



SMC GLOBAL SECURITIES LIMITED

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Listing Operations BSE Limited, P J Towers, Dalal Street, Mumbai-400001, India Scrip Code: 543263 Debentures Scrip Code: 940325, 940327, 940317, 940321, 940319, 940323, 939639, 939655, 939657, 939643, 939651 and 939647	Listing Department National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400051 Symbol: SMCGLOBAL
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Subject: Earnings Call Transcript- Q4- FY25.

Dear Sir/ Ma'am,

In compliance with Regulation 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part A (15) of Schedule III, please find attached herewith the transcript of Earnings Call for Q4 FY 2025.

The above intimation is also being made available on the Company's website at www.smcindiaonline.com.

This is for your information and records.

Thanking you,
For SMC Global Securities Limited

Suman Kumar
E.V.P. (Corporate Affairs & Legal),
Company Secretary & General Counsel
Membership No. F5824



SMC Global Securities Limited
Q4 FY'25 Earnings Conference Call
May 12th, 2025

Moderator: Ladies and gentlemen. Good day and welcome to the SMC Global Securities Limited Q4 FY'25 Earnings Conference Call.

As a reminder, all participant lines will be in listen only mode and there will be an opportunity for you to ask questions after the presentation conclude. Should you need assistance during the conference call please signal an operator by pressing “*” and then “0” on you touch tone phone. Please note that this conference is being recorded.

I now hand over the conference over to Mr. Gautam Kothari from XB-4 Advisory. Thank you and over to you sir.

Gautam Kothari: Thank you. Good evening everyone. Thank you for joining us on the Q4 FY'25 Earnings Conference Call.

Joining us today on the call are Mr. Subhash Chand Aggarwal - Chairman and Managing Director, SMC group, Mr. Mahesh C Gupta – Vice Chairman and Managing Director, SMC group, Dr. DK Aggarwal – Chairman and Managing Director, SMC Capitals Limited, Mr. Ajay Garg – Director and CEO, SMC Global Securities Limited, Mr. Anurag Bansal – Whole Time Director, SMC Global Securities Limited, Mr. Himanshu Gupta – Director and CEO of Moneywise Financial Services Private Limited, Miss Shruti Aggarwal, Whole Time Director, SMC Global Securities Limited and Mr. Vinod Kumar Jamar, President and Group CFO.

Before we begin, please note that today's discussions may include forward-looking statements, which reflect the Company's current views and expectations. These statements are subject to risk and uncertainties, and actual results may differ materially. A detailed Safe-harbour statement is provided on the second last page of our earnings presentation, which is available on Stock Exchanges and the Company's Website.

With this, I now invite Mr. Subhash Aggarwal to share his opening remarks. Over to you sir.

Subhash Chand Aggarwal: Good evening everyone, and a warm welcome to all participants on this call. I trust you have had the opportunity to review our Quarter 4 Financial Year '25 Financial Results and Earnings Presentation, which are available on both Stock Exchanges and our Website.

Amid rising India – Pakistan tensions in recent days, we express our heartfelt prayers and gratitude for the well-being and safety of our Armed Forces, who tirelessly safeguard our nation day and night.

Before discussing our financial performance, allow me to provide some context on the broader industry landscape and recent developments that have shaped the business environment.

Industry Outlook:

The broking and financial services industry witnessed several significant developments in the last quarter, driven by regulatory changes and shifting marketing market dynamics. One of the most notable industry-wide developments has been the moderation and derivative trading volumes following the introduction of stricter norms in the F&O segment. This, combined with rising geopolitical tensions has led to a visible slowdown in market participation and retail activity. Many intermediaries across the sector are navigating short term revenue pressure as a result.

India's capital markets are currently evolving through a pivotal transition shaped by regulatory shifts and global uncertainties. One of the most significant changes has been the enforcement of new F&O norms coupled with heightened geopolitical tensions. India is still on a strong path, but geopolitical risk remains a concern which has led to a visible slowdown in market activity. These developments have tempered trading volumes, client engagement and overall order execution in the short run. However, we see this as a strategic inflection point rather than a setback. Regulatory measures often trigger initial friction, but overtime they pave the way for a more disciplined, transparent and stable market environment. This transition offers long term advantage particularly for well positioned intermediaries like us.

