

September 25, 2025

To
Asit C. Mehta Investment Interrmediates Ltd.
Pantomath Nucleus House, Saki-Vihar Road,
Andheri (East), Mumbai 400072.

Dear Sir/ Madam,

Subject: 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 of clients and performance updated upto August 31, 2025 and other details updated upto September 20, 2025.

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 September 24, 2025 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

**KAVITA
SANDEEP
MAHESHWARI**

Digitally signed by KAVITA
SANDEEP MAHESHWARI
Date: 2025.09.25 12:54:39
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Kavita Sandeep Maheshwari
Partner
Mem. No. 105827
UDIN: 25105827BMLJTR7237

Place: Mumbai

ASIT C. MEHTA INVESTMENT INTERMEDIATES LIMITED

SEBI REGISTRATION NUMBER FOR PORTFOLIO MANAGER: INP000005801

DISCLOSURE DOCUMENT FOR PORTFOLIO MANAGEMENT SERVICES ACTIVITIES

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Part-I Static section:

I. DISCLAIMER

THE DOCUMENT 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.

THE DISTRIBUTION OF THIS DOCUMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED OR TOTALLY PROHIBITED AND ACCORDINGLY, PERSONS WHO COME INTO POSSESSION OF THIS DOCUMENT REQUIRED TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.

II. DEFINITIONS AND ABBREVIATIONS:

DEFINITIONS

In this Disclosure Document, unless the context otherwise requires, the following words and expressions shall have the meaning assigned to them:

TERM	DESCRIPTION
Act	Means the Securities and Exchange Board of India Act, 1992.
Accreditation Agency	Means a subsidiary of a recognized stock exchange or a subsidiary of a depository or any other entity as may be specified by SEBI from time to time.
Accredited Investor	<p>Means any person who is granted a certificate of accreditation by an accreditation agency who:</p> <p>(i) in case of an individual, HUF, family trust or sole proprietorship has:</p> <p style="padding-left: 20px;">(a) annual income of at least two crore rupees; or</p> <p style="padding-left: 20px;">(b) net worth of at least seven crore fifty lakh rupees, out of which not less than three crores seventy-five lakh rupees is in the form of financial assets; or</p> <p style="padding-left: 20px;">(c) annual income of at least one crore rupees and minimum net worth of five crore rupees, out of which not less than two crore fifty lakh rupees is in the form of financial assets.</p> <p>(ii) in case of a body corporate, has net worth of at least fifty crore rupees;</p> <p>(iii) in case of a trust other than family trust, has net worth of at least fifty crore rupees;</p> <p>(iv) in case of a partnership firm set up under the Indian Partnership Act, 1932, each partner independently meets the eligibility criteria for accreditation:</p> <p>Provided that the Central Government and the State Governments, developmental agencies set up under the aegis of the Central Government or the State Governments, funds set up by the Central Government or the State Governments, qualified institutional buyers as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Category I foreign portfolio investors, sovereign wealth funds and multilateral agencies and any other entity as may be specified by the Board from time to time, shall deemed to be an accredited investor and may not be required to obtain a certificate of accreditation.</p>
Advisory Services	Means advising on the portfolio approach, investment and divestment of individual Securities in the Client's Portfolio, entirely at the Client's risk, in terms of the Regulations and the Agreement.
PMS Agreement	Means agreement executed between the Portfolio Manager and its Client for providing portfolio management services and shall include all schedules and annexures attached thereto and any amendments made to this agreement by the parties in writing, in terms of Regulation 22 and Schedule IV of the Regulations.
Applicable Law/s	Means any applicable statute, law, ordinance, regulation, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument including the Regulations which has a force of law, as is in force from time to time.
Assets Under Management (AUM)	Means aggregate net asset value of the Portfolio managed by the Portfolio Manager on behalf of the Clients.
Associate	Means (i) a body corporate in which a director or partner of the Portfolio Manager holds either individually or collectively, more than twenty percent of its paid-up equity share capital or partnership interest, as the case may be; or (ii) a body corporate which holds, either individually or collectively, more than twenty percent of the paid-up equity share capital or partnership interest, as the case may be of the Portfolio Manager.
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.
Articles / Articles of Association	Means Articles of Association of Asit C. Mehta Investment Interrmediates Limited.
ACMIIL or the Company or your Company	Means Asit C. Mehta Investment Interrmediates Ltd., a public limited Company incorporated under the provisions of the Companies Act, 1956.
Benchmark	Means an index selected by the Portfolio Manager in accordance with the Regulations, in respect of each Investment Approach to enable the Clients to evaluate the relative performance of the Portfolio Manager.
Board or SEBI	Means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.
Business Day	Means any day, which is not a Saturday, Sunday, or a day on which the banks or stock exchanges in India are authorized or required by Applicable Laws to remain closed or such other events as the Portfolio Manager may specify from time to time.
Bank Account	Means one or more accounts opened, maintained and operated by the Portfolio Manager with Scheduled Commercial Bank/(s).
Board of Directors	The Board of Directors of Asit C. Mehta Investment Interrmediates Ltd., or a committee thereof
BSE	BSE Ltd/ Bombay Stock Exchange.
Client(s) / Investor(s)	Means any person who enters into an Agreement with the Portfolio Manager for availing the services of portfolio management as provided by the Portfolio Manager.
Custodian(s)	Means an entity registered with the SEBI as a custodian under the Applicable Laws and appointed by the Portfolio Manager, from time to time, primarily for custody of Securities of the Client.
Companies Act	The Companies Act, 2013 and Rules made thereunder as amended from time to time.
Custodian	Means Orbis Financial Corporation Limited as custodian for Portfolio Management Services activities.
Depository	Means the depository as defined in the Depositories Act, 1996 (22 of 1996).
Depository Account	Means an account of the Client or for the Client with an entity registered as a depository participant under the SEBI (Depositories and Participants) Regulations, 1996.
Direct on-boarding	Means an option provided to clients to be on-boarded directly with the Portfolio Manager without intermediation of persons engaged in distribution services.
Disclosure Document or Document	Means the disclosure document for offering portfolio management services prepared in accordance with the Regulations.
Distributor	Means a person/entity who may refer a client to avail services of Portfolio Manager in lieu of commission/charges (whether known as channel partners, agents, referral interfaces or by any other name).
Depositories Act	The Depositories Act, 1996 as amended from time to time.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Eligible Investors	Means a Person who: (i) complies with the Applicable Laws, and (ii) is willing to execute necessary documentation as stipulated by the Portfolio Manager.
EPS	Earnings per Share.
Equity Shares	Equity shares of a Listed / Unlisted Company.
Fair Market Value	Means the price that the Security would ordinarily fetch on sale in the open market on the particular date.
Foreign Portfolio Investors (FPI)	Means a person registered with SEBI as a foreign portfolio investor under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 as amended from time to time.
Financial Year (FY)	Means the year starting from April 1 and ending on March 31 in the following year.
Funds or Capital Contribution	Means the monies managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes the monies mentioned in the account opening form, any further monies placed by the Client with the Portfolio Manager for being managed

	pursuant to the Agreement, the proceeds of sale or other realization of the portfolio and interest, dividend or other monies arising from the assets, so long as the same is managed by the Portfolio Manager.
FII	Foreign Institutional Investor [as defined under SEBI (Foreign Portfolio Investors) Regulations, 2014].
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 (Regulation) Act, 1956.
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-annually, annually) 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.
Group Company	Shall mean an entity which is a holding, subsidiary, associate, subsidiary of a holding Company to which it is also a subsidiary.
Holding Company / The Holding Company	Means "Asit C. Mehta Financial Services Limited"
HUF	Means the Hindu Undivided Family as defined in Section 2(31) of the IT Act.
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.
Investment Approach (IA)	Is a broad outlay of the type of Securities and permissible instruments to be invested in by the Portfolio Manager for the Client, taking into account factors specific to Clients and Securities and includes any of the current Investment Approach or such Investment Approach that may be introduced at any time in future by the Portfolio Manager.
IT Act	Means the Income Tax Act, 1961, as amended and restated from time to time along with the rules prescribed thereunder.
Indian GAAP	Generally Accepted Accounting Principles in India.
IRDA	Insurance Regulatory and Development Authority.
Large Value Accredited Investor	Means an Accredited Investor who has entered into an Agreement with the Portfolio Manager for a minimum investment amount of ten crore rupees.
Memorandum of Association	The Memorandum of Association of Asit C. Mehta Investment Interrmediates Limited.
Non-resident Investors or NRI(s)	Shall mean non-resident Indian as defined in Section 2 (30) of the IT Act.
NAV	Shall mean Net Asset Value, which is the price; that the investment would ordinarily fetch on sale in the open market on the relevant date, less any receivables and fees due.
NISM	Means the National Institute of Securities Markets, established by the Board.
NSE	National Stock Exchange of India Ltd.
Person	Includes an individual, a HUF, a corporation, a partnership (whether limited or unlimited), a limited liability Company, a body of individuals, an association, a proprietorship, a trust, an institutional investor and any other entity or organization whether incorporated or not, whether Indian or foreign, including a government or an agency or instrumentality thereof.

