

Asit C. Mehta

INVESTMENT INTERMEDIATES LTD.

Corporate Member: BSE Ltd, National Stock Exchange of India Ltd. & Metropolitan Stock Exchange of India Ltd.

Regd. Office : "Nucleus House", 5th Floor, Saki-Vihar Road, Andheri (E), Mumbai - 400 072, Maharashtra, INDIA.
Tel: (022) 2858 4545 · Fax (022) 2857 7647 · E-mail: customerservice@acm.co.in · CIN: U65990MH1993PLC075388

FORM C

Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020

Regulation 22

ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.
Pantomath Nucleus House, Saki Vihar Road Andheri (E), Mumbai – 400 072
(CIN: U65990MH1993PLC075388)
Tel: 022-28583333 / 022-61325757

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 through the Portfolio Manager.
- (iii) The Disclosure Document has been duly certified by an independent chartered accountant, the details of whom are given below:

Name: Ms. Kavita Maheshwari
Address: M/s MAKK & Co., 605, Manish Chambers, Sonawala Lane, Goregaon East, Mumbai - 400063
Phone Number: +91 7738881982
Registration number: 105827

The copy of the said Chartered Accountant's certificate to the effect that the disclosures made in the document are true, fair and adequate to enable the investors to make a well-informed decision is enclosed herewith.

Date: 23rd January, 2024

Place: Mumbai



DEEPAK MAKWANA
Pantomath Nucleus House,
Saki Vihar Road, Andheri East) Mumbai
400 072
Tel: +91-22 61325830
Email: deepak.makwana@acm.co.in



INVESTMENTZ.COM

INVESTOR FIRST

BY ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.





Date : 23rd January, 2024

To
Asit C. Mehta Investment Intermediates Ltd.
Nucleus House,
5th Floor, Saki-Vihar Road,
Andheri (East),
Mumbai 400072.

Dear Sirs,

Re : Certificate of Disclosure Document for Portfolio Management Services.

As per your request, we have reviewed the enclosed Disclosure Document for Portfolio Management Services rendered by you, with details updated up to November 30, 2023.

On the basis of verification of particulars given in the Disclosure Document and other relevant records and the information and explanation given and the documents produced before us, we certify that the disclosures made in Disclosure Document dated January 20, 2024 are in conformity with the requirement of SEBI (Portfolio Managers) Regulations 2020 and that the information contained therein is true, fair and adequate to enable the investors to make a well informed decision.

Thanking you,
Yours faithfully,

FOR MAKK & CO
Chartered Accountants
Firm's Registration No. 117246W

Kavitasm



(CA Kavita Sandeep Maheshwari)
Partner
M. No. 105827

UDIN : 24105827BKBZIV7871

Place : Mumbai

Asit C. Mehta Investment Intermediates Limited

SEBI Registration number for Portfolio Management: INP000005801

Disclosure Document for Portfolio Management Services Activities

- i. The Document has been filed with the Board alongwith the certificate in the specified format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- ii. The purpose of the Document is to provide essential information about the portfolio services in a manner to assist and enable the investors in making informed decision for engaging a portfolio manager.
- iii. The necessary information about the portfolio manager required by an investor before investing, and the investor may also be advised to retain the document for future reference.
- iv. The name, phone number e-mail address of the principal officer so designated by the portfolio manager is:

Name: Mr. Deepak Makwana

Phone number: 022-61325830

E-mail address: deepak.makwana@acm.co.in

TABLE OF CONTENTS

CONTENTS	PAGE NOS.
DISCLAIMER CLAUSE	3
DEFINITIONS AND ABBREVIATIONS	4-6
DESCRIPTION: HISTORY, PRESENT BUSINESS AND BACKGROUND OF THE PORTFOLIO MANAGER	7-10
PROMOTERS OF THE PORTFOLIO MANAGER, DIRECTORS AND THEIR BACKGROUND	10-12
TOP 10 GROUP COMPANIES / FIRMS OF THE PORTFOLIO MANAGER ON TURNOVER BASIS	12
DETAILS OF THE SERVICES BEING OFFERED	12
PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTION OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR INITIATED BY ANY REGULATORY AUTHORITY	12-14
SERVICES OFFERED: INVESTMENT OBJECTIVES	14-15
INVESTMENT POLICIES	15-16
INVESTMENT APPROACHES	16-17
INVESTMENT POLICIES FOR INVESTMENT IN ASSOCIATES/GROUP COMPANIES OF THE PORTFOLIO MANAGER	17
RISK FACTORS	17-18
CLIENT REPRESENTATION	18-19
FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER (BASED ON AUDITED FINANCIAL STATEMENTS)	20-21
PERFORMANCE OF THE PORTFOLIO MANAGER	22-23
AUDIT OBSERVATIONS	23
NATURE OF EXPENSES	23-24
TAXATION	24-28
ACCOUNTING POLICIES	28-29
INVESTORS SERVICES: DETAILS OF INVESTOR RELATION OFFICER	29
GRIEVANCE REDRESSAL & DISPUTE SETTLEMENT MECHANISM	29
DETAILS OF INVESTMENT IN THE SECURITIES OF RELATED PARTIES OF THE PORTFOLIO MANAGER	30
DETAILS OF THE DIVERSIFICATION POLICY OF THE PORTFOLIO MANAGER	30

DISCLAIMER

THE PARTICULARS HAVE BEEN PREPARED IN ACCORDANCE WITH THE SEBI (PORTFOLIO MANAGERS) REGULATIONS, 2020 AND FILED WITH SEBI. THIS DOCUMENT HAS NEITHER BEEN APPROVED NOR DISAPPROVED BY SEBI NOR HAS SEBI CERTIFIED THE ACCURACY OR ADEQUACY OF THE CONTENTS OF THE DOCUMENT.

I. DEFINITIONS AND ABBREVIATIONS:

DEFINITIONS

TERM	DESCRIPTION
Application	Means the application made by the client to the portfolio manager to place the monies and / or securities in the scheme. Upon execution of the agreement by the portfolio manager, the application shall be deemed to form an integral part of the agreement. Provided that in case of conflict between the contents of the application and the provisions of the agreement, the provisions of the agreement shall prevail.
Agreement	Means agreement between the company and its client and shall include all schedules and annexure attached thereto
Articles / Articles of Association	Articles of Association of Asit C. Mehta Investment Intermediates Limited
Bank Account	Means one or more accounts opened, maintained and operated by the Portfolio Manager with any Scheduled Commercial Bank.
Board of Directors	The Board of Directors of Asit C. Mehta Investment Intermediates Ltd., or a Committee thereof
BSE	BSE Ltd.
NSE	National Stock Exchange of India Ltd.
Client	Means a person who enters into an Agreement with the portfolio manager for managing its portfolio / funds.
Companies Act	The Companies Act, 2013 as amended from time to time
Custodian	Means Orbis Financial Corporation Limited as custodian for Portfolio Management Services activities
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 2018 as amended from time to time.
Depositories Act	The Depositories Act, 1996 as amended from time to time.
Depository Participant	A Depository Participant as defined under the Depositories Act
EPS	Earnings per Equity Share
Equity Shares	Equity shares of a listed / unlisted company.
Financial / Fiscal Year	Period of twelve months ended March 31 of that particular year.
FII	Foreign Institutional Investor [as defined under SEBI (Foreign Portfolio Investors) Regulations, 2014]
FPI	Foreign Portfolio Investor
Financial market instruments	Financial market instruments, instruments that are traded in money, interest & debt, commodities, energy, capital and currency markets and are subject to the guidelines/regulations of SEBI and RBI. These include securities as defined under the Securities and Contracts Regulations Act.
Fixed income securities	Fixed income securities include interest bearing debt instruments such as Government securities including treasury bills, Bonds of financial institutions and public-sector entities, Commercial papers, Certificate of deposits, Debentures, Asset backed or Cash flow based securitized instruments etc. The interest on instruments may be paid periodically (say, monthly, quarterly, semi-annual, annual) or these instruments may be in the nature of discounted instruments. The returns on these securities also vary, but to a lesser degree as compared to Variable income instruments, depending on the movement of prices in the markets.
Floating rate instruments	Floating rate instruments are identified for periodical returns against benchmark rates. (For e.g. in the case of government securities it may be treasury bills auction rates or MIBOR(Mumbai Inter Bank Offered Rates) etc.
Funds	Means the monies managed by the portfolio manager on behalf of the client pursuant to this Agreement and includes monies mentioned in the application, any further monies placed by the client, the proceeds of the sale of the portfolio and interest, dividend or other sums arising from the assets so long

