

# SMIFS LIMITED

## Portfolio Management Services

### DISCLOSURE DOCUMENT

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

#### Key Information and Disclosure Document for Portfolio Management Services by SMIFS Limited

- This Disclosure Document has been filed with the Board along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- The purpose of the document is to provide essential information about the Portfolio Management Services in a manner to assist and enable the investors in making informed decisions for engaging a Portfolio Manager.
- The necessary information about the Portfolio Manager required by an investor before investing is disclosed in the Disclosure Document.
- Investors are advised to carefully read the entire document before making a decision and retain it for future reference.
- Investors may also like to seek further clarifications or obtain further changes made after the date of this document from the service provider.

#### The Principal Officer designated by the Portfolio Manager is:

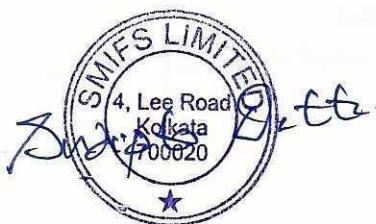
Mr. Amit Roy

Principal Officer

Telephone No: +91 33 4011 5462

E-mail: amit.roy@smifs.com/compliance@smifs.com

**Dated: 26<sup>th</sup> August, 2024**



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

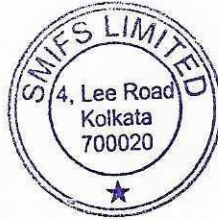
**SMIFS Limited**  
**Vaibhav (5F), 4 Lee Road**  
**Kolkata – 700020**  
**Ph. No. 91-033-4011 5400**  
**Fax: 91-033-2289 3401**  
**compliance@smifs.com**

We confirm that:

- i) 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;
- ii) The disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio Management;
- iii) The Disclosure Document has been duly certified by an independent Chartered Accountant viz. Mr. Gautam Agarwal (Membership No. 406254) of Gautam Agarwal & Co., 23, Gangadhar Babu Lane, 4<sup>th</sup> Floor, Room No. 4D, Kolkata-700012 .

*Amit Roy*

**Amit Roy**  
**Principal Officer**  
**SMIFS Limited**  
**Vaibhav (5F), 4 Lee Road**  
**Kolkata – 700020**  
**Telephone No: +91 33 4011 5462**  
**E-mail: amit.roy@smifs.com/compliance@smifs.com**



**Dated: 26<sup>th</sup> August, 2024**  
**Place: Kolkata**

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## (1) **DISCLAIMER**

This Disclosure Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and as amended from time to time and filed with Securities and Exchange Board of India (SEBI). This document has neither been approved / disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the Document.

## (2) **DEFINITIONS**

**In this Disclosure Document, unless the context otherwise requires:**

**“Act”** means the Securities and Exchange Board of India, Act 1992.

**“Board”** means the Securities and Exchange Board of India (SEBI).

**“Agreement”** means the agreement executed between the Portfolio Manager and its clients and shall include all modifications, alterations or deletions thereto made in writing upon mutual consent of the parties there to, in terms of Regulation 22 and Schedule IV of SEBI (Portfolio Managers) Regulation, 2020 issued by SEBI and as amended from time to time.

**“Disclosure Document”** means a document issued by Portfolio Manager for offering Portfolio Management Services, prepared in terms of Regulation 22 and Schedule V of the SEBI (Portfolio Managers) Regulation, 2020.

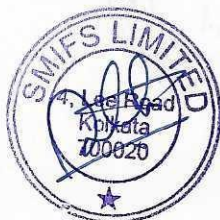
**“Client”** or **“Investor”** means any person who registers with the Portfolio Manager for availing services of Portfolio Manager.

**“Custodian”** means Custodian of Securities as may be appointed by the Portfolio Manager from time to time.

**“Depository Account”** means any account of the client or for the client with an entity registered as a depository participant as per the relevant regulations.

**“Financial Year”** means the year starting from April 1<sup>st</sup> and ending on March 31<sup>st</sup> of the following year.

**“Funds”** means the monies managed by the Portfolio Manager on behalf of the client pursuant to this agreement and includes the monies mentioned in the application, any further monies placed by the client with the Portfolio Manager for being managed pursuant to this agreement, the proceeds of the sale or other realization of the portfolio and interest, dividend of other monies arising from the assets, so long as the same is managed by the Portfolio Manager.





**"Initial Corpus"** means value of the funds and the market value of readily realizable investments brought in by the client at the time of registering as a client with the Portfolio Manager and as accepted by the Portfolio Manager.

**"Portfolio"** means the securities managed by the Portfolio Manager on behalf of the client pursuant to this agreement and includes securities mentioned in the application, any further securities placed by the client with the Portfolio Manager for being managed pursuant to this agreement, securities acquired by the Portfolio Manager through investment of funds and bonus and rights shares in respect of securities forming part of the portfolio, so long as the same is managed by the Portfolio Manager.

**"Portfolio Manager"** means SMIFS Limited, a company incorporated under the Companies Act, 1956 and having its registered office at '5F Vaibhav, 4 Lee Road, Kolkata – 700020 and which is registered as a Portfolio Manager under SEBI (Portfolio Managers) Regulations, 2020 vide Registration No. **INP000004623**.

**"Regulations"** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 and as amended from time to time.

**"Rules"** means the Securities and Exchange Board of India (Portfolio Managers) Rules, 2020.

**"Strategies"** means any of the current investment strategies or such strategies that may be introduced at any time in future by the Portfolio Manager.

**"Net Asset Value"** (NAV) is the market value of assets in portfolio consisting of equity, debt, cash and cash equivalent.

**"Services"** shall have the meaning prescribed to it in the Clause 7(1)(i), Clause 7(1)(ii) and Clause 7(1)(iii) of this Disclosure Agreement.

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



**“Body Corporate” or “Corporation”** includes a company incorporated outside India, but does not include –

- i. a co-operative society registered under any law relating to co-operative societies; and
- ii. any other body corporate (not being a company as defined in Companies Act, 2013), which the Central Government may, by notification, specify in this behalf;

**“Principal Officer”** means an employee of the portfolio manager who has been designated as such by the portfolio manager and is responsible for: -

- (i) the decisions made by the portfolio manager for the management or administration of portfolio of securities or the funds of the client, as the case may be; and;
- (ii) all other operations of the portfolio manager.

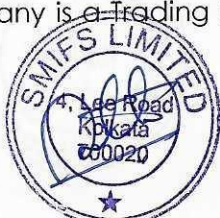
**“Related Party”** in relation to a portfolio manager, means—

- (i) a director, partner or his relative;
- (ii) a key managerial personnel or his relative;
- (iii) a firm, in which a director, partner, manager or his relative is a partner;
- (iv) a private company in which a director, partner or manager or his relative is a member or director;
- (v) public company in which a director, partner or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;
- (vi) any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director, partner or manager;
- (vii) any person on whose advice, directions or instructions a director, partner or manager is accustomed to act;
- (viii) any body corporate which is—
  - (A) a holding, subsidiary or an associate company of the portfolio manager; or
  - (B) a subsidiary of a holding company to which the portfolio manager is also a subsidiary;
  - (C) an investing company or the venturer of the portfolio manager;
- (ix) a related party as defined under the applicable accounting standards;
- (x) such other person as may be specified by the Board;

Words and expressions used in this Disclosure Document are not expressly defined and 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 carry meanings assigned to them in the Regulations governing Portfolio Management Services.

### **(3) HISTORY, PRESENT BUSINESS AND BACKGROUND OF THE PORTFOLIO MANAGER**

SMIFS Limited having its registered office at ‘5F Vaibhav’, 4 Lee Road, Kolkata – 700 020, was incorporated on 8<sup>th</sup> December, 1993 under the Companies Act, 1956. The Company is a Trading Member of National Stock Exchange of India





Ltd (NSE), Bombay Stock Exchange Ltd. (BSE), The Calcutta Stock Exchange Ltd. (CSE), Metropolitan Stock Exchange of India Limited (MSEI), Multi Commodity Exchange of India Limited (MCX) and Indian Commodity Exchange Limited (ICEX), and also a Depository Participant with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Limited (NSDL) and also a SEBI Registered Research Analyst. We are one of the most experienced brokerage houses in India and are widely networked across major Indian cities like Mumbai, Kolkata, Delhi, Pune, Bhubaneswar, Lucknow and other cities.

MEMBERSHIP DETAILS OF SMIFS LIMITED			
Name of Exchange / Depository	Market Segment	SEBI Registration No.	Date
National Stock Exchange of India Limited	Capital Market	INZ000220635	27/05/1994
National Stock Exchange of India Limited	Derivative Market (Equity)		12/03/2001
National Stock Exchange of India Limited	Derivative Market (Currency)		04/03/2009
BSE Limited	Capital Market	INZ000220635	03/11/2000
BSE Limited	Derivative Market (Equity)		05/10/2000
BSE Limited	Derivative Market (Currency)		13/12/2017
Metropolitan Stock Exchange of India Limited	Capital Market	INZ000220635	05/02/2013
Metropolitan Stock Exchange of India Limited	Derivative Market (Equity)		05/02/2013
Metropolitan Stock Exchange of India Limited	Derivative Market (Currency)		05/02/2013
Multi Commodity Exchange of India Limited	Commodity Market	INZ000220635	13/08/2018
Central Depository Services (India) Limited	Depository Participant	IN-DP-414-2019	06/02/2015
National Securities Depository Limited (NSDL)	Depository Participant	IN-DP-414-2019	15/10/2015
Securities & Exchange Board of India	Research Analyst	INH300001474	20/08/2015

The Company offers broking services to help investors manage portfolios better, and to take part in future growth of capital markets. The Company has edge over the wide gamut of companies, which it covers in the Eastern Zone hence giving the clients an advantage of the research reach. SMIFS Limited has carved a niche for itself in the retail business backed by customer trust, and unparalleled experience across markets, cycles, trends at stages of the country's economic growth.





