

## **DISCLOSURE DOCUMENT**

## **PORTFOLIO MANAGEMENT SERVICE**

**OF**

## **NIRMAL BANG SECURITIES PRIVATE LIMITED**

**I. Portfolio Management Services – Disclosure Document**

(As per the requirement 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 dated 18<sup>th</sup> December, 2025 filed with SEBI (Audited financial data considered up to 31.03.2025).
- VI. The following are the Details of the Portfolio Manager:

Name of the Portfolio Manager	<b>Nirmal Bang Securities Private Limited</b>
SEBI Registration Number	INP000002981
Head Office Address	302, B-2, 3 <sup>rd</sup> 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	<a href="http://www.nirmalbang.com">www.nirmalbang.com</a>
Email ID	<a href="mailto:nbpms@nirmalbang.com">nbpms@nirmalbang.com</a>

(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	<a href="mailto:manish.ostwal@nirmalbang.com">manish.ostwal@nirmalbang.com</a>
Head Office Address	302, B-2, 3 <sup>rd</sup> Floor, Marathon Innova, Opp. Peninsula Building, G. K. Marg, Lower Parel (West), Mumbai -400 013

## INDEX

<u>Sr. No.</u>	<u>Contents</u>	<u>Page No.</u>
	Part – I Static section	
1	Disclaimer Clause	4
2	Definitions	5
3	Description about Portfolio Manager	9
4	Penalties, pending litigations or proceedings, findings of inspections or investigations for which actions may have been taken or initiated by any regulatory authority.	13
5	Services offered	14
6	Risk Factors	17
7	Nature of expenses	22
8	Taxation	24
9	Accounting Policies	31
10	Investor Services	34
11	Details of the diversification policy of the portfolio manager	36
	PART – II – Dynamic Section	
12	Anti-Money Laundering Compliances	37
13	General	39
14	Client Representation	40
15	Financial Performance	41
16	Performance of Portfolio Manager	42
17	Audit Observations	43
18	Details of investments in the securities of related parties of the portfolio manager	44
19	Other Disclosures by Portfolio Manager	45
20	Form C	46
21	Annexure I	47
22	Annexure II	51

## **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.

***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.***

**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 be deemed to be an accredited investor and may not be required to obtain a certificate of accreditation.

- (4) **“Advisory”** 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.
- (5) **“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.
- (6) **“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.

- (7) **“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).
- (8) **“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.
- (9) **“Assets Under Management”** or **“AUM”** means aggregate net asset value of the Portfolio managed by the Portfolio Manager on behalf of the Clients.
- (10) **“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.
- (11) **“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.
- (12) **“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.
- (13) **“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.
- (14) **“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.
- (15) **“Client(s)” / “Investor(s)”** means any person who enters into an Agreement with the Portfolio Manager for availing the services of portfolio management as provided by the Portfolio Manager.
- (16) **“Custodian(s)”** means an entity registered with the SEBI as a custodian under the Applicable Laws and appointed by the Portfolio Manager, from time to time, primarily for custody of Securities of the Client.
- (17) **“Depository”** means the depository as defined in the Depositories Act, 1996 (22 of 1996).
- (18) **“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.
- (19) **“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.

- (20) **“Disclosure Document” or “Document”** means the disclosure document for offering portfolio management services prepared in accordance with the Regulations.
- (21) **“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).
- (22) **“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.
- (23) **“Fair Market Value”** means the price that the Security would ordinarily fetch on sale in the open market on the particular date.
- (24) **“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.
- (25) **“Financial Year”** means the year starting from April 1 and ending on March 31 in the following year.
- (26) **“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.
- (27) **“Group Company”** shall mean an entity which is a holding, subsidiary, associate, subsidiary of a holding company to which it is also a subsidiary
- (28) **“HUF”** means the Hindu Undivided Family as defined in Section 2(31) of the IT Act.
- (29) **“Investment Approach”** is a broad outlay of the type of Securities and permissible instruments to be invested in by the Portfolio Manager for the Client, taking into account factors specific to Clients and Securities and includes any of the current Investment Approach or such Investment Approach that may be introduced at any time in future by the Portfolio Manager.
- (30) **“IT Act”** means the Income Tax Act, 1961, as amended and restated from time to time along with the rules prescribed thereunder.
- (31) **“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.
- (32) **“Non-resident Investors” or “NRI(s)”** shall mean non-resident Indian as defined in Section 2 (30) of the IT Act.

