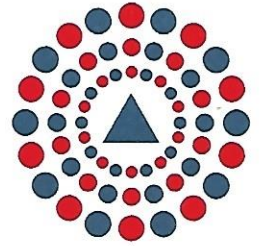


SHROFF SECURITIES PRIVATE LIMITED



SHROFF

WE ENERGIZE YOUR GOALS

FORM C
SECURITIES AND EXCHANGE BOARD OF INDIA
(Portfolio Managers) Regulations 1993,
Regulation 14

Name of the Portfolio Manager: **Shroff Securities Private Limited**
Regd. Office Address: 16, India Exchange Place
Ground Floor, Room No.43, Kolkata- 700001
Tel No.: 033 40662165
E-Mail: contact@shroffsecurities.com

We confirm that:

- i) The Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;
- ii) The disclosure 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 Services;
- iii) The Disclosure Document has been duly certified by an independent Chartered Accountant – Mr. S.K. Tulsyan, Proprietor of Tulsyan & Associates, Chartered Accountants, having membership no. 50587 (Address: M/s. Tulsyan & Associates, Chartered Accountants, 34A, Metcalfe Street, 6th Floor, Room - 6B, Kolkata – 700013) on 30th July, 2020.

For and on behalf of Shroff Securities Private Limited

Ananta Shroff
(Principal Officer)

Address:
16, India Exchange Place
Ground Floor, Room No. 43
Kolkata – 700019

Date: 30th July, 2020.

Place: Kolkata

Regd. Office - 16 India Exchange Place, Ground Floor, Room No.43, Kolkata 700001
Phone - 033 40662165, Email - contact@shroffsecurities.com

CIN - U67120WB1995PTC067803, SEBI Regn. No. - INP000003823

Tulsyam & Associates


Chartered Accountants

34A, Metcalfe Street, 6th Floor, Room – 6B, Kolkata – 700 013

CERTIFICATE

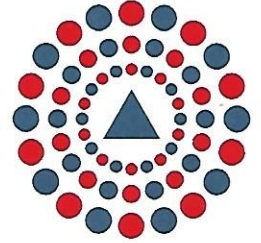
We hereby certify that the disclosures made in the enclosed Disclosure Document dated 30th July, 2020, prepared and forwarded by Shroff Securities Private Limited in terms of the Fifth Schedule of Regulation 14 of the Securities and Exchange Board of India (Portfolio Managers) Regulations 1993 and the guidelines and directives issued by the Board from time to time, are true, fair and adequate to enable the investors to make a well informed decision.

This certificate is issued on the basis of the information and documents given/produced before us and on the basis of representations made by Shroff Securities Private Limited

<p>Place : - Kolkata</p> <p>Date :- 30/07/2020</p>	<p>For Tulsyam and Associates Chartered Accountants.</p>  <p>(Surendra Kumar Tulsyam) Proprietor Membership No.50587 UDIN – 20050587AAAAW9938</p>
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SHROFF SECURITIES PRIVATE LIMITED



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DISCLOSURE DOCUMENT

- i) The Document has been filed with the Board along with the certificate in the specified format in terms of Regulation 22 of the SEBI (Portfolio Manager) Regulations, 2020.
- ii) 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 Shroff Securities Private Limited as a portfolio manager.
- iii) The Disclosure Document contains the necessary information about the portfolio manager required by an investor before investing, and the investor may also be advised to retain the document for future reference.
- iv) The name, phone number-mail address of the principal officer so designated by the portfolio manager is:

Name of the Principal Officer	MRS. ANANTA SHROFF
Phone	+91 33 40662165
Email	contact@shroffsecurities.com
Address	16, India Exchange Place Ground Floor, Room No. 43 Kolkata - 700001

Date: 30th July, 2020

For SHROFF SECURITIES PVT. LTD.

DIRECTOR

Regd. Office - 16 India Exchange Place, Ground Floor, Room No.43, Kolkata 700001
Phone - 033 40662165, Email - contact@shroffsecurities.com

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SHROFF SECURITIES PRIVATE LIMITED

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1. Disclaimer clause:

A statement to the effect that the particulars have been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and filed with SEBI. This Document has neither been approved by SEBI nor has SEBI certified the accuracy of the contents of the Document.