	as the same are managed by the portfolio manager
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
I.T.ACT	The Income Tax Act, 1961 as amended from time to time.
Memorandum of Association	The Memorandum of Association of Asit C. Mehta Investment Intermediates Limited,
NRI / Non-Resident Indian	Non-Resident Indian (NRI) is a person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian Origin under FEMA (transfer or offer or security by a person resident outside India) Regulations, 2000.
ACMIL or the Company or your Company	Asit C. Mehta Investment Intermediates Ltd., a public limited company incorporated under the Companies Act, 1956 including successors, assignees.
PFRDA	Pension Funds Regulatory and Development Authority
Portfolio Manager	Means 'Asit C. Mehta Investment Intermediates Ltd. – PMS department' (A division of Asit C. Mehta Investment Intermediates Ltd.), for the purpose of this document.
Portfolio	Means aggregate of the securities managed by the portfolio manager on behalf of the client pursuant to an agreement and includes any securities further placed by the client for being managed pursuant to the Agreement and also includes securities acquired by the portfolio manager through investment of funds, bonus / rights shares in respect of securities forming part of the portfolio
Promoters	Mr. Asit C. Mehta and Mrs. Deena A. Mehta
RBI	The Reserve Bank of India
Registered office of the company	Pantomath Nucleus House, 5 th Floor, Saki Vihar Road, Andheri (E), Mumbai – 400 072.
ROC	Registrar of Companies, Maharashtra, located at Mumbai.
Rated instruments	Rated instruments are those that are independently rated by approved rating agencies.
SEBI	Securities and Exchange Board of India constituted under the SEBI, Act 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time
SEBI Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 as amended from time to time and other SEBI Regulations as may be applicable
Securities	Securities include "securities" as defined under the Securities / Contracts (Regulation) Act, 1956".
Hybrid Securities	"Hybrid Securities" are those securities which may have both fixed and floating returns and may be invested into in addition to the above. Depending on the predominance of the nature and characteristics of the hybrid securities, they may be classified as variable or fixed income securities for the sake of convenience.
The investment objective	The investment objective may involve different types of risk/return tradeoffs and hence there cannot be any assurance or guarantee of the return or principal.
The risk	The risk, as in financial terms, involves the difference in the actual return against the expected return. In addition, the portfolio is subject to market risks (namely price risk, interest rate risk, currency risk), regulatory risk (change in policy and taxation) and operation risk.
Variable income securities	Variable income securities include shares and stocks generally referred to as equity investments, equity derivative contracts such as futures and options

	etc. These instruments generally do not carry any fixed rate of return and hence the returns received from these are variable, positive and negative.
"We", "Us", "Our"	Unless the context otherwise requires, refers to as our Company.

ABBREVIATIONS:

Abbreviation	Full Form
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
D/E	Debt Equity Ratio
DP	Depository Participant
EPS	Earnings per Share
GOI	Government of India
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NSE	National Stock Exchange of India Ltd
NSDL	National Securities Depository Ltd.
MCX	Multi Commodity Exchange of India Ltd.
P/E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
RONW	Return on Net worth

Words and expressions used in this Disclosure Document but not defined herein shall be interpreted according to their general meaning and usage. The terms and definitions are inclusive and not exhaustive and have been included only for the purpose of clarity.

II. DESCRIPTION

HISTORY, PRESENT BUSINESS AND BACKGROUND OF THE PORTFOLIO MANAGER:

History / Background of the Company:

The proprietary membership in the name of Mr. Asit C. Mehta was approved by BSE in the year 1985 and the stock broking activity commenced in 1986 followed by transacting in government securities in 1987. The Company was incorporated on 1st December 1993 with the object of providing services in the form of capital market intermediation. It obtained the requisite approvals of BSE to convert the proprietary stock broking business into corporate entity w.e.f. April 1, 1994. The Company has comprehensive licenses / memberships to offer a full range of services to its clients as given below:

Membership / Licenses	Year
BSE – Capital Market Segment	August 1985 (Proprietary)*-SEBI Single Registration received in July 2018
NSE- Capital Market Segment	November 1994*- SEBI Single Registration received in July 2018
CDSL – DP	July 1999 Permanent Registration received in July 2014- Single Registration received in March 2022
NSE- Trading (F&O)	May 2000*- SEBI Single Registration received in July 2018
BSE – Derivatives Segment	June 2000* SEBI Single Registration received in July 2018

NSE –Self Clearing (F&O)	December 2005 – (The same is converted to Trading Membership in July 2019)*- SEBI Single Registration received in July 2018
Merchant Banker – Category I	April 2006, Permanent registration received in June 2012. Applied for surrender of registration in November 2023.
Portfolio Manager	December 2006 (license expired on December 31, 2012) & fresh registration obtained on 21-8-2017.
NSE – Currency Derivative Segment	August, 2008*
NSE-Interest Rate Futures Segment	August, 2009*
Metropolitan Stock Exchange of India- CM, FO and CD segment	February 2013, surrendered in 2020
Research Analyst	December, 2015. Permanent registration received in February 2023.
Point of Presence (PFRDA)	November 2016 renewed in 2018 and in 2021
Corporate Agent (IRDA)	March 2018 (Not renewed)

The Company is a subsidiary of Asit C. Mehta Financial Services Limited (a company listed on the BSE) and is a pioneer in the industry, with many firsts to its credit. It was the first limited liability company in the stock-broking industry on the BSE Limited, (earlier known as The Stock Exchange, Bombay), the first multiple seats holder and multi exchange membership company; and the first broking house to be certified under ISO 9001 for its debt and equity services. The company earlier held the ISO 9001:2015 certification and decided not to renew the same. It is also the first broking house to be graded by India's premier rating agency 'CRISIL' in December 2006. 'CRISIL' had thereafter upgraded company grading to BQ1 in September 2009. BQ1 is the opinion of CRISIL on the quality of operations and services provided by the graded broker. The grading is expressed on a five-point scale from BQ1 to BQ5 with BQ1 being the highest, where **B** denotes **Broker** and **Q** denotes **Quality**.

Currently, the company has not renewed its CRISIL grading.

The company has with the approval of its shareholders applied to the Hon'ble National Company Law Tribunal (NCLT) for conversion from public limited company to private limited company and the Hon'ble NCLT had reserved the matter for orders in 2019. However, due to a change in the bench, the NCLT directed that fresh arguments be started in the matter. The matter is currently reserved for orders.

Cliqtrade StockBrokers Private Limited by virtue of an Investment Agreement with the main promoter (who are also promoters of ACMIL) of Asit C. Mehta Financial Services Limited, (the holding company), had earlier during November 2022 to February 2023 acquired upto 37.186% of the issued capital of the said company. However, at that point of time there was no change in control or change in management of the company (ACMIL), since the promoter group and the designated directors of the company remained the same. Further, as a result of this acquisition, there was no change in the nature of the operations of the company and the mode in which they are carried on.

Asit C. Mehta Financial Services Limited (ACMFSL), the listed company has announced its issue of rights shares to its existing shareholders, which has closed on January 4, 2023 and pursuant to which the shareholding of Cliqtrade Stock Brokers Private Limited has increased to 52.20%. This would result in indirect change in control of ACMIL and hence as required under the applicable Regulations, the company has sought and received prior approval from SEBI in respect of the same for its stockbroking, Depository Participant, Portfolio Management Services activities and Research Analyst Activities. Once the allotment process pertaining to the rights issue is completed, the

company would obtain for fresh registration for all the aforesaid activities as directed by SEBI in the prior approval given by SEBI. The company has applied to SEBI for surrender of its Merchant Banking registration since the promoters of Cliqtrade StockBrokers Private Limited are also the promoters of Pantomath Capital Advisors Private Limited, a SEBI registered Merchant Banker.

PRESENT BUSINESS:

Equity Investments services and Derivatives hedging: Equity investment services are offered to retail clients through different channels in the BSE Limited (BSE) & the National Stock Exchange of India Limited (NSE), for cash, derivatives, currency derivatives segments and Stock Lending and Borrowing Mechanism (SLBM) segments. The company had acquired membership of the Metropolitan Stock Exchange of India Limited (MSEI) in 2013 and due to lack of business potential surrendered the same in 2020

Online Investment: www.investmentz.com is our investment portal that offers online investment to retail investors in BSE & NSE, cash & derivatives segment. For this purpose, the company has facilitated account opening through the online E-KYC mode. The investors can do their own investment through a browser-based as well as a mobile application interface (investmentz app). This service is also available through IVR facility for those clients who are unable to access the Internet service at any time. The company has linked up with a leading Nationalized Bank to offer share investment service to the said bank's customers. A seamless gateway has been established between the banking and depository software of the bank. Online investment is also possible through the "investmentz" app of the company. The company has recently launched a new application namely "Best Application to Transact (BAT)".

