S Panse & Co LLP

Chartered Accountants

327, T V Industrial Estate, S. K. Ahire Marg, Worli, Mumbai - 400 030. Email: admin@panse.in

CERTIFICATE

In the matter of: **Securities Investment Management Private Limited**
505/506, Laxmi Plaza, Laxmi Industrial Estate,
New Link Road, Andheri (W), Mumbai- 400053

On the basis of verification of Disclosure Document as required by the SEBI (Portfolio Managers) Regulation, 2020 and other documents, records, audited Financial Statements as on March 31, 2025 of Securities Investment Management Private Limited and the information and explanation given to us, it is confirmed that:

The disclosure made in the Disclosures Document dated August 24, 2026, copy attached herewith, as required by the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and the directives issued by SEBI from time to time are true, fair and adequate to enable the investors to make a well informed decision.

For S. Panse & Co LLP
Chartered Accountants

Digitally signed by YOJANA RAVI MHATRE
DN: CN = YOJANA RAVI MHATRE, C = IN, L = THANE, S = MAHARASHTRA, O = Personal, T = 7023

Yojana Mhatre
Partner
M.No: 625044
FRN: 113470W/W100591
UDIN: 26625044YISPQM5527

Place : Mumbai
Date : August 24, 2026

SECURITIES INVESTMENT MANAGEMENT PVT. LTD
505/506, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W),
Mumbai-400053. Tel: 022-4783 3516 / 4783 3466
Email: Investorcare@simpl.co.in **Website**:www.simpl.co.in

SEBI PMS Regn. No. INP000002940
CIN NO.: U67190MH2007PTC176126

SiMPL
Portfolio Management

FORM C

Securities & Exchange Board of India (Portfolio Managers) Regulations,2020

[Regulation 22]

Name of the Portfolio Manager: Securities Investment Management Private Ltd
Registered Office Address: 505/506, Laxmi Plaza, Laxmi Industrial Estate,
Off New Andheri Link Road, Andheri (W),
Mumbai-400053, India.
Telephone: 91-22-4783 3516 / 4783 3466
Email: investorcare@simpl.co.in

We confirm that:

i) The Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;

ii) The disclosures made in the document are true, fair and adequate to enable the investors to make a well-informed decision regarding entrusting the management of the portfolio to us / investment through the Portfolio Manager.

iii) The Disclosure Document has been duly certified by an independent chartered accountant, M/s. S Panse & Co. LLP, Chartered Accountants (FRN: 113470W/W100591), having registered office at 327, TV Industrial Estate, S.K. Ahire Marg, Worli, Mumbai - 400030, on 24th August 2026 and a copy of the said certificate is enclosed herewith.

For and on behalf of
Securities Investment Management Pvt. Ltd.

SECURITIES INVESTMENT MANAGEMENT PVT. LTD. MUMBAI

Ravindra Purohit
Principal Officer & Chief Investment Officer

Date: 24th August 2026
Place: Mumbai

SiMPL

Portfolio Management

SEBI Registration Number: INP000002940

DISCLOSURE DOCUMENT

Securities Investment Management Private Limited
Portfolio Management Services

SECURITIES INVESTMENT MANAGEMENT PVT. LTD
505/506, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W),
Mumbai-400053. Tel: 022-4783 3516 / 4783 3466
Email: Investorcare@simpl.co.in **Website**:www.simpl.co.in
SEBI PMS Regn. No. INP000002940
CIN NO.: U67190MH2007PTC176126

SiMPL
Portfolio Management

DISCLOSURE DOCUMENT FOR PORTFOLIO MANAGEMENT SERVICES

1. The Document has been filed with the Board along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.

2. The purpose of the Document is to provide essential information about the portfolio services in a manner to assist and enable the investors in making an informed decision for engaging **Securities Investment Management Private Limited (SiMPL)** as a Portfolio Manager.

3. The Disclosure Document contains the necessary information about **Securities Investment Management Private Limited (SiMPL)** that is required by an investor before investing, and the investor may also be advised to retain the document for future reference.

