

NIRMAL BANG SECURITIES PRIVATE LIMITED

I. Portfolio Management Services – Disclosure Document

(As per the requirement of Fifth Schedule of Regulation 22 (3) of Securities and Exchange Board of India (Portfolio Managers) Regulations 2020)

- I. The Document has been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended from time to time and filed with SEBI.
- II. The Disclosure Document has been filed with the Board along with the certificate in the specified format in terms of Regulation 22(3) of the SEBI (Portfolio Managers) Regulations, 2020.
- III. The purpose of the Document is to provide essential information about the portfolio management services in a manner to assist and enable the investors in making informed decision for engaging a portfolio manager.
- IV. The Document contains the necessary information about the Portfolio Manager required by an investor before investing, and the investor is advised to carefully read this entire document before making any investment decision and to retain it for future reference.
- V. This Disclosure Document is dated 08th September 2023. (Financial data considered up to 31.03.2023).
- VI. The following are the Details of the Portfolio Manager:

Name of the Portfolio Manager	Nirmal Bang Securities Private Limited
SEBI Registration Number	INP000002981
Head Office Address	301/302, B-2, 3 rd Floor, Marathon Innova, Opp. Peninsula Building, G. K. Marg, Lower Parel (West), Mumbai -400 013
Phone	+91 22 6273 8000 / 6273 8001
Fax	+91 22 6273 8010
Website	www.nirmalbang.com
Email ID	nbpms@nirmalbang.com

(vi) The name, phone number, e-mail address of the Principal Officer so designated by the Portfolio Manager is:

Name of the Principal Officer	Manish Ostwal
Phone	+91 98339 18501
Email	manish.ostwal@nirmalbang.com
Head Office Address	301/302, B-2, 3 rd Floor, Marathon Innova, Opp. Peninsula Building, G. K. Marg, Lower Parel (West), Mumbai -400 013

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I. DISCLAIMER

This document has been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended from time to time and filled 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 company does not undertake to notify the clients of any changes in the information stated herein, subsequent to the date of this document.

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

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

II. DEFINITIONS

Unless context or meaning thereof otherwise requires, the following expressions shall have the meaning assigned to them hereunder respectively or as attributed to them in concerned agreement:

“**Act**” means the SEBI, Act, 1992 (15 of 1992) as amended from time to time.

“**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 the Board from time to time.

“**Accredited Investor**” means any person who has been granted a certificate by the accreditation agency who:

1. in the case of an individual, HUF, family trust, or sole proprietorship has:
 - a. the annual income of at least two crore rupees; or
 - b. the net worth of at least seven crore fifty lakh rupees, out of which not less than three crores seventy-five lakh rupees are in the form of financial assets; or
 - c. the annual income of at least one crore rupees and minimum net worth of five crore rupees, out of which not less than two crores fifty lakh rupees are in the form of financial assets.
2. in case of a body corporate, has a net worth of at least fifty crore rupees;
3. in case of a trust other than family trust, has a net worth of at least fifty crore rupees;
4. in the 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 be deemed to be an accredited investor and may not be required to obtain a certificate of accreditation.

“**Activation Date**” is the date when the sum equivalent to the funds or the securities respectively are received in the Client’s bank or Demat Account or the utilization of those funds/securities for portfolio management by the Portfolio Manager whichever is later.

“**Advisory**” services include the services provided by the portfolio manager but are not limited to advising clients on purchase or sale of securities and/or review, evaluating, structure, monitor the portfolio of a client at an agreed fee so as to achieve Client’s objectives;

“Agreement” means the agreement between Portfolio Manager and its Clients in terms of Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020 issued by Securities and Exchange Board of India and shall include all recitals, schedules, exhibits and Annexure attached thereto, and any amendments made to this Agreement by the Parties in writing;

“APMI” means Association of Portfolio Managers in India, which has been constituted as a Trade Body for Portfolio Managers registered with the Securities & Exchange Board of India (SEBI).

“Application” means the application made by the Client to the Portfolio Manager to place the monies and/or securities mentioned therein with the Portfolio Manager for Portfolio Manager Service. Upon execution of the Agreement by the Portfolio Manager, the Application shall be deemed to form an integral part of the Agreement. Provided that in case of any conflict between the contents of the Application and the provisions of the Agreement, the provisions of the Agreement shall prevail.

“Assets” means (i) the Portfolio and/or (ii) the Funds and includes all accruals benefits, allotments, calls refunds, returns, privileges, entitlements, substitutions and/or replacement or any other beneficial interest including dividend, interest, rights, bonus as well as residual cash balances, if any, (represented both by quantity and in monetary value), in relation to or arising out of Assets.

“Agreement” means the agreement between the Client and the Portfolio Manager in terms of Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020 for providing portfolio management services to that Client and stating therein the terms and conditions on which the Portfolio Manager shall provide such services to that Client.

“Bank Account” means one or more bank accounts opened, maintained and operated by the Portfolio Manager in the name of clients or a pool account in the name of the Portfolio Manager in which the funds handed over by the client shall be held by the Portfolio Manager on behalf of the Client

“Board” means the Securities and Exchange Board of India.

“Body corporate” shall have the meaning assigned to it under clause (11) of section 2 of the Companies Act, 2013 (18 of 2013) as amended from time to time;

“Benchmark” means the Benchmark selected by the Portfolio Manager pursuant to the SEBI circular dated 16th December 2022, to indicate performance of the portfolio vis a vis markets, which enables investors to evaluate relative performance of portfolio managers.

“Change in control”, in relation to a portfolio manager being a body corporate: —

(i) If its shares are listed on any recognized stock exchange, shall be construed with reference to the definition of control in terms of Regulation 2(e) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;

(ii) In any other case, change in the controlling interest in the body corporate; Explanation. — For the purpose of sub-clause (ii), the expression “controlling interest” means,

(A) An interest, whether direct or indirect, to the extent of at least fifty one percent of voting rights in the body corporate;

(B) Right to appoint the majority of the directors or to control the management directly or indirectly;

“Chartered Accountant” means a Chartered Accountant as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949) and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act;

“Client” or “investor” means any person who registers with the Portfolio Manager for availing the services of portfolio management.

“Custodian” means a person who has been granted a certificate of registration to carry on the business of custodian of securities under the SEBI (Custodian of Securities) Regulations, 1996.

“Depository” Depository as defined in the Depositories Act, 1996 (22 of 1996)

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

“Direct on-boarding” means an option provided to clients to be on-boarded directly with the Portfolio Manager without the intermediation of persons engaged in distribution services.

“Disclosure Document” means this disclosure document for Portfolio Management Services as prescribed under the Regulation and amended time to time.

“Discretionary Portfolio Management Services” means Portfolio Management Services where the Portfolio Manager exercises or may, under a contract relating to Portfolio Management, exercise any degree of discretion as to the investments or management of the portfolio of securities or the Funds of the Client, as the case may be.

“Financial year” means the year starting from 1st April of a year and ending on 31st March the following year.

“Funds” means the moneys placed by the Client with the Portfolio Manager and any accretions thereto.

“Funds managed” means the market value of the Portfolio of the Client as on date.