Short title and commencement. – (1) These regulations may be called the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

(2) These regulations shall come into force on the date of their publication in the Official Gazette.

2) Definitions:

1. In these regulations, unless the context otherwise requires, -

- (a) **"Act"** means the Securities and Exchange Board of India, Act 1992 (15 of 1992)
- (b) **"Agreement"** means agreement between Portfolio Manager and its Client and shall include all Schedules and Annexure attached thereto
- (c) **"Application"** means the application made by the Client to the Portfolio Manager to place its funds and/or securities with the Portfolio Manager for Portfolio Management Services. Upon execution of the Agreement by the Portfolio Manager, the Application shall be deemed to form an integral part of the Agreement. Provided that, in case of any conflict between the contents of the Application and the provisions of the Agreement, the provisions of the Agreement shall prevail.
- (d) **"Assets"** means (i) the Portfolio and/or (ii) the Funds
- (e) **"Body Corporate"** shall have the meaning assigned to it under sub-section (11) of section 2 of the Companies Act, 2013 (18 of 2013) as amended from time to time;
- (f) **"Bank Account"** means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in accordance with the agreement entered into with the Client.
- (g) **"Board"** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act.
- (h) **"Certificate"** means a certificate of registration issued by the Board;
- (i) **"Change of Status or Constitution"** in relation to a portfolio manager –
 - (i) means any change in its status or constitution of whatsoever nature and
 - (ii) without prejudice to generality of sub-clause (i), includes -

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(A) amalgamation, demerger, consolidation or any other kind of corporate restructuring falling within the scope of section 230 of the Companies Act, 2013 (18 of 2013) or the corresponding provision of any other law for the time being in force; and

(B) any change in control over the body corporate;

(j) **"Change of Control"**, in relation to a portfolio manager being a body corporate, shall be construed with reference to: -

(i) the definition of control in terms of Regulation 2(1)(e) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time, if its shares are listed on any recognized stock exchange;

(ii) in other case, change in the controlling interest in the body corporate;

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

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

(B). right to appoint majority of the directors or to control the management directly or indirectly.

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

(k) **"Client"** means the person who enters into an Agreement with the Portfolio Manager for managing its portfolio and/or funds.

(l) **"Custodian"** means any person who carries on or proposes to carry on the business of providing custodial services in accordance with the regulations issued by SEBI from time to time.

(m) **"Depository Account"** means one or more account or accounts opened, maintained and operated by the Portfolio Manager with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations 1996 in accordance with the agreement entered into with the Client.

(n) **"Discretionary Portfolio Management Services"** means the portfolio management services rendered to the client by the Portfolio Manager on the terms and conditions contained in the agreement, where under, the Portfolio Manager exercises any degree of discretion in the investments or management of assets of the client.

(o) **"Discretionary Portfolio Manager"** means a portfolio manager who exercises or may, under a contract relating to portfolio management, exercises or may exercise, any degree of discretion as to the investment of funds or management of the portfolio of securities of the client, as the case may be;

(p) **"Document"** means this Disclosure Document

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- (q) **"Eligible Fund Manager"** shall have the same meaning as assigned to it in sub-section (4) of Section 9A of the Income-Tax Act, 1961;
 - (r) **"Eligible Investment Fund"** shall have the same meaning as required to it in sub-section (3) of Section 9A of the Income-Tax Act, 1961;
 - (s) **"Form"** means a form specified in Schedule I;
 - (t) **"Financial Year"** means the year starting from April 1 and ending on March 31 of the following year
 - (u) **"Funds"** means the monies managed by the Portfolio Manager on behalf of the Client pursuant to this Agreement and includes the monies mentioned in the Application, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to this Agreement, the proceeds of the 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.
 - (v) **"Goods"** means the goods notified by the Central Government under clause (bc) of section 2 of the Securities Contracts (Regulation) Act, 1956 and forming the underlying of any commodity derivative;
 - (w) **"Inspecting authority"** means one or more persons appointed by the Board to exercise powers conferred under Chapter V;
 - (x) **"NISM"** means the National Institute of Securities Market established by the Board;
 - (y) **"Parties"** means the Portfolio Manager and the Client; and "Party" shall be construed accordingly.
 - (z) **"Person"** includes any individual, partners in partnership, central or state government, company, body corporate, cooperative society, corporation, trust, society, Hindu Undivided Family or any other body of persons, whether incorporated or not.
 - (aa) **"Portfolio"** means the total holdings of securities belonging to any person;
 - (bb) **"Portfolio Manager"** means a body corporate, which pursuant to a contract with a client, advises or directs or undertakes on behalf of the client (whether a discretionary portfolio manager or otherwise) the management or administration of a portfolio of securities or goods or funds of the client, as the case may be:
- Provided that the Portfolio Manager may deal in goods received in delivery against physical settlement of commodity derivatives.
- (cc) **"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 goods or funds of the client, as the case may be; and

