FORM C
SECURITIES AND EXCHANGE BOARD OF INDIA
(PORTFOLIO MANAGERS) REGULATIONS, 2020
(Regulation 22)

NJ ASSET MANAGEMENT PRIVATE LIMITED ("Portfolio Manager" or "Company")

CIN: U67100GJ2005PTC046959; **SEBI Registration No**: PM/INP000003518

Registered Office: Block No. 601, 3rd Floor, C Tower, Udhna Udyognagar Sangh Commercial Complex, Central Road No.10, Udhna, Surat – 394210, Gujarat. **Telephone No:** 0261- 4025000

Corporate Office: Unit No. 101A, 1st Floor, Hallmark Business Plaza, Bandra (East), Mumbai – 400051, Maharashtra. **Telephone No**. : 022 - 68940000

E-mail Address: njpms.services@njgroup.in. **Website:** www.njpms.in

We confirm that:

1. The Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;

2. 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 us / investment through the Portfolio Manager.

3. The Disclosure Document has been duly certified by an independent chartered accountant M/s. Shah & Ramaiya Address: 36/227, RDP 10, Sector 6, Charkop, Near Ambe Mata Mandir, Kandivali (West), Mumbai: 400067; Phone no.: 91-22-28085277 bearing registration no. 126489W on April 26, 2023

(Enclosed is a copy of the Chartered Accountants' certificate to the effect that the disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision).

For and on behalf of
NJ Asset Management Private Limited

Sd/-

Rajiv Shastri
Principal Officer
Place: Mumbai
Date: April 27, 2023

NJ ASSET MANAGEMENT PRIVATE LIMITED

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PORTFOLIO MANAGEMENT SERVICES

DISCLOSURE DOCUMENT

[As required under Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020]

1. The Document has been filed with the Board along with the certificate in the specified format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.

2. The purpose of the Document is to provide essential information about the portfolio services in a manner to assist and enable the investors in making informed decisions for engaging a portfolio manager.

3. The Document contains 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.

4. The Disclosure Document shall be provided to the existing client as and when there is a material change in the contents of Disclosure Document and the same shall be available at the Website of the Company at www.njpms.in .

5. The Portfolio Manager shall provide to the client, the Disclosure Document along with the certificate in the specified format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020, prior to entering into an agreement with the client as referred to in sub-regulation (1) of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.

6. *This Disclosure Document is prepared in regard to discontinuation of inflow under Dynamic Stock Allocation Portfolio - Conservative and Dynamic ETF Allocation Portfolio - Conservative with effect from May 1, 2023*
   The name, phone number, e-mail address of the Principal Officer designated by the Portfolio Manager is as follows:

Name of Principal Officer	: Mr. Rajiv Shastri
Contact Address	: Unit No. 101A, 1st Floor, Hallmark Business Plaza, Bandra (East), Mumbai - 400051, Maharashtra
E-mail address	: rajiv@njgroup.in
Telephone No	: 022- 68940000

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1. DISCLAIMER CLAUSE:

This Disclosure Document has been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended from time to time and filed with SEBI. 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:

The language and terminology used in the Disclosure Document shall have reference to the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020. The new terms used in this Disclosure Document are defined hereunder:

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

2. "**Applicable Law**" shall mean the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 and all (other) applicable laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments or other requirements of the Government of India or any State of the Union of India or any department thereof, any semi-governmental or judicial or quasi judicial Person in India or any Person (whether autonomous or not) who is charged with the administration of an Indian law.

3. "**Application**" means the application made by the Client to the Portfolio Manager to place its funds and/or securities with the Portfolio Manager for Portfolio Management Services. Upon execution of the Agreement by the Portfolio Manager, the Application shall be deemed to form an integral part of the Agreement. Provided that in case of any conflict between the contents of the Application and the provisions of the Agreement, the provisions of the Agreement shall prevail.

4. "**Assets**" means (i) the Portfolio and/or (ii) the Funds.

5. "**Bank Account**" means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in accordance with the agreement entered into with the Client.

6. **"Board" or "SEBI"** means the Securities and Exchange Board of India.

7. **"Cash Account"** means the account in which the funds handed over by the client shall be held by the Portfolio Manager on behalf of the Client.

8. **"Client"** or **"Investor"** means any body corporate, partnership firm, individual, HUF, association of person, body of individuals, trust, or any other person who is a Qualified Client as defined under the PMS Agreement and who enters into agreement with the Portfolio Manager for the management of his portfolio.

9. **“Custodian”** means an entity registered as a custodian with SEBI or under any other Applicable Law for the time being in force and appointed as custodian by Portfolio Manager from time to time.

10. “**Depository Account**” means one or more account or accounts opened, maintained and operated by the Portfolio Manager with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations, 1996 in accordance with the agreement entered into with the Client.

11. **“Disclosure Document”** shall mean this disclosure document for the Portfolio Management Services.

12. **“Discretionary Portfolio Management Services” or “Services”** means the portfolio management services on discretionary basis rendered to the Client by the Portfolio Manager on the terms and conditions contained in PMS Agreement, where-in-under the Portfolio Manager exercises any degree of discretion whilst making decisions in investments or management of Portfolio of the Client.

13. **Non-Discretionary Portfolio Management Services” or “Services”** shall mean service wherein Portfolio Manager shall manage the Assets in accordance with the directions of the Client under oral or written consents/ instructions.

14. “**Financial Year**” means the year starting from April 01 and ending on March 31 of the following year.

15. **“Fund Manager”** means the individual/s appointed by the Portfolio Manager who manages, advises or directs or undertakes on behalf of the Client (whether as a discretionary Portfolio Manager / Non-discretionary portfolio manager or otherwise) the management or administration of a portfolio of securities or the funds of the client, as the case may be.

16. “**Investment Approach**” means a broad outlay of the type of securities and permissible instruments to be invested in by the Portfolio Manager for the Client, taking into account factors specific to the securities offered in the portfolios mentioned in this Disclosure Document.

17. **“PMS Agreement”** shall mean the agreement between the Client and the Portfolio Manager for the purpose of Portfolio Management Services by the Portfolio Manager to that Client and stating therein the terms and conditions on which the Portfolio Manager shall provide such services to that Client**.**

18. **"Portfolio"** means the total holding of all investments, Securities and Cash belonging to the Client and maintained and managed by the Portfolio Manager.

19. “**Principal Officer**” means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager.

20. “**Qualified Client**” means any Person (being over the age of 18 in the case of a natural person) (i) who is a fit and proper person, (ii) complies with know your client (KYC/CKYC) norms stipulated by the Portfolio Manager and SEBI, (iii) has not been convicted of any offence, (iv) has a sound financial standing and credit-worthiness, and (v) is willing to execute necessary documentation as stipulated by the Portfolio Manager and other than any Person, which cannot subscribe to the Investment Approach without being in

breach of any law or requirement of any country or governmental authority in any jurisdiction whether on its own or in conjunction with any other relevant circumstances.

21. **"Regulations"** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 including any modification or amendment thereof.

22. **"Securities"** means securities listed or traded on a recognized stock exchange, Money Market Instruments, units of mutual funds or other securities; and as specified by SEBI from time to time.

23. **"Website"** means and includes the website owned, hosted and managed by the Portfolio Manager.

Words and expressions used and not defined in this Disclosure Document but defined in the Act shall have the meanings respectively assigned to them in the Act. 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 OF THE PORTFOLIO MANAGER:

3.1 History, Present Business and Background of the Portfolio Manager:

- The Portfolio Manager is a Company incorporated under the Companies Act, 1956 on October 21, 2005, having its Registered Office at Block No. 601, 3rd Floor, C Tower Udhna Udyognagar Sangh Commercial Complex, Central Road No.10, Udhna, Surat – 394210, Gujarat and Corporate office at Unit No. 101A, 1st Floor, Hallmark Business Plaza, Bandra (East), Mumbai – 400051, Maharashtra. The Portfolio Manager is a subsidiary of NJ India Invest Private Limited, a Company engaged in mutual fund distribution, stock broking, depository services and distribution of other financial products, having over 96 branch offices across India. The networth of Portfolio Manager (based on the unaudited financial statements)as on December 31 , 2022 is Rs. 82.80 crores, out of which Rs.50 Crores pertains to minimum net worth requirement for NJ Mutual Fund.

- The Portfolio Manager holds a renewed registration certificate from SEBI dated December 24, 2020 to continue to act as a Portfolio Manager under the applicable Regulations vide Registration No. PM/INP000003518 and the same is valid unless it is suspended, cancelled or surrendered with the Board as per Securities and Exchange Board of India (Portfolio Managers) Regulations 2020.

- With reference to the amendment of the objects of the Company for the purpose of acting as asset management company the name of the Company has been changed from "NJ Advisory Services Private Limited" to "NJ Asset Management Private Limited" vide Certificate of Incorporation pursuant to change of name dated July 24, 2020 issued by the Registrar of Companies, Ahmedabad. In pursuance to the said change in main object of the Company the Corporate Identification Number of the Company has been changed from U74990GJ2005PTC046959 to U67100GJ2005PTC046959.

- The holding company of the Portfolio Manager, NJ India Invest Private Limited has obtained the grant of registration of NJ Mutual Fund vide the letter issued by SEBI dated April 30, 2021. Furthermore with the said grant of registration of NJ Mutual Fund, the Portfolio Manager has been granted approval by SEBI to act as the asset management company for the NJ Mutual Fund and accordingly, the present business of the Company has changed. The Company in addition to Portfolio Management Services also renders Asset Management services to NJ Mutual Fund sponsored by NJ India Invest Private Limited.

3.2 Promoters of the Portfolio Manager, Directors and their background:

The following are the Promoters and Directors of the Portfolio Manager:

1. **NJ India Invest Private Limited**

(Promoter and Holding Company)

NJ India Invest Private Limited ("NJII") is the Promoter and Holding Company of the Portfolio Manager registered in the year 2000 under the provisions of the Companies Act, 1956, head-quartered in Surat and is into the various businesses like Mutual Fund Distribution, Stock Broking (Trading Member with NSE and BSE) and Depository Participant with depositories CDSL and NSDL respectively. NJII is one of the largest distributors of mutual funds in the Country with over 96 branches across India. NJII is jointly managed by Mr. Niraj Choksi and Mr. Jigneshkumar Desai as the promoters. NJII is the flagship company of the group and is the holding company for other businesses of the group.

2. **Mr. Niraj Choksi**

(Chairman & Director)

Mr. Niraj Choksi, 51 years, is Promoter and Director of the Portfolio Manager. He holds bachelor's degree in Business Administration from Sardar Patel University, Vidhyanagar and is a CFP Certificant from FPSB, India and has over 26 years of experience in the financial markets.

Mr. Niraj Choksi is a co-founder and promoter of NJ Group of companies, and is currently working in the capacity of Director in the group companies. The NJ Group of companies are engaged in various businesses such as mutual fund distribution, Real Estate distribution, Information & Technology, Training and Education, Loans and Advances, Insurance Broking & Portfolio Management Services (PMS).

3. **Mr. Jigneshkumar Desai**

(Promoter)

Mr. Jigneshkumar Desai aged 51 years has started as a co-founder and promoter of NJ India Invest Private Limited and has been appointed as Jt. Managing Director of NJ India Invest Private Limited since March 30, 2000, the flagship company of the NJ Group.

Mr. Jigneshkumar Desai has over 26 years of strategic management experience in the areas of Securities Market, Financial Products Distribution, Securities Advisory, Financial Planning and Portfolio Management. He has been responsible for creating the NJ Group businesses including Mutual Fund Distribution, Real Estate

Advisory, Information Technology, Training and Education, Insurance Broking and Portfolio Management Services.

4. Mr. Rajiv Shastri

(Director, Chief Executive Officer and Principal Officer)

Mr. Rajiv Shastri aged 52 years, is a qualified Chartered Accountant and also holds a master's degree in Economic Management & Policy from University of Strathclyde, Glasgow. He has over 25 years of experience in roles that encompassed Fixed Income Fund Management. Macro – economic Analysis, Quantitative Investments and Business Strategy. He was part of the start-up team at HDFC Mutual Fund and headed Fixed Income Investments there. Later, he was responsible for business strategy and driving growth at Lotus Mutual Fund. In his last engagement with the MF industry he was ED & CEO of Essel Mutual Fund. He was Professor of Practice at the National institute of Securities Market and a columnist with ETPrime, Money Control and Business Standard.

5. Gen. Bikram Singh (retd.)

(Independent Director)

Gen. Bikram Singh (retd) aged 70 years by qualification is MSC (Defence Studies), Madras University, 1986, M Phil (Defence & Management Studies), Devi Ahilya Vishwavidhyalaya, 1997 and Masters in Strategic Studies, US Army War College, 2004.