Institutional Desk: Equity trade execution service is provided to institutional investors by our institutional desk. Research & market information is provided to Mutual Funds & Banks for aiding them in making investment decisions. These services are through a seamless connectivity to the custodians.

Investment Banking: The Company has been granted Category I Merchant Banking permanent registration by SEBI. It offers a full gamut of investment banking services including services in mergers, amalgamations, private equity, and public offerings. The company has applied to SEBI for surrendering the said registration.

Mutual Fund and IPO: Mutual Fund and IPO distribution service is provided to retail investors directly and indirectly through our Branch / Business Associate network. Seminars are conducted regularly to highlight the importance of investment in Mutual Funds, especially through the Systemic Income Plans (SIP). Advisory is provided on Initial Public Offerings.

Depository services: The company is a depository participant with the Central Depository Services (India) Ltd. (CDSL) and has also obtained Single Registration certificate from SEBI for its depository operations in the year 2022.

Portfolio Management:

The Company had earlier obtained SEBI registration as a Portfolio Manager from December 31, 2006, which was renewed for a further period of 3 years with effective from 01.01.2010 to 31.12.2012. The company had stopped its Portfolio Management Activities on 15.11.2010 and did not renew the aforesaid registration which expired on 31.12.2012.

The company again sought SEBI approval for registration as a Portfolio Manager and has received the same on August 21, 2017 under Registration number INP000005801. The company has paid the

applicable SEBI renewal fees, within the stipulated time, in 2020. At the time of registration, Mr. Pramit Singh Sabharwal was the Principal Officer. Mr. Akhil Rathi was appointed as Principal Officer in his place from June 1, 2018, due to the resignation of Mr. Pramit Singh Sabharwal from the services of the company. Mr. Deepak Makwana is the current Principal Officer of the company, for Portfolio Management Services with effect from July 1, 2021, pursuant to Mr. Akhil Rathi's resignation from the services of the company.

The company currently offers discretionary portfolio management as well as non-discretionary portfolio management services.

The company from time to time may launch new strategies and modify/or discontinue its existing strategies as per potential business foreseen. The company keeps all its existing PMS clients informed about the same. Further, the company is now in the process of commencing to offer non-discretionary portfolio management services as well.

The company enrolls distributors for the purpose of marketing the company's portfolio management services (PMS) for acquisition of clients across the nation, and has 10 distributors as on November 30, 2023. The company has a tie-up with these distributors for PMS marketing purposes.

The Securities and Exchange Board of India (SEBI) issued the SEBI (Portfolio Managers) Regulations, 2020 which have come into effect on January 16, 2020 and the company is complying with the revised requirements. Further, the company has implemented the provisions of SEBI circular reference number SEBI/HO/IMD/IMD-1/DOF1/P/CIR/2022/112 dated August 26, 2022, within the stipulated time.

Research Analyst:

The company has a research division, which currently provides investment advice to its stock broking clients. Such advice is provided only on the basis of the specific request made by the said clients in respect of their securities holdings. The Research department would do the same initially in respect of the clients desirous of availing our soon to be started non-discretionary portfolio management services. This would be done by utilizing customized software for the purpose.

The company having received its registration as a Research Analyst in December 2015, the portfolio manager frames investment policies on the basis of the inputs from the research unit and takes independent decisions for asset allocation on the basis of the requirement of the investors.

The Research Desk provides support in arriving at investment decisions of the Portfolio Manager. The Research desk is staffed with a team of 6 analysts functioning in a computerized environment supported by corporate database packages like Ace Equity and an in-house database of Annual Reports, newspaper clippings and company reports.

The Portfolio Manager may use one or more sources i.e. fundamental research, technical support and market inputs to arrive at investment decisions.

National Pension Scheme

The company is registered with the Pension Fund Regulatory and Development Authority (PFRDA) since 30th November 2016 as a point of presence (POP) for the National Pension Scheme and commenced its full-fledged business in January 2018. As on date, the total number of subscribers registered through us for the NPS scheme is around 222.

Corporate Insurance Agency

The company had registered as a corporate insurance agent from Insurance Regulatory and Development Authority (IRDA) in March 2018 and considering that the business potential is less in the said business, the company has not renewed the same.

Commodity Derivatives

Pursuant to SEBI regulations intimating that stock broking and commodities business can be carried on in the same entity, the company had obtained and received approval for membership of MCX in February 2018 for dealing in commodity derivatives. It has also enrolled on the commodities derivatives segment of BSE and NSE. However, looking at the earlier market scenario, the company has put its plans of commencing commodities business on hold, and now intends commencing the same at an early date.

PROMOTERS OF THE PORTFOLIO MANAGER, DIRECTORS AND THEIR BACKGROUND

PROMOTERS:

The Company's promoter group comprises of Asit C. Mehta Financial Services Limited (holding company), whose main promoters are Cliqtrade StockBrokers Private Limited, Mr. Asit C. Mehta and Mrs. Deena A. Mehta. As stated above, Cliqtrade StockBrokers Private Limited has acquired 52.2% of the shares of Asit C. Mehta Financial Services Limited. The details of Mr. Asit C. Mehta and Mrs. Deena A. Mehta are given as under:

MR. ASIT C. MEHTA (Age 64)

Mr. Asit C. Mehta, the Chairman-Cum-Whole time Director of the Company is a qualified Chartered Accountant, securities law graduate and a Seasoned Capital Market Professional.

He started his career in the corporate finance markets in the year 1983 by associating with leading Government Security brokers of those times. He concentrated on Corporate Debt comprising of ICDs, Bill Discounting, Syndication of Loans, Issue of commercial papers, Short-term debentures, etc. He was amongst the initial players activated in the UTI 64 secondary market.

Within the group, he focused on debt business comprising of Government Securities and Corporate Paper. His efforts which started in the year 1987 has seen the company (subsequently incorporated) as a leading broker in the interbank, G-SEC market with significant market share with Banks/Institutional clients.

He expanded the product portfolio by adding the interbank, forex broking and retail money changing and latter on money transfer services. Besides, his passion for technology led him to the technology sector way back in 1996 with certain assignments in business process, GIS and data management solutions.

He was the Principal officer of the company's portfolio management activities at the time of the company's earlier registration with SEBI as a Portfolio Manager during the period 1st January, 2007 to 31st December, 2012 and was also the Principal Officer of the portfolio management services division of the erstwhile Nucleus Securities Limited (NSL) which held SEBI registration as a Portfolio Manager from 1st April, 1999 to 31st December, 2006. As the group Chairman of the Nucleus group of companies (including this company), he provides the guidance and direction to the group, which

operates across many associate locations spread out all over the country, and are managed by professionals.

MRS. DEENA ASIT MEHTA (Age 62)

Mrs. Deena Asit Mehta is a qualified Chartered Accountant, has a post graduate diploma in Securities Law and has done her Master of Management Studies, specializing in finance. She has spent almost her entire career in the Capital Market and more specifically in equity and derivatives. Mrs. Mehta is Managing Director of Asit C. Mehta Investment Intermediates Ltd. and is in-charge of the overall operations and business activities of the company. As a promoter of the company, she has taken the responsibility of HR, systems, regulations and operations. Mrs. Mehta has been associated with several reforms in Capital Market including setting up of BOLT system at BSE, setting up Central Depository Services, Streaming of Clearing Corporation BOISL. She was on the BSE Board for 9 years and has served as Vice President and President of the BSE. Mrs. Mehta has served on several SEBI committees for past 22 years since SEBI's inception and contributed to various reforms undertaken by SEBI. Mrs. Mehta is a founder member of SAFE, Association of Stock Exchanges of SAARC countries.

Her basic interest in the well-being of the Indian Capital market led her to be one of the active broker directors (including that as a President) of BSE. She had extensive interactions with regulators, technocrats and over saw the transition of the exchange from the open outcry system to an on-line trading system of International standards.

She has been on various committees of the Stock Exchange and SEBI. Besides she is a regular speaker on various forums of the capital market and contributes regularly to various publications. She was a Trading Member Director on the Board of BSE Limited during the period from 7th August 2009 till 6th August 2012.

As a group Director and a Co-promoter her involvement and interest extend beyond equity to all areas of Capital Markets. Several organizations have awarded her for her contribution to Capital Markets including Jaycees International as Outstanding Young Person, IMC for contribution to Banking and Finance, Zee Business for contribution to capital markets.