4. The name, phone number, email address of the Principal Officer designated by the Portfolio Manager are mentioned below:

Principal Officer	**Mr. Ravindra Purohit**
Phone	Office: 022 4783 3516
Address	505/506, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400053
Email	ravi@simpl.co.in

5. This Disclosure Document is dated **24th August 2026** (Audited Financial data of the Portfolio Manager considered up to 31st March 2025).

TABLE OF CONTENTS

Part-I Static Section:

Sr. No.	Contents	Page No.
1	Disclaimer Clause	4
2	Definitions	5
3	Description	11
4	Penalties, Pending Litigations or Proceedings, findings of inspection or investigation for which any action may have been taken or initiated by any regulatory authority.	13
5	Services Offered	14
6	Risk Factors	26
7	Nature of Expenses	32
8	Taxation	34
9	Accounting Policies	42
10	Investor Services	46
11	Details of the diversification policy of the portfolio manager	49

Part-II Dynamic Section:

Sr. No.	Contents	Page No.
12	Client Representation	51
13	Financial Performance of the Portfolio Manager	54
14	Portfolio Management Performance	56
15	Audit Observations (of the preceding 3 years)	58
16	Details of investments in the securities of related parties of the portfolio manager	59

Part-I Static Section:

1. **Disclaimer Clause**

This Disclosure Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 as amended till date 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.

This Disclosure Document along with a certificate in Form C as specified Schedule I of the SEBI (Portfolio Managers) Regulations, 2020 is required to be provided to the Client along with the account opening form, prior to entering into an agreement with the Client.

The distribution of this Document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this Document are required to inform themselves about and to observe any such restrictions.

2. Definitions

The language and terminology used in the Disclosure Document shall have reference to the SEBI (Portfolio Managers) Regulations, 2020, as amended. Unless the context or meaning thereof otherwise requires, the following words or expressions shall have the meaning assigned to them hereunder respectively: -

a) **"Act"** means the Securities and Exchange Board of India Act, 1992 as amended from time to time.

b) **"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.

c) **"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.

d) **"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.

e) **"Application"** means the application made by the Client to the Portfolio Manager to place the funds and/or securities therein mentioned 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.

f) **"Assets Under Management" or "AUM"** means aggregate net asset value of the Portfolio managed by the Portfolio Manager on behalf of the Clients.

g) **"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.

h) "**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.

i) "Bank Account" means one or more accounts opened, maintained and operated by the Portfolio Manager, in the name of the Client, with any of the Scheduled Commercial Banks.

j) "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.

k) "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.

l) "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.

m)"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.

n) "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.

o) "Depository" means the depository as defined in the Depositories Act, 1996 (22 of 1996).

p) "Depository Account" means one or more accounts of the Client or for the Client opened, maintained and operated by the Portfolio Manager in the name of the Client with an entity registered as a depository participant registered under the SEBI (Depositories and Participants) Regulations, 1996.

q) "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.

r) "Discretionary Portfolio Manager" means a Portfolio Manager who 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.

s) "Discretionary Portfolio Management Services" means portfolio management services rendered to the Client by the Portfolio Manager on the

terms and conditions contained in the agreement, whereby the Portfolio Manager, exercises, 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.

t) "Disclosure Document" or "Document" means this Disclosure Document issued by **Securities Investment Management Private Limited (SiMPL)** prepared in accordance with the Regulations for offering portfolio management services**.**

u) "**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).

v) "**Fair Market Value**" means the price that the Security would ordinarily fetch on sale in the open market on the particular date.

w) "**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.

x) "Financial Year" means the year starting from April 1 and ending on March 31 in the following year.

y) "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.

z) "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.

aa) "Group Company" shall mean an entity which is a holding, subsidiary, associate, subsidiary of a holding company to which it is also a subsidiary.

bb) "HUF" means the Hindu Undivided Family as defined in Section 2(31) of the Income Tax Act.

cc) "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.

dd) "**IT Act**" means the Income Tax Act, 1961, as amended and restated from time to time along with the rules prescribed thereunder.

ee) "NAV" shall mean **Net Asset Value**, that is, the market value of assets in the portfolio consisting of equity, debt, cash & cash equivalents, less amounts payable by the Client which includes all fixed costs, transactions costs and other expenses including but are not restricted to PMS fees, custodian fees, bank charges etc. It is the price that the investments would ordinarily fetch on sale in the open market on the relevant date, less any receivables and fees due.

