

2024-2025

SMIFS CAPITAL MARKETS LTD

CERTIFICATE ON FLOOR PRICE OF EQUITY SHARES/
WARRANTS AS PER SECURITIES AND EXCHANGE
BOARD OF INDIA (LISTING OBLIGATIONS AND
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015,
AS ON 13TH SEPTEMBER, 2024 (RELEVANT DATE)

**CHANDAK & ASSOCIATES
CHARTERED ACCOUNTANTS
Kolkata**

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✉️ vchandak@yahoo.com

To,
The Board of Directors,
SMIFS Capital Markets Ltd.,
Vaibhav 4F, 4 Lee Road.
Kolkata - 700 020

To,
The Chief General Manager
Listing Operation, BSE Limited,
20th Floor, P.J.Towers,
Dalal Street,
Mumbai - 400 001

To,
The Chief General Manager
The Calcutta Stock Exchange Ltd.
7, Lyons Range, Murgighata, Dalhousie,
Kolkata- 700001

Dear Sirs,

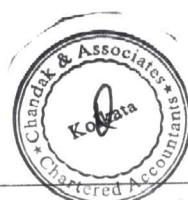
Re: Certificate on Floor Price of Equity Shares of SMIFS Capital Markets Ltd.(herein referred to as “SCML”) for the purpose of proposed issue of 2,92,000 Equity Shares & 19,20,000 Convertible Warrants by way of preferential allotment under Chapter V as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time as read with Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the purpose of making application for “In-principle approval”.

Dear Sirs,

1. We, M/s. Chandak & Associates, Chartered Accountants, have been requested by the Board of Directors of **SCML** to issue a certificate stating the minimum issue price for the purpose of proposed issue of Equity shares & Convertible Warrants by way of preferential allotment (“Proposed Transaction”) read with Section 42 and Section 62 (1)(C) of the Companies Act, 2013 for fresh issue of share capital in accordance to Regulation 164 and other applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time (herein after referred to as “ICDR Regulation”) and Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time.

2. ***The Floor Price of Equity Shares has been worked out at INR 63.64/-***

3. The Convertible Warrants would be converted into equal No. of Equity Shares in one or more tranches within 18 months from the date of allotment. As per Guidelines for Preferential Issue, where warrants are issued on a preferential basis with an option to apply for and be allotted shares, the issuer Company shall determine the price of the resultant shares.
4. Based on the Information provided by the Company the proposed allotment of 2,92,000 Equity shares & 19,20,000 Convertible Warrants do not fall under the provision of Regulation 166A of ICDR Regulation as no allottee or allottees acting in concert is proposed to be allotted more than 5% of equity shares (post conversion) on post issue diluted share capital.
5. The Equity Shares of the Company are listed on BSE and CSE. Based on the information available on the website of the BSE & CSE, the Equity Shares of the Company are frequently traded on the BSE Limited in terms of ICDR Regulations.
6. The Relevant date, determined as per Regulation 161 of the SEBI (ICDR) Regulation, 2018, for the purpose of said minimum issue price would be 13th September 2024, being the date which is 30 (Thirty) days prior to the last date for remote e-Voting for postal ballot (date on which this Resolution, if approved by the Members through Postal Ballot) will be deemed to have been passed i.e. 14th October 2024.
7. The volume of shares traded during the period of 90 trading days (prior to the Relevant date) was higher in Bombay Stock Exchange and hence the price quoted on the BSE was considered for the computation of price under the Regulation 164 of SEBI (ICDR) Regulation, 2018.
8. We hereby certify that the Articles of Association of the Issuer does not provide for a method of determination which results in a floor price higher than that determined under SEBI (ICDR) Regulations, 2018.
9. This certificate is based on the verification of the relevant book of accounts, documents, SEBI (ICDR) Regulations, 2018, historical data of the Issuer's share price & volume on the stock exchanges, necessary workings produced before us and other relevant information and explanation required for issuance of this certificate by the management of the Company and to the best of our knowledge and belief necessary for the purpose of issuing this certificate.