“Fund Manager” (FM) means the individual/s appointed by the portfolio manager who manages, advise or directs, or undertakes on behalf of the client (whether as a Discretionary Portfolio Manager or otherwise) the management or administration of a portfolio of securities or the funds of the clients, as the case may be;

“Goods” means the goods notified by the Central Government under clause (bc) of section 2 of the Securities Contracts (Regulation) Act, 1956 and forming the underlying of any commodity derivative;

“High Water Mark” means the value of the highest Closing NAV (as at the end of each variable fees calculation period starting from the effective date) achieved by the Portfolio in any year during the subsistence of this Agreement (adjusted for any additional funds/withdrawals by the Client in that year) and net of (i) the Portfolio Management Fees, for that year;

“Initial Corpus” means the value of the Funds and the market value of readily realizable investments brought in by the Client at the time of registering him as a Client with the Portfolio Manager and accepted by the Portfolio Manager. The investments brought in by the Client as corpus shall be sold within a period of 30 days and the net realizable proceeds shall be taken to the portfolio and if not so sold, shall be switched to the Portfolio at the last available closing price on the day of switch.

“Investment Advice” means advice relating to investing in, purchasing, selling, or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral, or through any other means of communication for the benefit of the client and shall include financial planning;

“Investment Advisory Services” means the services, where the Portfolio Manager advises Clients on investments in general or gives specific advice required by the Clients and agreed upon in the Agreement.

“Investment Approach” shall mean a broad outlay of the type of securities and permissible instruments to be invested in by the portfolio manager for the customer, taking into account factors specific to clients and securities;

“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.

“Net Asset Value” (NAV) is the market value of assets in the portfolio consisting of securities and funds;

“Non-Discretionary Portfolio Management Services” means Portfolio Management services other than Discretionary Portfolio Management Services, Investment Advisory Services and Structured Products.

“NRI” means a non- resident Indian.

“Portfolio” means the total holdings of Securities and Goods belonging to a client .

“Portfolio Manager” means **NIRMAL BANG SECURITIES PRIVATE LIMITED**, a company incorporated under the Companies Act, 1956 and having 301/302, B-2, 3rd Floor, Marathon Innova, Opp. Peninsula Building, G. K. Marg, Lower Parel (West), Mumbai -400 013 having Registration No. 1NP000002981

“Portfolio Management Services” means the Discretionary Portfolio Management Services or Non-Discretionary Portfolio Management Services or Investment Advisory Services or Structured Products, as the context may require.

“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 a portfolio of securities or the funds of the client, as the case may be;
- ii. all other operations of the portfolio managers;

“Related party” in relation to a portfolio manager, means –

- (a) a director, partner or his relative;
- (b) key managerial personnel or his relative;
- (c) a firm, in which a director, partner, manager or his relative is a partner;
- (d) a private company in which a director, partner or manager or his relative is a member or director;
- (e) 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;
- (f) 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;
- (g) 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;

- (h) any body corporate which is—
 1. a holding, subsidiary or an associate company of the portfolio manager; or
 2. a subsidiary of a holding company to which the portfolio manager is also a subsidiary;
 3. an investing company or the venturer of the portfolio manager;

Explanation. —For the purpose of this clause, “investing company or the venturer of a 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.

- (i) a related party as defined under the applicable accounting standards;
- (j) 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

“Regulations” means the SEBI (Portfolio Managers) Regulations, 2020 as amended by Securities and Exchange Board of India (Portfolio Managers) Amendment Regulations, 2002 and as may be amended by SEBI from time to time.

“Structured Products” means the products that the Portfolio Manager may, from time to time launch that are structured towards meeting specific needs of a particular Client and that shall be managed in accordance with the specifications provided by the Portfolio Manager to the Client.

“Securities” includes : “Securities” as defined under the Securities Contract (Regulations) Act, 1956; shares, scrips, stocks, bonds, warrants, convertible and non- convertible debentures, fixed return investments, equity linked instruments, negotiable instruments, deposits, money market instruments, commercial paper, certificate of deposit, units issued by Unit Trust of India and / or by any mutual funds, units or any other instrument issued by any collective investment scheme to the investors in such schemes, mortgage backed or other asset backed securities, derivative, derivatives instrument, options, futures, foreign currency commitments, hedged, swaps or netting of any other securities issued by any company or other body corporate, any trust, any entity, the Central Government, the State Government or the local or statutory authority and all money rights or property that may at any time be offered or accrue (whether by right, bonus, redemption, preference, option or otherwise) and whether in physical and in dematerialized form in respect of any of the foregoing or evidencing or representing rights or interest therein; any other instrument or investments as may be permitted by applicable law from time to time;

“Securities lending” means the securities lending as per the Securities Lending Scheme, 1997 specified by the Board;

“Strategy” means an additional layer of broadly defined investment themes adopted by the Portfolio Managers in addition to Investment Approach pursuant to SEBI Circular dated 16th December 2022.

“Term” means the agreement shall commence from the date of execution of the Agreement and shall continue on the same terms and conditions set out in the agreement unless terminated. Hence, there is no fixed term for the agreement and the agreement shall be in force till its termination

Words and expressions used in this disclosure document and not expressly defined shall be interpreted according to their general meaning and usage. The definitions are not exhaustive. They have been included only for the purpose of clarity and shall in addition be interpreted according to their general meaning and usage and shall also carry meanings assigned to them in regulations governing Portfolio Management Services.

III. DESCRIPTION OF THE PORTFOLIO MANAGER

i. History, Present Business and Background of the portfolio Manager

Nirmal Bang Securities Pvt. Ltd. (hereinafter referred as ‘NBSPL’) has been incorporated in the year 1997. It has a portfolio manager license (registration number INP000002981) to offer investment management, portfolio management and advisory services to High-Net-Worth Individuals (HNIs), institutional clients, corporates and other permissible class of investors.

Founded by Late Shri Nirmal M. Bang together with his brothers Mr. Dilip M. Bang and Mr. Kishore M. Bang in the year 1986, NBSPL is currently headed by Mr. Dilip M. Bang and Mr. Kishore M. Bang, as Co-founders. Since inception, the company’s underlying focus has been on clients’ interest, a key differentiator in the financial services industry.

Directors of Portfolio Manager

Mr. Dilip M. Bang

Mr. Dilip M. Bang is the Managing Director of NBSPL and has over 30 years of experience in the industry. He is known for his ability to read market trends and has an in-depth knowledge of the Indian capital markets. He handles front-end operations of the business. His excellent networking and relationship management skills are the main factors responsible for the success of the company.

Mr. Kishore M. Bang

Mr. Kishore M. Bang is the Chairman cum Managing Director of NBSPL. He handles the operation and management aspects. He is responsible for charting the course of the company's business and overseeing all key functions of the firm. He is also instrumental in the retail and institutional expansion and overall development of the company. A visionary and an able administrator with strong business acumen, Mr. Kishore Bang's experience of over 30 years has helped the company to grow in leaps and bounds.

Mr. Rakesh Bhandari

Mr. Rakesh Bhandari is a Director at NBSPL. A qualified Chartered Accountant, he is responsible for the company's planning, strategy and communication function. With over 26 years of post-qualification experience in financial services, he has been instrumental in setting up of the depository services and distribution of third-party products. Mr. Bhandari has helmed transformative initiatives at the organization. Some of them include setting up of new verticals, introducing path-breaking ideas to encourage maximum number of clients to invest in the capital markets, mentoring and spearheading investor education camps across the country, among others.

Mr. Sunil Jain

Mr. Sunil Jain is a Director at NBSPL. He is a qualified Chartered Accountant and serves as Vice-President and Head – Equity Research (Retail) at the company. With over 30 years of experience in the financial markets, he looks after the equity research department of the company. He has addressed various conferences for channel partners and clients of the company on stocks and market directions.

