

PORTFOLIO MANAGEMENT SERVICES
DISCLOSURE DOCUMENT
OF
ASIAN MARKETS SECURITIES PRIVATE LIMITED
(SEBI Registration No.INP000004680)

(As per the requirement of the Fifth Schedule under Regulation 22(3) of SEBI (Portfolio Managers) Regulations, 2020)

- (i) The Document has been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended from time to time and filed with SEBI.
- (ii) The Document has been filed with the Board (SEBI) along with the certificate in the prescribed format in terms of regulation 22(3) of SEBI (Portfolio Managers) Regulation 2020.
- (iii) The purpose of the Document is to provide essential information about the Portfolio Management Services (PMS) in a manner to assist and enable the investors in making informed decision for engaging a Portfolio Manager.
- (iv) The document contains necessary information about the Portfolio Manager required by an investor before investing, and the investor may also be advised to retain the document for future reference.
- (v) **This Disclosure Document is 30th September 2021 (financial data considered up to 31st March 2021).**

Details of the Portfolio Manager

Name of Portfolio Manager	:	Asian Markets Securities Private Limited
SEBI Registration Number	:	INP000004680
Registered Office Address	:	1/2 Athena House, Rajnigandha Complex, Gen. A.K.Vaidya Marg, Gokuldharm, Film city Road, Goregaon (East), Mumbai: 400063.
Phone No(s)	:	022 43435000
Fax No (s)	:	022 43435043
E-mail address	:	Kailash.biyani@amsec.in

Details of Principal Officer

Name of Principal Officer	:	Mr. Kailash Biyani
Address	:	1/2 Athena House, Rajnigandha Complex, Gen. A.K.Vaidya Marg, Gokuldharm, Film city Road, Goregaon (East), Mumbai: 400063.
Phone No(s)	:	022-43435000
Fax No.	:	022-43435043
E-mail address	:	kailash.biyani@amsec.in



Index of contents

Sr. No.	Contents	Page No.
1	Disclaimer clause	3
2	Definitions	3
3	Description about Portfolio Manager	7
	3. i History, Present business, and background of the Portfolio Manager	7
	3. ii Directors and Promoters of the Portfolio Manager	8
	3. iii Top 10 Group Companies/firms of the Portfolio Manager on turnover basis (based on the latest audited financial statements)	9
	3. iv Details of Services offered	9
4	Penalties, pending litigations or proceedings, findings of inspections or investigations for which actions may have been taken or initiated by any regulatory authority.	10
5	Details of Services offered	10
	5.1 Investment Objective	10
	5.2 Type of Security	10
	5.3 Minimum Investment Amount	10
	5.4 Investment Approaches	10
	5.5 The policies for investment in associates / group companies	11
6	Risk Factors	11
7	Client Representation	15
	7.1 Details of Client's Account Active	15
	7.2 Complete Disclosure in respect of transactions with related parties as per the Accounting Standards specified by the Institute of Chartered Accountants of India	16
8	The Financial Performance of Portfolio Manager	16
	8.1 Capital Structure	16
	8.2 Deployment of Resources	16
	8.3 Major Sources of Income	17
	8.4 Net Profit	17
9	Performance of the Portfolio Manager for the last 3 Years	17
10	Audit Observation	17
11	Fees and Services Charged (To be based on actual)	17
12	Taxation	19
13	Accounting Policies	21
14	Agreement	23
15	Rights and Liabilities of the Client	23
16	Right, Duties and Liabilities of the Portfolio Manager	24
17	Termination of Agreement	26
18	Disclaimer by the Portfolio Manager	26
19	Investor Services	26
20	Anti-Money Laundering Compliances	27
21	Other Disclosure by Portfolio Manager	28
22	List of Approved Share Brokers, involved for Portfolio Management activities	28
23	General	29
24	Form C	30



Contents of Disclosure Document

1) Disclaimer clause:

The particulars given in this 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.

This document is not for public distribution and has been furnished to you solely for your information and may not be reproduced or redistributed to any other person.

Notwithstanding anything contained in the Disclosure Document, the provisions of SEBI (Portfolio Managers) Regulations, 2020 and as amended from time to time and the circulars/guidelines issues from time to time there under shall be applicable.

This Disclosure Document along with a certificate in Form C is required to be provided to the Client, at least prior to entering into an agreement with the Client.

2) Definitions:

Unless the context or meaning thereof otherwise requires, the following expressions shall have the meaning assigned to them hereunder respectively: -

- (a) **"Act"** means the Securities and Exchange Board of India, Act 1992 (15 of 1992) as amended from time to time.
- (b) **"Agreement"** means agreement between Portfolio Manager and its Clients in terms of Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020 issued by Securities and Exchange Board of India and shall include all recitals, schedules, exhibits and Annexure attached thereto and any amendments made to this Agreement by the Parties in writing.
- (c) **"Application"** means the application made by the Client to the Portfolio Manager to place the monies and/or securities mentioned therein with the Portfolio Manager for Portfolio Management Services. Upon execution of the Agreement by the Portfolio Manager, the Application shall be deemed to form an integral part of the Agreement. Provided that in case of any conflict between the contents of the Application and the provisions of the Agreement, the provisions of the Agreement shall prevail.
- (d) **"Assets"** means (i) the Portfolio and/or (ii) the Funds and includes all accruals, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and / or replacements or any other beneficial interest, including dividend, interest, rights, bonus as well as residual cash balances, if any (represented both by quantity and in monetary value), in relation to or arising out of Assets.
- (e) **"Bank Account"** means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in the name of the Client or a pool account in the name of Portfolio Manager to keep the Funds of all clients.
- (f) **"Board" or "SEBI"** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992.
- (g) **"Body corporate"** shall have the meaning assigned to it under clause (11) of section 2 of the Companies Act, 2013 (18 of 2013) as amended from time to time;
- (h) **"Business Day"** means days other than:



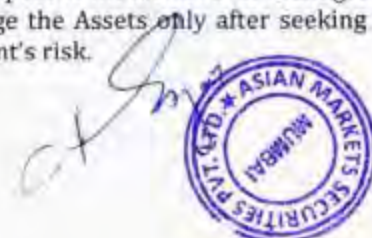
- Saturday and Sunday;
 - A day on which the Banks in Mumbai and/or RBI are closed for business/clearing;
 - A day on which the Bombay Stock Exchange and the National Stock Exchange are closed;
 - A day on which normal business could not be transacted due to storms, floods, bands, strikes, pandemic etc.
- (i) **"Certificate"** means a certificate of registration issued by the Board;
- (j) **"Change of status or constitution"** in relation to a portfolio manager-
- (i) means any change in its status or constitution of whatsoever nature; and
 - (ii) without prejudice to generality of sub-clause (i), includes-
 - (A) amalgamation, demerger, consolidation or any other kind of corporate restructuring falling within the scope of section 230 of the Companies Act, 2013 (18 of 2013) or the corresponding provision of any other law for the time being in force;
 - (B) change in its managing director or whole-time director; and
 - (C) any change in control over the body corporate;
- (k) **"Change in control"**, in relation to a portfolio manager being a body corporate:-
- (i) if its shares are listed on any recognized stock exchange, shall be construed with reference to the definition of control in terms of Regulation 2(e) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - (ii) in any other case, change in the controlling interest in the body corporate;

Explanation. – For the purpose of sub-clause (ii), the expression "controlling interest" means

 - (A) an interest, whether direct or indirect, to the extent of at least fifty one percent of voting rights in the body corporate;
 - (B) right to appoint majority of the directors or to control the management directly or indirectly;
- (l) **"Chartered Accountant"** means a Chartered Accountant as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949) and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act;
- (m) **"Client/Investor"** means the person who enters into an Agreement with the Portfolio Manager for managing its portfolio / funds.
- (n) **"Custodian"** means a custodian registered under the SEBI (Custodian of Securities) Regulations, 1996 appointed by the Portfolio Manager for maintaining custody of funds and securities of the client.
- (o) **"Depository"** means Depository defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
- (p) **"Depository Account"** means one or more account or accounts opened, maintained and operated by the Portfolio Manager in the name of the Client, with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations 1996.
- (q) **"Discretionary Portfolio Management Services"** means the portfolio management services rendered to the Client, by the Portfolio Manager on the terms and conditions