This certificate has been issued on specific request of the Company and in accordance with the terms of our engagement letter dated 5th September 2024 for submission to stock exchanges for the purpose of obtaining in-principle approval prior to allotment of securities on preferential basis.

This certificate should be read with the working for arriving at such minimum issue price and explanatory notes and have been attached herewith as Annexure I and II respectively.

For Chandak & Associates
Chartered Accountants
Firm Regn. No.: 321039E

Vidhi Chandak

CA Vidhi Chandak
Partner
Membership No.: 057114
UDIN: 24057114BKEQAZ2469



Place: Kolkata
Date: 13th September 2024

Annexure - I

The Relevant date for the purpose of computing the price of the shares of SCML has been considered to be 13th September 2024 in accordance with the SEBI Circulars relating to preferential issue of Equity shares & Convertible Warrants. We have therefore considered the prices up to a day prior to the Relevant date i.e. price up to 12th September 2024, to ensure that the price of SCML shares being considered are not less than the minimum price arrived under the above formula prescribed under Regulation 164.

A) Average of the volume weighted average price (VWAP) of the equity shares of the Company quoted on the Bombay Stock Exchange of India Limited during the 90 trading days preceding the Relevant Date (considering Relevant date as 13th September 2024):

$$\text{Total Value / Total Volume} = \text{VWAP}$$

$$13,32,79,219/22,74,808 = 58.59$$

Sl. No.	Date	Volume	Value (Rs.)
1	12-Sep-24	4626	3,64,112.00
2	11-Sep-24	3011	2,25,734.00
3	10-Sep-24	4623	3,30,082.00
4	09-Sep-24	5074	3,45,029.00
5	06-Sep-24	1469	95,124.00
6	05-Sep-24	1124593	7,14,11,655.00
7	04-Sep-24	24661	15,70,715.00
8	03-Sep-24	19971	12,84,603.00
9	02-Sep-24	1411	89,513.00
10	30-Aug-24	12834	7,92,966.00
11	29-Aug-24	30550	19,29,933.00
12	28-Aug-24	8907	5,69,157.00
13	27-Aug-24	1492	93,487.00
14	26-Aug-24	1693	1,04,034.00
15	23-Aug-24	2452	1,47,733.00
16	22-Aug-24	876	51,745.00
17	21-Aug-24	1	57.00
18	20-Aug-24	20093	11,41,081.00
19	19-Aug-24	272311	1,51,60,678.00
20	16-Aug-24	3150	1,72,089.00



21	14-Aug-24	7674	4,33,048.00
22	13-Aug-24	1083	60,312.00
23	12-Aug-24	1407	76,281.00
24	09-Aug-24	4574	2,50,371.00
25	08-Aug-24	4239	2,35,435.00
26	07-Aug-24	4859	2,75,803.00
27	06-Aug-24	10607	6,14,958.00
28	05-Aug-24	29123	17,24,888.00
29	02-Aug-24	35832	20,94,851.00
30	01-Aug-24	3062	1,70,737.00
31	31-Jul-24	1726	91,667.00
32	30-Jul-24	275782	1,35,19,876.00
33	29-Jul-24	36204	17,54,387.00
34	26-Jul-24	33134	15,76,704.00
35	25-Jul-24	10153	4,83,115.00
36	24-Jul-24	33736	16,14,113.00
37	23-Jul-24	21464	10,08,734.00
38	22-Jul-24	24229	11,82,755.00
39	19-Jul-24	12801	6,23,547.00
40	18-Jul-24	12011	5,84,795.00
41	16-Jul-24	11870	5,80,750.00
42	15-Jul-24	2771	1,40,579.00
43	12-Jul-24	11994	6,07,128.00
44	11-Jul-24	11495	5,95,399.00
45	10-Jul-24	2520	1,32,496.00
46	09-Jul-24	3147	1,68,969.00
47	08-Jul-24	7718	4,22,437.00
48	05-Jul-24	3659	1,97,500.00
49	04-Jul-24	4765	2,62,136.00
50	03-Jul-24	282	15,754.00
51	02-Jul-24	1345	71,029.00
52	01-Jul-24	2055	1,10,567.00
53	28-Jun-24	337	18,687.00
54	27-Jun-24	330	18,447.00
55	26-Jun-24	2708	1,49,363.00
56	25-Jun-24	4140	2,31,690.00
57	24-Jun-24	587	33,500.00
58	21-Jun-24	121	6,781.00
59	20-Jun-24	556	31,738.00
60	19-Jun-24	256	14,396.00