The Company is a Mutual Fund Distributor registered with Association of Mutual Funds of India (AMFI) with ARN Code – 3080 and offers to its clients in a transparent manner after assessing specific investment needs to the investors products of Asset Management Companies (AMC), viz. ICICI Prudential AMC, Tata MC, Larsen & Toubro AMC, HSBC Global AMC, IndiaBulls AMC, Religare AMC, and others.

The Company has obtained license from SEBI under the SEBI Act 1992, SEBI (Portfolio Managers) Regulations, 2020, SEBI (Portfolio Managers) Rules, 2020 for offering Portfolio Management Services and its SEBI Registration No. being **INP000004623**.

#### **(4) PROMOTERS OF THE PORTFOLIO MANAGER, DIRECTORS AND THEIR BACKGROUND**

##### **(i) Promoters**

SMIFS Ltd. was promoted by a group of professionals who joined hands to use their expertise and experience to establish a fine, integrated wealth advisory and equity broking house, catering to the FIIs, Banks, Corporate's, HNI's and Retail clientele.

<b>Name</b>	<b>No. of Shares Held</b>	<b>Percentage(%) of Holding</b>
Mr. Rahul Kayan	51,907,461	98.89%

##### **(ii) Board of Directors**

**Mr. Rahul Kayan**, 39 years, is a Director and Chief Executive Officer of the Company. He holds a Bachelors Degree of Science in Finance & Marketing from Leonard N. Stern School of Business, New York University. He has worked with Merrill Lynch – New York. He has 16 years of experience in Prime Brokerage, Equity Research, Risk Management and Marketing of Equity, Mutual Fund and Debt Linked Product.

**Mr. Ashiwini Kumar Tripathi**, 54 years, is a Managing Director of the Company. He has PGDM Degree with Specialization in Finance and has more than 32 of experience in Capital Markets. He has worked with Wealth Management Advisory Services Limited, a once SEBI Registered Portfolio Manager and has played an instrumental role in providing portfolio management services to High Networth Individuals and Corporates.

**Mr. Sudipto Datta**, 56 years, is a Whole Time Director, Chief Financial Officer and Compliance Officer of the Company. He holds the degrees of B. Sc. (Eco), PGDBM & LL.M. He has been associated with the Securities Market for over 33 years and has rich experience in Stock Broking Operations, Distribution of Financial Products and Compliance.

**Mr. Rajesh Kumar Kochar**, 59 years, is a Whole Time Director of the Company. He is a Commerce graduate from the Calcutta University. He has been associated with the



Securities Market for over 39 years and has rich experience in Stock Broking Operations and Distribution of Financial Products.

**Mr. Madan Gopal Khanna**, 86 years, is an Independent Director of the Company. He is a M.A. in Political Science and a Post Graduate in Management from British Institute of Management (U.K.). He has 42 years of experience in Stock Broking Operations and Distribution of Financial Products. He was employed in the Brush Electrical Engineering Company Limited, Loughborough as a Progress Chaser in the Production Control Department of the Rotating Machines Division. Mr. Madan Gopal Khanna joined the company as a Non-Executive Director in 2011.

**Mr. Santosh Kumar Mukherjee**, 77 years, is an Independent Director of the Company. He is B. Com Hons. in Advance Accounting and FCA. He has over 33 years of real time experience in Securities Markets dealing in stock broking operation in relation to The Calcutta Stock Exchange Limited, National Stock Exchange of India Limited, Bombay Stock Exchange Limited.

**Mr. Dinkar Maheshwari**, 65 years, is an Independent Director of the Company. He is B.Com (Hons) and Chartered Accountant (CA). He has an experience of 42 Years in Capital Market.

#### **(5) GROUP COMPANIES/FIRMS OF THE PORTFOLIO MANAGER ON TURNOVER BASIS**

##### **Subsidiary & Group Companies:**

- (i) SMIFS Finance Limited
- (ii) Stewart & Mackertich Commodities Limited

#### **(6) PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTION OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR INITIATED BY ANY REGULATORY AUTHORITY**

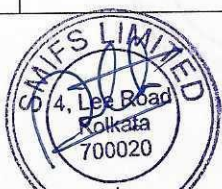
- (i) The Stock Exchanges have imposed fines on the Portfolio Manager in its capacity as a Member Broker of the Stock Exchanges, viz. NSE / BSE for various violations observed during the course of regular inspections for the Cash and Futures & Options Segments. These penalties have been levied for procedural errors which are not material to the operations of the company either as a Portfolio Manager or as a Member Broker of these Exchanges and are hence not considered.
- (ii) The Asset Management Companies during the course of their routine inspection have issued advice to strengthen Due Diligence Processes which are not material to the operations of the company either as a Portfolio Manager or as a Mutual Fund Distributor and are hence not considered.





- (iii) A summary of the Inspections undertaken by SEBI on the Portfolio Manager in its capacity as a Member Broker of the Stock Exchanges, viz. NSE / BSE and Depository Participant during the last three years and the respective outcomes is as below:

Period	Inspection Theme	Observations
Conducted during June-2021	Included all functions in relation to Stock Broking and Depository Operations	Observations related to regular compliance in Stock Broking and Depository Operations such as Segregation of Clients' Funds and Securities, Non-Settlement of Client's Accounts, Incorrect Reporting of Margin, etc. Levy of Monetary Penalty of Rs. 10,00,000/- as per Adjudication Order under Section 15HB of the SEBI Act and Section 23D of the SCRA, which has been duly paid within the due timeline.
Conducted during October-2021 and June-2022	Limited Purpose Inspection- CM, F&O and CD Segments	Based on the Inspection Observations related to regular compliance in Stock Broking Operations an Order was passed by the Member and Core Settlement Guarantee Fund Committee (MCSGFC), National Stock Exchange of India Limited (NSE) on January 25, 2023 vide which a penalty of Rs. 1.33 Crores was levied on the Company. SMIFS Limited being aggrieved by the Order dated January 25, 2023 had filed an Appeal before the Securities Appellate Tribunal (SAT), Mumbai, vide Appeal No. 188 of 2023. Upon hearing both the parties, the Hon'ble Tribunal had passed the Order to stay the effect and operation of the impugned order till further orders subject to the condition that the appellant shall deposit a sum of Rs. 50 lakh, which was duly deposited in the NSE Exchange Dues Account of the Company. The instant matter is currently pending for final disposal.
Conducted during March-2022	Limited Purpose Inspection- CM, F&O and CD Segments	Observation related to regular compliance in Stock Broking pertaining to Submission of Incorrect data towards weekly holding statement. Monetary Penalty of Rs. 1,00,000/- was levied for the aforesaid observation.
Conducted during February-2022	Regular monitoring and surveillance of trading activity in Equity segment	An Order was passed by the Member and Core Settlement Guarantee Fund Committee (MCSGFC), National Stock Exchange of India Limited (NSE) on November 20, 2023 vide which a penalty of Rs. 28.87 Lakhs was levied on the

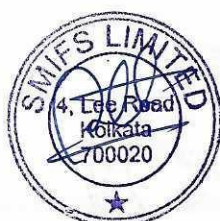




		Company, based on violations related to Abnormal/Non-genuine Trades. SMIFS Limited being aggrieved by the Order dated November 20, 2023 had filed an Appeal before the Securities Appellate Tribunal (SAT), Mumbai, vide Appeal No. 104 of 2024. Upon hearing both the parties, the Hon'ble Tribunal had passed the Order to deposit a sum of Rs. 14.60 lakh, which was duly deposited in the NSE Exchange Dues Account of the Company. The instant matter is currently pending for final disposal.
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- (iv) No penalties have been imposed for any economic offence and/or for violation of any securities law.
- (v) A summary of the Enquiry/Investigations undertaken by SEBI on the Portfolio Manager in its capacity as a Member Broker of the Stock Exchanges, viz. NSE / BSE/ CSE and the respective outcomes is as below:

Sr. No.	Details/ description of the action taken/ initiated by SEBI	Status
1.	The Company had dealt with an unregistered Sub-broker, failed to segregate the clients' funds and securities and failed to maintain client database	Settlement Charges of Rs. 3,00,000/- was paid to in accordance to Consent terms and the Consent Order dated 17-Sep-2008, was passed by SEBI to that effect.
2.	Alleged indulgence in creation of artificial market and price manipulation in the scrip of DSQ Industries Ltd.	As the Consent Application was rejected by SEBI vide letter dated 12-Mar-2009. The Company moved before SAT against SEBI refusal. SAT set aside the impugned order with no order as to costs vide its order dated 18-Aug-2010.
3.	Alleged indulgence in creation of artificial market and price manipulation in the scrip of South East Asia Marine Engineering & Construction Ltd.	Settlement Charges of Rs. 30,00,000/- was paid to in accordance to Consent terms and the Consent Order dated 7-Mar-2011, was passed by SEBI to that effect.
4.	Alleged indulgence in creation of artificial market through synchronized transactions on	Settlement Charges of Rs. 2,50,00,000/- was paid to in accordance to Consent terms

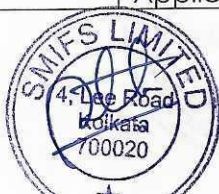


	behalf of promoter associated entities in the scrip of DSQ Software Ltd.	and the Consent Order dated 18-Jul-2011, was passed by SEBI to that effect.
5.	<p>Alleged failure in maintenance of integrity, promptitude &amp; fairness, not exercising due skill, care &amp; diligence, indulged in manipulative activities and not complying with statutory requirements violating Regulation 4 (a) to (d) of SEBI (Prohibition of Fraudulent &amp; Unfair Trade Practices relating to Securities Market) Regulations, 1995 read with clauses A(1) to A(5) of code of conduct specified in schedule</p> <p>II of Regulation 7 of the SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 in matter of DSQ Biotech Ltd.</p>	Settlement Charges of Rs. 2,31,50,000/- was paid to in accordance to Consent terms and the Consent Order dated 28-Sep-2011, was passed by SEBI to that effect.