ff) "Non-resident Investors" or **"NRI(s)"** shall mean non-resident Indian as defined in Section 2(30) of the Income Tax Act.

gg) "Parties" means the Portfolio Manager and the Client; and "Party" shall be construed accordingly.

hh) "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.

ii) "Portfolio" means the total holdings of all investments, Securities and Funds belonging to the Client and managed by the Portfolio Manager on behalf of the Client pursuant to the Portfolio Management Agreement and includes any investments, securities and funds mentioned in the Application, any further investments, securities and funds placed by the Client with the Portfolio Manager for being managed pursuant to the Portfolio Management Agreement, securities acquired by the Portfolio Manager through investment of Funds and corporate actions in respect of securities forming part of the Portfolio, and cash and cash equivalents, so long as the same is managed by the Portfolio Manager.

jj) "Portfolio Manager" means **Securities Investment Management Private Limited (SiMPL)**, a Company incorporated under the Companies Act, 1956, registered with SEBI as a portfolio manager bearing registration number **INP000002940** and having its registered office at **505/506, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai 400053**.

kk) "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.

ll) "Regulations" or **"SEBI Regulations"** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as may be

amended/modified and reinstated from time to time and including the circulars/notifications issued pursuant thereto.

mm) "Related Party" means –

(i) a director, partner or his relative;
(ii) a key managerial personnel or his relative;
(iii) a firm, in which a director, partner, manager or his relative is a partner;
(iv) a private company in which a director, partner or manager or his relative is a member or director;
(v) a public company in which a director, partner or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;
(vi) any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director, partner or manager;
(vii) any person on whose advice, directions or instructions a director, partner or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

(viii) any body corporate which is— (A) a holding, subsidiary or an associate company of the Portfolio Manager; or (B) a subsidiary of a holding company to which the Portfolio Manager is also a subsidiary; (C) an investing company or the venturer of the Portfolio Manager— The investing company or the venturer of the Portfolio Manager means a body corporate whose investment in the Portfolio Manager would result in the Portfolio Manager becoming an associate of the body corporate;
(ix) a related party as defined under the applicable accounting standards;
(x) such other person as may be specified by the Board:

Provided that,

(a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
(b) any person or any entity, holding equity shares:
    (i) of twenty per cent or more; or
    (ii) of ten per cent or more, with effect from April 1, 2023; in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding Financial Year; shall be deemed to be a related party;

nn) "Scheduled Commercial Bank" means any bank included in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934).

oo) "Securities" mean –

i) Security as defined in Section 2(h) of the Securities Contracts (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;

ii) Shares, scrips, stocks, bonds, warrants, fixed return investments, convertible & non-convertible debentures, equity linked instruments, negotiable instruments, deposits, money market instruments, commercial paper, certificates of deposit, units issued by the Unit Trust of India and/or by any mutual funds, mortgage backed or other asset backed securities, foreign currency commitments, hedges, swaps or netting off and any other securities issued by any company or other body corporate, any trust, any entity, the Central Government, any State Government or any local or statutory authority and all money rights or property that may at any time be offered or accrue (whether by rights, bonus, redemption, preference, option or otherwise) and whether in physical or dematerialized form in respect of any of the foregoing or evidencing or representing rights or interest therein; and

iii) any other instruments or investments (including borrowing or lending of securities) as may be permitted by applicable law, from time to time.

pp)"Strategy" means broadly defined investment themes such as 'Equity', 'Debt', 'Hybrid' and 'Multi Asset'. Each Investment Approach shall be tagged to one and only one Strategy from the above-mentioned Strategies. This tagging shall be at the discretion of the Portfolio Manager. More than one Investment Approach may be tagged to a Strategy, but each Investment Approach must be tagged to only one Strategy.

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

3. Description

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

Securities Investment Management Private Limited (SiMPL), was incorporated on 23rd November 2007 under the Indian Companies Act, 1956 and registered with the Office of the Registrar of Companies at Mumbai, Maharashtra, to conduct the business of rendering Portfolio Management Services/Advisory Services.

SiMPL received SEBI approval for rendering Portfolio Management Services as defined by SEBI (Portfolio Managers) Regulations, 2020 on 25th September 2008 vide registration number INP000002940.

