

The Board of Directors  
NJ Asset Management Private Limited  
Block No. 601, 3rd Floor, C Tower,  
Udhna Udyognagar Sangh Commercial Complex,  
Central Road No.10, Udhna,  
Surat – 394210, Gujarat

**Verification of particulars stated in the portfolio management services disclosure document**

We have verified the adequacy of the particulars stated in the portfolio management services disclosure document, as at December 3, 2025 prepared by NJ Asset Management Private Limited, in accordance with the Securities and Exchange Board of India (SEBI) circular SEBI/HO/IMD/IMD-RAC-3/P/CIR/2025/125 dated September 9, 2025 and SEBI (Portfolio Managers) Regulations, 2020, and amendments thereto, as applicable, for the purpose of filing with SEBI, to enable the investors to make a well informed decision..

Based on our examination of the books of account, records and documents maintained and produced to us and on the basis of information and explanations given to us, we certify that the particulars stated in the disclosure document are true and fair.

For Morzaria & Associates  
Chartered Accountants  
*Firm Registration Number: 129763W*

Vikas Morzaria  
Proprietor  
*Membership No.: 108691*  
UDIN: 25108691BMIXYP5352

Place: Mumbai  
Date: December 3, 2025

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

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**NJ ASSET MANAGEMENT PRIVATE LIMITED (“Portfolio Manager” or “Company”)**

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

**Registered Office:** Block No. 601, 3rd Floor, C Tower, Udhna Udyognagar Sangh Commercial Complex,  
Central Road No.10, Udhna, Surat – 394210, Gujarat. **Telephone No:** 0261-4102888/0261-6663355

**Corporate Office:** Unit No. 101A, 1<sup>st</sup> Floor, Hallmark Business Plaza, Bandra (East), Mumbai – 400051,  
Maharashtra. **Telephone No. : 0261-4102888/0261-6663355**

**E-mail Address:** [customercare@njpms.co.in](mailto:customercare@njpms.co.in) **Website:** [www.njpms.in](http://www.njpms.in)

We confirm that:

1. The Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the circulars, guidelines and directives issued by the Board from time to time;
2. The disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us / investment through the Portfolio Manager.
3. The Disclosure Document has been duly certified by an independent chartered accountant M/s. Morzaria & Associates bearing Firm registration no. 129763W on December 03,2025.

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

**For and on behalf of**

**NJ Asset Management Private Limited**

**Vineet Nayyar**

**Director, Chief Executive Officer and Principal Officer**

**DIN: 10690316**

**Place: Mumbai**

**Date: December 03, 2025**

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## **PART I - STATIC SECTION**

### **1. DISCLAIMER CLAUSE:**

This Document has 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 this 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 are required to inform themselves about and to observe any such restrictions.

## 2. DEFINITIONS:

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

1. **“Act”** means the Securities and Exchange Board of India Act, 1992 .
2. **“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.
3. **“Accredited Investor”** means any person who is granted a certificate of accreditation by an accreditation agency who:
  - (i) in case of an individual, HUF, family trust or sole proprietorship has:
    - (a) annual income of at least two crore rupees; or
    - (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
    - (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.
  - (ii) in case of a body corporate, has net worth of at least fifty crore rupees;
  - (iii) in case of a trust other than family trust, has net worth of at least fifty crore rupees;
  - (iv) in case of a partnership firm set up under the Indian Partnership Act, 1932, each partner independently meets the eligibility criteria for accreditation:

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

4. **“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.
5. **“Agreement”** or **“Portfolio Management Services Agreement”** or **“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.

6. **"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.
7. **"Assets Under Management"** or **"AUM"** means aggregate net asset value of the Portfolio managed by the Portfolio Manager on behalf of the Clients.
8. **"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.
9. **"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.
10. **"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.
11. **"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.
12. **"Client"** or **"Investor"** 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.
13. **"Custodian"** 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.
14. **"Depository"** means the depository as defined in the Depositories Act, 1996 (22 of 1996).
15. **"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.
16. **"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.
17. **"Disclosure Document"** or **"Document"** means the disclosure document for offering portfolio management services prepared in accordance with the Regulations.
18. **"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).

19. **"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.
20. **"Fair Market Value"** means the price that the Security would ordinarily fetch on sale in the open market on the particular date.
21. **"Foreign Portfolio Investors"** or **"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.
22. **"Financial Year"** means the year starting from April 01 and ending on March 31 of the following year.
23. **"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.
24. **"Group Company"** shall mean an entity which is a holding, subsidiary, associate, subsidiary of a holding company to which it is also a subsidiary.
25. **"HUF"** means the Hindu Undivided Family as defined in Section 2(31) of the IT Act.
26. **"Investment Approach"** means a broad outlay of the type of securities and permissible instruments to be invested in by the Portfolio Manager for the Client, taking into account factors specific to the clients and securities and includes any if the current Investment Approach or such Investment Approach that may be introduced at any time in future by the Portfolio Manager.
27. **"IT Act"** means the Income Tax Act, 1961, as amended and restated from time to time along with the rules prescribed thereunder.
28. **"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.
29. **"Non-resident Investors"** or **"NRI(s)"** shall mean non-resident Indian as defined in Section 2 (30) of the IT Act.
30. **"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.
31. **"NISM"** means the National Institute of Securities Markets, established by the Board.

32. **“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.
33. **“Portfolio”** means the total holdings of all investments, Securities and Funds belonging to the Client.
34. **“Portfolio Manager”** means NJ Asset Management Private Limited, a company incorporated under the Companies Act, 2013, registered with SEBI as a portfolio manager bearing registration number INP000003518 and having its registered office at Block No. 601, 3rd Floor, C Tower, Udhna Udyognagar Sangh Commercial Complex, Central Road No.10, Udhna, Surat – 394210, Gujarat.
35. **“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
36. **“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.
37. **“Related Party”** means –
- (i) a director, partner or his relative;
  - (ii) a key managerial personnel or his relative;
  - (iii) a firm, in which a director, partner, manager or his relative is a partner;
  - (iv) a private company in which a director, partner or manager or his relative is a member or director;
  - (v) 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 immediate preceding Financial Year; shall be deemed to be a related party;

38. **“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.

