

Globe Capital Market Limited

Regd. Office : 609, Ansal Bhawan, 16 K.G. Marg, Connaught Place, New Delhi - 110001

Date: 25 .10.2019

To,

The Manager
Investment Management Department
Securities and Exchange Board of India
SEBI Bhavan, Plot No. C-4A, G Block
Bandra Kurla Complex,
Bandra (E), Mumbai:-400051

Sub: Submission of Disclosure document –30 September- 2019, Pursuant to SEBI (Portfolio Managers Regulations) 1993.

Dear Sir,

As per the requirement of SEBI (Portfolio Managers) Regulations 1993, we here by submit the following documents for your kind consideration:-

1. Disclosure Document for the six month ended 30 September 2019.
2. Form C Dated 25 October 2019 duly signed by the principal officer.
3. Certificate dated 25 October 2019, signed by the Chartered Accountants mentioned in form C.

Hope you will find the same in order.

Thanking You,

Yours Faithfully

For Globe Capital Market Limited

Ajay Khandelwal
Principal Officer



Tele.: +91-11-30412345 (30 Lines) • Fax : +91-11-23720883 • CIN : U74100DL1985PLC021350
E-mail : customercare@globecapital.com • Visit us at : www.globecapital.com

Member : NSE, BSE, MSEI • Depository Participant : NSDL & CDSL • Clearing Member :
Equity & Currency Derivatives (NSE, BSE, MSEI) • SEBI Regd. Portfolio Manager

DISCLOSURE DOCUMENT FOR GLOBE CAPITAL MARKET LIMITED

- i) The Document is being filed with the Board along with the certificate in the prescribed format in terms of Regulation 14 of the SEBI (Portfolio Managers) Regulations, 1993.
- ii) The purpose of the Document is to provide essential information about the portfolio management services in a manner to assist and enable the investors in making informed decision for engaging us as Portfolio Managers.
- iii) This document provides necessary information about the Portfolio Manager required by an investor before investing, and the investor may also be advised to retain the document for future reference.
- iv) The name, phone number, e-mail address of the principal officer so designated by the portfolio manager is as given below: -

Name of the Principal Officer	Mr. Ajay Khandelwal
Phone	011- 30412345
E-mail address	ajaykhandelwal@globecapital.com

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1. **Disclaimer:**

This document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 1993. This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the Document.

2. **Definitions:**

In this Disclosure Document, unless the context otherwise requires:

"Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992).

"Agreement" means agreement between Portfolio Manager and its client and shall include all schedules and annexure attached thereto.

"Application" means the application made by the client to Portfolio Manager for availing Portfolio Management Services. In the event of any conflict between the contents of the agreement and the application, the provisions of the Agreement shall prevail.

"Bank Account" means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in the name of Globe Capital Market Limited or in the name of the client, depending upon the Portfolio opted for.

"Board" means the Securities and Exchange Board of India.

"Certificate" means the Certificate of Registration issued by the Board.

"Client" or "Investor" means any person who enters into an agreement with the Portfolio Manager for availing services of Portfolio Manager.

"Custodian" means any person who carries on or proposes to carry on the business of providing custodial services.

"Depository Account" means one or more account or accounts opened, maintained and operated by the Portfolio Manager in the name of either Globe Capital Market Limited or in the name of the client or in the name of any depository or depository participant registered under Depositories and Participants Regulations 1996.

"Discretionary portfolio manager" means a portfolio manager who exercises or may, under a contract relating to portfolio management, exercise any degree of discretion as to the investments or management of the portfolio of securities or the funds of the client, as the case may be.

"Document" means the Disclosure Document.

"Financial Year" means the year starting from April 1 and ending on 31st March of the following year.

"Funds" means the monies placed by the client with the Portfolio Manager and any accretions thereto.

"Funds Managed" means the market value of the portfolio of the client as on date.

"Initial Corpus" means the value of the fund and the market value of the securities brought in by the client and accepted by the Portfolio Manager at the time of registering him as a client with the Portfolio Manager.

"Parties" means the Portfolio Manager and the client and "Party" shall be construed accordingly.

"Person" includes any individual, partners in partnership, central or state government, company, body corporate, cooperative society, corporation, trust, society, Hindu Undivided Family, or any other body of persons whether incorporated or not.

"Portfolio" means the total holdings of all investments, securities and funds belonging to the client.

"Portfolio manager" means Globe Capital Market Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 609, Ansal Bhawan, 16 KG Marg, Connaught Place, New Delhi – 110001.

"Principal Officer" means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager.

"Regulations" means Securities and Exchange Board of India (Portfolio Managers) Regulations 1993.

"Rules" means Securities and Exchange Board of India (Portfolio Managers) Rules 1993.

"Scheduled Commercial Bank" means any bank included in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934).

"Securities" includes: "Securities" as defined under the Securities Contracts (Regulation) Act, 1956; It includes: -

Shares, scrips, stocks, bonds, warrants, convertible and non-convertible debentures, fixed return investments, equity linked instruments, negotiable instruments, deposits, money market instruments, commercial paper, certificates of deposit, units issued by the Unit Trust of India and/ or by any mutual funds, mortgage backed or other asset backed securities, derivatives, derivative instruments, options, futures, foreign currency commitments, hedges, swaps or netting off and any other securities issued by any company or other body corporate, any trust, any entity, the Central Government, any State Government, or any local or statutory authority and all money rights or property that may at any time be offered or accrue (whether by rights, bonus, redemption, preference, option or otherwise) and whether in physical or dematerialized form in respect of any of the foregoing or evidencing or representing rights or interest therein; and any other instruments or investments (including borrowing or lending of securities) as may be permitted by applicable law from time to time.

Words and expressions used in this disclosure document and not expressly defined shall be interpreted according to their general meaning and usage. The definitions are not exhaustive. They have been included only for the purpose of clarity and shall in addition be interpreted according to their general meaning and usage and shall also carry meanings assigned to them in regulations governing Portfolio Management Services.

3. Description

i) **History, Present Business and Background of the Portfolio Manager:**

Globe Capital Market Limited is a company incorporated on June 27, 1985 under the Companies Act 1956, with the registrar of companies, NCT of Delhi and Haryana and has its registered office at 609, Ansal Bhawan, 16 K.G. Marg, New Delhi-110001. It commenced its business on the 28th Day of June, 1985.