Mr. Samir Kamdar

Mr. Samir Kamdar is a Whole-time Director at NBSPL and serves as the Vice-President - Operations (Compliance & Surveillance) at the company. His responsibilities include assessing, monitoring, and mitigating compliance risks within the organization as well as ensuring that the organization's activities align with legal and regulatory framework. He has around 30 years of experience in the securities market in various capacities, mainly compliance activities.

ii. Details of Key Managerial Personnel of Portfolio Manager

Mr. Manish Ostwal

Mr. Manish Ostwal is the Principal Officer and Fund Manager of the Portfolio Manager – NBSPL.

With over 17 years' experience in equity research and fund management in Indian equity market, Mr. Ostwal follows a meticulous process to identify long-term investment opportunities by closely tracking macro-economic trends, industry outlook, business and financial analysis, competitive positioning and proprietary valuation models. His analytical skills and expertise garnered over the years helps in identifying mega trends and thematic investment opportunities.

Mr. Ostwal advocates long-term wealth creation through a strong business model, competitive moats, efficient capital allocation by management and high-quality corporate governance standards. Mr. Ostwal is a

Chartered Accountant with an independent thinking orientation and a firm believer of long-term investment approach.

Mr. Samir Kamdar

Mr. Samir Kamdar is the Compliance Officer of the Portfolio Manager – NBSPL. His responsibilities include assessing, monitoring, and mitigating compliance risks for the portfolio management services being offered. He has around 30 years of experience in the securities market in various capacities, mainly compliance activities.

Mrs. Prachi Patil: Mrs. Prachi Patil is the Assistant Manager for Depository Participant- NBSPL. She has more than 15 years of experience in securities market in various capacities, mainly in back office operations including account opening and client handling.

iii. Top 10 Group Companies / Firms of Portfolio Managers:

Sr. No.	Name of the Entities	Nature of Interest of Applicant Company
1	Mindset Securities Private Limited	Group Company
2	Nirmal Bang Commodities Private Limited	Group Company
3	Bang Securities Private Limited	Group Company
4	Nirmal Bang Financial Services Private Limited	Group Company
5	Nirmal Bang Equities Private Limited	Subsidiary
6	Bang Equity Broking Private Limited	Group Company
7	Nirmal Bang Insurance Broking Private Limited	Subsidiary
8	Rockhard Tech Solutions Private Limited	Group Company
9	Nirmal Bang Niveshalaya Private Limited	Group Company
10	Shresth Securities Private Limited	Group Company

iv. Details of services being offered: Discretionary, Non-Discretionary and Advisory

The Portfolio Manager proposes to primarily carry-on discretionary portfolio management services and if an opportunity arises thereafter, then it also proposes to render non-discretionary portfolio management services and advisory services.

Nirmal Bang Securities shall provide portfolio management services and advisory services to following category of clients.

Indian Resident Individuals, Non-Resident Indians, Bodies Corporate, Partnership Firms, Trust, Societies, Association of Persons, Limited Liability Partnership and Such Other Persons as may be deemed by Portfolio Manager to be eligible to avail the services of the Portfolio Manager	Discretionary/Non-discretionary/ Advisory
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Key features of all the said services are provided as follows:

Discretionary Services

Under these services, the Portfolio Manager shall have the sole and absolute discretion with regard to the selection of the type of securities traded on behalf of the Client and held in the portfolio, based on the executed agreement. In the case of client(s) falling under the category of Large Value Accredited Investors, the portfolio manager may invest up to 100% of the assets under management in unlisted securities. The Portfolio Manager has the discretion as regards the choice and timing of the investment decisions, to make changes in the investment, and to invest some or all of the funds of the Client in such manner and in such industries/sectors/securities as the Portfolio manager discretion. The Securities invested/disinvested by the

Portfolio Manager for Clients may differ from Client to Client. The Portfolio Manager's decision (taken in good faith) in the deployment of the Clients' funds is absolute and final and cannot be called in question or be open for review at any time during the course of the Agreement or any time thereafter except on the ground of malafide intent, fraud, conflict of interest or gross negligence. This right of the Portfolio Manager will be exercised strictly in accordance with the relevant acts, rules, regulations, guidelines, and notifications in force from time to time.

Non-discretionary services

Under these services, the client decides their own investment with the portfolio manager. The objective is to advise Clients on investing in equity, debt, and other investments depending on the Clients' needs and risk-return profile and to provide administrative services for execution of the transaction as per the mandate from the client. Under this, the Client will decide his own investments. The Portfolio Manager, based on the Clients' mandate and consent, will deploy the Clients' funds available from time to time. All executions of transactions based on the Clients' mandate are final and at no point, Portfolio Manager's actions will be questioned during the currency of the Agreement or at any time thereafter. Each Client shall receive a portfolio statement relating to their portfolio.

However, for the client(s) other than those falling under the category of Large Value Accredited Investors, the portfolio manager may advise to invest only up to 25% of the assets under management in unlisted securities in addition to the securities for discretionary portfolio management services. In case of client(s) falling under the category of Large Value Accredited Investors, the portfolio manager may advise to invest up to 100% of the assets under management in unlisted securities.

Investment Advisory Services

The Portfolio Manager may also engage in advisory services as is envisaged under the Securities and Exchange Board of India Portfolio Managers) Regulations, 2020 as amended from time to time. The portfolio Manager's responsibility includes advising on i.e. portfolio strategy and investment and divestment of individual securities on the clients' portfolio, for an agreed fee structure, entirely at the client's risk. However, for Client(s) other than those falling under the category of Large Value Accredited Investors, the portfolio manager may advise to invest only up to 25% of the assets under management in unlisted securities in addition to the securities for discretionary portfolio management services. In case of client(s) falling under the category of Large Value Accredited Investors, the portfolio manager may advise to invest up to 100% of the assets under management in unlisted securities.

Direct On boarding:

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

IV. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTION OR INVESTIGATION 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. - No penalty has been imposed by SEBI in the last 3 financial years.
- (ii) The nature of the penalty/direction. - NA
- (iii) Penalties/fines imposed for any economic offence and/ or for violation of any securities laws. - NIL
- (iv) Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any. - Refer Annexure I
- (v) Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency. - No

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. - No

V. SERVICES OFFERED

Investment Objective

The general objective is to formulate the investment philosophy to achieve long-term capital appreciation by investing in assets, which generate reasonable returns and ensure liquidity. The actual portfolio management style may vary in line with each client profile with regard to his risk tolerance levels and specific preferences or concerns as well as the portfolio activities as selected by him.

A finely-tuned PMS Investment Approach requires a strong and meticulous investment process. At Nirmal Bang, we follow

1. Industry growth potential compared to the economy
2. Operating efficiency and having pricing power in the industry
3. Free cash flow generation track, optimal capital structure
4. Effectual capital investment cycle followed by the Management team
5. Balance sheet quality to handle financial and economic crisis without losing competitive strength in the industry
6. Innovation spend as a percentage of operating revenues and comparable to peers
7. Customer centricity ingrained into the DNA of the company's corporate culture
8. Promoters with a vision to solve problems in the economy by using digital technology in the most efficient way. The right capital structure and survival tests based on cash burning run rate and cash on balance sheet are key.
9. Adoption of Technological solutions for business automation and operating efficiency
10. Turnaround situations – look for capable management, change in business model, large equity infusion by investors and large addressable market opportunity for target company as turnaround investment option
11. Treating Environmental, Social, and Corporate Governance (ESG) with compassion, care and responsibility
12. Reasonable valuation for per unit of growth
13. Macro tracking to assess potential risks to industry and/ or business

Type of Securities:

The Portfolio Manager / Fund Manager shall invest in all such Securities as defined (please refer to definitions) and in all such Securities as may be permissible from to time, including equity, equity-related securities, derivatives, money market instruments, units of mutual funds, etc.