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- (ii) all other operations of the portfolio manager.
- (dd) "**Regulations**" means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as may be amended from time to time;
- (ee) "**Scheduled Commercial Bank**" means any bank included in the second Schedule to the Reserve Bank of India Act, 1934(2 of 1934).
- (ff) "**SEBI**" means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the SEBI (Securities and Exchange Board of India) Act.
- (gg) "**Securities**" includes: "Securities" as defined under the Securities Contracts (Regulation) Act, 1956 as amended from time to time and includes:
 - (i) shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of alike nature in or of any incorporated company or other body corporate;
 - (ia) derivative;
 - (ib) units or any other instrument issued by any collective investment scheme to the investors in such schemes;
 - (ic) security receipt as defined in clause (zg) of section 2 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
 - (id) units or any other such instrument issued to the investors under any mutual fund scheme;
 - (ie) Government securities;
 - (ii) such other instruments as may be declared by the Central Government to be securities;
 - (iii) rights or interest in securities.
 - (iv) Exchange Traded Funds
 - (v) Liquid Funds
- (hh) "**Securities Lending**" means securities lending as per the Securities Lending Scheme, 1997 specified by the Board.
- (2) Words and expressions used and not defined in these regulations but defined in the Act shall have the meanings respectively assigned to them in the Act.

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3) Description:

i) History, Present Business and Background of the Portfolio Manager:

The Company was promoted by late Sri Sawal Ram Shroff and his family. This family has been in the stock broking business as members of the Calcutta Stock Exchange and then later, Bangalore Stock Exchange Limited (currently known as BgSE Properties & Securities Limited) for more than 80 years. The erstwhile stock broking firm was known as M/s Shroff Brothers, and the current firm is known as M/s. Aditya Shroff.

The Company was incorporated in 1995 as an investment and loan company with the intention of doing business in the financial services industry. It was registered as an NBFC in the year 1998 and has been registered as a Portfolio Manager in the year 2010.

The Company is engaged in investment, loan and Portfolio Management business.

ii) Promoters of the Portfolio Manager, Directors and background:

- a) **Sri Aditya Shroff** is Promoter and Executive Director of the Company. He is a B.Com. (Hons.) Graduate and a Chartered Market Technician from New York, USA. He is a sub-broker of the NSE and BSE through BgSE Financials Ltd. He is a former member of The Calcutta Stock Exchange Assn. Ltd. and Bangalore Stock Exchange Ltd., has extensive experience in Capital Markets; and heads the research and fund management team of the company.
- b) **Smt Ananta Shroff** is the Principal Officer and a Director of the Company. She is a B.A. graduate. She has been involved in capital markets in various capacities since 1993. She has extensive experience in Capital Markets; and heads the operation team of the Company.

iii) Group company information (i.e. information related to top 10 Group Companies / firms of the Portfolio Manager on turnover basis) (as per the audited financial statements for the year ended March 2020):

Group Companies:

- i) M/s. Aditya Shroff
- ii) M/s. Shroff Brothers
- iii) Shroff Financial Services Private Limited
- iv) Coles Property Private Limited
- v) Equibrain Securities Private Limited
- vi) Equicom Trust Services Private Limited
- vii) J S Tea Products Private Limited

iv) Details of the services being offered:

a) Discretionary Services:

Under this service, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities invested/disinvested by the Portfolio Manager for Clients may differ from Client to Client. Even for the same Securities, the purchase/sale rate of the Securities invested/disinvested may differ from Client to Client

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though they may be invested/disinvested on the same day. The Portfolio Manager's decision (taken in good faith) in deployment of the Client's account is absolute and final and can never be called in question or be open to review at any time during the currency of the agreement or at any time thereafter except on the ground of fraud, malafide intentions or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant Acts, Regulations, Guidelines, Notifications and Circulars in force from time to time. Periodical statements in respect to Client's Portfolio shall be sent to the respective Client.