- (33) “**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.
- (34) “**NISM**” means the National Institute of Securities Markets, established by the Board.
- (35) “**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.
- (36) “**Portfolio**” means the total holdings of all investments, Securities and Funds belonging to the Client.
- (37) “**Portfolio Manager**” means “**Nirmal Bang Securities Private Limited**”, incorporated under the Companies Act, 1956, and registered with SEBI to act as a Portfolio Manager in terms of SEBI (Portfolio Managers) Regulations, 2020 vide **Registration No. INP000002981**.
- (38) “**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
- (39) “**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.
- (40) “**Related Party**” means –
- (i) a director, partner or his relative;
  - (ii) key managerial personnel or his relative;
  - (iii) a firm, in which a director, partner, manager or his relative is a partner;
  - (iv) a private company in which a director, partner or manager or his relative is a member or director;
  - (v) a public company in which a director, partner or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;
  - (vi) anybody 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) anybody 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

**PMS SEBI Registration No. : INP000002981**

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;

(41) **“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.

(42) **“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 16<sup>th</sup> December 2022.

**INTERPRETATION:**

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

### 3. Description

- (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.

- (ii) Promoters of the portfolio manager, directors and their background.

#### **Directors of Portfolio Manager**

##### **Mr. Dilip M. Bang**

Mr. Dilip M. Bang is the Managing Director of NBSPL and has over 32 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 32 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 28 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 32 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 32 years of experience in the securities market in various capacities, mainly compliance activities.

- (iii) Top 10 Group companies/firms of the portfolio manager on turnover. basis (latest audited financial statements may be used for this purpose)

<b>Sr. No.</b>	<b>Name of the Entities</b>	<b>Nature of Interest of Applicant Company</b>
1	Nirmal Bang Financial Services Private Limited	Group Company
2	Nirmal Bang Commodities Private Limited	Group Company
3	Nirmal Bang Equities Private Limited	Subsidiary
4	Mindset Securities Private Limited	Group Company
5	Nirmal Bang Wealth Private Limited (formerly known as Nirmal Bang Niveshalaya Private Limited)	Group Company
6	Nirmal Bang Insurance Broking Private Limited	Subsidiary
7	Bang Securities Private Limited	Group Company
8	Bang Equity Broking Private Limited	Group Company

- (iv) Details of the services being offered: Discretionary/ Non-discretionary / 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
--	---

**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 Onboarding:**

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

- 4. 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.
  - (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.
  - (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 -No.

## 5. Services Offered

**The present investment objectives and policies including the types of securities in which it generally invests are clearly and concisely stated in the document below for easy understanding of the potential investor :**

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 spends 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 deem 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 Approaches of the Portfolio Manager**

### **A. 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 500TRI 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**

**The policies for investments in associates/group companies of the portfolio manager and the maximum percentage of such investments therein subject to the applicable laws/regulations/guidelines.**

Investment Limits:

Security Type	Maximum Investment Limit (as % of Client's AUM)
Investment in a single associate/related entity (Equity)	15%
Investments across multiple associates/related entities	25%
Debt and hybrid securities in a single associate/related entity (Equity)	15%
Debt and hybrid securities across multiple associates/related entities	25%
Total investment in Equity + Debt + Hybrid securities	30%

*\*Hybrid securities include units of Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), convertible debt instruments, and similar products.*

These regulatory limits apply only to direct investments made by the Portfolio Manager in equity and debt/hybrid securities of its associates or related parties. Investments made in mutual funds are excluded from these restrictions. In case of a passive breach of these limits (i.e., unintended violations not caused by the Portfolio Manager's actions), rebalancing must occur within 90 days. However, the client may provide prior written consent to waive such rebalancing. Furthermore, the Portfolio Manager shall not invest in securities rated below investment grade.