THE BOARD OF DIRECTORS:

The present Board of Directors of the Company consists of the following Directors:

Mr. Asit C. Mehta – Chairman-Cum-Whole-Time Director)	
)	Details given above
Mrs. Deena A. Mehta – Managing Director)	

And

MR. KIRIT H. VORA (Age 65)

Mr. Kirit H. Vora, a qualified Chartered Accountant and securities law graduate, is also a seasoned Capital Market professional as the other co-directors / promoters. He is the Whole-Time Director of the Company.

He began his career in the year 1982 in the corporate finance department of Larsen & Toubro Ltd., where he was involved in Cement and Shipping project financing and had extensive interactions with Indian institutions, banks and some of the overseas bodies like CDC and IFC Washington.

He has been associated with the group since 1988 as a group Director. His area of responsibility ranged from equity dealing, marketing, and research, Human Resources, System Designs and General Management.

Having spent over 30 years with the group, he has seen the transition of the Capital Market and was involved as part of the top management team to keep the company as one of the top-notch brokers.

GROUP COMPANIES OF THE PORTFOLIO MANAGER:--

Sr. No.	Name of the group company
1	Asit C. Mehta Financial Services Limited. (ACMFSL) - Holding company
2	Asit C. Mehta Commodity Services Limited. Now Asit C. Mehta Advisors Limited
3	Edgytal Fintech Investment Services Private Limited
4	Omniscience Capital Advisors Pvt. Ltd

DETAILS OF THE SERVICES BEING OFFERED

The company currently offers discretionary as well as non-discretionary portfolio management services through the following strategies:

For Discretionary Services

- Ace Multicap
- Ace Regular Income
- Ace Allocator
- Ace Midcap
- Ace 50
- Ace 15

For Non-Discretionary Services:

- Ace Opportunity

IV. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTION OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR INITIATED BY ANY REGULATORY AUTHORITY

Sr. No.	Nature	Details
1.	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made there under.	As mentioned below
2.	The nature of the penalty/direction.	As mentioned below
3.	Penalties imposed for any economic offence and/ or for violation of any securities laws.	Not Applicable
4.	Any pending material litigation/legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any.	As mentioned below
5.	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	None
6.	Any enquiry / adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or Rules or	As mentioned below

Regulations made there under.

ALL CASES OF PENALTIES IMPOSED BY THE BOARD OR THE DIRECTIONS ISSUED BY THE BOARD UNDER THE ACT OR RULES OR REGULATIONS MADE THERE UNDER AND THE NATURE OF THE PENALTY/DIRECTION

- 1) SEBI has levied a penalty of Rs. 7,00,000 vide its order dated December 30, 2020 for inspection conducted by it for the company's stock broking operations during September 2015 to December 2016 for the inspection period from April 1 2012 to March 31, 2015. The company has filed an appeal in the Hon'ble Securities Appellate Tribunal (SAT) against the said order of SEBI. The Hon'ble SAT vide its order dated January 3, 2023 has dismissed the appeal made by the company. During the proceeding in the Hon'ble SAT, the company had deposited this sum of Rs. 7,00,000/- as required under the applicable laws and hence no further action needs to be taken by the company in this respect.
- 2) SEBI has levied a penalty of Rs. 27,00,000 vide its order dated January 19, 2021 for joint inspection conducted by it, exchanges and CDSL for the company's stock broking and depository operations during August - September 2018 for the inspection period from April 1 2017 to July 31, 2018. The company filed an appeal in SAT against the said order of SEBI. The Hon'ble SAT vide its order dated January 6, 2023 has dismissed the appeal made by the company. The Company has filed appeal in the Hon'ble Supreme Court against the said order of the Hon'ble SAT. During the intervening period, the company has deposited a sum of Rs. 13,50,000/- as directed by the Hon'ble SAT in the hearing held on May 10, 2021. The Hon'ble Supreme Court vide its order dated April 25, 2023 has dismissed the appeal made by the company. The Company has therefore made payment of the remaining amount of penalty of Rs. 13,50,000/- in May 2023.
- 3) SEBI has levied a penalty of Rs. 15,00,000 vide its order dated December 30, 2022 for joint inspection conducted by it, Exchanges and CDSL for the company's stock broking and depository operations during September-October 2020 for the inspection period from April 1, 2019 to July 31, 2020. On an appeal filed by the Company against the aforesaid order of SEBI, the Hon'ble SAT vide its order dated April 11, 2023 has reduced the said penalty to Rs. 9,00,000/- which the company has paid in May 2023. SEBI has filed an appeal in the Honorable Supreme Court against the aforesaid order of SAT. The hearing in the matter is yet to commence.

None of the aforesaid matters has any bearing of the portfolio management activities of the company

PENDING LITIGATIONS AGAINST THE COMPANY FOR STOCK BROKING ACTIVITIES:

We have over 100,000 registered clients for our broking services. A very small number of clients (10) have filed cases in the consumer forum/ courts for matters relating to stock exchange transactions. In the consumer forum cases, the district consumer forums as well as the state consumer forums have ruled in our favor, dismissing the claims of the clients. Further, the number of such cases is very minuscule considering the size of our business and the client's. These clients have approached the courts despite the agreement to refer disputes to the exchange grievance redressal mechanism that is available to them.

The aforesaid litigations do not have any bearing on the portfolio management activities of the company.

ENQUIRY / ADJUDICATION PROCEEDINGS INITIATED BY THE BOARD AGAINST THE PORTFOLIO MANAGER OR ITS DIRECTORS, PRINCIPAL OFFICER OR EMPLOYEE OR ANY PERSON DIRECTLY OR INDIRECTLY CONNECTED WITH THE PORTFOLIO MANAGER OR ITS DIRECTORS, PRINCIPAL OFFICER OR EMPLOYEE, UNDER THE ACT OR RULES OR REGULATIONS MADE THERE UNDER

1. The Securities and Exchange Board of India (SEBI) has passed an order levying a penalty of Rs. 25 lakhs against a director of the company for acquisition of shares in 2010, without public announcement, by the said director in a listed company promoted by the said director himself. In the said order, SEBI made the said penalty applicable to the promoter group entities (including another director of the company).

The proceedings were initiated by SEBI under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 [which have since been repealed and replaced by SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2010]

All the respondents (including the said directors) had filed an appeal in the Securities Appellate Tribunal (SAT) against the aforesaid SEBI order and the SAT has quashed the aforesaid decision/order of SEBI.

SEBI has filed an appeal against the said order of SAT in the Honorable Supreme Court of India in October 2018 and the same is still pending hearing in the said Court.

2. Mrs. Deena Mehta, Managing Director of the Company, was independent director on the Board of Directors of Reliance Home Finance Limited till 30th March, 2019.

Subsequent to her resignation, the auditors reported that some loans were given for "general purpose" by the company and the independent directors were responsible for the same. The Independent Directors were in no way involved in the sanction of these loans. As part of the overall action against all the directors of the company, (including Mrs. Deena Mehta), SEBI initiated adjudication proceedings against them. The adjudication hearing in this matter has taken place on May 2, 2023 and the order in the said case is awaited.

V. SERVICES OFFERED:

The company currently offers discretionary as well as non-discretionary portfolio management services. The agreement for the same is enclosed with this disclosure document as Annexure.

DETAILS OF THE SERVICES OFFERED:

The investment objectives and policies laid down herein below apply to all portfolio management services of the company that may be a) **discretionary**, b) **non-discretionary** or c) **advisory**.

Depending on the service agreement, the policies will apply to investments/disinvestments and, recommendations or advise to invest/ disinvest.

The Company shall purchase, sell or otherwise deal in securities for and on behalf of the client to whom it provides portfolio management services through the various divisions / entities (details of memberships / licenses of the exchanges as mentioned above) and shall be entitled to charge

brokerage in respect of such transactions. In any case, these transactions will be at arm's length basis and at market prices. The Company may also engage the services of other SEBI registered brokers to execute the orders on behalf of and/or as per the instructions of the client to whom it provides portfolio management services, based on the type of service opted for, by such client.

PMS INVESTMENT OBJECTIVES:

The investment objectives of each of the client will be laid down to meet his needs over a life cycle keeping in mind his age, income, savings, liquidity preferences, risk return preferences and future obligations. The client may be recommended a strategy custom made for him. The investment objectives of the client are made as per parameters above and his portfolio may be divided into fixed income and/or Variable income and/or Hybrid instruments. The primary objective of the PMS investment is to endeavour returns with respect to the client's investments, without compromising his safety.

