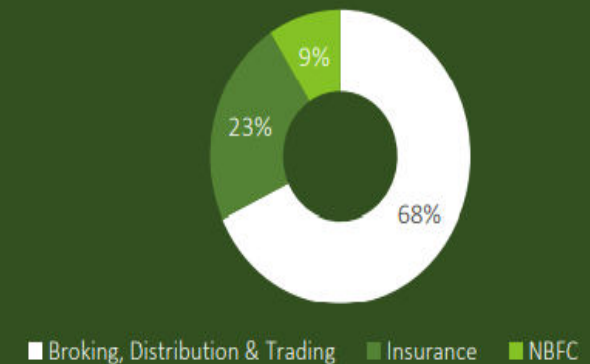
SMC Global~ Business Overview (1/2)

- SMC Global Securities Ltd was established in 1994 by **founders Mr. Subhash C. Aggarwal and Mr. Mahesh C. Gupta.**
- Over the years, the company has grown into a **diversified financial services company** offering brokerage services, investment banking, wealth management, distribution of financial products, financing, insurance broking, clearing & depository services, fixed income securities, financial advisory services to corporates, institutions, high net worth individuals and other retail clients.
- The company has launched various innovative digital technology-enabled capabilities and best-in-class products and services.
- Through a strong network of approx. 2,680 Sub Brokers and Authorized Persons the company's footprint spreads over 550 cities across India.
- The company is governed by strong board including 6 independent directors and is run by a highly qualified and experienced management team.
- SMC has had a **consistent growth track record** and is well placed to garner a piece of the ever-growing capital markets in India.
- The company's vision is to be a global organization having a dominant position in financial & investment services through customer centric approach

Consolidated Revenue (INR Mn) & EBITDA (%)



9M-FY22 Revenue Pie (%)



SMC Global~ Business Overview (2/2)

(As on 31st March 2021)

- ❑ As of 31st March 2021, the Company has **ten (10) subsidiaries which include eight (8) wholly-owned subsidiaries and two (2) partially owned subsidiaries**. The Company also has a joint venture company which is partially owned by its subsidiary i.e. SMC Investments and Advisors Limited with 50% control over the said joint venture company
- ❑ The NBFC has a client base of 25,000+ across India and is recognized as Systemically Important non-deposit accepting NBFC.
- ❑ Despite the impact of the pandemic, the company's diversification helped them minimize loss of revenue and have been able to rope in new clients as well.
- ❑ SMC is serving more than **620,000 unique clients under the broking segment**. Equity segment under broking has been successful in generating a combined turnover of approx. INR 146Tn in FY21 higher by 34% as compared to previous year's turnover of INR 110Tn.
- ❑ The company's discount brokerage app, **StoxKart is one of the very few brokers to offer API based trading services** which enables the clients to write their own software programs for professional trading. StoxKart has already added 44,900 clients in its second full year of operation, and this has the potential to show exponential levels of growth.

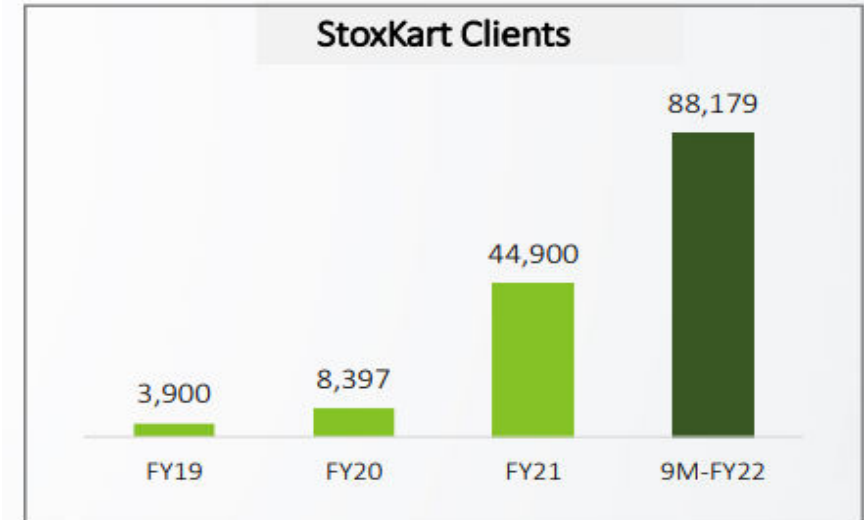
Subsidiaries	Country	Ownership
SMC Comtrade Limited	India	100%
SMC Investments and Advisors Limited	India	100%
Moneywise Financial Services Private Limited	India	100%
SMC Capitals Limited	India	100%
SMC Insurance Brokers Private Limited	India	97.58%
SMC Comex International DMCC	UAE	100%
Moneywise Finvest Limited	India	100%
SMC Global USA Inc.	USA	50%
SMC Global IFSC Private Limited	India	100%
SMC Real Estate Advisors Private Ltd.	India	100%