Mr. Rajashekar Iyer is the Promoter and Director of the Company.

The paid-up Equity Share Capital of the Company is Rs. 2.70 Crore (27 Lakh equity shares of Rs. 10 each) and the shareholding pattern as of 31st March 2025 is as under:

Sr. No.	Name of the Shareholders	No. of Shares	%
1	Securities Research & Analysis LLP	2,287,500	84.72
2	Mr. Ravindra Purohit	270,000	10.00
3	Mr. Rajashekar Iyer	142,500	5.28
	Total	**2,700,000**	**100.00**

(In the month of September 2024, the Company executed a buyback of 3,00,000 fully paid-up equity shares).

ii) Promoter of the Portfolio Manager, Directors and their background

a) Mr. Rajashekar Iyer:

Mr. Rajashekar Iyer is the Promoter and Director of **Securities Investment Management Private Limited (SiMPL)**. He qualified as a Chartered Accountant and has over 30 years of experience in the field of equity research, advisory & investment management.
During 1996-2000 he worked with Kotak Securities Limited as Head of Research and later as Head of its Institutional Broking business.
He also worked as a Senior Executive with Reliance Capital Limited in their management team to develop strategies for their web-based initiatives during 2000-2003.

b) Mrs. Hema B. Rajashekar:

Mrs. Hema B. Rajashekar is the Whole Time Director of **Securities Investment Management Private Limited (SiMPL)**. She holds a post-graduate degree (Master of Management Studies - MMS) from S.P. Jain Institute of Management & Research, Mumbai, and has over 20 years of work experience in the areas of merchant banking, business journalism and macro industry research.
She has worked with DSP Financial Consultants as Deputy Manager in their merchant banking division and thereafter, as a business journalist with publications such as Economic Times, Business India and Business Today.
She joined the Centre for Monitoring Indian Economy (CMIE) in 1998 and went on to become its Head of Industry Research division.

Mrs. Hema B. Rajashekar is the spouse of Mr. Rajashekar Iyer, Promoter Director of SiMPL.

c) Mr. Mehul B. Vasant

Mr. Mehul Bansi Vasant is the Director (Non-Executive) **of Securities Investment Management Private Limited (SiMPL)**. He holds a Bachelor's degree in General Law and Commerce.

iii) Top 10 group companies/firms of the Portfolio Manager on turnover basis *(as per audited financial statements as on 31st March 2025):*

a) Securities Research & Analysis LLP (post conversion of Securities Research & Analysis Private Limited)

b) Nitya Media LLP (post conversion of Nitya Media Private Limited)

c) Nitya Analytics Private Limited

iv) Details of services being offered

The Portfolio Manager, that is, SiMPL, is positioned to offer Discretionary Portfolio Management Services and Investment Advisory Services.

4. **Penalties, pending litigation or proceedings, findings of inspection or investigation for which action may have been taken or initiated by any regulatory authority.**

Sr. No.	Particulars	Remarks
(i)	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.	Nil
(ii)	The nature of penalty/direction.	Not Applicable
(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.	Nil
(v)	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	Nil
(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 there under.	Nil

5. Services offered

i) SiMPL offers Discretionary PMS services. The strategies/schemes offered at SiMPL are as follows –

- **SiMPL Multi Cap Value Portfolio** *(referred to as Deep Value Portfolio till February 2023)*
- **SiMPL Small Cap Value Portfolio** *(Onboarded first client in May 2023)*
- **SiMPL Select Mutual Fund Value Portfolio** *(Launched in August 2026)*

The present investment objectives and policies including the types of securities in which investments are made/will be made have been mentioned in the following pages for each of the strategies/schemes.