Options to Invest in Derivative: The introduction of derivative products in the Indian Market has paved the way for more efficient ways of managing and controlling risks and at the same time optimizing gains from a specific position. The portfolio manager shall wherever deemed appropriate and expedient, deploy client money in derivative products in the client portfolios, as permissible under the SEBI Regulations. However, such positions shall not be leveraged. Further, the use of derivatives requires an understanding not only of the underlying instrument but of the derivative itself.

Minimum Investment Amount

The portfolio manager shall not accept from the client, funds or Securities worth less than Rs.50 lacs or another sum (above Rs. 50 Lacs) as may be specified in the agreement with the portfolio manager. However, the said minimum investment amount shall not be applicable to Accredited Investors.

Investment Approach

Equity Multi-Cap plan / product

- a. **Strategy:** Equity
- b. **Investment objective:** Nirmal Bang's PMS offering is a pure equity portfolio that will be either fully invested or having a partial cash level at any given point in time, based on a unique investment criteria. An absolute return-generating approach for stock selection with defined risk-adjusted metrics will be followed.
- c. **Description of Type of securities:** Please refer to the above points for a detailed description of the type of securities.
- d. **Basis of selection of the above type of securities:** An underlying concentrated portfolio, the PMS Approach by Nirmal Bang aims to deliver in excess of market returns with well-defined risk-adjusted metrics. We believe the key aspects to deliver a strong portfolio that reduces risks while generating returns are
 - A long-term equity investment orientation
 - Stock weightage reflecting conviction of investment opportunity
 - Preservation of capital by avoiding big mistakes
 - Agile decision making for portfolio rotation
 - Constant portfolio risk monitoring

For constructing an optimum portfolio, we will consider the following factors

 - A bottom-up approach
 - Large market opportunity
 - Companies with higher earnings growth
 - Reasonable valuations with respect to growth potential
 - A minimum investment horizon of 3 years
 - Competitive moats
 - Capable management
 - High quality corporate governance standards
- e. **Portfolio allocation across types of securities:** The Portfolio Manager will be investing the capital contribution in Equity and/or related securities, other debt products, fixed income product (s) and/ or any other permissible securities/instruments/products in which the Portfolio Manager can invest as per Applicable Laws. The investment will be made in all and/or a combination of the categories mentioned herein. From time to time, the Portfolio Manager may hold an un-invested amount of the capital contribution in cash or deploy an amount in liquid fund schemes.
- f. **Appropriate Benchmark to compare performance and basis / justification for the choice of Benchmark:** The equity portfolio will be benchmarked with the BSE 500 index.
- g. **Indicative Investment Horizon (tenure):** Long term 5 years and above
- h. **The risk associated with the Investment Approach:** Please refer to Point 6 for the detailed risks associated with this investment approach.
- i. **Other salient features, if any:** NIL

POLICY FOR INVESTMENTS IN GROUP/ASSOCIATE COMPANIES

The portfolio manager does not propose to effect any investment out of client's fund in any of its associates or group entities. Further, the Portfolio Manager has not made any investments nor intends on behalf of Clients in any of its associates or related parties as of today.

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
na	na	na	na	na	na

VI. RISK FACTORS

While it is not possible to enumerate the extent of all possible risks, the following are risk envisaged and potential clients should consider the following risk factors carefully along with the risks described in the agreement for evaluating the Portfolio Manager and its business before making any investment decision relating to the Portfolio Management Services:

1. Investments in securities are subject to market risks and include price fluctuation risks. There are no assurances or guarantees that the objectives of the Investment will be achieved. The investments may not be suited for all categories of investors.
2. As with any investment in securities, the value of the Client's Portfolio can go up or down depending on the factors and forces affecting the capital market.
3. Investors are not being offered any guaranteed or assured returns, i.e. either of principal or appreciation on the Portfolio.
4. The investments made are subject to external risks such as war, natural calamities, and policy changes of local/international markets which affect the stock markets.
5. The value of the Portfolio may increase or decrease depending upon various market forces and factors affecting the capital markets, such as de-listing of securities, market closure, and a relatively small number of scrips accounting for large proportion of the trading volume. Consequently, the Portfolio Manager provides no assurance of any guaranteed returns on the Portfolio.
6. The investment decision made by the Portfolio Manager may not always be profitable.
7. Investments made by the Portfolio Manager are subject to risks arising from the investments' objective, strategy and asset allocation.
8. The Client's investment with the Portfolio Manager shall be subject to the terms and conditions mentioned in the Agreement.
9. Investors may note that the Portfolio Manager's investment decisions may not always be profitable, as the actual market movements may be at a variance with the anticipated trends.
10. Investments in equity and equity-related securities involve a high degree of risks and the Client should not place funds with the Portfolio Manager for investing unless they can afford to take the risk of losing their investment.
11. The Portfolio is also vulnerable to movements in the prices of securities invested in, which again could have a material bearing on the overall returns from the Portfolio.
12. While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume in the stock exchange. Debt and money market securities, while being fairly liquid, still lack a well-developed secondary market, which may restrict the selling ability of the Portfolio(s) and lead to the investment(s) incurring losses till the securities are finally sold.
13. The performance of the Client's portfolio may be adversely affected by the performance of individual companies, changes in the market place and industry specific and macro-economic factors.

14. Risks arising from non-diversification - diversified portfolios (allocated across companies and broad sectors) generally tend to be less volatile than those from non-diversified portfolios.
15. Any policy change/technology change/obsolescence of technology would affect the investments made in a particular industry.
16. Technology stocks and some of the investments in niche sectors run the risk of volatility, high valuation, obsolescence and low liquidity.
17. Each portfolio will be exposed to various risks depending on the investment objective, strategy and asset allocation. The investment objective, strategy and the asset allocation may differ from client to client. However, highly concentrated portfolios with lesser number of stocks will generally be more volatile than a portfolio with a larger number of stocks.
18. Debt investments and other fixed income securities may be subject to interest rate risk, liquidity risk, credit risk, and reinvestment risk. The liquidity of these investments may be affected by trading volumes, settlements periods and transfer procedures.
19. Macro-Economic Risks: Overall economic slowdown, unanticipated corporate performance environmental or political problems, changes to monetary or fiscal policies, changes in the government policies and regulations with regard to industry and exports may have direct or indirect impact on the investments, and consequently the growth of the portfolio.

VII. CLIENTS REPRESENTATION

The Portfolio Management Services performance for the previous three years ended on 31st March 2021, 31st March 2022 and 31st March 2023 and as on August 2023 are as follows:

Category of Clients	No. of clients	Funds Managed (Rs. Crores)	Discretionary / Non – Discretionary / Advisory
Associates/Group Companies:			
March 31 st 2021	NIL	NIL	NIL
March 31 st 2022	NIL	NIL	NIL
March 31 st 2023	NIL	NIL	NIL
Others (Only Active Clients)			
March 31 st 2021	NIL	NIL	NIL
March 31 st 2022	NIL	NIL	NIL
March 31 st 2023	NIL	NIL	NIL
Total			
01st April 2023 to 31st August 2023	NIL	NIL	NIL
Total			

Note – Kindly note that no clients have been onboarded since the month of June 2018 till August 2023.