b) Non-Discretionary Services:

Under the Non-Discretionary Portfolio Management Services, the portfolio of the client shall be managed in consultation with the client. Under this service the Assets will be managed as per the requirements of the Client after due consultation. The Client will have complete discretion to decide on the investment (Stock Quantity and Price or Amount). The Portfolio Manager inter alia manages transaction execution, accounting, recording or corporate benefits, valuation and reporting aspects on behalf of the client.

c) Advisory Services:

Under these services, the Portfolio Manager provides Investment Advice in consultation with the Client, as per the risk-profile and requirements of the Client. The Client will have complete discretion to decide on the investment (Securities, quantity and price or amount). Acceptance/non-acceptance of such advice, subsequent profits or losses, choice of service providers for execution, entry/exit timing, execution and settlement, accounting, auditing and taxation are the Client's responsibility.

4) Penalties, pending litigation or proceedings, findings of inspection or investigations for which action may have been taken or initiated by any regulatory authority:

No penalties / directions have been issued by the SEBI under the SEBI Act or Regulations made there under relating to Portfolio Management Services. There are no pending material litigations or legal proceedings, findings of inspections or investigations for which action has been taken or initiated by any regulatory authority against the Portfolio Manager or its Directors, principal officers or employees or any person directly or indirectly connected with the Portfolio Manager under the SEBI Act and Regulations made there under relating to Portfolio Management Services.

1.	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or rules or regulations made there under.	N.A.
2.	The nature of the penalty/direction.	N.A.
3.	Penalties/fines imposed for any economic offence and/ or for violation of any securities laws.	N.A.
4.	Any pending material litigation/legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any.	N.A.
5.	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	N.A.
6.	Any enquiry/adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or rules or regulations made thereunder.	N.A.

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5) Services offered:

A) Discretionary Services: The Portfolio Manager manages the Assets of the Client using the following Strategies:

- a) Dynamic Equicom Strategy:** This strategy is to invest in listed companies, mutual funds and/or in exchange traded funds. The strategy is to actively manage the funds, and may result in a quick shift from investments to cash or cash to investments. Unutilized funds may be held in cash or deployed in liquid/short term debt mutual funds or bank deposits. This strategy is meant for those seeking good returns over a long/medium term horizon and is comfortable with medium risk. Alternatively, the Portfolio may be customized for Client's specific need/profile.
- b) Dynamic Mutual Fund Strategy:** This strategy is to invest in units of equity, debt, hybrid and commodity mutual funds, government and quasi government debt securities, corporate debt instruments, money market instruments and/or bank/corporate deposits. Alternatively, the Portfolio may be customized for Client's specific need/profile.

The Portfolio in all cases will be guided strictly by the relevant Guidelines, Acts, Rules, Regulations, and notifications prevailing in force from time to time. The investment objective of the Portfolio Manager shall be preservation and growth of capital while reducing the risk of capital loss. However, while the aforesaid is the objective it needs to be reiterated that there can be no assurance and/or guarantee of such preservation or growth of capital or of there being no capital loss. The amount invested by the Client may be subject to a lock in period as detailed in the Schedule to the agreement between the Client and the Portfolio Manager.

The main features under Discretionary Portfolio Management Services are:

Minimum Portfolio Size: Rs.50Lacs or any amount not less than the statutory minimum as may be specified by the Portfolio Manager from time to time.

Periodic valuation report (if any).

Periodic transaction statement (if any).

Fees & other costs as per relevant Schedule of the Portfolio Management Agreement

B) Non-Discretionary: The Portfolio Manager does not offer Non-Discretionary Portfolio Management Services.

C) Advisory Services: The Portfolio Manager advises the Client using the following Strategies:

- a) ShroffConnect Advisory:** This strategy is to invest in listed companies, mutual funds and/or in exchange traded funds customized to the requirements of the Client.

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- b) **ShroffConnect Ideas:** This newsletter will contain commentary, on markets and asset classes in general, and various investment ideas on specific Securities in particular. The newsletter will be subscription based. Clients are expected to take appropriate advice and precautions before investing.
- c) **ShroffConnect Consulting:** This service is meant for Clients who wish to obtain our opinion on a particular investment ideas(s) which may/may not be part of any portfolio strategy as above. The service will be fee based. Clients are expected to take appropriate advice and precaution before investing.