SMC Global's ~ E-Innovations

STOXKART

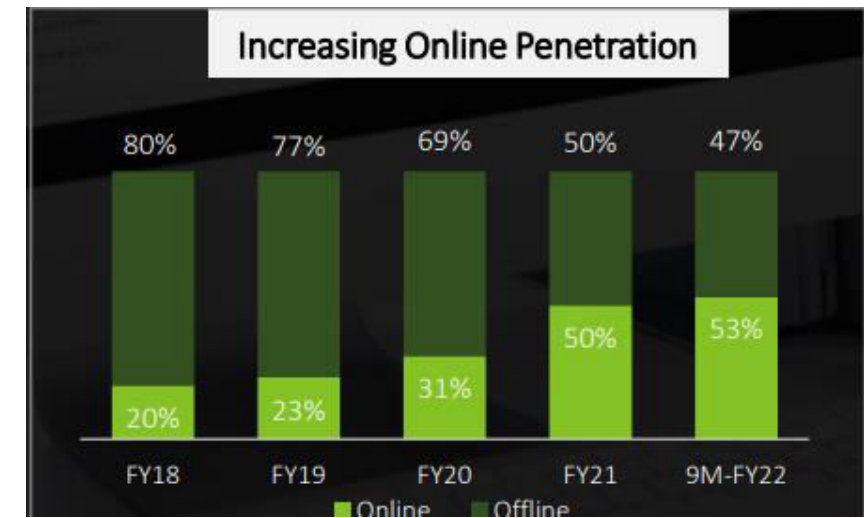
Moneywise Finvest Limited ("Stoxkart") is a Wholly-owned subsidiary Company of SMC that offers retail discount broking, currencies and commodities trading, mutual funds, and bonds. It empowers traders & investors by sharing its Market Expertise, New-age technology, zero brokerage advantages and excellent trading platform.

The client base at Stoxkart have doubled the size in previous year. This shows the attraction and success of the app.



Indiakaloan.com

It is an offshoot of SMC Group and **one-stop destination for all types of loans, cards and investment products in India.** It is an online portal that helps users to obtain, search and compare several loans at best rates from India's renowned lenders. Indiakaloan.com is an offshoot of SMC group and one stop destination for all types of loans, secured and unsecured. It is also an online portal that helps borrowers to search, compare and obtain loans at best interest rates from renowned lenders in India. The Company has a Pan-India tie-up with over 40 partners that includes India's leading Banks and NBFCs and hence, is able to fulfil the diverse financial requirements of its clients.



SMC GOLD DESK

SMC Gold is a dedicated HNI clients' desk for all the investment needs of clients and which aims to provide ultimate service experience to exclusive clients.

Business Structure

 <p>Branches Across India 95+ Including 1 in Dubai</p>	 <p>Cities Covered 550+</p>	 <p>Unique Clients 1,900,000+</p>	 <p>Employees 3,600+</p>	 <p>Sub-brokers / Authorised Persons 2,550+</p>	 <p>Network of Financial Distributors 13,500+</p>
 <p>Client Demat A/Cs 625,000+</p>	 <p>Clearing & Settlement trading members 300+</p>	 <p>Cumulative AUM/AUA under Mutual Funds/PMS INR 31 Bn+</p>	 <p>Running SIPs 60,000+</p>	 <p>Insurance Policies sold 746,000+</p>	 <p>Insurance Premium INR 17,360 Mn+</p>
 <p>NBFC AUM INR 5,800 Mn +</p>	 <p>Ratings: Short Term- CARE A1+ & ICRA A1+ Long Term- ICRA A (STABLE)</p>	 <p>Consolidated Net worth INR 7,727 Mn</p>	 <p>5 Year Revenue CAGR 17.98%</p>	 <p>5 Year PAT CAGR 23.64%</p>	 <p>Net D/E 0.53x</p>

Services of SMC Global~ Brief Overview (1/3)

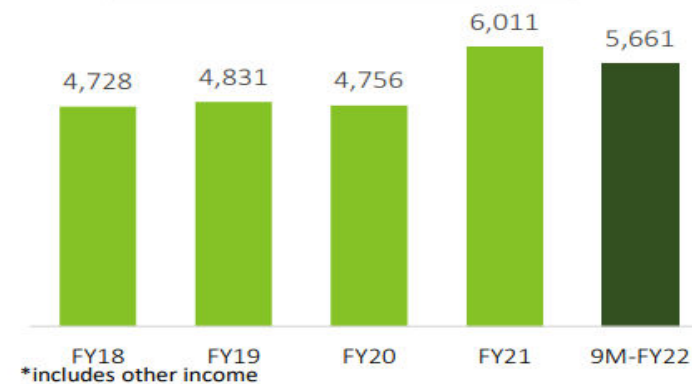
Source: SMC investor presentation report