The portfolio manager shall follow the regulatory framework for Accredited Investors and Large Value Accredited Investors is as per the board guidelines.

**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.**

## **6. 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:**

### **A. General Risks Factors**

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

**PMS SEBI Registration No. : INP000002981**

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 expenses

(i) Investment management and 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

**Note: All the Operating expenses excluding brokerage, over and above the fees charged for Portfolio Management Service, shall not exceed 0.50% per annum of the client's average daily Assets under Management (AUM). It shall include charges payable for outsourced professional services like accounting, auditing, taxation and legal services etc. for documentation, notarizations, certifications, attestations required by Bankers or regulatory authorities including legal fees and day-to-day operations charges etc. The portfolio manager 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.**

## 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

Securities	Position upto 22 July 2024 Period of Holding Twenty-four (24) months or less	Position on or after 23 July 2024 Period of Holding Twenty-four (24) months or less	Characterization 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) months 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 assessees. This tax rate is increased from 10% to 12.5%.

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

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

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

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

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

Long-term capital gains in respect of capital asset (all securities and units other than listed shares and units of equity oriented mutual funds and business trust) is chargeable to tax at the rate of 20% plus applicable surcharge and education cess, as applicable. The capital gains are computed after taking into account cost of acquisition as adjusted by cost inflation index notified by the Central Government and expenditure incurred wholly and exclusively in connection with such transfer. This tax rate is reduced from 20% to 12.5%; but no indexation benefit will be available with effect from 23 July 2024.

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

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

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

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

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

Under section 115E of the IT Act, any income from investment or income from long-term capital gains of an asset other than specified asset as defined in Section 115C (specified assets include shares of Indian company, debentures and deposits in an Indian company which is not a private company and Securities issued by Central Government or such other Securities as notified by Central Government) is chargeable at the rate of 20%. Income by way long-term capital gains of the specified asset is, however, chargeable at the rate of 10% plus

applicable surcharge and cess (without benefit of indexation and foreign currency fluctuation). This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024.

**D. Short term capital gains**

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

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

The Specified Mutual Funds or Market Linked Debentures acquired on or after 1 April 2023 will be treated as short term capital asset irrespective of period of holding as per Section 50AA of the IT Act. The unlisted bonds and unlisted debentures have been brought within the ambit of Section 50AA of the IT Act with effect from 23 July 2024.

**E. Profits and gains of business or profession**

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

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

**F. Losses under the head capital gains/business income**

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

against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during the subsequent 8 assessment years.

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

#### **G. General Anti Avoidance Rules (GAAR)**

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

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

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

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

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

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

- Where tax avoidance is sufficiently addressed by the Limitation of Benefit Clause (LOB) in a tax treaty, GAAR should not be invoked.
- GAAR should not be invoked merely on the ground that the entity is located in a tax efficient jurisdiction.

- GAAR is with respect to an arrangement or part of the arrangement and limit of INR 3 crores cannot be read in respect of a single taxpayer only.

#### H. **FATCA Guidelines**

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

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

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

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

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

**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 an historical 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.

**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.**

## 10. Investors services

- (i) The investor queries and complaints can be addressed to:  
Name: Mr. Samir Kamdar  
Address: Nirmal Bang Securities Pvt. Ltd.  
302, B-2, 3<sup>rd</sup> Floor, Marathon Innova,  
Opp. Peninsula Building, G. K. Marg,  
Lower Parel (West), Mumbai -400 013  
E-mail: [nbpms@nirmalbang.com](mailto:nbpms@nirmalbang.com)  
Telephone number: 022-62739395-9396

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.**

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

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

#### **1. SEBI SCORES PORTAL:**

With effect from September 2011, SEBI has launched a new web-based centralized grievance system called SCORES i.e., SEBI Complaints Redressal System, for online filing, forwarding, and tracking of resolution of investor complaints. The Client may also make use of the SCORES facility for any escalations on redressal of their grievances. Following is the link to visit the website and inform their dispute/complaints against the Portfolio Manager. <https://scores.sebi.gov.in/scores-home>  
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.