Portfolio	Means the total holdings of all investments, Securities and Funds belonging to the Client.
Portfolio Manager (PM)	Means Asit C. Mehta Investment Intermmediates Ltd, a Company incorporated under the Companies Act, 1956 registered with SEBI as a portfolio manager bearing registration number INP000005801 and having its registered office at Pantomath Nucleus House, Saki Vihar Road, Andheri East Mumbai 400072.
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.
PFRDA	Pension Fund Regulatory and Development Authority
Promoters	Mrs. Deena A. Mehta & M/s. Asit C. Mehta Financial Services Limited
Regulations or SEBI Regulations	Means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended/modified and reinstated from time to time and including the circulars/notifications issued pursuant thereto.
Related Party	Means- (i) A director, partner or his relative; (ii) 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) A 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: Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity; (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— The investing Company or the venturer of the Portfolio Manager means a body corporate whose investment in the Portfolio Manager would result in the Portfolio Manager becoming an associate of the body corporate; (ix) A related party as defined under the applicable accounting standards; (x) Such other person as may be specified by the Board: Provided that, (a) Any person or entity forming a part of the promoter or promoter group of the listed entity; or (b) Any person or any entity, holding equity shares: (i) Of twenty per cent or more; or (ii) Of ten per cent or more, with effect from April 1, 2023; in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediately preceding Financial Year; shall be deemed to be a related party;
RBI	Reserve Bank of India.
Registered office of the Company	Pantomath Nucleus House, Saki Vihar Road, Andheri (E), Mumbai – 400 072, Maharashtra, India.
ROC	Registrar of Companies, Maharashtra, located at Mumbai.
Rated instruments	Rated instruments are those that are independently rated by approved rating agencies.
Securities	means security as defined in Section 2(h) of the Securities Contract (Regulation) Act,

	1956, provided that securities shall not include any securities which the Portfolio Manager is prohibited from investing in or advising on under the Regulations or any other law for the time being in force.
SEBI	Securities and Exchange Board of India constituted under the SEBI, Act 1992.
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, and currency risk), regulatory risk (change in policy and taxation) and operation risk.

ABBREVIATIONS:

Abbreviation	Full Form
AIF	Alternative Investment Fund
AMFI	Association of Mutual Funds in India
ARN	AMFI Registration Number
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CA	Chartered Accountant
CS	Company Secretary
CBs	Corporate Bonds
D/E	Debt Equity Ratio
DP	Depository Participant
DT	Dealing Team
EPS	Earnings per Share
GOI	Government of India
KYC	Know Your Client
MCX	Multi Commodity Exchange of India Ltd.
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NCLT	National Company Law Tribunal
NSE	National Stock Exchange of India Ltd
NSDL	National Securities Depository Ltd.
OTM	One-to-many
OTO	One-to-one
PMS	Portfolio Management Services
P/E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
RFQ	Request for Quote platform of stock exchanges
RONW	Return on Net worth
the PM Regulations	SEBI (Portfolio Managers) Regulations 2020
SCORES	SEBI Complaints Redress System
TOR	Terms of Reference
TWRR	Time Weighted Rate of Return
MITC	Most Important Terms and Conditions

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.

III. DESCRIPTION

HISTORY, BACKGROUND AND PRESENT BUSINESS 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 December 01, 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 01, 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. SEBI fresh registration pursuant to indirect change in control received in July 2024
NSE- Capital Market Segment	November 1994*- SEBI Single Registration received in July 2018. SEBI fresh registration pursuant to indirect change in control received in July 2024
CDSL – DP	July 1999 Permanent Registration received in July 2014 - Single Registration received in March 2022. The Company has obtained fresh registration subsequent to indirect change in control in December, 2024
NSE- Trading (F&O)	May 2000*- SEBI Single Registration received in July 2018 SEBI fresh registration pursuant to indirect change in control received in July 2024
BSE – Derivatives Segment	June 2000*- SEBI Single Registration received in July 2018 SEBI fresh registration pursuant to indirect change in control received in July 2024
NSE –Self Clearing (F&O)	December 2005 – (The same is converted into Trading Membership in July 2019) *- SEBI Single Registration received in July 2018. SEBI fresh registration pursuant to indirect change in control received in July 2024
Merchant Banker – Category I	The Company was authorized by SEBI to operate as a SEBI-registered Category I Merchant Banker in April 2006 and was granted a permanent certificate in June 2012 which was surrendered June 2024
Portfolio Manager	December 2006 (license expired on December 31, 2012) & fresh registration obtained on August, 21, 2017. SEBI fresh registration pursuant to indirect change in control received in May 2024
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 the year 2020
Research Analyst	December, 2015. Permanent registration received in February 2023. SEBI fresh registration pursuant to indirect change in control received in June 2024
Point of Presence (PFRDA)	November 2016 renewed in 2018 and in 2021
Corporate Agent (IRDA)	March 2018 (Not renewed)

**Earlier there were separate Registration for each Segments/Exchanges, now their single registration for all Exchanges/Segments.*

The Company is a subsidiary of M/s. 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 several gradings by CRISIL and hence BQ grading was not renewed.

The Company has, in 2017 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. The Hon'ble NCLT vide its order dated August 22, 2023, allowed the Company's petition to convert from public limited Company to private limited Company. However, the Company has decided not to convert into a private Company, since it is a material subsidiary of a listed Company, viz. M/s. Asit C. Mehta Financial Services Limited.

M/s. Cliqtrade Stock Brokers Private Limited by virtue of an Investment Agreement with the main promoter (who are also promoters of ACMIIL) of M/s. Asit C Mehta Financial Services Limited, ("the holding Company"), had earlier during November 2022 to February 2023 acquired up to 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 (ACMIIL), since the promoter group and the designated Directors of the Company remained the same. Further, because 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.

The Holding Company announced its issue of rights shares to its existing shareholders, which closed on January 4, 2024 and pursuant to which the shareholding of M/s. Cliqtrade Stock Brokers Private Limited increased to 52.20%. This has resulted in indirect change in control of ACMIIL. The Company has obtained fresh registration from SEBI, in respect of the aforesaid change of control. The Company received fresh registration from SEBI in respect of its Portfolio Management Services, Research Analyst, Stock Broking activities and Depository Participant Certificate in May 2024, June 2024, July 2024 and December 2024 respectively. Following the above, the Company applied to SEBI for surrender of its Merchant Banking Registration since the promoters of M/s. Cliqtrade Stock Brokers Private Limited are also the promoters of M/s. Pantomath Capital Advisors Private Limited, Category - I SEBI Registered Merchant Banker. SEBI approved the aforesaid surrender application of the Company in June 2024 and as such, the Company is no longer a SEBI registered Merchant Banker.

PRESENT BUSINESS:

Stock Broking: The Company offers stock broking and allied services to its clients through the following channels:

- a. **Equity Investments services and Derivatives hedging:** Equity investment services are offered to retail clients through different channels in 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.

- b. **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.

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

Mutual Fund and IPO: Mutual Fund distribution and IPO services are 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 services are provided on Initial Public Offerings.

Depository services: The Company is a depository participant with the Central Depository Services (India) Ltd. (CDSL) and provides depository services to its clients.

Portfolio Management Services:

The Company was initially granted registration by the Securities and Exchange Board of India (SEBI) as a Portfolio Manager on December 31, 2006. This registration was renewed for a further term effective from January 1, 2010, to December 31, 2012. However, the Company ceased its portfolio management operations on November 15, 2010, and accordingly did not renew its registration upon its expiry at the end of 2012. Following a hiatus, the Company sought and obtained fresh SEBI registration as a Portfolio Manager on August 21, 2017, under Registration Number INP000005801. The requisite renewal fees were duly paid within the prescribed timeline in 2020.

At the time of re-registration, the role of Principal Officer was held by Mr. Pramit Singh Sabharwal. Thereafter his resignation led to the appointment of Mr. Akhil Rathi as Principal Officer effective from June 1, 2018 and upon resignation of Mr. Rathi, Mr. Deepak Makwana takeover the responsibilities of Principal Officer with effect from July 1, 2021 and recently on September 19, 2025, Mr. Deepak Makwana tendered his resignation from the services of the Company consequent to which the Board appointed Mr. Prathmesh Agrawal as the Principal Officer for the Portfolio Management Service with effect from September 20, 2025 and he continues to serve in this capacity. Mr. Prathmesh Agrawal, Fund Manager and Principal Officer, is an experienced Buy-Side professional with over 13 years in the Indian equity markets, specializing in Portfolio Strategy, Risk Management, and Investment Analysis. Prior to joining ACMILL, Prathmesh was Vice President (Investments) at ENAM Asset Management. His earlier stints include key roles at Varanium Capital Advisors Pvt. Ltd. and Moody's Analytics, where he played a crucial role in Investment Strategy and Portfolio Management. Mr. Prathmesh is a Chartered Accountant and a CFA (USA) Level II candidate. His expertise spans multiple asset classes, with a strong track record in Alpha Generation and Portfolio Optimization.