(vi) Litigation/Legal Proceedings:

**Details of Complaint/ Arbitration/ Disciplinary Proceedings Pending against the Company:**

Sr. No.	Filed By	Details/ description of complaint/ disciplinary proceeding	Action by SMIFS Limited	Current Status
1	<b>AMAN BAJAJ (UCC-62386) - RETAIL CLIENT</b>	<p>The Applicant-Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0066576/20-21/ISC/ARB.</p> <p>The Applicant-Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent.</p> <p>An amount of Rs. 44,026.65 has been awarded in favour of Applicant-Constituent</p>	Being aggrieved with the order dated 02.08.2022, the SMIFS Limited has appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid order has been stayed by an order passed by the Learned District Judge on 12.09.2022 for final disposal.	In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 07.10.2024.



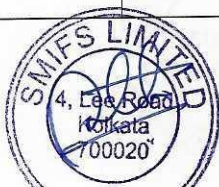


		by an Ordered on 02.08.2022.		
2	<b>ARJUNLAL AGARWAL AND SONS HUF (UCC-60459) - RETAIL CLIENT</b>	<p>The Applicant-Constituent filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0051314/20-21/ISC/ARB.</p> <p>The Applicant-Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent.</p> <p>An amount of Rs. 52,662.19 has been awarded in favour of the Applicant-Constituent by an Order dated 12.05.2022.</p>	Being aggrieved by the Order dated 12.05.2022, the SMIFS Limited has Appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge on 17.08.2022 for final disposal.	In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 13.11.2024.
3	<b>ASHOK KUMAR AGARWALA (UCC-61575) - RETAIL CLIENT</b>	<p>The Applicant-Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0003101/21-22/ISC/ARB/APPL with a claim amount of Rs. 5,71,464.00</p> <p>The Applicant-Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent.</p> <p>The Client had not been awarded with</p>	Being aggrieved by the Order dated 08.01.2023, SMIFS Limited has Appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge on 01.04.2023 till 02.05.2023 for final disposal.	In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 04.10.2024.





		<p>any relief by an award dated 17.08.2022 from the Lower Appellate Tribunal.</p> <p>The Applicant- Constituent had appealed against the Award dated 17.08.2022 with the claim Amount of Rs. 7,93,764.00.</p> <p>An amount of Rs. 89,993.00 has been awarded in favour of the Applicant- Constituent by an Order dated 08.01.2023.</p>		
4	<b>SUDHIR GARG (UCC-66374)-RETAIL CLIENT</b>	<p>The Applicant- Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEDRO/0023293/21-22/ISC/IGRP/ARB.</p> <p>The Applicant- Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant- Constituent. An amount of Rs. 18,56,140.00 has been awarded in favour of Applicant- Constituent by an Ordered dated 26.09.2022.</p>	<p>Being aggrieved with the order dated 26.09.2022, the Trading Member has appealed before the Appellate Arbitration Forum of NSE on 28.10.2022 and before the Learned District Judge, Commercial Court, Patiala House Court, New Delhi on 25.02.2023.</p>	<p>In furtherance to the aforesaid order, the Learned District Judge, Commercial Court, Patiala House Court, New Delhi has passed the Judgment in the aforesaid matter on 18.05.2024. In view of discussions and findings the Learned District Judge, Commercial Court, Patiala House Court, New Delhi has ordered that the petition filed by SMIFS Limited is partially allowed and the award passed by the appellate arbitral tribunal is partially upheld.</p>
5	<b>HARSHITA BAJAJ (UCC-62387)-RETAIL CLIENT</b>	<p>The Applicant- Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/</p>	<p>Being aggrieved by the Order dated 11.07.2022, the SMIFS Limited has Appealed before</p>	<p>In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay</p>

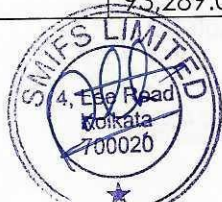


		<p>0066521/ 20-21/ ISC/ ARB, filed on 21.04.2022, with a Claim Amount of Rs. 69,161.77.</p> <p>The Applicant-Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent.</p> <p>An amount of Rs. 69,078.00 has been awarded in favour of the Applicant-Constituent by an Order dated 11.07.2022.</p>	<p>the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge on 17.08.2022 for final disposal.</p>	<p>Order till 04.10.2024.</p>
6	<b>MAYANK KUMAR AGARWALA (UCC-61103)-RETAIL CLIENT</b>	<p>The Applicant-Constituent filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0065507/20-21/ISC/ARB, filed on 03.03.2022, with a Claim Amount of Rs. 3,20,23,161.00.</p> <p>The Applicant-Constituent alleged that the Trading Member has not followed the procedures for Liquidating Open Positions and have charged excess brokerage than the contracted rate.</p> <p>An amount of Rs. 1,31,31,317.00 has been awarded in</p>	<p>Being aggrieved by the Order dated 25.08.2022, SMIFS Limited has Appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge on 12.09.2022 for final disposal.</p>	<p>In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 12.12.2024.</p> <p>It may kindly be noted that the client is contesting a suit filed on 16.03.2021 by SMIFS Limited for an amount of Rs. 2,05,30,548.40/-.</p>





		favour of the Applicant-Constituent by an Order dated 25.08.2022.		
7	<b>P.K. BAJAJ AND SONS HUF (UCC-62574)-RETAIL CLIENT</b>	<p>The Applicant-Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0002318/21-22/ISC/ARB/APPL.</p> <p>The Applicant-Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent.</p> <p>An amount of Rs. 44,536.00 has been awarded in favour of the Applicant-Constituent by an Order dated 18.05.2022.</p>	Being aggrieved with the order dated 18.05.2022, the SMIFS Limited has appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid order has been stayed by an order passed by the Learned District Judge on 23.06.2022 for final disposal.	In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 08.10.2024.
8	<b>POOJA BAJAJ (UCC-62505)-RETAIL CLIENT</b>	<p>The Applicant-Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0043799/20-21/ISC/ARB.</p> <p>The Applicant-Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent.</p> <p>An amount of Rs. 93,289.00 has been</p>	Being aggrieved by the Order dated 19.08.2022, the SMIFS Limited has Appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge for final disposal.	In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 04.10.2024.

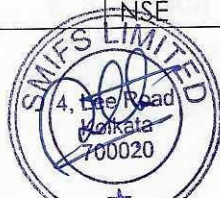


		awarded in favour of Applicant-Constituent by an Ordered dated 19.08.2022.		
9	<b>MUKESH AGARWAL (UCC-60461)- RETAIL CLIENT</b>	<p>The Applicant-Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0027563/20-21/ISC/IGRP/ARB.</p> <p>The Applicant-Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent. An amount of Rs. 33,049.47 has been awarded in favour of Applicant-Constituent by an Ordered dated 13.07.2022.</p>	Being aggrieved by the Order dated 13.07.2022, the SMIFS Limited has Appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge for final disposal.	In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 11.11.2024.
10	<b>DIMPLE AGARWAL (UCC-60489)- RETAIL CLIENT</b>	<p>The Applicant-Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0012256/22-23/ARB.</p> <p>The Applicant-Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent. An amount of Rs. 25,846.00 has been awarded in favour of Applicant-Constituent by an Ordered dated 01.03.2023.</p>	Being aggrieved by the Order dated 01.03.2023, the SMIFS Limited has Appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge for final disposal.	In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 18.11.2024.



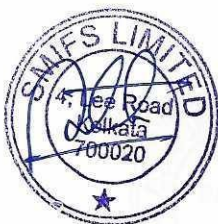


11	<b>DEEPMALA AGARWAL (UCC-60739)-CLIENT</b>	<p>The Applicant- Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0012613/22-23/ ARB.</p> <p>The Applicant- Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent. An amount of Rs. 21,561.00 has been awarded in favour of Applicant-Constituent by an Ordered dated 16.03.2023.</p>	<p>Being aggrieved by the Order dated 16.03.2023, the SMIFS Limited has Appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant- Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge for final disposal.</p>	<p>In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 07.10.2024.</p>
12	<b>PISTA AGARWAL (UCC-60460)-CLIENT</b>	<p>The Applicant- Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0012687/22-23/ ARB.</p> <p>The Applicant- Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent. An amount of Rs. 18,730.00 has been awarded in favour of Applicant-Constituent by an Ordered dated 01.03.2023.</p>	<p>Being aggrieved by the Order dated 01.03.2023, the SMIFS Limited has Appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant- Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge for final disposal.</p>	<p>In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 04.10.2024.</p>
13	<b>SHAKTI AGARWAL (UCC-60525)- RETAIL CLIENT</b>	<p>The Applicant- Constituent, filed a complaint against the Company at NSE vide NSE Ref. No.</p>	<p>Being aggrieved by the Order dated 08.05.2023, the SMIFS Limited has</p>	<p>Please note further that the parties have mutually agreed that the pending</p>



		<p>NSEKRO/0015705/22-23/ ARB.</p> <p>The Applicant-Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent. An amount of Rs. 18,261.00 has been awarded in favour of Applicant-Constituent by an Ordered dated 08.05.2023.</p>	<p>Appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge for final disposal.</p>	<p>proceedings shall stand withdrawn/ quashed/ disposed of.</p>
14	<b>PRERNA BAJAJ (UCC-61742)-RETAIL CLIENT</b>	<p>The Applicant-Constituent, filed a complaint against the Company at NSE vide NSE Ref. No. NSEKRO/0066542/20-21/ ISC/ARB.</p> <p>The Applicant-Constituent alleged that the Trading Member has charged excess brokerage and other charges in the Securities Trading Account of the Applicant-Constituent. An amount of Rs. 25,071.00 has been awarded in favour of Applicant-Constituent by an Ordered dated 24.11.2022.</p>	<p>Being aggrieved by the Order dated 24.11.2022, the SMIFS Limited has Appealed before the Learned District Court, at Alipore and upon hearing the Appellant-Trading Member and Applicant-Constituent, the aforesaid Award has been stayed by an order passed by the Learned District Judge for final disposal.</p>	<p>In furtherance to the aforesaid order, the Learned District Judge has further extended the Stay Order till 15.01.2025.</p>

- (vii) No deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency.
- (viii) No Enquiry/adjudication proceedings has been 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

**(7) SERVICES OFFERED**

**7(1) Present Investment Objective and Policy:**

The Portfolio Manager will offer Discretionary, Non-discretionary and Advisory Portfolio Management Services to its prospective clients after ascertaining their risk profile, investment needs and objectives.