Companies' disclosure in respect of transactions with related parties as per the accounting standards specified by the Institute of Chartered Accountants of India.

(All amount in Rs. Lakhs, unless otherwise stated)

<u>Sr No.</u>	<u>Particulars</u>	<u>Closing Balance as on March 31, 2023 Receivable/ (Payable)</u>	<u>Transaction 2022-2023</u>	<u>Closing Balance as on March 31, 2022 Receivable/ (Payable)</u>	<u>Transaction 2021-2022</u>
<u>I.</u>	<u>Subsidiary Company</u>	-	-	-	-
-	-	-	-	-	-
<u>(i)</u>	<u>Nirmal Bang Equities Private Limited</u>	-	-	-	-
-	<u>Loan Given</u>	-	<u>27,824.00</u>	-	<u>25,845.50</u>
-	<u>Loan Repaid</u>	-	<u>27,824.00</u>	-	<u>25,845.50</u>
-	<u>Interest Income</u>	-	<u>3.67</u>	<u>2.68</u>	<u>4.01</u>
-	-	-	-	-	-
<u>(ii)</u>	<u>Nirmal Bang Insurance Broking Private Limited</u>	-	-	-	-
-	<u>Current Account</u>	<u>0.10</u>	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>II.</u>	<u>Associate Companies</u>	-	-	-	-
-	-	-	-	-	-
-	<u>Mindset Securities Private Limited</u>	-	-	-	-
-	<u>Rent Expense</u>	-	<u>45.90</u>	-	<u>48.00</u>
-	<u>Brokerage Income</u>	-	<u>15.01</u>	-	<u>54.91</u>
-	<u>Preference Share Dividend</u>	-	<u>152.49</u>	-	<u>7.50</u>

Sr No.	Particulars	Closing Balance as on March 31, 2023 Receivable/ (Payable)	Transaction 2022-2023	Closing Balance as on March 31, 2022 Receivable/ (Payable)	Transaction 2021-2022
III.	<u>Other Related Party</u>				
(i)	Bang Equity Broking Private Limited				
	Brokerage Income	-	0.57	-	1.10
(ii)	Nirmal Bang Commodities Private Limited				
	Brokerage Income	-	2.39	-	3.15
	Current Account	-	-	0.05	-
(iii)	Bang Securities Private Limited				
	Rent Expense	-	90.00	-	90.00
	Brokerage Income	-	0.76	-	4.17
	Balance Receivable / (Payable)	-	-	100.38	
(iv)	Nirmal Bang Niveshalaya Private Limited				
	Current Account	0.20	-	-	-
(v)	Nirmal Bang Financial Services Private Limited				
	Loan Taken	-	90,950.00	-	1,03,883.00
	Loan repaid	-	90,950.00	-	1,03,883.00
	Interest expense	-	101.25	(2.27)	155.98
	Brokerage Income	-	9.58	-	14.35
	Current Account	0.04	-	-	-
IV.	<u>Key Management Personnel</u>				
(i)	Dilip Bang				
	Director Remuneration	(15.72)	300.00	-	300.00
	Brokerage Income	-	0.39	-	1.41
	Current Account	1.55	-	7.13	-

(ii)	Kishore Bang				
	Director Remuneration	(0.62)	300.00	-	300.00
	Brokerage Income	-	1.89	-	0.92
(iii)	Samir Kamdar				
	Director Remuneration	(2.43)	30.81	(0.26)	28.52
	Brokerage Income	-	0.00	-	0.05
	DP Charges	-	0.00	-	0.01
(iv)	Sunil Jain				
	Director Remuneration	(7.49)	49.06	(7.89)	51.73
	Brokerage Income	-	0.01	-	0.02
	DP Charges	-	-	-	0.00
(v)	Rakesh Bhandari				
	Director Remuneration	(3.67)	94.43	(1.14)	80.06

VIII. FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER

Year	Turnover / Gross Income (Rs. In Lakhs)	Profit / Loss before Provision of tax (Rs. In Lakhs)	Profit / Loss after tax (Rs. In Lakhs)
2020-21 (Audited) (from 01/04/2020 to 31/03/2021)	2,17,12,.7	40,60,.57	28,14,.09
2021-22 (Audited) (from 01/04/2021 to 31/03/2022)	3,29,35,.70	79,29,.23	59,39,.52
2022-23 (Audited) (from 01/04/2022 to 31/03/2023)	3,13,74,.94	5552.94	39,54,.93

IX. PERFORMANCE OF INVESTMENT APPROACH OF THE PORTFOLIO MANAGER

Investment Approach wise performance of the Portfolio Manager against the respective benchmark for the last 3 year, 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.

Since there are no Client dealing since June 2018. Hence the Performance of the Portfolio Manager of last 3 years in not applicable till the date of signing and filing of the Disclosure Documents

X. AUDIT OBSERVATIONS

There have been no material negative observations pointed out by the internal auditors for any of the preceding 3 years from the date of this disclosure document for NBSPL.

XI. NATURE OF COSTS AND EXPENSES FOR CLIENTS

The following are indicative types of costs and expenses for clients availing the Portfolio Management services. The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Agreement and the agreements of each of the services availed at the time of execution of such agreements.

(i) Management Fees / Advisory fees

Subject to regulatory limits, the management fees relate to the portfolio management services offered to the clients. The fee may be fixed or up to 0%-3% plus applicable taxes per annum of the quantum of the funds being managed as agreed in the agreement.

Subject to regulatory limits, the portfolio manager may charge performance fees up to 20% plus applicable taxes on the share of profits generated for portfolio management / advisory services, subject to a hurdle rate of 10% per annum with high-watermark principle as per the details provided in the agreement.

High Water Mark Principle: High Water Mark shall be the highest value that the portfolio/account has reached. The value of the portfolio for computation of high watermark shall be taken to be the value on the date when performance fees are charged. For the purpose of charging a performance fee, the frequency shall not be less than quarterly.

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

(ii) Termination fees/Exit Load

Subject to regulatory limits, the portfolio manager may charge the following early withdrawals fees as percentage of the value of the portfolio / withdrawn portfolio as per the terms and conditions of a particular product as agreed in the Agreement.

- For exit within Year 1 from the date of each investment allocation – up to 1% plus applicable taxes
- For exit within Year 2 from the date of each investment allocation – NIL
- For exit within Year 3 from the date of each investment allocation – NIL

Provided that, the Portfolio Manager may at its discretion waive all or part of the exit fees on a case-to-case basis.

(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 will be charged as per the actual paid to the custodian.

(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 at actuals as per Agreement between Client and Portfolio Manager.

(v) Brokerage and Transaction Costs

The brokerage charges and other charges like service charge, stamp duty, transaction costs, turnover tax, exit and entry loads on the purchase and sale of shares, stocks, bonds, debt, deposits, units and other financial instruments at actuals as per Agreement between Client and Portfolio Manager.

(vi) Certification and Professional Charges

Charges payable for outsourced professional services like accounting, taxation, legal services, notarizations etc., will be charged at actual and for certifications and attestations required by bankers or regulatory authorities.