In terms of compliance function, Mr. Jaideep Vaidya served as the Compliance Officer until his retirement in September 2024. Post Retirement of Mr. Jaideep Vaidya, after a couple of changes in between (i.e. Mr. Chintan Shingala was appointed as Compliance officer and resigned, thereafter to Ms. Surmeet Kaur Chandhok appointed and resigned, post cessation of employment of Ms. Surmeet Chandok, Mr. Puspraj

Ramshila Pandey is appointed as Compliance Officer for the Company's SEBI Registered business activities. Mr. Puspraj Pandey is a Company Secretary and Law graduate, having more than 10years experience in Corporate Secretarial Compliance, entrusted with overseeing the Company's compliance framework across all business functions.

The Company received fresh registration as a Portfolio Manager in May 2024 with the same registration number INP000005801 pursuant to indirect change in control. The Company has appointed Orbis Financial Corporation Limited as its Custodian for Portfolio Management Services activities.

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

The Company from time to time launches new strategies and modifies/ discontinues its existing strategies as per potential business foreseen. The Company keeps all its existing PMS clients informed about the same.

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 39 distributors as on August 31, 2025. The Company has a tie-up with these distributors for PMS marketing purposes.

The Company is complying with the compliance requirements as specified under the Securities and Exchange Board of India (SEBI) issued the SEBI (Portfolio Managers) Regulations, 2020 and with the provisions of SEBI Master circular SEBI/HO/IMD/IMD-POD-1/P/CIR/2025/104 dated July 16, 2025.

Research Analyst:

The Company has a research division, which currently provides investment advice to its stockbroking clients. The Research department by utilizing customized software studies the companies and follows the performance for recommending to the portfolio's entry and exit.

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 profile and risk appetite of the investors.

The Research Desk provides support in selecting stocks for investments and exit of the client portfolio. The Research desk is staffed with a team of 15 analysts functioning in a digital environment supported by corporate database packages like Ace Equity and an in-house database of Annual Reports, newspaper clippings and Company reports.

The Portfolio use several information 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 31st August, 2025, the total number of subscribers registered through us for the NPS scheme is around 227.

PROMOTERS OF THE PORTFOLIO MANAGER, DIRECTORS AND THEIR BACKGROUND

PROMOTERS:

The Company's promoter group comprises of M/s. Asit C Mehta Financial Services Limited (holding Company), whose main promoters are M/s. Cliqtrade Stock Brokers Private Limited, M/s. Asit C Mehta Financial Services Limited and Mrs. Deena A. Mehta, M/s. Cliqtrade Stock Brokers Private Limited is holding 52.2% of the shares of M/s. Asit C Mehta Financial Services Limited. M/s. Cliqtrade Stock Brokers Private Limited is promoted by noted investment bankers Mr. Mahavir Lunawat and Mrs. Madhu Lunawat.

The details of M/s. Asit C Mehta Financial Services Limited and Mrs. Deena A. Mehta are given as under:

ASIT C MEHTA FINANCIAL SERVICES LIMITED

Asit C Mehta Financial Services Limited (ACMFSL), Holding Company of the Company, was originally incorporated as "Northern India Leasing Limited", as a public limited Company under the Companies Act, 1956, at New Delhi, pursuant to certificate of incorporation dated January 25, 1984, issued by the Registrar of Companies, Delhi and Haryana, New Delhi. Thereafter, the name of the said Company was changed to "Nucleus Securities Limited" pursuant to fresh certificate of incorporation consequent on change of name dated July 08, 1993, issued by the Registrar of Companies, Delhi and Haryana at New Delhi. With effect from July 26, 1995, the registered office of the said Company was shifted to Maharashtra and was registered on 2nd August, 2025 with the Registrar of Companies Maharashtra, Mumbai,

Thereafter, the name of our Company was changed to "Nucleus Netsoft and GIS (India) Limited" pursuant to fresh certificate of incorporation consequent on change of name dated May 31, 2006, issued by the Registrar of Companies Maharashtra Mumbai and subsequently, the name of the said Company was changed to "Asit C Mehta Financial Services Limited" pursuant to fresh certificate of incorporation consequent on change of name dated September 11, 2008, issued by the Registrar of Companies, Maharashtra, Mumbai.

The said Company is in the business of providing advisory and consultancy services on Fund mobilization and restructuring of Companies and renting vacant properties. The said Company is listed on BSE Ltd. (BSE).

MRS. DEENA ASIT MEHTA (Age 64 years)

Promoter & Director

Mrs. Deena Asit Mehta is a financial market professional for about more than 4 decades. She is a Chartered Accountant, Master's in Management Studies (Finance) and Fellow Member of Securities and Investment Institute London. She is the promoter of Asit C Mehta group of companies. She is on the Board of M/s. Fino Payments Bank Limited and Gandhar Oil Refinery (India) Limited as an Independent Director. She is on Advisory Board of Several education institutions such as SVKM (NMIMS), Indian Education Society (IES) and Wilson College.

Mrs. Mehta has been former President of Stock Exchange Mumbai and has the honour of being the first Woman Director on Board of BSE as well as first woman President. She has served on the Board of National Payments Corporation of India (NPCI) for 6 years during the initial formative years as Chairperson of Audit Committee and members of Risk, strategy and various other committees.

Mrs. Mehta was the Promoter & Director of M/s. Central Depository Services (India) Ltd and M/s. BOI Shareholding Limited, the Clearing House of BSE Ltd. for several years. She is also founder member of South Asian Federation of exchanges, the association of stock exchanges of SAARC countries. She has been an invitee to International Securities Regulators Organization, and member of Index Committee and Advisory Committee on Mutual Funds of Stock Exchange, Mumbai and a member of SEBI Committees such as Review of Eligibility (CORE) norms of SEBI, Derivative Committee, Delisting Committee, Ethics Committee and Investor Education.

Mrs. Mehta has travelled over 450 districts of India and conducted over 1000 investor education programs

in these districts. Mrs. Mehta has been awarded by several organizations for her pioneering work in stock exchange reforms. She has published several articles in financial and other leading newspapers in various languages on investor education and current issues affecting stock markets and investor protection.

THE BOARD OF DIRECTORS:

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

Mr. Sameer Vidhyadhar Nalawade **Whole-time Director**

Mr. Sameer Vidhyadhar Nalawade is an industry expert and having rich knowledge and varied experience of Financial Services, Risk Management, Customer Service and Repository & Operations. Mr. Nalawade is currently associated with the Company as Operations Head & Associate Vice President and working with the Company last 20 years. Mr. Nalawade has completed B. Com from Mumbai University in 2001 and Diploma in Computer Science in 1995. Mr. Sameer Nalawade is the designated director of the Company for its stock broking and depository operations since May 23, 2025.

Mr. Arjun Indrajeet Prajapati **Whole-time Director**

Mr. Arjun Prajapati is an industry veteran who has rich and varied over 30 years' experience of Retail Equity Sales, Institutional Derivatives and Equity Dealing. Mr. Prajapati is currently associated with the Company as Senior Vice President - Retail Equity Sales. Mr. Prajapati has completed B. Com from Mumbai University in 1993 and PGDBM from Pune University in 2013. Mr. Prajapati is the designated director of the Company for its stock broking and depository operations since January 20, 2025

Mr. Krishan Kumar Jalan **Non-Executive - Independent Director**

Mr. Krishan Kumar Jalan, IAS (Retd.), has over 35 years of experience and has served various senior positions with distinction. Mr. Jalan retired as Principal Secretary, Govt. of India, Ministry of Micro, Small and Medium Enterprises. Before that, Mr. Jalan held various positions such as Central Provident Fund Commissioner, Additional Chief Secretary to the Government of Haryana, Administrative Secretary of departments of Public Works & Architecture, Town and Country Planning, Urban Estate, Urban Local Bodies and Irrigation.

Mr. Jalan worked in Govt. of India as Director and Joint Secretary in the Ministry of Textiles and Secretary General of the Apparel Export Promotion Council and was instrumental in construction of Apparel Mart at Gurgaon. He has unique experience of working as Deputy Commissioner/District Magistrate of five districts namely Bhiwani, Faridabad, Karnal, Sonapat and Rewari.