Globe is a well-diversified company dealing in financial services such as securities, derivatives, currency derivatives, commodities, depository, Portfolio Management, interest rate derivatives and Clearing Operations. The company started its operations in the Capital Market Segment in the year 1995. Globe, is a member of various exchanges and depositories such as: -

<u>Exchange/ depository/ Other Services</u>	<u>Membership Details</u>
❖ National Stock Exchange of India Limited (NSE)	SEBI Regn. No. INZ000177137 dated 25.04.2018, for capital Market, F&O, currency derivative commodity segment.
BSE Limited Bombay Stock Exchange (BSE)	SEBI Regn. No. INZ000177137 dated 25.04.2018, for capital, F&O and Currency derivative commodity segment respectively.
❖ Metropolitan Stock Exchange of India Limited (MSEI)	SEBI Regn. No INZ000177137 dated 25.04.2018, for Capital, F&O and Currency derivative segment respectively.
❖ Permanent Registration Number of Depositories (NSDL & CDSL)	SEBI Regn. No. IN-DP-NSDL-97-99
❖ Portfolio Management Services	SEBI Regn. No. INP000002361 dated 22.10.2007.
❖ Research Analyst	SEBI Regn. No. INH100001187 Valid till 28.07.2020

Globe Capital Market Limited has its corporate office at 609, Ansal Bhawan, 16 K.G Marg, New Delhi- 110001, Depository division is at 804, Ansal Bhawan, 16 K.G Marg, New Delhi- 110001 and PMS division at 704, Ansal Bhawan, 16 K.G Marg, New Delhi- 110001.

The company is fully equipped with all modern infrastructures to carry on its activities. Its offices are well connected through the VSATs, Lease line, telephone lines and a wide network of computers connected through LAN and CTCL Network facilities. All of its operations are computerized to give a minimum response time to its clients to confirm their trades. It has a complete set up to do online trading and confirmation efficiently.

The company has strong presence in India due to the high contacts and ethical dealing of the promoters who are dedicated to Indian Capital Market and has a large network of clients at various locations all over India.

Besides our promoters, the company is having its full-fledged teams headed by young, dynamic and motivated professionals like Chartered Accountants, Company Secretaries, MBAs, IT professionals etc. who are having rich experience in Fund management, Equity research, Compliance and back office operations.

With its ability to evolve with the changing environment the Company has been able to put itself in the forefront of stock broking and allied activities. With its network spreading across India, it has made a distinct mark among the stock broking houses and high net worth individuals as well as corporates.

ii) **Board of Directors**

Mr. ASHOK KUMAR AGARWAL

Mr. Ashok Kumar Agarwal is the Chairman and Promoter of Globe Capital Market Limited, one of the largest financial services company in India. Globe Capital Market is one of the largest Clearing Member across various Exchanges in India. He is a Fellow member of Institute of Chartered Accountants and has a vast experience of more than 33 Years (8 years in the field of practicing chartered accountant & 25 years in the field of financial services).

Accolades:

In 1996: Awarded with the "National Citizenship Award- 1993" by Rev. Mother Terressa for outstanding contribution in the development of Indian Capital Market.

In 2000: Recipient of "Vyapar Shree Award - 2000" from The Delhi Stock Exchange Association Ltd. for the outstanding contribution in the growth of business of the Exchange.

In 2001: Conferred a special award by the Northern India Regional Council of The Institute of Chartered Accountant of India, New Delhi for exemplary contribution and services rendered to the cause of profession especially in the Capital Market.

Leadership Position held in the Industry/country/world:

- He was elected as the *youngest ever President* of The Delhi Stock Exchange Association Ltd. in the year 1993 and was president for two consecutive terms and again re-elected as president in 1999.
- He was a member of NSE Executive Committee in 2008 and in 2012 and at present he is Member of National Advisory Committee of NSE, BSE, MCX-SX Clearing Corporation and MCX Stock Exchange Ltd.
- In the year 1996 he was elected as chairman of **Federation of Indian Stock Exchanges** (a federation representing 20 Stock Exchanges).
- He had been a member of various committees on capital market of various bodies i.e. ICAI, PHD Chamber of Commerce and Industry and FICCI.
- He has also been invited by "*The United States Information Agency, USA*" on behalf of USA Government to attend their International Visitor Programme held at Washington D.C., which focused on issues related to US Financial Market Operations, Project Finance, Privatization of provisions to assist the Development of Capital Market of various developing countries.

MR. YASHPAL MENDIRATTA

Mr. Yashpal Mendiratta is Managing Director and is also a Promoter of the Company. He is a Fellow member of Institute of Chartered Accountants of India having vast experience of more than 34 years in financial sector. He has multifold experience in the field of Finance/taxation/legal and Capital Market. He initially started his career as a practicing Chartered Accountant and with his experience and expertise started his own venture in stock market.

Apart from the above Mr. Mendiratta is also an active member of Depository Participant Association of India and Association of National Exchange Members of India. He is also member of clearing Committee of United Stock Exchange.

MR. ARUN KUMAR GUPTA

Mr. Arun Kumar Gupta is an Independent Director of the Company. He is a Fellow member of the Institute of Chartered Accountants of India having an experience of around 34 years. He has a vast experience in the fields of Auditing, Financial, Taxation and Corporate Law matters. He has sound knowledge in the areas of finance and taxation coupled with strong analytical skills.

MR. SUNIL KUMAR JAIN

Mr. Sunil Kumar Jain is an Independent Director of the Company. He is a Bachelor of Science and also a Fellow member of the Institute of Chartered Accountants of India. He has vast experience of around 31 years in Audit, taxation and Investment sector. He started his career as a Practicing Chartered Accountant and has served varied sectors with his expertise and vast knowledge in the fields of investment and finance.

MR. ALOK KUMAR BANSAL

Mr. Alok Kumar Bansal is an Independent Director of the Company. He is a Fellow Member of Institute of Chartered Accountants of India. He has an experience of 21 years as a Practicing Chartered Accountant. He has experience in different fields like Auditing, taxation and corporate advisory.

MS. ALKA AGARWAL

Ms. Alka Agarwal is a non-executive director of the Company. She is a graduate having experience in the field of the Commodity broking business. She is serving the board of Globe Commodities Limited as an executive director.

MS. ALKA MENDIRATTA

Ms. Alka Mendiratta is a non-executive director of the Company. She is a post graduate having experience in the field of the Commodity broking business. She is serving the board of Globe Commodities Limited as an executive director

iii) Top 10 Group companies/ firm of the portfolio manager on turnover basis:

Sr.No	Name of the Company	Category	Activities Carried
1.	Globe Commodities Ltd.	Wholly owned Subsidiary	Member of NCDEX, MCX, NCDEX Spot Exchange, ICEX,
2	AtoZ Finstock Private Limited (Earlier known as Rolex Finvest Private Ltd)	Associate/ Group Company	Trading in securities and commodities
3	A to Z Venture Capital Limited	Associate/ Group Company	Trading in securities and commodities
4	M.Agarwal Stock Brokers Pvt.Ltd	Associate/Group Company	NBFC
5	Globe Capital (IFSC) Ltd	Wholly owned Subsidiary	Member of India INX and NSE (IFSC) Ltd
6	Globe Fincap Limited	Wholly owned Subsidiary	NBFC
7	Globe Derivatives and Securities Limited	Wholly owned Subsidiary	Trading In Securities & Commodities
8	Globe Comex International DMCC	Subsidiary of Globe Commodities Ltd.	Member of DG CX
9	Lakshya Impex Pvt. Ltd	Associate/ Group Company	NBFC
10	Bolt synthetics pvt Ltd	Associate/ Group Company	NBFC

iv) **Details of the services being offered:**

The Portfolio Manager broadly offers services under the following categories:

Discretionary Services: Under these services the choice as well as the timing of the investment decisions rest solely with the Portfolio Manager. Thus the portfolio manager's decision taken in good faith in deployment of the Clients fund is absolute and final and cannot be called in question or open to review at anytime during the prevalence of the agreement or anytime thereafter.