The objective of the fixed income portfolio is to provide regular income, annuity income or cumulative income and the objective of the variable income portfolio is to seek capital appreciation over the term of the investments.

PMS PORTFOLIOS ADVISORY

1. Government securities Portfolio Advisory: This Advisory services will be mostly for regulated entities and qualified institutional players to identify and trade in government securities that meets the investment objective
2. Money Market Instruments Portfolio Advisory: Advisory services mostly for regulated entities and qualified institutional players to identify money market instruments like certificate of deposits, commercial papers and instruments with a residual maturity less than one year on the basis of a separate advisory agreement.

INVESTMENT POLICIES

POLICIES FOR INVESTMENTS IN ASSOCIATES/GROUP COMPANIES OF ACMIL AND THE MAXIMUM PERCENTAGE OF SUCH INVESTMENTS THEREIN SUBJECT TO THE APPLICABLE LAWS/REGULATIONS/GUIDELINES

The only company listed on the exchange in this category is Asit C. Mehta Financial Services Limited (listed on BSE Limited) and as a policy, the company does not investment on its Portfolio Management Services Client's behalf in this company.

The stock selection, asset allocation and portfolio management process are guided by the company's policies based on scientific investing process

General policies

To ascertain investment objectives and risk appetites of each client before offering the portfolio management services and to take affirmative confirmation from the client as to his investment objectives and risk return profile.

To invest client funds only in conformity with plans so chosen.

To consider the negative list as may be laid down by the client in the agreement and from time to time,

as may be informed by the investor to the Manager.

To review the investment objectives and risk return appetite of the client at regular intervals or at any time should the client desire a reassessment.

To review portfolio of the client at regular intervals and reconfirm that it meets the client investment objectives and risk return profiling.

To maintain a diversified portfolio between fixed income and variable income instruments as laid down in various plans/schemes.

To invest in fixed or variable/Hybrid income securities of associated companies only after taking a specific permission from the client irrespective of the fact that the client may have chosen to avail of discretionary portfolio management services and only if other investment policies laid down here and subsequently and in each scheme are complied with.

To ensure that no naked short sales are done in cash items or derivatives, directly or indirectly.

To lend shares, if and as and when permitted through organized and approved methods by regulators if deemed fit by the portfolio manager.

To hedge the portfolio, if thought appropriate, through futures and options to the extent needed but never to exceed 100% of the portfolio at any point of time.

Ensure that while hedging the portfolio in derivatives, client will never be exposed to risks, which are greater than his portfolio value.

Fixed income portfolio:

To invest in fixed income instruments only if it meets investment grade rating from at least one rating agency or in government/PSU paper which may not have been otherwise rated.

To invest in fixed income instruments, in as diversified a manner as may be required, from risk/return point of view.

Variable income portfolio and Hybrid portfolio:

To invest in variable and/or Hybrid income instruments in such a way that the portfolio is not concentrated in one industry.

To invest in variable and/or Hybrid income instruments in such a way that no more than 30% of the total client portfolio is invested in single variable/Hybrid income instrument.

To invest in variable/Hybrid income instruments in such a way that liquidation of the client portfolio in that scrip will not take a very long time based on trade data for the scrip in one or more exchanges.

INVESTMENT APPROACHES

From time to time, depending on the needs and requirement of the client as identified from his updated investor profile, portfolio of the client will be structured.

Portfolio manager will decide based on his professional expertise about investment and liquidation of one or more or all investments, fully or partly

- Execution of his decisions will be done within the investment objectives laid down by the investor.
- Portfolio manager will also not invest in the negative list as may have been provided by
- The investor will be informed about the transactions *after* they are executed at such time intervals and at such frequencies as laid down in the agreement. However the investor will always have the option to pull the information on his own either from a website or any other means as may be provided by the manager from time to time.
- The fees payable under this service are provided in the agreement and the same will be collected / deducted by the portfolio manager in the manner so provided in the agreement.
- Portfolio manager will have custody of both the funds and the securities invested on behalf of the investors, unless a custodian has been appointed for the said purpose. For NRI client, the custody of funds would be with his Banker where he has his Portfolio Investment Scheme Account and the custody of securities would be with the Depository Participant where he has his demat account.
- The Company (Asit C. Mehta Investment Intermediates Limited) is also a SEBI registered Stock Broker and as such the Portfolio Management Services Division of the company uses the services of the Company's stock broking division on arm's length basis. The Company also uses the services of J.G.A. Shah Share Brokers Pvt. Ltd, for its PMS activities
- The Company has tied up with and appointed Orbis Financial Corporation Limited to act as its custodian for Portfolio Management Services activities.

Other terms are provided for in detail in the agreement entered into between the client and the portfolio manager.

TYPES OF SECURITIES

The funds are generally invested in:

- a) Equity and Equity related securities
- b) Units and other instruments of mutual funds,
- c) Debentures, Bonds hybrids, government securities, STRIPS, treasury bills, commercial papers and any other eligible mode of investments within the meaning of the regulation issued by SEBI structured notes, CIS units, AIF units etc.

VI. RISK FACTORS

- (i) Securities investments are subject to market risk and there is no assurance or guarantee that the objective(s) of the investment(s) will be achieved.
- (ii) Past performance is not indicative of any future performance and therefore future performance of the portfolio manager cannot be assured / guaranteed.
- (iii) The following risk factors arise from the investment approach, , investment objective, investment strategy and asset allocation:

- a) Market values, liquidity and risk return profile of Investments (Investment characteristics) in Fixed, Hybrid and variable income instruments are likely to fluctuate depending on the prevailing interest rates in the market, liquidity preferences, impact cost changes, re-ratings of the issuer or the instruments, competing instruments, performance of the industry, national and international economics, regulations and changes therein -domestically and internationally, events that are of significant impact such as war, terrorism, sanctions and trade embargoes, natural calamities, acts of God etc. These risks are generally described as Market Risks.
- b) Performance of the issuer companies will have significant influence on the market prices of its securities. This will further depend on, in addition to external factors, its own ability to perform, management, changes therein etc. These are known as internal risks. This is also called Stock Specific Risks.
- c) The portfolio also faces additional risks such as timing risks, short delivery or delayed delivery from markets, reduced liquidity etc., this is also called Transactions & Settlement Risks.
- d) The portfolio also faces risks based on management and operational efficiencies & controls of the Portfolio manager i.e. the risk is based on the ability of the portfolio manager in identifying opportunities or misjudging trends and late investments and / or early liquidations, either at a loss or at reduced profits, or misjudging opportunities completely. This is also called Portfolio Manager Competency Risks.
- e) The portfolio also faces risks due to other service providers that Manager may engage to render the services such as banking, broking, clearing and settlement, custodian services, depository, courier services etc. This is also called Allied Service Provider Risks.
- f) The client also faces risks from usage of technology for recording transactions and accounts, communication of, information to and fro, Data computing and storage, leakages of data / information from various points including at the portfolio manager's operations etc. This is called Portfolio Allied Operations Risks.
- g) The portfolio also faces risks from completely unknown developments that may happen in terms of technological or Regulatory or economic changes that are not known today. These are known as "Unknown unknowns" as against the preceding Risks classified as "Known unknowns".
- (iv) The Company and/or its employees who are directly involved in investment operations may have existing holdings in the scrips in which purchase/sell transactions are being undertaken on behalf of the client who is availing portfolio management services of the company.