- contained in this Agreement, where under the Portfolio Manager exercises any degree of discretion in investments or management of assets of the Client.
- (r) **"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.
- (s) **"Document"** means Disclosure Document.
- (t) **"Disclosure Document"** shall mean the Disclosure Document issued by the Portfolio Manager and as specified in Regulations 22(3) of the Regulations and Schedule V of the Regulations and made available to the Client in accordance with the Regulations.
- (u) **"Financial year"** means the year starting from April 1 and ending on 31st March of the following year.
- (v) **"Funds"** means the monies placed by the Client with the Portfolio Manager and any accretions thereto.
- (w) **"Goods"** means the goods notified by the Central Government under clause (bc) of section 2 of the Securities Contracts (Regulation) Act, 1956 and forming the underlying of any commodity derivative.
- (x) **"High Water Mark"** means value of the highest Closing NAV (as at the end of each variable fees calculation period starting from the effective date) achieved by the Portfolio in any year during the subsistence of this Agreement (adjusted for any additional funds/withdrawals by the Client in that year) and net of the Portfolio Management Fees, for that year.
- (y) **"Investment Advice"** means advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral or through any other means of communication for the benefit of the client and shall include financial planning.
- (z) **"Investment Approach"** shall mean a broad outlay of the type of securities and permissible instruments to be invested in by the portfolio manager for the customer, taking into account factors specific to clients and securities.
- (aa) **"Investment Management and Advisory Fees"** shall have the meaning attributed thereto in Clause [10] of this Document under the head Fees & Services Charged (To be charged on Actuals).
- (bb) **"Net Asset Value" (NAV):** Net Asset Value is the market value of assets in portfolio consisting of equity, derivative, debt, mutual funds units, cash, cash equivalents, accrued interest or benefits, receivables, if any etc. less payable, if any.
- (cc) **"Non-Discretionary Portfolio Management Services"** means the portfolio management services rendered to the client, by the Portfolio Manager on the terms and conditions contained in the Agreement with respect to the Assets (including the Portfolio and Funds) of the Client, where the Portfolio Manager shall provide advice in relation to assets but does not exercise any discretion with respect to investments or management of the Assets of the Client, and invests and manage the Assets only after seeking and taking approval from the Client, entirely at the Client's risk.



- (dd) **"NRI"** means a Non-Resident Indian as defined under the Foreign Exchange Management Act, 1999.
- (ee) **"NRO"** means Non-Resident Ordinary Account.
- (ff) **"Parties"** means the Portfolio Manager and the Client; and **"Party"** shall be construed accordingly.
- (gg) **"Person"** includes any individual, partners in partnership, limited liability partnership, central or state government, company, body corporate, cooperative society, corporation, trust, society, Hindu Undivided Family or any other body of persons, whether incorporated or not.
- (hh) **"Portfolio Manager"** means **"Asian Markets Securities Private Limited"** who has obtained a certificate of registration from SEBI to act as a Portfolio Manager under the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 vide Registration no. **INP000004680**.
- (ii) **"Portfolio"** means the Securities and/or fund managed by the Portfolio Manager on behalf of the Client pursuant to this Agreement and includes any Securities mentioned in the Application, any further Securities placed by the Client with the Portfolio Manager for being managed pursuant to the Agreement, Securities acquired by the Portfolio Manager through investment of Funds and bonus and rights shares in respect of Securities forming part of the Portfolio, so long as the same is managed by the Portfolio Manager.
- (jj) **"Principal Officer"** means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager and is responsible for:-
- 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;
 - all other operations of the portfolio managers.
- (kk) **"Regulations"** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended from time to time.
- (ll) **"Scheduled Commercial Bank"** means any bank included in the second Schedule to the Reserve Bank of India Act, 1934(2 of 1934).
- (mm) **"Securities"** includes: "Securities" as defined under the Securities Contracts (Regulation) Act, 1956; Shares, scripts, stocks, bonds, warrants, convertible and non-convertible debentures, fixed return investments, equity linked instruments, negotiable instruments, deposits, money market instruments, commercial paper, certificates of deposit, units issued by the Unit Trust of India and/or by any mutual funds, exchange traded funds, mortgage backed or other asset backed securities, derivatives, derivative instruments, options, futures, foreign currency commitments, hedges, swaps or netting off and any other securities issued by any company or other body corporate, any trust, any entity, the Central Government, any State Government or any local or statutory authority and all money rights or property that may at any time be offered or accrue (whether by rights, bonus, redemption, preference, option or otherwise) and whether in physical or dematerialized form in respect of any of the foregoing or evidencing or representing rights or interest therein; and any other instruments or investments (including borrowing or lending of securities) as may be permitted by applicable law from time to time.



INTERPRETATION:

- Words and expressions used in this disclosure document and not expressly defined shall be interpreted according to their general meaning and usage. The definitions are not exhaustive.
- They have been included only for the purpose of clarity and shall, in addition, be interpreted according to their general meaning and usage and shall also carry meanings assigned to them in regulations governing Portfolio Management Services.
- All references to the masculine shall include the feminine and all references, to the singular shall include the plural and vice-versa.
- All references "Rs." refer to Indian Rupees. A "crore" means "ten million" and a "lakh" means a "hundred thousand".

3) Description about Portfolio Manager:**i) History, Present business and Background of the Portfolio Manager:****a) History of the Portfolio Manager:**

Asian Market Securities Private Limited (AMSEC) was founded in 1997 as broking unit by Mr. Kailash Biyani through the way corporatization of his existing membership of BSE. In subsequent years, AMSEC also registered itself as Depository Participant of CDSL and also acquired membership of NSE. The Company is also registered as Research Analyst with SEBI.

The company started with arbitrage desk and was known as the best arbitrage company on the street. It also offered broking and depository services for retail and HNI clients, wherein it differentiated itself from the competition by focusing on providing well-research ideas to its clients. Subsequently, AMSEC started with its institutional desk to cater to the ever growing Mutual Fund, Insurance Companies, Bank Treasuries and FII's.

The management always understood the importance of providing best infrastructure and technology. It is this foresightedness that has helped always kept AMSEC two steps ahead from the competition.

The employees at AMSEC are its true asset, the team has been developed very meticulously and every one fits into the clog perfectly. The team consists of people from various backgrounds right from Chartered Accounts to MBA to Lawyers to Engineers to bring forth the various nuances involved in Research and Management. Together and individually the team has got much recognition from clients and independent outfits.

The company has blossomed by focusing on customer first attitude, ethical and transparent business practices, research-based value investing and implementation of cutting-edge technology.

b) Present Business and Background:

Presently AMSEC has transformed itself from a small and traditional Indian equity brokerage firm to a full-service research based house. AMSEC's strength is embodied in its Research Ideas, Impeccable Reputation for Fairness and Deal Execution capabilities. With uncompromising adherence to our core values over last 27 years, we have been conducting business with a diversified client base that includes high net worth Individuals, mutual funds, foreign institutional investors, financial institutions and corporate clients. The company today is a well-integrated financial services firm that provides top-notch sales & trading, research and derivative services to its customer base.

Presently the company is empaneled with more than 60 Institutional clients, and is offering its broking services to the select HNI and Corporate Clients. The Vision of the company is



'To be valued as a trusted global financial services firm' and it's been slowly and steadily moving in that direction.

AMSEC business philosophy is to address the core investment needs and to provide customized, comprehensive and structured investment solutions that aim to achieve the future financial needs of AMSECs Clients. AMSECs investment philosophy is to continuously and consistently deliver results despite changing global economic and market conditions.

AMSEC has adequate staff strength that carries along with them rich experiences from Capital Market and Equity Research. The organization finds its strength in its team of energetic and confident individuals.

ii) Directors and Promoters of the Portfolio Manager:

Asian Markets Securities Private Limited is promoted, by Mr. Kailash Biyani 1994 after taking over family stock-broking business.