Non-Discretionary services: Under this service Portfolio Manager manages the funds in accordance with the directions of the client.

Advisory Services: Under this Portfolio, Portfolio Manager advises the client about the various investments options keeping in view the investment profile of the client.

4. **Penalties, pending litigation or proceedings, findings of inspection or investigations for which action may have been taken or initiated by any regulatory authority.(For PMS Purposes)**

S.No.	Particulars	Remarks
4.1	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made there under.	Annexure-1
4.2	Penalties imposed for any economic offence and/ or for violation of any securities laws.	
4.3	Any pending material litigation/legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any.	
4.4	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	
4.5	Any enquiry/ adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or Rules or Regulations made there under.	

5. Services Offered:

The Portfolio Manager currently offers following Services:

I Portfolio:

- A. **Globe Value:** Globe Value Portfolio aims at investing in blue chips with a smaller proportion in mid caps and small caps. The portfolio is designed with short to medium term perspective with moderate risk. The strategy would have active management and shall also use various derivatives concepts using future and options on the underlying/index with a view to optimize yield of the portfolio.
- B. **Globe Arbitrage:** Globe Arbitrage Portfolio primarily aims at generating high returns by exploiting market inefficiencies and other low risk opportunities by using various derivative strategies such as Cash Future Arbitrage, Covered Calls, Covered Puts, Index Arbitrage, Open Offer Arbitrage Opportunities in case of takeover, de-listing etc.”
- C. **Globe Minerva India Undervalued:** Globe Minerva Funds aims at building a concentrated portfolio of limited stocks of our high conviction stock ideas. The strategy primarily aims at creating capital appreciation through investing in companies that are relative as well as absolute bargains. The selection would be made from the whole 'workable' universe of listed companies in BSE/NSE to diversify industry and market cap risk. It is most suitable for investors with a longer term horizon that seek to capitalize on value (ideally through definitely identifiable catalysts).
- D. **Globe Minerva India Underserved:** Our Underserved strategy screens companies that have, in our view, the largest real business upside within listed equities i.e. these companies lie within categories where consumption is at least a linear function of income. These companies, in our view, are once with the most sustainable business models. Many of the constituents under this strategy will be discretionary in nature and may exhibit cyclical nature like any other cyclical name. However, more often than prior cycles. This strategy is targeted at investors who are investing for longer term and seek to outperform broader markets over longer periods, when cash flow growth is a key determinant of outperformance.
- E. **Globe Dynamic:** The strategy endeavors to deliver returns by investing in fundamentally sound companies. Globe Dynamic invests in equities and equity derivatives of scrips across market capitalizations but largely in stocks constituting the CNX 200. The strategy invests with a short to medium term horizon and is suitable for clients seeking medium to high returns with moderate to high risk profile.
- F. **Globe Generational Wealth Creator (Globe-GWC):** Globe-GWC endeavors to build a portfolio of equity investments that would create sustainable wealth over a long period. The strategy invests with long term horizon and is aimed at investors seeking to build their investment portfolio with a view to create wealth.
- G. **Globe Economic and Business Cycle (Globe-EBC)** Globe –EBC aims to invest in a basket of stocks that are likely to benefit from the change in economic and business cycle. The Strategy focuses on selecting companies from across sector that would benefit from bottoming of business and economic cycle due to their fundamental strengths like operating leverage; financial leverage; cost advantage; location advantage; access to market, technology or products.
- H. **Globe Leaders in Economic cycles (Globe-LEC)** Globe LEC aims to invest in a basket of stocks that are likely to benefit from the change in Economic and business cycle with exposure in the sectors that is/are leading the cyclical economic or business recovery. The strategy relies on selecting companies that would potentially benefit most from bottoming of business and economic cycle due to their fundamental strengths.

- I. **Globe Trading the Market Cycle (Globe-TMC)** Globe TMC aims to actively take trading position in indices and frontline stocks based on technical analysis of the market cycle. The universe of stocks would predominantly comprise of fundamentally strong and liquid stocks preferably on which derivatives contracts are available. The nature of investment is entirely short term with the objective of trading gains.
- J. **Globe Activa:** Globe Activa is an actively managed, nimble strategy that uses variety of concepts to generate alpha returns. Apart from buy and hold, the strategy would adept to changes in economic and business cycle, exploit arbitrage opportunities and special situations. The strategy would make use of equity and index derivatives to augment returns. The selection of scrips would be a combination of quality large caps, midcaps and small caps. The strategy is suitable for clients having moderate to high risk profile, seeking medium to high returns.

II **Services – Advisory**

Globe PMS provides advisory to the investors to rebalance, reconstruct and protect the portfolio keeping in view the investment profile of the client.

Investment Philosophy and Methodology

- Globe Capital Market Limited aims at maximizing risk adjusted returns under its various PMS Services.
- It aims at making right investment decisions at appropriate time based on extensive research of various companies, industries and economy at large.
- It endeavors at formulating investment strategy considering current and expected market trends with due focus on risk diversification.
- Investment in all the Services will be only as per the SEBI regulations on PMS
- The Portfolio Manager with the consent of the Client may lend the securities through an approved intermediary, for interest.
- The Portfolio Manager will not invest any of the funds of the client in the shares, mutual funds, debt, deposits and other financial instruments of associates/ group companies of the Portfolio Manager.

Asset classes generally considered for deployment of Investment Amount

- Equity and equity related securities, convertible stock and preference shares of Indian Companies.
- Debentures (Convertible and Non Convertible), Bonds and Secure Premium Notes, Swaps etc.
- Derivatives both equity and fixed income as permitted under the regulations.
- Options, Futures, Securitized Debt, tax exempt bonds of Indian Companies and Corporations.
- Government Securities.
- Units and other instruments of Mutual Funds.
- Bank Deposit.
- Treasury Bills, Commercial Papers, Certificates of Deposit and other similar money Market Instruments.

“Schedule I” may be referred to for proper understanding of use of derivatives by the portfolio manager for its various Portfolio Management Services.