#### **2. 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.

#### **3. DISPUTE SETTLEMENT MECHANISM:**

**PMS SEBI Registration No. : INP000002981**

All disputes, differences, claims, and questions whatsoever arising from the PMS Disclosure Document or PMS Agreement between the Client and the Portfolio Manager and/or their respective representatives touching any clause mentioned herein or otherwise in any way relating to or arising from these presents or in the event of failure by the parties to resolve the dispute in the manner set out above within 30 days from the date when the dispute arose, the dispute shall be submitted to a dispute resolution mechanism that includes mediation and/or conciliation and/or arbitration, in accordance with the procedure specified by the Board.

#### **4. ARBITRATION:**

If the Arbitration mechanism is adopted for dispute resolution, the dispute shall be referred to a sole arbitrator to be appointed by the Parties mutually or in case of disagreement as to the appointment of the sole arbitrator, to a panel of three arbitrators with each Party nominating one arbitrator and the arbitrators so appointed appointing third arbitrator and such arbitration shall be in accordance with and subject to the provisions of the Arbitration and Conciliation Act 1996, or any other statutory modification or re-enactment thereof from the time being in force. Such arbitration proceedings shall be held in Mumbai and conducted in the English language. The arbitrator / arbitral panel shall also decide on the costs of the arbitration proceedings.

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 its obligations will be exclusively in courts located at any place in India subject to the jurisdiction clause in the portfolio agreement.

**11. 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

## 12. ANTI-MONEY LAUNDERING COMPLIANCES

The Government of India has put a policy framework to combat money laundering through the Prevention of Money Laundering Act, 2002 (PMLA 2002). PMLA 2002 and the Rules notified there under (PMLA Rules) came into effect from July 1, 2005. Director, FIU-IND, and Director (Enforcement) have been conferred with exclusive and concurrent powers under relevant sections of the Act to implement the provisions of the Act. Consequently, SEBI has mandated that all registered intermediaries 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/DOP/CIR/P/2019/113 dated June 06, 2024 (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 thereunder' consolidating all the requirements/instructions/obligations of Securities Market Intermediaries and Circular No. SEBI/HO/MIRSD/MIRSDSECFATF/P/CIR/2023/091 dated June 16, 2023 issued Amendment to 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 framed there under.

Accordingly, Client's should ensure that the amount invested by them is through legitimate sources only and does not involve and are not designed for 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 in 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 fails to comply with the internal policies of the Portfolio Manager or any of the Applicable Laws including the KYC requirements. The Portfolio Manager shall not be held liable in any manner for any claims arising whatsoever on account of freezing the account/rejection or refund of the application etc. due to non-compliance with the provisions of any of the aforesaid Regulations or Applicable Laws.

Investors are requested to note that KYC is mandatory for all investors. SEBI vide circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011, and CIR/MIRSD/ 11/2012 dated September 5, 2012, has mandated that the uniform KYC form and supporting documents shall be used by all SEBI registered intermediaries in respect of all new clients from January 1, 2012. Further, SEBI vides 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 01<sup>st</sup> April 2021.

**13. 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.

The Portfolio Manager has outsourced Custody and Fund Accounting services to Axis Bank, respectively. The necessary agreements with Axis Bank are in place.

The Company may undertake proprietary investment in its independent capacity.

**Part-II- Dynamic Section**
**14. Client Representation**

Category of Clients	No. of clients	Funds Managed (Rs. Crores)	Discretionary / Non - Discretionary / Advisory
<b>Associates/Group Companies:</b>	Nil	Nil	Nil
<b>Others (Only Active Clients)</b>			
<b>March 31<sup>st</sup> 2024</b>	49	114.25	Discretionary
<b>March 31<sup>st</sup> 2025</b>	107	142.57	Discretionary
<b>November 30<sup>th</sup> 2025</b>	109	162.64	Discretionary

Complete disclosure in respect of transactions with related parties as per the standards specified by the Institute of Chartered Accountants of India – ***Kindly refer Annexure II***

**15. Financial Performance**

The Financial Performance of the portfolio manager based on audited financial statements and in terms of procedure specified by the Board for assessing the performance.