3C Capitals

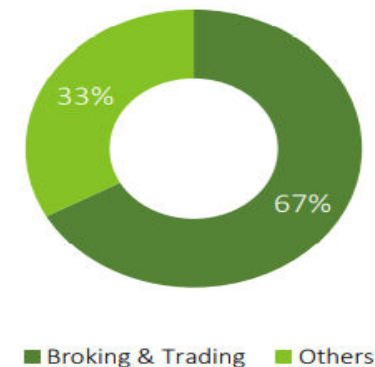
BROKING, DISTRIBUTION & TRADING

- Broking business comprises of brokerage in dealing in equities, commodities, currency derivatives and other securities on behalf of customers, clearing services across all major stock exchanges and depository services.
 - Distribution business encompasses distributing third-party financial products like Mutual Funds, IPOs, FPOs, Corporate FD's and Bonds and various other capital market products.
 - This segment also covers wealth and portfolio management services along with providing investment banking services and advisory in real estate and mortgage / loan advisory.
-
- The company also houses proprietary arbitrage trading through a new generation algorithmic trading/HFT.
 - Procurement and placements of debt instruments like G-Secs for various corporate clients is carried out under the fixed income desk.
 - SMC has banking tie ups with leading institutions like Punjab National Bank, Federal Bank, United Bank of India, Union Bank of India & Indian Overseas Bank as execution partners for broking services

Segment Revenue* (INR Mn)



9M-FY22 Revenue Pie (%)



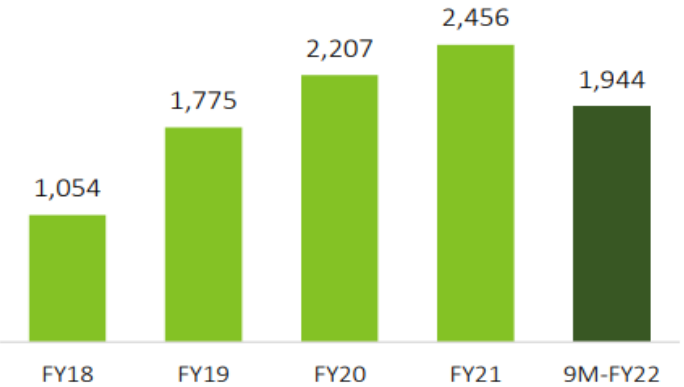
Services of SMC Global~ Brief Overview (2/3)

INSURANCE BROKING

- SMC Insurance Brokers Pvt. Ltd. which is a Direct Insurance Broker registered with IRDAI (Insurance Regulatory and Development Authority of India) provides a complete array of services in Life Insurance and General Insurance Category including consulting, risk analysis, policy serving and claim settlement assistance.
- SMC is one of the largest players in India in the General Insurance Retail Broking as well as for Life Insurance in India.

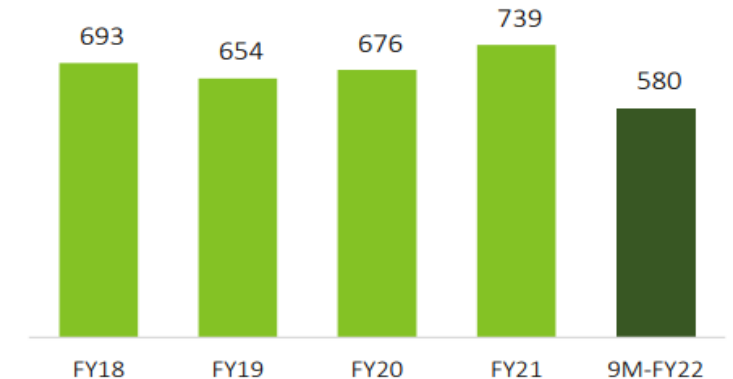
- It provides these services through 4 branches across the country with more than 430 employees, 11,872 Point of Sales (POSs) and 270+ Motor insurance Service Providers (MISPs) servicing a retail customer base of more than 700K a year.
- The company operates independently of insurance companies, representing clients and rendering impartial advice to protect client's interests.
- Customers taking insurance through SMC benefit by lower premium and/or better quality of insurance cover, expert consultancy, practical pre-sale advice and efficient post-sale services.

Segment Revenue* (INR Mn.)



*Revenue recognition changed from net to gross basis from FY18.

No. of Policies (In Thousands)



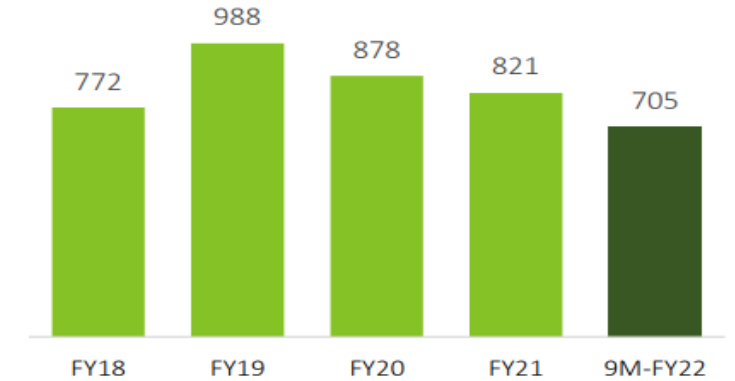
Services of SMC Global~ Brief Overview (3/3)