6. **Risk factors**

- Securities investments are subject to market risks and there is no assurance or guarantee that the objective of the investments will be achieved.
- Past performance of the portfolio manager does not indicate the future performance.
- The name of the Portfolio/Services does not indicate its prospects, performance and returns.
- Investments in the equity are subject to the performance of individual companies, changes in industry specific and overall economic factors.
- Investments in debt instruments and other fixed income securities are subject to interest rate risk, credit risk, liquidity risk, reinvestment risk etc.
- High/ lower exposure to any particular sector or company may give rise to a risk of non-diversification. Diversified portfolios may be less volatile than non-diversified portfolio.
- In the case of stock lending risk relates to default from counter parties with regard to securities lent and benefits accruing thereon.
- Derivatives are highly leveraged instruments and their use requires high degree of skill, diligence and expertise. Small movement in the underlying security may have a large impact on the value of derivatives and futures and option. Some of the risks relate to mispricing on the improper valuation of derivatives and futures and options and inability to correlate the positions with underlying assets, rates and indices. Also, the derivatives and future and options market is nascent in India.
- PMS Transactions are done through Stock Broking Division of Globe Capital Market Limited.

Client Representation:

A. Details of client serviced:

Category of Clients	No. of Clients	Fund managed (Rs in Crores)	Discretionary/ Non Discretionary /Advisory
Associates / Group companies /Related party (Last 3Year)			
As on September 2019	8	41.11	Discretionary
As on September 2018	6	16.24	Discretionary
As on September 2017	4	5.51	Discretionary
Others			
As on September 2019	42	40.32	Discretionary
As on September 2018	16	44.63	Discretionary
As on September 2017	17	4.50	Discretionary

B. Transactions with related parties:

- PMS Transactions are done through Stock Broking Division of Globe Capital Market Limited

For details of related parties please refer to Annexure 2

8. Financial Performance of the portfolio manager (based on audited financial statements)

-----Enclosed as Annexure 2 -----

9. **Portfolio Management performance of the portfolio manager for the last three years:**

Particular		Year- (01-10-2018to 30-09-2019)%	Year- (01-10-2017 to30-09- 2018)%	Year- (01-10-2016 to 30-09-2017)%
Portfolio Name	Globe Arbitrage	-3.30	-4.78	17.11
Benchmark for this portfolio	S&P BSE India 10 Year Sovereign Bond Index	16.19	-3.24	6.22
Portfolio Name	Globe Value	13.30	-20.41	11.97
Benchmark for this portfolio	Nifty	4.43	7.59	13.40
Portfolio Name	Globe Generational Wealth Creator	8.04	-8.36	4.92
Benchmark for this portfolio	Nifty	4.28	11.63	13.78
Portfolio Name	Globe Economic and Business Cycle	3.35	2.83	20.16
Benchmark for this portfolio	CNX 500	1.97	6.14	16.45
Portfolio Name	Globe Dynamic	-0.69*	2.54	-
Benchmark for this portfolio	CNX 500	1.20	2.02	-
Portfolio Name	Globe Activa	11.85	-	-
Benchmark for this portfolio	CNX 500	-2.50	-	-

#There is no account in Globe Minerva Undervalued, Globe Minerva India underserved, Globe Leaders in Economic cycles (Globe-LEC), Globe Trading the Market Cycle (Globe-TMC) as of 31 March 2019.

- Past performance may or may not be sustained in the future

-Portfolio Performance is net of all fees & charges levied by the Portfolio Manager

Globe Activa has started from 1Jan 2019

*the returns are not annualised as the only account in the strategy was operational since 20.09. 2019

10. **Nature of expenses:**

- **Investment management and advisory fees:** Professional fee charged in relation to Portfolio Management Services offered to clients. Management and advisory fees charged may be a fixed fee or a return based fee or a combination of both. The client in the manner provided in the Schedule for Portfolio Management Fees attached agrees to pay the Portfolio Management Fees to the Portfolio Manager at the rates and with the agreement.
- **Custodian fee/Depository fees:** The charges relating to opening and operation of dematerialized accounts, custody and transfer charges for share, bonds and units, dematerialization, dematerializations and other charges in connection with the opening and management of the depository accounts. Custodian fees will be charged at the rate as will be mutually decided by the parties in the client agreement.
- **Registrar and transfer agent fee:** Charges payable to registrars and transfer agents in connection with effecting transfer of securities, including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges, etc.
- **Brokerage and transaction cost:** The investments under the Portfolio Management would be done through registered members of stock exchange who charge brokerage up to maximum of 2.5% of the contract value. Brokerage fees will be charged at the rate as will be mutually decided by the parties in the client agreement.

In addition to brokerage, transaction costs like network charges, turnover charges, stamp duty, turnover tax, securities transaction tax, or any other tax levied by statutory authorities, foreign transaction charges, if any and any other charges on purchase and sale of securities.

- **Service Tax:** As applicable from time to time
- **Certification and Professional charges:** Charges payable for outsourced professional services like accounting, taxation and legal services, notarization etc. for certification, attestation required by bankers, intermediaries and regulatory authorities.
- **Incidental charges:** Courier charges, stamp duty, service tax, postal stamps, charges relating to opening and operations of bank accounts.

11. **Taxation:**

Portfolio Manager and/ or Client shall comply with various provisions of Indian Income Tax Act, 1961 and other taxation laws as applicable, also taking into considerations various guidelines given in this regard in the detailed client agreement. Special reference needs to be made in respect of provisions related to capital gains, business income, interest, dividend income and all other provisions of the said act. Provisions related to Tax Deducted at Source (TDS) shall also apply, wherever applicable.

12. **Accounting Policies:**

The following Accounting Policies will be applied to the investments of the client:

- Investments in equity, Mutual funds and debt instruments will be valued at closing market prices of the exchanges (BSE or NSE as the case may be) or the Repurchase Net Asset Value declared for the relative Portfolio on the date of the report or any cut off date or the market value of the debt instrument at the cut off date. Alternatively, the last available prices on the exchange or the most recent NAV will be reckoned.

- Realized gains/ losses will be calculated while applying the FIFO and/ or weighted average principle. The Portfolio Manager and the client can adopt any specific norms or methodology for the valuation of investments or accounting the same as may be mutually agreed between them on a case-to-case basis.
- For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.
- Unrealized gains/ losses are the differences in between the current market values/ NAVs and the historical cost of the securities.
- Dividends on shares and units in mutual funds, interest etc. shall be accounted for on receipt basis. The interest on debt instruments shall be accounted for on accrual basis.

13. **Investors services**

A. **Details of the investor relation officer who shall attend to the investor queries and complaints For PMS:**

Name of the person	Mr. Kapil Marwah
Designation	Compliance Officer
Address	609, Ansal Bhawan, 16 KG Marg, Connaught Place, New Delhi – 110001
Email	kapilmarwah@globecapital.com
Telephone	011-30412345

Grievance redressal and dispute settlement mechanism:

Grievance, if any, that may arise pursuant to the Portfolio Management Services Agreement entered into shall as far as possible be redressed through the administrative mechanism by the Portfolio Manager and are subject to SEBI (Portfolio Manager) Regulations 1993 and any amendments made thereto from time to time. However all the legal actions and proceedings are subject to the jurisdiction of Delhi courts or such other place as the Portfolio Manager thinks fit.