Mr. Suresh Kumar Jain **Non-Executive - Independent Director**

Mr. Suresh Kumar Jain has over 36 years of Rich experience with Public Sector Banks in India. He has served as an Executive Director of Union Bank of India where he was overseeing operations of the Bank in London, Hong Kong, Abu Dhabi, Dubai, Beijing, Shanghai, Antwerp and Sydney and responsible for Human Resource Development, Management of non-performing assets/stressed assets portfolio of the Bank and Management and Development of Micro, Small and Medium Enterprise portfolio of the Bank.

Prior to Union Bank of India, he has served up to the position of General Manager, National Banking Group-Western India at Bank of India where he looked after oversees banking, processing of large credit proposal. He has also worked as Manager (Credit) in Bank of India, Hong Kong overseeing one of the largest international portfolios of international trade finance and loan syndications for the Bank.

Mrs. Deena A. Mehta
Non-Executive Director

As stated above in promoters' details.

Mr. Dipak G. Sarvaiya
Non-Executive Director

Mr. Dipak Gordhanbhai Sarvaiya, is a B.Com Graduate and Chartered Accountant by Profession and has over a decade experience of Finance and Strategic Transactions. He has been associated with Pantomath Group Strategic Officer and become eligible for appointment of Director of the Company.

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 Advisors Limited (Formally known as Asit C. Mehta Commodity Services Limited)
3	Edgytal Fintech Investment Services Private Limited

DETAILS OF THE SERVICES BEING OFFERED

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

- i. For Discretionary Services**
 - ACE Multicap
 - ACE Regular Income
 - ACE Ten Trillion Opportunities
 - ACE Bespoke

- ii. 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 Regulations made there under.	As mentioned below

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 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 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, dismissed the appeal made by the Company. During the proceeding in the Hon'ble SAT, the Company 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 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 stockbroking 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, dismissed the appeal made by the Company. The Company filed an appeal in the Hon'ble Supreme Court against the said order of the Hon'ble SAT. During the intervening period, the Company 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, dismissed the appeal made by the Company. The Company therefore made payment of the remaining amount of penalty of Rs. 13,50,000/- in May 2023, and hence no further action needs to be taken by the Company in this respect.
- 3) SEBI 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 stockbroking 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, reduced the said penalty to Rs. 9,00,000/- which the Company 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 (8) 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.

V. SERVICES OFFERED

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

DETAILS OF THE SERVICES OFFERED:

The investment objectives and policies laid 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 advice 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 membership / licenses of the exchanges mentioned above) and shall be entitled to charge a 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 a client.

INVESTMENT OBJECTIVES

The investment objectives and risk profile 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 endeavor 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.

PORTFOLIO ADVISORY

1. **Government securities Portfolio Advisory:** These 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 of less than one year on the basis of a separate advisory agreement.

INVESTMENT POLICIES

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

Holding Company M/s. Asit C Mehta Financial Services Limited (listed on BSE Limited) is the only Company in this category and as per policy, the Company does not invest 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 scheme 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 the 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 themselves 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 made 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, clients 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.

Investing 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 requirements of the client as identified from his updated investor profile, the portfolio of the client will be structured.

The 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.
- The portfolio manager will also not invest in the negative list as may have been provided from time to time.
- 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.
- The Orbis Financial Corporation Limited have custody of both the funds and the securities invested on behalf of the investors. 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 as per SEBI Rules.
- The Company is also a SEBI registered Stockbroker 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 other companies for its PMS activities.
- The Company has 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

A. General Risks Factors

- 1) Investment in Securities, whether on the basis of fundamental or technical analysis or otherwise, is subject to market risks which include price fluctuations, impact cost, basis risk etc.
- 2) The Portfolio Manager does not assure that the objectives of any of the Investment Approach will be achieved and investors are not being offered any guaranteed returns. The investments may not be suitable to all the investors.
- 3) Past performance of the Portfolio Manager does not indicate the future performance of the same or any other Investment Approach in future or any other future Investment Approach of the Portfolio Manager.
- 4) The names of the Investment Approach do not in any manner indicate their prospects or returns.
- 5) Appreciation in any of the Investment Approach can be restricted in the event of a high asset allocation to cash, when stock appreciates. The performance of any Investment Approach may also be affected due to any other asset allocation factors.
- 6) When investments are restricted to a particular or few sector(s) under any Investment Approach; there arises a risk called non-diversification or concentration risk. If the sector(s), for any reason, fails to perform, the Portfolio value will be adversely affected.
- 7) Each Portfolio will be exposed to various risks depending on the investment objective, Investment Approach and the asset allocation. The investment objective, Investment Approach and the asset allocation may differ from Client to Client. However, generally, highly concentrated Portfolios with lesser number of stocks will be more volatile than a Portfolio with a larger number of stocks.
- 8) The values of the Portfolio may be affected by changes in the general market conditions and factors and forces affecting the capital markets, in particular, level of interest rates, various market related factors, trading volumes, settlement periods, transfer procedures, currency exchange rates, foreign investments, changes in government policies, taxation, political, economic and other developments, closure of stock exchanges, etc.
- 9) The Portfolio Manager shall act in fiduciary capacity in relation to the Client's Funds and shall endeavour to mitigate any potential conflict of interest that could arise while dealing in a manner which is not detrimental to the Client.

B. Risk associated with equity and equity related instruments

- 10) Equity and equity related instruments by nature are volatile and prone to price fluctuations on a daily basis due to macro and micro economic factors. The value of equity and equity related instruments may fluctuate due to factors affecting the securities markets such as volume and volatility in the capital markets, interest rates, currency

exchange rates, changes in law/policies of the government, taxation laws, political, economic or other developments, which may have an adverse impact on individual Securities, a specific sector or all sectors. Consequently, the value of the Client's Portfolio may be adversely affected.

- 11) Equity and equity related instruments listed on the stock exchange carry lower liquidity risk, however the Portfolio Manager's ability to sell these investments is limited by the overall trading volume on the stock exchanges. In certain cases, settlement periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio Manager to make intended Securities purchases due to settlement problems could cause the Client to miss certain investment opportunities. Similarly, the inability to sell Securities held in the Portfolio may result, at times, in potential losses to the Portfolio, should there be a subsequent decline in the value of Securities held in the Client's Portfolio.
- 12) Risk may also arise due to an inherent nature/risk in the stock markets such as, volatility, market scams, circular trading, price rigging, liquidity changes, de-listing of Securities or market closure, relatively small number of scrip's accounting for a large proportion of trading volume among others.

C. Risk associated with debt and money market securities

13) Interest Rate Risk

Fixed income and money market Securities run interest-rate risk. Generally, when interest rates rise, prices of existing fixed income Securities fall and when interest rate falls, the prices increase. In case of floating rate Securities, an additional risk could arise because of the changes in the spreads of floating rate Securities. With the increase in the spread of floating rate Securities, the price can fall and with decrease in spread of floating rate Securities, the prices can rise.

14) Liquidity or Marketability Risk

The ability of the Portfolio Manager to execute sale/purchase order is dependent on the liquidity or marketability. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. The Securities that are listed on the stock exchange carry lower liquidity risk, but the ability to sell these Securities is limited by the overall trading volumes. Further, different segments of Indian financial markets have different settlement cycles and may be extended significantly by unforeseen Circumstances.

15) Credit Risk

Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

16) Reinvestment Risk

This refers to the interest rate risk at which the intermediate cash flows received from the Securities in the Portfolio including maturity proceeds are reinvested. Investments in fixed income Securities may carry re-investment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the debt security. Consequently, the proceeds may get invested at a lower rate.

D. Risk associated with derivatives instruments

17) The use of derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Portfolio Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Portfolio Manager involve uncertainty and decision of Portfolio Manager may not always be profitable. No assurance can be given that the Portfolio Manager will be able to identify or execute such strategies.

18) Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price of interest rate movements correctly. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Other risks include settlement risk, risk of mispricing or improper valuation and the inability of the derivative to correlate perfectly with underlying assets, rates and indices, illiquidity risk whereby the Portfolio Manager may not be able to sell or purchase derivative quickly enough at a fair price.

E. Risk associated with investments in mutual fund schemes

19) Mutual funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the schemes will be achieved. The various factors which impact the value of the scheme's investments include, but are not limited to, fluctuations in markets, interest rates, prevailing political and economic environment, changes in government policy, tax laws in various countries, liquidity of the underlying instruments, settlement periods, trading volumes, etc.

20) As with any securities investment, the NAV of the units issued under the schemes can go up or down, depending on the factors and forces affecting the capital markets.

21) Past performance of the sponsors, asset management Company (AMC)/fund does not indicate the future performance of the schemes of the fund.

22) The Portfolio Manager shall not be responsible for liquidity of the scheme's investments which at times, be restricted by trading volumes and settlement periods. The time taken by the scheme for redemption of units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the schemes.