NBFC~ SYSTEMICALLY IMPORTANT

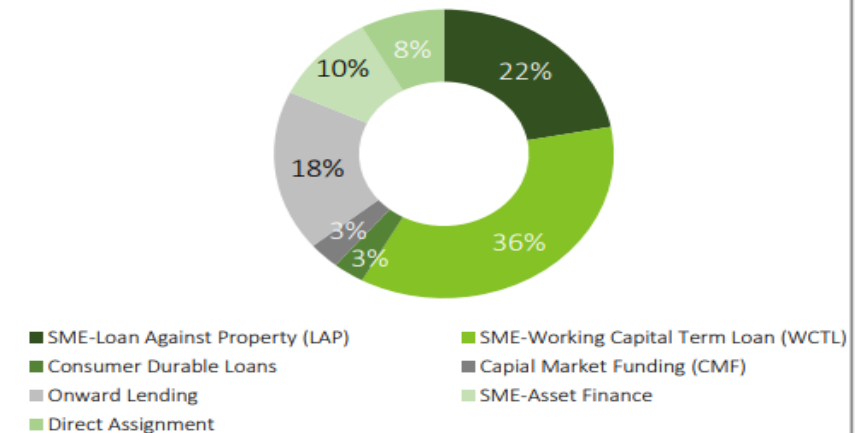
- In the year 2008, SMC started providing financing services through its wholly owned subsidiary, Moneywise Financial Services Pvt. Ltd. (SMC Finance).
- SMC Finance offers a wide bouquet of loan products i.e. SME financing, loan against property, unsecured business loan, personal loan, loan against securities, receivable financing, medical equipment finance and IPO finance, etc. to meet the growing credit requirement
- The NBFC has a client base of 67,000+ across India and is recognized as Systemically Important non-deposit accepting NBFC.
- The NBFC, is currently focused on capital preservation, given its healthy capital adequacy, strong liquidity position, diversified portfolio mix, the NBFC is confident of successfully dealing with challenges posed by Covid-19 pandemic.

	LAP	WCTL	Asset Finance	Onward Lending	CMF	Retail DAs	Consumer Durables	Total
AUM (INR Mn)	1,166	1,886	522	1,008	183	497	152	5,414
Tenure (Months)	120	36	60	24	3	NA	6	-
Avg. Ticket Size (INR Mn)	20.00	1.40	12.00	20.00	1.00	NA	0.01	-
Return on Investment	13.5%	17.3%	13.0%	14.5%	18.0%	NA	18.0%	15.5%
No. of Clients	58	1,415	40	50	199	44,633	20,982	67,377

Segment Revenue (INR Mn)



9M-FY22 Lending Portfolio



Financial Analysis~ Quarterly analysis (Consolidated)

METRICS	Q3 FY22	Q3 FY21	Y-O-Y (%)	Q2 FY22	Q-O-Q (%)
Revenue (Cr.)	287	236	21.61%	265	8.3%
EBITDA (Mn)	651	452	44%	616	5.7%
EBITDA Margin (%)	22.72	19.16	365 Bps	23.24	(52) Bps
PAT (Mn)	504	211	NA	406	24.1%
PAT Margin (%)	17.59	8.94	865 Bps	15.31%	228 Bps
Diluted EPS (/share)	4.46	1.87	NA	3.59	24.2%

- Consistent escalation of revenue over the quarters.
- The EBITDA has surged from Rs452 in Q3 FY21 to RS651 in Q3 FY22
- **EBITDA margin has reached from 19.16% to 22.72%, despite COVID effect**
- PAT has shown astounding increase of Rs504 in Q3 FY22 from RS211 in Q3 FY21
- **PAT margin stood at 17.59% in Q3 FY22 as compared to 8.94% in Q3 FY21**
- **Diluted EPS is almost 4 times of Q3 FY21.**
- Revenue under financing services decreased due to decrease in average loan book size to INR 518 Cr. from 529 Cr. in the previous quarter. However, EBIT has increased due to lower impairment provisions.
- **GNPA and NNPA reduced to 2.55% and 1.61% respectively from 2.90% & 2.20% in the previous quarter**

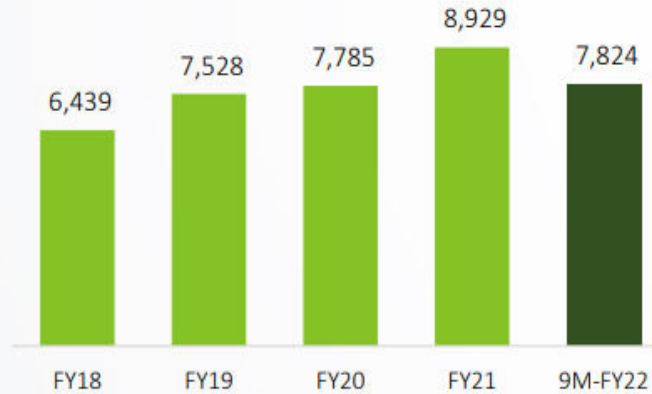
Historical - 9M Analysis (Consolidated)