Director's Background

a) Mr. Kailash Biyani:

He is a director of Asian Markets Securities Private Limited, since inception. He has being a spearheaded for AMSEC to achieve high professional standards, introduced best-in-class practices and converted a traditional organization into a modern equity research house. He brings to the organization an entrepreneurial zeal and strong commitment to values. These values have permeated to the core and they set apart AMSEC in a crowded, profit driven market. He spearheads the management and strategy. His philosophy of 'ideas creating wealth and values protecting it' has translated into growth through entrepreneurship.

b) Mr. Kamlesh Kotak:

Mr. Kamlesh Kotak has rich experience in the Finance Industry of over 16 years. He joined AMSEC in 2004, prior to which he was a freelance writer and consultant for various leading national newspapers. A Chartered Accountant by profession with 18 years of experience, he has helped AMSEC make its research base strong and insightful.

c) Mrs. Asha Biyani:

Mrs. Asha Biyani is B.com from Bombay University. She has completed, "Women Manager Program", from S. P. Jain Institute of Management & Research. She is the director of Asian Market Securities Pvt. Ltd. since inception, i.e. 1994. She is looking after Administration of the company.

d) Mrs. Nikita Biyani Lakhota

Nikita is Finance and Accounting Graduate from University of Nottingham. She has done the Family Managed Business MBA from SP Jain Institute of Management and Research. She is a director at AMSEC and handles the operations at AMSEC.



e) Mr. Pratik Biyani

He has a Bachelor's Degree in Financial Markets from H.R. University, Mumbai. Post his Bachelor's; he went to The London School of Economics and Political Science for a short course in Business Analysis and Valuation. Later, Pratik achieved a Degree in Finance from Warwick Business School, Coventry, UK. He is a director at AMSEC and handles the operations at AMSEC.

Key Personnel's Background**f) Mr. B. N. Manjunath:**

Mr. Manjunath has done his MA (Hons) in Economics in First Division from BITS Pilani. He has overall 39 years work experience and 34 years in Equity Markets, with past association with a Domestic Mutual Fund and reputed Hong Kong based FIIs. In his previous assignment he was consultant to Hong Kong based FII – Ward Ferry Management that had over USD 1 Bln under management.

g) Mr. Vishvesh Bhatt:

Vishvesh Bhatt has over 30 years of experience in equity markets. He has in-depth knowledge about portfolio creation and wealth management. In his previous assignment he has worked with Vikabh Securities Private Limited. He has managed a lot of activities right from technology to derivatives to strategy and to fund management. He has handled HNI with focus on providing research based ideas to the investors.

iii) Top 10 Group Companies/firms of the Portfolio Manager on turnover basis (based on the latest audited financial statements):

1. Abhinav Capital Services Limited
2. Alphaplus Commodities Private Limited
3. Network Food Products -Private Limited.
4. Omega Capital Advisory Services
5. Appetals Solutions Private Limited
6. AMSEC Asset Managers LLP
7. AMSEC Investment Managers LLP

iv) Details Of Services Offered:**a) Discretionary Portfolio Management -**

The portfolio account of the client is managed at the full discretion and liberty of the Portfolio Manager. Thus the choice and timing of investment rest solely with the Portfolio Manager. The portfolio managers' decision (taken in good faith) in deployment of the Clients' account is absolute and final and cannot be called in question or be open to review at any time during the tenure of the agreement or any time thereafter except on the ground of mala fide, fraud, conflict of interest or gross negligence.

Direct Onboarding:

The Portfolio Manager provides the facility to the Client for Direct on-boarding with us without any involvement of a broker/distributor/agent engaged in distributor services. The Client can onboard by directly contacting us or sign up for our services by writing to us at vishvesh.bhatt@amsec.in



4) 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.	Particulars	Remarks
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:	None
2	The nature of the penalty / direction:	None
3	Any pending material litigation / legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any:	None
4	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency:	None
5	Any enquiry / adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee under the Act or Rules or Regulations made there under:	None
6	Penalties imposed for any economic offence and/or violation of any securities laws	None

5) Services Offered:

1. Investment objective -

The general objective is to formulate and device the investment philosophy to achieve long term growth of capital by investing in assets which generate reasonable return and to ensure liquidity. The actual portfolio management style will vary in line with each client profile with regard to his risk tolerance levels and specific preferences or concerns.

2. Types of Securities -

The portfolio manager/fund manager shall invest in all such types of securities as defined in above (Please refer to definitions) and in all such securities as permissible from time to time.

3. Minimum Investment Amount -

The Portfolio Manager will not accept an initial corpus of less than Rs. 50.00 lacs or such minimum amount as specified by SEBI from time to time. The client may on one or more instances or on a continual basis, make further placements of funds/ securities under the services.

4. Investment Approaches -

I. AMSEC Life:

i. Investment Objective:

To achieve Long term Capital Appreciation and constant returns by a methodical and selective stock selection process.

ii. Description of Type of Securities:

- Listed Equity Shares;
- Liquid Schemes of Mutual Funds

iii. Basis of selection of such types of securities as part of the Investment Approaches:



- a) Businesses with proven track record (Compounders)
- b) Businesses having large addressable market opportunity
- c) Businesses with stable and quality Managements, having good Corporate Governance and efficient Capital Allocation
- d) Businesses with sustainable growth without much Debt or Frequent Equity Dilution and having sustainable Return on Equity greater than 15%.

iv. Allocation of portfolio across types of securities:

- a) Equity : 85%
- b) Liquid Schemes of Mutual Funds : 13%
- c) Cash : 2%

v. Appropriate benchmark to compare performance and basis for choice of benchmark:

- a) Benchmark : NIFTY 500
- b) Basis for choice of Benchmark - Multicap Portfolio Construction, Well represented by a Broad Based Index - NIFTY 500

vi. Indicative tenure or investment horizon: 3 Years to 5 Years.

vii. Risks associated with the investment approach: Please refer to Point 6 for the detailed risks associated with this investment approach.

viii. Other Salient features, if any: NONE

5. The policies for investments in associates/ group companies:

AMSEC does not intend to invest in any of its associate or group companies.

6) Risk Factors:

The Portfolio Manager is not responsible for the loss if any, incurred or suffered by the Client. The risk factors, as perceived by management, in respect of the portfolio management services offered are enlisted below:

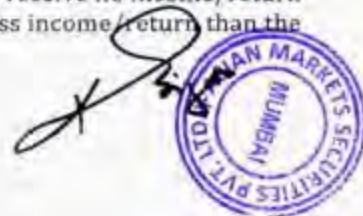
- a. Investments in securities are subject to market risks and include price fluctuation risks. There are no assurances or guarantees that the objectives of investments in securities will be achieved. These investments may not be suited to all categories of investors.
- b. The value of the Portfolio may increase or decrease depending upon various market forces and factors affecting the capital markets such as de-listing of Securities, market closure, a relatively small number of scrips accounting for a large proportion of trading volume. Consequently, the Portfolio Manager provides no assurance of any guaranteed returns on the Portfolio.
- c. The past performance of the Portfolio Manager is not indicative of future performance. Investors are not being offered any guaranteed or indicative returns.
- d. The Client stands a risk of loss due to lack of adequate external systems for transferring, pricing, accounting, and safekeeping or record keeping of Securities. Transfer risk may arise due to the process involved in registering the shares, physical and Demat, in the Portfolio Manager's name, while price risk may arise on account of availability of share price from stock exchanges during the day and at the close of the day.
- e. Investment decisions made by the Portfolio Manager may not always be profitable.