All disputes, differences, claims and questions whatsoever arising between the Client and the Portfolio Manager and/ or their respective representatives shall be settled in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory requirement, modification or re-enactment thereof for the time being in force. Such arbitration proceedings shall be held at Delhi or such other place as the Portfolio Manager thinks fit.

Investor can lodge a complaint on <http://scores.gov.in> SCORES is a web based centralized grievance redressd system of SEBI. SCORES enables investors to lodge and follow up their complaints and track the status of redressal of such complaints online from the above website from anywhere. An investor, who is not familiar with SCORES or does not have access to SCORES, can lodge complaints in physical form at any of the offices of SEBI.

Annexure 1

Name of the Entity / Person Against Whom Action Taken / Initiated by SEBI		Details / Description of the Action Taken / Initiated by SEBI	Corrective Steps Taken
1	Globe Capital Market Limited	Adjudication Proceeding was initiated against us as a Member NSE for Inspection. The Adjudication Officer had levied a monetary penalty of Rs. 2.25 lakhs vide order dated Oct. 18, 2004.	We appointed Concurrent Auditor to check maintenance of records and documents as statutorily required. We have also upgraded our back office software as part of risk management measures.
2	Globe Capital Market Limited	Enquiry proceedings, Adjudication proceedings and Proceeding u/s 11 & 11B of SEBI Act. 1992 were initiated against us as a broker in the matter of investigation into May 17, 2004. The said proceedings were settled through a consent order by SEBI.	We have strengthened our risk management system to better monitor the trading on real time basis.
3	Globe Capital Market Limited	Pursuant to our inspection as a Depository Participant of NSDL by SEBI, a letter was issued to us on Nov. 27, 2006 to be careful in future in ensuring strict compliance to the SEBI Act, rules, regulations and circulars.	We had taken corrective action on the contents of the inspection report and reported compliance to SEBI.
4	A to Z Consultant Pvt. Limited	Adjudication proceedings were conducted for alleged violation of the provisions of Regulations 13(3) read with 13(5) of Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations, 1992 against A to Z Consultants Limited through a consent order dated 19/10/2011 by SEBI	Matter settled by way of consent order
5	Ashok Kumar Agarwal	Adjudication proceedings were conducted for alleged violation of the provisions of Regulations 7(1),7(1A) read with 7(2) of Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeover) Regulations, 1997 and Regulation 13(1), 13(3) read with 13(5) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 against Mr. Ashok Kumar Agarwal. Subsequently said proceedings were settled by Mr. Ashok Kumar Agarwal through a consent order dated 19/10/2011 by SEBI.	Matter settled by way of a consent order.
6	Rolex Finvest Pvt. Limited	Adjudication proceedings were conducted for alleged violation of the provisions of Regulations 7(1) read with 7(2) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and Regulation 13(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 against Rolex Finvest Private Limited. Subsequently said proceedings were settled by Rolex Finvest Private Limited through a consent order dated 19/10/2011 by SEBI.	Matter settled by way of a consent order.
7	Lakshya Impex Pvt. Limited	Adjudication proceedings were conducted for alleged violation of the provisions of Regulations 7(1) read with 7(2) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover)	Matter settled by way of a consent order.

		Regulations, 1997 and Regulation 13(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 against Lakshya Impex Private Limited. Subsequently said proceedings were settled by Lakshya Impex Private Limited through a consent order dated 19/10/2011 by SEBI	
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Schedule I

(Referred to Clause 5 of the Disclosure Document)

USE OF DERIVATIVES

SEBI in terms of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2003, has permitted all the Portfolio Managers to invest in derivatives, including transactions for the purpose of hedging and portfolio rebalancing, provided leveraging of portfolio is not permitted in respect of trading in derivatives.

Accordingly, the Portfolio Manager may use derivatives instruments like Stock Index Futures, Options on Stocks and Stock Indices, Interest Rate Swaps, Forward Rate Agreements or other such derivative instruments as may be introduced from time to time, as permitted by SEBI.

The following information provides a basic idea as to the nature of the derivative instruments proposed to be used by the Portfolio Manager and the benefits and risks attached there with.

Illustrations on Use of derivatives:

A. Index Futures:

Benefits

- (a) Investment in Stock Index Futures can give exposure to the Index without directly buying the individual stocks. Appreciation in Index stocks can be effectively captured through investment in Stock Index Futures.
- (b) The Portfolio Manger can sell futures to hedge against market movements effectively without actually selling the stocks it holds.

Illustration:

Every portfolio has exposure to the market index. Hence the portfolio manager may choose to sell index futures, or buy index put options, in order to reduce the losses that would take place in the event that the market index drops.

For eg. A Rs.1 crore equity portfolio with an average beta of 1.1 can be hedged against Rs. 1.1 crore short position in index futures. Thus any fall in portfolio value on account on fall in market rates would be offset by gains in settlement of index futures.

B. Stock Futures:

Benefits

- a) Investment in stock futures can give exposure to the stock without directly buying the stocks. Appreciation in stocks can be effectively captured through investment in stock futures.
- b) The Portfolio Manager can sell stock futures to hedge against adverse movements effectively without actually selling the stocks in holds.

The risk and return payoff of the stock futures is similar to that of an index future as mentioned above.

C. Buying Options:

Benefits of buying a call option:

Buying a call option on a stock or index gives the owner the right; but not the obligation, to buy the underlying stock / index at the designated strike price. Here the downside risks are limited to the premium paid to purchase the option.

Illustration

For example, if the Portfolio Manager buys a one-month call option on Reliance Industries at a strike of Rs. 800, the current market price being say Rs. 820. The Portfolio Manager will have to pay a premium of say Rs. 25 to buy this call. If the stock price goes below Rs. 800 during the tenure of the call, the Portfolio Manger avoids the loss it would have incurred had it straightway bought the stock instead of the call option. The Portfolio Manager gives up the premium of Rs.25 that has to be paid in order to protect the Portfolio from this probable downside. If the stock goes above Rs. 800, it can exercise its right and own Reliance Industries at a cost price of Rs. 800, thereby participating in the upside of the stock for such a transaction, the breakeven price will be the sum of strike price and the premium paid, in this case it would be $\text{Rs. } 800 + \text{Rs } 25 = \text{Rs } 825$

Benefits of buying a put option

Buying a put option on a stock originally held by the buyer gives him / her right, but not the obligation, to sell the underlying stock at the designated strike price. Here the downside risks are limited to the premium paid to purchase the option.

Illustration

For example, if the portfolio manager owns Reliance Industries and also buys a three month put option on Reliance Industries at a strike of Rs. 820, the current market price being say Rs.830. The Portfolio Manager will have to pay a premium of say Rs. 15 to buy this put. If the stock price goes below Rs. 820 during the tenure of the put, the Portfolio Manager can still exercise the put and sell the stock at Rs. 820, avoiding therefore any downside on the stock below Rs. 820. The Portfolio Manger gives up the fixed premium of Rs. 15 that has to be paid in order to protect the Portfolio from this probable downside. If the stock goes above Rs. 820, say to Rs. 880, it will not exercise its option. The Portfolio Manager will participate in the upside of the stock, since it can now sell the stock at the prevailing market price of Rs.880.