**(i) Discretionary Services**

The management of the portfolio is of discretionary nature, wherein the choice of investment in securities and the timing of such investment solely rest with the Portfolio Manager. The Portfolio Manager shall have the sole and absolute discretion to invest funds of the clients in such manner and in such industries/sectors/securities as the Portfolio Manager deems fit. The securities traded or held by the Portfolio Manager in different client's account, even if invested in the same portfolio product, may differ with each client. The Portfolio Manager's decision (taken in good faith) in deployment of the Client's funds is absolute and final and cannot be called in question or be open to review at any time during the currency of the agreement or at any time thereafter except on the ground of malafide intent, fraud, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant Acts, Rules, Regulations, Guidelines and Notifications in force from time to time. Periodical statements in respect of client's portfolio shall be sent to the respective clients.

**STRATEGIES BEING OFFERED TO INVESTORS UNDER DISCRETIONARY SERVICES:**

- Evergreen (Active)
- Harvest (Active)
- Season (Inactive)
- Cedar (Inactive)
- Orchard (Inactive)
- Greenshoots (Inactive)
- Bloom (Inactive)
- Bouquet (Inactive)
- Arth Ritu (Inactive)
- Alpha Harvesters (Active)
- Emerging Titans (Active)



## (a) EVERGREEN

Our solid, long-term investment product is called Evergreen. The Holy Bible says (New Testament, Galatians 6:7) - 'whatsoever a man soweth, that shall he also reap.' We choose only the sturdiest, evergreen plants that yield sweet fruits - season after season. We take tender loving care of these plants. And they become trees. They come from a solid gene pool, and give a decent harvest in almost all seasons. They can withstand bad weather. We sow these plants for the long term.

### Core values underlying the Evergreen Portfolio

<b>Investment philosophy</b>	Capital preservation with solid and steady growth.
<b>Risk appetite</b>	Low.
<b>Strategy</b>	Invest in fundamentally strong scrips available at affordable valuation. Investment in large caps and blue chips.
<b>Investment timeframe</b>	Long term holding.
<b>Use of derivatives</b>	Zero to minimal.
<b>Sectoral bias</b>	Across the spectrum with no particular bias.
<b>Benchmark</b>	NIFTY 50 TRI

## (b) HARVEST

Harvest is our 'moderate risk' portfolio. We recognize that some of our investors want a slightly more aggressive investment philosophy to drive their investments. This product offering is driven by the fact that some crops grow quicker than others. Often, they are also more vulnerable and, therefore, need more monitoring. We think you can reap a significantly larger harvest by planting a few crops in our fast-growth farm as well, depending on your risk profile, so that your harvest is larger.

### Core values underlying the Harvest Portfolio

<b>Investment philosophy</b>	Take calculated risks and achieve significant growth.
<b>Risk appetite</b>	Moderate
<b>Strategy</b>	Find clearly identifiable growth stocks at an early stage so as to ride the surge in value at the right time.
<b>Investment timeframe</b>	Medium to long term, from 6 to 18 months. Expect some churn arising out of investment review.
<b>Use of derivatives</b>	Minimal.
<b>Sectoral bias</b>	Focus on hi-growth sectors in India.





<b>Benchmark</b>	NIFTY 50 TRI
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### (c) SEASON

This is our 'opportunistic' investment offering. Sometimes there is an attractive window of opportunity, which lasts for a few months (or sometimes even weeks). As farmers, we are happy to see such short-term changes as they offer us a chance to grow a small crop for you and avail of the opportunity. As soon as the opportunity matures, we encash the crop and wait for another opportunity.

#### Core values underlying the Season Portfolio

<b>Investment philosophy</b>	Earn higher returns via aggressive exposure to sectors and stocks at the forefront of market momentum.
<b>Risk appetite</b>	Medium to high.
<b>Strategy</b>	Trade in stocks that reflect the short to medium term momentum of the market. Stay in cash if good opportunities are not immediately visible.
<b>Investment timeframe</b>	Short term, typically 3 to 6 months. Expect moderate to high churn.
<b>Use of derivatives</b>	Moderate to aggressive, strictly within allowed regulations.
<b>Sectoral bias</b>	None
<b>Benchmark</b>	NIFTY 50 TRI

### (d) CEDAR – Top 100 (Large CAP Funds)

CEDAR is a large cap focused, top 100 stocks (market cap) PMS Product. It is ideal for investors who is risk averse and would like to have a moderate, consistent returns with focus on top quality large cap stocks. Recent reform measures like demonetization, decline in fixed income returns, visibility of strong GDP growth has seen more companies joining the large cap club across consumption and investments, and hence it makes sense for investors who look for safety, capital protection and consistent returns.

#### Core values underlying the Cedar Portfolio

<b>Investment Philosophy</b>	Capital preservation with investment in large cap blue chip stocks
<b>Risk Appetite</b>	Low
<b>Strategy</b>	Investment in only large caps top 100 companies, targeting value and growth
<b>Investment timeframe</b>	Medium to long term holding



<b>Use of derivatives</b>	Minimal to nil
<b>Stocks and Sectorial bias</b>	Maximum 16 stocks with individual stock exposure of 12% and individual sector exposure of 25%
<b>Benchmark</b>	NIFTY 50 TRI

**(e) ORCHARD - Fixed Income PMS (Debt Fund, Liquid Fund, gilt fund, Capital Protection Plan Fund)**

ORCHARD PMS is a Fixed Income Investment PMS product which invests in a basket of fixed Income products such as Debt Funds, Certificate of Deposits, Commercial Papers, Corporate Bonds (non SLR), Govt. Securities (SLR), Several categories of Government Bonds, Structure Debt Fixed Deposits Gilt Funds, Liquid Funds, and Capital Protection Funds or schemes within the ambit of Fixed Income Market and Money Market Funds.

As we know Orchards are sometimes a feature of large gardens, where they serve an aesthetic as well as a productive purpose. The idea is to give an HNI investor an option to invest where safety and return are ensured. With increasing High Net worth Individuals and increasing size of corporates, we believe it is necessary for such investors to park part of their earned capital in less risky safe haven. SMIFS ORCHARD endeavors to provide such a haven to the designated investors.

**Core values underlying the Orchard Portfolio**

<b>Investment Philosophy</b>	To Provide safety and return to investors through customization
<b>Risk Appetite</b>	Very low
<b>Strategy</b>	To select mix of products qualifying as safe and secured fixed income product
<b>Investment timeframe</b>	Liquid <1 year or depending on customization of client Long duration > 1 Year
<b>Use of derivatives</b>	NIL
<b>Sectorial bias</b>	Depending on customization of investor
<b>Benchmark</b>	NIFTY 50 TRI

**(f) GREENSHOOTS - Startup Fund / Angel Fund**

As the name implies, SMIFS GREENSHOOTS PMS target to invest in startup companies. SMIFS Limited's Management is actively associated with Angel Network. In the current crowded space of startup companies, which is likely to get a further boost on support from government and entrepreneurial zeal among the young Indians, SMIFS Limited's Legacy and rich experience plays an important role in identifying the right idea or the startup, for Angel Investors.





We know that not all green shoots survive the difficult environment and only a few live long to bear fruits. Some may not be genetically strong while some may fall prey to other factors. In the current wave of startup era, it is important to identify the right company for investors. SMIFS management and professionals are leaders in the Entrepreneurial Eco-System which enables them to assess the potential risks at an early stage incubation.

#### Core values underlying the Greenshoots Portfolio

<b>Investment Philosophy</b>	To target companies that crave to create sustainable value, not just valuation
<b>Risk Appetite</b>	High Risk
<b>Strategy</b>	Diversify the risk by investing in at least 8-10 companies
<b>Investment Time frame</b>	5+ years depending upon the several stages of company's growth phase
<b>Use of derivatives</b>	NIL
<b>Sectoral bias</b>	No sector, product or service bias.
<b>Benchmark</b>	NIFTY 50 TRI

#### (g) BLOOM - Pre-IPO/Unlisted Fund

BLOOM, a PMS product that targets to invest in companies that are looking to list in the near future in the main exchanges or SME exchanges. The appetite has shifted from large private equity and hedge funds to HNI and mid-size corporates who are looking to invest in pre-IPOS. We believe the swift structural changes like GST implementation, e-commerce, increase in the base of formal economy, Unavailability of informal capital and the urge of young entrepreneurs to elevate their social status through market capitalization is all going to play an important role in listing of mid and small size companies. Most companies need to raise a portion of the desired capital through private placements before the IPO is scheduled to hit the market.