Gen. Bikram Singh is Retired General of the Indian Army. Currently he is serving as an Independent Director on the Board of Apollo Tyres Ltd. As Chief of the Army he oversaw the financial planning and judicious utilisation of annual budgetary allocations to the Indian Army. He also writes columns in various newspapers on subjects of Strategic management, Leadership etc.

6. Mr. Imtiyazahmed Bashirahmed Peerzada

(Independent Director)

Mr. Imtiyazahmed Bashirahmed Peerzada aged 71 years, by qualification has completed Bachelor of Science (Hons.), Gujarat University, Ahmedabad, Bachelor of Laws (LL.B), Gujarat University, Ahmedabad and Certificate course on Planning and Management of Rural Development (PAMORD), University of Birmingham, UK. He is a former officer of Indian Administrative Services (IAS) having experience of over 30 years of successfully handling administrative, financial and development activities of various government departments.

3.3. Top ten Group companies/ firms of the Portfolio Manager on turnover basis: (as per the audited financial statements as on March 31, 2022)

Sr No.	Name of the Group Companies/Firms
1.	NJ India Invest Private Limited (Parent Company)
2.	NJ Insurance Brokers Private Limited
3.	Finlogic Technologies India Private Limited
4.	NJ Capital Private Limited
5	Valuable Eventures LLP
6.	NJ Realty Services Private Limited
7.	Refresh Wellness Private Limited
8.	NJ Global Invest Limited- Mauritius
9.	NJ Global Asset Management Limited- Mauritius
10.	NJ Trustee Private Limited

3.4. Details of the services being offered:

- **DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES**

Under these services, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager. The Portfolio Manager may at times and at its own discretion, consider the views of the Client pertaining to the investment / disinvestment decisions of the Portfolio. The Portfolio Manager shall have the sole and absolute discretion to invest in respect of the Client's account in any type of security as per the PMS Agreement and make such changes in the investments and invest some or all of the Client's account Funds/Corpus in such manner and in such markets as it deems fit, subject to the investment objectives and other restrictions laid down in the client-member agreement and / or in this Disclosure Document. The Client may give informal guidance to customize in relation to the Portfolio; however, the final decision rests with the Portfolio Manager. The securities invested / disinvested by the Portfolio Manager for Clients may differ from one Client to another Client even if they have the similar investment objectives and invested in similar approaches. The portfolio of each Client shall be managed individually and independently in accordance with the needs of each Client, however, the portfolio of the Client with similar needs and investing in similar approaches may look identical.

The Portfolio Managers' decision (taken in good faith) in deployment of the Clients' account is absolute and final and cannot be called in question or be open to review at any time during the currency of the PMS Agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant laws, including any Acts, Rules, and Regulations, guidelines and notifications in force from time to time.

Under these services, the Clients may authorize the Portfolio Manager to invest their Funds in specific financial instruments or a mix of specific financial instruments or restrict the Portfolio Manager from investing in specific financial instruments or securities; however, within the given framework the Portfolio Manager shall have absolute discretion in taking investment decisions for the Client. Periodical statements in respect of Client's Portfolio shall be sent to the respective Clients in accordance with the Regulations.

- **NON DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES**

Under these services the Client appoints the Portfolio Manager to provide Non-Discretionary Portfolio management and administrative services for the funds / securities put in by the Client in accordance with the provisions of this Agreement. The Portfolio Manager accepts such appointment and agrees to provide the services herein set forth, on the terms and conditions herein mentioned. The Portfolio Manager shall be responsible for rendering such services in accordance with the Act, Rules, Regulation, and Guidelines issued under the Act and any other Laws, Regulations, Rules, and Guidelines etc as may be applicable from time to time. The investments will be with the client's oral and / or written consents and Client will be wholly responsible for the decisions on the investments.

The Portfolio Manager will provide Non-Discretionary Portfolio Management Services which shall be in the nature of investment management, and may include the responsibility of managing, renewing and reshuffling the portfolio, buying and selling the securities with the client's oral and/or written consent. Additionally the Portfolio Manager will keep the safe custody of the securities and monitor book closures, dividend, bonus, rights etc. and any other benefits that accrue to the Client's Portfolio, for an agreed fee structure and for a definite period as described in the Products from time to time, entirely at the Client's risk.

The Portfolio Manager shall be acting in a fiduciary capacity, both, as an agent as well as a trustee, with regard to the Client's assets and accretions thereto. Account consisting of investments, accruals and monetary and non-monetary corporate action & benefits, if any.

- **INVESTMENT ADVISORY SERVICES**

The Portfolio Manager may provide Portfolio Advisory Services, in terms of the Regulations, which shall be in the nature of investment advisory and shall include the responsibility of advising on the portfolio investment approach and investment and divestment of individual securities on the client's portfolio, for an agreed fee structure, however the administration of the portfolio shall not be done by the Portfolio Manager.

3.5. Option of Direct On-Boarding of Clients:

The Portfolio Manager offers the option of direct on-boarding to clients under the Discretionary Services / Non-discretionary Services. At the time of on-boarding of clients directly, no charges except statutory charges shall be levied for the on-boarding. The Client may download the Application Form from the website of the Portfolio Manager at www.njpms.in for availing the Portfolio Management Services and submit the same with required details and documents for direct on-boarding at the office of the Portfolio Manager.

The Client can also make investment through a distributor. Accordingly, the distributor commission shall be borne by the Client, which shall be in the range of 50% to 80% of the management fees charged to the client. Actual commission paid to the distributor shall be provided in the Client report on quarterly basis.

3.6. Minimum Corpus:

The Client shall deposit with the Portfolio Manager, an initial corpus consisting of Securities and / or funds of an amount prescribed by Portfolio Manager for a Portfolio, subject to minimum corpus amount as specified under Regulations (presently Rs. 50 Lakh), as amended from time to time and will be subjected to the conditions specified in the PMS Agreement executed. The minimum corpus amount per Client shall be applicable for new Clients and fresh investments by existing Clients. The existing investments of Clients, as on the date of notification of the Regulations, i.e., January 16, 2020 may continue as such till maturity of the investment or as specified by the Board.

4. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTION OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR INITIATED BY ANY REGULATORY AUTHORITY AGAINST THE PORTFOLIO MANAGER.

i. All cases of penalties imposed by the Board or the directions issued by the Board under the Act or rules or regulations made thereunder:- *There has been no instance of penalties imposed by the Board nor any directions issued by the Board under the Act or Rules or Regulations made there under, against the Portfolio Manager.*

ii. The nature of the penalty/direction:- *Not Applicable*

iii. Penalties/fines imposed for any economic offence and/ or for violation of any securities law:- *There has been no instance of penalties imposed for any economic offences and/ or violation of any securities law on the Portfolio Manager.*

iv. Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any:- *There are no pending material litigation/legal proceedings against the Portfolio Manager / key personnel.*

v. Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency:- *There is no deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency.*

vi. 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 thereunder:- *There has been no instance of 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 BY THE PORTFOLIO MANAGER:

5.1. DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES:

The following Investment Approaches are offered by the Portfolio Manager under discretionary services. The investment objectives and policies including the types of securities in which the Portfolio Manager generally invests are concisely stated as follows:

I. BLUECHIP PORTFOLIO :

Objective: The Portfolio objective is to generate capital appreciation in the long term by investing in equity and equity related instruments.

Strategy: Equity

Description of types of securities: The Portfolio Manager predominantly invest in equity and equity related securities.

Portfolio Manager seeks to invest securities as detailed below:

1. Equity and equity related instruments
2. Debt oriented mutual funds, liquid funds and arbitrage Funds

Basis of selection of securities:

1. Rule based stock selection;
2. Focus on companies with superior quality and momentum factors;
3. Concentrated portfolio

Allocation of the Portfolio:

Particulars	Allocation
Equity and Equity related securities	80% to 100%
Cash, debt oriented mutual funds, liquid funds and arbitrage funds	0% to 20%

In case of deviation in the above provided asset allocation, same shall be rebalanced within 30 days.

Risk Associated: Under this investment approach investments are made in companies with superior quality factors. Valuations of these companies are likely to be high. When such companies face some structural issue their stock prices are likely to fall considerably which may impact the investment approach performance negatively. Further, the investment approach may under-perform in short periods when markets are in very buoyant conditions.

For detailed risk factors please refer to the section on "Risk Factors".

Appropriateness of the Benchmark: The performance would be benchmarked against Nifty 50 TRI. The composition of the benchmark is such that it is most suited for comparing performance of the portfolio. The Portfolio Manager reserves the right to change the benchmark in future if other benchmark is better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Long term

It will be the endeavour of the Portfolio Manager to follow the norms listed above. However, the Portfolio Manager retains the right to deviate from these norms from time to time at its sole discretion.

Clients are not being offered any guaranteed or assured returns.

II. MULTICAP PORTFOLIO:

Objective: The Portfolio aims to deliver capital appreciation in long term from a diversified portfolio that predominantly invests in equity and equity related instruments across various market capitalization.

Strategy: Equity

Description of types of securities: Portfolio Manager seeks to invest in following securities as detailed below:

1. Equity and equity related securities
2. Debt oriented mutual funds, liquid funds and arbitrage funds

Basis of selection of securities:

1. Rule based stock selection;
2. Focus on companies with superior momentum factors;
3. Concentrated portfolio
4. Flexible allocation to invest across market capitalisation

Allocation of the Portfolio:

Particulars	Allocation
Equity and Equity related securities	80% to 100%
Cash, Debt oriented mutual funds, liquid funds and arbitrage funds	0% to 20%

In case of deviation in the above provided asset allocation, same shall be rebalanced within 30 days.

Risk Associated: Under this investment approach investments are made in the companies which are considered as momentum stocks. These type stocks perform generally with higher volatility. Further, in short term these stocks may under-perform considerably against the benchmark. Portfolio Turnover is generally high in this approach.

For detailed risk factors please refer to the section on "Risk Factors".

Appropriateness of the Benchmark:

The performance would be benchmarked against Nifty 50 TRI. The composition of the benchmark is such that it is most suited for comparing performance of the Portfolio. The Portfolio Manager reserves the right to change the benchmark in future if other benchmark is better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Long term

It will be the endeavour of the Portfolio Manager to follow the norms listed above. However, the Portfolio Manager retains the right to deviate from these norms from time to time at its sole discretion.

Clients are not being offered any guaranteed or assured returns.

III. FREEDOM ETF PORTFOLIO :

Objective: The main objective of the portfolio investment approach is to generate capital appreciation in the long term through investments in equity oriented exchange traded funds (ETFs), index funds, fund of funds and equity schemes which have underlying as Indian indices, foreign indices and foreign stocks.

Strategy: Equity

Description of types of securities:

1. Equity oriented Exchange Traded Fund tracking Indian or Foreign indices
2. Equity oriented index funds tracking Indian or Foreign indices
3. Equity oriented fund of funds (FoFs) investing in Indian or Foreign indices
4. Equity oriented funds investing in foreign securities
5. Debt oriented mutual funds, liquid funds and arbitrage Funds

Basis of selection of Securities:

1. Rule based ETF / Index Fund / FoF / Equity scheme(investing in foreign securities) allocation
2. Rule based ETF / Index Fund/ FoF / Equity scheme (investing in foreign securities) selection

Allocation of the Portfolio:

Particulars	Allocation

Equity Oriented Exchange Traded Fund / Index Fund / FoFs / Fund investing in foreign securities	80% to 100%
Cash, Debt oriented mutual funds, liquid funds and Arbitrage Funds	0% to 20%

In case of deviation in the above provided asset allocation, same shall be rebalanced within 30 days.

Risk Associated:. ETFs / Index Funds / FoFs investing in Indian or Foreign indices are likely to generate returns similar to underlying index. Equity Funds investing in foreign securities endeavour to outperform their respective benchmarks. In case of ETFs / Index Funds / Fund of Funds, there may be higher tracking error, which may lead to lower return compared to the respective underlying index. Funds investing in foreign securities may underperform to their benchmarks. Sometimes, liquidity is lower which may have some impact on portfolio returns. For ETFs / Index Funds / FoFs having foreign index as an underlying / Equity Funds investing in foreign stocks have currency risk also.

For detailed risk factors please refer to the section on "Risk Factors".

Appropriateness of the Benchmark: The performance would be benchmarked against Nifty 50 TRI. The composition of the benchmark is such that it is most suited for comparing performance of the Portfolio. The Portfolio Manager reserves the right to change the benchmark in future if other benchmark is better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Long term

It will be the endeavour of the Portfolio Manager to follow the norms. However, the Portfolio Manager retains the right to deviate from these norms from time to time at its sole discretion.

Clients are not being offered any guaranteed or assured returns.