(vii) Incidental Expenses

Charges in connection with courier expenses, stamp duty, service tax, postal, telegraphic, opening and operation of bank accounts, etc. Any other incidental or out of pocket expenses incurred on behalf of client under the Agreement shall be charged on actual. The Fees and other Charges are subject to revision from time to time with the consent of the Client.

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

XII. TAXATION IMPLICATIONS FOR CLIENTS

- a) All or any Taxes payable on any transaction entered into or undertaken by the Portfolio Manager on behalf of client or with respect to any securities, whether by way of deduction, withholding, payment or otherwise, shall be fully born by client. Payment of the Taxes shall be the personal responsibility and liability of the client. The Portfolio Manager is not required, to discharge any obligation on behalf of any investor to pay any Taxes payable by such investor. If, however, the Portfolio Manager pays any Tax to any tax authority on behalf of an investor shall be reimburse the Portfolio Manager for the same. The Portfolio Manager shall have an unconditional and irrevocable authority to deduct or appropriate the same from any amount or securities held by the Portfolio Manager on behalf of the investor.
- b) Subject to applicable taxation laws, in force from time to time, the Portfolio Manager may at its own accord deduct the required amount of Tax at source while effecting disbursement / payments of amounts interim or otherwise to an investor.
- c) Prospective Clients are advised to consult their tax practitioners with respect to tax consequences that may be faced by them on account of their participation in strategy of the Portfolio Manager. The Portfolio Manager shall not be responsible for assisting or completing the fulfilment of the obligation of an investor. Whenever required by the relevant Act, rules and regulations, tax will be deducted at source by the Portfolio Manager. The obligation of paying Advance Tax Instalment shall lie on the investor.
- d) If the portfolio manager deals in shares, securities etc. on average basis for its PMS clients, the securities Transaction Tax by broker in its contract shall be apportioned among its concerned PMS clients based on

transaction value or any other appropriate basis, and will be informed the concerned PMS clients along with transaction details / other details. Based on the documents and as per advice of PMS client's tax advisor, the client shall claim applicable tax benefits under Income Tax Act, 1961. In case, the client does not get tax benefit under Income Tax Act, 1961, the tax liability will be entirely borne by the client only. Clients have to deduct tax on fees charged to them and on submission of confirmation of payment to government they will be given a reimbursement of the same.

Tax deduction at Source

If any tax is required to be withheld on account of any legislation, the Portfolio Manager shall be obliged to act in accordance with the regulatory requirements in this regard.

Advance tax instalment obligations

It shall be the client's responsibility to meet the advance tax obligation installments payable on the due dates under the Income Tax Act.

Tax on Capital Gains

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

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

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

"Unlisted Securities" means securities other than listed securities.

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

If the capital asset, which is transferred, is an equity share or units of equity-oriented mutual funds and the transaction is subject to Securities Transaction Tax, the Long-Term Capital Gain in excess of Rs. 1 Lakh is chargeable to tax @ 10%.

In other cases, the tax will be calculated as follows:

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

Tax on Income from a business in securities

For those carrying on business in securities, the profit from such dealings is taxable, though such dealing may be liable to STT. STT is deductible while computing business income, for the transactions for which STT is paid.

Tax on derivative products.

Each client is advised to consult his / her / its tax advisor with respect to the tax consequences to him / her / it in respect of a transaction in derivative products. For clients carrying on the business, the transaction in Equity Derivatives will not be considered as a speculative transaction as per Sec. 43(5).

Tax on Dividend.

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

XIII. ACCOUNTING POLICIES AND BASIS OF VALUATION ACCOUNTING

The Portfolio Manager shall follow the following accounting policies in respect of the portfolio investment of the Clients:

- The Portfolio Manager shall keep and maintain proper books of accounts, records and documents for each Client so as to explain transactions for each Client and to disclose at any point of the Portfolio holding of each Client and in particular give a true and fair view of the performance of Portfolio for each Client. The books of accounts for the clients are maintained on historical cost basis.
- Transactions for purchase or sale of investments shall be recognized as of the trade date.
- The cost of investments acquired or purchased will include brokerage, stamp charges and any charge customarily included in the broker's bought note. In respect of privately placed debt instruments any front-end discount offered will be reduced from the cost of the investment.
- Dividend income is recognized post dividend declaration date. For the investments, which are not quoted on the stock exchange, dividend income will be recognized on the date of receipt of dividend from the company.
- 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.
- 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. 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.

- g. In respect of interest-bearing investments, income would be recognized on accrual basis.
- h. For derivatives/futures and options, unrealized gains and losses will be calculated by marking all the open positions to market.
- i. Unrealized gains/losses are the differences between the current market values/NAV and the historical cost of the securities.
- j. All income will be accounted for on an accrual or receipt basis, whichever is earlier.
- k. All expenses will be accounted for on a due or payment basis, whichever is earlier.
- l. The Portfolio Manager and the Client can adopt any specific norms or methodology for valuation of investment or for accounting the same, as may be mutually agreed between them on a case-by-case basis.
- m. Tax deducted at source (TDS) on interest on Fixed Deposits is considered as withdrawal of Portfolio and debited accordingly.
- n. Portfolio received from the Clients in the form of securities will be accounted for at the previous day's closing price on NSE. Where the Client withdraws Portfolio in the form of securities, the same will be accounted at the closing price on NSE on the date of withdrawal. In case any of the securities are not listed on NSE or they are not traded on NSE on a particular day, the closing price on Bombay Stock Exchange Ltd. (BSE) will be used for aforesaid accounting purposes.
- o. The Client may contact the Portfolio Manager for the purpose of clarifying or elaborating on any of the above policy issues.
- p. Dividend & fractional amount (on bonus & split shares) is directly credited to the client's personal account. The same amount will get updated in the PMS account as capital outflow on a periodical basis.

BASIS OF VALUATION

- a. Investments in listed equity and debt securities ("traded securities") shall be valued on the basis of closing market rates on the National Stock Exchange ("NSE") as on the relevant valuation date. If the security is not listed on the NSE, latest available quote within a period of thirty days prior to the valuation date on the Bombay Stock Exchange or any other major stock exchange where the security may be listed would be considered. In the event of this date being a holiday at the exchange, the rates as on the immediately preceding trading day shall be adopted. If no such quote is available, the security may be considered as non-traded.
- b. For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.
- c. Mutual fund units are valued at latest available net asset value (NAV) of the particular scheme on the valuation date.
- d. Debentures and Bonds will be valued at their Last Traded Price (LTP) as quoted on the National Stock Exchange/Bombay Stock Exchange provided the value traded is at least Rs. 1 crore. However in case of each of the Bonds, when on the last trading day of such month where LTP is not available, the Portfolio Manager will source the valuation of such bonds from CRISIL. Exception - When in the opinion of the Portfolio Manager, the debentures and bonds, apparently, do not reflect their fair/realisable value, the Portfolio Manager shall deviate from CRISIL-based valuation and such instruments shall be valued using principles of fair valuation. Necessary documentation justifying each such deviation and the computation of fair price shall be recorded by the Portfolio Manager.
- e. Unlisted, non-traded and all other securities where a value cannot be ascertained shall be valued as determined in good faith by the Portfolio Manager.
- f. The Portfolio Manager and the Client can adopt any specific norms or methodology for valuation of investments or for accounting the same, as may be mutually agreed between them on a case to case basis.
- g. The securities received towards corpus and added to the portfolio are valued and accounted at the previous day closing rate of NSE to the portfolio. The securities withdrawn as corpus are valued at previous day closing rate of NSE.