D. Writing Options

Benefits of writing call option with underlying stock holding (Covered call writing)

Covered call writing is a strategy where a writer (say the Portfolio Manager) will hold a particular stock, and sell in the market a call option on the stock. Here the buyer of the call option now has the right to buy this stock from the writer (the Portfolio Manager) at a particular price, which is fixed by the contract (the strike price). The writer receives a premium for selling a call, but if the call option is exercised, he has to sell the underlying stock at the strike price. **This is advantageous if the strike price is the level at which the writer wants to exit his holding /book profits.** The writer effectively gains a fixed premium in exchange for the probable opportunity loss that comes from giving up any upside if the stock goes up beyond the strike price.

Illustration

Let us take for example Reliance Industries, where the Portfolio Manager holds stock, the current market price being Rs. 800. The Portfolio Manager holds the view that the stock should be sold when it reaches Rs.900. Currently the one-month Rs. 900 call option can be sold at say Rs.100. Selling this call gives the call owner the right to buy from the portfolio, Reliance Industries at Rs.900.

Now the Portfolio Manager by buying/ holding the stock and selling the call is effectively agreeing to sell Reliance Industries at Rs.900 when it crosses this price. So the Portfolio Manager is giving up any possible upside beyond Rs.900. However, the returns on the Portfolio are higher than what it would have got if it just held the stock and decided to sell it at Rs.900. This is because the Portfolio Manager by writing the covered call gets an additional Rs.100 per share of Reliance Industries. In case the price is below Rs.900 during the tenure of the call, then it will

not be exercised and the Portfolio Manager will continue to hold the shares. Even in this case the returns are higher than if the Portfolio had just held the stock waiting to sell it at Rs.900.

Benefits of writing put options with adequate cash holding:

Writing put options with adequate cash holding is a strategy where the writer (say, the Portfolio Manager) will have an amount of cash and will sell put options on a stock. This will give the buyer of this put option the right to sell stock to the writer (the Portfolio Manager) at a pre-designated price (the strike price). This strategy gives the put writer a premium, but if the put is exercised, he has to buy the underlying stock at the designated strike price. In this case the writer will have to accept any downside if the stock goes below the exercise price. The writer effectively gains a fixed premium in exchange for giving up the opportunity to buy the stock at levels below the strike price. This is advantageous if the strike price is the level at which the writer wants to buy the stock.

Illustration

Let us take, for example, that the Portfolio Manager wants to buy Reliance Industries at Rs. 800, the current price being Rs.900. Currently the two-month 800 puts can be sold at say around Rs.100. Writing this put gives the put owner the right to sell to the portfolio manager, Reliance Industries at Rs.800. Now the Portfolio Manager by holding cash and selling the put is agreeing to buy Reliance Industries at Rs.800 when it goes below this price. The Portfolio Manager will take on itself any downside if the price goes below Rs.800. But the returns on the Portfolio are higher than what it would have got if it just waited till the price reached this level and bought the stock at Rs800, as per its original view. This is because the Portfolio Manager by writing the put gets an additional Rs.100 per share of Reliance Industries. In case the price stays above Rs.800 during the tenure of the put, then it will not be exercised and the Portfolio Manager will continue to hold cash. Even in this case the returns are higher than if the Portfolio had just held cash waiting to buy Reliance Industries at Rs800.

E. Cash Future Arbitrage:

The cash future arbitrage strategy can be employed when the prices of the future exceeds the price of the underlying stocks. Two simultaneous transactions are undertaken:-

- a) Buying the underlying stock
- b) Selling the futures

Consider an example of stock trading at Rs.100 while the near-month future is at Rs. 101.50. Additionally assume that the closing price of stock on expiry is Rs. 110. How will this fund work?

Transaction	Stock	Future	Difference
Initiation Arbitrage (Buy Stock – Sell Future)	100	101.50	1.50
Closing Arbitrage (Sell Stock – Buy Future)	110	110	0
Total Gain / Loss	10	-8.5	1.50

F. Index Arbitrage:

Here one buys futures on an Index and sells corresponding stock futures constituting the index or vice versa to take advantage of the price – difference or the spread between them.

Let's say current value of Nifty is 5950 and Nifty Futures is currently being traded at 5900 i.e at a discount of 50. However on the other hand cumulative value of all stock futures constituting Nifty is 6050 i.e at a premium of say Rs. 100. Thus an arbitrage opportunity arises in locking the above difference of Rs. 150, by buying Nifty Futures and selling corresponding Stock Futures.

G. Open Offer Arbitrage opportunities in case of Takeover, De-listing etc.

In open offer, the acquirer gives an offer to existing shareholders of the target company to acquire the shares at a certain price. The arbitrage opportunity arises when there is a significant price difference between the market price and the offer price.

The strategy is to buy the share in market and tender it in open offer. The returns would vary depending upon the number of shares accepted and the balance shares sold back in the market.

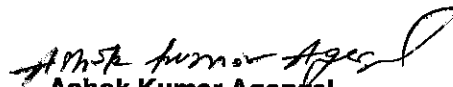
For Example in May, 2012, ABB the leading power & automation technology group, acquired ABB Ltd India at Rs. 900 per share in order to increase its stake in the company from approx 52% to 75%. The Market Price of ABB Ltd at that time was around Rs795. Thus an arbitrage opportunity arises by buying the stock in the market and tendering the same in the open offer thus realizing the difference between the offer price and market price based on the percentage of stock held by a person, accepted in the offer.

Let's take another example on Delisting where Essar Steel Holdings Limited had fixed the delisting price of Essar Steel Limited, determined by the reverse book building process at Rs. 48 per share. Market price of the concerned stock at that time was Rs. 45. Thus an arbitrage opportunity arises by buying the stock in the market and realizing the difference between the offer price and market price.

For Globe Capital Market Ltd.



Yashpal Mendiratta
Director



Ashok Kumar Agarwal
Director

Place: New Delhi
Date: 25.10.2019

FORM C

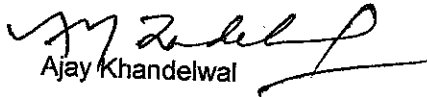
**SECURITIES AND EXCHANGE BOARD OF INDIA
(PORTFOLIO MANAGERS) REGULATIONS, 1993
(Regulation 14)**

GLOBE CAPITAL MARKET LIMITED
Regd. Office: 609, Ansal Bhawan, 16 KG Marg,
Connaught Place, New Delhi – 110001
Tel. No. 91-11-30412345 Fax No. 91-11-23720880
www.globecapital.com

We confirm that:

- i) The Disclosure Document being forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 1993 and the guidelines and directives issued by the Board from time to time;
- ii) The disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to Globe Capital Market Limited/ investment in the Portfolio Management Strategies;
- iii) The Disclosure Document has been duly certified by an independent chartered accountant (M/s Rohit Suri & Associates, 7, Sharda Niketan, Pitam Pura, Delhi-110034, Phone No. 011-27012010, and FRN No. 012259N) on 25.10.2019 (Copy enclosed)

For Globe Capital Market Limited


Ajay Khandelwal

(Principal Officer)

Date: 25 October 2019
Place: New Delhi

Certificate

We hereby certify that: -

- i) The disclosures as made by M/s Globe Capital Market Limited, (CIN: U74100DL1985PLC021350) 609, Ansal Bhawan, 16 K.G. Marg, Connaught Place, New Delhi - 110001, in the enclosed Addendum to the Disclosure Document for 30 September' 2019 are in accordance with provisions of Regulation 14 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.
- (ii) The disclosures made in the addendum to the Disclosure Document are true, fair and adequate to the best of our knowledge and belief, to enable the investors to make a well-informed decision.