IV. FREEDOM PORTFOLIO :

Objective: The main objective of the portfolio approach is to generate capital appreciation in the long term through investments in equity oriented mutual fund schemes.

Strategy: Equity

Description of types of securities:

1. Equity oriented mutual fund scheme
2. Debt oriented mutual funds, liquid funds and Arbitrage Funds

Basis of selection of securities:

1. Rule based mutual fund selection: Concentrated Portfolio

2. The balance idle cash will be invested either in debt oriented mutual funds, liquid funds and arbitrage funds

Allocation of the Portfolio:

Particulars	Allocation
Equity Oriented Mutual Fund Scheme	80% to 100%
Cash, debt oriented mutual funds, liquid funds and arbitrage Funds	0% to 20%

In case of deviation in the above provided asset allocation, same shall be rebalanced within 30 days.

Risk Associated: Under this investment approach investments are made in equity oriented mutual fund schemes. At times, equity- oriented schemes may under-perform their respective benchmarks and at times the portfolio can have higher volatility.

For detailed risk factors please refer to the section on "Risk Factors".

Appropriateness of the Benchmark:

The performance would be benchmarked against Nifty 50 TRI. The composition of the benchmark is such that it is most suited for comparing performance of the Portfolio. The Portfolio Manager reserves the right to change the benchmark in future if other benchmark is better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Long term

It will be the endeavour of the Portfolio Manager to follow the norms listed above. However the Portfolio Manager retains the right to deviate from these norms from time to time at its sole discretion.

Clients are not being offered any guaranteed or assured returns.

V. DYNAMIC STOCK ALLOCATION PORTFOLIO – AGGRESSIVE- :

Objective: The investment objective is to provide capital appreciation in medium to long term with lower volatility through a dynamically managed portfolio of equity and debt securities.

Strategy: Hybrid

Description of types of securities: This approach shall invest in following securities:

1. Equity and equity related securities
2. Debt oriented mutual funds, Debt ETFs, Liquid funds and Arbitrage funds

Basis of selection of securities:

1. Rule based asset allocation based on in-house proprietary model on the basis of valuations of equity market, interest rate and other factors;
2. Rule based stock selection;
3. Concentrated portfolio
4. On an equity side, focus on companies with superior quality and momentum factors;
5. On debt side, selection of the securities are based on lower credit risk and lower volatility

Allocation of the Portfolio:

Particulars	Allocation
Equity and equity related securities	0% to 100%
Cash, debt oriented mutual fund schemes, debt ETFs, liquid funds and arbitrage funds	0% to 100%

In case of deviation in the above provided asset allocation, same shall be rebalanced within 30 days.

Risk Associated:

i. Asset Allocation

Asset allocation between debt and equity asset classes is done to generate risk adjusted returns. There are chances that asset allocation may not help to generate appropriate risk adjusted returns.

ii. Equity Investments

Under this investment approach investments are made in companies with superior quality factors. Valuations of these companies are likely to be high. When such companies face some structural issue their stock prices are likely to fall considerably which may impact the investment approach performance negatively. Further, the equity portfolio may under-perform in short periods when markets are in very buoyant conditions.

iii. Debt oriented mutual fund schemes, debt ETFs, liquid funds & arbitrage funds

Investment is done in debt oriented mutual fund schemes, liquid funds and arbitrage funds. Such investment may carry risk of lower returns along with credit risk, interest rate risk and default risk.

For detailed risk factors please refer to the section on “Risk Factors”.

Appropriateness of the Benchmark: The performance would be benchmarked against NIFTY 50 Hybrid Composite Debt 50:50 Index. The composition of the benchmark is such that it is most suited for comparing performance of the Portfolio. The Portfolio Manager reserves the right to change the benchmark in future if other benchmark is better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Medium to long term

It will be the endeavour of the portfolio manager to follow the norms listed above. However, the portfolio Manager retains the right to deviate from these norms from time to time as its sole discretion.

Clients are not being offered any guaranteed or assured return.

VI. DYNAMIC ETF ALLOCATION PORTFOLIO – AGGRESSIVE :

Objective: The investment objective is to provide capital appreciation in medium to long term with relatively lower volatility through a dynamically managed portfolio of equity and debt securities.

Strategy: Hybrid

Description of types of securities: This approach shall invest in following securities:

1. Equity oriented exchange traded funds
2. Debt oriented mutual funds schemes, Debt Exchange Traded Funds, Liquid funds and Arbitrage funds

Basis of selection of securities:

1. Rule based asset allocation based on in-house proprietary model on the basis of valuations of equity market, interest rate and other factors.
2. Rule based ETF allocation and selection
3. Concentrated portfolio
4. On debt side, selection of the securities are based on lower credit risk and lower volatility

Allocation of the Portfolio:

Particulars	Allocation
Equity oriented exchange traded funds	0% to 100%
Cash, debt oriented mutual fund schemes, Debt ETFs, liquid funds and arbitrage funds	0% to 100%

In case of deviation in the above provided asset allocation, the same shall be rebalanced within 30 days.

Risk Associated:

i. Asset Allocation

Asset allocation between debt and equity asset classes is done to generate risk adjusted returns. There are chances that asset allocation may not help to generate appropriate risk adjusted returns.

ii. Equity oriented exchanged traded funds

ETFs are likely to generate returns equal to the underlying index. Sometimes, there may be higher tracking error, which may lead to lower return compare to the respective underlying index. Liquidity may be lower in ETFs which may have some impact on portfolio returns.

iii. Debt oriented mutual fund schemes, liquid funds, debt Exchange Traded Funds (ETF) & arbitrage funds

Investment is done in debt oriented mutual fund schemes, liquid funds and arbitrage funds. Such investment may carry risk of lower returns along with credit risk, interest rate risk and default risk. Liquidity may be lower in ETFs which may have some impact on portfolio returns.

For detailed risk factors please refer to the section on “Risk Factors”.

Appropriateness of the Benchmark:

This approach performance would be benchmarked against NIFTY 50 Hybrid Composite Debt 50:50 Index. . The composition of the benchmark is such that it is most suited for comparing performance of the Investment Approach. The Portfolio Manager reserves the right to change the benchmark in future if a benchmark better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Medium to long term

It will be the endeavour of the portfolio manager to follow the norms listed above. However, the portfolio Manager retains the right to deviate from these norms from time to time as its sole discretion.

Clients are not being offered any guaranteed or assured returns.

VII. DYNAMIC ASSET ALLOCATION PORTFOLIO – AGGRESSIVE- :

Objective: The main objective of the portfolio approach is to generate capital appreciation in the long term through investments in Equity oriented and Hybrid mutual fund schemes.

Strategy: Hybrid

Description of types of securities:

1. Equity oriented and Hybrid Mutual Fund Schemes
2. Debt oriented mutual funds schemes, Debt ETFs, Liquid funds and Arbitrage funds

Basis of selection of securities:

1. Rule based Equity oriented and Hybrid mutual fund scheme selection: Concentrated Portfolio
2. The balance idle cash will be invested either in debt oriented mutual funds, Debt ETFs, liquid funds and arbitrage funds

Allocation of the portfolio:

Particulars	Allocation
Equity Oriented and Hybrid mutual fund schemes	0% to 100%
Cash, debt oriented mutual fund schemes, Debt ETFs, liquid funds and arbitrage funds	0% to 100%

In case of deviation in the above provided asset allocation, the same shall be rebalanced within 30 days.

Risk Associated:

i. Asset Allocation:

Asset allocation between debt and equity is done to generate risk adjusted returns. There are chances that asset allocation may not help to generate appropriate risk adjusted return

ii. Equity Oriented and Hybrid mutual fund schemes:

Under this investment approach investments are made in Equity oriented and Hybrid mutual fund schemes. At times, equity oriented and hybrid mutual fund schemes may under-perform their respective benchmark and at times the portfolio can have higher volatility.

iii. Debt oriented mutual fund schemes, liquid funds, Debt ETFs & arbitrage funds:

Investment is done in debt oriented mutual fund schemes, liquid funds and arbitrage funds. Such investment may carry risk of lower returns along with credit risk, interest rate risk and default risk. Liquidity may be lower in ETFs which may have some impact on portfolio returns.

For detailed risk factors, please refer to the section on 'Risk Factors'

Appropriateness of the Benchmark:

This approach performance would be benchmarked against Nifty 50 Hybrid Composite Debt 50:50 Index. The composition of the benchmark is such that it is most suited for comparing performance of the Investment Approach. The Portfolio Manager reserves the right to change the benchmark in future if a benchmark better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Medium to long term

It will be the endeavour of the portfolio manager to follow the norms listed above. However, the portfolio Manager retains the right to deviate from these norms from time to time as its sole discretion.

Clients are not being offered any guaranteed or assured returns.

VIII. DYNAMIC STOCK ALLOCATION PORTFOLIO – CONSERVATIVE:

This Investment Approach shall be discontinued for inflow with effect from May 1, 2023

Objective: The investment objective is to provide capital appreciation in medium term with relatively lower volatility through a dynamically managed portfolio of equity and debt securities.

Strategy: Hybrid

Description of types of securities: This approach shall invest in following securities:

1. Equity and equity related securities
2. Debt oriented mutual funds schemes, Debt Exchange Traded Funds, s, Liquid funds and Arbitrage funds

Basis of selection of securities:

1. Rule based asset allocation based on in-house proprietary model on the basis of valuations of equity market, interest rate and other factors;
2. Rule based stock selection;
3. Concentrated portfolio;
4. On equity side, focus on companies with superior quality and momentum factors;
5. On debt side, selection of the securities are based on lower credit risk and lower volatility

Allocation of the Portfolio:

Particulars	Allocation
Equity and equity related securities	0% to 30%
Cash, debt oriented mutual fund schemes, debt Exchange Traded Funds, , liquid funds and arbitrage funds	70% to 100%

In case of deviation in the above provided asset allocation, the same shall be rebalanced within 30 days.

Risk Associated:

i. Asset Allocation

Asset allocation between debt and equity asset classes is done to generate risk adjusted returns. There are chances that asset allocation may not help to generate appropriate risk adjusted returns.

ii. Equity Investments

Under this investment approach investments are made in companies with superior quality factors. Valuations of these companies are likely to be high. When such companies face some structural issue their stock prices are likely to fall considerably which may impact the investment approach performance negatively. Further, the equity portfolio may under-perform in short periods when markets are in very buoyant conditions.

iii. Debt oriented mutual fund schemes, debt ETFs, liquid funds & arbitrage funds

Investment is done in debt oriented mutual fund schemes, liquid funds and arbitrage funds. Such investment may carry risk of lower returns along with credit risk, interest rate risk and default risk.

For detailed risk factors please refer to the section on "Risk Factors".

Appropriateness of the Benchmark: The performance would be benchmarked against NIFTY 50 Hybrid Composite Debt 50:50 Index. The composition of the benchmark is such that it is most suited for comparing performance of the Portfolio. The Portfolio Manager reserves the right to change the benchmark in future if other benchmark is better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Medium term

It will be the endeavour of the portfolio manager to follow the norms listed above. However, the portfolio Manager retains the right to deviate from these norms from time to time as its sole discretion.

Clients are not being offered any guaranteed or assured return.

IX. DYNAMIC ETF ALLOCATION PORTFOLIO – CONSERVATIVE :

This Investment Approach shall be discontinued for inflow with effect from May 1, 2023

Objective: The investment objective is to provide capital appreciation in medium term with relatively lower volatility through a dynamically managed portfolio of equity and debt securities.

Strategy: Hybrid

Description of types of securities: This approach shall invest in following securities:

1. Equity oriented exchange traded funds
2. Debt oriented mutual funds schemes, Debt Exchange Traded Funds, Liquid funds and Arbitrage funds

Basis of selection of securities:

1. Rule based asset allocation based on in-house proprietary model on the basis of valuations of equity market, interest rate and other factors.
2. Rule based ETF allocation and selection
3. Concentrated portfolio
4. On debt side, selection of the securities are based on lower credit risk and lower volatility

Allocation of the Portfolio:

Particulars	Allocation
Equity oriented exchange traded funds	0% to 30%
Cash, debt oriented mutual fund schemes, debt ETFs, liquid funds and arbitrage funds	70% to 100%

In case of deviation in the above provided asset allocation, the same shall be rebalanced within 30 days.

Risk Associated:

i. Asset Allocation

Asset allocation between debt and equity asset classes is done to generate risk adjusted returns. There are chances that asset allocation may not help to generate appropriate risk adjusted returns.

ii. Equity oriented exchanged traded funds

ETFs are likely to generate returns equal to underlying index. Sometimes, there may be higher tracking error, which may lead to lower return compare to the respective underlying index. Liquidity may be lower in ETFs which may have some impact on portfolio returns.

iii. Debt oriented mutual fund schemes, liquid funds, debt ETFs & arbitrage funds

Investment is done in debt oriented mutual fund schemes, liquid funds and arbitrage funds. Such investment may carry risk of lower returns along with credit risk, interest rate risk and default risk. Liquidity may be lower in ETFs which may have some impact on portfolio returns.