### **3. DESCRIPTION OF THE PORTFOLIO MANAGER:**

#### **3 (i) History, Present Business and Background of the Portfolio Manager:**

- The Portfolio Manager is a Company incorporated under the Companies Act, 1956 on October 21, 2005, having its Registered Office at Block No. 601, 3rd Floor, C Tower Udhna Udyognagar Sangh Commercial Complex, Central Road No.10, Udhna, Surat – 394210, Gujarat and Corporate office at Unit No. 101A, 1<sup>st</sup> Floor, Hallmark Business Plaza, Bandra (East), Mumbai – 400051, Maharashtra. The Portfolio Manager is a subsidiary of NJ India Invest Private Limited, a Company engaged in mutual fund distribution, stock broking, depository services and distribution of other financial products, having over 96 branch offices across India. The networth of Portfolio Manager (based on the audited financial statements) as on March 31, 2024 is Rs. 103.90 crores, out of which Rs.50 Crores pertains to minimum net worth requirement for NJ Mutual Fund.
- The Portfolio Manager holds a renewed registration certificate from SEBI dated December 24, 2020 to continue to act as a Portfolio Manager under the applicable Regulations vide Registration No. PM/INP000003518 and the same is valid unless it is suspended, cancelled or surrendered with the Board as per Securities and Exchange Board of India (Portfolio Managers) Regulations 2020.
- With reference to the amendment of the objects of the Company for the purpose of acting as asset management company the name of the Company has been changed from “NJ Advisory Services Private Limited” to “NJ Asset Management Private Limited” vide Certificate of Incorporation pursuant to change of name dated July 24, 2020 issued by the Registrar of Companies, Ahmedabad. In pursuance to the said change in main object of the Company the Corporate Identification Number of the Company has been changed from U74990GJ2005PTC046959 to U67100GJ2005PTC046959.
- The holding company of the Portfolio Manager, NJ India Invest Private Limited has obtained the grant of registration of NJ Mutual Fund vide the letter issued by SEBI dated April 30, 2021. Furthermore with the said grant of registration of NJ Mutual Fund, the Portfolio Manager has been granted approval by SEBI to act as the asset management company for the NJ Mutual Fund and accordingly, the present business of the Company has changed. The Company in addition to Portfolio Management Services also renders Asset Management services to NJ Mutual Fund sponsored by NJ India Invest Private Limited.
- The Portfolio Manager has been granted the certificate of registration vide IFSCA letter dated June 25, 2024 with registration no. IFSCA/FME/III/2024-25/119 as a ‘Registered Fund Management Entity (Retail)’ under section 13 of the International Financial Services Centres Authority Act (IFSCA), read with section 12 of the IFSCA (Fund Management) Regulations, 2022 to carry out the activities as a Fund Management Entity (Retail).

### **3 (ii) Promoters of the Portfolio Manager, Directors and their background:**

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

#### **1. NJ India Invest Private Limited**

##### **(Promoter and Holding Company)**

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

#### **2. Mr. Niraj Choksi**

##### **(Chairman & Director)**

Mr. Niraj Choksi, 54 years, is Promoter and Director of the Portfolio Manager. He holds bachelor's degree in Business Administration from Sardar Patel University, Vidhyanagar and is a CFP Certificant from FPSB, India and has over 27 years of experience in the financial markets. Mr. Niraj Choksi is a co-founder and promoter of NJ Group of companies, and is currently working in the capacity of Director in the group companies. The NJ Group of companies are engaged in various businesses such as mutual fund distribution, Real Estate distribution, Information & Technology, Training and Education, Loans and Advances, Insurance Broking & Portfolio Management Services (PMS).

#### **3. Mr. Jigneshkumar Desai**

##### **(Promoter)**

Mr. Jigneshkumar Desai aged 54 years has started as a co-founder and promoter of NJ India Invest Private Limited and has been appointed as Jt. Managing Director of NJ India Invest Private Limited since March 30, 2000, the flagship company of the NJ Group. Mr. Jigneshkumar Desai has over 26 years of strategic management experience in the areas of Securities Market, Financial Products Distribution, Securities Advisory, Financial Planning and Portfolio Management. He has been responsible for creating the NJ Group businesses including Mutual Fund Distribution, Real Estate Advisory, Information Technology, Training and Education, Insurance Broking and Portfolio Management Services.

#### **4. Mr. Vineet Nayyar**

##### **(Director, Chief Executive Officer and Chief Financial Officer)**

Mr. Nayyar aged 46 by qualification is a Chartered Accountant, Cost Accountant and Commerce Graduate from Lucknow University. Mr. Vineet Nayyar is a seasoned Asset management professional with a rich experience of over 20 years and has varied experience of working with start-ups as well as global firms. His experience spans across operations, finance, business strategy and technology related areas. Mr. Nayyar is associated with NJ Asset Management from August

2020. Prior to NJAMPL Mr. Nayyar was associated with BNP Paribas Asset Management Pvt. Ltd., Fidelity Fund Management Pvt.Ltd. and HDFC Asset Management Pvt. Ltd.

**5. Mr. Nirmay Niraj Choksi**

**(Director and Head of Investments)**

Mr. Choksi aged 25, by qualification is BSc. in Accounting & Finance (Honours) from The University of Warwick. Mr. Choksi has also cleared all the 3 levels of the Chartered Financial Analyst (CFA) Programme offered by the CFA Institute, USA. Prior to joining AMC, Mr. Choksi had a short stint as a Financial Data Analyst for ETFGI, a UK based leading ETFs/ETPs data provider. Mr. Choksi has started as a Research Analyst with the AMC. He has been instrumental in developing the SMART Beta platform (in-house proprietary model) of the Company, which is used for creation of portfolios for both Mutual Fund and Portfolio Management Service segments. Currently, he is also heading the Business Intelligence Unit (BIU), which is responsible for overall business development, generating MIS and targets for the entire sales team of the AMC.