- f. Investments made by the Portfolio Manager are subject to risks arising from the investment objective, investment strategy, and asset allocation.
- g. Not meeting the obligation to make Capital Contributions in terms of the Agreement may have implications as set out in the Agreement and may also impact the profitability of the Portfolio.
- h. The Portfolio Manager and/or its Key Personnel Management may have its own investment in Listed Securities.
- i. Equity and Equity Related Risks: Equity instruments carry both company specific and market risks and hence no assurance of returns can be made for these investments. While the Portfolio Manager shall take all reasonable steps to invest the Funds in a prudent manner in such instruments, such decisions may not always prove to be profitable or correct. Consequently, the Client shall assume any loss arising from such decisions made by the Portfolio Manager.
- j. Macro-Economic risks: Overall economic slowdown, unanticipated corporate performance, environmental or political problems, changes to monetary or fiscal policies, changes in government policies and regulations with regard to industry and exports may have a direct or indirect impact on the investments, and consequently the growth of the Portfolio.
- k. Liquidity Risk: Liquidity of investments in equity and equity-related securities are often restricted by factors such as trading volumes, settlement periods and transfer procedures. If particular security does not have a market at the time of sale, then the Portfolio may have to bear an impact depending on its exposure to that particular security. While Securities that are listed on a stock exchange generally carry a lower liquidity risk, the ability to sell these investments is limited by overall trading volume on the stock exchange. Money market securities, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of such securities thereby resulting in a loss to the Portfolio until such securities are finally sold. Even upon termination of the Agreement, the Client may receive illiquid securities and finding a buyer for such Securities may be difficult. Further, different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the plan are uninvested and no return is earned thereon. The inability of the Portfolio Manager to make intended Securities purchases, due to settlement problems, could cause the Portfolio to miss certain investment opportunities.
- l. Credit Risk: Debt securities are subject to the risk of the issuer's inability to meet the principal and interest payments on the obligations and may also be subject to the price volatility due to such factors as interest sensitivity, market perception, or the creditworthiness of the issuer and general market risk.
- m. Interest Rate Risk: Is associated with movements in interest rates, which depend on various factors such as government borrowing, inflation, economic performance, etc. The value of investments will appreciate/ depreciate if the interest rates fall/rise. Fixed income investments are subject to the risk of interest rate fluctuations, which may accordingly increase or decrease the rate of return thereon. When interest rates decline, the value of a portfolio of fixed income securities can be expected to rise. Conversely, when the interest rate rises, the value of a portfolio of fixed income securities can be expected to decline.



- n. Acts of State, or sovereign action, acts of nature, acts of war, civil disturbance are extraneous factors which can impact the Portfolio.
- o. The Client stands the risk of total loss of value of an asset which forms part of the Portfolio or its recovery only through an expensive legal process due to various factors which by way of illustration include default or non-performance of a third party, investee company's refusal to register a Security due to legal stay or otherwise, disputes raised by third parties.
- p. Reinvestment Risk: This risk arises from the uncertainty in the rate at which cash flows from an investment may be reinvested. This is because the bond will pay coupons, which will have to be reinvested. The rate at which the coupons will be reinvested will depend upon prevailing market rates at the time the coupons are received.
- q. Non-Diversification Risk: This risk arises when the Portfolio is not sufficiently diversified by investing in a wide variety of instruments. As mentioned above, the Portfolio Manager will attempt to maintain a diversified Portfolio in order to minimize this risk.
- r. Mutual Fund Risk: This risk arises from investing in units of Mutual funds. Risk factors inherent to equities and debt securities are also applicable to investments in mutual fund units. Further, scheme specific risk factors of each such underlying scheme, including the performance of their underlying stocks, derivatives instruments, stock lending, off-shore investments, etc., will be applicable in the case of investments in mutual fund units. In addition, events like change in fund manager of the scheme, take over, mergers and other changes in status and constitution of mutual funds, foreclosure of schemes or plans, change in government policies could affect the performance of the investment in mutual fund units.
- s. The Portfolio Manager is neither responsible nor liable for any losses resulting from the Services.
- t. The investments under the Portfolio may be concentrated towards equity/equity related instruments of companies primarily belonging to a single or few sectors and hence shall be affected by risks associated with those sectors.
- u. The Clients may not be able to avail of securities transaction tax credit benefit and/or tax deduction at source (TDS) credit and this may result in an increased incidence of tax on the Clients. The Client may incur a higher rate of TDS/ Dividend Distribution Tax in case the investments are aggregated in the name of the Portfolio Management Portfolio/Product.
- v. The arrangement of pooling of funds from various Clients and investing them in Securities could be construed as an 'Association of Persons' (AOP) in India under the provisions of the Income-tax Act, 1961 and taxed accordingly.
- w. In case of investments in Mutual Fund units, the Client shall bear the recurring expenses of the Portfolio Management Services in addition to the expenses of the underlying mutual fund schemes. Hence, the Client may receive lower pre-tax returns compared to what he may receive had he invested directly in the underlying mutual fund schemes in the same proportions.
- x. After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be a delay in deployment. In such a situation the Clients may suffer opportunity loss.

- y. Clients will not be permitted to withdraw the funds/Portfolio (unless in accordance with the terms agreed with the Client). In addition, they are not allowed to transfer any of the interests, rights or obligations with regard to the Portfolio except as may be provided in the Agreement and in the Regulations.
- z. In case of early termination of the Agreement, where Client Securities are reverted to the Client, additional rights available while the Securities were held as part of the Portfolio that were negotiated by the Portfolio Manager with an investee company or its shareholders may no longer be available to the Client.
- aa. Changes in Applicable Law may impact the performance of the Portfolio.
- bb. Derivative transactions may be prone to problems of liquidity, mispricing, lack of or improper correlation with assets or such other reasons.
- cc. Derivative transactions require maintenance of margins, adequate control mechanisms forecasting ability, etc.
- dd. Risks pertaining to stock lending: In the case of stock lending, risks relate to the defaults from counterparties with regard to securities lent and the corporate benefits accruing thereon, the inadequacy of the collateral and settlement risks.
- ee. Risk arising out of non-diversification, if any.
- ff. Specific Risk Disclosures associated with investments in Securitized Debt Instruments
 - a) Presently, the secondary market for such securitized papers is not very liquid. This could limit the ability of the portfolio manager to resell them. Even if sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.
 - b) Securitized transactions are normally backed by a pool of receivables and credit enhancement as stipulated by the rating agency, which differs from issue to issue. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall.
- gg. Specific risk and disclosures associated with an investment in Structured Products like Index Linked Debentures:
 - i. The Structured Products like Index linked - Non-Convertible Debentures may lead to a portion of the funds being deployed in the derivatives markets including in the purchase of options. These investments are high risk, high return as they may be highly leveraged. A small movement in the underlying index could have a large impact on their value and may result in a loss.
 - ii. The Issuer of Equity index-linked debentures or any of its Agents, from time to time may have long or short positions or make markets including in indices, futures, and options. The value of these Debentures invested into on behalf of clients could be adversely impacted by a price movement in the above securities.
 - iii. The Structured Products, even after being listed, may not have a market at all;
 - iv. The returns on the Structured Products, including those linked to the may be lower than prevailing market interest rates or even zero or negative depending entirely on the movement in the underlying index and futures values as also that over the life of the Debentures. Consequently, the Debenture holder may receive no income/return at all or negative income/return on the Debentures, or less income/return than the



- Debtenture holder may have expected, or obtained by investing elsewhere or in similar investments;
- v. In the case of Equity Index-Linked Debentures, in the event of any discretions need to be exercised, in relation to method and manner of any of the computations including due to any disruptions in any of the financial markets or for any other reason, the calculations cannot be made as per the method and manner originally stipulated or referred to or implied, such alternative methods or approach may be at the discretion of the by the issuer and may include the use of estimates and approximations;
 - vi. At any time during the life of such Structured Products, the value of the Debentures may be substantially less than its redemption value. Further, the price of the Debentures may go down in case the credit rating of the Issuer goes down;
 - vii. The return and/or maturity proceeds hereon may not be guaranteed or insured in any manner by The Issuer of Structured Products.