- h. Mutual fund units received towards corpus are valued and accounted at the latest available NAV on the date of addition to the portfolio. Mutual fund units withdrawn are valued and accounted at the latest available NAV on the date of withdrawal.
- i. Securities transaction tax levied on purchase/sale of securities and derivatives during the financial year is recognized as an expense in the books of accounts.
- j. Tax deducted at source on sale of shares/mutual funds, interest or any other income on which tax is liable to be deducted is adjusted against corpus on a yearly basis at the end of the financial year since such amounts are not available to the Portfolio Manager for investment purposes.

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

Audit of Accounts

- a. The Portfolio accounts of the Portfolio Manager shall be audited annually by an independent Chartered Accountant and a copy of the certificate issued by the Chartered Accountant shall be given to the client.
- b. The client may appoint a Chartered Accountant to audit the books and accounts of the Portfolio Manager relating to his transactions and the Portfolio Manager shall co-operate with such Chartered Accountant in course of the audit.

The client may contact the customer services official of the portfolio manager for the purpose of clarifying or elaborating on any of the above policy issues.

It is also clarified that the aforesaid is not applicable to clients who have availed only Advisory Portfolio Management Services.

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

XIV. Custody of Securities

Custody of all securities of the client shall be with the custodian / DP who shall be appointed by the Portfolio Manager. The custodian / DP shall act on the instruction of the Portfolio Manager. All such custodian /DP fees, charged by the custodian / DP shall be payable by the client.

The Portfolio Manager shall not be liable for any act of the custodian / DP, done with or without the instruction of the Portfolio Manager, which may cause or is likely to cause any loss or damage to the clients.

XV. INVESTOR SERVICES & SCORES

The Portfolio Manager shall on a best effort basis endeavour to provide reports to the Client.

Contact information: The investor queries and complaints can be addressed to:

Name: Mr. Samir Kamdar

Address: Nirmal Bang Securities Pvt. Ltd.

301/302, B-2, 3rd Floor, Marathon Innova,
Opp. Peninsula Building, G. K. Marg,
Lower Parel (West), Mumbai -400 013

E-mail: infopms@nirmalbang.com

Telephone number: 022-62739390-9391

The official mentioned above will ensure prompt investor services. The Portfolio Manager will ensure that this official is invested with the necessary authority, independence and the wherewithal to handle investor complaints.

Grievance Redressal and dispute settlement mechanism and SEBI SCORES:

The Portfolio Manager will endeavour to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable, amicable manner and time. If the client remains dissatisfied with the remedies offered, the client and the portfolio manager shall abide by the following mechanisms:

The agreement with the Client shall be governed by, construed, and enforced in accordance with the laws of India. Any action or suit involving the agreement with a client or the performance of the agreement by either party of their obligations will be conducted exclusively in courts located within the city of Mumbai in the State of Maharashtra in India. There will be occasions when investors have a complaint against an intermediary registered with SEBI. In the event of such a complaint, an investor should first approach the concerned intermediary against whom the investor has a complaint. However, if investors may not be satisfied with their response, then the investor may lodge their complaint online with SEBI in SCORES. The following is the link of the same: <https://scores.gov.in/scores/complaintRegister.html>.

SCORES facilitates investors to lodge their complaints online with **SEBI** and subsequently view its status.

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

Arbitration:

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

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

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
NIL					

XVII. DETAILS OF THE DIVERSIFICATION POLICY OF THE PORTFOLIO MANAGER

The Portfolio Manager follows a diversified approach for investing in its Investment Approach as mentioned in point above. Further, the Portfolio Manager has not made any investments on behalf of Clients in any of its associates or group companies/related parties.

XVIII. LIST OF APPROVED SHARE BROKERS INVOLVED FOR PORTFOLIO MANAGEMENT ACTIVITIES:

Sr. No.	Name	SEBI Registration No.
1	Wallfort Financial Services Limited	INZ000234739

XIX. OTHER DISCLOSURES BY PORTFOLIO MANAGER:

- The Company may undertake proprietary investment in its independent capacity.
- The Company has outsourced its fund accounting and custodial service.

XX. ANTI-MONEY LAUNDERING COMPLIANCES:

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

Further, SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD-SEC-5/P/CIR/2023/022 dated February 03, 2023 (which supersedes all the earlier circular) issued a "Master Circular for Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules frame there under" consolidating all the requirements/instructions/obligations of Securities Market Intermediaries.

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

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

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

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

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

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

XXI. GENERAL

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

Mr. Rakesh Bhandari

Mr. Samir Kamdar

Director

Director

Date: 08th September, 2023

Place: Mumbai

II. FORM C

Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020
[Regulation 22]

NIRMAL BANG SECURITIES PRIVATE LIMITED

301/302, B-2, 3rd Floor, Marathon Innova,

Opp. Peninsula Building, G. K. Marg,

Lower Parel (West), Mumbai - 400 013

Tele: +91 22 6273 8000 / 6273 8001

Email ID: nbpms@nirmalbang.com

We confirm that:

- i) the Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;
- ii) the disclosures made in the document are true, fair and adequate to enable the investors to make a well-informed decision regarding entrusting the management of the portfolio to us / investment through the Portfolio Manager.
- iii) the Disclosure Document has been duly certified by an independent chartered accountant. The details are as follows.

Name of the Firm: B Y & Associates

Partner: Kirit Jain

Membership No: 179354

Address: 8A-2, Chander Mukhi, 8th Floor, Opp. Nirmal Building, Nariman Point, Mumbai 400021

For Nirmal Bang Securities Private Ltd.



Mr. Manish Ostwal

Principal Officer

Registered Office Address

301/302, B-2, 3rd Floor,

Marathon Innova,

Opp. Peninsula Building,

G. K. Marg,

Lower Parel (West),

Mumbai -400 013

Annexure I

List of litigation cases against Nirmal Bang Sec. Pvt. Ltd.