**6. Gen. Bikram Singh (retd.)**

**(Independent Director)**

Gen. Bikram Singh (retd) aged 73 years by qualification is MSC (Defence Studies), Madras University, 1986, M Phil (Defence & Management Studies), Devi Ahilya Vishwavidhyalaya, 1997 and Masters in Strategic Studies, US Army War College, 2004. Gen. Bikram Singh is Retired General of the Indian Army. Currently he is serving as an Independent Director on the Board of Apollo Tyres Ltd. As Chief of the Army he oversaw the financial planning and judicious utilisation of annual budgetary allocations to the Indian Army. He also writes columns in various newspapers on subjects of Strategic management, Leadership etc.

**7. Mr. Imtiyazahmed Bashirahmed Peerzada**

**(Independent Director)**

Mr. Imtiyazahmed Bashirahmed Peerzada aged 74 years, by qualification has completed Bachelor of Science (Hons.), Gujarat University, Ahmedabad, Bachelor of Laws (LL.B), Gujarat University, Ahmedabad and Certificate course on Planning and Management of Rural Development (PAMORD), University of Birmingham, UK. He is a former officer of Indian Administrative Services (IAS) having experience of over 30 years of successfully handling administrative, financial and development activities of various government departments.

**8. Mr. Sanjay Naik**

**(Independent Director)**

Mr. Sanjay Dattatraya Naik by qualification is C.A.I.I.B and MBA (Banking & finance). Mr. Naik has more than 34 years of experience in Banking services. Mr. Naik started his career with State Bank of India in 1987 and retired as Deputy Managing Director and GE (International Banking). Currently, he is Independent Director on the Board of Foods & Inns Ltd and Director on Board of Management with Saraswat Coop Bank Ltd.

**3 (iii) Top ten Group companies/ firms of the Portfolio Manager on turnover basis: (as per the audited financial statements as on March 31, 2025)**

<b>Sr No.</b>	<b>Name of the Group Companies/Firms</b>
1.	NJ India Invest Private Limited (Parent Company)
2.	NJ Insurance Brokers Private Limited
3.	Finlogic Technologies India Private Limited
4.	NJ Capital Private Limited
5	NJ Realty Services Private Limited
6.	Valuable Eventures LLP
7.	Refresh Wellness Private Limited
8.	NJ Charitable Foundation
9.	NJ India Realty Opportunities LLP
10.	NJ Global Invest Limited

### **3 (iv) Details of the services being offered:**

- **DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES**

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

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

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

- **NON DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES**

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

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

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

- **INVESTMENT ADVISORY SERVICES**

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

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

- i. All cases of penalties imposed by the Board or the directions issued by the Board under the Act or rules or regulations made thereunder:-

Penalty of Rs. 1,00,000 was levied on NJ Asset Management Private Limited regarding some errors that breached Regulation 23 (2) of SEBI (Portfolio Managers) Regulations, 2020.

- ii. The nature of the penalty/direction:-

Monetary

- iii. Penalties/fines imposed for any economic offence and/ or for violation of any securities law:-

There has been no instance of penalties imposed for any economic offences and/ or violation of any securities law on the Portfolio Manager.

- iv. Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any:-

There are no pending material litigation/legal proceedings against the Portfolio Manager / key personnel.

- v. Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency:-

There is no deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency.

- vi. Any enquiry/ adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or rules or regulations made thereunder:-

There has been no instance of any enquiry/ adjudication proceedings initiated by the Board against the Portfolio Manager or its directors, principal officer or employee or any person directly or indirectly connected with the Portfolio Manager or its directors, principal officer or employee, under the Act or Rules or Regulations made there under.



## 5. SERVICES OFFERED BY THE PORTFOLIO MANAGER:

### 5.1. DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES:

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

#### I. BLUECHIP PORTFOLIO :

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

**Strategy:** Equity

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

Portfolio Manager seeks to invest securities as detailed below:

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

**Basis of selection of securities:**

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

**Allocation of the Portfolio:**

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

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

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

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

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

**Indicative tenure or investment horizon:** Long term

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

**Clients are not being offered any guaranteed or assured returns.**

## II. MULTICAP PORTFOLIO:

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

**Strategy:** Equity

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

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

**Basis of selection of securities:**

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

**Allocation of the Portfolio:**

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

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

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

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

**Appropriateness of the Benchmark:**

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

**Indicative tenure or investment horizon:** Long term

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

**Clients are not being offered any guaranteed or assured returns.**

### **III. FREEDOM ETF PORTFOLIO :**

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

**Strategy:** Equity

**Description of types of securities:**

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

**Basis of selection of Securities:**

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

**Allocation of the Portfolio:**

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

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

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

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

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

**Indicative tenure or investment horizon:** Long term

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

**Clients are not being offered any guaranteed or assured returns.**

**IV. FREEDOM PORTFOLIO :**

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

**Strategy:** Equity

**Description of types of securities:**

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

**Basis of selection of securities:**

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

**Allocation of the Portfolio:**

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

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

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

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

**Appropriateness of the Benchmark:**

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

**Indicative tenure or investment horizon:** Long term

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

**Clients are not being offered any guaranteed or assured returns.**

**V. DYNAMIC STOCK ALLOCATION PORTFOLIO – AGGRESSIVE- :**

This Investment Approach shall be discontinued for fresh inflow with effect from August 1, 2023.

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

**Strategy:** Hybrid

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

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

**Basis of selection of securities:**

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

**Allocation of the Portfolio:**

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

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

**Risk Associated:**

**i. Asset Allocation**

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

**ii. Equity Investments**

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

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

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

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

**Appropriateness of the Benchmark:** The performance would be benchmarked against NIFTY 50 Hybrid Composite Debt 50:50 Index. The composition of the benchmark is such that it is most suited for comparing performance of the Portfolio. The Portfolio Manager reserves the right to

change the benchmark in future if other benchmark is better suited to the investment objective of the Investment Approach.

**Indicative tenure or investment horizon:** Medium to long term

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

**Clients are not being offered any guaranteed or assured return.**

## VI. DYNAMIC ETF ALLOCATION PORTFOLIO - AGGRESSIVE :

This Investment Approach has been discontinued for fresh inflow with effect from August 1, 2023

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

**Strategy:** Hybrid

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

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

**Basis of selection of securities:**

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

**Allocation of the Portfolio:**

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

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

**Risk Associated:**

## i. Asset Allocation

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

## ii. Equity oriented exchanged traded funds

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

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

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

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

**Appropriateness of the Benchmark:**

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

**Indicative tenure or investment horizon:** Medium to long term

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

**Clients are not being offered any guaranteed or assured returns.**

**VII. DYNAMIC ASSET ALLOCATION PORTFOLIO – AGGRESSIVE- :**

This Investment Approach shall be discontinued forever for fresh inflow.