METRICS	FY 19	FY20	FY 21	9M FY22
Revenue (Mn)	7528	7785	8929	7824
EBITDA (Mn)	1584	1186	1869	1778
EBITDA Margin (%)	21.04	15.23	20.93	22.72
PAT (Mn)	748	239	1001	1172
PAT Margin (%)	9.94	3.07	11.21	14.98
Diluted EPS (/share)	6.61	2.11	8.85	10.36

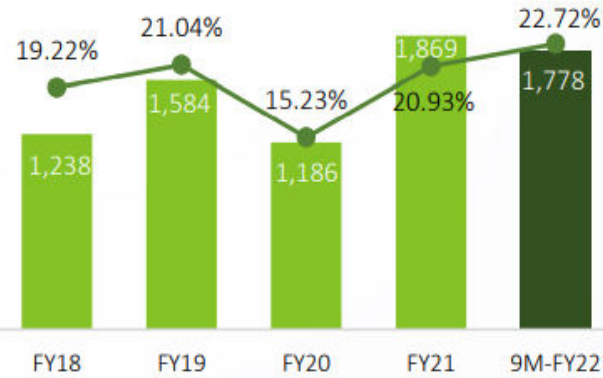
- Revenue growth is positive. The revenue for Q3 FY21 was lower than Q3 FY22.
- EBITDA margin is highest among 4 years for current year, showing operational efficiency.
- PAT is highest for FY22, showing firms efficacious growth
- **PAT margin has proliferated from 9.94% to 14.98%**
- **Diluted EPS has reached highest this year with a whopping Rs10.36/ share.**
- Major share of revenues of the firm is earned by Broking, distribution and trading services department.

Graphical Analysis

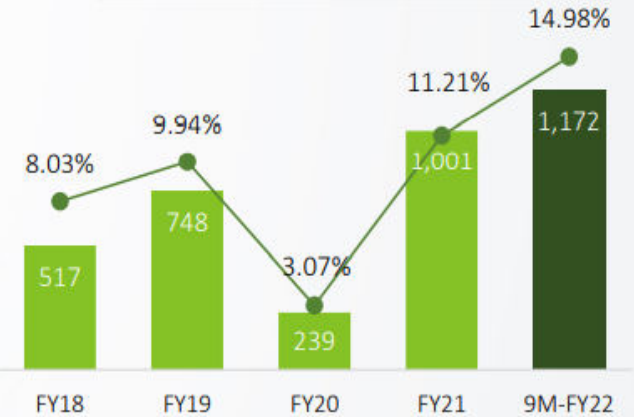
Revenue (INR Mn)



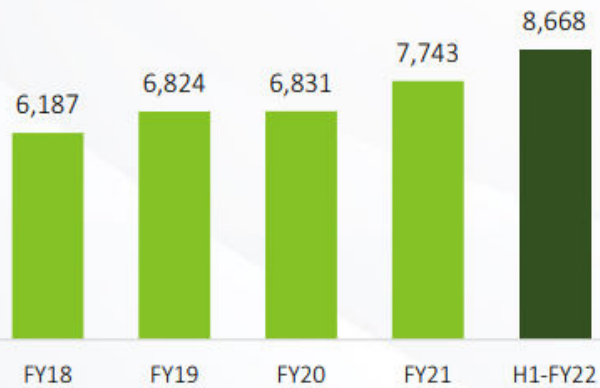
EBITDA (INR MN) & EBITDA Margin (%)



PAT (INR MN) & PAT MARGIN (%)



Net Worth (INR Mn)



ROE %



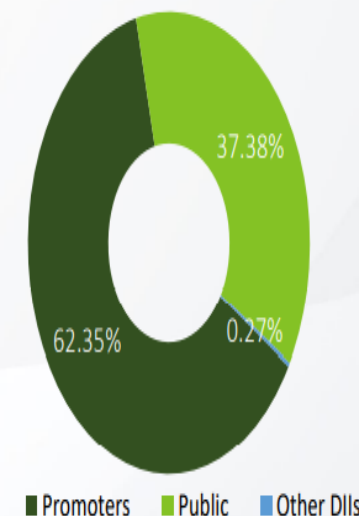
ROCE %



Management Analysis & Shareholding %

- ❑ SMC Global Securities Limited was commenced in 1994 by Mr. Subhash Aggarwal and Mr. Mahesh Chand Gupta who is the current Vice-Chairman and Managing Director.
- ❑ Over the years, the company had gone into a diversified financial services company offering a wide spectrum of services like brokerage, investment banking, wealth management, distribution of financial products, financing, insurance broking, trading and depository services. They have a strong network of more than 2,500 of brokers and authorized persons spreading across 550 cities in India segment servicing approximately 19 lakh unique clients.
- ❑ They have also launched various innovative digital technology enabled capabilities to offer best-in-class products and services. **They launched our discount broking arm in 2019 under the brand name of Stoxkart** which is the first of its kind placed on in the broking industry where customers are charged for the profitable transaction.
- ❑ The company is governed by strong board including 6 Independent Directors of high standings and is run by a highly qualified and experienced management team. They have had a consistent growth track record and are well positioned for continued growth in the coming years.
- ❑ **Capital allocation record:** The management has allocated capital very mindfully and have expanded their scope of operations over the years.
- ❑ **Management compensation:** Management compensation has been in line with the median remuneration of employees.