S R. N O.	DATE OF FILING	NAME OF THE PARTY WHO HAS FILED THE CASE	PRESENT FORUM WHERE CASE IS PENDING	CASE NO.	PERIOD FOR WHICH IT RELATES	AMOUNT OF LITIGATION (RS.)
A	<u>CIVIL/ ARBITRATION LAW</u>					
1	10/04/2023	ARUNDHATI GHOSH	NATIONAL STOCK EXCHANGE OF INDIA LTD. KOLKATA	NSEKRO/0002127/22- 23/ISC/IGRP/ARB	2021-22 & 2022-23	274,000
2	27/04/2010	VINA GOPAL RATHI	HIGH COURT, MUMBAI	ARBP/634/2016	2008-09	12,586,439
3	25/05/2015	NAVEEN GOYAL	DISTRICT COURT, DELHI	ARBTN/7087/2017	2013-14	2,323,534
4	5/19/2014	PREM NARAIN AGARWAL	DISTRICT COURT, LUCKNOW	REGULAR SUIT/545/2014	2010-11, 2011- 12	270,000
5	11/2/2017	DIMPOL PAL	DISTRICT COURT, ALIPORE	MISC CASE/665/2017	2016-17	999,999
6	7/19/2017	SATISH TEJMAL BOTHRA	DISTRICT COURT, LATUR	R.C.A./99/2017	NOT KNOWN	-
7	6/8/2017	SUNIL KUMAR CHAKRABORTY	HIGH COURT, KOLKATA	WPA/15902/2017		1,800,000
8	1/9/2018	ERACH KHAVAR	HIGH COURT, MUMBAI	ARBP/228/2018	2015-16	9,321,500
9	8/8/2018	TAPAN GHOSH	DISTRICT COURT, ALIPORE	MISC CASE (ARBITRATION)/20/2 018	2013-14	370,213
10	7/24/2019	SUBRATA BISWAS	CITY CIVIL COURT, CALCUTTA	MISC CASE/1365/2019	2014-15, 2015- 16	600,000
11	7/23/2019	MANINDRA MOHAN MAZUMDAR	DISTRICT COURT, ALIPORE	MISC CASE (ARBITRATION)/ 49/2019	2013-14, 2014- 15, 2015- 16, 2016-17	1,909,074
12	12/2/2019	SONALI VINAYAK SHENDKAR	DIST. & SESSION COURT, PUNE	SPL.C.S./1854/2019	2014-15 TO 2018-19	4,887,240
13	04/12/2020	VINOD KUMAR	DELHI DISPUTE RESOLUTION SOCIETY (CDRF II)	NOT AVAILABLE	2020-21	-
14	2/1/2020	ROSHAN ASHOK SETHI	HIGH COURT OF MUMBAI	IA/889/2020	2018-19	14,000,000
15	17/09/2021	RAHUL DATTATRAY PATGAONKAR	DISTRICT & SESSIONS COURT, KOLHAPUR	CIVIL M.A./125/2021	2017-18 & 2018-19	850,000
16	17/09/2021	KRUPA RAHUL PATGAONKAR	DISTRICT & SESSIONS COURT, KOLHAPUR	CIVIL M.A./126/2021	2018-19	315,000

17	3/22/2022	AMAN NAGPAL	PATIALA HOUSE COURT, NEW DELHI	OMP(COMM)/50/2022	2020-21	-
18	4/4/2022	SHEPHALI SAXENA	DISTRICT COURT, GURUGRAM, HARYANA	ARB/56/2022	2020-21	270,132.65
19	12/6/2022	GORDHAN SHYAM GUPTA	HIGH COURT, MUMBAI	WP/5032/2022	2020-21	732,812.00
20	11/22/2022	P NATARAJAN HUF	HIGH COURT, MUMBAI	WP/4835/2022	2020-21	2,450,000.84
21	11/22/2022	SAURABH JAIN (CO-APPLICANT)	HIGH COURT, MUMBAI	WP/4800/2022	2020-21	-
22	1/15/2014	JAGADEESA GUNTAKAL CHARY	HIGH COURT OF MUMBAI	ARBP/410/2014	2010-11 & 2011-12	1,487,014.43
B	<u>CRIMINAL LAW</u>					
1	2/23/2011	RAKESH KUMAR SINGH	JUDICIAL MAGISTRATE COURT, JAMSHEDPUR	COMPLAINT CASE/2327/2010	2009-10	280,000
2	10/24/2011	SYED MOHAMMAD ENAMUDDIN	JUDICIAL MAGISTRATE COURT, JAMSHEDPUR	COMPLAINT CASE/2535/2011	2009-10	660,000
3	6/3/2015	RAJESH SHUKLA	JUDICIAL MAGISTRATE COURT, LUCKNOW	COMPLAINT CASE/2232/2015	2011-12, 2012-13	250,000
4	11/16/2017	DEBA PRASAD SINHA	ARAMBAGH POLICE STATION, HOOGHLY, WB	F.I.R. No. 1047/ 17	2015-16	3,930,000
5	12/27/2019	KUVAM PLAST PVT LTD	CITY CIVIL COURT, MUMBAI	CRI. APPEAL/100165/2020	2015-16	3,000,000
C	<u>LABOUR LAW</u>					
1	01/05/2013	K GANESH BABU	LABOUR OFFICER, VISHAKHAPATNAM	NOT AVAILABLE	2012-13	46,000
2	07/01/2013	RAMESH KUMAR	Deputy Labour Commissioner, Delhi (District - North West)	NOT AVAILABLE	2012-13	22,000
D	<u>OTHER STATUTORY LAWS</u>					
1	01/05/2013	LAXMAN PRASAD	DISTRICT CONSUMER FORUM, (CHAPRA, BIHAR)	CC/56/2013	2010-12	35,500
2	11/23/2017	ARCHANA SETT	STATE CONSUMER DISPUTES REDRESSAL COMMISSION, KOLKATA, WB	A/1232/2017	2011-12, 2012-13, 2013-14, 2014-15	613,899
3	11/23/2017	SHUKDEV SETT	STATE CONSUMER DISPUTES REDRESSAL COMMISSION, KOLKATA, WB	A/1233/2017	2011-12, 2012-13, 2013-14, 2014-15	673,604
4	1/17/2018	BASABENDU GUIN	STATE CONSUMER DISPUTES REDRESSAL COMMISSION, KOLKATA, WB	CC/935/2017	2016-17	2,430,977
5	9/13/2022	DHEERAJ AGRAWAL	NATIONAL CONSUMER DISPUTE REDRESSAL	RP/1182/2022	2012-13	1,224,352

			COMMISSION, DELHI			
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CERTIFICATE

We hereby certify that we have reviewed the Disclosure Document dated **08th September 2023**, prepared by **M/s. Nirmal Bang Securities Private Limited (SEBI Registered Portfolio Manager – INP000002981)** having registered office address as **301/302, B-2, 3rd Floor, Marathon Innova, Opp. Peninsula Building, G. K. Marg, Lower Parel (West), Mumbai - 400 013, Maharashtra, India** in accordance with Disclosure Document as stated in Schedule V of Regulation 22(3) of Securities and Exchange Board of India ("SEBI") (Portfolio Managers) Regulations, 2020, ('the Regulations').

Management Responsibility:

The Management of the Company is responsible for the preparation of the attached Disclosure Document in accordance with the Regulations.

Our Responsibility:

Our responsibility is to issue the certificate based on our review which is primarily limited to inquiries of the Company's personnel, tracing the financial information from the audited financial statements for the year ended March 31, 2021, March 31, 2022, and March 31, 2023, and previous disclosure document submitted to SEBI, other relevant records, the information, explanations, and representations furnished by the Management.

We have relied on the representation given by the Management about the penalties or litigations, group companies, performance calculation of the Portfolio Manager and audit observations (if any) against the Portfolio Manager mentioned in the Disclosure Document.

Opinion:

Further to our comments, we certify that the disclosures made in the Disclosure Document dated **08th September 2023** are true, fair, and adequate to enable the investors to make well-informed decisions.

Restrictions on Use:

This Certificate has been issued pursuant to Schedule V of Regulation 22 (3) of the Securities and Exchange Board of India ("SEBI") (Portfolio Managers) Regulations, 2020, ('the Regulations') and at the request of **M/s. Nirmal Bang Securities Private Limited** for the purpose of submitting the same to SEBI and the Portfolio Management Service Clients. The same should not be used or referred to for any other purpose without our prior written consent.

Place: Mumbai

Date: 08th September 2023

**For B Y & Associates
Chartered Accountants
Firm Reg. No. 123423W**

**KIRIT
RAMCHANDRA
JAIN**

Digitally signed by KIRIT
RAMCHANDRA JAIN
Date: 2023.09.08
13:22:14 +05'30'

**CA Kirit Jain
Partner
M. No: 179354
UDIN: 23179354BGXNFM8804**