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

**Strategy:** Hybrid



**Description of types of securities:**

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

**Basis of selection of securities:**

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

**Allocation of the portfolio:**

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

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

**Risk Associated:****i. Asset Allocation:**

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

**ii. Equity Oriented and Hybrid mutual fund schemes:**

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

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

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

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

**Appropriateness of the Benchmark:**

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

**Indicative tenure or investment horizon:** Medium to long term

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

**Clients are not being offered any guaranteed or assured returns.**

## **VIII. LIQUID PORTFOLIO :**

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

**Strategy:** Debt

### **Description of types of securities:**

1. Liquid Funds
2. Money Market Funds

### **Basis of selection of securities:**

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

### **Allocation of the Portfolio:**

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

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

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

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

**Appropriateness of the Benchmark:**

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

**Indicative tenure or investment horizon:** Short Term

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

**Clients are not being offered any guaranteed or assured returns.**

**IX. BALANCED ADVANTAGE PORTFOLIO-**

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

**Strategy:** Hybrid

**Description of types of securities:**

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

**Basis of selection of securities:**

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

**Allocation of the portfolio:**

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

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

### **Risk Associated:**

#### **i. Asset Allocation:**

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

#### **ii. Hybrid mutual fund schemes:**

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

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

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

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

### **Appropriateness of the Benchmark:**

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

### **Indicative tenure or investment horizon:** Medium to long term

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

Clients are not being offered any guaranteed or assured returns.

## **5.2 NON DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES**

The following Investment Approaches are offered by the Portfolio Manager under Non-discretionary Portfolio Management services. The Portfolio Manager may provide intended allocation, however please be note that under Non-Discretionary Portfolio Management, the Portfolio Manager executes the transactions as per the instruction of the Client. Accordingly, the allocation of the Portfolio of the Client may not be in line as stated in the respective Investment Approached detailed below:

## I. NON-DISCRETIONARY EQUITY SCHEMES PORTFOLIO

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

**Strategy:** Equity

**Description of types of securities:** Equity Schemes.

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

**Allocation of the portfolio:**

Particulars	Allocation
Equity Schemes of mutual funds	0% to 100%
Cash	0% to 100%

**Risk Associated:**

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

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

**Appropriateness of the Benchmark:**

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

**Indicative tenure or investment horizon:** Long term

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

Clients are not being offered any guaranteed or assured returns.

## II. NON-DISCRETIONARY HYBRID SCHEMES PORTFOLIO

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

**Strategy:** Hybrid

**Description of types of securities:** Hybrid Schemes

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

**Allocation of the portfolio:**

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

**Risk Associated:**

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

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

**Appropriateness of the Benchmark:**

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

**Indicative tenure or investment horizon:** Medium to long term

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

Clients are not being offered any guaranteed or assured returns.

### III. NON-DISCRETIONARY LOW RISK SCHEMES PORTFOLIO

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

**Strategy:** Debt

**Description of types of securities:** Liquid Fund and Overnight Fund

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

**Allocation of the portfolio:**

Particulars	Allocation
Liquid Schemes and Overnight Schemes	0% to 100%
Cash and other schemes	0% to 100%

**Risk Associated:**

**Low Risk Schemes Portfolio Mutual Fund :**

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

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

**Appropriateness of the Benchmark:**

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

**Indicative tenure or investment horizon:** Short to Medium Term

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

Clients are not being offered any guaranteed or assured returns.

#### IV. NON-DISCRETIONARY CONSERVATIVE SCHEMES PORTFOLIO

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

**Strategy:** Hybrid

**Description of types of securities:** Hybrid Schemes

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

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

**Allocation of the portfolio:**

Particulars	Allocation
Hybrid Schemes	0% to 100%
Cash and other schemes	0% to 100%

**Risk Associated:**

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

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

**Appropriateness of the Benchmark:**

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

**Indicative tenure or investment horizon:** Medium to long term

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

Clients are not being offered any guaranteed or assured returns.



## V. NON-DISCRETIONARY ARBITRAGE PORTFOLIO

**Objective:** The main objective of the portfolio approach is to generate income by investing in arbitrage opportunities offered by mutual funds.

**Strategy:** Equity

**Description of types of securities:** Arbitrage Schemes.

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

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

**Risk Associated:**

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

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

**Appropriateness of the Benchmark:**

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

Indicative tenure or investment horizon: Short to Medium Term

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

Clients are not being offered any guaranteed or assured returns.

**5.3** The Portfolio Manager shall have the sole and absolute discretion to invest / divest the Client's Funds in permissible Securities, including the Securities issued by any of the group or associates companies of the Portfolio Manager. The Portfolio Manager may also invest in any financial instruments issued by any of the group companies of the Portfolio Manager and such investments therein shall be subject to the applicable laws/regulations/ guidelines. However at present the Portfolio Manager is not investing in any of the securities of its group or associates companies.

## 6. RISK FACTORS:

### A. GENERAL RISK 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. [OR] The Portfolio Manager has no previous experience/track record in the field of portfolio management services. However, the Principal Officer, directors and other key management personnel of the Portfolio Manager have rich individual experience.

(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.

## 7. NATURE OF COSTS AND EXPENSES FOR CLIENTS:

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

- i. **Investment Management and Advisory Fees:** Management Fees relate to the Services offered to clients. The fee may be fixed charge or a percentage of the quantum of funds managed or linked to returns on the Portfolio achieved or a combination of any of these, as agreed by the Client in the Portfolio Management Agreement. With regard to the Management Fees, the following terms are agreed to, by the Client:
  - A. **Management Fee (Exclusive of GST and other statutory taxes as may be applicable) except Direct On-Boarding:** For all Investment Approach under Discretionary Portfolio Management Services and Non-Discretionary Portfolio Management Services - Upto 2.50%.
  - B. **Management Fees (Exclusive of GST and other statutory taxes as may be applicable) for Direct On-Boarding of Clients :** For all Investment Approach under Discretionary Portfolio Management Services and Non-Discretionary Portfolio Management Services : Upto 2.00%.