<b>Year</b>	<b>Turnover / Gross Income (Rs. In Lakhs)</b>	<b>Profit / Loss before Provision of tax (Rs. In Lakhs)</b>	<b>Profit / Loss after tax (Rs. In Lakhs)</b>
<b>2022-23 (Audited)</b> (from 01/04/2022 to 31/03/2023)	3,13,74.94	5552.94	3,954.93
<b>2023-24 (Audited)</b> (from 01/04/2023 to 31/03/2024)	42,046.12	9,483.29	6983.86
<b>2024-25 (Audited)</b> (from 01/04/2024 to 31/03/2025)	49,368.15	10,411.09	7,441.34

## 16. Performance of Portfolio Manager

Portfolio Management performance of the portfolio manager for the last three years, and in case of discretionary portfolio manager disclosure of performance indicators calculated using 'Time Weighted Rate of Return' method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.

The details of the performance of the Portfolio Manager are as follows -

Particulars	Year Ended (2022-23)	Year Ended (2023-24)*	Year Ended (2024-25)	01st April 2025 to 30th September 2025
<b>Nirmal Bang Equity Multi Cap</b>	N.A.	21.81	-0.35	11.57
<b>S&amp;P BSE 500 TRI</b>	N.A.	21.12	5.96	7.19

**\* Note:**

- Inception Date for Nirmal Bang Equity Multi Cap is from 30th Oct 2023.
- Performance related information is not verified by SEBI
- Returns are net of all fees and expenses.
- Past performance may or may not sustain in future.
- Past performance is not a guarantee of future return.
- 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 below.
- Neither the Portfolio Manager, nor its designated partners or employees shall in anyway be liable for any variation noticed in the returns of individual client portfolio

**17. 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.

**18. 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					

**19. LIST OF APPROVED SHARE BROKERS INVOLVED FOR PORTFOLIO MANAGEMENT SERVICES**

Sr. No.	Name	SEBI Registration No.
1	Wallfort Financial Services Limited	INZ000234739
2	Nirmal Bang Securities Private Limited	INZ000202536

**For and on behalf of Nirmal Bang Securities Private Limited**

**Name and Signature of the Director of the Portfolio Manager:**

Sr. No.	Name of Directors	Signature
1.	Rakesh Bhandari	<p> <small>Digitally signed by</small>  <small>RAKESH</small>  <small>PREMCHAND</small>  <small>BHANDARI</small>  <small>Date: 2025.12.18</small>  <small>15:08:19 +05'30'</small> </p>
2.	Samir Kamdar	<p> <small>Digitally signed by</small>  <small>SAMIR</small>  <small>PRANLAL</small>  <small>KAMDAR</small>  <small>Date: 2025.12.18</small>  <small>15:06:07 +05'30'</small> </p>

Date: 18/12/2025

Place: Mumbai



**NIRMAL BANG SECURITIES PRIVATE LIMITED**  
*Portfolio Management Services - A Long-Term Wealth Creator*

**PMS SEBI Registration No. : INP000002981**

**FORM C**

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

**Nirmal Bang Securities Private Limited**

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 in the Portfolio Management; and
- (iii) The Disclosure Document has been duly certified by an independent Chartered Accountant M/s. B Y & Associates, Chartered Accountants, 807, Neelkanth Corporate Park, 8<sup>th</sup> Floor, Kirod Road, Vidyavihar West, Mumbai 400086, Phone No. 022- 40172000, firm registration number 123423W on December 18,2025.

For Nirmal Bang Securities Private Ltd.