- 23) The Portfolio Manager shall not responsible, if the AMC/ fund does not comply with the provisions of SEBI (Mutual Funds) Regulations, 1996 or any other circular or acts as amended from time to time. The Portfolio Manager shall also not be liable for any changes in the offer document(s)/scheme information document(s) of the scheme(s), which may vary substantially depending on the market risks, general economic and political conditions in India and other countries globally, the monetary and interest policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally.
- 24) The Portfolio Manager shall not be liable for any default, negligence, lapse error or fraud on the part of the AMC/the fund.
- 25) While it would be the endeavor of the Portfolio Manager to invest in the schemes in a manner, which will seek to maximize returns, the performance of the underlying schemes may vary which may lead to the returns of this portfolio being adversely impacted.
- 26) The scheme specific risk factors of each of the underlying schemes become applicable where the Portfolio Manager invests in any underlying scheme. Investors who intend to invest in this portfolio are required to and are deemed to have read and understood the risk factors of the underlying schemes.

F. Risk arising out of Non-diversification

- 27) The investment according to investment objective of a Portfolio may result in concentration of investments in a specific security / sector/ issuer, which may expose the Portfolio to risk arising out of non-diversification. Further, the portfolio with investment objective to invest in a specific sector / industry would be exposed to risk associated with such sector / industry and its performance will be dependent on performance of such sector / industry. Similarly, the portfolios with investment objective to have larger exposure to certain market capitalization buckets, would be exposed to risk associated with underperformance of those relevant market capitalization buckets. Moreover, from the style orientation perspective, concentrated exposure to value or growth stocks based on the requirement of the mandate/strategy may also result in risk associated with this factor.

G. Risk arising out of investment in Associate and Related Party transactions

- 28) All transactions of purchase and sale of securities by portfolio manager and its employees who are directly involved in investment operations shall be disclosed if found having conflict of interest with the transactions in any of the client's portfolio.
- 29) The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the Portfolio Manager shall endeavor to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm's length basis.
- 30) The Portfolios may invest in its Associates/ Related Parties relating to portfolio management services and thus conflict of interest may arise while investing in securities

of the Associates/Related Parties of the Portfolio Manager. Portfolio Manager shall ensure that such transactions shall be purely on arms' length basis and to the extent and limits permitted under the Regulations. Accordingly, all market risk and investment risk as applicable to securities may also be applicable while investing in securities of the Associates/Related Parties of the Portfolio Manager.

VII. NATURE OF EXPENSES

The portfolio management service includes broadly the following activities undertaken by the Manager or other service providers. The 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 a 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 a case-to-case basis depending on the type of client i.e. individual, Company etc. However, the maximum fees will not exceed more than 2.5% per annum (charged proportionately on a quarterly basis).

In addition to the 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 his or her 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 SEBI registered brokers(s). The broker(s) (including the brokering Division of the Company.) 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 getting economies of scale may negotiate the rates of any of these charges. The benefits, if there are any, will be passed on to the clients without any extra additions.

GST will be applicable depending on the State of the Client and Charged in Bill cum Contract notes:

- In case client is situated in Maharashtra than GST is charged as SGST 9% and CGST 9%.
- In case the client is situated in states other than Maharashtra, other than UT then IGST is charged @18%
- In case the client is situated to Union Territory (UT) is charged @18%

GST is applied on Transaction charges / Brokerage / Depository charges and other charges fall under chargeable category.

Necessary Fees, if any are collected with GST.

VIII. TAXATION

A. General

The following information is based on the tax laws in force in India as of the date of this Disclosure Document and reflects the Portfolio Manager's understanding of applicable provisions. The tax implications for each Client may vary significantly based on residential status and individual circumstances. As the information provided is generic in nature, Clients are advised to seek guidance from their own tax advisors or consultants regarding the tax treatment of their income, losses, and expenses related to investments in the portfolio management services. The Client is responsible for meeting advance tax obligations as per applicable laws.

B. Tax deducted at source

In the case of resident clients, the income arising by way of dividend, interest on securities, income from units of mutual fund, etc. from investments made in India are subject to the provisions of tax deduction at source (TDS). Residents without Permanent Account Number (PAN) are subjected to a higher rate of TDS.

In the case of non-residents, any income received or accrues or arises; or deemed to be received or accrue or arise to him in India is subject to the provisions of tax deduction at source under the IT Act. The authorized dealer is obliged and responsible to make sure that all such relevant compliances are made while making any payment or remittances from India to such non-residents. Also, if any tax is required to be withheld on account of any future legislation, the Portfolio Manager shall be obliged to act in accordance with the regulatory requirements in this regard. Non-residents without PAN or tax residency certificate (TRC) of the country of his residence are currently subjected to a higher rate of TDS.

The Finance Act, 2021 introduced a special provision to levy higher rate for TDS for the residents who are not filing income-tax return in time for previous two years and aggregate of TDS is INR 50,000 or more in each of these two previous years. This provision of higher TDS is not applicable to a non-resident who does not have a permanent establishment in India and to a resident who is not required to furnish the return of income.

C. Long term capital gains

Where investment under portfolio management services is treated as investment, the gain or loss from transfer of Securities shall be taxed as capital gains under section 45 of the IT Act.

Period of Holding

The details of period of holding for different capital assets for the purpose of determining long term or short-term capital gains are explained hereunder:

	Position upto 22 July 2024 Period of Holding	Position on or after 23 July 2024 Period of Holding	Characterization
Securities			
Listed Securities (other than unit) and unit of equity oriented mutual funds, unit of UTI, zero coupon bonds	More than twelve (12) months	More than twelve (12) months	Long-term capital asset
	Twelve (12) months or less	Twelve (12) months or less	Short-term capital asset

	More than twenty-four (24) months	More than twenty-four (24) months	Long-term capital asset
Unlisted shares of a Company	Twenty-four (24) or less	Twenty-four (24) or less	Short-term capital asset
Other Securities (other than Specified Mutual Fund or Market Linked Debenture acquired on or after 1 April 2023; or unlisted bond or unlisted debenture)	More than Thirty-six (36) months	More than twenty-four (24) months	Long-term capital asset
	Thirty-six (36) months or less	Twenty-four (24) or less	Short-term capital asset
Specified Mutual Fund or Market Linked Debenture acquired on or after 1 April 2023	Any period	Any period	Short-term capital asset
Unlisted bond or unlisted debenture	More than 36 months		Long-term capital asset
	36 months or less	Any period	Short-term capital asset

- **Definition of Specified Mutual Fund:**

Before 1st April 2025:

“Specified Mutual Fund” means a Mutual Fund by whatever name called, where not more than thirty-five per cent of its total proceeds is invested in the equity shares of domestic companies.

On and after 1st April 2025:

“Specified Mutual Fund” means, —

- a) a Mutual Fund by whatever name called, which invests more than sixty-five per cent. of its total proceeds in debt and money market instruments; or
- b) a fund which invests sixty-five per cent. or more of its total proceeds in units of a fund referred to in sub-clause (a).

- **Definition of debt and money market instruments:**

“debt and money market instruments” shall include any securities, by whatever name called, classified or regulated as debt and money market instruments by the Securities and Exchange Board of India.

- **Definition of Market Linked Debenture:**

“Market Linked Debenture” means a security by whatever name called, which has an underlying principle component in the form of a debt security and where the returns are linked to the market returns on other underlying securities or indices, and includes any security classified or regulated as a market linked debenture by SEBI.

- **For listed equity shares in a domestic Company or units of equity-oriented fund or business trust**

The Finance Act 2018 changed the method of taxation of long-term capital gains from transfer of listed equity shares and units of equity-oriented fund or business trust.

As per section 112A of the IT Act, long term capital gains exceeding INR 1 lakh arising on transfer of listed equity shares in a Company or units of equity-oriented fund or units of a business trust is taxable at 10%, provided such transfer is chargeable to STT. This exemption limit has been increased from INR 1 lakh to INR 1.25 lakh and tax rate has been increased from 10% to 12.5% with effect from 23 July 2024. Further, to avail such concessional rate of tax, STT should also have been paid on acquisition of listed equity shares, unless the listed equity shares have been acquired through any of the notified modes not requiring to fulfil the pre-condition of chargeability to STT.

Long term capital gains arising on transaction undertaken on a recognized stock exchange located in any International Financial Services Centre and consideration is paid or payable in foreign currency, where STT is not chargeable, is also taxed at a rate of 10%. This benefit is available to all assessees. This tax rate is increased from 10% to 12.5%.

The long term capital gains arising from the transfer of such Securities shall be calculated without indexation. In computing long term capital gains, the cost of acquisition (COA) is an item of deduction from the sale consideration of the shares. To provide relief on gains already accrued upto 31 January 2018, a mechanism has been provided to “step up” the COA of Securities. Under this mechanism, COA is substituted with FMV, where sale consideration is higher than the FMV. Where sale value is higher than the COA but not higher than the FMV, the sale value is deemed as the COA.