Note: The management fees for Discretionary Portfolio shall be accrued daily on daily portfolio value and collected monthly. For Non Discretionary Portfolio, fees are accrued daily on portfolio value and collected quarterly.

In case of partial redemption / switch, the Portfolio Manager shall levy management fees and other applicable charges to the client up to the date on which the redemption proceeds or securities are transferred. Further, in the case of Closure including transmission, management fees shall be charged up to the date on which the request is received and approved by the Portfolio Manager, while other applicable charges shall continue to apply until the date the proceeds or securities are transferred.

- ii. **Performance Linked Fee:** Performance linked fees is not charged by the Portfolio Manager.
- iii. **Custodian/Depository Fees:** The charges relating to opening and operation of dematerialized accounts, custody and transfer charges for shares, bonds and units, dematerialization and other charges in connection with the operation and management of the depository accounts would be at actuals.
- iv. **Registrar and transfer agent fee:** Charges payable to registrars and transfer agents in connection with effecting transfer of securities and bonds including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges may be at actuals.



- v. **Brokerage and transaction costs:** The brokerage charges and other charges like service charge, stamp duty, transaction costs, turnover tax, exit fees on the purchase and sale of shares, stocks, bonds, debt, deposits, units and other financial instruments would be at actuals. Such fees shall be payable as and when it is charged by the relevant service provider.
- vi. **Exit Fees:** In the event the Client decides to withdraw any amount within one year of its infusion with Portfolio Manager, the Client will be liable to pay an Exit Fees upto 1% of the fair market value of the Portfolio held on behalf of the Client, on a First In First Out Basis for all Investment Approach offered by the Portfolio Manager except 'Liquid' Investment Approach. There will be no exit fees under 'Liquid' Investment Approach.
- vii. **Securities Lending and Borrowing charges:** The charges pertaining to the lender of securities, costs of borrowing including interest, and costs associated with transfers of securities connected with the lending and borrowing transfer operations. Such fees shall be payable at actuals when it is charged by the relevant service provider.
- viii. **Certification and professional charges:** Charges payable for outsourced professional services like accounting, taxation and legal services, notarizations etc. for certifications, attestations required by bankers or regulatory authorities would be at actuals. Such fees shall be payable as and when it is charged by the relevant service provider.
- ix. **Incidental Expenses:** Charges in connection with the courier expenses, stamp duty, Goods and Service Tax or such other taxes as may be levied by government, postal, telegraphic, opening and operation of bank accounts etc. Such fees shall be payable at actuals when it is charged by the relevant service provider / authority.
- x. **Bank Charges:** As may be applicable at actual.

Investors may note that, the range of fees/expenses that may be charged under various heads to Clients mentioned below are indicative only and will vary depending upon the exact nature of the services to be provided to investors. These fees /expenses are subject to such modifications as may be agreed by and between the Portfolio Manager and Clients at the time of execution of the Portfolio Management Agreement based on individual requirements of the Clients. Operating expenses excluding brokerage over and above the fees charged for portfolio management service shall not exceed 0.50% per annum of client's average daily assets under management (AUM).



Sr No.	Type of fees/expenses	Range of fees/expenses
1.	Custody & fund accounting Charges	At Actuals
2.	Registrar and transfer agent fee	At Actuals
3.	Brokerage	The current average brokerage rate is upto 0.12% (exclusive of GST) for 'buy' and 'sell' transaction. Such costs are either added (in case of 'buy') or reduced (in case of 'sale') from the trade value.
4.	Securities Borrowing & Lending Charges	At Actuals
5.	Audit Charges	Upto Rs.1200/- p.a. per account
6.	Other Charges (including STT, Stamp Duty, Exchange Transaction Charges)	At actuals
7.	Bank Charges	At actuals
8.	Depository charges	At Actuals

## **8. 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:

Securities	Position upto 22 July 2024 Period of Holding	Position on or after 23 July 2024 Period of Holding	Characterization
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
Unlisted shares of a company	More than twenty-four (24) months	More than twenty-four (24) months	Long-term capital asset
	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 principal 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 assesseees. 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.



## 9. 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 a cost 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.

## 10. INVESTORS SERVICES:

Investors who wish to provide feedback or send their Queries or Grievances may lodge the same between 10:00 a.m. to 07:00 p.m. on a Working Day through any of the following method:

1. Call – Investor Support Help Desk on 0261-4102888/ 0261-6663355.
2. Website – Investors can visit the website of the Portfolio Manager at <http://www.njpms.in> and lodge their complaint through the Contact us page; or
3. Visit – Any Office of the Portfolio Manager or Branch of the Distributor of the Portfolio Manager for registration of their grievances. Oral complaints, if any should be followed by submission of a written complaint; or
4. Email: Investors can send their grievance through email at [customercare@njpms.co.in](mailto:customercare@njpms.co.in).
5. Letter: Write to the Investor Relation Officer at  
Name: Mr. Hemal Gandhi, Investor Relation Officer  
Address: Block No.601, 3rd Floor, C Tower,  
Udhna Udyognagar Sangh Commercial Complex,  
Central Road No.10 Udhna Surat – 394210, Gujarat, India.  
Contact No.: 0261-4102888/ 0261-6663355  
Email: [customercare@njpms.co.in](mailto:customercare@njpms.co.in)

Investors shall ensure that they quote their PMS Account Code in every correspondence with the Portfolio Manager regarding their Queries or Grievances. Anonymous Queries will not be addressed in terms of this Grievance Redressal Mechanism.

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

**Ms. Punam Upadhyay**

**Chief Compliance Officer and Company Secretary**

**Address:** Unit No. 101A, 1<sup>st</sup> Floor, Hallmark Business Plaza,  
Bandra (East), Mumbai – 400051, Maharashtra.