For detailed risk factors please refer to the section on "Risk Factors".

Appropriateness of the Benchmark:

This approach performance would be benchmarked against NIFTY 50 Hybrid Composite Debt 50:50 Index. The composition of the benchmark is such that it is most suited for comparing performance of the Investment Approach. The Portfolio Manager reserves the right to change the benchmark in future if a benchmark better suited to the investment objective of the investment approach.

Indicative tenure or investment horizon: Medium term

It will be the endeavour of the portfolio manager to follow the norms listed above. However, the portfolio Manager retains the right to deviate from these normal norms from time to time as its sole discretion.

Clients are not being offered any guaranteed or assured returns.

X. LIQUID PORTFOLIO :

Objective: The main objective of the portfolio approach is to generate a reasonable return commensurate with low risk by investing in appropriate mutual fund schemes.

Strategy: Debt

Description of types of securities:

1. Arbitrage Funds
2. Liquid Funds
3. Money Market Funds

Basis of selection of securities:

1. Schemes are selected based on low credit risk and interest rate risks, consistency of performance, lower exit load, etc.
2. Investments in any mutual fund scheme shall generally not be greater than 45% of the portfolio.
3. Single Asset Management Company exposure will generally be restricted to 70% of the portfolio

Allocation of the Portfolio:

Particulars	Allocation
Arbitrage Funds	0% - 100%
Liquid Funds	0% - 100%
Overnight Funds	0% - 50%

In case of deviation in the above provided asset allocation, same shall be rebalanced within 30 days.

Risk Associated: Under this investment approach investments are made in low maturity debt schemes and Arbitrage Funds. Although investment will be done in low maturity debt schemes or Arbitrage Funds, schemes may have interest rate risk and credit risks. Further, returns can also be very low.

For detailed risk factors please refer to the section on “Risk Factors”.

Appropriateness of the Benchmark:

The performance would be benchmarked against Nifty Medium to Long Duration Debt Index The composition of the benchmark is such that it is most suited for comparing performance of the Portfolio. The Portfolio Manager reserves the right to change the benchmark in future if other benchmark is better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Short Term

It will be the endeavour of the Portfolio Manager to follow the norms listed above. However the Portfolio Manager retains the right to deviate from these norms from time to time at its sole discretion.

Clients are not being offered any guaranteed or assured returns.

XI. BALANCED ADVANTAGE PORTFOLIO-

Objective: The main objective of the portfolio approach is to generate capital appreciation in the long term through investments in Hybrid mutual fund schemes.

Strategy: Hybrid

Description of types of securities:

1. Hybrid Mutual Fund Schemes
2. Debt oriented mutual funds schemes, Debt ETFs, Liquid funds and Arbitrage funds

Basis of selection of securities:

1. Rule based Hybrid mutual fund scheme selection: Concentrated Portfolio
2. The balance idle cash will be invested either in debt oriented mutual funds, Debt ETFs, liquid funds and arbitrage funds

Allocation of the portfolio:

Particulars	Allocation
Balanced Advantage / Dynamic Asset Allocation Fund	80% to 100%
Cash, debt oriented mutual fund schemes, Debt ETFs, liquid funds and arbitrage funds	0% to 20%

In case of deviation in the above provided asset allocation, the same shall be rebalanced within 30 days.

Risk Associated:

i. Asset Allocation:

Asset allocation between debt and equity is done to generate risk adjusted returns. There are chances that asset allocation may not help to generate appropriate risk adjusted return

ii. Hybrid mutual fund schemes:

Under this investment approach investments are made in Hybrid mutual fund schemes. At times hybrid mutual fund schemes may under-perform their respective benchmark and at times the portfolio can have higher volatility.

iii.Debt oriented mutual fund schemes, liquid funds, Debt ETFs & arbitrage funds:

Investment is done in debt oriented mutual fund schemes, liquid funds and arbitrage funds. Such investment may carry risk of lower returns along with credit risk, interest rate risk and default risk. Liquidity may be lower in ETFs which may have some impact on portfolio returns.

For detailed risk factors, please refer to the section on 'Risk Factors'

Appropriateness of the Benchmark:

This approach performance would be benchmarked against Nifty 50 Hybrid Composite Debt 50:50 Index. The composition of the benchmark is such that it is most suited for comparing performance of the Investment Approach. The Portfolio Manager reserves the right to change the benchmark in future if a benchmark better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Medium to long term

It will be the endeavour of the portfolio manager to follow the norms listed above. However, the portfolio Manager retains the right to deviate from these norms from time to time as its sole discretion.

Clients are not being offered any guaranteed or assured returns.

5.2 NON DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES

The following Investment Approaches are offered by the Portfolio Manager under Non- discretionary Portfolio Management services.

I. NON-DISCRETIONARY EQUITY SCHEMES PORTFOLIO

Objective: The main objective of the portfolio approach is to generate capital appreciation in the long term through investments in Equity schemes offered by Mutual Funds.

Strategy: Equity

Description of types of securities: Equity Schemes.

Basis of selection of securities: Rule based scheme selection, however the trade shall be executed at the client discretion.

Allocation of the portfolio:

Particulars	Allocation
Equity Schemes	0% to 100%
Cash	0% to 100%

Risk Associated:

Mutual Fund Equity schemes : Under this investment approach investments shall be in Equity Schemes. At times, Equity Schemes may under-perform their respective benchmark and at times the portfolio can have higher volatility.

For detailed risk factors, please refer to the section on 'Risk Factors'

Appropriateness of the Benchmark:

This approach performance would be benchmarked against NIFTY 50 TRI Index. The composition of the benchmark is such that it is most suited for comparing performance of the Investment Approach. The Portfolio Manager reserves the right to change the benchmark in future if a benchmark better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Long term

It will be the endeavour of the portfolio manager to follow the norms listed above. However, the portfolio Manager retains the right to deviate from these norms from time to time as its sole discretion.

Clients are not being offered any guaranteed or assured returns.

II. NON-DISCRETIONARY HYBRID SCHEMES PORTFOLIO

Objective: The main objective of the portfolio approach is to generate capital appreciation in the long term through investments in Hybrid schemes offered by Mutual Funds.

Strategy: Hybrid

Description of types of securities: Hybrid Schemes

Basis of selection of securities: Rule based scheme selection, however the trade shall be executed at the client discretion

Allocation of the portfolio:

Particulars	Allocation
Hybrid schemes	0% to 100%
Cash	0% to 100%

Risk Associated:

Hybrid schemes : Under this investment approach investments shall be in Hybrid schemes. At times, hybrid schemes may under-perform their respective benchmark and at times the portfolio can have higher volatility.

For detailed risk factors, please refer to the section on 'Risk Factors'

Appropriateness of the Benchmark:

This approach performance would be benchmarked against Nifty 50 Hybrid Composite Debt 50:50 Index. The composition of the benchmark is such that it is most suited for comparing performance of the Investment Approach. The Portfolio Manager reserves the right to change the benchmark in future if a benchmark better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Medium to long term

It will be the endeavour of the portfolio manager to follow the norms listed above. However, the portfolio Manager retains the right to deviate from these norms from time to time as its sole discretion.

Clients are not being offered any guaranteed or assured returns.

III. NON-DISCRETIONARY LOW RISK SCHEMES PORTFOLIO

Objective: The main objective of the portfolio approach is to generate capital appreciation in the long term through investments in Liquid Schemes, Overnight Schemes and Arbitrage Funds offered by Mutual Fund.

Strategy: Debt

Description of types of securities: Liquid Fund, Overnight Fund, and Arbitrage Fund.

Basis of selection of securities: Rule based scheme selection, however the trade shall be executed at the client discretion

Allocation of the portfolio:

Particulars	Allocation
Liquid Schemes, Overnight Schemes and Arbitrage Funds	0% to 100%

Cash	0% to 100%

Risk Associated:

Low Risk Schemes Portfolio Mutual Fund :

Investment shall be in Liquid Schemes, Overnight Schemes and Arbitrage Funds. Such investment may carry risk of lower returns along with credit risk, interest rate risk and default risk etc.,

For detailed risk factors, please refer to the section on 'Risk Factors'

Appropriateness of the Benchmark:

This approach performance would be benchmarked against Nifty Medium to Long Duration Debt Index The composition of the benchmark is such that it is most suited for comparing performance of the Investment Approach. The Portfolio Manager reserves the right to change the benchmark in future if a benchmark better suited to the investment objective of the Investment Approach.

Indicative tenure or investment horizon: Short to Medium Term

It will be the endeavour of the portfolio manager to follow the norms listed above. However, the portfolio Manager retains the right to deviate from these norms from time to time as its sole discretion.

Clients are not being offered any guaranteed or assured returns.

5.3 POLICY FOR INVESTMENTS IN GROUP / ASSOCIATE COMPANIES:

The Portfolio Manager shall have the sole and absolute discretion to invest / divest the Client's Funds in permissible Securities, including the Securities issued by any of the group or associates companies of the Portfolio Manager. The Portfolio Manager may also invest in any financial instruments issued by any of the group companies of the Portfolio Manager and such investments therein shall be subject to the applicable laws/regulations/ guidelines.

However at present the Portfolio Manager is not investing in any of the securities of its group or associates companies.

5.4 DETAILS OF CONFLICTS OF INTEREST RELATED TO SERVICES OFFERED BY GROUP COMPANIES OR ASSOCIATES OF THE PORTFOLIO MANAGER:

The Portfolio Manager may utilize the services of the sponsor, group companies and / or any other subsidiary or associate company of the NJ group, established or to be established at a later date, in case such a company is in a position to provide requisite services to the Portfolio Manager. The Portfolio Manager has obtained services of its holding company NJ India Invest Private Limited in its capacity as a SEBI Registered Stock Broker and Depository Participant to open and maintain trading and demat accounts of its Clients. The brokerage on investment transactions and depository charges, if any, shall be borne by the investors. NJ India Invest Private Limited also distributes the Investment Approaches offered by the Portfolio Manager and accordingly shall earn commission on the same. In addition, the Portfolio Manager utilises the services of its group companies for various services including those in the area of Information Technology, leased office space and resource sharing for HR and Administrative services among others. Further, the Portfolio Manager may invest in the schemes of NJ Mutual Fund in the pertinent Investment Approaches.

The Portfolio Manager will conduct its business with the aforesaid companies (including their employees or relatives) on arm's length basis and at mutually agreed terms and conditions and under all Applicable Laws after evaluation of the competitiveness of the pricing offered and the services to be provided by them. While entering into such transactions, in accordance with obligations under the Regulations, the clients' interests shall always remain paramount. In case of transactions that may be entered into with related parties, the decision on such transactions shall be solely at the discretion of the management of the Portfolio Manager.

5.5 DIVERSIFICATION POLICY.

The Portfolio Manager follows a rule-based approach to investments. In this approach, stocks are eliminated and selected based on rules devised by analysing past data. These rules are intended to result in a well diversified portfolio with caps for individual security weights in Investment Approaches that invest directly in stocks. The Portfolio Manager does not offer any Investment Approach that invests in Debt and Hybrid securities. Please note that the Portfolio Manager does not invest in securities of its related parties or associates as defined in Clause 2 of the Securities and Exchange Board of India Circular SEBI/HO/IMD/IMD-I/DOF1/P/CIR/2022/112 dated August 26, 2022.

5.6 DETAILS OF INVESTMENT IN THE SECURITIES OF ASSOCIATES/RELATED PARTIES:

Investments in the securities of associate / related parties of Portfolio Manager:

SR No	Investment Approach, if any	Name of the associate/ related party	Investment amount (cost of investment) as on last day of the previous calendar quarter (INR in crores)	Value of investment as on last day of the previous calendar quarter (INR in crores)	Percentage of total AUM as on last day of the previous calendar quarter
1	NIL	NIL	NIL	NIL	NIL

6. RISK FACTORS:

1. Securities investments are subject to market and other risks and the Portfolio Manager provides no guarantee or assurance that the objectives set out in the Disclosure Document and/or the PMS Agreement shall be accomplished.

2. Past performances of the Portfolio Manager do not guarantee its future performance.

3. The value of the Portfolio may increase or decrease depending upon various market forces and factors affecting the capital markets. Consequently, the Portfolio Manager provides no assurance of any guaranteed returns on the Portfolio. Investments in the Investment Approaches have pose a risk of loss of capital and the Clients should be aware that they may lose all or any part of their investments.