Mr. Manish Ostwal  
Principal Officer  
302, B-2, 3<sup>rd</sup> Floor, Marathon Innova, Opp.  
Peninsula Building, G. K. Marg, Lower  
Parel (West), Mumbai -400 013

**Annexure I**

<b>SR . N O.</b>	<b>DATE OF FILIN G</b>	<b>NAME OF THE PARTY WHO HAS FILED THE CASE</b>	<b>PRESENT FORUM WHERE CASE IS PENDING</b>	<b>CASE NO.</b>	<b>PERIOD FOR WHICH IT RELATES</b>	<b>AMOUNT OF LITIGATI ON (RS.)</b>
<b>A</b>	<b>CIVIL/ ARBITRATION LAW</b>					
<u>1</u>	04- 04- 2016	VINA GOPAL RATHI	HIGH COURT, MUMBAI	ARBP/634/2016	2008-09	1,25,86,43 9
<u>2</u>	25- 05- 2015	NAVEEN GOYAL	DISTRICT COURT, DELHI	ARBTN/7087/2017	2013-14	23,23,534
<u>3</u>	19- 05- 2014	PREM NARAIN AGARWAL	DISTRICT COURT, LUCKNOW	REGULAR SUIT/545/2014	2010-11, 2011-12	2,70,000
<u>4</u>	02- 11- 2017	DIMPOL PAL	DISTRICT COURT, ALIPORE	MISC CASE/665/2017	2016-17	9,99,999
<u>5</u>	19- 07- 2017	SATISH TEJMAL BOTHRA	DISTRICT COURT, LATUR	R.C.A./99/2017	NOT KNOWN	-
<u>6</u>	08- 06- 2017	SUNIL KUMAR CHAKRABOR TY	HIGH COURT, KOLKATA	WPA/15902/2017		18,00,000
<u>7</u>	24- 07- 2019	SUBRATA BISWAS	CITY CIVIL COURT, CULCUTTA	MISC CASE/1365/2019	2014-15, 2015-16	6,00,000
<u>8</u>	23- 07- 2019	MANINDRA MOHAN MAZUMDAR	DISTRICT COURT, ALIPORE	MISC CASE (ARBITRATION)/ 49/2019	2013- 14,2014- 15,2015- 16,2016-17	19,09,074
<u>9</u>	02- 12- 2019	SONALI VINAYAK SHENDKAR	DIST. & SESSION COURT, PUNE	SPL.C.S./1854/2019	2014-15 TO 2018-19	48,87,240
<u>10</u>	01- 02- 2020	ROSHAN ASHOK SETHI	HIGH COURT OF MUMBAI	IA/889/2020	2018-19	1,40,00,00 0

11	17-09-2021	RAHUL DATTATRAY PATGAONKAR	DISTRICT & SESSIONS COURT, KOLHAPUR	CIVIL M.A./125/2021	2017-18 & 2018-19	8,50,000
12	17-09-2021	KRUPA RAHUL PATGAONKAR	DISTRICT & SESSIONS COURT, KOLHAPUR	CIVIL M.A./126/2021	2018-19	3,15,000
13	04-04-2022	SHEPHALI SAXENA	DISTRICT COURT, GURUGRAM, HARYANA	ARB/56/2022	2020-21	2,70,132.65
14	06-12-2022	GORDHAN SHYAM GUPTA	HIGH COURT, MUMBAI	WP/5032/2022	2020-21	7,32,812.00
15	22-11-2022	P NATARAJAN HUF	HIGH COURT, MUMBAI	WP/4835/2022	2020-21	24,50,000.84
16	22-11-2022	SAURABH JAIN (CO-APPLICANT)	HIGH COURT, MUMBAI	WP/4800/2022	2020-21	-
17	24-07-2023	VINAYAK GHANSHAM CHAVAN	CITY CIVIL COURT, MUMBAI	SUMMARY SUIT NO. 586/2023	2019-20	500000
18	06-11-2023	INDER PRABHA	DIST. & SESSIONS COURT, WEST, TISHAZARI COURT	CIV DJ/956/2023	2022-23	11660590
19	11-11-2020	ANURADHA A KARMAKAR	DIST & SESS. COURT, PUNE	CIVIL M.A.-712/2020	2016-17 & 2017-18	12,75,000
20	16-05-2024	SIYA KHANNA	CIVIL COURT, AMRITSAR	CS/1385/2024	2016-17	0
21	14-06-2024	ERACH KHAVAR	HIGH COURT, MUMBAI	ARAPP/18451/2024	2015-16	46,60,000
22	16-12-2024	VED PARKASH MITTAL	DIST. & SESSIONS COURT, CENTRAL, TISHAZARI, DELHI	OMP (COMM) - 107/2024	2022-23, 2023-24	34,77,928
23	20-12-2024	RAJAT WORLD TRADE PRIVATE	NSEIL (ODR ARBITRATION)	NSE-SB-2024-11-789188	2024-25	35,00,000