Shareholding Pattern (as on 31st December 2021)



HIGHLIGHTS

Promoter Shareholding : Current shareholding of promoters in the company is 62% (December 31th, 2021).

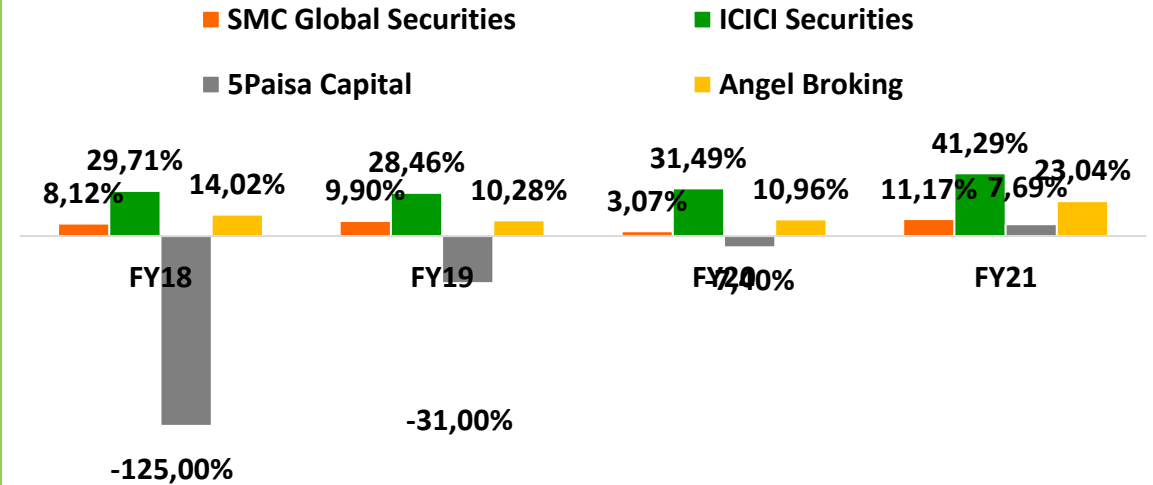
Shareholder communication: Adequate

Pledged Shares: Low pledged share holding.

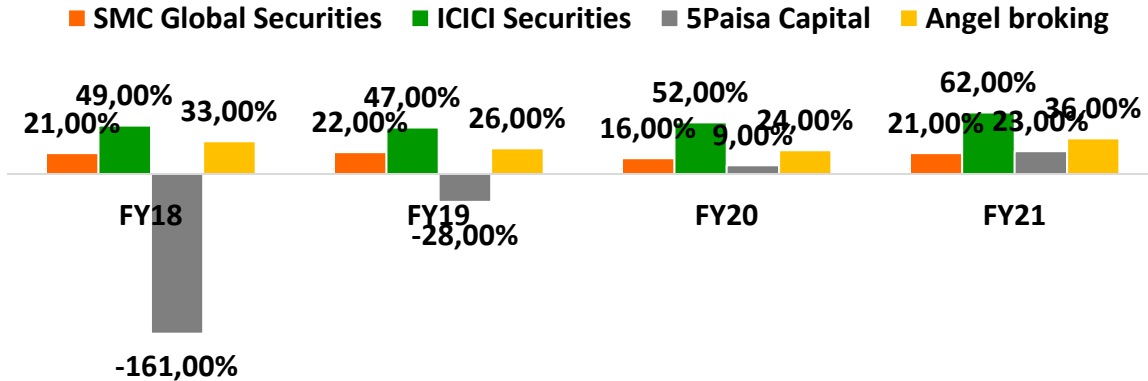
Competition

- ❑ ICICI securities is the largest player in the capital markets segment.
- ❑ SMC global and ICICI have a similar set of services.
- ❑ SMC has been able to reduce their debtor days from 379 to 117 within a span of 3 years.
- ❑ 5Paisa Capital and angel broking are not that diversified in their operations as their competitors.
- ❑ SMC Global Securities has competitive operating margin in comparison to their competitors with the lowest market cap among them.
- ❑ Currently SMC is focusing on attracting more clients on its online app~ STOCKART.