Company Highlights:

Now let me walk you through some key performance highlights for SMC Global Securities:

Despite the regulatory headwinds, we reported revenue growth across all three of our core business segments – broking distributions, trading and financing and insurance broking. In Quarter 4 Financial Year '25 our consolidated revenue came in at Rs. 421.5 crore. EBITDA stood at Rs. 63 crores and PAT at Rs. 4.1 crore. For the full year Financial Year '25 revenue grew by 8.4% YOY to Rs. 1775.7 crore with EBITDA at Rs. 419.4 crore and PAT at Rs. 146.8 crore. Our expensive network includes 2147 authorized person across 424 cities. Underscoring our Pan India reach we now have 6748 financial distributors and our mutual fund AUM stands at Rs. 4178 crores. In our NBFC operations we are active through 41 branches covering 9 states, steadily expanding our leading footprint.

Our insurance vertical continues to grow, operating from 8 branches nationwide and supported by a strong base of 16,022 e-pods and 348 MISPs.

While Quarter 4 witnessing some revenue pressure due to external factors, we remain confident of revival across all verticals – broking, financing, and insurance as market conditions normalize and investor sentiment improve. Our diversified business model, expanding network and ongoing investments in technology leave us well equipped to pursue sustainable long goal.

With that, I now hand over to Mr. Vinod Kumar Jamar, our President & Group CFO for a detailed overview of our financial performance. Over to you Vinod Ji.

Vinod Kumar Jamar:

Thank you, Subhash sir, and good evening to everyone on the call.

Let me now take you through financial performance for Q4 FY'25 and the full financial year on a consolidated basis:

For Q4 FY'25, operating income stood at Rs. 421.5 crore, operating EBITDA was approximately Rs. 63 crores. EBITDA margin came at 14.9%. PAT stood at Rs. 4.1 crores with PAT margin of 1%. For the full year FY'25 operating income reached Rs. 17175.7 crores marking an 8.4% YOY growth. Operating EBITDA stood at Rs. 419.4 crores showing a slight decline of 1.5% YOY. EBITDA margin was at 23.6%. PAT stood at Rs. 146.8 crores with PAT margin of 8.3%.

Segment wise performance:

In the broking distribution and trading segment Q4 FY25 revenue was Rs. 240.5 crores. FY'25 revenue was Rs. 1044.5 crores up by 8.6% YOY. Branch network expanded to 208 from 188 in FY'24. In broking DP AUA, asset under administration, we added Rs. 36,413 crores in our DP AUA during FY'25 marking a 46% growth. Over 1 lakh new Demat accounts were opened. Wealth advisory AUM raised Rs. 948 crores a 4.4% increase YOY. Mutual fund AUM rose to Rs. 4178 crores up 9.9% YOY. We added 13,930 new SIP's in FY'25. Corporate FD procurement also showed marginal growth. In the financing segment: Q4 revenue was Rs. 40.9 crores. FY'25 revenue stood at Rs. 222.6 crores reflecting an 8.2% YOY increase. NBFC AUM reached Rs. 1,291 crores up by 4.2% YOY. The GNPA, NNPA were 3.6% and 2.2% respectively.

In the insurance broking division, Q4 FY'25 revenue stood at Rs. 160.3 crores. FY'25 revenue was Rs. 570 crores registering 7.9% YOY growth. Total insurance policies sold across Rs. 10 lakh mark in FY'25. With this, we conclude our remarks and the floor for Q&A. Thank you.

Moderator:

Thank you very much sir. We will now begin the question-and-answer session. We have our first question from Rahul an individual investor. Please go ahead.

Rahul: Yes, good evening, everyone. Yes, I have a question regarding the NBFC segment. We understand that NBFC the entire NBFC market is going through a bad phase and as far as our SMC is concerned, our GNPA is increasing, NNPA is increasing along with the credit costs. The finance NBFC AUM has increased by 4.5% mainly on the year-to-year basis. So, have we seen a rock bottom we can say by the end of this quarter? Can we expect a new beginning from this quarter itself?