7) Client Representation:

7.1 Details of client's accounts active:

The Portfolio Management Services performances as on 31st March 2021, 31st March 2020 and 31st March 2019 are as follows:

As on 31st March, 2021

Sr. No.	Category of clients	No. of clients	Funds managed (amt in Rs. Lakhs)	Discretionary/ Non-Discretionary / Advisory (if available)
i)	Associates/group companies:			
	- Individuals	1	158.16	Discretionary
	- Corporate	0	0.00	Discretionary
	Sub-Total	1	158.16	
ii)	Others:			
	- Individuals	18	1135.49	Discretionary
	- Corporate	2	459.26	Discretionary
	Sub-Total	20	1594.75	
	Total	21	1752.91	

As on 31st March, 2020

Sr. No.	Category of clients	No. of clients	Funds managed (amt in Rs. Lakhs)	Discretionary/ Non-Discretionary / Advisory (if available)
i)	Associates/group companies:			
	- Individuals	1	48.11	Discretionary
	- Corporate	0	0.00	Discretionary
	- Advisory	16	871.64	Advisory
	Sub-Total	17	919.75	
ii)	Others:			
	- Individuals	28	981.30	Discretionary
	- Corporate	2	193.85	Discretionary
	- Advisory	14	366.95	Advisory
	Sub-Total	34	1542.1	
	Total	55	2461.85	



As on 31st March, 2019

Sr. No.	Category of clients	No. of clients	Funds managed (amt in Rs. Lakhs)	Discretionary / Non-Discretionary / advisory (if available)
i)	Associates/group companies:			
	- Individuals	15	937.28	Discretionary
	- Corporate	3	622.85	Discretionary
	- Advisory	5	2453.26	Advisory
	Sub-Total	23	4013.39	
ii)	Others:			
	- Individuals	27	1184.87	Discretionary
	- Corporate	2	246.73	Discretionary
	- Advisory	18	447.41	Advisory
	Sub-Total	47	1879.01	
	Total	70	5892.40	

7.2 Complete Disclosure in respect of transactions with related parties as per the Accounting standards specified by the Institute of Chartered Accountants of India:

Related parties with whom transactions have taken place during the year ended 31st March 2021 based on Audited results are given as **Annexure 1**.

8) The financial Performance of Portfolio Manager

8.1 Capital Structure (Rs. in lakhs)

Particulars	As on 31-Mar-2019 (Audited)	As on 31-Mar-2020 (Audited)	As on 31-Mar-2021 (Audited)
a) Share Capital			
• Paid-up capital: Equity	750.00	750.00	750.00
b) Share Premium	750.00	750.00	750.00
c) Free reserves (excluding re-valuation reserves)	3957.26	4355.13	5946.08
d) Total (a) + (b) + (c)	5457.26	5855.13	7446.08

8.2 Deployment of Resources (Rs. in lakhs)

Particulars	As on 31-Mar-2019 (Audited)	As on 31-Mar-2020 (Audited)	As on 31-Mar-2021 (Audited)
(a) Fixed Assets (net of depreciation)	189.81	183.23	202.69
(b) Plant & Machinery and Office Equipment (net of depreciation)	14.77	10.58	86.58
(c) Others	5839.3	6281.92	7886.57
Total	6043.88	6475.73	8175.84

8.3 Major Sources of Income: (Rs. in lakhs)

Particulars	As on 31-Mar-2019 (Audited)	As on 31-Mar-2020 (Audited)	As on 31-Mar-2021 (Audited)
Brokerage Income	847.42	807.58	1264.55
Portfolio Management Fees	26.90	19.94	15.83
Other Income	708.38	705.30	1798.46

8.4 Net Profit (Rs. In lakhs)

Particulars	As on 31-Mar-2019 (Audited)	As on 31-Mar-2020 (Audited)	As on 31-Mar-2021 (Audited)
Profit Before Tax	525.64	472.95	1920.96
Profit After Tax	412.87	398.79	1590.93

9) Performance of the Portfolio Manager for the last 3 years:

The performance of portfolio for last three years is as follows:

	Year Ended (2018-2019)	Year Ended (2019-2020)	Year Ended (2020-2021)
Portfolio Performance (%)			
- AMSEC LIFE	-0.89%	-20.47%	72.57%
Benchmark Performance			
- NIFTY 500 (%)	8.43%	-27.60%	75.99%

Notes:

- Portfolio Performance (%), Net of all fees and charges levied.
- Performance/returns are calculated using the "Time Weighted Rate of Return" method in terms of Regulation 22 of SEBI (Portfolio Managers) Regulations 2020.

10) Audit Observation:

There are no observations made by the statutory auditor of the Portfolio Manager for the preceding three financial years FY 2018-19, FY 2019-20 and FY 2020-21.

11) Fees and Services Charged (To be based on actual):

- Investment management fee:** i.e. Fixed Fees charged as agreed with the client wide terms and conditions mentioned in the agreement relating to the Portfolio Management Services offered to the Clients.
- Performance management fee** i.e. A performance fee based on profit slabs provided in the portfolio agreement is charged as agreed with the client wide terms and conditions mentioned in the agreement. Performance fees will be charged on the performance over the hurdle rate, management fee and any costs of trading. It shall be computed on the basis of high water mark principle over the life of the investment for charging of performance/profit sharing fees.

High Water Mark Principle: High Water Mark shall be the highest value that the portfolio/account has reached. Value of the portfolio for computation of high watermark



shall be taken to be the value on the date when performance fees are charged. For the purpose of charging a performance fee, the frequency shall not be less than quarterly.

The portfolio manager shall charge a performance-based fee only on the increase in portfolio value in excess of the previously achieved high water mark.

3. **Exit Load:**

Exit Load will be charged to the Client as per below mentioned slabs:

- a. In the first year of investment, maximum of 3% of the amount redeemed;
- b. In the second year of investment, maximum of 2% of the amount redeemed;
- c. In the third year of investment, maximum of 1% of the amount redeemed;

After a period of three years from the date of the investment, no exit load will be charged to the Clients.

4. The fees charged to the client for PMS Service comes under "Fees for technical services" under Sec 194J of the Income Tax Act 1961. This section calls for withholding tax on the fees that the client pays to the portfolio manager if he or she falls under

- An individual / HUF whose total sales / gross receipt or turnover from business or profession carried on by him exceed the monetary limit specified under clause (a) or clause (b) of Sec. 44AB during the previous year immediately preceding the financial year.
- Corporates.

5. **Custodian fee / Depository Charges:** Charges relating to custody and transfer of shares, bonds and units, opening and operation of demat account, dematerialisation and rematerialisation, and / or any other charges in respect of the investment etc. The actual fees levied by the custodian shall be charged to the client as mentioned in the agreement with the client and as agreed between the Portfolio Manager and the Custodian from time to time.

6. **Registration and transfer agents' fees :**

Fees payable for the Registrars and Transfer Agents in connection with effecting transfer of any or all of the securities and bonds including stamp duty, cost of affidavits, notary charges, postage stamps and courier charges.

7. **Brokerage, transaction costs and other services:** The brokerage and other charges like stamp duty, transaction cost and statutory levies such as GST, securities transaction tax, turnover fees and such other levies as may be imposed upon from time to time.

8. **Fees and charges in respect of investment in mutual funds:** Mutual Funds shall be recovering expenses or management fees and other incidental expenses and such fees and charges shall be paid to the Asset Management Company of the Mutual Funds on behalf of the Client. Such fees and charges are in addition to the portfolio Management fees described above.

9. **Certification charges or professional charges:**

The charges payable to professional services like accounting, taxation, certification and any other legal services, etc.

10. **Securities lending and borrowing charges:** The charges pertaining to the lending of securities, costs of borrowings and costs associated with transfer of securities connected with the lending and borrowing transfer operations.

11. Any incidental and ancillary out of pocket expenses:

All incidental and ancillary expenses not recovered above but incurred by the Portfolio Manager on behalf of the client shall be charged to the Client.

The Portfolio Manager shall deduct directly from the cash account of the client all the fees/costs as specified above and shall send a statement to the client for the same.

12. The portfolio manager shall deduct directly from the cash account of the client all the fees/costs specified above. Other expenses, which could be attributable to the Portfolio Management, would also be directly deducted and the client would be sent a statement about the same.
13. The fee so charged may be a fixed fee or a return based fee or a combination of both as agreed in the agreement.

Note: All the Operating expenses excluding brokerage, over and above the fees charged for Portfolio Management Service, shall not exceed 0.50% per annum of the client's average daily Assets under Management (AUM). It shall include charges payable for outsourced professional services like accounting, auditing, taxation and legal services etc. for documentation, notarizations, certifications, attestations required by Bankers or regulatory authorities including legal fees and day-to-day operations charges etc. The portfolio Manager will ensure that any charges to self / associate shall not be at rates more than that paid to the non-associates providing the same service and a capped at 20% by value per associate (including self) per service shall be maintained by the portfolio manager in a financial year.