#### Core values underlying the Bloom Portfolio

<b>Investment Philosophy</b>	To invest in companies that meet social and economic objectives, and offer listing gains
<b>Risk Appetite</b>	Medium to High
<b>Strategy</b>	Optimize returns by investing in at least 4-5 companies
<b>Investment timeframe</b>	3-5 years, depending on the company's IPO stage
<b>Use of Derivatives</b>	NIL
<b>Sectoral bias</b>	No sector, product or service bias.
<b>Benchmark</b>	NIFTY 50 TRI



#### (h) BOUQUET – Fund of Funds

BOUQUET PMS invests in a pool of high yielding and growth oriented pool of mutual funds, hence it is a Fund of Funds. The investment team at SMIFS Limited has a Model Fund of Funds which identify and invest in mutual funds based on the profile of the investors. A risk bearing investor in a mutual fund is given the choice to invest in thematic and growth oriented pool of mutual funds. A risk averse and elderly investors are given the choice to invest in safe and balanced mutual funds. A mutual fund investment requires an investor to track the underlying themes, which is usually not in the scope of most investors. SMIFS BOUQUET targets to provide such support to investors.

#### Core values underlying the Bouquet Portfolio

<b>Investment Philosophy</b>	Offer the right support to investors
<b>Risk Appetite</b>	Medium to low
<b>Strategy</b>	Diversify the risk by investing in at least 5-8 mutual funds
<b>Investment timeframe</b>	2 years and beyond
<b>Use of Derivatives</b>	Minimum to nil
<b>Sectoral bias</b>	Based on profile and need of the investor
<b>Benchmark</b>	NIFTY 50 TRI

#### (i) Arth Ritu – wealth

The Arth Ritu PMS product is designed to take advantage of turnaround in quality smallcap companies post general elections and across seasons. It is a customer first initiative product in the sense that our focus is in generating wealth for the customer first. The product is designed and meant for a select group of families.

#### Core values underlying Arth Ritu

<b>Investment Philosophy</b>	To invest in companies operating in sustainable businesses, available at reasonable valuations, capable of generating 25-30% CAGR in the next 3 years
<b>Risk Appetite</b>	Medium to low
<b>Strategy</b>	To invest in quality 10-12 small cap cos, able to generate alpha returns within 18 months compared with benchmark
<b>Investment timeframe</b>	18-24 months
<b>Use of</b>	Minimum to nil





<b>Derivatives</b>	
<b>Sectoral bias</b>	Based on profile and need of the investor
<b>Benchmark</b>	NIFTY 50 TRI

**Note:** The un-invested amounts in all the above strategies may be deployed in liquid fund strategies of mutual funds, gilt strategies, bank deposits and other short-term avenues for investment. The Portfolio Manager, with consent of the client, may lend the securities through an approved intermediary, for interest.

#### (j) Alpha Harvesters

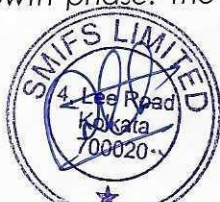
It is our moderate to high-risk, multi-cap portfolio, with a blend of "Value and Growth" stocks with strong corporate governance. Value stocks identification focuses on buying under bought quality business which are at the cusp of their high growth trajectory. Similarly, Growth stocks includes buying businesses which have seen high growth phase at reasonable valuations and are expected to continue the same going ahead. The portfolio strategy quite malleable in nature depending on the market conditions. In high growth phase of the market the allocation can increase aggressively towards Growth stocks, whereas, during a market slump the allocation would shift towards defensive Value stocks. This will ensure the portfolio performance is optimal in varied market conditions.

#### Core values underlying the Alpha Harvesters Portfolio

<b>Investment Philosophy</b>	Take advantage of market conditions with calculated risk to achieve portfolio appreciation
<b>Risk Appetite</b>	Moderate to high
<b>Strategy</b>	Create a balanced portfolio of Value and Growth stocks under varied market conditions to achieve optimal growth
<b>Investment Timeframe</b>	Medium to long term, from 6 to 24 months. Expect moderate to high churn
<b>Use of Derivatives</b>	Zero to minimal
<b>Sectoral Bias</b>	Sector agnostic with bias depending on market conditions
<b>Benchmark</b>	NIFTY 50 TRI

#### (k) Emerging Titans

It is our high-risk, high return strategy, with a focus on companies which could be future "Titans" in their respective sectors. This strategy follows a top-down approach and is moat driven, with a robust due diligence process. Companies with strong business strength, cost leaders, having a product niche, operating in a sizable market space and strong corporate governance fit the right criteria for this strategy. The gestation period in such companies could be between 18-24 months before we see a high growth phase. The allocation would be more towards mid and small cap



companies, which have to potential to grow multi-fold and become large caps of tomorrow.

### **Core values underlying the Emerging Titans**

<b>Investment Philosophy</b>	Invest in mid & small cap companies of today and watch them become large caps of tomorrow
<b>Risk Appetite</b>	High
<b>Strategy</b>	Create a portfolio of companies which have strong business moat, backed by an extensive due diligence process
<b>Investment Timeframe</b>	Medium to long term, from 18 to 36 months. Expect moderate to high churn
<b>Use of Derivatives</b>	Zero to minimal
<b>Sectoral Bias</b>	Sector agnostic
<b>Benchmark</b>	NIFTY 50 TRI

### **(ii) Non-Discretionary Services**

The objective is to advice clients on investing in equity, debt, mutual funds and other investments depending on the Client's needs and risk-return profile and/or to provide administrative services for execution of transaction as per the mandate from the client. Under this, the Client will decide his own investments. The Portfolio Manager's role is limited to providing investment advice, research and/or facilitating the execution of transactions.

The Portfolio Manager, based on the Client's mandate and consent, will deploy Client's funds available from time to time. All execution of transactions based on the client's mandate is final and at no point Portfolio Manager's action taken in good faith questioned during the currency of the agreement or at any time thereafter except on the ground of malafide intent, fraud, conflict of interest or gross negligence on the part of the Portfolio Manager. Each client shall receive a periodic statement relating to their portfolio.

### **(iii) Advisory Services**

The Portfolio Manager will provide Advisory Portfolio Management Services, in terms of the SEBI (Portfolio Manager) Regulations 2020, which shall be in the nature of investment advisory and shall include the responsibility of advising on the portfolio strategy and investment and divestment of securities or investment products on the client's portfolio, for an agreed fee structure, entirely at the Client's risk.

The Portfolio Manager shall be solely acting as an advisor to the client where the client is advised on buy/sell decision within the overall risk profile without any back office responsibility for trade execution, custody or accounting functions. The Portfolio Manager shall act in fiduciary capacity towards its client.





### **7 (1a) Types of Securities:**

The Portfolio Manager reserves the right to invest in all permitted securities, instruments and assets as permitted under the applicable Rules and Regulations. The Portfolio Manager shall acquire Securities through primary acquisition and secondary purchases of target entities ("Portfolio Entity/ies"). These Securities may be listed or unlisted.

The un-invested amount forming the part of the Client's Assets may be at the discretion of the Portfolio Manager be held in cash or deployed in Liquid fund schemes, Exchange Traded Index Funds, debt oriented schemes of Mutual Funds, Gilt Schemes, Bank Deposits and other short term avenues for Investment.

### **7(2) Investments in Group/Associate Companies:**

The Portfolio Manager shall not undertake any investment in portfolio funds in the Securities of any associates/group companies of the Portfolio Manager.

### **(8) RISK FACTORS**

- (i) Investments in securities are subject to market risks which include price fluctuation risks. There is no assurance or guarantee that the objectives of any of the investments made under the strategies will be achieved.
- (ii) Past performance of the Portfolio Manager does not indicate its future performance. Investors are not being offered any assurance or guarantee either that the investment objective of the Portfolio Strategies will be achieved or of any indicative returns or of appreciation of the portfolio or of protection of initial corpus. The names of the strategies do not in any manner indicate their prospects or returns.
- (iii) Investments made by the Portfolio Manager are subject to risks arising from the investment objective, investment strategy and asset allocation.
- (iv) Investments made by the Portfolio Manager are subject to risks arising out of non-diversification.
- (v) The performance in the equity may be adversely affected by the performance of individual companies in which investments are made, changes in the market place and industry specific and macro-economic factors.
- (vi) The Portfolio Manager may make investments in unlisted Securities. This may also expose the Portfolio Manager to an illiquidity scenario since the exit from the Portfolio Entity would have to be a Strategic exit.
- (vii) The debt investments and other fixed income securities may be subject to interest rate risk, liquidity risk, credit risk and re-investment risk. These factors may adversely affect returns.



- (viii) The strategies may use derivative instruments like index futures, stock futures and option contracts, warrants, convertible securities, swap agreements or any other derivative instruments for the purpose of hedging and portfolio balancing, as permitted under the regulations and guidelines. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Portfolio Strategies using derivative / futures and options products are affected by risks different from those associated with stock and bonds. Such products are highly leveraged instruments and their use requires a high degree of skill, diligence, and expertise. Small price movement in the underlying securities may have a large impact on the value of derivatives/ futures and options. Some of the risks relate to mis-pricing or the improper valuation of derivatives/futures and options and the inability to correlate the positions with the underlying assets, rates and indices.
- (ix) Technology, pharmaceutical stocks and some of the investments in niche sectors run the risk of volatility, high valuation, obsolescence and low liquidity.
- (x) The Portfolio Manager may, considering the overall level of risk of the portfolio, invest in lower rated/unrated securities offering higher yield. This may increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the executed Agreement.
- (xi) The tax benefits described in this Disclosure Document are as available under the present taxation laws and are available subject to conditions. The information given is included for general purpose only and is based on advice received by the Portfolio Manager regarding the law and practice in force in India and the investors should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Portfolio will endure indefinitely. In view of the individual nature of tax consequences, each investor is advised to consult his/ her own professional tax advisor.
- (xii) The investments made are subject to external risks such as war, natural calamities and policy changes of local / international markets which affects stock markets.
- (xiii) The performance of the strategies may be affected by changes in Government Policies, general levels of interest rates and risks associated with trading volumes, liquidity, and settlement systems in equity and debt markets.
- (xiv) In the case of stock lending, risks relate to the defaults from counter parties with regard to securities lent and the corporate benefits accruing thereon, inadequacy of the collateral and settlement risks. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the strategies.
- (xv) Engaging in securities lending is subject to risks related to fluctuations in collateral value/settlement/liquidity/counter-party.
- (xvi) The Portfolio Manager does not have any conflict of interest related to services offered by group companies.