		LIMITED (APPLICANT )				
24	30-08-2022	TAHERA HASSAN	DISTRICT COURT, ALIPORE (W.B.)	MISC CASE-418/2022	2009-10, 2010-11 & 2011-12	2500000
25	13-09-2023	SUDHA SETHI	CIVIL JUDGE, KARKARDOOMA COURT, EAST, DELHI	MISC CASE-107/2023	2023-24	0
26	18-12-2024	RENU KHANNA	HIGH COURT OF PUNJAB & HARYANA, CHANDIGARH	CR/7470/2024	2016-17	0
27	02-05-2025	SUDHA VERMA	NSEIL (ODR ARBITRATION)	NSE-SB-2025-03-554375	2023-24,2024-25	1527080
-	-	-	-	-	-	-
<b>B</b>	<b>CRIMINAL LAW</b>		-	-	-	-
1	24-10-2011	SYED MOHAMMAD ENAMUDDIN	JUDICIAL MAGISTRATE COURT, JAMSHEDPUR	COMPLAINT CASE/2535/2011	2009-10	6,60,000
2	03-06-2015	RAJESH SHUKLA	JUDICIAL MAGISTRATE COURT, LUCKNOW	COMPLAINT CASE/2232/2015	2011-12, 2012-13	2,50,000
3	16-11-2017	DEBA PRASAD SINHA	ARAMBAGH POLICE STATION, HOOGHLY, WB	F.I.R. No. 1047/ 17	2015-16	39,30,000
4	27-12-2019	KUVAM PLAST PVT LTD	CITY CIVIL COURT, MUMBAI	CRI. APPEAL/100165/2020	2015-16	30,00,000
5	24-07-2024	SHAHID MUSTAFA	CJM, AT BIDHANNAGAR NORTH 24 PARAGANAS, WEST BANGAL	BIDHANNAGAR NORTH POLICE STATION, KOLKATA, HAVING F.I.R. NO. 135/ 2024, U/S 420, 465, 468, 471 & 120B OF IPC	2022-23, 2023-24	-
-	-	-	-	-	-	-
<b>C</b>	<b>OTHER STATUTORY LAWS</b>		-	-	-	-

1	23-11-2017	ARCHANA SETT	DISTRICT CONSUMER DISPUTE REDRESSAL COMMISSION, KOLKATA, UNIT-1	SC/19/RA/32/2025	2011-12, 2012-13, 2013-14, 2014-15	6,13,899
2	23-11-2017	SHUKDEV SETT	DISTRICT CONSUMER DISPUTE REDRESSAL COMMISSION, KOLKATA, UNIT-1	SC/19/RA/31/2025	2011-12, 2012-13, 2013-14, 2014-15	6,73,604
3	17-01-2018	BASABENDU GUIN	STATE CONSUMER DISPUTES REDRESSAL COMMISSION, KOLKATA, WB	CC/935/2017	2016-17	24,30,977