Telephone No.: 0261-4102888/0261-6663355

Email – [punam.upadhyay@njgroup.in](mailto:punam.upadhyay@njgroup.in)

## **Grievances / Dispute handling mechanism**

### **Through Portfolio Manager:**

The Portfolio Manager shall attend to and address any client's query or concern as soon as possible to mutual satisfaction and provide the necessary resolution in a reasonable manner and time. The portfolio manager shall take adequate steps for redressal of grievances of the investors within Twenty One (21) calendar days of the date of the receipt of the complaint and keep SEBI informed about the number, nature and other particulars of the complaints received;

### **Through SCORES Portal:**

Clients may also register/lodge their grievances with Securities and Exchange Board of India (SEBI) on SCORES (SEBI Complaints Redressal System) Portal i.e. <https://scores.sebi.gov.in/>

### **Through Online Dispute Resolution ("ODR") mechanism:**

Disputes between Clients (including institutional/corporate clients) and Portfolio Managers can be resolved in accordance with the ODR mechanism or by harnessing online conciliation and/or online arbitration as specified in the Master Circular No. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195 dated 20 December, 2023 as updated from time to time.

### **Dispute Settlement Mechanism**

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

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

## **11. DETAILS OF DIVERSIFICATION POLICY OF THE PORTFOLIO MANAGER:**

The Portfolio Manager follows a rule-based approach to investments. In this approach, stocks are eliminated and selected based on rules devised by analysing past data. These rules are intended to result in a well diversified portfolio with caps for individual security weights in Investment Approaches that invest directly in stocks. With reference to the investment in mutual fund, the portfolio managers also follow a rule-based approach to investments.

Please note that the Portfolio Manager does not invest in securities of its related parties or associates as defined in Clause 2 of the Securities and Exchange Board of India Circular SEBI/HO/IMD/IMD-I/DOF1/P/CIR/2022/112 dated August 26, 2022.

## PART II - DYNAMIC SECTION

### 12. CLIENT REPRESENTATION

(i)

Category of Clients	No. of Client	Funds Managed (Rs. in Cr)	No. of Client	Funds Managed (Rs. in Cr)	No. of Client	Funds Managed (Rs. in Cr)	No. of Client	Funds Managed (Rs. in Cr)	Discretionary / Non-Discretionary (if available)
	31st October 2025		31st March 2025		31st March 2024		31st March 2023		
Associate/ Group Companies (Last 3 Years)	-	-	-	-	-	-	-	-	Discretionary
Others (Last 3 Years)	3,282	3,922.06	3,438	3,780.53	3,529	3,892.54	4,125	3,394.98	Discretionary
Associate/ Group Companies (Last 3 Years)	3	119.51	3	88.00	-	-	-	-	Non Discretionary
Others (Last 3 Years)	184	374.15	97	136.40	2	23.42	-	-	Non Discretionary
<b>Total</b>	<b>3,469</b>	<b>4,415.72</b>	<b>3,538</b>	<b>4,004.93</b>	<b>3,531</b>	<b>3,915.96</b>	<b>4,125</b>	<b>3,394.98</b>	

**(ii) Related Parties Disclosure:**

Complete disclosure of transactions with related parties for the financial year ended March 31, 2025 (Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below):-

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

**i. Holding Company:**

NJ India Invest Private Limited

**ii. Fellow Subsidiaries:**

Finlogic Technologies India Private Limited

NJ Trustee Private Limited

NJ Insurance Brokers Private Limited

NJ Capital Private Limited

**iii. Other related entities:**

NJ Realty Services Private Limited

Refresh Wellness Pvt. Ltd.

NJ Global Asset Management Limited

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

- Mr. Niraj Choksi

-Mr. Nirmay Choksi

- Mr. Vineet Nayyar

- Mr. Jigneshkumar Desai

- Mr. Misbah Baxamusa

-Mrs. Punam Upadhyay

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

- Urvi Choksi

- Nirali Choksi

- Minooben Choksi

-Nirmay Choksi

- Arundhati Desai

- Sumati Desai

- Raziya Y Baxamusa

- Yousuf Ismailji Baxamusa

**Details of transactions with related party in the ordinary course of business for the year ended:**

**Holding Company & Fellow Subsidiaries:**

**a) Transaction During the year:**

	<b>Year ended March 31, 2025(Rs.)</b>	<b>Year ended March 31, 2024(Rs.)</b>
<b>i) NJ India Invest Pvt. Ltd. (Holding Company)</b>		
Distributor Commission	66,34,16,330.49	53,84,07,327.98
Rent, rates and taxes / Infra Support and IT support	76,78,621.00	68,61,582.00
Software support and maintenance expenses	8,43,133.60	5,50,138.48
Staff Welfare & Office Maint.	324,784.38	-
Asset sale	-	64,380.88
<b>ii) Finlogic Technologies India Pvt Ltd.</b>		
Software support & maintenance charges	4,02,77,412.00	3,07,41,124.00
Rent, rates and taxes	4,38,960.00	3,54,000.00
Scheme related expenses	31,363.22	22,160.56
Miscellaneous expenses	30,243.40	-

<b>iii) NJ Realty Services Pvt Ltd</b>	<b>Year ended March 31, 2025(Rs.)</b>	<b>Year ended March 31, 2024(Rs.)</b>
Asset Purchase	137,767.36	15,90,033.52

<b>iv) NJ Capital Private Limited</b>	<b>Year ended March 31, 2025(Rs.)</b>	<b>Year ended March 31, 2024(Rs.)</b>
Asset Purchase	-	-
Asset Sale	-	-

<b>v) NJ Trustee Pvt Ltd</b>	<b>Year ended March 31, 2025(Rs.)</b>	<b>Year ended March 31, 2024(Rs.)</b>
Infrastructure support income	1,29,800	1,18,000



<b>vi) Refresh Wellness Pvt Ltd (Formerly known as NJ Wellness Private Limited )</b>	<b>Year ended March 31, 2025(Rs.)</b>	<b>Year ended March 31, 2024(Rs.)</b>
Purchase of goods	7,38,950.00	5,16,708.00

<b>vii) NJ Insurance Brokers Private Limited</b>	<b>Year ended March 31, 2025(Rs.)</b>	<b>Year ended March 31, 2024(Rs.)</b>
Asset Purchase	-	-

<b>viii) NJ Global Asset Management Limited</b>	<b>Year ended March 31, 2025(Rs.)</b>	<b>Year ended March 31, 2024(Rs.)</b>
Advisory fees	-	5,10,422.00