12) Taxation:

The following information is based on the law in force in India at the date hereof. This information is neither a complete disclosure of every material fact of the Income-tax Act, 1961 nor does constitute tax or legal advice. This information is based on the Portfolio Manager's understanding of the Tax Laws as of this date of Disclosure Document. Investors/clients should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely. In view of the individual nature of the tax consequences, each investor/client is advised to consult his/ her/its own professional tax advisor. The Information/data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy and should not be construed as investment advice.

Income on Investment in Securities is subject to tax in the following manner:

a) Dividend

As per Finance Act 2020, all dividends received on or after 1st April 2020 are taxable in the hands of Investor/Shareholder at rate applicable to the respective PMS Client Type.

b) Interests on Investment are taxable except in certain cases where it is exempted from tax under Income Tax Act 1961.**c) In case the securities are sold within one year (for listed securities except for units other than units of equity oriented mutual funds) or within two years (for unlisted securities) from the date of purchase, the resultant gains or losses are termed as short term capital gains or losses. Short term gains arising out of transfer of equity shares if the securities are sold on a recognized stock exchange in India and on which securities transaction tax has been paid are taxed at a concessional rate of 15% (as increased by surcharge plus education cess), in other cases they would be taxed at the slab rate applicable to the respective PMS client type;**


- d) In case the securities are sold after one year (for listed securities) or two years (for unlisted securities) and three years for units other than units of equity oriented mutual funds from the date of purchase, the resultant gains or losses are termed as long term capital gains or losses and the gain is arising out of transfer of equity shares which are sold on a recognized stock exchange in India and on which securities transaction tax has been paid would be taxed at 10% (as increased by surcharge plus education cess) in case of listed securities and 20% (as increased by surcharge plus education cess) in case of unlisted securities and units other than units of equity oriented mutual funds.

From A.Y. 2019-20, Long Term capital gain (where STT is paid) in excess of Rs. 1 Lakh will be chargeable at the rate of 10% and on the balance amount of the total income, tax will be computed as if it were the total income of the assessee.

Note: "Listed Securities" as defined under the explanation to section 112(1) of Income Tax Act, means the securities as defined in clause 2(h) of Securities Contract (Regulations) Act, 1956 and listed on any recognized stock exchange in India.

"Unlisted Securities" means securities other than listed securities.

"Units" shall have the meaning assigned to it in clause (b) of explanation to section 115AB of Income Tax Act, 1961.

The following are the tax provisions presently applicable to clients investing in the Portfolio Management Products under the Income Tax Act, 1961.

Tax on Long Term Capital Gain:

If the capital asset, which is transferred, is equity share or units of equity oriented mutual funds and transaction is subject to Securities Transaction Tax, the Long Term Capital Gain in excess of Rs. 1 Lakh is chargeable to tax @ 10%. In other cases, tax will be calculated as follows:

Capital Asset	If it is not subject to Securities Transaction Tax		
	Long Term		Short Term
	Without Indexation	With Indexation	
1. Debenture Listed	10 %	Not Applicable	Normal
2. Debenture Non Listed	20 %	Not Applicable	Normal
3. Government Securities	10 %	20 %	Normal
4. Bonds Listed	10%	Not Applicable	Normal
5. Bonds Non Listed	20%	Not Applicable	Normal

TDS

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. Interest would be subject to tax as per prevailing provisions of the Income Tax Act, 1961.

Advance Tax Obligations

It shall be the client's responsibility to meet the advance tax obligations payable on the due dates as per the Income Tax Act, 1961.

Provisions of Income Tax Act 1961, undergoes change frequently and is also based on the status of the client, thus the client is advised to consult his/her tax consultant for appropriate advice on tax treatment of income indicated herein.



The fees charged to the client for PMS come under the ambit of "fees for technical services" under Section 194J of the Income Tax Act, 1961 ("the Act"). As the section calls for withholding tax, the client is required to withhold tax @ 10 % excluding GST, on the fees that the client pays to the Portfolio Manager, if he / she fall under the following two categories:

- a) An Individual / HUF whose total sales / gross receipt or turnover from business or profession carried on by him exceed the monetary limit specified under clause (a) or clause (b) of Sec. 44AB during the previous year immediately preceeding the financial year.

In respect to the above TDS provision please note that in the Act No 23 of Finance Act, 2019 a new section i.e 194M has been inserted with effect from 01.09.2019 which specifies that:

Any Person being individual or a Hindu undivided family other those required to deduct income tax as per the provision of section 194J mentioned in (a) above shall at the time of credit of such sum or at the time of payment of such sum in cash or by issue of cheque or draft or by any other mode whichever is earlier, deduct an amount equal to five percent of such sum as income tax thereon if aggregate of sum, credited or paid to a resident during the financial year exceeds fifty lakh rupees.

- b) Corporate/ Partnership Firms / LLP

This implies, the Client (as mentioned in point 'a' and 'b' above) while making payment of the fees would deduct tax at Source. The taxes payable on any transactions entered into or undertaken by the Portfolio Manager on behalf of the client, whether by way of deduction withholding, payment or other, shall be fully borne by the client. Payment of the tax shall be the personal responsibility and liability of the client. In case the client deducts and pay the withholding tax, the client shall provide Tax Deduction Certificate in Form No. 16A as prescribed under the Income Tax Rules, 1962 to the Portfolio Manager within 30 days from the date of filing return or due date of filing TDS Return for the quarter whichever is earlier. The Portfolio Manager is not by law, contract or otherwise required to discharge any obligation on behalf of the client to pay any taxes payable by the clients.

13) Accounting Policies:

1. Basis of accounting

Books and Records would be separately maintained in the name of the client to account for the assets and any additions, income, receipts and disbursements in connection therewith, as provided by the SEBI (Portfolio Management) Regulations, 2020, as amended from time to time. Accounting under the respective portfolios will be done in accordance with Generally Accepted Accounting Principles. As SEBI (Portfolio Management) Regulations, 2020, do not explicitly lay down detailed accounting policies regarding valuation and accounting, such policies which are laid down under SEBI (Mutual Fund) Regulations would be followed, in so far as accounting and valuation for equities or equity related instruments are concerned.

- a. Equity securities awaiting listing are valued at fair value as determined in good faith by Asian Markets Securities Private Limited. Fixed Income Instruments that are awaiting listing will be valued at cost plus interest accrual till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instrument.
- b. Instruments bought on 'repo' basis are valued at the resale price after deduction of applicable interest up to the date of resale.
- c. Investments in Mutual funds will be valued at the repurchase NAV declared for the relevant schemes on the date of the report or the most recent NAV will be reckoned.



- d. In the Derivatives segment, the unrealized gains/losses for Futures and Options will be calculated by marking all the open positions to market.
- e. All Investments will be marked to market.
- f. Valuation of Derivatives: Valuation of derivatives will be based on mark to market valuation methodology based on quotes from National Stock Exchange.

2. **Income/expenses**

All investment income and Expenses will be accounted on accrual basis. Dividend will be accrued on the Ex-date of the securities and the same will be reflected in the clients' books on the ex-date. Similarly, bonus shares will be accrued on the ex-date of the securities and the same will be reflected in the clients' books on ex-date. In case of Fixed Income instruments, purchased/ sold at Cum-interest rates, the interest component up to the date of purchase /sale will be taken to interest receivable/payable account and net of interest will be the cost/sale for the purpose of calculating realized gains/losses.

3. **Following are the key accounting policies.**

- a. Transactions for purchase or sale of investments would be recognized Relating to equity instruments as of the trade date and not as of the settlement date so that the effect of all investments traded during the year are recorded and reflected in the individual client account for that year.
- b. The costs of investments acquired or purchased would include brokerage, transaction charges, stamp charges and any charge customarily included in the broker's contract note trade confirmation or levied by any statute.
- c. Investment in shares will be valued on the basis of closing market prices of the National Stock Exchange of India Ltd. If securities are not listed on the National Stock Exchange of India Ltd., then the closing market prices on the Bombay Stock Exchange Ltd or on any other exchange on which the securities are listed will be considered for valuation.
- d. Investment in Mutual Fund will be valued on the basis of daily NAV provided by the concerned Mutual Fund.
- e. Realized gains/losses will be on the basis of FIFO (First in First out)
- f. For derivative transactions (if any) unrealized gains and losses on open positions will be calculated by the mark to market method.
- g. Dividends on shares and mutual fund units, interest on debt instruments shall be accounted on accrual basis.