Himanshu Gupta: Yes, hi Rahul, this is Himanshu Gupta. So, as you rightly mentioned this year was a bad phase for the industry as a whole and we were very cautious, in terms of new lending. So, we in fact had tightened our underwriting policies during the year. And as a result, we were able to grow just by around 4% to 5% of the AUM and you rightly also said the GNPA numbers for us also increased to 3.55% as compared to around 2.22% last year. So, but if you compare with the industry, our delinquencies and the credit quality is much better than many other players in the industry who are operating in the same segment. So, we are in a much better position first of all. We are also very hopeful and confident about having this year FY'26 to be much better year for us in terms of the AUM growth as well as the quality of our portfolio and in addition to that, we expect spreads or margins to be better because we are working on increasing our yields on our asset book as well as there are certain tailwinds in terms of the cost of finance which is available for the NBFCs due to the reduction in interest rates and revision in RBIs stands on risk weight on bank loan to NBFC. So, as a whole we expect this year to be much better as compared to FY'25.

Rahul: So, if you want to give the numbers on the guidance basis for even growth in the other parameters, which normally industry look forward to.

Himanshu Gupta: So, we expect this year the AUM to grow by around 20% but we would have better visibility as we go down the year, Quarter-on-Quarter.

Rahul: And what about GNPA and NNPA and credit costs about this quarter, like already 40 days, 45 days have been passed on, what have been the experience in terms of GNPA and all about this credit cost?

Himanshu Gupta: So, there are certain large accounts which are included in the GNPA and we are closely monitoring the recoveries in those accounts. As and when there is recovery in one or two accounts, we would see the numbers going down. So, we are closely working on that. It is very difficult to comment whether it would happen in quarter one or other quarters, but we are expecting the recovery during the year.

Rahul: And another thing I noticed that your secured loan percentage revolves around in the last Q4 around 61.5% and if we compare with the Q3 basis the secured loan percentage goes around 65% basis and if I remember your concall from the Q3 basis you were saying we are looking

for increasing the secured loans. So, are we going against the trend what we were giving in the guidance?

Himanshu Gupta: Currently, I think by the end of this year it was about 64% roughly and in the next three to four years our plan is to increase secured AUM to 75% and we are working on that.

Rahul: Okay and another question is from the stock broking segment. How do you people see in the stock broking segment? How will we perform when the segment has a certain regulation with respect to increase margins? How are we seeing this year as in terms of new clients, demat account and the volume growth?

Ajay Garg: Hi, Rahul. Ajay Garg this side. So, under stock broking certain regulatory changes had come under the earlier SEBI chairman regime where the weekly options has been restricted to only NIFTY and SENSEX. Earlier we used to have five, six other contracts where weekly options were there and even the expiry has been restricted to only one expiry per exchange. And even margins on expiry have been increased coupled with this lot of FPI selling was there since October. So, in cash market as well as the F&O market we saw a drastic decrease in volume. But now even the India Pakistan thing has been sorted out and even FPI have stopped their selling and they are now in positive for last two months and continuously DI buying, SIP of more than Rs. 25,000 crore every month is coming. So, things seem to be much better, way ahead and with the new Chairman, SEBI seems to be very friendly and is open to review the policies and we feel that it would be positive for the market and certain things would be done. As far as the regulations is concerned, certain things have already come as far as the limit on F&O circular has already come. And India is the fastest growing economy in the world and stock market still is very under penetrated. So, there is a huge scope and we are very bullish and positive about it

Rahul: That is from my side and Thankyou

Moderator: We have a follow up question from the line of Rahul an individual investor. Please go ahead.

Rahul: Yes. One more question is I am able to see there is a minus 9.32 loss in the net gain of fair value changes. Is this a one-time activity? If you can explain me what is the scenario behind it.

Vinod Kumar Jamar: Yes, this fair value changes reflect the mark-to-market changes in our investment portfolio. Since markets were down in march quarter, there is some negative balances but as the market improves this will be better in future.

Rahul: Thank you so much.

Moderator: As there are no further questions, I would now like to hand the conference over to the management for closing comments.

Mahesh C Gupta:

Yes, myself, Mahesh Gupta. Thank you all for joining today's earning call. We trust we were able to address your queries effectively. Should you have any further questions or need more information about the Company please feel free to reach out to our investors' relations advisors at X-B4 Advisory. Stay safe and healthy. Thank you very much to all.

Moderator:

Thank you very much Sir. On behalf of SMC Global Securities Limited, that concludes this conference. Thank you for joining us and you may now disconnect your line.