The Portfolio in all cases will be guided strictly by the relevant Guidelines, Acts, Rules, Regulations, Notifications and Circulars prevailing in force from time to time.

Be it further mentioned here that -

1. The Portfolio Manager shall not manage funds and securities on behalf of the client and that it shall only receive such sums of monies from the client as are necessary to discharge the client's liability towards fees owed to the Portfolio Manager
2. The Portfolio Manager in the course of performing its services to the client, shall not hold out any investment advice implying any assured returns or minimum returns or target return or percentage accuracy or service provision till achievement of target returns or any other nomenclature that gives the impression to the client that the investment advice is risk-free and/or not susceptible to market risks and or that it can generate returns with any level of assurance.

The main features under Advisory Services are:

The Portfolio Manager shall provide Investment Advice as per the risk-profile and requirements of the Client. Acceptance/non-acceptance/partial acceptance of such advice, choice of service providers, execution of orders, accounting, auditing and taxation are the responsibility of the Client.

Fees & other costs as per relevant Schedule of the Portfolio Management Agreement.

6) Risk Factors:

The investments made in securities are subject to market risk and there is no assurance or guarantee that the value of or return on the investments made will always appreciate, it could depreciate to an unpredictable extent. Following are the risk factors as perceived by management:

Investment in equities, derivatives and mutual funds and Exchange Traded Index Funds are subject to market risks and there is no assurance or guarantee that the objective of investments will be achieved.

As with any investment in securities, the Net Asset Value of the portfolio can go up or down depending upon the factors and forces affecting the capital markets.

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The performance of the portfolio may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems in equity and debt markets.

The past performance of the Portfolio Manager does not indicate its future performance. Investors are not being offered any guaranteed returns.

The performance of the Assets of the Client may be adversely affected by the performance of individual securities, changes in the marketplace and industry specific and macro-economic factors. The investment strategies are given different names for convenience purpose and the names of the Strategies do not in any manner indicate their prospects or returns.

Investments in debt instruments and other fixed income securities are subject to default risk, liquidity risk and interest rate risk. Interest rate risk results from changes in demand and supply for money and other macroeconomic factors and creates price changes in the value of the debt instruments. Consequently, the Net Asset Value of the portfolio may be subject to fluctuation.

Investments in debt instruments are subject to reinvestment risks as interest rates prevailing on interest amount or maturity due dates may differ from the original coupon of the bond, which might result in the proceeds being invested at a lower rate.

The Portfolio Manager may invest in non-publicly offered debt securities and unlisted equities. This may expose the client's portfolio to liquidity risks.

Engaging in securities lending is subject to risks related to fluctuations in collateral value/settlement/liquidity/ counter party.

The Portfolio Manager may use derivatives instruments like index futures, stock futures and options contracts, warrants, convertible securities, swap agreements or any other derivative instruments for the purpose of hedging and portfolio balancing, as permitted under the Regulations and guidelines. Usage of derivatives will expose the Portfolio to certain risks inherent to such derivatives. As and when the Portfolio Manager deals in the derivatives market on behalf of the client, there are risk factors and issues concerning the use of derivatives that investors should understand.

Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. 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 or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value.

The Net Asset Value may be affected by changes in settlement periods and transfer procedure

The Portfolio Manager uses the stock-broking services of M/s Aditya Shroff. It is a proprietorship firm, belonging to the Director of the Company and is affiliated with the stock-broker M/s BgSE Financials Ltd. as an Authorized Person. M/s Aditya Shroff is also a Mutual Fund distributor and the Portfolio Manager also uses its services for servicing the mutual fund investment needs of its client.