VII. CLIENT REPRESENTATION

Category of Clients	No. of clients	Funds managed (Rs. Cr)	Discretionary/Non-discretionary (if available)
Associates/group companies (current financial year as on November 30, 2023)	Nil	Nil	Not applicable
Others (as on November 30,	74	80.97	Discretionary

2023)	7	4.31	Non-discretionary
As on March 31, 2023	53	43.75	Discretionary
	1	0.51	Non-discretionary
As on March 31, 2022)	43	36.22	Discretionary
As on March 31,2021	32	22.90	Discretionary

COMPLETE DISCLOSURE IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES AS PER THE STANDARDS SPECIFIED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

The Company has entered into following related party transactions as per the audited financial statement for the financial year 2022-23, 2021-22, and 2020-21, the details of which are given below:

Sr. No	Particulars	Year ended 31.03.2023 (Rs.)	Year ended 31.03.2022 (Rs.)	Year ended 31.03.2021 (Rs.)
A	HOLDING COMPANY:			
1	Re-imburement (recovered) of expenses	18,241	7,468	1,82,420
2	Leave and License Fees	1,11,49,704	1,34,16,000	1,34,16,000
3	Amounts payable	NIL	NIL	4,69,304
4	Re-imburement of expenses	NIL	NIL	NIL
5	Deposits for premises	NIL	NIL	2,62,51,740
6	Deposits given	NIL	NIL	NIL
7	Deposits received back	NIL	NIL	NIL
8	Advisory Income (Reimbursement of Expenses)	NIL	NIL	NIL
9	Office Expenses Recovery (Reimbursement of Expenses)	NIL	NIL	NIL
10	Repairs and Maintenance Recovery (Reimbursement of Expenses)	NIL	NIL	NIL
11	Guarantee Commission Written Back	NIL	19,70,000	NIL
12	Guarantee Commission Expenses	NIL	1,26,000	NIL
B	ASSOCIATES:			
1	Loans given to associates / group companies	49,06,79,811	76,37,04,293	39,17,78,596
2	Loans received back from associate companies	51,88,01,883	73,55,82,221	40,15,04,899
3	Loans received from group companies	NIL	60,26,400	NIL
4	Loans paid from group companies	NIL	60,26,400	NIL
5	Interest Income	1,67,92,149	1,11,96,232	82,96,816
6	Re-imburement (recovered) of expenses	1,77,926	3,58,827	50,267
7	Professional fees paid	1,20,00,000	3,06,593	1,31,593
8	Arbitrage share/brokerage paid	2,60,934	4,18,160	2,59,317

9	Investments			
10	Sale of Online Business Asset under Slum Sale	NIL	10,00,00,000	NIL
11	Other Amounts receivable	NIL	4,46,22,072	10,39,387
12	Other Amounts Payable	NIL	3,89,015	NIL
13	Marketing expenses	NIL	NIL	15,43,014
14	Interest Expense	NIL	89,145	NIL
15	Guarantee Commission Written Back	NIL	11,63,750	NIL
C DIRECTORS				
1	Leave and License fees paid	2,40,000	15,60,000	21,60,000
	Loan Taken and Paid Back KMP	30,00,000	6,03,00,000	4,01,00,000
2	Remuneration (including contribution to PF)	74,82,000	72,01,684	75,68,479
3	Interest on debentures	NIL	NIL	NIL
	Interest on Loans	10,397	2,43,145	3,14,540
	Reimbursement of Expenses	7,09,730	11,64,578	NIL
4	Deposits for premises	19,49,472	NIL	4,30,00,000

THE FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER (BASED ON AUDITED FINANCIAL STATEMENTS)

The following table sets forth our selected financial information as of / for the fiscal years ended March 2023 derived from the audited financial statements. These financial statements have been prepared in accordance with Indian Accounting Standards and the Companies Act.

Particulars		Note No.	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
I	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	(a) Share Capital	16	16,61,11,110	16,61,11,110	16,61,11,110
	(b) Reserves and Surplus	3	1,19,76,104	5,64,25,828	(1,55,65,799)
			17,80,87,214	22,25,36,938	15,05,45,311
2	Non-current Liabilities				
	(a) Long-term borrowings	4	8,24,522	12,43,327	3,77,18,553
	(b) Other long-term liabilities	5	NIL	23,79,452	2,57,91,457
	(c) Long term provisions	6	33,45,419	NIL	31,74,322
			41,69,941	36,22,779	6,66,84,332
3	Current Liabilities				
	(a) Short Term borrowing	7	29,99,17,923	29,58,08,400	21,15,94,375
	(b) Trade payables	8	38,29,25,895	47,89,21,250	4,37,63,363
	(c) Other current liabilities	9	3,19,33,829	2,77,13,100	50,67,24,456
	(d) Short term provisions	10	20,43,436	8,46,415	17,24,999
			71,68,21,083	80,32,89,164	76,38,07,193
	TOTAL		89,90,78,236	1,02,94,48,882	98,10,36,836

II	ASSETS				
1	Non-current Assets				
	(a) Fixed assets	11			
	(i) Tangible assets		7,64,80,078	7,85,59,126	7,85,31,499
	(ii) Intangible assets		40,69,960	36,00,368	36,77,553
	(iii) Capital work in progress		NIL	NIL	NIL
			8,05,50,038	8,21,59,495	8,22,09,053
	(b) Financial Assets				
	(i) Non-current investments	12	3,61,50,246	64,91,421	1,02,60,770
	(ii) Trade Receivables	13	1,66,46,176	1,55,55,057	NIL
	(iii) Long-term loans and advances	14	1,34,10,088	1,58,71,451	2,23,19,018
	(c) Deferred tax assets (net)	15	1,43,42,925	59,84,046	96,89,888
	(d) Other non-current assets	16	1,51,20,376	1,41,79,256	1,29,18,385
			9,56,69,810	5,80,81,231	5,51,88,061
2	Current Assets				
	a) Trade Receivables	17	6,12,06,996	4,99,03,904	2,20,95,783
	b) Cash and Bank Balances	18	35,40,13,892	24,84,86,612	27,57,40,821
	c) Short-term loans and advances	19	30,33,35,902	58,19,38,201	44,39,08,497
	d) Other Current Assets	20	43,01,597	88,79,438	4,63,10,000
	e) Asset held for Sale	21	NIL	NIL	5,55,84,621
			72,28,58,387	88,92,08,156	84,36,39,722
	TOTAL		89,90,78,236	1,02,94,48,882	98,10,36,836

Particulars	As on 31.03.2023	As on 31.03.2022	As on 31.03.2021
Represented by Net worth (Rs.in lacs)			
Share Capital	1661.11	1661.11	1661.11
Reserves and Surplus	119.75	564.26	(155.66)
Total	1780.86	2225.37	1505.45

Particulars		For the year ended 31/03/2023 (Rs.)	For the year ended 31/03/2022 (Rs.)	For the year ended 31/03/2021 (Rs.)
I	INCOME			
1	Revenue from operations	27,50,98,716	35,69,26,498	27,83,62,031
2	Other Income	4,13,16,644	3,97,80,752	3,11,72,297
	Total Revenue	31,64,15,360	39,67,07,251	30,95,34,228
II	EXPENDITURE			
1	Employee benefits expense	10,51,95,274	7,77,49,777	7,84,36,158

2	Finance Costs	3,02,81,029	2,85,98,554	2,31,60,568
3	Depreciation and amortization expense	36,10,874	39,34,913	57,58,999
4	Other expenses	20,40,74,703	22,31,47,209	18,27,19,853
	Total Expenses	34,31,61,880	33,34,30,453	2,90,07,55,78
III	Profit / (Loss) before Exceptional and Extra Ordinary items and Tax	(2,67,46,520)	6,32,76,798	1,94,58,750
	Add: Exceptional and Extra Ordinary items	-	-	-
IV	Profit / (Loss) before tax	(2,67,46,520)	6,32,76,798	1,94,58,750
	Tax expense			
	(1) Current Tax	-	-	-
	(2) Deferred tax (net)	19,99,633	(76,57,791)	16,37,324
	(3) MAT Credit Entitlement	-	-	(17,57,195)
	(4) (Short)/Excess tax of earlier years (Income Tax Refund)	(7,96,903)	37,076	(1,56,264)
V	Profit / (Loss) after tax for the year	(2,55,43,790)	5,56,56,083	1,91,82,615
	Add: Profit from discontinued Operations	-	69,53,302	-
VI	Profit / (Loss) for the period	(2,55,43,790)	6,26,09,384	1,91,82,615
	Add : Other Comprehensive Income	(1,89,05,934)	23,56,691	-
	Total Income for the year	(4,44,49,724)	6,49,66,076	1,91,82,615
VII	Earnings per equity share			
	(Face value of Rs.10/- Per Share)			
	(1) Basic	(1.54)	3.91	1.52
	(2) Diluted	(1.54)	3.91	1.52

WEIGHTED AVERAGE PORTFOLIO RETURNS

Portfolio Management performance of the portfolio manager for the last three years, and in case of discretionary Portfolio Manager disclosure of performance indicators calculated using weighted average method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations 2020]

Particulars	Since Inception	Year 1	Year 2	Year 3
	21 st August, 2017 till 30 th November, 2023	01.04.2022 to 31.03.2023	01.04.2021 to 31.03.2022	01.04.2020 till 31.03.2021
a) DISCRETIONARY (POOL AND NON POOL)				
Portfolio Performance (%), Net of all fees and charges levied by the portfolio manager.	322.94%	5.01%	21.94%	70.11
No of Clients	74	53	43	32

Benchmark Performance % (NIFTYTOTALIDX)	120.67%	20.97%	107.49%	29.36%
Benchmark Performance % (NIFTYMA_ACM)	87.69%	16.37%	64.56%	25.80%
b) NON DISCRETIONARY	Since Inception	Year 1	Year 2	Year 3
	15 th February, 2023 till 30 th November, 2023	01.04.2022 to 31.03.2023	01.04.2021 to 31.03.2022	01.04.2020 till 31.03.2021
Portfolio Performance (%), Net of all fees and charges levied by the portfolio manager.	18.08%	-1.36%	Not applicable	Not applicable
No of Clients	7	1	Not applicable	Not applicable
Benchmark Performance %	13.36%	-0.73%	Not applicable	Not applicable

THE PAST PERFORMANCE MAY OR MAY NOT BE SUSTAINED IN FUTURE.