Specifically in case of long term capital gains arising on sale of shares or units acquired originally as unlisted shares/units upto 31 January 2018, COA is substituted with the “indexed COA” (instead of FMV) where sale consideration is higher than the indexed COA. Where sale value is higher than the COA but not higher than the indexed COA, the sale value is deemed as the COA. This benefit is available only in the case where the shares or units, not listed on a recognised stock exchange as on the 31 January 2018, or which became the property of the assessee in consideration of share which is not listed on such exchange as on the 31 January 2018 by way of transaction not regarded as transfer under section 47 (e.g. amalgamation, demerger), but listed on such exchange subsequent to the date of transfer, where such transfer is in respect of sale of unlisted equity shares under an offer for sale to the public included in an initial public offer.

The CBDT has clarified that 10% withholding tax will be applicable only on dividend income distributed by mutual funds and not on gain arising out of redemption of units.

No deduction under Chapter VI-A or rebated under Section 87A will be allowed from the above long term capital gains.

- **For other capital assets (securities and units) in the hands of resident of India**

Long-term capital gains in respect of capital asset (all securities and units other than listed shares and units of equity oriented mutual funds and business trust) is chargeable to tax at the rate of 20% plus applicable surcharge and education cess, as applicable. The capital gains are computed after taking into account cost of acquisition as adjusted by cost inflation index notified by the Central Government and expenditure incurred wholly and exclusively in

connection with such transfer. This tax rate is reduced from 20% to 12.5%; but no indexation benefit will be available with effect from 23 July 2024.

As per Finance Act, 2017, the base year for indexation purpose has been shifted from 1981 to 2001 to calculate the cost of acquisition or to take Fair Market Value of the asset as on that date. Further, it provides that cost of acquisition of an asset acquired before 1 April 2001 shall be allowed to be taken as Fair Market Value as on 1 April 2001.

- **For capital assets in the hands of Foreign Portfolio Investors (FPIs)**

Long term capital gains, arising on sale of debt Securities, debt oriented units (other than units purchased in foreign currency and capital gains arising from transfer of such units by offshore funds referred to in section 115AB) are taxable at the rate of 10% under Section 115AD of the IT Act. This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024. Such gains would be calculated without considering benefit of (i) indexation for the COA and (ii) determination for capital gain/loss in foreign currency and reconversion of such gain/loss into the Indian currency.

Long term capital gains, arising on sale of listed shares in the Company or units of equity oriented funds or units of business trust and subject to conditions relating to payment of STT, are taxable at 10% as mentioned in para 12.10.2 above. This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024.

- **For other capital asset in the hands of non-resident Indians**

Under section 115E of the IT Act, any income from investment or income from long-term capital gains of an asset other than specified asset as defined in Section 115C (specified assets include shares of Indian Company, debentures and deposits in an Indian Company which is not a private Company and Securities issued by Central Government or such other Securities as notified by Central Government) is chargeable at the rate of 20%. Income by way long-term capital gains of the specified asset is, however, chargeable at the rate of 10% plus applicable surcharge and cess (without benefit of indexation and foreign currency fluctuation). This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024.

D. Short term capital gains

Section 111A of the IT Act provides that short-term capital gains arising on sale of listed equity shares of a Company or units of equity oriented fund or units of a business trust are chargeable to income tax at a concessional rate of 15% plus applicable surcharge and cess, provided such transactions are entered on a recognized stock exchange and are chargeable to Securities Transaction Tax (STT). This tax rate has been increased from 15% to 20% with effect from 23 July 2024. However, the above shall not be applicable to transaction undertaken on a recognized stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in foreign currency. Further, Section 48 provides that no deduction shall be allowed in respect of STT paid for the purpose of computing Capital Gains.

Short term capital gains in respect of other capital assets (other than listed equity shares of a Company or units of equity oriented fund or units of a business trust) are chargeable to tax as per the relevant slab rates or fixed rate, as the case may be.

The Specified Mutual Funds or Market Linked Debentures acquired on or after 1 April 2023 will be treated as short term capital asset irrespective of period of holding as per Section 50AA of the IT Act. The unlisted bonds and unlisted debentures have been brought within the ambit of Section

50AA of the IT Act with effect from 23 July 2024.

E. Profits and gains of business or profession

If the Securities under the portfolio management services are regarded as business/trading asset, then any gain/loss arising from sale of such Securities would be taxed under the head “Profits and Gains of Business or Profession” under section 28 of the IT Act. The gain/ loss is to be computed under the head “Profits and Gains of Business or Profession” after allowing normal business expenses (inclusive of the expenses incurred on transfer) according to the provisions of the IT Act.

Interest income arising on Securities could be characterized as ‘Income from other sources’ or ‘business income’ depending on facts of the case. Any expenses incurred to earn such interest income should be available as deduction, subject to the provisions of the IT Act.

F. Losses under the head capital gains/business income

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

Business loss is allowed to be carried forward for 8 assessment years and the same can be set off against any business income.

G. General Anti Avoidance Rules (GAAR)

GAAR may be invoked by the Indian income-tax authorities in case arrangements are found to be impermissible avoidance arrangements. A transaction can be declared as an impermissible avoidance arrangement, if the main purpose of the arrangement is to obtain a tax benefit and which satisfies one of the 4 (four) below mentioned tainted elements:

- The arrangement creates rights or obligations which are ordinarily not created between parties dealing at arm's length;
- It results in directly / indirectly misuse or abuse of the IT Act;
- It lacks commercial substance or is deemed to lack commercial substance in whole or in part; or
- It is entered into, or carried out, by means, or in a manner, which is not normally employed for bona fide purposes.

In such cases, the tax authorities are empowered to reallocate the income from such arrangement, or recharacterize or disregard the arrangement. Some of the illustrative powers are:

- Disregarding or combining or recharacterising any step in, or a part or whole of the arrangement;
- Ignoring the arrangement for the purpose of taxation law;
- Relocating place of residence of a party, or location of a transaction or situation of an asset to a place other than provided in the arrangement;
- Looking through the arrangement by disregarding any corporate structure; or
- Recharacterising equity into debt, capital into revenue, etc.

The GAAR provisions would override the provisions of a treaty in cases where GAAR is invoked. The necessary procedures for application of GAAR and conditions under which it should not apply, have been enumerated in Rules 10U to 10UC of the Income-tax Rules, 1962. The Income tax Rules, 1962 provide that GAAR should not be invoked unless the tax benefit in the relevant year does not exceed INR 3 crores.

On 27 January 2017, the CBDT has issued clarifications on implementation of GAAR provisions in response to various queries received from the stakeholders and industry associations. Some of the important clarifications issued are as under:

- Where tax avoidance is sufficiently addressed by the Limitation of Benefit Clause (LOB) in a tax treaty, GAAR should not be invoked.
- GAAR should not be invoked merely on the ground that the entity is located in a tax efficient jurisdiction.
- GAAR is with respect to an arrangement or part of the arrangement and limit of INR 3 crores cannot be read in respect of a single taxpayer only.

H. FATCA Guidelines

According to the Inter-Governmental Agreement read with the Foreign Account Tax Compliance Act (FATCA) provisions and the Common Reporting Standards (CRS), foreign financial institutions in India are required to report tax information about US account holders and other account holders to the Indian Government. The Indian Government has enacted rules relating to FATCA and CRS reporting in India. A statement is required to be provided online in Form 61B for every calendar year by 31 May. The reporting financial institution is expected to maintain and report the following information with respect to each reportable account:

- a. The name, address, taxpayer identification number and date and place of birth;
- b. Where an entity has one or more controlling persons that are reportable persons:
 - I. The name and address of the entity, TIN assigned to the entity by the country of its residence; and
 - II. The name, address, date of birth, place of birth of each such controlling person and TIN assigned to such controlling person by the country of his residence.
- c. Account number (or functional equivalent in the absence of an account number);
- d. Account balance or value (including, in the case of a cash value insurance contract or annuity contract, the cash value or surrender value) at the end of the relevant calendar year; and
- e. The total gross amount paid or credited to the account holder with respect to the account during the relevant calendar year.

Further, it also provides for specific guidelines for conducting due diligence of reportable accounts, viz. US reportable accounts and other reportable accounts (i.e. under CRS).

I. Goods and Services Tax on services provided by the portfolio manager

Goods and Services Tax (GST) will be applicable on services provided by the Portfolio Manager to its Clients. Accordingly, GST at the rate of 18% would be levied on fees if any, payable towards portfolio management fee.