SiMPL Multi Cap Value Portfolio

(referred to as Deep Value Portfolio till February 2023)

Investment Approach	SiMPL Multi Cap Value Portfolio
Strategy	**Equity**
Investment Objective	SiMPL Multi Cap Value Portfolio is designed and managed for someone who has a long-term horizon, is looking at investing with an intent of preservation of capital in real terms over a long period of time and who is primarily investing from his/her surplus funds.
Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.	Investments are made across a wide gamut of large cap, mid cap and small cap stocks spread across various sectors. These may also include stocks with differential voting rights such as DVRs or listed warrants on listed stocks.
Basis of selection of such types of securities as part of the investment approach	Our approach towards investing and managing investments is driven by the value investment philosophy that lays considerable emphasis on intensive company research through the bottom-up approach and buying stocks at a discount to estimated fair value. We seek to take advantage of discrepancies between value and market price to buy when stocks are trading lower than our carefully appraised value. We believe that sooner or later the market will re-price the stock in line with its underlying value. However, the time horizon over which this re-pricing happens can vary widely and best investment returns are obtained only when we stay invested in the stock until this re-pricing happens. ***Our investment approach therefore is more likely to benefit investors with a long-term investment horizon.***

Investment Approach	SiMPL Multi Cap Value Portfolio
Allocation of portfolio across types of securities	Being equities investment managers, our focus is to invest only in equities. We won't invest in futures & options or debt & equity mutual funds (with the exception of liquid funds). Therefore, our asset allocation is anchored towards being invested in equities (partially or fully) with the remaining portion of funds held in cash & cash equivalents i.e., either at bank or parked in liquid funds or both. The amount of cash & cash equivalents that we hold in client accounts will essentially depend upon the available investment opportunities and our outlook on the general investment climate for equities.
Indicative tenure or investment horizon	The investment holding period envisaged is 3-5 years at the time of acquisition and may be reviewed/amended based on economic/market scenarios.
Appropriate benchmarks to compare performance and basis for choice of benchmark	In accordance with SEBI Circular dated 16th December 2022 and APMI Circular dated 23rd March 2023 read with clarification dated 31st March 2023, the Benchmark for Investment Approaches are selected from the list prescribed by APMI to reflect the core philosophy of the Strategy and the new Benchmarks are adopted with effect from 1st April 2023. Accordingly, we have chosen BSE 500 TRI to benchmark our PMS performance. This index represents the top 500 listed companies on the BSE by their market capitalization and is generally considered to be a wider representative of the listed companies' universe. Given our bottom-up approach to investing across the broader market, the BSE 500 TRI is a better index in our view from a performance comparison point of view.
Risk associated with the investment approach	Please refer to Clause 6 for Risk Factors

SiMPL Small Cap Value Portfolio

(Onboarded first client in May 2023)

Investment Approach	SiMPL Small Cap Value Portfolio
Strategy	**Equity**
Investment Objective	SiMPL Small Cap Value Portfolio is designed and managed for someone who has a long-term horizon, is looking at investing with an intent of preservation of capital in real terms over a long period of time and who is primarily investing from his/her surplus funds. Since the objective of the strategy is to invest in companies with market capitalization of below Rs.5000 crores (market cap at the time of investment), the investor should be comfortable with high volatility and period of higher cash holdings.
Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.	The mandate of the strategy is to invest in companies falling in market capitalization range of Rs.500 crores to Rs.5000 crores. These may also include stocks with differential voting rights such as DVRs or listed warrants on listed stocks.
Basis of selection of such types of securities as part of the investment approach	SiMPL Small Cap Value Portfolio aims to invest majorly in companies that have delivered consistent results over a long period and have grown in line with or ahead of the market. Although the selected companies have grown in their respective industries, they still have large headroom for growth with a focused promoter group managing the company. The company selection will be driven by laying considerable emphasis on intensive company research through the bottom-up approach and buying stocks at a discount to estimated fair value. We seek to take advantage of discrepancies between value and market price to buy when stocks are trading lower than our carefully appraised value. We believe that sooner or later the market will re-price the stock in line with its underlying value. However, the time horizon over which this re-pricing happens can vary widely and the best investment returns are obtained only when we stay invested in the stock until this re-pricing happens.