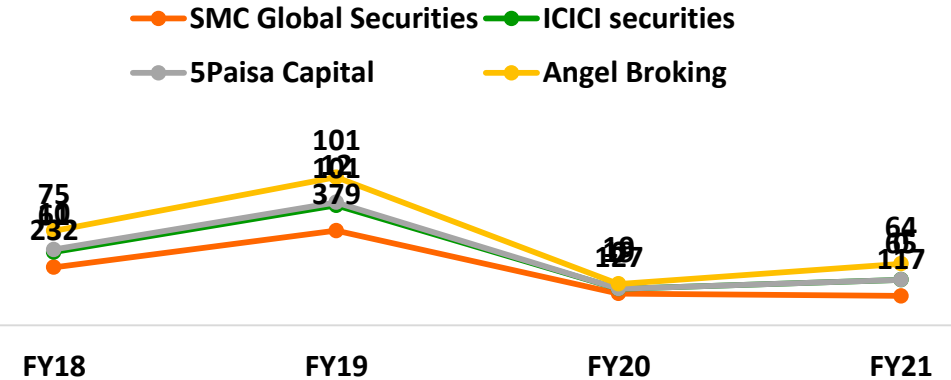
Net Profit Margins



Operating Margins



Debtor Days



Strength & Opportunity

Over the years the expertise of its analyst has grown tremendously connecting more than 18 lac plus clients to its services. There was an year on year proliferation in the services provided by the firm. The company renders its services on overseas grounds such as USA, Dubai etc. The company owes a registered office in USA.

With 30 whopping years into the market sales of SMC went up always. In the unprecedented times of COVID-19 the company was able to perform beyond expectations and they have delivered sales growth. As discussed in past parts of the research report there is a significant increase in almost all the major parameters for the year 2021.

Since in the past 30 years the company has always witnessed a satisfactory sales growth, with a network of 19 lac plus clients and it is equipped with diversified services to reach its clients across the globe promising best quality and reliability in its services the company poses strong growth potential in it.

Over the years they have a vision of supporting more such client base with there exceptionally well, best quality services along with there engagements with new capabilities prospering into the market. SMC has always adapted the technology and innovation coming on its door step to give its clients that extra satisfaction from there investment, through there online channels, which are witnessing high client growth.

In order to retain the trust of there clients they offer **'One Transaction Life time relationship'** to there clients. This has built long-term relationship of the firm with its clients

Threats & Weaknesses

Low presence in southern part of the country

SMC Global Securities has a pan India presence with over 95+ branches in the country. But the company has a significantly lower presence in the southern part of India. In order to expand their business and revenue, the company will need to scale their operations in the foreseeable future.

Intense Competition

SMC faces intense competition from organized as well as unorganized players. With a later entry into the stock market, the company has a smaller market cap than its competitors such as ICICI securities. The competition lies in terms of brokerage margins, services provided, online assistance to clients etc.



Slow growth of brokerage revenue

The margin decided by company on brokerage front is low in nature, which enables it to retain small profits. After introducing discount retail brokerage the brokerage margins have gone slow, but this has also attracted a lot of clients to its business platform. With 95000 clients in months under its brokerage segment the company is surely looking for a good time in revenue upgrades.

Digital competition

SMC has entered into the E-investment zone from past 2-3 years by providing innovative platforms such as indiakaloan.com and Stoxkart. Online platforms will have an eternal growth in the market but there maintenance and timely innovations are key to stay fit into the market.

Strategy For Upcoming Quarters

The firm plans to add some additional product line which is **gold loan** which we expect to take off during this particular quarter. They are also planning to enter into some co-lending partnerships. That will also give a boost to the loan book in coming times.

Currently the firm enjoys its collection model, where the efficacious in collecting larger amounts incomparison to previous quarters. In the Q3 there collection efficiency was close to 100% as compared to about 98.5% in Q2, and which was about 95% in Q 1.

The firm is applying old model of brokerage as well as discounting brokerage model, which is 1st of its kind. Under the discounting brokerage model, clients pay brokerage only on transactions which are profitable in nature. This is 1st of its kind in the industry. This model is operated by its online brokerage app~ **Stoxkart**.

In **brokerage business they are maintaining around 2% turnover in equity and F&O and around 3% turnover market share into our commodities and currencies**. So, it is in line with the market, and even if you talk about the number of clients, in 9 months, we have **added more than 95,000 accounts in the 9 months**. This validates the growth they are trying to give to there investors and competition.

The company is doing extremely good in insurance sector. Mainly the motor insurance and life insurance is the key to revenues under this sector. The loans in NBFC segment is mainly provided to SME, company's focus. Several cities like Gujrat, Delhi, Rajasthan are the focus of the company.

Board Of Directors ~ SMC Global Services Ltd.