4. The Portfolio Manager has reasonable experience or track record. However Investment decisions made by the Portfolio Manager may not always be profitable. While the Portfolio Manager shall take all reasonable steps to invest the Funds in a prudent manner, such decisions may not always prove to be profitable or correct. Consequently, the Client shall assume any loss arising from such decisions made by the Portfolio Manager.

5. Investments made by the Portfolio Manager are subject to risks arising from the investment approach, investment objective, and asset allocation.

6. **Equity and Equity Related Risks:** Equity instruments carry both company specific and market risks and hence no assurance of returns can be made for these investments. While the Portfolio Manager shall take all reasonable steps to invest the Funds in a prudent manner in such instruments, such decisions may not always prove to be profitable or correct. Consequently, the Client shall assume any loss arising from such decisions made by the Portfolio Manager.

7. **Exchange Traded Funds related Risks:** Exchange Traded Funds (ETFs) are subject to market volatility and the risks of their underlying securities. These securities underlying the ETFs target a small universe of securities, such as a specific region or market sector, are generally subject to greater market volatility, as well as to the specific risks associated with that sector, region, or other focus. ETFs that use derivatives, leverage, or complex investment strategies are subject to additional risks. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its net asset value (NAV). The degree of liquidity can vary significantly from one ETF to another and losses may be magnified if no liquid market exists for the ETF's shares when attempting to sell them. Each ETF has a unique risk profile, detailed in its prospectus, offering circular, or similar material, which should be considered carefully when making investment decisions.

8. **Macro-Economic risks:** Overall economic slowdown, unanticipated corporate performance, environmental or political problems, changes to monetary or fiscal policies, changes in government policies and regulations with regard to industry and exports may have direct or indirect impact on the investments, and consequently the growth of the Portfolio.

9. **Liquidity Risk:** Liquidity of investments in equity and equity related securities are often restricted by factors such as trading volumes, settlement periods and transfer procedures. If a particular security does not have a market at the time of sale, then the Portfolio may have to bear an impact depending on its exposure to that particular security. While Securities that are listed on a stock exchange generally carry a lower liquidity risk, the ability to sell these investments is limited by overall trading volume on the stock exchange. Money market securities, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of such securities thereby resulting in a loss to the Portfolio until such securities are finally sold.

10. This risk is higher under the Services if the Portfolio Manager proposes to invest a large portion of the Portfolio in unlisted securities. Even upon termination of the Agreement, the Client may receive illiquid securities and finding a buyer for such Securities may be difficult. Further, different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the portfolio are un-invested and no return is earned thereon. The inability of the Portfolio Manager to make intended Securities purchases, due to settlement problems, could cause the Portfolio to miss certain investment opportunities.

11. Acts of State, or sovereign action, acts of nature, acts of war, civil disturbance, lock-downs, policy changes of Local/International markets which affects stock markets are extraneous factors which can impact the Portfolio.

12. The Client stands the risk of total loss of value of an asset which forms part of the Portfolio or its recovery only through an expensive legal process due to various factors which by way of illustration include default or non-performance of a third party, investee company's refusal to register a Security due to legal stay or otherwise, disputes raised by third parties.

13. **Non-Diversification Risk:** This risk arises when the Portfolio is not sufficiently diversified by investing in a wide variety of instruments. As mentioned above, the Portfolio Manager will attempt to maintain a diversified Portfolio in order to minimize this risk.

14. **Mutual Fund Risk:** This risk arises from investing in units of Mutual funds. Risk factors inherent to equities and debt securities are also applicable to investments in mutual fund units. Further, scheme specific risk factors of each such underlying scheme, including performance of their underlying stocks, derivatives instruments, stock lending, off-shore investments etc., will be applicable in the case of investments in mutual fund units. In addition, events like change in fund manager of the scheme, take over, mergers and other changes in status and constitution of mutual funds, foreclosure of schemes or plans, change in government policies could affect performance of the investment in mutual fund units. In case of investments in mutual fund units, the Client shall bear the recurring expenses of the Portfolio Management Services in addition to the expenses of the underlying mutual fund schemes. Hence, the Client may receive lower pre-tax returns compared to what he may receive had he invested directly in the underlying mutual fund schemes in the same proportions.

    Rule Based Investment Risk: Investment shall be made by selecting and weighting securities and its derivatives by using a Rule Based approach. These rules have been identified on the basis of rigorous research of investment principles and tested on past data to ascertain their validity. There is no guarantee that these rules will generate higher returns compared to the benchmark**.**

15. Prospective clients should review / study the Disclosure Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale or conversion into money) of Portfolio and to the treatment of income (if any), capitalisation, capital gains, any distribution, and other tax consequences relevant to their portfolio, acquisition, holding, capitalization, disposal (sale, transfer or conversion into money) of portfolio within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to purchase/gift portfolio of securities are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding portfolio of securities before making an investment.

16. After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be delay in deployment. In such situation the Clients may suffer opportunity loss.

17. Clients will not be permitted to withdraw the funds/Portfolio (unless in accordance with the terms agreed with the Client). In addition, they are not allowed to transfer any of the interests, rights or obligations with regard to the Portfolio except as may be provided in the PMS Agreement and in the Regulations.

18. The Client has perused and understood the disclosures made by the Portfolio Manager in the Disclosure Document.

19. Changes in Applicable Law may impact the performance of the Portfolio.

20. Any of the transactions of purchase and sale of securities by Portfolio Manager and its employees who are directly involved in investment operations are not in conflict of interest with the transactions in any of the Client's Portfolio.

21. The Portfolio Manager has group companies and the policy for availing services of group / associate companies is being adhered. There is no conflict of interest related to the services offered by group companies of the Portfolio Manager.

22. The inability of the Portfolio Manager to make intended securities purchases due to settlement problems could cause the Investment Approaches to miss certain investment opportunities as in certain cases, settlement periods may be extended significantly by unforeseen circumstances. Similarly, the inability to sell securities held in the portfolio may result, at times, in potential losses to the Investment Approaches, should there be a subsequent decline in the value of the securities held in the portfolio of Investment Approaches.

23. The Portfolio Manager may, subject to authorization by the Client in writing, participate in securities lending. There are risks inherent in securities lending, including the risk of failure of the other party. Such failure can result in a possible loss of rights to the collateral, and the possible loss of corporate benefits accruing thereon. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the Offerings / Options.

7. CLIENT REPRESENTATION AND DISCLOSURE OF RELATED PARTIES.

7.1. Client Representation:

Category of Clients	No. of Client	Funds Managed (Rs. in Cr)	No. of Client	Funds Managed (Rs. in Cr)	No. of Client	Funds Managed (Rs. in Cr)	Discretionary / Non-Discretionary (if available)
	Feb **28,2023**		**Feb 28 2022**		**Feb 28 2021**		
Associate/ Group Companies (Last 3 Years)	0	0.00	0	0.00	3	17.29	**Discretionary**
Others (Last 3 Years)	4147	3453.02	3798	3259.82	2797	1949.42	**Discretionary**
Associate/ Group Companies (Last 3 Years)	0	0.00	0	0.00	0	0.00	**Non Discretionary**
Others (Last 3 Years)	0	0.00	0	0.00	0	0.00	**Non Discretionary**
Total	**4147**	**3453.02**	**3798**	**3259.82**	**2800**	**1966.71**	

7.2. Related Parties Disclosure:

Complete disclosure of transactions with related parties for the financial year ended March 31, 2022 (Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below):-

A. **Name of the related parties and description of relationship:**

i. Holding Company:
NJ India Invest Private Limited

ii. Fellow Subsidiaries:
Finlogic Technologies India Private Limited
NJ Trustee Private Limited

iii. Other related entities:
NJ Realty Services Private Limited
Refresh Wellness Pvt. Ltd. (Formerly known as N J Wellness Pvt. Ltd.)

iv. Key Management Personnel (KMP) of the entity or its parent:

- Mr. Niraj Choksi
- Mr. Jigneshkumar Desai
- Mr. Anand Shah
- Mr. Misbah Baxamusa
- Mr. Rajiv Shastri
- Mr. Vineet Nayyar
- Mrs. Punam Upadhyay

v. Other related parties (Close members of the family of KMP of the entity or its parent):

- Urvi Choksi
- Nirali Choksi
- Ravindra Choksi
- Minooben Choksi
- Arundhati Desai
- Sumati Desai
- Raziya Y Baxamusa
- Yousuf Ismailji Baxamusa
- Nirmay Choksi

B. The nature of transactions during the year / Balance as at year end with the above related parties in the ordinary course of business are as follows:

I) Holding Company & Fellow Subsidiaries:

a) Transaction During the year:

	Year ended March 31, 2022(Rs.)	**Year ended March 31, 2021(Rs.)**
i) NJ India Invest Pvt. Ltd. (Holding Company)		
Distributor Commission	44,58,18,100	22,50,04,523
Infrastructure support charges	18,88,000	11,09,200
Software License Fees expense	1,80,745	1,29,939
Assets Purchase	69,828	2,08,966
Management fees income	3,94,207	28,89,883

ii) Finlogic Technologies India Pvt Ltd.		
Management fees income	1,63,208	2,00,572
Software support & maintenance charges	97,55,633	95,08,440-
IT Infra support Charges	3,12,700	-
Payment Intermediary Services	23,681	-

iii) NJ Realty Services Pvt Ltd	Year ended March 31, 2022(Rs.)	Year ended March 31, 2021 (Rs.)
Purchase of Furniture items & other office renovation expense	-	49,04,394
Consulting Charges	-	8,94,172-

iv) NJ Trustee Pvt Ltd	Year ended March 31, 2022(Rs.)	Year ended March 31, 2021 (Rs.)
Infrastructure support income	1,18,000	78,667-

v) Refresh Wellness Pvt Ltd (Formerly known as NJ Wellness Private Limited)	Year ended March 31, 2022(Rs.)	Year ended March 31, 2021 (Rs.)
Purchase of goods	10,517	6,342

* Amount disclosed is inclusive of GST
* The Holding Company does not deduct/levy Demat charges.

b) Balance as at year end

	Year ended March 31, 2022(Rs.)	Year ended March 31, 2021(Rs.)
NJ India Invest Pvt. Ltd. (Trade Payables)	12,35,91,867	8,96,70,827
NJ India Invest Pvt. Ltd. (Trade Receivables)	-	1,65,248
NJ India Invest Pvt. Ltd. (Payable for ESOP)	43,40,469	15,40,061
NJ India Invest Pvt. Ltd. (Receivable for Leave and Gratuity liability acquired)	5,57,985	21,68,741

NJ India Invest Pvt. Ltd. (Other Payables)	11,06,332	69,683
Finlogic Technologies India Pvt Ltd. (Advance for expenses)	9,464	-
Finlogic Technologies India Pvt Ltd. (Trade Receivables)	-	57,874
Finlogic Technologies India Pvt Ltd. (Trade Payables)	27,07,020	48,55,370
Finlogic Technologies India Pvt Ltd. (Other Payables)	15,558	5,124
NJ Trustee Private Limited (Trade Receivables)	1,18,000	78,667

II) Key Management Personnel (KMP) of the entity or its parent and other related parties:

a) Transaction During the year

		Year ended March 31, 2022(Rs.)	**Year ended March 31, 2021 (Rs.)**
i)	**Jigneshkumar Desai**		
	Management fees income	2,97,753	3,47,853
ii)	**Niraj Choksi**		
	Management fees income	3,62,064	4,93,477
iii)	**Misbah Baxamusa**		
	Management fees income	8,21,788	4,86,079
iv)	**Urvi Choksi**		
	Management fees income	1,18,167	2,31,059
v)	**Nirali Choksi**		
	Management fees income	1,29,155	1,75,888
vi)	**Ravindra Choksi**		
	Management fees income	-	51,934

vii)	**Minooben Choksi**		
	Management fees income	2,52,645	4,98,335
viii)	**Arundhati Desai**		
	Management fees income	1,21,715	1,35,183
ix)	**Sumati Desai**		
	Management fees income	61,137	86,218
x)	**Raziya Y Baxamusa**		
	Management fees income	1,29,178	64,306
xi)	**Yousuf Ismailji Baxamusa**		
	Management fees income	38,447	22,205
xii)	**Nirmay Choksi**		
	Consulting Charges	1,94,663	-

* Amount disclosed is inclusive of GST

b) Balance as at year end

		Year ended March 31, 2022(Rs.)	**Year ended March 31, 2021 (Rs.)**
i)	Jigneshkumar Desai (Trade Receivables)	-	1,21,706
ii)	Niraj Choksi (Trade Receivables)	-	1,47,824
iii)	Misbah Baxamusa (Trade Receivables)	73,559	1,44,670
iv)	Urvi Choksi (Trade Receivables)	-	97,792
v)	Nirali Choksi (Trade Receivables)	-	52,565
vii)	Minooben Choksi (Trade Receivables)	-	1,75,738
viii)	Arundhati Desai (Trade Receivables)	-	48,814

ix)	Sumati Desai (Trade Receivables)	-	24,464
x)	Raziya Y Baxamusa(Trade Receivables)	11,203	25,466
xi)	Yousuf Ismailji Baxamusa(Trade Receivables)	3,319	8,823
xii)	Nirmay Choksi(Trade Payables)	64,656	-

Compensation to Key Managerial Personnel:

Particulars	Year ended March 31, 2022(Rs.)	Year ended March 31, 2021(Rs.)
Short term employee benefits	2,53,11,122	5,45,83,946
Long Term Employee benefits	-	-
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments granted	-	-

Amount due to/from Key Managerial Personnel as on:

Particulars	Year ended March 31, 2022 (Rs.)	Year ended March 31, 2021 (Rs.)
Payable for Salary, Wages and Bonus	85,37,587	9,70,364

III. Payment to related party borne by the Investors:

	Year ended March 31, 2022 (Rs.)	Year ended March 31, 2021 (Rs.)
NJ India Invest Pvt. Ltd. (Holding Company)		
Brokerage on investment transactions	31,03,657	77,12,576
Depository charges	-	-

Please note that aforementioned payments to related parties are directly borne by the investor and no payment has been made to / from Portfolio Manager.

III) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022 the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

8. FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER:

Financial performance of the Portfolio Manager based on the audited financial statements of the Portfolio Manager for the preceding 3 financial years are summarized as follows:

Summarized Financial Statements – Balance Sheet

Particulars	As at March 31, 2022 (Rs.)	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
A. EQUITY AND LIABILITIES:			
(a) Equity	73,14,79,258	66,05,78,262	9,01,31,159
(b) **Non-Financial Liabilities**	3,69,73,860	1,50,12,045	78,37,387
(c) **Financial liabilities**	17,59,16,982	13,52,74,299	9,42,93,268
TOTAL (a + b + c)	**94,43,70,099**	**81,08,64,606**	**19,22,61,814**
B. ASSETS			
(a) **Non-financial assets**	5,71,43,683	5,65,23,747	3,08,54,270
(b) **Financial assets**	88,72,26,415	75,43,40,859	16,14,07,544
TOTAL (a + b)	**94,43,70,098**	**81,08,64,606**	**19,22,61,814**

Summarized Financial Statements – Profit & Loss A/c.

Profit & Loss Account	As at March 31, 2022 (Rs.)	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
A. Total Revenue	62,20,02,863	27,36,57,238	19,67,79,760
B. Total Expenses	53,92,62,150	31,30,44,713	16,58,76,580

C. PROFIT/ (LOSS) BEFORE TAX (A-B)	8,27,40,713	(3,93,87,476)	3,09,03,180
D. Provision for Tax (including adjustments)	2,01,85,781	(1,01,73,776)	76,58,063
E. PROFIT / (LOSS) AFTER TAX (C-D)	6,25,54,931	(2,92,13,700)	2,32,45,117
F. Other Comprehensive Income / (loss)	(3,28,370)	(3,38,989)	-
G. Total Comprehensive Income / (loss) (E+F)	6,22,26,561	(2,95,52,689)	2,32,45,117

9. PORTFOLIO MANAGEMENT PERFORMANCE OF THE PORTFOLIO MANAGER IN THE LAST 3 YEARS:

Investment Approach wise performance of the Portfolio Manager against the respective benchmark for the last three years, for Discretionary Portfolio Services with performance indicators calculated using 'Time Weighted Rate of Return' method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020 are tabled as below:

Sr No.	Investment Approach	1st March 2022-28th February 2023	1st March 2021 - 28th February 2022	1st March 2020-28th February 2021
1.	**Dynamic Asset Allocation Portfolio – Aggressive (Separate)**	3.79	7.18	17.92
	Benchmark: Nifty 50 Hybrid Composite Debt 50:50 Index.	3.89	11.59	21.38
2.	**Freedom Portfolio (Separate)**	2.45	17.89	27.53
	Benchmark: Nifty 500 TRI	2.58	18.77	33.37
3.	**Dynamic Stock Allocation Portfolio – Aggressive (Pool)**	-1.74	10.64	18.51
	Benchmark: Nifty 50 Hybrid Composite Debt 50:50 Index	3.89	11.59	21.38
4.	**Multicap Portfolio (Pool)**	-3.06	45.18	18.84

	Benchmark: Nifty 500 TRI	2.58	18.77	33.37
5.	**Bluechip Portfolio (Pool)**	-6.76	34.73	30.52
	Benchmark: Nifty 500 TRI	2.58	18.77	33.37
6.	**Freedom ETF Portfolio (Pool)**	-3.38	16.89	29.24
	Benchmark: Nifty 500 TRI	2.58	18.77	33.37
7.	**Dynamic ETF Allocation Portfolio - Aggressive (Pool)**	1.58	8.19	21.89
	Benchmark: Nifty 50 Hybrid Composite Debt 50:50 Index	3.89	11.59	21.38
8.	**Liquid Portfolio (Separate) $**	5.14	3.06	NA
	Benchmark: NIFTY LIQUID INDEX	5.54	3.57	NA
9.	**Dynamic Stock Allocation Portfolio – Conservative (Pool)**	2.11	5.71	NA
	Benchmark: NIFTY 50 Hybrid Short Duration Debt 25:75 Index	4.03	8.24	NA
10.	**Dynamic ETF Allocation Portfolio – Conservative**	3.98	4.85	NA
	Benchmark: NIFTY 50 Hybrid Short Duration Debt 25:75 Index	4.03	8.24	NA
11.	***Balanced Advantage Portfolio** $	3.69	NA	NA
	Benchmark : NIFTY 50 HYBRID COMPOSITE DEBT 50:50 Index	3.89	NA	NA

12.	**Non-Discretionary Equity Schemes Portfolio$$**	NA	NA	NA
	Benchmark : NIFTY 50 HYBRID COMPOSITE DEBT 50:50 Index	NA	NA	NA
13.	**Non-Discretionary Hybrid Schemes Portfolio$$**	NA	NA	NA
	Benchmark : NIFTY 50 HYBRID COMPOSITE DEBT 50:50 Index	NA	NA	NA
14.	**Non-Discretionary Low Risk Schemes Portfolio$$**	NA	NA	NA
	Benchmark : NIFTY Liquid Index	NA	NA	NA

Notes:

- Above performance related information is not verified by SEBI
- Past performance may or may not sustain in future.
- Past performance is not a guarantee of future return.
- Returns are calculated based on the Time Weighted Rate of Return (TWRR) Method.
- Performance is post Management Fees, GST and other charges.
- $ 3 years' period is not completed for the Investment approach.
- * The return of the portfolios which have not completed 1 year are shown as absolute return since inception
- Please note that actual performance for a client portfolio may vary due to factors such as expenses charged, timing of additional flows and redemption, individual client mandate, specific portfolio construction characteristics or other structural parameters. These factors may have an impact on client portfolio performance and hence may vary significantly from the performance data depicted above.
- Neither the Portfolio Manager, nor its directors or employees shall in any way be liable for any variation noticed in the returns of individual client portfolio.
- $$There are no clients in Non-Discretionary Portfolio Management Services

10. AUDIT OBSERVATIONS OF THE PRECEDING 3 YEARS:

The following are the details of Audit observations during preceding 3 years:

Audit Period	Audit remarks/observations
April 01, 2019 – March 31, 2020	NIL
April 01, 2020 – March 31, 2021	NIL
April 01, 2021- March 31, 2022	NIL

11. NATURE OF COSTS AND EXPENSES FOR CLIENTS:

The following are indicative types of fees, costs and expenses for Clients availing the Portfolio Management Services through the Portfolio Manager. The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Agreement to be entered into between the Portfolio Manager and the Client, and the agreements of each of the services availed at the time of execution of such agreements. Any taxes, cess or levies by government authorities in respect of portfolio management fees and charges shall be borne and paid by Client from time to time.

i. **Management Fees:**

Management Fees relate to the Services offered to clients. The fee may be fixed charge or a percentage of the quantum of funds managed or linked to returns on the Portfolio achieved or a combination of any of these, as agreed by the Client in the Portfolio Management Agreement. With regard to the Management Fees, the following terms are agreed to, by the Client:

A. **Management Fee (Exclusive of GST and other statutory taxes as may be applicable) except Direct On-Boarding:** For all Investment Approach under Discretionary Portfolio Management Services and Non-Discretionary Portfolio Management Services - Upto 2.50%.
B. **Management Fees (Exclusive of GST and other statutory taxes as may be applicable) for Direct On-Boarding of Clients** : For all Investment Approach under Discretionary Portfolio Management Services and Non-Discretionary Portfolio Management Services : Upto 2.00%.

Note: The Fees shall be charged monthly on average daily portfolio value.

ii. **Performance Linked Fee:** The Portfolio Manager charges no performance linked fees.

iii. **Exit Fees:** In the event the Client decides to withdraw any amount within one year of its infusion with Portfolio Manager, the Client will be liable to pay an Exit Fees upto 1% of the fair market value of the Portfolio held on behalf of the Client, on a First In First Out Basis for all Investment Approach offered by the Portfolio Manager except 'Liquid' Investment Approach. There will be no exit fees under 'Liquid' Investment Approach.

iv. **Custodian/Depository Fees:** The charges relating to opening and operation of dematerialized accounts, custody and transfer charges for shares, bonds and units, dematerialization and other charges in connection with the operation and management of the depository accounts would be at actuals.

v. **Registrar and transfer agent fee:** Charges payable to registrars and transfer agents in connection with effecting transfer of securities and bonds including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges may be at actuals.

vi. **Brokerage and transaction costs:** The brokerage charges and other charges like service charge, stamp duty, transaction costs, turnover tax, exit fees on the purchase and sale of shares, stocks, bonds, debt, deposits, units and other financial instruments would be at actuals. Such fees shall be payable as and when it is charged by the relevant service provider.

vii. **Securities Lending and Borrowing charges:** The charges pertaining to the lender of securities, costs of borrowing including interest, and costs associated with transfers of securities connected with the lending and borrowing transfer operations. Such fees shall be payable at actuals when it is charged by the relevant service provider.

viii. **Certification and professional charges:** Charges payable for outsourced professional services like accounting, taxation and legal services, notarizations etc. for certifications, attestations required by bankers or regulatory authorities would be at actuals. Such fees shall be payable as and when it is charged by the relevant service provider.

ix. **Incidental Expenses:** Charges in connection with the courier expenses, stamp duty, Goods and Service Tax or such other taxes as may be levied by government, postal, telegraphic, opening and operation of bank accounts etc. Such fees shall be payable at actuals when it is charged by the relevant service provider / authority.

x. **Bank Charges:** As may be applicable at actual.

Investors may note that, the range of fees/expenses that may be charged under various heads to Clients mentioned below are indicative only and will vary depending upon the exact nature of the services to be provided to investors. These fees /expenses are subject to such modifications as may be agreed by and between the Portfolio Manager and Clients at the time of execution of the Portfolio Management Agreement based on individual requirements of the Clients.

Sr No.	Type of fees/expenses	Range of fees/expenses
1.	Custody & fund accounting Charges	NIL

2.	Registrar and transfer agent fee	NIL
3.	Brokerage	The current average brokerage rate is upto 0.12%(exclusive of GST) for 'buy' and 'sell' transaction. Such costs are either added (in case of 'buy') or reduced (in case of 'sale') from the trade value.
4.	Securities Borrowing & Lending Charges	NIL
5.	Audit Charges	Upto Rs.1200/- p.a. per account
6.	Other Charges (including STT, Stamp Duty, Exchange Transaction Charges)	At actuals
7.	Bank Charges	At actuals
8.	Depository charges	NIL

12. TAXATION:

It may be noted that the information given hereinafter is only for general information purposes and is based on the Portfolio Manager's understanding regarding the Tax laws and practice currently in force in India and the Investors should be aware that the relevant fiscal rules or their interpretation may change or it may not be acceptable to the tax authorities. As is the case with any interpretation of any law, there can be no assurance that the tax position or the proposed tax position prevailing at the time of an investment will be accepted by the tax authorities or will continue to be accepted by them indefinitely.

Further statements with regard to tax benefits mentioned herein below are mere expressions of opinion and are not representations of the Portfolio Manager to induce any investor to invest whether directly from the Portfolio Manager or indirectly from any other persons by the secondary market operations. In view of the above, and since the individual nature of tax consequences may differ in each case on its merits and facts, each Investor is advised to consult his / her or its own professional tax advisor with respect to the specific tax implications arising out of its participation in the Portfolio Management Services, as an investor. In view of the above, it is advised that the Investors appropriately consult their investment / tax advisors in this regard.