- (xvii) The Portfolio Manager and its employees involved in investment operations does not have any conflict of interest with the transactions in any of the client's portfolio.

**(9) CLIENT REPRESENTATION**

- (i) CATEGORY OF CLIENTS SERVICED IS PROVIDED BELOW:

Category of Clients	No. of Clients	Funds Managed (Rs. in Cr)	Discretionary/Non-Discretionary / Advisory Services
Associate/Group Companies (Last 3 Years)	NIL	N.A.	N.A.
As on 31 <sup>st</sup> March, 2022	16	15.564	Discretionary
	1	0.265	Non-Discretionary Services
As on 31 <sup>st</sup> March, 2023	13	15.26	Discretionary
As on 31 <sup>st</sup> March, 2024	19	41.76	Discretionary

- (ii) COMPLETE DISCLOSURE IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES AS PER THE STANDARDS SPECIFIED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA. (BASED ON THE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31.03.2024):

**Related Party Disclosures (AS 18)**

Related party transactions, as required under Accounting Standard 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, are given below:

**(A) Subsidiary Companies**

Stewart & Mackertich Commodities Limited

**(B) Key Management Personnel**

Mr. Rahul Kayan – Promoter Director & Chief Executive Officer

Mr. Ashiwini Kumar Tripathi – Managing Director

Mr. Sudipto Datta – Whole Time Director, Chief Financial Officer and Compliance Officer

Mr. Rajesh Kumar Kochar – Whole Time Director

Mr. Madan Gopal Khanna – Director

Mr. Santosh Kumar Mukherjee – Director

Mr. Dinkar Maheshwari – Director

Mrs. Kathakali De – Company Secretary



**(C) Enterprise over which Key Management Personnel and their relatives have significant influence**

NONE AS SUCH

**Disclosure of transactions with related parties based on Audited Accounts as on 31.03.2024**

Particulars	Subsidiary Companies
	Outstanding Balance (Rs.)
Stewart & Mackertich Commodities Limited	NIL
	Key Management Personnel
	Amount (Rs.)
Remuneration	77,26,050
Perquisites	7,66,440

**Note:** Contribution to Recognized Provident Fund is not considered.

**(10) DISCLOSURE IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES PERTAINING TO PORTFOLIO MANAGEMENT SERVICES**

The Portfolio Manager is the Trading Member of the BSE, NSE, MSEI, MCX, ICEX and a Depository Participant of CDSL and NSDL. For the purpose of executing Securities Transactions, i.e. Purchase and Sale of securities, the Portfolio Manager shall transact through the Membership held by the Portfolio Manager in NSE & BSE as mentioned hereinabove and any other Stock Broker registered with Securities & Exchange Board of India. Brokerage and other Charges as mandated under law, will be charged for such transactions mentioned herein below. The Portfolio Manager has appointed ICICI Bank Limited as a Custodian to Hold Custody of the Securities of its Clients, Settle Obligations of both Funds and Securities arising out of the Securities Transactions undertaken by the Portfolio Manager on and behalf of the Clients, maintain records on behalf of the Clients and any other actions as require to be done by the Portfolio Manager in respect of the Custody of the Valuable Assets of the Client for a requisite fee as agreed by the Clients.

**(11) FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER**

**Summarized Financial Statement – Balance Sheet & Statement of Profit and Loss based on Audited Financial Statements as on 31.03.2024 and 31.03.2023:**



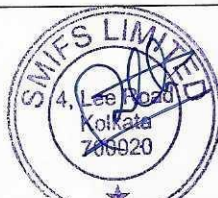


(i) Balance Sheet as on 31.03.2024 and 31.03.2023

(Rupees)		
PARTICULARS	As at 31.03.2024 (Audited)	As at 31.03.2023 (Audited)
<b>EQUITY AND LIABILITIES</b>		
Share Capital	524,900,530	524,900,530
Reserves and Surplus	412,683,945	248,913,143
Non-Current Liabilities	130,48,302	11,169,521
Current Liabilities	1,90,35,33,245	667,664,545
<b>TOTAL LIABILITIES</b>	<b>2,854,166,022</b>	<b>1,452,647,739</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Net Fixed Assets	17,182,629	10,855,903
Investments	4,07,548	4,07,548
Deferred Tax Assets	2,048,815	2,276,845
Other Non- Current Assets	466,100,623	225,255,263
<b>Current Assets</b>	<b>2,368,426,407</b>	<b>1,213,852,180</b>
<b>TOTAL ASSETS</b>	<b>2,854,166,022</b>	<b>1,452,647,739</b>

(iii) Statement of Profit and Loss for the year ended 31.03.2024 and 31.03.2023

(Rupees)		
PARTICULARS	For the Year 31.03.2024 (Audited)	For the Year 31.03.2023 (Audited)
Total Income	709,796,082	485,115,365
Total Expenditure	502,852,419	362,409,140
PBDT	206,943,663	122,706,225
Depreciation	5,091,374	3,161,897
PBT	201,852,289	119,544,328
Provision for Income Tax	37,853,457	22,702,926



<b>Deferred Tax Liability/(Assets)</b>	228,030	(2,276,845)
<b>Service Tax</b>	-	-
<b>PAT</b>	1,63,770,802	99,118,247
<b>Balance Brought Forward</b>	1,76,085,819	76,967,572
<b>Adjustment as per Schedule II to the Companies Act, 2013</b>	-	-
<b>Balance Available for Appropriation</b>	339,856,621	176,085,819

**PORTFOLIO MANAGEMENT PERFORMANCE OF THE PORTFOLIO MANAGER FOR THE LAST THREE YEARS**

The performance of the Portfolio Manager under Discretionary Portfolio Manager Service based on Weighted Average Method for the last three years are as follows :-

Type of Service	Portfolio Performance from (01.04.2023 to 31.03.2024)	Nifty 50 TRI Performance from (01.04.2023 to 31.03.2024)	Portfolio Performance from (01.04.2022 to 31.03.2023)	Nifty 50 TRI Performance from (01.04.2022 to 31.03.2023)	Portfolio Performance from (01.04.2021 to 31.03.2022)	Nifty 50 TRI Performance from (01.04.2021 to 31.03.2022)
Ever Green	63.02	29.99	4.33	1.29	1.28	14.33
Harvest	52.40	29.99	7.02	1.29	34.34	15.89
Alpha Harvester	32.31	21.12	-	-	-	-
Emerging Titans	25.09	21.12	-	-	-	-

**(12) AUDIT OBSERVATIONS**

The Audit Observations for the preceding 3 years are as under :-

<b>AUDIT OBSERVATION</b>		
<b>FY- 2023-24</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
1. The fees and charges has not been acknowledged by the client in their own handwriting.	NIL	NIL
2. The Portfolio Manager has		





accepted funds or securities below the prescribed amount of minimum investment i.e. below 50 lacs in case of one newly on-boarded client.		
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### (13) NATURE OF EXPENSES

The following are the general costs and expenses to be borne by the clients availing the Portfolio Management Services. However, the exact quantum and nature of expenses relating to each of the following services shall be annexed to the Agreement to be entered into with the client.

**(i) Management Fees:** Management fees relate to Portfolio Management Services offered by the Portfolio Manager to the clients. The fees may be a fixed charge or a percentage of the quantum of funds managed or performance based fee or a combination of any of these, as agreed by the client in the Agreement. The performance fee shall be charged based on High Water Mark Principle.

**(ii) Custodian/Depository Fees:** Custodian/Depository fees relate to the charges relating to opening and operation of depository accounts, custody and transfer charges for shares, bonds, and units, dematerialization and rematerialization, pledge and other charges in connection with the operation and management of the depository accounts.

**(iii) Registrar & Transfer Agent Fees:** Charges payable to Registrars and Transfer Agents in connection with effecting transfer of securities and bonds including stamp duty, cost of affidavits, notary charges, postage stamp and courier charges and other related charges would be recovered.

**(iv) Brokerage & Transaction Cost:** The brokerage charges and other charges like stamp duty, transaction cost and statutory levies such as turnover tax, security transaction tax, SEBI charge and such other levies as may be imposed upon by statutory authorities from time to time, foreign transaction charges (if any) on the purchase and sale of shares, stocks, bonds, debt, deposits, other financial instruments and entry or exit loads (if any) on the purchase and sale of shares, stocks, bonds, debt, deposits, units of mutual funds or otherwise and other financial instruments.

**(v) Securities Lending & Borrowing Charges:** The charges pertaining to lending of securities cost of borrowing including interest and costs associated with transfers of securities connected with the lending and borrowing transfer operations would be recovered.



**(vi) Certification & Professional Charges:** Charges payable for out sourced professional services like accounting, audit, taxation and legal services etc. for documentation notarization, certifications attestation required by bankers or regulatory authorities including legal fees etc. would be recovered.

**(vii) Profit Sharing:** The Portfolio Manager may have a profit sharing arrangement with the clients based on the High Water Mark principle.

**(viii) Incidental Expenses:** All incidental and ancillary expenses not recovered above but incurred by the Portfolio Manager on behalf of the client shall be charged to the Client. Charges in connection with the courier expenses, stamp duty, service tax, postal, telegraphic, opening and operation of bank accounts etc. would be recovered.