We further certify that the above statement is based on our verification of the books of accounts, records and documents of M/s Globe Capital Market Limited and as per the explanation given and information provided to our satisfaction.

Place-New Delhi
Dated: 25.10.2019

For Rohit Suri & Associates
Chartered Accountants
FRN No. : 012259N

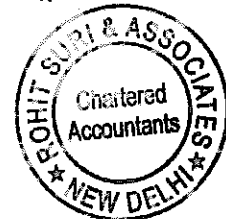


Rohit Suri

Rohit Suri
Prop.
Membership No.: 91064

UDIN GENERATED ON 30/10/2019 - 19091064AAA19K2008

Rohit Suri



ANNEXURE 2'

Globe Capital Market Limited
 Standalone Balance Sheet as at 31 March 2019
 (All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Assets				
Financial assets				
(A) Cash and cash equivalents	3	3,339.17	8,084.98	4,290.54
(b) Bank Balance other than cash equivalents above	4	90,741.04	70,396.36	54,487.49
(c) Derivative financial instruments	5	662.40	255.91	1,195.88
(d) Securities for trade	6	34,286.85	19,748.38	23,557.63
(e) Receivables				
(i) Trade receivables	7	31,122.85	31,952.51	15,334.87
(ii) Other receivables	7	5.73	7,375.67	3.31
(f) Loans	8	24,357.07	10,274.17	9,173.36
(g) Investments	9	14,943.21	14,240.15	17,935.76
(h) Other financial assets	10	32,647.48	21,159.97	46,275.19
		<u>234,105.80</u>	<u>183,488.10</u>	<u>172,454.03</u>
Non-financial assets				
(a) Current tax assets (net)	10	560.07	367.93	454.20
(b) Property, plant and equipment	11	365.14	319.11	350.10
(c) Other intangible assets	11	-	-	-
(d) Other non-financial assets	12	240.00	217.24	162.73
		<u>1,165.21</u>	<u>904.28</u>	<u>967.03</u>
Total assets		<u>235,271.01</u>	<u>184,392.38</u>	<u>173,421.06</u>
Liabilities and equity				
Liabilities				
Financial liabilities				
(a) Derivative financial instruments	5	404.42	477.26	1,169.97
(b) Trade payables	13	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		169.67	354.28	230.89
(c) Debt securities	14	9,947.08	9,439.78	9,854.16
(d) Borrowings (other than debt securities)	15	42,494.28	35,878.36	30,092.92
(e) Other financial liabilities	16	103,231.17	66,661.11	56,610.32
		<u>156,246.62</u>	<u>112,810.99</u>	<u>97,957.66</u>
Non-financial liabilities				
(a) Contract liabilities	17	102.65	104.30	65.82
(b) Current tax liabilities (net)	19	480.72	-	518.32
(c) Provisions	18	534.24	490.54	337.91
(d) Deferred tax liabilities (net)	19	775.69	281.65	398.36
(e) Other non-financial liabilities	20	353.43	305.04	415.90
		<u>2,246.73</u>	<u>1,181.53</u>	<u>1,736.31</u>
Total liabilities		<u>158,493.35</u>	<u>113,992.52</u>	<u>99,693.97</u>
Equity				
(a) Equity share capital	21A	2,625.00	2,625.00	2,911.25
(b) Other equity	21B	74,152.66	67,774.86	70,815.81
Total equity		<u>76,777.66</u>	<u>70,399.86</u>	<u>73,727.09</u>
Total liabilities and equity		<u>235,271.01</u>	<u>184,392.38</u>	<u>173,421.06</u>

Significant accounting policies and notes to the financial statements 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For BSR & Co. LLP
 Chartered Accountants
 Firm Registration No.: 012406/W-100022

Jites Chhabra
 Partner
 Membership No.: 092894

Place: Gurugram
 Date: 29 April 2019

For P.C. Bhatia & Co.
 Chartered Accountants
 Firm Registration No.: 003833/N

K.C. Gupta
 Partner
 Membership No.: 085336

Place: New Delhi
 Date: 29 April 2019

For and on behalf of Board of Directors of
 Globe Capital Market Limited

Yashpal Meeniratta
 Managing Director
 DIN: 00004185

Dhruv Jainwal
 Company Secretary

Place: New Delhi
 Date: 29 April 2019

Ashok Kumar Agarwal
 Whole-time Director
 DIN: 000039889

Anil Kumar Singhal
 Chief Financial Officer



Globe Capital Market Limited
 Standalone Statement of Profit and Loss for the year ended 31 March 2019
 (All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from Operations			
(a) Interest income	22	15,753.84	14,339.75
(b) Dividend income		937.95	3,560.39
(c) Fee and commission income	23		
- Brokerage income		10,258.94	11,528.27
- Income from depository and portfolio management services		352.62	325.33
(d) Income from trading in securities		2,868.69	1,903.63
(e) Net gain on fair value change	24	513.27	-
(f) Total revenue from operations		30,685.31	31,637.37
(II) Other income	25	87.84	54.59
(III) Total Income (I + II)		30,773.15	31,711.96
Expenses			
(a) Finance costs	26	8,630.46	6,128.59
(b) Net loss on fair value change	24	34.58	1,905.50
(c) Impairment on financial instruments	27	356.45	235.08
(d) Employee benefit expenses	28	4,706.68	4,923.91
(e) Depreciation, amortization and impairment	11	67.00	61.56
(f) Other expenses	29	1,752.44	7,578.52
(IV) Total expenses		21,547.61	30,833.16
(V) Profit before tax (III-IV)		9,225.54	10,878.80
(VI) Tax expense			
(a) Current income-tax		2,371.92	3,219.30
(b) Deferred tax charge/ (credit)		487.67	(94.85)
Total tax expenses		2,859.59	3,124.45
(VII) Profit after tax for the year (V-VI)		6,365.95	7,754.35
(VIII) Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
(i) Remeasurement of net defined benefit liability		18.20	(62.54)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(6.36)	21.85
(b) Items that will be reclassified to profit or loss		-	-
Other comprehensive income/(loss)		11.84	(40.69)
(IX) Total comprehensive income for the year (VII+VIII)		6,377.79	7,713.66
(X) Earnings per share (par value Rs. 10 per share)			
Basic and diluted earnings per share (Rs.)		24.25	28.02