(\*Amount disclosed is inclusive of GST wherever applicable)

**b) Amount due to/from related parties**

	<b>Year ended March 31, 2025(Rs.)</b>	<b>Year ended March 31, 2024(Rs.)</b>
NJ India Invest Pvt. Ltd. (Trade Payables)	14,84,66,129.07	13,46,59,044.31
NJ India Invest Pvt. Ltd. (Trade Receivables)	-	-
NJ India Invest Pvt. Ltd. (Payable for ESOP)	25,37,233.00	75,01,279.95
NJ India Invest Pvt. Ltd. (Receivable for Leave and Gratuity liability acquired)	12,88,436	5,82,993.00
Finlogic Technologies India Pvt Ltd. (Advance for expenses)	9,047.1	9,385.1
Finlogic Technologies India Pvt Ltd. (Trade Payables)	64,58,400	31,09,395.84
Finlogic Technologies India Pvt Ltd. (E pay Now)	6,083	-
NJ Global Asset Management Limited (Trade Receivables)	-	3,67,250.00
NJ Trustee Private Limited (Other Receivables)	1,31,410.00	1,18,000.00
Refresh Wellness Private Limited (Trade Payables)	2495.00	4,434.00
NJ India Invest Pvt. Ltd. (Infrastructure support)	15,64,891.2	-
NJ India Invest Pvt Ltd	1,38,597.48	-
Finlogic Technologies India Pvt Ltd. (E sign Services)	731	-

**Key Management Personnel (KMP) of the entity or its parent and other related parties:****a) Transaction During the year**

		Year ended March 31, 2025(Rs.)	Year ended March 31, 2024(Rs.)
i)	<b>Misbah Baxamusa</b>		
	Portfolio management fees	6,69,370.88	8,26,464.00
ii)	<b>Raziya Y Baxamusa</b>		
	Portfolio management fees	1,85,839.01	1,82,844.00
iii)	<b>Jignesh Desai</b>		
	Portfolio management fees	8,53,886.40	-
iv)	<b>Nirmay Choksi</b>		
	Employee benefits expense	1,11,848.29	14,07,508.00
v)	<b>Niraj Choksi</b>		
	Portfolio management fees	9,14,992.86	-

\* Amount disclosed is inclusive of GST wherever applicable

**b) Balance as at year end**

		Year ended March 31, 2025(Rs.)	Year ended March 31, 2024(Rs.)
i)	Misbah Baxamusa (Trade Receivables)	44,696.82	65,490.51
ii)	Raziya Y Baxamusa(Trade Receivables)	13,187.25	17,157.29
iii)	Nirmay Choksi (Employee benefits payable)	44,292.55	83,240.00
iv)	Niraj Choksi (Trade Receivables)	3,03,852.69	-
v)	Jignesh Desai(Trade Receivables)	3,49,576.11	-

**Compensation to Key Managerial Personnel:**

Particulars	Year ended March 31, 2025(Rs.)	Year ended March 31, 2024(Rs.)
Short term employee benefits	1,90,80,930.00	3,51,41,641.00
Long Term Employee benefits	-	-
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments granted	-	5,63,56,780.00-

\*In the above mentioned amounts, Provision for gratuity created in company's books is not included as it is determined on the basis of actuarial valuation at a company level. Gratuity actually paid during the year to KMPs (if any) is included under Long Term employee benefit. Value of Share options granted to KMPs is included in Share based payments on actual vesting of share options.

**Amount due to/from Key Managerial Personnel as on:**

Particulars	Year ended March 31, 2025 (Rs.)	Year ended March 31, 2024 (Rs.)
Payable for Salary, Wages and Bonus	79,59,709.00	95,92,981.00

**Payment to related party borne by the Investors:**

	Year ended March 31, 2025 (Rs.)	Year ended March 31, 2024 (Rs.)
<b>NJ India Invest Pvt. Ltd. (Holding Company)</b>		
Brokerage on investment transactions	25,63,620	5,116,026
Depository charges	-	-

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

**Terms and conditions of transactions with related parties**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

### 13. FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER:

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

#### Summarized Financial Statements – Balance Sheet

Particulars	As at March 31, 2025 (Rs.)	As at March 31, 2024 (Rs.)	As at March 31, 2023 (Rs.)
<b>A. EQUITY AND LIABILITIES:</b>			
(a) Equity	1,08,21,93,565	1,03,89,32,172	89,26,79,089
(b) Non-Financial Liabilities	36,304,245	5,08,41,170.00	4,53,46,401
(c) Financial liabilities	30,20,38,042	2,009,45,290.00	16,31,02,766
<b>TOTAL (a + b + c)</b>	<b>1,42,05,35,852</b>	<b>1,29,07,18,632</b>	<b>1,10,11,28,256</b>
<b>B. ASSETS</b>			
(a) Non-financial assets	14,47,84,141.5	5,49,86,687	6,18,50,871
(b) Financial assets	1,27,57,51,710	1,23,57,31,945	1,03,92,77,385
<b>TOTAL (a + b)</b>	<b>1,42,05,35,852</b>	<b>1,29,07,18,632</b>	<b>1,10,11,28,256</b>

#### Summarized Financial Statements – Profit & Loss A/c.

Profit & Loss Account	As at March 31, 2025 (Rs.)	As at March 31, 2024 (Rs.)	As at March 31, 2023 (Rs.)
A. Total Revenue	95,38,66,245	91,42,83,145	83,88,19,955
B. Total Expenses	89,99,44,142	74,25,32,809	64,99,39,287
<b>C. PROFIT/ (LOSS) BEFORE TAX (A-B)</b>	<b>5,39,22,103</b>	<b>17,17,50,336</b>	<b>18,88,80,668</b>
D. Provision for Tax (including adjustments)	1,30,49,817	2,93,32,852	4,35,23,693
<b>E. PROFIT / (LOSS) AFTER TAX (C-D)</b>	<b>4,08,72,286</b>	<b>14,24,17,484</b>	<b>14,53,56,975</b>
F. Other Comprehensive Income / (loss)	23,89,102	(28,05,668)	6,24,552.00
<b>G. Total Comprehensive Income / (loss) (E+F)</b>	<b>4,32,61,388</b>	<b>13,96,11,816</b>	<b>14,59,81,527</b>