4. Books of accounts would be separately maintained in the name of the client as are necessary to account for the assets and any additions, income, receipts and disbursements in connection therewith as provided under SEBI (Portfolio Managers) Regulations, 2020.

5. **Audit**

- a. The Portfolio accounts of the Portfolio Manager shall be audited annually by an independent chartered accountant and a copy of the certificate issued by the chartered accountant shall be given to the client.
- b. The client may appoint a chartered accountant to audit the books and accounts of the Portfolio Manager relating to his transactions and the Portfolio Manager shall co-operate with such chartered accountant in course of the audit. It is also clarified that the aforesaid is not applicable to clients who have availed only Advisory Portfolio Management Services.

The Accounting Policies and Standards as outlined above are subject to changes made from time to time by Portfolio Manager. However, such changes would be in conformity with the Regulations.

14) Agreement:

1. The Portfolio Manager before taking up an assignment of management of funds or portfolio of securities on behalf of the client, enters into an agreement in writing with such client clearly defining the inter se relationship and setting out their mutual rights liabilities and obligations relating to the management of funds or portfolio of securities, containing such details as per the regulations.
2. The money or securities accepted by the portfolio Manager shall not be invested or managed by the Portfolio Manager except as mentioned in terms of the agreement between the Portfolio Manager and the client.
3. The Portfolio Manager shall not change any terms of the agreement without prior written consent of the client.
4. Generally, The term of the PMS Agreement shall initially be for a period of one year from the Activation Date ("Term") and, unless terminated by either Party in accordance with the terms of the PMS Agreement, shall be deemed to be automatically renewed from the next day of date of expiry of the Term on the such terms and conditions as may be mutually agreed upon by the Parties in writing, till any further communication by either of the party to terminate the same. The Client shall be entitled to terminate the PMS Agreement before the expiry of the term according with the terms / clauses specified in the said agreement.

15) Rights and Liabilities of the Client:

1. Rights:

- a. The client has a right to obtain a copy of the Disclosure Document at least prior to signing the agreement.
- b. Client shall obtain reports for a period not exceeding six months containing details as specified in regulation 31(1) and as agreed in the agreement with the portfolio manager except for the auditor's report which shall be submitted annually.
- c. The portfolio manager shall provide to the client with a transaction statement once in a quarter or as stated in the agreement with the client.
- d. The client will be provided a statement reflecting portfolio status and a statement of profit and loss on a quarterly basis.

2. Liabilities & Duties

- a. The liability of the client shall be to the extent of his investments.
- b. The client shall maintain utmost secrecy with regard to investment made by the Portfolio Manager on its behalf. In no case shall the Client replicate for its or for the benefits of others, the investments made by the Portfolio Manager.
- c. The client shall disclose to the Portfolio Manager from time to time whether it is privy to price sensitive information, such that a conflict of interest may arise where the Portfolio Manager to buy Securities on behalf of the Client.



- d. The Client shall pay the agreed fees at the agreed times to the Portfolio Manager in the manner as provided in the agreement.
- e. The Client shall not directly dispose of or acquire any Securities held in the portfolio, except as agreed by the Portfolio Manager. The Custodian appointed under the Custodian Agreement shall not be authorized to accept the instructions directly from the client. The Client shall not issue any direct instructions to the Custodian or the broker in this respect. In case the client issues any instructions directly to the Custodian or the broker, the Portfolio manager shall not be responsible for any loss or claim or damage arising there from. In any such case, in respect of any sale, the sale proceeds shall be made over by the Client to the Portfolio Manager as part of the investible funds and in case of any purchase, the client shall make payment directly to the Seller.
- f. The Client shall within seven days notify the Portfolio Manager if it notices any discrepancies or shortfalls in the Custodian holding statement. In case the Client does not notify the Portfolio Manager of any discrepancies or shortfalls in the Custodian holding statement the same shall be deemed to be correct.
- g. The Client shall plan and pay any tax (long term or short term capital gains, income tax etc.) And other governmental liabilities that may arise as a consequence of the portfolio transactions on its account. The Portfolio manager shall during its meeting with the Client be available to help the Client plan its tax outflows. However, it should be clearly understood that tax considerations should not be allowed to supersede investment decisions even though the Portfolio Manager recognizes the desirability post tax returns.
- h. The Client shall render all possible assistance, and provide requisite information for the purpose of assisting the Portfolio Manager in determining, evaluating and investing the available funds of the Client. The Client shall also immediately provide to the Portfolio Manager any information in respect to the investments or possible investments as may be available with it.
- i. The Client agrees that the investments made by the Portfolio Manager shall be at the sole discretion, judgment and opinion of the Portfolio Manager in case of discretionary portfolio management service.

16) Rights, Duties and Liabilities of the Portfolio Manager

- 1. The Portfolio Manager shall act in fiduciary capacity with regard to the Client's funds. It shall not derive any benefit from the Client's funds or Securities purchased for the Client and shall strive to safeguard the Client's interests to the best of its ability at all times.
- 2. Securities shall be held directly in the name of the client/portfolio manager and shall be physically kept with the Custodian who shall be appointed by the Portfolio Manager. The Portfolio Manager / Custodian (as applicable) shall follow up all entitlements such as bonus, interest, and principle redemption, right, dividend, etc on behalf of the client. The Portfolio Manager / Custodian shall provide a Statement of Portfolio Holdings to the Portfolio Manager who shall forward it to the Client at regular intervals as agreed. The Client's Securities shall always belong to the Client and the Portfolio Manager shall not pledge them or any of them with any entity, or derive any benefit from the same, without specific written consent of the client.

3. The Portfolio Manager shall provide the Client with a formal Portfolio Valuation Statement. The Portfolio Manager shall make itself available for consultation with the Client at least once every six months.
4. The Portfolio Manager shall ensure proper and timely handling of complaints from the Clients and take appropriate action immediately.
5. The Portfolio Manager will make best efforts to safeguard the Client's interests with regard to dealings with capital market intermediaries such as brokers, custodians, bankers etc. Any contract or understanding arrived at by the Portfolio Manager with any such intermediary shall be strictly on behalf of the Client, and the Portfolio Manager shall not be responsible for the due performance of the contract or understanding by the intermediary.
6. The Portfolio Manager shall on a best effort basis, assist the Custodian in attending to the complaints of the Client in respect of the non-receipt of dividends, bonus shares, interest, receipt of entitlements and subscription of right shares, transfer of shares and the like. However, the responsibility and liability in respect of the aforesaid shall be entirely that of the Custodian.
7. The Portfolio Manager:
 - a. Shall not trade on margin or on a speculative basis on behalf of the Client. All transaction shall be on delivery basis.
 - b. Shall not pledge or give on loan securities held on behalf of Client to a third person without obtaining a written permission from the Client.
 - c. The portfolio manager can also invest funds of his clients in derivatives or as specified in the contract but will not leverage portfolio in respect of investment in derivatives.
8. The Portfolio Manager shall furnish the following reports periodically to the Client (not exceeding a period of three months and as and when required by the client). Such report shall contain the following details namely:
 - a. Report on the composition and value of the portfolio, description of securities, number of securities, value of each security held in the portfolio, cash balance, aggregate value of the Portfolio, interest accrued etc as on the date of the report.
 - b. Report on transactions undertaken during the period of report including date of transaction and details of purchases and sales.
 - c. Report on beneficial interest received during that period in respect of interest, dividend, bonus shares, rights shares and debentures.
 - d. Report on expenses incurred in managing the portfolio.
 - e. Details of risk foreseen by the Portfolio Manager and the risk relating to the Securities recommended by the Portfolio Manager for investment.
 - f. Default in payment of coupons or any other default in payments in the underlying debt security and downgrading to default rating by the rating agencies, if any.
 - g. Details of commission paid to Distributor(s) for the particular client.
9. The Portfolio Manager shall, ordinarily purchase or sell securities separately for each Client. However, in the event of aggregation of purchases or sales for economy of scale, allocation shall be done on a pro-rata basis at the weighted average price of the day's transactions. The Portfolio Manager shall not keep any open position in respect of allocation of sales or purchases affected in a day.