Significant accounting policies and notes to the financial statements

2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For BSR & Co. LLP
 Chartered Accountants
 Firm Registration No.: 1012439/W-10002

Jiten Chopra
 Partner
 Membership No.: 092894

For P.C. Bindal & Co.
 Chartered Accountants
 Firm Registration No.: 0038244

K. C. Gupta
 Partner
 Membership No.: 0086538

For and on behalf of Board of Directors of
 Globe Capital Market Limited

Yashpal Mendiratta
 Managing Director
 DIN: 00004185

Dhiraj Jaiswal
 Company Secretary

Ashok Kumar Agarwal
 Whole-time Director
 DIN: 00003988

Amit Kumar Singhal
 Chief Financial Officer

Place: Gurugram
 Date: 29 April 2019

Place: New Delhi
 Date: 29 April 2019

Place: New Delhi
 Date: 29 April 2019



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

a. Related party where control exist irrespective whether transaction occurred or not.

<i>Subsidiary companies</i>	<i>Percentage of share holding</i>	<i>Principal place of Business/ Country of Incorporation</i>
(i) Globe Commodities Limited	100	India
(ii) Globe Fincap Limited	100	India
(iii) Globe Derivatives and Securities Limited	100	India
(iv) Globe Capital (IFSC) Limited (w.e.f. 9 December 2016)	100	India
<i>Step-down subsidiary</i>		
(v) Globe Comex International DMCC (Dubai U.A.E)	N.A	Dubai,U.A.E

b. Other related parties where transaction have occurred during the year.

Key Managerial Personnel

Managing Director

(i) Yashpal Mendiratta

Whole Time Director

(ii) Ashok Kumar Agarwal

Independent Directors

(i) Alok Kumar Bansal

(ii) Sunil Kumar Jain

(iii) Rajiv Kalra (upto 6 September 2018)

(iv) Arun Kumar Gupta

Relatives of KMP

(i) Alka Mendiratta

Spouse of Mr. Yashpal Mendiratta

(ii) Alka Agarwal

Spouse of Mr. Ashok Kumar Agarwal

(iii) Arpit Agarwal

Son of Mr. Ashok Kumar Agarwal

(iv) Ankit Agarwal

Son of Mr. Ashok Kumar Agarwal

(v) Sahil Mendiratta

Son of Mr. Yashpal Mendiratta

(vi) Nidhi Agarwal

Daughter of Mr. Yashpal Mendiratta

Enterprise in which KMP or their relatives have influence

(i) A to Z Venture Capital limited

(ii) M. Agarwal Stock Brokers Private Limited

(iii) Bolt Synthethic Private Limited

(iv) A.M. Share Brokers Private Limited

(v) Globe Capital Foundation

(vi) Rolex Finvest Private Limited #

(vii) A to Z Consultants Private Limited #

(viii) Lakshya Impex Private Limited #

(ix) Yashpal Mendiratta (HUF) #

(x) Ashok Kumar Agarwal (HUF) #

The above parties are also the shareholders of the company.



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Transactions with related parties:-

Disclosure of the transactions between the Company and its related parties including the status of outstanding balance as on 31 March 2019 and as on 31 March 2018 is set out as under

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Brokerage earned		
Globe Commodities Limited	0.22	0.01
Globe Fincap Limited	0.18	0.33
Globe Derivatives and Securities Limited	149.41	51.96
Others	0.03	0.13
Income from depository services		
Globe Commodities Limited	7.47	2.53
Globe Fincap Limited	0.68	4.14
Globe Derivatives and Securities Limited	0.29	0.13
Others	0.26	0.21
Income from portfolio management services		
Globe Derivatives and Securities Limited	3.93	4.79
Ankit Agarwal	0.53	1.04
Arpit Agarwal	0.15	0.01
M.Agarwal Stock Brokers Private Limited	7.15	5.67
Interest income on loan		
Globe Fincap Limited	705.03	27.10
Globe Commodities Limited	10.72	-
Interest income on compound financial instrument		
Globe Fincap Limited	617.77	551.58
Globe Derivatives and Securities Limited	615.13	549.22
Corporate guarantee commission		
Globe Fincap Limited	48.91	19.77
Globe Commodities Limited	3.50	3.50
Reimbursement of expenses		
Globe Commodities Limited	-	3.04
Globe Derivatives and Securities Limited	-	0.63
Globe Fincap Limited	1.23	0.97
Globe Capital (IFSC) Limited	28.10	2.69
Others	-	0.21
Loan given		
Globe Fincap Limited	152,430	11,292.50
Loan repaid		
Globe Fincap Limited	139,580	11,292.50
Guarantee given during the year		
Globe Fincap Limited	1,200.00	4,000.00
Short-term employee benefits		
Ashok Kumar Agarwal	372.47	609.28
Yashpal Mendiratta	372.47	609.28



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Rent		
Alka Agarwal	1.50	1.50
Alka Mendiratta	1.50	1.50
A2Z Venture Capital Limited	8.76	8.76
A2Z Consultants Private Limited	5.88	5.88
Lakshya Impex Private Limited	8.66	8.66
Ashok Kumar Agarwal (HUF)	7.46	7.46
Yashpal Mendiratta (HUF)	7.46	7.46
Contribution towards corporate social responsibility		
Globe Capital Foundation (Trust)	219.20	186.30
Investment in equity shares		
Globe Capital (IFSC) Limited	2,000.00	-
Sitting fee		
Alok Kumar Bansal	2.85	1.55
Sushil Kumar Jain	2.85	1.90
Arun Kumar Gupta	2.35	1.90

Net outstanding balance of related parties

Particulars	As at 31 March 2019	As at 31 March 2018
Advance/ margin received from related parties		
Globe Commodities Limited	184.04	1,066.42
Globe Derivatives and Securities Limited	2,464.49	-
M. Agarwal Stock Brokers Private Limited	74.90	0.01
A to Z Venture Capital Limited	0.01	-
Loan recoverable		
Globe Fincap Limited	12,850.00	-
Amount recoverable (compound financial instrument)		
Globe Fincap Limited	5,765.84	5,148.07
Globe Derivatives and Securities Limited	5,741.23	5,126.10
Advance/ margin recoverable from related parties		
Globe Capital (IFSC) Limited	0.97	-
A to Z Venture Capital Limited	-	0.05
A2Z Finstock Private Limited (Formerly Rolex Finvest Private Limited)	-	0.05
Lakshya Impex Private Limited	4.76	0.02
A M Share Brokers Private Limited	-	0.00
Globe Commodities Limited	-	1.58
Salary, bonus and other payables		
Ashok Kumar Agarwal	208.16	80.54
Yashpal Mendiratta	209.11	80.54

* As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