IX. ACCOUNTING POLICIES

Following accounting policies are followed for the portfolio investments of the Client:

A. Client Accounting

1. The Portfolio Manager shall maintain a separate Portfolio record in the name of the Client in its book for accounting the assets of the Client and any receipt, income in connection therewith as provided under Regulations. Proper books of accounts, records, and documents shall be maintained to explain transactions and disclose the financial position of the Client's Portfolio at any time.
2. The books of account of the Client shall be maintained on an historical cost basis & Mercantile basis
3. Transactions for purchase or sale of investments shall be recognised 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.
4. All expenses will be accounted on due or payment basis, whichever is earlier.
5. The cost of investments acquired or purchased shall include brokerage, stamp charges and any charges customarily included in the broker's contract note. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment. Sales are accounted based on proceeds net of brokerage, stamp duty, transaction charges and exit loads in case of units of mutual fund. Securities transaction tax, demat charges and Custodian fees on purchase/ sale transaction would be accounted as expense on receipt of bills. Transaction fees on unsettled trades are accounted for as and when debited by the Custodian.
6. Tax deducted at source (TDS) shall be considered as withdrawal of portfolio and debited accordingly.

B. Recognition of portfolio investments and accrual of income

7. In determining the holding cost of investments and the gains or loss on sale of investments, the "first in first out" (FIFO) method will be followed.
8. Unrealized gains/losses are the differences, between the current market value/NAV and the historical cost of the Securities. For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.
9. Dividend on equity shares and interest on debt instruments shall be accounted on accrual basis. Further, mutual fund dividend shall be accounted on receipt basis.
10. Bonus shares/units to which the security/scrip in the portfolio becomes entitled will be recognized only when the original share/scrip on which bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.
11. Similarly, right entitlements will be recognized only when the original shares/security on which

the right entitlement accrues is traded on the stock exchange on the ex-right basis.

12. In respect of all interest-bearing Securities, income shall be accrued on a day-to-day basis as it is earned.
13. Where investment transactions take place outside the stock exchange, for example, acquisitions through private placement or purchases or sales through private treaty, the transactions shall be recorded, in the event of a purchase, as of the date on which the scheme obtains an enforceable obligation to pay the price or, in the event of a sale, when the scheme obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.

C. Valuation of portfolio investments

14. Investments in listed equity shall be valued at the last quoted closing price on the stock exchange. When the Securities are traded on more than one recognised stock exchange, the Securities shall be valued at the last quoted closing price on the stock exchange where the security is principally traded. It would be left to the portfolio manager to select the appropriate stock exchange, but the reasons for the selection should be recorded in writing. There should, however, be no objection for all scrips being valued at the prices quoted on the stock exchange where a majority in value of the investments are principally traded. When on a particular valuation day, a security has not been traded on the selected stock exchange, the value at which it is traded on another stock exchange may be used. When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the selected stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than thirty days prior to the valuation date.
15. Investments in units of a mutual fund are valued at NAV of the relevant scheme. Provided investments in mutual funds shall be through direct plans only.
16. Debt Securities and money market Securities shall be valued as per the prices given by third party valuation agencies or in accordance with guidelines prescribed by Association of Portfolio Managers in India (APMI) from time to time.
17. Unlisted equities are valued at prices provided by independent valuer appointed by the Portfolio Manager basis the International Private Equity and Venture Capital Valuation (IPEV) Guidelines on a semi-annual basis.
18. In case of any other Securities, the same are valued as per the standard valuation norms applicable to the mutual funds.

The Investor may contact the customer services official of the Portfolio Manager for the purpose of clarifying or elaborating on any of the above policy issues.

The Portfolio Manager may change the valuation policy for any particular type of security consequent to any regulatory changes or change in the market practice followed for valuation of similar Securities. However, such changes would be in conformity with the Regulations.

X. INVESTORS SERVICES

I. 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. Details of the Compliance officer mentioned above is as follows:

Name : Mr. Puspraj Ramshila Pandey
Designation : Company Secretary and Compliance Officer
Address : Pantomath Nucleus House, Saki Vihar Road, Andheri (East), Mumbai 400 072.
Telephone No. : +91 22 2858 3801
Email : complianceofficer@acm.co.in

II. 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 <https://scores.sebi.gov.in/scores-home>

All dispute, differences, questions, claims whatsoever arising between client and M/s. Asit C. Mehta Investment Interrmediates 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 M/s. Asit C. Mehta Investment Interrmediates Ltd. thinks fit.

XI. 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 an adequate balance of equity, debt and hybrid instruments across industries in accordance with the risk profile of the respective client. ACMIIL has the Diversification policy for the portfolio of the client in place.

Part-II- Dynamic Section

XII. 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 May 31, 2025)	-	Nil	Discretionary Non-discretionary
Others (as on August 31, 2025)	220	170.12	Discretionary
	15	8.15	Non-discretionary
As on March 31, 2025	235	175.08	Discretionary
	18	9.27	Non-discretionary
As on March 31, 2024	141	138.97	Discretionary
	10	6.06	Non-discretionary
As on March 31, 2023	53	43.75	Discretionary
	1	0.51	Non-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 following related party transactions as per the audited financial statement for the financial year 2024-25, 2023-24 and 2022-23, the details of which are given below as per the Annual Accounts for the relevant financial/ accounting years, duly audited by the statutory auditors:

(Amount in Rs.)

Sr. No	Particulars	Year ended 31.03.2025	Year ended 31.03.2024	Year ended 31.03.2023
A	HOLDING COMPANY:			
1	Re-imbusement (recovered) of expenses	26,880	29,752	18,241
2	Leave and License Fees	3,04,77,982	2,57,21,386	1,11,49,704
3	Interest Paid	1,90,36,034	41,01,106	NIL
4	Loan payable (including Interest)	3,41,02,280	NIL	NIL
5	Deposits for premises (Closing Balance)	NIL	NIL	19,49,472
6	Deposits given	NIL	3,63,840	NIL
7	Deposits received back	NIL	23,13,312	NIL
8	Advisory Income (Brokerage Income)	NIL	3,83,750	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	NIL	NIL
12	Guarantee Commission Expenses	NIL	NIL	NIL
13	Investment in Compulsory Convertible Debentures by Holding Company	6,50,00,000	7,00,00,000	NIL
14	Investment in Preference Shares by Holding Company	10,00,00,000	NIL	NIL
15	Loan Taken	52,60,00,000	7,05,00,000	

16	Loan Repaid	49,19,00,000	7,05,00,000	
B	ASSOCIATES / GROUP COMPANIES:			
1	Loans given to associates / group companies	NIL	2,37,75,000	49,06,79,811
2	Loans received back from associate companies	NIL	2,37,75,000	51,88,01,883
3	Loans received from group companies	21,00,00,000	NIL	NIL
4	Loans paid to group companies	15,00,00,000	NIL	NIL
5	Interest Income	NIL	11,58,719	1,67,92,149
6	Professional Income	5,18,74,910	3,07,08,999	NIL
7	Rent Income	57,50,000	31,50,000	NIL
6	Re-imburement (recovered) of expenses	11,14,616	6,46,127	1,77,926
7	Professional fees paid	2,16,666	1,00,00,000	1,20,00,000
8	Arbitrage share/brokerage paid	NIL	NIL	2,60,934
9	Investments	NIL	NIL	4
10	Sale of Online Business Asset under Slum Sale	NIL	NIL	NIL
11	Other Amounts receivable	NIL	NIL	NIL
12	Other Amounts Payable	6,22,12,666	29,70,000	NIL
13	Purchase of Software	NIL	1,75,00,000	NIL
14	Interest Expense	9,61,369	NIL	NIL
15	Guarantee Commission Written Back	NIL	NIL	NIL
C	DIRECTORS			
1	Leave and License fees paid	NIL	NIL	2,40,000
2	Loan Taken and Paid Back KMP	NIL	NIL	30,00,000
3	Remuneration (including contribution to PF)	51,28,500	53,22,000	74,82,000
4	Interest on debentures	9,45,288	11,475	NIL
5	Interest on Loans	NIL	NIL	10,397
6	Reimbursement of Expenses	8,10,036	17,95,133	7,09,730
7	Deposits for premises	NIL	NIL	NIL

XIII. 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 2025 derived from the audited financial statements. These financial statements have been prepared in accordance with Indian Accounting Standards and the Companies Act, 2013 and duly audited by Statutory Auditors of the Company.

BALANCE SHEET FOR PRECEDING THREE FINANCIAL YEARS:

(Amount in Rs.)