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7) Client Representation:

a) Details of client's accounts activated:

SN	Category of clients	No. of clients	Funds managed (Rs. Crores)	Discretionary/ Non-Discretionary (if available)
i.	Associates/group companies (Last 3 years)			
	2019-20	NIL	NIL	NA
	2018-19	1	8.51	Discretionary
	2017-18	1	10.93	Discretionary
ii.	Others: (Last 3 years)			
	2019-20	NIL	NIL	NA
	2018-19	9	12.52	Discretionary
	2017-18	9	17.02	Discretionary

"Funds Managed" indicates invested sum of Assets under Management

The above figures are given in terms of SEBI (Portfolio Managers) Regulations, 2020

b) Transaction with related parties are as under:

• The Portfolio Manager uses the broking services of the Proprietorship Firm -M/s Aditya Shroff - belonging to its Director, Aditya Shroff. The proprietorship firm is an Authorised Person affiliated to BgSE Financials Ltd., in the cash segments of BSE and NSE, and the derivative segment of NSE.

• Names of related parties and nature of relationship areas under:

A) Enterprises in which Key Managerial Personnel exercise significant influence:

- Shroff Financial Services Private Limited
- Coles Property Private Limited
- Equibrain Securities Private Limited
- J S Tea Products Private Limited
- Equicom Trust Services Private Limited
- Adisun Investments Private Limited

B) Key Management Personnel (Portfolio Management Services):

Aditya Shroff	Fund Manager and Executive Director
Ananta Shroff	Principal Officer and Director
Sumit Kundu	Compliance Officer

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Transactions with related parties for the year-ended 31.3.2020 (amount- Rupees in Lacs):

Nature of Transaction	Group Company	Key Management Personnel
Managerial Remuneration		22.24
Interest	NIL	
Loans (Maximum Balance)	NIL	
Outstanding Balances: Unsecured Loan	NIL	

8) The Financial Performance of Portfolio Manager

(Based on the last Audited Financial Statements)

Financial highlights of Shroff Securities Put Ltd. for the last 3 years are given as under:

Particulars	Year ended 31st March,2020 (Rs.in Lacs)	Year ended 31st March,2019 (Rs.in Lacs)	Year ended 31st March,2018 (Rs. in Lacs)
Profit before depreciation & tax & After Extraordinary Items (Net of Tax)	(76.70)	(36.06)	(8.34)
Less: Depreciation	3.35	4.75	4.63
Less: Provision for tax	0.00	0.00	0.00
Less/(Add): Deferred Tax	0.00	0.00	0.00
Less: Fringe Benefit Tax	0.00	0.00	0.00
Less: Wealth Tax	0.00	0.00	0.00
Less: Provision for Tax (for previous year)	0.00	0.01	0.01
Less: Transfer to Statutory Reserve	0.00	0.00	0.00
Profit/(Loss) for the year after tax	(80.05)	(40.81)	(12.96)
Add/(Less): Balance B/F from Previous year	(79.71)	(38.90)	(25.94)
Less: Depreciation Adjustment	0.00	0.00	0.00
Balance carried to Balance Sheet	(159.76)	(79.71)	(38.90)

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9) Portfolio Management performance of the Portfolio Manager for the last 3 years and in case of discretionary Portfolio manager disclosure of performance indicators calculated using weighted average method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.

Particulars	FY Apr 19 to Mar 20	FY Apr 18 to Mar 19	FY Apr 17 to Mar 18
Equity			
Average return to client (using weighted average method)	NA	-4.04%	10.30%
Debt			
Average return to client	NA	NA	NA
Performance Indicators			
<i>For equity</i>			
BSE Sensex – Returns	-23.80%	11.30%	11.30%
NSE S&P CNX Nifty - Returns	-26.03%	10.25%	10.25%
<i>For debt</i>			
SBI FD returns for 1 year	6.10%	6.40%	6.65%

10) Audit Observations

Audit observations of the preceding 3 years - NIL

11) Nature of expenses:

i) Investment Management & Advisory Fees:

Management and Advisory fees charged may be a fixed fee or a return-based fee or a combination of both as detailed in the Schedule to the Portfolio Management Services agreement. The Fees may be charged upfront and/or at the end of a specified tenure as agreed between the Client and the Portfolio Manager.

ii) Custodian Fees: All investments in demat form accrued by Portfolio Manager on behalf of the investor shall be kept in the custody of any approved depository participant in separate beneficiary account of the investor. The investor has to bear all the expenses at cost incurred by the Portfolio Manager and / or levied by the depository participant to maintain and service the individual demat account in the name of the investor.

iii) Registrars Transfer Agent Fees: At cost.