AUDIT OBSERVATIONS OF THE PRECEDING 3 YEARS

There are no audit observations with reference to

NATURE OF EXPENSES:

The portfolio management service includes broadly the following activities undertaken by the Manager or other service providers. Portfolio manager may collect the fees directly from the client or the service providers may collect it from the client as may be appropriate.

(i) Investment management and advisory fees

This service includes client profiling, market research, execution/advising investment decisions in Primary and secondary markets, reporting and reviewing the portfolio etc.

The Fees are structured in three parts namely set- up fees, fixed fees and variable fees. Fixed fees will be charged / deducted to/from the client portfolio irrespective of the performance of the portfolio entrusted or advice rendered.

The set-up fees to be paid by the client to the manager would depend on case-to-case basis at the discretion of the Portfolio Manager and its distributors. In any event, these would not exceed 2% of funds invested, on one-time basis. In view of the notification of the SEBI (Portfolio Managers) Regulations 2020, the company has stopped charging upfront fees to its clients.

The fixed fees to be paid by the client to the manager would depend on case-to-case basis depending on type of client i.e. individual, company etc. However, the maximum fees will not exceed more than 2.5% per annum (charged proportionately on quarterly basis).

In addition to above, a variable performance-based management fee would also be charged for positive returns on the portfolio at the rate as may be mutually agreed.

Fees are dependent on the nature of the service availed, viz. discretionary or non-discretionary or advisory. Fees will also vary from client to client, amounts entrusted, period, scheme as well as performance of the manager. These will vary also from time to time but will not be subject to change midway unless mutually agreed upon.

(ii) Custodian fee

This service entails receiving and delivering, on behalf of the client, securities and funds towards the transactions undertaken on behalf of the client. It also involves receiving benefits on the securities such as interest, maturity proceeds, dividends, bonus, rights etc. The fees payable by the client for custodian services is laid down in the portfolio manager-client agreement. The portfolio manager may deliver these services by its own staff or by using external services. Currently, the Company has appointed Orbis Financial Corporation Limited as Custodian. The custodian deducts the fees directly from the funds of the client lying with it.

(iii) Registrar and transfer agent fee

The securities bought in secondary market need to be registered in the client's name from time to time and deliveries need to be made for sales. The R & T Agent may levy transfer charges, Power of Attorney lodgment charges, postage etc. The portfolio manager will pay such charges and collect the same from the client as provided in the portfolio manager-client agreement.

(iv) Brokerage and transaction cost

The execution of investment decisions in primary and secondary markets will be through registered broker(s). The broker(s) (including Asit C. Mehta Investment Intermediates Ltd.) charge brokerage, taxes & duties, and other transaction costs especially for the secondary market trades. The same are normally included in the contract and bills. The Portfolio manager will pay the fees and charges directly to the Brokers as part of the investment process and the same shall not exceed the limit prescribed by the exchanges.

The manager with a view to get economies of scale may negotiate the rates of any of these charges. The benefits, if any, will be passed on to the clients without any extra additions.

GST is applied based on the State of the Client and Charged in Bill cum Contract notes.
In case client is in Maharashtra than GST is charged as SGST 9% and CGST 9%.
In case client is outside Maharashtra and other than UTT than IGST is charged @18%
In case client belongs to Union Territory than UTT is charged @18%
GST is applied on Transaction charges / Brokerage / Depository charges and other charges falls under chargeable category.

Necessary Fees if any are collected with GST.

TAXATION: STATEMENT O TAX IMPLICATIONS

The taxation treatment of investments, valuations, returns and losses thereon depend upon various enactments made under the Income Tax Act, 1961 and relevant enactments there under from time to time. It also depends on the residential status of investor, category of the investor viz. individual, company, mutual fund etc., nature of income viz. capital gains v/s business income etc. Similarly, the tax deduction at source provisions also depends on a variety of factors. These may undergo change without any notice. Given below is overview of these provisions, as they exist today. Client is advised to consult practicing tax advisors for up to date and accurate advice on these matters from time to time.

Income from investment in equity shares is subject to tax in the following manner:

1. Dividend Received on share of Indian Companies are taxable in the hands of Investors (Resident of India) from 01-04-2020 and Indian Company will deduct TDS under section 194 at the rate of 10% from Dividend distributed to the resident investors if the aggregate amount of dividend distributed or paid during the financial year to a investor exceeds Rs 5,000/-.

However, no tax shall be required to be deducted from the dividend paid or payable to Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC) or to any of the four companies (hereafter in this proviso referred to as such company), formed by virtue of the schemes framed under sub-section (1) of section 16 of the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972), in respect of any shares owned by it or in which it has full beneficial interest by Indian companies who is distributed dividend.

For Non-Resident of India tax shall be deducted under section 195 in accordance with relevant DTAA by Indian Companies who is distributed dividend

2. In case the listed equity shares are held as an investment by a resident or non-resident and are sold within 12 months from the date of purchase, then the resultant gains or losses are termed as short-term capital gains or losses.

Short-term gains arising from the transfer of equity shares through a recognized stock exchange in India where the transaction has been subject to 'Securities Transaction Tax' ("STT") and/or undertaken on a recognized stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid/payable in foreign currency¹ are taxed at a concessional rate of 15% plus the applicable surcharge and Health and Education cess. However, if the transaction has not been done on a recognized stock exchange in India and consequently, the transaction has not been subjected to STT, then the short term capital gains will arise when unlisted share are sold within 36 months and will be taxed (income-tax including surcharge and health and education cess) at the rate applicable depending upon the status (i.e. Individual / HUF, Firms, Corporate, etc.) and the income level of clients and also the income level of Portfolio Management Service ("PMS") clients and long term capital gain on unlisted share will be taxed at 20% with applicable surcharge and education cess.

3. In case the equity shares are held as an investment by a resident or non-resident and are sold after 12 months from the date of purchase, the resultant gains or losses are termed as long-term capital gains or losses.

Prior to the amendment made by the Finance Act, 2019, long term gain arising out of transfer of equity shares on a recognized stock exchange in India and the sale transaction of which has been subjected to STT and/or undertaken on a recognized stock exchange located in any International Financial Services Centre and the consideration for such transaction is paid/payable in foreign currency were exempt from income tax in terms of section 10(38) of the Income-tax Act, 1961.

However, in terms of the amendments made vide Finance Act, 2018, w.e.f 01 April 2019 i.e. from the Assessment Year 2019-20, the exemption under section 10(38) of the Income-tax Act, 1961 has been withdrawn and a new provision viz. section 112A has been introduced in the Income-tax Act, 1961 to provide that long term capital gains (in excess of Rs. 1,00,000/- per year) arising on transfer of a long term capital asset being equity shares of a domestic (Indian) company shall be taxed at 10% of such capital gains—details of which are given further hereunder:

¹ Inserted w.e.f. 01 April 2017 by the Finance Act, 2016

A (i) The provisions of section 112A of the Income-tax Act, 1961 apply when the total income of an assessee (resident and non-resident) includes any income chargeable under the head "Long Term Capital Gains" from the transfer of a long-term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust and securities transaction tax in terms of Chapter VII of the Finance (No. 2) Act, 2004 (23 of 2004) has,—

- (a) in a case where the long-term capital asset is in the nature of an equity share in a company, been paid on acquisition and (sale) transfer of such capital asset; or
 - (b) in a case where the long-term capital asset is in the nature of a unit of an equity oriented fund or a unit of a business trust, been paid on (sale) transfer of such capital asset
- ii) It may be noted that there could be exceptional purchases and sales arising out of corporate actions like demergers, bonus, rights issues, buy backs, open offers, etc. where STT is not paid on acquisition or for transfer.
- iii) In this connection, the Central Government has been conferred with the powers to notify specific nature of acquisition in respect of which the provisions pertaining to STT being paid on purchases and sales shall not apply – please refer to the Notification no. SO 1789(E) [NO.43/2017 (F.NO.370142/09/2017-TPL)] dated 05 June 2017 issued by the Central Board of Direct Taxes which provides a list of such transactions (https://www.incometaxindia.gov.in/communications/notification/notification43_2017.pdf).
- iv) Accordingly, the tax is payable by the resident/non - resident on such long-term capital gains exceeding one lakh rupees at the rate of 10% plus the applicable surcharge and Health and Education cess.
- v) It may be noted that the condition of payment of STT at the time of purchase and sale shall not be applicable, if the transaction of transfer of equity share takes place on the recognized stock exchange located in any International Financial Services Centre and the consideration for such transfer is received or receivable in foreign currency.
- vi) Also, for the purposes of calculating the long term capital gains u/s. 112A of the Income- tax Act, 1961, cost of acquisition of an equity share acquired before 01 February 2018, shall be higher of the following:
- A. The actual cost of acquisition of equity share, and
 - B. Lower of the, fair market value of the equity share or the full value of consideration accruing on its transfer.