#### **(14) REPORTS AVAILABLE TO THE CLIENTS**

Various reports are available to the Clients these include:

- (i) Fortnightly reporting of Portfolio Network, Monthly reporting of Holding and Bank Balances
- (ii) Quarterly reporting of Portfolio Holdings/ Transactions, Network, Ledgers, Fees, Corporate Benefits, etc.
- (iii) The above reports are also available as and when required by the Client.
- (iv) Year-end Financial Statements.

#### **(15) TAXATION**

##### **14(1) General**

The Information given hereinafter is only for general information purpose and is based on the law and practice currently in force in India and the Investors should be aware that the relevant fiscal rules or their interpretation may change from time to time.

##### **14(2) Basic Tax Rate**

Income tax slab rates for FY 2023-24 (AY 2024-25) – New Tax Regime & Old Tax Regime





Income Tax Slab	Existing Regime Slab Rates for FY 23-24 (AY 24-25)			New Regime Slab Rates for FY 23-24 (AY 24-25)
	Resident Individuals & HUF < 60 years of age & NRIs	Resident Individuals & HUF > 60 to < 80 years	Resident Individuals & HUF > 80 years	Applicable for All Individuals & HUF
Upto Rs 2.5 lakh	NIL	NIL	NIL	NIL
Rs 2.5 – Rs 3.00 lakh	5% (tax rebate u/s 87A is available)	NIL	NIL	NIL
Rs 3.00- Rs 5.00 lakh		5% (tax rebate u/s 87A is available)	NIL	5% (tax rebate u/s 87A is available)
Rs 5.00- Rs 6.00 lakh	20%	20%	20%	5%
Rs 6.00 – Rs 7.00 lakh	20%	20%	20%	10%
Rs 7.00 – Rs 9.00 lakh	20%	20%	20%	10%
Rs 9.00 – Rs 10.00 lakh	20%	20%	20%	15%
Rs 10.00 – Rs 12.00 lakh	30%	30%	30%	15%
Rs 12.00 – Rs 12.50 lakh	30%	30%	30%	20%
Rs 12.5 – Rs 15.00 lakh	30%	30%	30%	20%
> Rs 15 lakh	30%	30%	30%	30%

However, under the new tax regime rebate is up to Rs. 25,000 is applicable if the total income does not exceed Rs 7,00,000. (not applicable for NRIs). Additionally, the standard deduction has been raised from Rs. 50,000 to Rs. 75,000 under the new tax regime.



**New Tax Regime Slab rates for domestic companies – FY 2023-24:**

Particulars	Existing / Old regime Tax rates	New Regime Tax rates
<b>Company opts for section 115BAB (not covered in section 115BA and 115BAA) &amp; is registered on or after October 1, 2019 and has commenced manufacturing on or before 31st March, 2024.</b>	–	15%
Company opts for Section 115BAA , wherein the total income of a company has been calculated without claiming specified deductions, incentives, exemptions and additional depreciation	–	22%
Company opts for section 115BA registered on or after March 1, 2016 and engaged in manufacture of any article or thing and does not claim deduction as specified in the section clause.	–	25%
Turnover or gross receipt of the company is less than Rs. 400 crore in the previous year	25%	25%
Any other domestic company	30%	30%

\*Please refer to the new sections for checking the applicability for above concessional income tax rates.

- Additional Health and Education cess at the rate of 4 % will be added to the income tax liability in all cases.
- Surcharge applicable for companies is as below:
  1. 7% of Income tax where total income > Rs 1 crore
  2. 12% of Income tax where total income > Rs.10 crore
  3. 10% of income tax where domestic company opted for section 115BAA and 115BAB.

Income tax rate for Partnership firm or LLP as per old/ new regime.

A partnership firm/ LLP is taxable at 30%.

\* 12% Surcharge is levied on incomes above Rs 1 crore. Health and Education cess at the rate of 4 % Note- There are no concessional rates introduced for firms / LLPs in next tax regime..





#### **14(3) Gains on sale of Securities / buy back of listed shares**

The characterization of gains on sale of Securities / buy back of listed shares generally depends on characteristics of the securities i.e. whether the same are held as capital assets or stock in trade. If the securities are held as capital assets, the gains could be chargeable to tax as "capital gains" and if the securities are held as stock in trade, the gains could be chargeable to tax as "business income".

In view of the above, income arising on sale of securities / buy back of listed shares could either be characterised either as business income or capital gains, depending on the facts of each individual investor.

#### **14(4) Buy back of unlisted equity shares or preference shares**

Section 115QA of the Income-tax Act, 1961 ("ITA") levies a tax of 20% (increased by a surcharge of 12% and Health and Education Cess of 4%) on domestic unlisted companies, when such companies distribute income pursuant to a share repurchase or "buy back". Section 115QA of the ITA defines 'distributed income' to mean "the consideration paid by the company on buy-back of shares as reduced by the amount which was received by the company for issue of such shares". Thus, tax at the rate of 20% (increased by a surcharge of 12% and Health and Education Cess of 4%) is levied on a domestic company on consideration paid by it as reduced by the amount which was received by the company for issue of such shares. As per Section 115QA of the ITA tax on buy-back is payable by a company irrespective of whether income tax is payable on its total income as computed under the ITA. The tax paid to the Indian Government for the buy-back is treated as the final payment of tax and no further credit may be claimed by the company or any other person in respect of the amount of tax so paid. Gains arising on buy back of shares shall be exempt in the hands of investors.

#### **14(5) Business Income**

If the gains are characterized as business income in the hands of the investors, then the same would be taxable at as per the tax rates in Clause No. 14.2 as applicable to the person on net income basis. Securities Transaction Tax ('STT') paid would be allowed as a deduction while computing business income.

#### **14(6) Capital Gains**

The capital gains would be computed as under:

Sale consideration Rs. XXX  
Less: Cost of acquisition (Note 1) Rs. XXX  
Less: Expenses on such transfer Rs. XXX  
Capital gains Rs. XXX



Note 1: In case of computation of long term capital gains, option of indexation of cost is available to resident on all securities (other than bonds and debentures).

Note 2: The cost of acquisition of bonus shares would be deemed to be NIL.

Note 3: STT paid will not be allowed as deduction while computing income from capital gains.

Tax implications in the hands of domestic investors on sale of equity / preference shares would be as under:

Period of Holding	Characterization	Tax Rate (Plus Surcharge as Applicable and Education Cess at 4%)
12 months or less (in case of listed shares) and 24 months or less (in case of unlisted shares)	Short Term	<ul style="list-style-type: none"><li>- Tax rates in Clause No. 14.2 as applicable to the person, in case of shares not listed on any recognized stock exchange in India.</li><li>- 15%, in case of shares listed on a recognised stock exchange and the sale / transfer is subject to STT. Further, as per Budget 2024 (with effect from 23<sup>rd</sup> July, 2024), Short-Term capital Gains (STCG) on listed shares and equity oriented mutual funds are subject to a concessional rate of 15% till transfer made on or before 22<sup>nd</sup> July, 2024. From 23<sup>rd</sup> July, 2024 onwards this rate has been increased to 20%.</li><li>- Other assets (such as real estate, land, unlisted shares etc.): STCG is taxed at normal slab rates applicable to the taxpayer.</li><li>- Short term capital gains occur when shares or assets are held for less than a specified duration, usually less than 12 months. Listed securities are considered short term capital assets if held for less than 12 months. On the other hand gains from unlisted equity shares are categorized as short-term only if the holding period is less than 24 months.</li><li>- Tax rates in Clause No. 14.2 as applicable to the person, in case of Preference shares listed on a recognised stock exchange.</li></ul>





More than 12 months (in case of listed shares) and more than 24 months (in case of unlisted shares)	Long Term	<p>- 20% (after considering indexation) in case of shares not listed on any recognised stock exchange in India.</p> <p>- 10% (without indexation) / 20% (after considering indexation), whichever is less, in case of shares listed on recognised stock exchange but not subject to STT. Further, as per the budget 2024 (with effect from 23rd July 2024) changes are being made-From FY 24-25, the limit on the exemption of Long Term Capital Gains on the transfer of equity shares or equity-oriented units or units of Business Trust is proposed to be increased from Rs.1 Lakh to Rs.1.25 lakh per year. The rate at which it is taxed is also increased from 10% to 12.5%. In the case of other financial. In the case of other financial and non-financial assets, the tax on Long Term Capital Gain is proposed to be reduced from 20% to 12.5%. The indexation benefit available on the transfer of other long-term assets is proposed to be removed.</p>
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#### **14(7) Interest Income**

Interest income would be characterized as 'business income' or 'income from other sources' depending on whether the debentures are held as 'capital assets' or stock-in-trade. Further, gains arising on redemption of debentures prior to redemption would be treated as interest income. Expenses incurred to earn such interest income would be available as deduction. Interest income would be taxable at the rates in Clause No. 14.2 as applicable to the investor.

#### **14(8) Dividend Income**

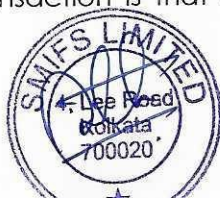
Dividend declared by an Indian company is taxable in the hands of its shareholders.

#### **14(9) Capital Losses**

As per the provisions of the ITA, short term capital loss can be set off against both short term capital gains and long term capital gains but long term capital loss can be set off only against long term capital gains. The unabsorbed short term and long term capital loss can be carried forward for 8 (eight) assessment years.