The tax implications given hereunder are broad level implications. Such implications may differ taking into account the specific facts of each individual case. Further, the tax rates and provisions are as applicable as on the date of issue of this document and would need to be considered as on the date of the taxable event.

The Clients are accordingly advised to avail the services of a professional consultant in determining their exact tax implications.

A. Treatment of Dividend from Companies and Mutual Funds:

a) Dividends declared, distributed or paid up to March 31, 2020:

Any dividend income from a domestic company, which is subject to dividend distribution tax (DDT) under section 115-O of the Act, is exempt from tax under section 10(34) of the Act. However, as per the proviso to section 10(34) of the Act, nothing contained under section 10(34) shall apply to any income by way of dividend chargeable to tax in accordance with the provisions of section 115BBDA of the Act. As per section 115BBDA of the Act, any income earned by a specified assessee who is resident in India, by way of dividend declared, distributed or paid by a domestic company in excess of INR 10,00,000, the same shall be chargeable to tax at 10% (excluding surcharge and health and education cess) on a gross basis. Accordingly, the said tax shall be over and above the DDT paid by the domestic company distributing the dividend.

'Specified assessee' means a person other than (i) domestic company; or (ii) a fund or institution or trust or any university or other educational institution or any hospital or other medical institution as referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10; or (iii) a trust or institution registered under section 12A or section 12AA or section 12AB.

Income (other than on transfer of units) from units of a Mutual Fund, registered with the Securities and Exchange Board of India (SEBI), is exempt from tax under section 10(35) of the Act.

b) Dividends declared, distributed or paid from April 01, 2020:

With effect from April 01, 2020, Finance Act 2020 has abolished the DDT charged under section 115-O and section 115R of the Act on the dividends paid by the domestic company and Mutual Fund, respectively, thereby transferring the tax burden completely in the hands of the shareholders/unitholders. Resultantly, section 10(34) and section 10(35) of the IT Act has also been deleted. Currently, the dividend is taxable in the hands of the unitholders/shareholders and also, subject to withholding of taxes at source by the Mutual Fund/Company, at applicable rates.

In addition to the above, where any income distributed up to March 31, 2020 which is subject to tax on distribution is received on or after April 01, 2020, the same shall continue to be exempt in the hands of shareholders/unitholders under section 10(34)/10(35) of the Act.

B. Proceeds on buy-back of shares by company:

As per the Section 10(34A) of the IT Act, gains arising on buy-back of shares (not being shares listed on a recognised stock exchange) are exempt in the hands of investors. However, as per section 115QA of the IT Act, a distribution tax at the rate of 20% (plus applicable surcharge and health and education cess) is payable by an Indian company on distribution of income by way of buy-back of its shares if the buy-back is in accordance with the provisions of the Companies Act. Such distribution tax is payable on the difference between consideration paid by such Indian company for the purchase of its own shares and the amount that was received by the Indian company at the time of issue of such shares, determined in the manner prescribed. In this regard, Rule 40BB of IT Rules provide for mechanism for determining the amount received by the Indian company in respect of issue of shares.

As per the Finance (No. 2) Act, 2019, any buy back of listed shares, on or after July 05, 2019, shall also attract buy-back tax under section 115QA of the IT Act. Accordingly, exemption under section 10(34A) of the IT Act is also extended on such buy-back transactions. However, as per the Ordinance 2019, there shall be no buy-back tax w.r.t those shares for which public announcement of buy-back was made before July 05, 2019.

C. Characterisation of Income earned from Transfer/ Sale of Securities

Transaction in shares/ securities/ units of Mutual Fund may be either on the capital account (and chargeable to tax 'Capital gains' under section 45 of the Act) or on the trading account (and chargeable to tax as 'Profits and gains of business or profession' under section 28 of the Act).

The issue of income characterization as above is essentially a question of fact and dependent on various factors. Guidance can be sought from judicial precedents and clarifications issued by the Central Board of Direct Taxes (CBDT) vide circular/instructions.

In this regard, CBDT issued Circular No 6 dated February 29, 2016 on the tax treatment of surplus arising from transfer of listed shares/ securities whether capital gains or business income with a view to reduce litigation and uncertainty and in partial modification to earlier CBDT Circulars, the 2016 Circular instructs tax authorities to consider certain guidelines for classifying listed shares/ securities as under:

i. Where the taxpayer itself, irrespective of the period of holding of the listed securities treats the gains from sale of such securities as business income, the same should be accepted by the tax authorities.
ii. Where the taxpayer wishes to treat the gains arising from transfer of listed securities held for a period more than 12 months immediately preceding the date of its transfer as capital gains, the same should not be put to any dispute by the tax authorities. However, this stand, Once taken in a particular year, shall remain applicable to subsequent years and taxpayers shall not be allowed to adopt a different stand in this regard in subsequent years
iii. In all other cases, the nature of transaction (i.e. whether the same is in the nature of capital gains or business income) shall continue to be decided keeping in view the other notifications/ circulars issued by CBDT in this regard.

The aforementioned circular shall not apply in a case where the genuineness of the transaction itself is questionable.

Based on the earlier Central Board of Direct Taxes ('CBDT') circulars and judicial decisions, following are inter alia the key factors and principles which need to be considered while determining the nature of assets as above:

- Motive for the purchase of shares;
- Frequency of transactions and the length of period of holding of the shares;
- Treatment of the shares and profit or loss on their sale in the accounts of the assessee;
- Source of funds out of which the shares were acquired – borrowed or own;
- Existence of an object clause permitting trading in shares – relevant only in the case of corporate bodies;
- Acquisition of the shares – from primary market or secondary market;
- Infrastructure employed for the share transactions by the client including the appointment of managers, etc.

Any single factor discussed above in isolation cannot be conclusive to determine the exact nature of the shares. All factors and principles need to be construed harmoniously. Further, the background of the investor (professional vs. a trader in shares) would also be a relevant factor in determining the nature of the shares.

CBDT has clarified that, it is possible for a taxpayer to have two portfolios, i.e.,an investment portfolio comprising of securities which are to be treated as capital assets and a trading portfolio comprising of stock-in-trade which are to be treated as trading assets. Where an assessee has two portfolios, the assessee may have income under both heads i.e., capital gains as well as business income.

In view of the above, the profits or gains arising from transaction in securities could be taxed either as "Profits or Gains of Business or Profession" under section 28 of the Act or as "Capital Gains" under section 45 of the Act.

D. Short-Term and Long-Term Capital Gains on Sale of Securities:

Type of instrument	Period of holding	Characterization
Listed Equity or preference Share, Securities (other than units) and units of equity-oriented mutual funds,	More than twelve (12) months	Long-term Capital Asset
	Twelve (12) months or less	Short-term Capital Asset
Unlisted shares of a company	More than twenty four (24) months	Long-term Capital Asset
	Twenty four (24) or less	Short-term Capital Asset
Other securities	More than thirty six (36) months	Long-term Capital Asset
	Thirty six (36) months or less	Short-term Capital Asset

As per the provisions of section 48 of the Act, capital gains/ losses are computed by reducing from the sale consideration:

i. any expenditure incurred wholly and exclusively in connection with the transfer;

ii. the cost of acquisition of the asset transferred and the cost of any improvement thereto; and

where long-term capital gain arises from the transfer of a long-term capital asset, other than capital gain arising to a non-resident from the transfer of shares in, or debentures of, an Indian company referred to in the first proviso, the provisions of clause (*ii*) shall have effect as if for the words "cost of acquisition" and "cost of any improvement", the words "indexed cost of acquisition" and "indexed cost of any improvement" had respectively been substituted.

Further, section 48 of the Act provides that in the computation of capital gains, no deduction shall be allowed in respect of STT paid.

Additionally, the status of tax payer (i.e. whether the taxpayer is an individual, a corporate, etc.), whether the transfer has been subject to Securities Transaction Tax (STT), the nature of the instrument sold, etc. also impact the rate of tax applicable to capital gains arising from the transfer of a capital asset. Some of these aspects have been discussed below.

Securities Transaction Tax ("STT")

The following table provides the details in respect of the rate of STT applicable (as on date) to some of the taxable securities transactions:

Nature of Transaction	Payable by	Value on which tax shall be levied	Rates applicable (%)
Delivery based purchase transaction in units of equity oriented fund entered into in a recognized stock exchange	Purchaser	Value at which units are bought	Nil
Delivery based purchase transaction in equity shares or units of a business trust entered in a recognized stock exchange	Purchaser	Value at which shares/ units are bought	0.1
Delivery based sale transaction in equity shares or units of a business trust entered in a recognized stock exchange	Seller	Value at which shares/ units are sold	0.1
Delivery based sale transaction in units of equity oriented fund entered into in a recognized stock exchange	Seller	Value at which units are sold	0.001
Non-delivery based sale transaction in equity shares or units of equity oriented fund or units of a business trust entered in a recognised stock exchange	Seller	Value at which shares/ units are sold	0.025
Sale of units of an equity oriented fund to the mutual fund	Seller	Value at which units are sold	0.001

Capital gains tax on sale transaction on which STT is chargeable:

i) Long-term capital gains:

Finance Act 2018 has, with effect from April 01, 2018, withdrawn the exemption on long term capital gains on sale of specified assets on which STT is chargeable and has introduced new section 112A of the Act.

Under the provisions of new section 112A of the Act, in respect of transfer of an equity share in a company or a unit of an equity oriented fund or a unit of a business trust on or after April 01, 2018, tax at the rate of 10 per cent (plus applicable surcharge and cess) shall be levied on long-term capital gains, exceeding Rs.1,00,000, where in case of an equity share in a company, STT has been paid on acquisition and transfer of such capital asset in nature of asset being an equity shares in a company, or in a case of a unit of an equity oriented fund or a unit of a business trust, STT has been paid on transfer of such capital asset.

The long-term capital gains are required to be computed without giving effect to the first and second proviso to section 48 of the Act, i.e. benefit of computation of capital gains in foreign currency and indexation in respect of cost of acquisition and improvement.

Further, for the purpose of computing capital gains in relation to a long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust, acquired before February 01, 2018, the cost of acquisition is deemed to be the higher of:

- The cost of acquisition of such asset; and
- The lower of –

(a) the fair market value of the asset; and

(b) the full value of consideration received or accruing as a result of the transfer of the asset. i.e. Sale Price

"fair market value" means,—

(*i*) in a case where the capital asset is listed on any recognised stock exchange as on the 31st day of January, 2018, the highest price of the capital asset quoted on such exchange on the said date:

Provided that where there is no trading in such asset on such exchange on the 31st day of January, 2018, the highest price of such asset on such exchange on a date immediately preceding the 31st day of January, 2018 when such asset was traded on such exchange shall be the fair market value;

(*ii*) in a case where the capital asset is a unit which is not listed on a recognised stock exchange as on the 31st day of January, 2018, the net asset value of such unit as on the said date;

(*iii*) in a case where the capital asset is an equity share in a company which is

(*A*) not listed on a recognised stock exchange as on the 31st day of January, 2018 but listed on such exchange on the date of transfer;

(*B*) listed on a recognised stock exchange on the date of transfer and which became the property of the assessee in consideration of share which is not listed on such exchange as on the 31st day of January, 2018 by way of transaction not regarded as transfer under section 47,

an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index for the financial year 2017-18 bears to the Cost Inflation Index for the first year in which the asset was held by the assessee or for the year beginning on the first day of April, 2001, whichever is later;

As stated above, to avail benefits of section 112A of the Act, equity shares should be subject to STT both at the time of acquisition and transfer of assets. However, to protect certain transactions, the CBDT issued a Notification(Notification No. 60/2018/F. No. 370142/9/2017-TPL dated October 01, 2018) stating that the condition of chargeability to STT at the time of acquisition, shall not apply to all transactions of acquisitions of equity shares entered into on or after October 01, 2004 other than the specified transactions.

ii) Short-term capital gains

Section 111A of the Act provides that short-term capital gains arising on sale of equity shares of a company or units of equity oriented fund and on which STT is chargeable are liable to income-tax at a concessional rate of 15% plus surcharge as applicable and cess.

In case of Resident individuals and Resident HUFs, where the taxable income as reduced by short-term capital gains is below the maximum amount not chargeable to tax, the short-term capital gains is reduced to the extent of the amount which falls short of the maximum amount not chargeable to tax and only the balance short-term capital gains will be charged at the applicable rate plus cess.

Capital gains tax on sale transaction on which STT is not chargeable:

For resident individuals, HUFs, partnership firms (including limited liability partnership) and Indian companies:

i) Long-term capital gains

Long-term capital gains earned in respect of a long-term capital asset, is chargeable to tax under section 112 of the Act at the rate of 20% plus surcharge as applicable and cess. Capital gains are computed after taking into account the cost of acquisition as adjusted by the cost inflation index notified by the Central Government (indexed cost) and expenditure incurred wholly and exclusively in connection with such transfer.