In this connection, "Fair market value" means,—

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

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

- (ii) in a case where the capital asset is a unit which is not listed on a recognised stock exchange as on the 31st day of January, 2018, the net asset value of such unit as on the said date;
- (iii) in a case where the capital asset is an equity share in a company which is—
 - (A) not listed on a recognised stock exchange as on the 31st day of January, 2018 but listed on such exchange on the date of transfer;
 - (B) listed on a recognised stock exchange on the date of transfer and which became the property of the assessee in consideration of share which is not listed on such exchange as on the 31st day of January, 2018 by way of transaction not regarded as transfer under section 47, an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index for the financial year 2017-18 bears to the Cost Inflation Index for the first year in which the asset was held by the assessee or for the year beginning on the first day of April, 2001, whichever is later.

4. In case of a resident investor, if at time of acquisition of equity share or at the time of transfer of equity share STT is not paid, then the capital gains would be taxable at either 10% plus the applicable surcharge and Health and Education cess if the purchase cost is not indexed or at 20% plus the applicable surcharge and Health and Education cess if the purchase cost is indexed, whichever ever option is more beneficial to the clients.
5. In case of an individual or HUF, being a resident of India, where the total income as reduced by such long term capital gains or short term capital gains is below the maximum amount which is not chargeable to income-tax then such long term capital gains or short term capital gains shall be reduced by such shortfall amount and only remaining balance of such long term capital gains or short term capital gains shall be subject to tax at the applicable rate.

Any STT paid is neither allowed as a deduction in computing the income chargeable under the head "capital gains" nor allowed as a deduction from the amount of income tax payable on capital gains

6. In case of a non-resident investor, if at time of acquisition of equity share or at the time of transfer of equity share STT is not paid, then the tax on gains will be taxed at the rate of 10% plus applicable surcharge and Health and Education cess.
7. The benefit of indexation will not be available to a non-resident and the capital gains arising to a non-resident will have to be determined by converting the actual amount that the shares are sold for into the currency in which the shares were initially bought. After which, the total amount of capital gains earned through the sale will then be converted into Indian rupees at the rate applicable on the date of the sale.
8. The benefit of indexation as well as the adjustment for foreign exchange fluctuation will also not be available to the capital gains arising to a non-resident from the transfer of shares referred to in section 112A of the Income-tax Act, 1961.

9. In so far as residents are concerned, the benefit of indexation shall not be available to the capital gains arising from the transfer of shares referred to in section 112A of the Income-tax Act, 1961.
10. The loss arising on sale of equity shares purchased within 3 months prior to the record date for the entitlement of exempt dividend and sold within 3 months after such record date, is to be ignored to the extent of the dividend received or receivable on such equity shares for the purpose of computing the taxable income.
11. In case of a non-resident Indian's PMS account, tax is required to be deducted at source, and the same will be deducted from the sales proceeds by the Custodian. The certificate for the same will be provided by them as per the rules laid down by the prescribed Act.
12. Advance Tax Installment Obligations:
13. It shall be the client's responsibility to meet the obligations on account of advance tax Installments payable on the due dates as per the Income-tax Act, 1961 and as amended from time to time.
14. STT is applicable on transactions of such purchase or sale equity shares in a company. The STT rates are applicable as per the Finance Act, 2009 and amended thereafter.

ACCOUNTING POLICIES

Accounting policies for the Client Portfolio:

The Company follows the accounting policies as stipulated by the Institute of Chartered Accountants of India and SEBI for valuation of Portfolio assets and liabilities and recognizing income, expense, gains, benefits, impairments and losses. The accounting policies may be modified from time to time so as to conform to the changes in guidelines, if any.

System of accounting	: Mercantile basis
Valuation basis	: Valued at lower of cost or Market Value
Stock Valuation	: Market Value
Obligations	: On accrual

Benefits Accounting:

	Timing	Value
Dividends :	On ex dividend date	Net of expenses
Interest :	On ex-interest date	Net of expenses
Bonus :	On ex-bonus date	On weighted Average
Rights :	On ex-rights date	On market value of renunciations
Discounts :	On maturity	Redemption value

Transactions costs

PMS fees – fixed :	Quarterly	Revenue expense
PMS fees – variable :	Annually	Revenue expense
Brokerages :	On transactions date	Revenue expense
Taxes & Duties :	On transactions date	Revenue expense
Other charges :	On transactions date	Revenue expense
R&T charges :	On transactions date	Revenue expense

Custodian Charges :	On transactions date	Revenue expense
Securities Transaction Tax :	On transactions date	Revenue expense

Provision for tax

No provision for tax has been made on the income earned during the period since as per the Discretionary Portfolio Management Services Agreement, all tax liabilities are the Client's sole responsibility. Tax Deducted at Source on interest income is recorded on confirmation obtained from Bank.

The above accounting policies are as per Portfolio Clients Financial Statements year ended March 31, 2023 and the same accounting policies are consistently applied by the Portfolio Manager.

INVESTORS SERVICES:

NAME, ADDRESS AND TELEPHONE NUMBER OF THE INVESTOR RELATION OFFICER WHO SHALL ATTEND TO THE INVESTOR QUERIES AND COMPLAINTS

The Designated Compliance Officer of the company is the investor relation officer who shall attend to the investor queries and complaints. The Name, address and telephone number of the current investor relation officer who shall attend to the investor queries and complaints is as follows:

Mr. Jaideep Vaidya
 Compliance Officer,
 Pantomath Nucleus House,
 Saki Vihar Road,
 Andheri East, Mumbai 400072
 Telephone Number: +9122 61325950.
 Email: investorgrievance@acm.co.in

GRIEVANCE REDRESSAL & DISPUTE SETTLEMENT MECHANISM

Grievances, if any, that may arise pursuant to the Portfolio Management Services Agreement entered into shall as far as possible be redressed through the administrative mechanism by the Portfolio Manager and are subject to SEBI (Portfolio Managers) Regulations, 2020 and any amendments made thereto, and as are in force, from time to time. However, all the legal actions and proceedings are subject to the jurisdiction of court in Mumbai only and are governed by Indian Laws.

The Portfolio Manager will endeavor to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. If the Investor remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the investor and the Portfolio Manager shall abide by the following mechanisms.

The Client may lodge his complaint with SEBI on <http://scores.gov.in/>.

All dispute, differences, questions, claims whatsoever arising between client and Asit C. Mehta Investment Intermediates Ltd. And/or their respective representative shall be settled in accordance with the provisions of the Arbitration and Conciliation Act, 1996 read along with the Arbitration and Conciliation (Amendment) Act, 2015 or any enactment / modification or re-enactment thereof for the time being in force. Such Arbitration proceedings shall be held at Mumbai or at such other places as Asit C. Mehta Investment Intermediates Ltd. thinks fit.

DETAILS OF INVESTMENTS IN THE SECURITIES OF RELATED PARTIES OF THE PORTFOLIO MANAGER

The company, as a matter of internal policy, does not invest its portfolio management clients' funds in its own securities, or that of its related parties or associates.

DETAILS OF THE DIVERSIFICATION POLICY OF THE PORTFOLIO MANAGER

The company endeavors to ensure that the securities invested for the management of portfolio of a client are well balanced and contain a adequate balance of equity, debt and hybrid instruments across industries in accordance with the risk profile of the respective client

Date: 23/01/2024

Place: Mumbai

MRS. DEENA A. MEHTA

Deena Mehta

MR. KIRIT H. VORA

Kirit H. Vora