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- iv) **Brokerages Transaction Cost:** The investments under Portfolio Management would be done through registered members of the Stock Exchange(s) who charge brokerage up to a maximum of 0.25% of contract value. In addition to the brokerage, transaction cost including but not limited to network charges, turnover charges, stamp duty, transaction costs, turnover tax, securities transaction tax or any other tax levied by statutory authority (ies), foreign transaction charges (if any) and other charges on the purchase and sale of shares, stocks, bonds, debt, deposits, other financial instruments may also be levied by the broker to the Clients. Entry or exit loads or transaction fees (if any) on units of Mutual Funds will also be charged to the Clients.
- v) **Service Tax:** As applicable from time to time.
- vi) **Depository Charges:** As may be applicable from time to time
- vii) **Entry Load/Exit Load:** Nil.
- viii) **Certification and professional charges:**
Charges payable for out-sourced professional services like accounting, auditing, taxation and legal services etc. for documentation, notarizations, certifications, attestations required by bankers or regulatory authorities including legal fees etc. will be at cost.
- ix) **Incidental expenses:**
Any other charges not payable by the Portfolio Manager but incurred in behalf of the Client in connection with day-to-day operations including courier charges, stamp duty, service tax, postal or any other out of pocket expenses as may be incurred by the Portfolio Manager will be at cost.

Conflict of interest: M/s Aditya Shroff, a proprietorship firm, belonging to the Director of the Company is affiliated with the stock-broker M/s BgSE Financials Ltd. as an Authorized Person. M/s Aditya Shroff is also a Mutual Fund distributor. Some portion of the charges may revert back to M/s Aditya Shroff out of the brokerage and mutual fund charges detailed above.

12) Taxation:

Investment in securities is subject to the provisions of the Indian Income Tax Act, 1961. Special reference needs to be made in respect of provisions related to capital gains, business income and all other provisions of the Income Tax Act. Provisions related to tax deduction at source shall also apply, wherever applicable. Interest and dividends would be subject to tax as per the provisions of the Income Tax Act 1961.

13) Accounting Policies:

The following Accounting policy will be applied for the investments of clients:

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- a) Investments in Equities, Mutual funds, Exchange Traded Funds and Debt instruments will be valued at closing market prices of the exchanges (BSE or NSE as the case may be) or the Repurchase Net Asset Value declared for the relevant scheme on the date of the report or any cut-off date or the market value of the debt instrument at the cut-off date. Alternatively, the last available prices on the exchange or the most recent NAV will be reckoned. In case of structured products, the portfolio will be valued at the face value of the product until the expiry of the tenure.
- b) Realized gains/ losses will be calculated by applying the first in / first out and/or weighted average principle. The Portfolio Manager and the client can adopt any specific norms or methodology for valuation of investments or accounting the same as may be mutually agreed between them on a case specific basis.
- c) For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.
- d) Unrealized gains/losses are the differences in between the current market values/NAVs and the historical cost of the securities.
- e) Dividends on shares and units in mutual funds, interest etc. shall be accounted on receipt basis. The interest on debt instruments shall be accounted on accrual basis.

14) Investors Services:

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

Name of the person:	Sumit Kundu
Designation:	Compliance/ Investor Relation Officer
Address:	16, India Exchange Place Ground Floor, Room No. 43 Kolkata - 700001
Email:	contact@shroffsecurities.com
Telephone:	+91 33 40662165

- (ii) 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.

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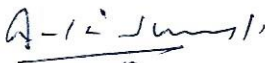


- a) The Portfolio Manager will endeavour to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time as follows:-

If the Investor has grievances regarding any matter he may communicate such grievance through email/letter to the Compliance Officer as named above. Generally, the issue is expected to be resolved within 7 working days; In the event the issue is not resolved within 7 working days, the matter shall be escalated/forwarded to the Principal Officer and is expected to be resolved within 21 working days.

- b) All disputes, differences, claims and questions whatsoever arising between the Client and the Portfolio Manager and/or their respective representatives shall be settled preferably through Arbitration process at Kolkata as described in the Portfolio Investment Management Agreement or any Supplemental Agreement thereto.
- c) All the legal actions and proceedings are subject to the jurisdiction of court in Kolkata only and are governed by Indian laws.

For Shroff Securities Private Limited:

Director : Aditya Shroff	
Director : Ananta Shroff	

Place: Kolkata

Date: 29th July, 2020.