Particulars		Note No.	As at 31/03/2025	As at 31/03/2024	As at 31/03/2023
I	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	(a) Share Capital	16	26,61,11,110	16,61,11,110	16,61,11,110
	(b) Reserves and Surplus	17	-3,53,49,694	-4,83,56,023	1,19,76,104
			23,07,61,416	11,77,55,087	17,80,87,214
2	Non-current Liabilities				
	(a) Long-term borrowings	18	16,80,00,000	10,35,69,677	8,24,522
	(b) Other long-term liabilities	20	47,71,143	48,67,071	NIL
	(c) Long term provisions	19	62,15,030	30,84,667	33,45,419
			17,89,86,173	11,15,21,415	41,69,941
3	Current Liabilities				
	(a) Short Term borrowing	20	40,57,07,385	31,28,94,455	29,99,17,923
	(b) Trade payables	21	45,53,91,387	63,07,48,742	38,29,25,895
	(c) Other current liabilities	23	3,45,18,279	2,91,80,638	3,19,33,829
	(d) Short term provisions	10	27,67,435	31,10,030	20,43,436
			89,83,84,486	97,59,33,864	71,68,21,083
	TOTAL		1,30,81,32,075	1,20,52,10,365	89,90,78,236
II	ASSETS				
1	Non-current Assets				
	(a) Fixed assets	11			
	(i) Tangible assets		7,88,74,599	8,07,71,143	7,64,80,078
	(ii) Intangible assets		4,64,03,485	2,16,24,889	40,69,960
	(iii) Capital work in progress		NIL	2,42,65,184	NIL
			12,52,78,084	12,66,61,216	8,05,50,038
	(b) Financial Assets				
	(i) Non-current investments	12	10,40,76,671	2,51,35,776	3,61,50,246
	(ii) Trade Receivables	13	2,33,61,381	1,58,24,322	1,66,46,176
	(iii) Long-term loans and advances	14	NIL	NIL	NIL
	(iv) Other Financial Assets		1,50,45,451	1,45,60,088	1,34,10,088
	(c) Deferred tax assets (net)	15	1,30,06,775	1,74,34,998	1,43,42,925
	(d) Other non-current assets	16	3,27,89,314	1,11,16,020	1,51,20,376
			18,82,79,592	8,40,71,204	9,56,69,810
2	Current Assets				
	a) Trade Receivables	17	8,21,94,287	10,71,84,487	6,12,06,996
	b) Cash and Bank Balances	18	17,02,93,084	9,11,49,938	10,83,00,423
	c) Bank balance other than (ii) above		29,80,44,619	31,44,13,336	24,57,13,469

	d) Short-term loans and advances	19	6,63,287	12,14,680	35,72,798
	e) Other Financial Assets		42,47,12,621	47,64,51,038	29,97,63,105
	f) Other Current Assets	20	1,86,66,498	40,64,466	43,01,597
	g) Asset held for Sale	21	NIL	NIL	NIL
			99,45,74,396	99,44,77,945	72,28,58,387
	TOTAL		1,30,81,32,075	1,20,52,10,365	89,90,78,236

(Amount Rs. In lacs)

Particulars	As on 31/03/2025	As on 31/03/2024	As on 31/03/2023
Represented by Net worth			
Share Capital	2661.11	1661.11	1661.11
Reserves and Surplus	-353.50	-483.56	119.75
Total	2307.61	1177.55	1780.86

STATEMENT OF PROFIT AND LOSS FOR PRECEDING THREE FINANCIAL YEARS:

(Amount in Rs.)

Particulars		For the year ended 31/03/2025	For the year ended 31/03/2024	For the year ended 31/03/2023
I	INCOME			
1	Revenue from operations	71,44,67,396	40,55,33,569	27,50,98,716
2	Other Income	4,62,68,732	4,41,72,390	4,13,16,644
	Total Revenue	76,07,36,128	44,97,05,959	31,64,15,360
II	EXPENDITURE			
1	Employee benefits expense	19,50,85,200	15,14,44,770	10,51,95,274
2	Finance Costs	5,23,23,697	4,57,35,219	3,02,81,029
3	Depreciation and amortization expense	75,94,205	41,23,111	36,10,874
4	Other expenses	50,36,39,867	30,22,85,098	20,40,74,703
	Total Expenses	75,86,42,969	50,35,88,199	34,31,61,880
III	Profit / (Loss) before Exceptional and Extra Ordinary items and Tax	20,93,159	-5,38,82,239	(2,67,46,520)
	Add: Exceptional and Extra Ordinary items	-	-	-
IV	Profit / (Loss) before tax	20,93,159	-5,38,82,239	(2,67,46,520)
	Tax expense			
(1)	Current Tax	-	-	-
(2)	Deferred tax (net)	-5,67,063	7,52,190	19,99,633
(3)	MAT Credit Entitlement	-	-	-
(4)	(Short)/Excess tax of earlier years (Income Tax Refund)	1,069	-2,45,642	(7,96,903)

V	Profit / (Loss) after tax for the year	15,27,164	-5,33,75,691	(2,55,43,790)
	Add: Profit from discontinued Operations	-	-	-
VI	Profit / (Loss) for the period	15,27,164	-5,33,75,691	(2,55,43,790)
	Add: Other Comprehensive Income	1,14,79,164	-69,56,435	(1,89,05,934)
	Total Income for the year	1,30,06,328	-6,03,32,127	(4,44,49,724)
VII	Earnings per equity share			
	(Face value of Rs.10/- Per Share)			
	(1) Basic	0.09	(3.21)	(1.54)
	(2) Diluted	0.09	(3.21)	(1.54)

XIV. PERFORMANCE OF PORTFOLIO MANAGER

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 Time Weighted Rate of Return 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 - 31 st August 2025	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024	01.04.2022 - 31.03.2023
a) DISCRETIONARY (POOL AND NON-POOL)				
Portfolio Performance (%), Net of all fees and charges levied by the portfolio manager.	207.59	1.87	89.4	5.01%
No of Clients	220	235	38	53
Benchmark Performance % (NIFTYTOTALIDX) change to BSE500 with effect from 01 st April 2025	159.55	6.65	30.08	20.97%
Benchmark Performance % (NIFTYMA_ACM).	130.89	7.52	23.61	16.37%
b) NON-DISCRETIONARY	Since Inception	Year 1	Year 2	Year 3
	15 th February 2023 till 31 st August, 2025	01.04.2024-31.03.2025	01.04.2023-31.03.2024	01.04.2022 to 31.03.2023
Portfolio Performance (%), Net of all fees and charges levied by the portfolio manager.	30.75	-1.33	27.36	-1.36%
No of Clients	15	18	10	1
Benchmark Performance %	39.45	7.52	23.61	-0.73%

- The above performance is based on BSE Benchmark. We have changed the benchmark from Nifty 50 to BSE 500. We have signed an agreement for BSE500 index effective from 7th May 2025. We have also subscribed to the historical data for benchmark.
- We are renaming 2 strategies and discontinuing 3 strategies from 01st October 2025. We have sent the intimation mail to client on 22nd August 2025.
- The above changes regarding benchmark and strategies names are explained in the table below:

Category	Investment Approach (Old Name)	Investment Approach (New Name)	Old Benchmark	New Benchmark
Equity	Ace 15	Ace Bespoke	NIFTYTOTALIDX	BSE500TR
Equity	Ace 50	To be discontinued	NIFTYTOTALIDX	
Equity	Ace Midcap	Ace Ten Trillion Opportunities	NIFTYTOTALIDX	BSE500TR
Equity	Ace Multicap	Ace Multicap	NIFTYTOTALIDX	BSE500TR
Equity	Ace QGM	To be discontinued	NIFTYTOTALIDX	
Multi Asset	Ace Allocator	To be discontinued	NIFTYMA_ACM	
Multi Asset	Ace Regular Income	Ace Regular Income	NIFTYMA_ACM	NIFTYMA_ACM

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

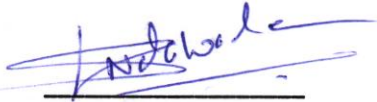
XV. AUDIT OBSERVATIONS OF THE PRECEDING 3 YEARS

There are no audit observations in preceding 3 Years

**XVI. 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.

For Asit C. Mehta Investment Intermediates Limited



Sameer Vidhyadhar Nalawade
Whole-Time Director
DIN: 10968961



Arjun Indrajeet Prajapati
Whole-Time Director
DIN: 10881899

Date: 24/09/2025
Place: Mumbai

Asit C. Mehta

INVESTMENT INTERMEDIATES LTD.

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

Regd. Office : "Pantomath Nucleus House", Saki Vihar Road, Andheri (E), Mumbai - 400 072. Maharashtra, INDIA.

Tel.: (022) 2858 3333 / 2858 4545 / 6132 5757 • URL: investmentz.com • E-mail: customerservice@acm.co.in/ investorgrievance@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: Sept 24, 2025

Place: Mumbai



Prathmesh Agrawal

Pantomath Nucleus House,
Saki Vihar Road, Andheri East) Mumbai
400 072

Tel: +91-22 61325830

Email: prathmesh.agrawal@acm.co.in



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By Asit C. Mehta
A Pantomath Group Company