**Annexure II**

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

Sr No.	Particulars	Closing Balance as on March 31, 2025 Receivable/ (Payable)	Transaction 2024-2025	Closing Balance as on March 31, 2024 Receivable/ (Payable)	Transaction 2023-2024
<b>I.</b>	<b>Subsidiary Company</b>				
<b>(i)</b>	<b>Nirmal Bang Equities Private Limited</b>				
	Loan Given	-	109,000.00	-	49,590.00
	Loan Repaid	-	109,000.00	-	49,590.00
	Interest Income	-	13.44	-	6.44
<b>(ii)</b>	<b>Nirmal Bang Insurance Broking Private Limited</b>				
	Brokerage Income	-	0.11	-	-
	Current Account	0.02	-	0.02	-
		-	-	-	-
<b>II.</b>	<b>Other Related Party</b>				
<b>(i)</b>	<b>Mindset Securities Private Limited</b>				
	Rent Expense	-	21.60	-	44.40
	Brokerage Income	-	12.80	-	9.88
	Interest paid on Debt Instruments	-	463.02	-	168.31
	Preference Share Dividend	-	178.75	-	178.75
	Advance received for trading	(555.19)	-	(1,901.79)	-
<b>(ii)</b>	<b>Bang Equity Broking Private Limited</b>				
	Brokerage Income	-	1.19	-	0.18
	Interest paid on Debt Instruments	-	28.98	-	-
<b>(iii)</b>	<b>Nirmal Bang Commodities Private Limited</b>				
	Brokerage Income	-	1.71	-	2.08
	Interest paid on Debt Instruments	-	92.31	-	-
<b>(iv)</b>	<b>Bang Securities Private Limited</b>				
	Rent Expense	-	144.00	-	90.00
	Brokerage Income	-	0.85	-	0.67
	Interest paid on Debt Instruments	-	155.72	-	57.84
<b>(v)</b>	<b>Nirmal Bang Wealth Private Limited</b>				
	Brokerage Income	-	0.12	-	-
	Current Account	0.24	-	0.25	-
<b>(vi)</b>	<b>Nirmal Bang Financial Services Private Limited</b>				

	Loan Taken		119,695.00		85,885.00
	Loan Repaid	-	126,395.00	(6,700.00)	79,185.00
	Interest expense	-	180.16	(103.34)	292.54
	Brokerage Income	-	10.41	-	9.96
	Current Account	0.06	-	0.04	-
	Interest paid on Debt Instruments	-	119.54	-	79.22
<b>III.</b>	<b>Key Management Personnel</b>				
-	-		-	-	-
<b>(i)</b>	<b>Dilip Bang</b>				
	Director Remuneration	(15.96)	300.00	(0.02)	300.00
	Brokerage Income	-	0.90	-	0.96
	Current Account	9.54	-	1.47	-
<b>(ii)</b>	<b>Kishore Bang</b>				
	Director Remuneration	-	300.00	(0.80)	300.00
	Brokerage Income	-	1.37	-	1.28
	Repayment of loan	0.90	-	0.39	-
<b>(iii)</b>	<b>Samir Kamdar</b>				
	Director Remuneration	(1.98)	36.54	(2.36)	33.25
<b>(iv)</b>	<b>Sunil Jain</b>				
	Director Remuneration	(5.11)	65.89	(7.86)	58.98
	Brokerage Income	-	0.02	-	0.01
<b>(v)</b>	<b>Rakesh Bhandari</b>				
	Director Remuneration	(3.53)	141.51	-	86.23

**CERTIFICATE**

We hereby certify that we have reviewed the Disclosure Document dated 18<sup>th</sup> December 2025, prepared by M/s. Nirmal Bang Securities Private Limited. (SEBI Registered Portfolio Manager –INP000002981) having registered address as 302, B-2, 3rd Floor, Marathon Innova, Opp. Peninsula Building, G. K. Marg, Lower Parel (West), Mumbai -400 013, India in accordance with Disclosure Document as stated in 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, 2023, March 31, 2024, and March 31, 2025, 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 18<sup>th</sup> December 2025 are true, fair, and adequate to enable the investors to make well-informed decisions.

**Restrictions on Use:**

This Certificate has been issued pursuant to Regulation 22 (3) of 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: 18<sup>th</sup> December, 2025**

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

**KIRIT  
RAMCHANDRA  
JAIN**

Digitally signed by KIRIT  
RAMCHANDRA JAIN  
Date: 2025.12.18  
15:39:46 +05'30'

**CA Kirit Jain  
Partner  
M. No: 179354  
UDIN: 25179354BMLBOK9282**