Further, in case of Resident individuals and Resident HUFs, where taxable income as reduced by long-term capital gains is below the maximum amount not chargeable to tax, the long-term capital gains is reduced to the extent of the amount which falls short of the maximum amount not chargeable to tax and only the balance long-term capital gains will be charged at the rate of 20% or 10% plus surcharge as applicable, and cess.

In the case of capital assets being bonds or debentures (other than capital indexed bonds issued by the Government and sovereign gold bonds issued by the Reserve Bank of India under the Sovereign Gold Bond Scheme, 2015), the benefit of indexation is not available.

ii) Short-term capital gains

Short-term capital gains earned is chargeable to tax as per the normal rates applicable to the taxpayer.

For non-residents (Other than NRIs, who may elect to be covered by the provisions of section 115E of the Act, as regards tax on investment income and long-term capital gains, where beneficial.)

i) Long-term capital gains

Under section 112 of the Act, long-term capital gains arising from the transfer of a capital asset, other than unlisted securities, are chargeable to tax at the rate of 20% plus surcharge as applicable and cess. In case of non-resident, capital gains arising from transfer of a capital asset being shares in, or debentures of, an Indian company (other than unlisted securities) shall be computed by converting the cost of acquisition, expenditure incurred wholly and exclusively in connection with such transfer and the full value of the consideration received or accruing as a result of the transfer of the capital asset into the same foreign currency as was initially utilised in the purchase of the shares or debentures, and the capital gains so computed in such foreign currency shall be reconverted into Indian currency (hereinafter referred to as FC computation mechanism).

Further, the aforesaid manner of computation of capital gains shall be applicable in respect of capital gains accruing or arising from every reinvestment thereafter in, and sale of, shares in, or debentures of, an Indian company.

Further, under section 112 of the Act, long-term capital gains arising from the transfer of a capital asset, being units of a mutual fund, to tax at the rate of 20% plus surcharge as applicable and cess; capital gains are computed by taking into account the indexed cost and expenditure incurred wholly and exclusively in connection with such transfer.

Long-term capital gains arising from transfer of a capital asset, being unlisted securities (or shares of a company not being a company in which the public are substantially interested) and unlisted units are chargeable to tax at the rate of 10% plus applicable surcharge and education cess. Such long-term capital gains would be calculated without indexation of cost of acquisition and FC computation mechanism.

ii) Short-term capital gains

Short-term capital gains earned are chargeable to tax as per the normal rates applicable to the taxpayer. The FC computation mechanism is available to non-resident/ NRI for computing the short-term capital gains arising from the transfer of shares.

E. Business Income from Purchase and Sale of Securities:

If the investment under the portfolio management services is regarded as "Business/Trading Asset" then the gain arising there from is taxed as business income on Net Income basis. Where income referred to above is treated as business income, the person is eligible for deduction under section 36(1)(xv) of the Act for the amount of STT paid.

F. Losses under the head capital gains/business income

In terms of section 70 read with section 74 of the Act, short term capital loss arising during a year can be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during the subsequent 8 assessment years. A long-term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during the subsequent 8 assessment years. Business loss is allowed to be carried forward for 8 assessment years and the same can be set off against any business income.

G. Bonus Stripping

Where any person buys or acquires any securities; or units of a mutual fund or the Unit Trust of India or business trust or Alternate Investment Fund within a period of three months prior to the record date (i.e., the date that may be fixed by a company or a Mutual Fund or the Administrator of the specified undertaking or the business trust or Alternate Investment Fund or the specified company, for the purposes of entitlement of the holder of the securities or units to receive additional security or unit, as the case may be, without any consideration) and such person is allotted additional securities or units (without any payment) on the basis of holding of the aforesaid securities or units on the record date, and if such person sells or transfers all or any of the original securities or units within a period of nine months after the record date while continuing to hold all or any of the additional securities or units, then any loss arising to him on account of such purchase and sale of all or any of the securities or units would be ignored for the purpose of computing his income chargeable to tax. Further, the loss so ignored would be deemed to be the cost of acquisition of such additional securities or units as are held by him on the date of sale or transfer of original securities or units.

H. Tax Deduction at Source:

As per section 194, the company which has made the prescribed arrangements for the declaration and payment of dividends (including dividends on preference shares) within India, shall, before making any payment *by any mode* in respect of any dividend or before making any distribution or payment to a shareholder, who is resident in India, deduct from the amount of such dividend, income-tax at the rate of ten per cent**.** Provided that no such deduction shall be made in the case of a shareholder, being an individual, if—

(a) the dividend is paid by the company by any mode other than cash and

(b) the amount of such dividend or, as the case may be, the aggregate of the amounts of such dividend distributed or paid or likely to be distributed or paid during the financial year by the company to the shareholder, does not exceed five thousand rupees

Finance Act 2020 inserted a new section 194K of the Act whereby a person responsible for paying to a resident any income in respect of units of mutual fund specified under section 10(23D) of the Act shall withhold taxes at the rate of 10% provided such income exceeds INR 5,000. Further, the proviso to section 194K of the Act clarifies that such taxes shall be withheld only on dividend income.

Any person responsible for paying to a non-resident, any income, which is chargeable to tax under the Act, is required to withhold income-tax thereon under section 195 of the Act, at the prescribed rates, at the time of credit of such income to the account of the payee or at the time of payment, whichever is earlier.

Finance Act 2020 has also amended the provisions of section 196A of the Act whereby a person responsible for paying to a non-resident any income in respect of units of mutual fund specified under section 10(23D) of the Act shall withhold taxes at the rate of 20%.

In case of deduction of tax at source (TDS) on payments made to non-residents, the tax rates would be increased by surcharge and cess. However, in case of TDS on payments made to residents, the tax rates would not be increased by surcharge and cess.

I. Advance Tax Instalment Obligations:

It will be the responsibility of the Client to meet the advance tax obligation instalments payable on the due dates under the Act.

J. Benefit of Double Taxation Avoidance Agreement:

As per the provisions of section 90(2) of the Act, in determining the taxability of a non-resident, the provisions of the relevant DTAA or the Act, whichever are more beneficial shall apply. Accordingly, if the investor is a resident of country with which India has entered into a DTAA, the provisions of the DTAA or of the Act, whichever are more beneficial to the investor, shall apply.

Section 90(4) of the IT Act, provides that a taxpayer, not being a resident, to whom a DTAA applies, shall not be entitled to claim any relief under such DTAA unless a certificate of it being a resident in any country outside India is obtained by it from the Government of that country.

Further, section 90(5), provides that the taxpayer referred to in section 90(4) of the Act, shall also provide such other documents and information, as may be prescribed. In this connection, on August 01, 2013, the CBDT issued a Notification substituting Rule 21AB of the Income-tax Rules, 1962 (Rules) and prescribing the format of information to be provided under section 90(5) of the Act, i.e. in Form No 10F.

A taxpayer would be required to furnish Form No 10F, where the required information is not explicitly mentioned in the aforementioned certificate of residency; in which case, the Notification additionally requires the taxpayer to keep and maintain such documents as are necessary to substantiate the information provided.

As per the provisions of section 115A of the Act, where the income of a non-resident (not being a company) or a foreign company comprises of inter-alia dividend or interest income and appropriate taxes have been withheld in accordance with the provisions of Chapter XVII-B of the Act on such income by the payer, such non-resident is not required to furnish the return of income under section 139(1) of the Act.

13. ACCOUNTING POLICIES AND AUDIT

13.1 Accounting Policies

a) **Basis of Accounting:**
Books of accounts would be separately maintained in the name of the Client as are necessary to account for the assets and any additions, income, receipts and disbursements in connection therewith, as provided under SEBI (Portfolio Managers) Regulations, 2020. Accounting under the respective portfolios will be done in accordance with Generally Accepted Accounting Principles.

b) **Income Recognition:**
Dividend income shall be recognized on the ex-dividend date. Interest income on investments shall be accrued on due dates. Profit or loss on sale of investments shall be recognized on the trade dates on the basis of first-in-first-out basis.

c) **Recognition of fees and other expenses:**
Investment Management fees and other charges shall be accrued and charged as agreed in the agreement between the Portfolio Manager and the Client.

d) **Accounting of Investments:**
All investments will be carried/recorded on a cost basis. Transactions for purchase or sale of investments would be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year are recorded and reflected in the individual client account for that year. The cost of investments acquired or purchased would include brokerage, stamp charges and any charge customarily included in the broker’s contract note or levied by any Statute except STT. STT payable on purchase/sale of investments would be recognized as expense in profit and loss account.

e) **Fund accounting:** The Fund Accounting activity is presently carried out by the Portfolio Manager.

13.2 Audit:

13.2.1 The Portfolio accounts of the Portfolio Manager shall be audited annually by an independent chartered accountant and a copy of the certificate issued by the chartered accountant shall be given to the Client.

13.2.2 The Client may appoint a chartered accountant to audit the books and accounts of the Portfolio Manager relating to his transactions and the Portfolio Manager shall cooperate with such chartered accountant in the course of the audit.

14. INVESTOR SERVICES:

14.1 Name, address and telephone number of the officer who shall attend to the investor queries and complaints**:**

Name of Officer: Mr. Hemal Gandhi (Investor Relation Officer)
Address: Block No.901, 6th Floor, B Tower, Udhna Udyognagar Sangh Commercial Complex, Central Road No.10, Udhna, Surat – 394210, Gujarat.
Telephone Number: 0261 6715618.
Email: grievance@njpms.in

The officer mentioned above will ensure prompt investor services. The Portfolio Manager will ensure that this officer is invested with the necessary authority, independence and the wherewithal to handle investor complaints. The complaints by investors should be sent to the above-mentioned address to Mr. Hemal Gandhi, the Investor Relation Officer. If a Client is not satisfied with the resolution provided by the Portfolio Manager the Client can escalate the issue to:

Ms. Punam Upadhyay
Chief Compliance Officer and Company Secretary
Address: Unit No. 101A, 1st Floor, Hallmark Business Plaza,
Bandra (East), Mumbai – 400051, Maharashtra.
Telephone No.: 022- 68940000
Email **–** punam.upadhyay@njgroup.in

14.2 Grievances / Dispute handling mechanism

The Portfolio Manager shall attend to and address any client's query or concern as soon as possible to mutual satisfaction and provide the necessary resolution in a reasonable manner and time. The portfolio manager shall take adequate steps for redressal of grievances of the investors within one month of the date of the receipt of the complaint and keep SEBI informed about the number, nature and other particulars of the complaints received;

Clients may also register/lodge their grievances with Securities and Exchange Board of India (SEBI) on SCORES (SEBI Complaints Redressal System) Portal i.e. http://scores.gov.in/ by registration under "Investor Corner" or by writing to any of the offices of SEBI.

14.3 Dispute Settlement Mechanism

All disputes, differences, claims and questions whatsoever which shall arise either during the subsistence of the PMS Agreement or afterwards with regard to the terms thereof or any clause or thing contained therein or otherwise in any way relating to or arising therefrom or the interpretation of any provision therein or related to those related to the Disclosure Document or all the other policies and procedures of the Portfolio Manager as may be amended from time to time shall be, in the first place settled by mutual discussions, failing which the same shall be referred to and settled by arbitration in accordance with and subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force. The arbitration shall be held in Surat and be conducted in English language.

The PMS Agreement, Disclosure Document and all the other policies and procedures of the Portfolio Manager shall be governed by, construed and enforced in accordance with the laws of India. Any action or suit involving the PMS Agreement or the performance of the agreement by either party of its obligations will be conducted exclusively in courts located within the city of Surat in the State of Gujarat.

15. CUSTODIAN

Orbis Financial Corporation Limited acts as the Custodian for all the Investment Approaches offered by the Portfolio Manager.

16. GENERAL:

The Portfolio Manager and the Client can mutually agree to be bound by specific terms through a written two-way agreement between themselves in addition to the standard agreement for Portfolio Management Services.

Actions / inactions, deeds, decisions etc. undertaken by the Portfolio Manager, in good faith with reference to the instructions of the Client, based on the information from the Client / understanding of the Portfolio Manager will constitute good and full discharge of the obligations of the Portfolio Manager. Submission of documents / information by Clients shall be full and final proof of the non-individual Client's authority to invest and the Portfolio Manager shall not be responsible for any defects / deficiencies in the document / information.

For and on behalf of
NJ Asset Management Private Limited

Sd/-

Niraj Choksi
Director
DIN: 00335569

For and on behalf of
NJ Asset Management Private Limited

Sd/-

Rajiv Shastri
Director, Chief Executive Officer and Principal Officer
DIN:02143422

Date: April 27, 2023
Place: Mumbai