Mr. Subhash Chand Aggarwal
Chairman & Managing Director,
SMC Global Securities Limited

Mr. Subhash C. Aggarwal, is the Group. Chairman & Managing Director of SMC Global Securities Limited since inception. He is the promoter and co-founder of SMC Group and an active contributor to the good governance. He is a fellow member of the Institute of Chartered Accountants of India (ICAI). He has over four decades of diverse experience in the financial, stock broking industry in India and abroad. He has been extremely successful in enhancing the company's performance and in driving the company towards its set goals. His futuristic vision and sharp financial acumen, has led the company to qualify in the list of top 1000 listed Companies based on its market capitalisation 31st March, 2021. Mr. Aggarwal is widely recognized for his path-breaking and visionary contributions to the building of SMC as one of the finest financial services conglomerates having retail Pan India presence and through his pioneering role as a corporate leader and a dedicated professional.



Mr. Mahesh C. Gupta
Vice Chairman & Managing Director,
SMC Global Securities Limited
Director-SMC Insurance Brokers Pvt. Ltd.

Mr. Mahesh C. Gupta is the Vice Chairman & Managing Director of SMC Global Securities Limited. He is the promoter and co-founder of SMC Group and has been associated with the Company as the backbone since its inception which makes him a pivotal pillar of SMC. He graduated with Bachelor's in Commerce from University of Delhi and is a fellow member of the Institute of Chartered Accountants of India (ICAI) and have specialization in the areas of stock markets, distribution, Corporate Social Responsibility and Corporate Governance initiatives etc. Mr. Gupta has been a visionary, clearly focused, consistent and purpose-driven throughout SMC's Journey right since the seed phrase. He possesses good knowledge about the intricacies of the Indian Stock Market and has an acclaimed exposure and experience in it of about four decades and Being an idealistic leader who has effectively handled all the matters and phases of the dynamic stock market.

- ❑ **Market Cap ~ ₹950 Cr | PE = 7.9 | ROCE / ROE > 15 | Market Cap to Sales < 1 | Well-diversified Financial Service Company @ Deep Discount (Re-rating Candidate) | P/B ~ 1 | Dividend Payout > 25% | Sales/Profit Growth (5Y) = 16% / 24% | Long track record & Established market position.**
- ❑ **SMC Global is trading @ Deep discount to it's peer, MCap/Sales < 1**
 - ❑ SMC Global => PE = 7.9; Mcap/Sales = 0.96 ; ROCE = 16.47 ; FY(21) Sales / Profit = 895 / 100 ; Cash Reserve = 750 Cr
 - ❑ ICICI Securities Ltd => PE = 18.53; Mcap/Sales = 7.74 ; ROCE = 37 ; FY(21) Sales / Profit = 2586 / 1068 ; Cash Reserve = 1661 Cr
 - ❑ Angel One Ltd => PE = 22.51; Mcap/Sales = 5.82 ; ROCE = 26.85 ; FY(21) Sales / Profit = 1289 / 297 ; Cash Reserve = 1049 Cr
 - ❑ 5Paisa Capital Ltd => PE = 80.10; Mcap/Sales = 4.72 ; ROCE = 10.82 ; FY(21) Sales / Profit = 195 / 15 ; Cash Reserve = 131 Cr
- ❑ **Broking Industry under Transformation from Transactional to Experiential**
 - ❑ Equity broking industry revenue to log 11-12% CAGR in next 5 fiscals driven by a growth of 23-25% in turnover volumes as per ICRA.
 - ❑ Steady increase in trading activity can be seen with the trading volumes peaking every quarter. Significant increase in retail participation is being witnessed in the industry where, the total number of Dematerialized accounts increased to 6.90 Crores in FY21.
 - ❑ Using Technology To Provide Best Experience To Clients - Digital Acquisition of Direct Clients, Orders Executed Online By Direct Clients, Orders Placed through Mobile App.
 - ❑ Huge Untapped Potential - India, Largely Underpenetrated Market. Steady Growth In Demat Accounts In India - 16.6% CAGR during last 10 years. Last 3 years was Inflection Point.
 - ❑ Rising Penetration Of Demat Accounts In India - As on date 5.8% population has demat account. Huge And Sustainable Growth Opportunity - India (5.8%) Vs China (13.5%) Vs USA (32%). India: Target Addressable Market ~65% of India's population resides in non-urban areas. Digital, Facilitates Penetration Into Tier 3 And Tier 2 Cities -> 90% Of Gross Client Addition Contributed By Tier 3 & Tier 2 Cities.

SEBI Research Analyst Registration No. : INH200006451

1. At the time of writing this article, the analyst have no position in the stock covered by this report.
2. The analyst has not traded in the recommended stock in the last 30 days.
3. The research analyst does not have any material conflict of interest at the time of publication of the research report.
4. The research analyst has not received any compensation from the subject company in the past twelve months.
5. The research analyst or its associates has not managed or co-managed public offering of securities, has not received any compensation for investment banking or merchant banking or brokerage services nor received any third party compensation. The subject company was not a client during twelve months preceding the date of distribution of the research report.
6. The research analyst has not served as an officer, director or employee of the subject company.
7. The research analyst or research entity has not been engaged in market making activity for the subject company.
8. The research analyst or research entity or its associates or relatives does not have actual/beneficial ownership of one per cent or more in the securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance.
9. The analyst does not own more than 1% equity in the said company.