61	18-Jun-24	1119	66,028.00
62	14-Jun-24	6996	4,15,420.00
63	13-Jun-24	3419	1,99,034.00
64	12-Jun-24	1826	1,01,269.00
65	11-Jun-24	2068	1,09,231.00
66	10-Jun-24	602	29,981.00
67	07-Jun-24	68	3,258.00
68	06-Jun-24	9692	4,50,654.00
69	05-Jun-24	12567	5,76,086.00
70	04-Jun-24	4704	2,29,500.00
71	03-Jun-24	7425	3,78,842.00
72	31-May-24	4990	2,64,258.00
73	30-May-24	1110	62,199.00
74	29-May-24	280	16,412.00
75	28-May-24	5884	3,40,750.00
76	27-May-24	982	59,823.00
77	24-May-24	3138	1,94,078.00
78	23-May-24	6075	3,75,188.00
79	22-May-24	1637	1,03,834.00
80	21-May-24	3991	2,45,554.00
81	18-May-24	100	6,102.00
82	17-May-24	1229	75,557.00
83	16-May-24	1904	1,18,522.00
84	15-May-24	3135	1,96,241.00
85	14-May-24	4588	2,78,377.00
86	13-May-24	51	3,162.00
87	10-May-24	118	7,193.00
88	09-May-24	955	58,360.00
89	08-May-24	2251	1,37,419.00
90	07-May-24	1750	1,11,637.00
		22,74,808	13,32,79,219



B) Average of the volume weighted average price (VWAP) of the equity shares of the Company quoted on the Bombay Stock Exchange of India Limited during the 10 trading days preceding the Relevant Date (considering Relevant date as 13th September 2024):

Total Value / Total Volume = VWAP

7,65,09,533/12,02,273= 63.64

Sl. No.	Date	Volume	Value (Rs.)
1	12-Sep-24	4626	3,64,112.00
2	11-Sep-24	3011	2,25,734.00
3	10-Sep-24	4623	3,30,082.00
4	09-Sep-24	5074	3,45,029.00
5	06-Sep-24	1469	95,124.00
6	05-Sep-24	1124593	7,14,11,655.00
7	04-Sep-24	24661	15,70,715.00
8	03-Sep-24	19971	12,84,603.00
9	02-Sep-24	1411	89,513.00
10	30-Aug-24	12834	7,92,966.00
		12,02,273	7,65,09,533.00

Applicable Minimum Price (Higher of A and B) = 63.64

Notes to Annexure-I:

1. Regulation 164(5) For the purpose of this Chapter, “frequently traded shares” means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the Relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer: Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.
2. Explanation: For the purpose of this regulation, ‘stock exchange’ means any of the recognised stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the Relevant date.

Annexure - II

Explanatory notes to the Certificate

1 BACKGROUND OF THE COMPANY

The Company (CIN: L74300WB1983PLC036342) is a listed public company headquartered in city of Kolkata. The Company was incorporated on 24/05/1983 and its equity shares are listed on Calcutta Stock Exchange Ltd (CSE) and BSE Ltd (BSE). The Company is registered as a Category I Merchant Banker and executes assignments in areas of mergers and acquisitions, debt syndication, placement of equity shares and debentures.

Share Capital Structure of the Company:		
	Amount in INR	Break-up of Capital
Authorised Capital	INR 50,00,00,000/-	5,00,00,000 Equity Shares of INR 10/-each.
Paid-Up Capital	INR 5,58,50,000/-	55,85,000 Equity Shares of INR 10/- each.