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

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

Sr No	Investment Approach	Current Year (1 <sup>st</sup> April 2025-31st Oct2025)	Year 1 (1st April 2024- 31st March 2025)	Year 2 (1st April 2023- 31st March 2024)	Year 3 (1st April 2022- 31st March 2023)
1.	Dynamic Asset Allocation Portfolio - Aggressive (Separate)	8.83	6.53	23.79	1.48
	Benchmark: Nifty 50 Hybrid Composite Debt 50:50 Index.	6.77	7.85	18.87	2.39
2.	Freedom Portfolio (Separate)	11.80	9.30	40.00	-0.48
	Benchmark: Nifty 50 TRI	10.40	6.65	30.08	0.59
3.	Dynamic Stock Allocation Portfolio - Aggressive (Pool)	7.97	5.80	18.86	-7.89
	Benchmark: Nifty 50 Hybrid Composite Debt 50:50 Index	6.77	7.85	18.87	2.39
4.	Multicap Portfolio (Pool)	15.38	-1.60	66.08	-10.15
	Benchmark: Nifty 50 TRI	10.40	6.65	30.08	0.59
5.	Bluechip Portfolio (Pool)	10.62	6.07	29.06	-15.36
	Benchmark: Nifty 50 TRI	10.40	6.65	30.08	0.59
6.	Freedom ETF Portfolio (Pool)	11.80	4.55	39.30	-6.76
	Benchmark: Nifty 50 TRI	10.40	6.65	30.08	0.59
7.	Dynamic ETF Allocation Portfolio - Aggressive (Pool)	9.16	6.09	24.58	-0.67
	Benchmark: Nifty 50 Hybrid Composite	6.77	7.85	18.87	2.39

	<b>Debt 50:50 Index</b>				
8.	<b>Liquid Portfolio (Separate)</b>	3.56	7.12	6.99	5.54
	<b>Benchmark: Nifty Medium to Long Duration Debt Index</b>	3.02	8.78	8.24	3.45
9	<b>Balanced Advantage Portfolio</b>	7.30	5.35	26.47	1.94
	<b>Benchmark : Nifty 50 Hybrid Composite Debt 50:50 Index</b>	6.77	7.85	18.87	2.39
10	<b>Non-Discretionary Equity Schemes Portfolio\$</b>	12.19	3.58	NA	NA
	<b>Benchmark : Benchmark: Nifty 50 TRI</b>	10.40	6.65	NA	NA
11	<b>Non-Discretionary Hybrid Schemes Portfolio\$</b>	9.89	7.02	NA	NA
	<b>Benchmark : Nifty 50 Hybrid Composite Debt 50:50 Index</b>	6.77	7.85	NA	NA
12	<b>Non-Discretionary Low Risk Schemes Portfolio\$</b>	3.77	NA	NA	NA
	<b>Benchmark: Nifty Medium to Long Duration Debt Index</b>	3.02	NA	NA	NA
13	<b>Non-Discretionary Conservative Schemes Portfolio \$</b>	5.72	NA	NA	NA
	<b>Benchmark : Nifty 50 Hybrid Composite Debt 50:50 Index</b>	6.77	NA	NA	NA
14	<b>Non-Discretionary Arbitrage Schemes Portfolio \$</b>	NA	NA	NA	NA
	<b>Benchmark : Benchmark: Nifty 50 TRI</b>	NA	NA	NA	NA

**Notes:**

- Above performance related information is not verified by SEBI
- Past performance may or may not sustain in future.
- Past performance is not a guarantee of future return.
- Returns are calculated based on the Time Weighted Rate of Return (TWRR) Method.
- Performance is post Management Fees, GST and other charges.
- \$ 3 years' period is not completed for the Investment approach.

- \* The returns are shown as absolute returns.
- Please note that actual performance for a client portfolio may vary due to factors such as expenses charged, timing of additional flows and redemption, individual client mandate, specific portfolio construction characteristics or other structural parameters. These factors may have an impact on client portfolio performance and hence may vary significantly from the performance data depicted above.
- Neither the Portfolio Manager, nor its directors or employees shall in any way be liable for any variation noticed in the returns of individual client portfolios.

## 15. AUDIT OBSERVATIONS OF THE PRECEDING 3 YEARS:

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

Audit Period	Audit remarks/observations
April 01, 2022 – March 31, 2023	NIL
April 01, 2023- March 31, 2024	NIL
April 01, 2024- March 31, 2025	NIL



## 16. DETAILS OF INVESTMENTS IN THE SECURITIES OF RELATED PARTIES OF THE PORTFOLIO MANAGER:

As per Clause 3.4.2 of the SEBI Master Circular dated July 16, 2025, the Portfolio Manager must ensure adherence to the following investment limits when investing in securities of its associates or related parties:

Security	Limit for investment in single associate/related party (as percentage of client's AUM)	Limit for investment across multiple associates/related parties (as percentage of client's AUM)
Equity	15%	25%
Debt and hybrid securities	15%	25%
Equity + Debt + Hybrid securities	30%	

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

## **17. OTHER DISCLOSURES**

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

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

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

### **17.2 OPTION OF DIRECT ON-BOARDING OF CLIENTS:**

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

### **17.3 OPTION OF ON-BOARDING THROUGH DISTRIBUTOR**

The Client can also make investment through a distributor. Accordingly, the distributor commission shall be in the range of 50% to 90% of the management fees charged to the client. The said distributor commission shall be payable by the Portfolio Manager to the Distributor. Actual commission paid to the distributor shall be provided in the Client report on quarterly basis.

### **17.4 MINIMUM CORPUS:**

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

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

**For and on behalf of**  
**NJ Asset Management Private Limited**

**For and on behalf of**  
**NJ Asset Management Private Limited**

**Mr. Nirmay Choksi**  
**Director**

**DIN: 10652912**

**Vineet Nayyar**  
**Director, Chief Executive Officer and**  
**Principal Officer**  
**DIN: 10690316**

**Date: December 03, 2025**  
**Place: Mumbai**