#### **14(10) Income Stripping**

As per Section 94(1) of the ITA, where any person owning securities sells or transfers the same or similar securities and buys back or reacquires those securities and the result of the transaction is that any interest becoming payable in respect of the



securities is receivable otherwise than by such owner, the said interest payable, whether it would or would not have been chargeable to income tax apart from the provisions of Section 94(1) of the ITA, would be deemed to be the income of the owner of the securities and not to be the income of any other person subject to certain specified conditions.

As per Section 94(2) of the ITA, where any person has had at any time during any previous year any beneficial interest in any securities, and the result of any transaction relating to such securities or the income thereof is that, in respect of such securities within such year, either no income is received by him or the income received by him is less than the sum to which the income would have amounted if the income from such securities had accrued from day to day and been apportioned accordingly, then the income from such securities for such year shall be deemed to be the income of such person.

#### **14(11) Securities Transaction Tax ("STT")**

Delivery based purchases and sales of equity shares traded on recognized Indian stock exchanges are subject to STT at the rate of 0.1% on the transaction value of purchase or sale. Further, STT @ 0.2% on the transaction value is also leviable on sale of unlisted equity shares under an offer for sale to the public included in an initial public offer and where such shares are subsequently listed on a stock exchange.

*Disclaimer: The tax information provided above is generic in nature and is subject to change from time to time. The actual tax implications for each Client could vary substantially from what is mentioned above, depending on the facts and circumstances of each case. The Client would therefore be best advised to consult his or her tax advisor/consultant for appropriate advice on the tax treatment of his or her income or loss and the expenses incurred by him as a result of his investment in the Portfolio Management Service offered by the Portfolio Manager.*

#### **(16) ACCOUNTING POLICIES**

The following accounting policies/valuations will be applied for the portfolio investments of clients:

- (i) Investments in equities will be valued at the closing market prices of the National Stock Exchange of India Ltd. (NSE). If securities are not listed on NSE, then closing market prices of the Bombay Stock Exchange or the other stock exchanges where the securities are listed will be considered for the purpose of valuations. Investments in the units of mutual funds will be valued at latest NAV (Net Asset Value) declared for the relevant strategies on the date of valuation of portfolio investments. Investments in debt instruments will be valued at the market value of the debt instrument at the cut-off date.





- (ii) Realized gains/losses will be calculated by applying the First in First out (FIFO) method e.g. the earliest purchased quantity will be reckoned for the current/most recent sale at the respective prices.
- (iii) Transactions for purchase or sale of securities will 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 financial statements for that year.
- (iv) For derivative transactions (if any), unrealized gains and losses on open position will be calculated by mark to market method.
- (v) Unrealized gains/losses are the differences between the current market values or NAV at a given date and the historical cost of the securities.
- (vi) Dividend on shares and units of mutual funds, interest on debt instruments, stock lending fees earned etc. shall be accounted on accrual basis.

## **(17) INVESTORS SERVICES**

### **(i) Investor Relation Officer**

Name	Mr. Rohan Mukherjee
Address	SMIFS Limited Vaibhav, 5F, 4 Lee Road, Kolkata – 700020
Phone	+91 33 4011 5435
E-mail	<a href="mailto:investors@smifs.com">investors@smifs.com</a>

The Investment Relation Officer(s) will be the interface between the Portfolio Manager and the Client. The officer named above will ensure prompt investor services. SMIFS Limited will ensure that this official is vested with necessary authority, independence and the means to handle investor queries and complaints.

### **(ii) Grievance Redressal and Dispute Settlement Mechanism**

SMIFS Limited will endeavor to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. For this purpose, the clients/investors can contact the Investor Relations Officer at a designated email ID - [investors@smifs.com](mailto:investors@smifs.com). If there is no response from the Investor Relations Officer or the grievance is not satisfied within two days, the same shall be escalated to Head of Compliance for immediate action and if there is no response within five days, the same would be reported to the Designated Director.

If the investor still remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the investor may take up the grievance for redressal with



Securities & Exchange Board of India (SEBI) through the centralized web based complaints redress system against the Portfolio Manager in SEBI Complaints Redress Systems (SCORES) at <http://scores.gov.in>.

After exhausting all the aforementioned options for resolution of the grievance, if the investor is still not satisfied with the outcome or where the issues raised require adjudication on any third party rights, on questions of law or fact or which is in the nature of a lis between parties, he/she/they can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

If the investor still remains dissatisfied with the remedies offered, the investor and the Portfolio Manager shall abide by the following mechanisms:

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

**(18) DETAILS OF INVESTMENTS IN THE SECURITIES OF RELATED PARTIES OF THE PORTFOLIO MANAGER**

NONE AS SUCH.

**(19) DETAILS OF THE DIVERSIFICATION POLICY OF THE PORTFOLIO MANAGER.**

**SMIFS – Alpha Harvesters**

It is our moderate to high-risk, multi-cap portfolio, with a blend of "Value and Growth" stocks with strong corporate governance. Value stocks identification focuses on buying underbought quality business which are at the cusp of their high growth trajectory. Similarly, Growth stocks includes buying businesses which have seen high growth phase at reasonable valuations and are expected to continue the same going ahead. The portfolio strategy quite malleable in nature depending on the market conditions. In high growth phase of the market the allocation can increase aggressively towards Growth stocks, whereas, during a market slump the allocation would shift towards defensive Value stocks. This will ensure the portfolio performance is optimal in varied market conditions.

**Core values underlying the Alpha Harvesters Portfolio**

<b>Investment Philosophy</b>	Take advantage of market conditions with calculated risk to achieve portfolio appreciation
<b>Risk Appetite</b>	Moderate to high





<b>Strategy</b>	Create a balanced portfolio of Value and Growth stocks under varied market conditions to achieve optimal growth
<b>Investment Timeframe</b>	Medium to long term, from 18 to 24 months. Expect moderate to high churn
<b>Use of Derivatives</b>	Zero to minimal
<b>Sectoral Bias</b>	Sector agnostic with bias depending on market conditions

### SMIFS – Emerging Titans

It is our high-risk, high return strategy, with a focus on companies which could be future "Titans" in their respective sectors. This strategy follows a top-down approach and is moat driven, with a robust due diligence process. Companies with strong business strength, cost leaders, having a product niche, operating in a sizable market space and strong corporate governance fit the right criteria for this strategy. The gestation period in such companies could be between 18-24 months before we see a high growth phase. The allocation would be more towards mid and small cap companies, which have the potential to grow multi-fold and become large caps of tomorrow.

### Core values underlying the Emerging Titans Portfolio

<b>Investment Philosophy</b>	Invest in mid & small cap companies of today and watch them become large caps of tomorrow
<b>Risk Appetite</b>	High
<b>Strategy</b>	Create a portfolio of companies which have strong business moat, backed by an extensive due diligence process
<b>Investment Timeframe</b>	Medium to long term, from 18 to 24 months. Expect moderate to high churn
<b>Use of Derivatives</b>	Zero to minimal
<b>Sectoral Bias</b>	Sector agnostic

### SMIFS – Evergreen

A long-term investment option with focus on capital preservation, along with solid and steady growth. Investment would be more focused on fundamentally strong



large-cap companies available at affordable valuations. These companies have strong fundamentals, predictable earnings, and often pay dividends, making them a reliable choice for long-term growth. The priority is quality businesses over speculative investments, focusing on industry leaders with competitive advantages. Diversification across sectors helps manage risk while maintaining steady exposure to market leaders. Ideal for conservative investors, this fund balances growth and stability, making it suitable for long-term wealth creation with moderate volatility.

#### Core values underlying the Evergreen Portfolio

<b>Investment Philosophy</b>	Invest majorly in Large-cap companies, with a minor allocation towards mid & small cap companies to generate additional alpha
<b>Risk Appetite</b>	Low to Moderate
<b>Strategy</b>	Create a balanced portfolio of blue chips and future large-cap stocks to achieve optimal growth
<b>Investment Timeframe</b>	Medium to long term, from 18 to 24 months. Expect moderate to high churn
<b>Use of Derivatives</b>	Zero to minimal
<b>Sectoral Bias</b>	Sector agnostic

#### SMIFS – Harvest

An investment option, with slightly more aggressive approach. The philosophy is driven by the fact that some crops grow quicker than others and need more monitoring. Objective is to find clearly identifiable growth stocks at an early stage. Focus is on high growth sectors. The companies in these sectors are often in their expansion phase, providing opportunities for rapid growth but with increased volatility. The scheme focuses on identifying businesses with strong growth potential, innovative business models, and competitive advantages. This fund is best suited for investors with a higher risk appetite seeking long-term capital appreciation, as the investment is only in mid & small cap companies

#### Core values underlying the Harvest Portfolio

<b>Investment Philosophy</b>	Invest only in mid & small cap companies of today and watch them become large caps of tomorrow
<b>Risk Appetite</b>	High





<b>Strategy</b>	Create a portfolio of companies which have strong business moat, backed by an extensive due diligence process
<b>Investment Timeframe</b>	Medium to long term, from 18 to 24 months. Expect moderate to high churn
<b>Use of Derivatives</b>	Zero to minimal
<b>Sectoral Bias</b>	Sector agnostic

**(20) GENERAL**

SMIFS Limited 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 SMIFS Limited**

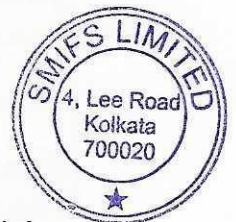
*Amit Roy*

**Amit Roy**  
Principal Officer

**For SMIFS Limited**

*Sudipto Datta*

**Sudipto Datta**  
Whole Time Director, Chief Financial  
Officer & Compliance Officer



**Date: 26.08.2024**  
**Place: Kolkata**



**For GAUTAM AGARWAL & CO.**  
**Chartered Accountants**  
*Gautam Agarwal*  
**Partner**

**UDIN: 25406254BMKZQF3011**  
**Date: 29.03.2025**