Category of Shareholder	No. of shares held	% of Shareholding
Promoter & Promoter Group	28,04,051	50.21%
Public	27,80,949	49.79%
Total	55,85,000	100%

2. TERMS OF CONVERTIBLE WARRANTS

To issue warrants each convertible into, or exchangeable for, 1 (one) fully paid up equity share of the Company, having a face value of INR 10/- (Rupee Ten only) within the period of 18 months in accordance with the applicable laws to the Promoter/ Promoter Group of the Company and certain identified non-promoter persons / entities by way of preferential issue in accordance with the provisions of Section 42 and Section 62(1)(c) of the Companies Act, 2013, as amended read with Companies (Prospectus and Allotment of Securities) Rules, 2014, and Companies (Share Capital and Debentures) Rules, 2014 as amended ,Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (LODR) Regulations, 2015 and such other acts / rules / regulations as maybe applicable and subject to necessary approval of the members of the Company and other regulatory authorities, as maybe applicable.

3. MANAGEMENT'S RESPONSIBILITY

The preparation of details for calculation of minimum issue price for the proposed preferential issue as per regulation 164 of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, is the responsibility of the Management of the Company including maintenance of all relevant supporting records and documents.

The Management is also responsible for ensuring that the Company complies with the requirements of the recognized stock exchange and SEBI (ICDR) regulation for providing all relevant information to the Securities and Exchange Board of India and recognized stock exchange.

4. OUR RESPONSIBILITIES

It is our responsibility to provide a reasonable assurance as regards mathematical accuracy of minimum issue price for the proposed preferential issue is in accordance with Regulation 164 of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) regulations, 2018, as amended.

- a) We have conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- b) In addition to the foregoing, our scope of work did not include verification of compliance with other requirements of the SEBI (ICDR) Regulations, other circulars, notifications, etc. as issued by relevant regulatory authorities from time to time, and any other laws and regulations applicable to the Company. Further, our scope of work did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company, taken as a whole.
- c) Ensured that the calculation of the minimum issue price of equity shares as per prescribed pricing formula under the ICDR Regulations prepared by the Management (refer Annexure I above);
- d) For the purpose of calculation of minimum issue price for equity shares, we have relied on the historical data extracted by the management from recognized stock exchanges website.
- e) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) - 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



5. RESTRICTION ON USE

The certificate is provided solely for the purpose of submission to stock exchange in respect of application for in-principal approval and to enable the Company to comply with requirements of regulation and should not be used for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

6. CAVEATS:

- We have not carried out a due diligence or audit of the Company. Neither Chandak & Associates nor any member or employee of Chandak & Associates undertakes responsibility in any way whatsoever to any person in respect of any errors in this certificate arising from incorrect information provided by the management. We have no obligation to update this certificate because of events or transactions occurring subsequent to the date of the certificate.
- Our work did not constitute an audit of the financial statements and accordingly, we do not express any opinion on the truth and fairness of the financial position as indicated in this Certificate. Our work did not constitute a validation of the financial statements of Company and accordingly, we do not express any opinion on the same.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us.
- No investigation of the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. Therefore, no responsibility is assumed for matters of a legal nature. Our certificate is not, nor should it be construed, as our opinion or certifying the compliance with the provisions of any law including company and taxation laws or as regards any legal, accounting or taxation implications or issues.
- Our fee for this Certificate is not contingent upon the values reported herein.
- Our certificate is meant for the specific purpose mentioned herein and should not be used for any other purpose mentioned herein. The certificate should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

- The floor price in this certificate does not in any way constitute guarantee regarding future performance and obligate us to render a comprehensive business appraisal certificate, to give testimony, or attend court proceedings with regard to the subject business assets, properties or business interests.
- The Company shall hold harmless us free from all actions, claims, proceedings, losses, damages, costs and expenses, whatsoever and however caused, incurred, sustained or arising, which we may suffer, arising from, or in connection with, the provision of the services for this engagement. This provision shall survive the termination of the engagement for any reason.
- The aggregate liability of us for damage shall be limited to the fee that we have received from this assignment.

