



SMART FINSEC LIMITED

(Formerly Known as Kevalin Securities Limited)

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CIN : L74899DL1995PLC063562

June 19, 2024

To,

**BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001
Scrip Code: 539494**

Subject: Intimation under Regulation 30 & 30A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir / Madam,

With reference to our previous letters dated December 18, 2023 and April 24, 2024, regarding issuance of Corporate Guarantee in favour of Axis Bank Limited, and subsequent enhancement of Intraday Limit to INR 40 Crores, respectively, we wish to inform that Smart Finsec Limited (SFL) received an intimation from Smart Equity Brokers Private Limited regarding further amendment and renewal of Facility Agreement.

The Bank Guarantee has now been enhanced from INR 100 Crores to INR 140 Crores though the Corporate Guarantee issued by the SFL remains unchanged i.e. INR 30 Crores Only (Intraday and Overdraft against Property).

The information required to be disclosed pursuant Regulations 30 and 30A of the SEBI LODR Regulations read with Clause 5A, Para A, Part A, Schedule III of the SEBI LODR Regulations, subsequent to the receipt of the Intimation, is enclosed herewith as Annexure 1.

Kindly take the same on your record.

Thanking You,

Yours Sincerely

For, Smart Finsec Limited

**Rajvinder Kaur
Company Secretary and Compliance Officer**

Annexure-1

Sl. No	Particulars	Details
a)	If the listed entity is a party to the agreement i. details of the counterparties (including name and relationship with the listed entity);	The listed entity (SFL) is not a party to the Working Capital Loan Agreement.
b)	If listed entity is not a party to the agreement i. name of the party entering into such an agreement and the relationship with the listed entity;	Name: Smart Equity Brokers Private Limited Relation: Group Company (The promoters/promoter group of SFL are directors and shareholder of Smart Equity Brokers Private Limited)
	ii. details of the counterparties to the agreement (including name and relationship with the listed entity);	Name: Axis Bank Limited Relation: Not related to SFL.
	iii. date of entering into the agreement.	18 th June 2024.
c)	Purpose of entering into the agreement;	To enhance Bank Guarantee from INR 100 Crores to 140 Crores, consequently increasing the overall limit of Credit Facilities to INR 195 Crores for business activities of Smart Equity Brokers Private Limited. The original/ initial agreement executed on July 19, 2023 provided Credit Facility of INR 130 Crores (Bank Guarantee: INR 100 Crores, Overdraft against Property: INR 15 Crores and Intraday: 15 Crores). The agreement was further amended on April 18, 2024 whereby Intraday Limit was Enhanced from INR 15 crores to INR 40 resulting an increase in overall credit facility to INR 155 Crores (Bank Guarantee: INR 100 Crores, Overdraft against Property: INR 15 Crores and Intraday: 40 Crores). However, there is no change in Corporate Guarantee obligation of SFL (restricted to INR 30 Crores- Intraday and Overdraft against Property).
d)	Shareholding, if any, in the entity with whom the agreement is executed.	Smart Finsec Limited does not hold any shares in the entities which are parties to the Agreement.
e)	Significant terms of the agreement (in brief);	The Agreement contains terms and conditions of the credit facility including

		<p>positive covenants, negative covenants, financial and information covenants. The Borrower (Smart Equity Brokers Private Limited) have also undertaken certain indemnity obligations, representations and warranties under the Agreement.</p> <p>Significant Terms:</p> <p>Overall Limit of Credit Facilities: INR 195 Crores</p> <p>Nature of Facilities:</p> <p>i) Bank Guarantee Amount: 140 Crores (Enhanced from 100 Crores to 140 crores) – In favour of BSE/ICCL/NSE/NCL/MSEI/MCX towards Trade Guarantee/ Security Deposit/ ABC Margins in Cash, Derivative and Currency Segment.</p> <p>ii) Overdraft against property: 15 crores – For Working Capital Requirements.</p> <p>iii) Intraday: 40 crores – For meeting the exchange obligation and margin requirement.</p> <p>Security: The Facility is inter alia secured by:</p> <p>(a) the Corporate Guarantee of SFL - restricted to INR 30 Crores Only – for Intraday and Overdraft against Property (there is no change in the Corporate Guarantee issued by SFL, enhanced Intraday Limit is secured by Personal Guarantee of promoters);</p> <p>(b) Personal Guarantee provided by the promoters of the Company;</p> <p>(c) Lien on FDR;</p> <p>(d) the pledge of shares of Smart Equity Brokers Pvt. Ltd.</p>
f)	Extent and the nature of impact on management or control of the listed entity;	No impact on the management and control of listed entity.
g)	Details and quantification of the restriction or liability imposed upon the listed entity;	There is no change in the quantification of the restriction or liability imposed upon

		<p>SFL earlier. Liability/Obligation of SFL is restricted to 30 crores- (Intraday and Overdraft against Property).</p> <p>Further, restrictions pursuant to Deed of Guarantee executed on December 18, 2023 and as disclosed to exchange vide letter dated December 18, 2023 in Annexure-1A are same and remains unchanged.</p>
h)	Whether, the said parties are related to promoter / promoter group / group companies in any manner. If yes, nature of relationship;	Smart Equity Brokers Pvt. Ltd. is a Group Company (The promoter /promoter group of SFL are directors and shareholder of Smart Equity Brokers Private Limited).
i)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”;	<p>Pursuant to regulation 15(2) provision of Regulation 23 is not applicable as the paid up equity share capital of the company is Rs 300.00 Lakhs and Networth is 1451.00 Lakhs as on 31, March 2024, which is within the exemption limit of Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> <p>Further, the transaction is on arm’s length basis.</p>
j)	In case of issuance of shares to the parties, details of issue price, class of shares issued;	NA
k)	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	NA
l)	<p>In case of rescission, amendment or alteration, listed entity shall disclose additional details to the stock exchange(s):</p> <ol style="list-style-type: none"> i. name of parties to the agreement; ii. nature of the agreement; iii. date of execution of the agreement; iv. details and reasons for amendment or alteration and impact thereof (including impact on management or control and on the restriction or liability quantified earlier); v. v. reasons for rescission and impact thereof (including impact on management or control and on the restriction or liability quantified earlier). 	<p>Amendment</p> <p>Smart Equity Brokers Private Limited and Axis Bank Limited. Working Capital Loan Agreement</p> <p>June 18, 2024</p> <p>Bank Guarantee has been enhanced from INR 100 Crores to INR 140 Crores. There is no impact on management or control and on the restriction or liability of SFL that was quantified earlier. (Corporate Guarantee obligation of SFL is restricted to INR 30 Crores.)</p> <p>NA</p>