17) Termination of Agreement:

1. Notwithstanding anything contained above, the funds or securities can be withdrawn or taken back by the client before maturity of the contract under the following circumstances, namely –
 - a. Voluntary or compulsory termination of portfolio management services by the Portfolio Manager or the client.
 - b. Suspension or cancellation of the certificate of registration of the Portfolio manager by the Board.
 - c. Bankruptcy or liquidation of the Portfolio Manager.
2. There shall be written intimation about such termination by the terminating party.
3. On termination of the agreement, the Portfolio Manager shall give a detailed statement of accounts to the client and settle the account with the client as agreed in the agreement.

18) Disclaimer by Portfolio Manager:

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

19) Investor Services:

- (i) The details of investor relation officer who shall attend to the investor queries and complaints are mentioned here below:

Name of the person	Vishvesh Bhatt
Designation	Compliance Officer
Address	1/2 Athena House, Rajnigandha Complex, Gen. A.K.Vaidya Marg, GokulDham, Film city Road, Goregaon (East), Mumbai: 400063.
Email	vishvesh.bhatt@amsec.in
Investor Grievance Email ID	pms@amsec.in
Telephone	022-43435000

The official mentioned above will ensure prompt investor services. The portfolio manager will ensure that this official is vested with the necessary authority, independence and the means to handle investor complaints.

(ii) Grievances redressal and 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 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: -

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

Alternatively, with effect from September 2011, SEBI has launched a new web based centralized grievance system called SCORES i.e. SEBI Complaints Redressal System, for online filing, forwarding and tracking of resolution of investor complaints. The Client may also make use of the SCORES facility for any escalations on redressal of their grievances. Following is the link to visit the website and inform their dispute/complaints against the company.

<https://scores.gov.in/scores/complaintRegister.html>

SEBI vide press release PR No. 80/2012 dated 30th August' 2012 has extended its toll free helpline service for Investors (1800 22 7575 / 1800 266 7575) to Saturday and Sunday from the existing Monday to Friday. The service on Saturday and Sunday would be available initially to investors from all over India in English, Hindi, Marathi and Gujarati from 9:30 a.m. to 5:30 p.m. For any queries/ feedback or assistance, the Client may also e-mail to sebi@sebi.gov.in

(iii) Arbitration:

The agreement with the client shall be governed by construed and enforced in accordance with the laws of India. Any dispute with the client shall at first be settled by mutual discussion, failing which the same will be referred to and settled by arbitration in accordance subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification / enactment thereof for the time being in force. A sole arbitrator will be appointed by mutual consent of the portfolio manager and the client. The arbitration shall be held in Mumbai and be conducted in English language. Any action or suit involving the agreement with a client or the performance of the agreement by the either party of its obligations will be exclusively in courts located at any place in India subject to the jurisdiction clause in the portfolio agreement.

20) Anti-Money Laundering Compliances:

The Government of India has put a policy framework to combat money laundering through the Prevention of Money Laundering Act, 2002 (PMLA 2002). PMLA 2002 and the Rules notified there under (PMLA Rules) came into effect from July 1, 2005. Director, FIU-IND and Director (Enforcement) have been conferred with exclusive and concurrent powers under relevant sections of the Act to implement the provisions of the Act. Consequently, SEBI has mandated that all registered intermediaries to formulate and implement a comprehensive policy framework on anti-money laundering and adopt 'Know Your Customer' (KYC) norms.

Further, SEBI vide Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/104 dated October 15, 2019 (which supersedes all the earlier circular) issued a '**Master Circular for Guidelines on Anti Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules frame there under**' consolidating all the requirements/instructions/obligations of Securities Market Intermediaries.



Accordingly, the investors should ensure that the amount invested by them is through legitimate sources only and does not involve and are not designed for the purpose of any contravention or evasion of any Act, Rules, Regulations, Notifications or Directions of the provisions of Income Tax Act, Prevention of Money Laundering Act, Anti-Corruption Act and or any other applicable laws enacted by the Government of India from time to time. The Portfolio Manager is committed to complying with all applicable anti-money laundering laws and regulations in all of its operations. Accordingly, the Portfolio Manager reserves the right to reject or refund or freeze the account of the client if the client doesn't comply with the internal policies of the Portfolio Manager or any of the Applicable Laws including the KYC requirements.

The Portfolio Manager shall not be held liable in any manner for any claims arising whatsoever on account of freezing the account / rejection or refund of the application etc. due to non-compliance with the provisions of any of the aforesaid Regulations or Applicable Laws.

Investors are requested to note that KYC is mandatory for all investors. SEBI vide circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011 and CIR/MIRSD/ 11/2012 dated September 5, 2012 has mandated that the uniform KYC form and supporting documents shall be used by all SEBI registered intermediaries in respect of all new clients from January 1, 2012. Further, SEBI vide circular no. MIRSD/Cir-23/2011 dated December 2, 2011, has developed a mechanism for centralization of the KYC records in the securities market to bring about uniformity in securities markets.

Accordingly, KYC registration is being centralized through KYC Registration Agencies (KRA) registered with SEBI. Thus each investor has to undergo a uniform KYC process only once in the securities market and the details would be shared with other intermediaries by the KRA. Applications shall be liable to be rejected if the investors do not comply with the aforesaid KYC requirements.

As per the 2015 amendment to PML (Maintenance of Records) Rules, 2005 (the rules), every reporting entity shall capture the KYC information for sharing with the Central KYC Records Registry in the manner mentioned in the Rules, as per the KYC template for 'Individuals' finalised by CERSAI. Accordingly, the KYC template finalized by CERSAI shall be used by the registered intermediaries as Part I of AOF for individuals

Further, in terms of Rule 9 (1A) of the PML (Maintenance of Records) Rules, 2005 (the rules) and, as per the circular/guidelines issued by the respective Regulator, every reporting entity shall capture the KYC information pertaining to Legal Entities from 01st April 2021.

21) Other Disclosures by Portfolio Manager:

- 1 The Company may avail services of other associates or group companies as empaneled broker or for other services such as executing transactions on behalf of clients at arm's length basis.
- 2 The Company may undertake proprietary trading in its independent capacity in Capital Market Segment.
- 3 The Company has outsourced its fund accounting and custodial services.

22) List of Approved Share Brokers, involved for Portfolio Management activities:

Sr.no	Name	SEBI Registration No.
1	Asian Markets Securities Private Limited	INZ000226632
2	Vikabh Securities Private Limited	INZ000220237
3	Sushil Financial Services Private Limited	INZ000165135
4	HDFC Securities Limited	INZ000186937
5	Prabhudas Lilladher Pvt. Ltd.	INZ000196637
6	Spark Capital Advisors (India) Private Limited	INZ000268933



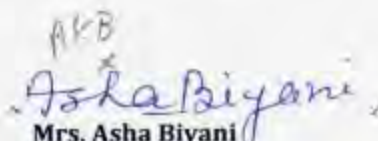
23) General:

The portfolio manager and the client can mutually agree to be bound by specific terms through a written two-way agreement between themselves in addition to the standard agreement.

For Asian Markets Securities Private Limited

Handwritten signature of Mr. Kailash Biyani in black ink, with the initials 'KMB' written above it.

Mr. Kailash Biyani
Director

Handwritten signature of Mrs. Asha Biyani in blue ink, with the initials 'AKB' written above it.

Mrs. Asha Biyani
Director

Mumbai,

Date: 04th October, 2021

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

We confirm that:

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;

The disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us/investment in the Portfolio Management;

The Disclosure Document has been duly certified by an independent Chartered Accountant M/s. B Y & Associates, Chartered Accountants, 8A-2, Chander Mukhi Building, 8th Floor, Nariman Point, Mumbai – 400 021, Maharashtra, India firm registration number 123423W on 4th October 2021.



Date: 04th October, 2021

Signature of the Principal Officer

Place: Mumbai

Mr. Kailash Biyani
Asian Markets Securities Pvt. Ltd.
1/2 Athena House, Rajnigandha Complex,
Gen. A.K.Vaidya Marg, Gokuldhara, Film city
Road, Goregaon (East), Mumbai: 400063.