Investment Approach	SiMPL Small Cap Value Portfolio
	Since our covered universe of stocks during difficult periods may undergo high volatility or face liquidity issues, we would like to have higher discounts in our price/value gap and also run a more diversified portfolio. *Our investment approach therefore is more likely to benefit investors with a long-term investment horizon*.
Allocation of portfolio across types of securities	Being equities investment managers, our focus is to invest only in equities. Since the segment where we are investing carries additional risk, we would focus on a total portfolio allocation of up to 30-35 stocks. We won't invest in futures & options or debt & equity mutual funds (with the exception of liquid funds). Therefore, our asset allocation is anchored towards being invested in equities (partially or fully) with the remaining portion of funds held in cash & cash equivalents i.e., either at a bank or parked in liquid funds or both. The amount of cash & cash equivalents that we hold in client accounts will essentially depend upon the available investment opportunities and our outlook on the general investment climate for equities.
Indicative tenure or investment horizon	The investment holding period envisaged is 3-5 years at the time of acquisition and may be reviewed/amended based on economic/market scenarios.
Appropriate benchmarks to compare performance and basis for choice of benchmark	In accordance with SEBI Circular dated 16th December 2022 and APMI Circular dated 23rd March 2023 read with clarification dated 31st March 2023, the Benchmark for Investment Approaches are selected from the list prescribed by APMI to reflect the core philosophy of the Strategy and the new Benchmarks are adopted with effect from 1st April 2023. Accordingly, we have chosen BSE 500 TRI to benchmark the performance of SiMPL Small Cap Value Portfolio. This index represents the top 500 listed companies on the BSE by their market capitalization and is generally considered to be a wider representative of the listed companies' universe. Given our bottom-up approach to investing across the broader market, the BSE 500

Investment Approach	SiMPL Small Cap Value Portfolio
	TRI is a better index in our view from a performance comparison point of view.
Risk associated with the investment approach	Given the mandate for SiMPL Small Cap Value Portfolio, we believe that this segment carries risks other than business risk and risk common to all investments. This segment also carries risk with respect to liquidity and high volatility, which gets amplified during difficult phases of market. Often the companies in this segment see significant price-based volatility owing to market factors which are beyond our control. For additional risk factors, please refer to Clause 6.

SiMPL Select Mutual Fund Value Portfolio
(Launched in August 2026)

Investment Approach	SiMPL Select Mutual Fund Value Portfolio
Strategy	**Equity**
Investment Objective	SiMPL Select Mutual Fund Value Portfolio is designed and managed for someone who has a long-term horizon, is seeking equity market participation through a diversified portfolio of mutual fund schemes, and who is primarily investing from his/her surplus funds. The objective is to generate long-term capital appreciation by investing in a select set of open-ended equity mutual fund schemes chosen through a disciplined, research-driven selection process.

Investment Approach	SiMPL Select Mutual Fund Value Portfolio
Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.	Investments are made in units of open-ended equity-oriented mutual fund schemes registered with SEBI, spread across market capitalization segments and categories, including large cap, mid cap, small cap, large & mid cap, flexi cap, multi cap and other equity categories such as thematic and sectoral schemes. As a defensive or tactical measure, the portfolio may also invest in units of any scheme registered under the SEBI (Mutual Funds) Regulations, 2026, including any category of scheme introduced thereunder from time to time (such as gold, debt, arbitrage, hybrid or international schemes, index funds and exchange traded funds). The portfolio may also hold units of liquid fund schemes, debt-oriented mutual fund schemes and cash & cash equivalents pending deployment or as a defensive measure.
Basis of selection of such types of securities as part of the investment approach	Fund selection is driven by a systematic, data-driven evaluation of mutual fund schemes across the diversified equity universe. Schemes are assessed on long-term track record, consistency of performance across market cycles, behavior during market drawdowns and subsequent recoveries, and portfolio characteristics. Emphasis is placed on schemes that have demonstrated durable performance rather than recent short-term outperformance. The selected set is reviewed periodically, and changes are made only when the evidence supporting a scheme's continued inclusion has deteriorated. This disciplined review process is designed to keep portfolio turnover, exit loads and tax incidence low.

Investment Approach	SiMPL Select Mutual Fund Value Portfolio
Allocation of portfolio across types of securities	The portfolio is anchored towards being invested in equity mutual fund schemes (partially or fully), typically holding a diversified set of schemes across fund houses and market capitalization segments. The remaining portion of funds is held in cash & cash equivalents, i.e., either at bank or parked in liquid funds, debt-oriented mutual fund schemes or a combination thereof. The amount of cash & cash equivalents held in client accounts will depend upon the pace of deployment and prevailing market conditions. The Portfolio Manager may, at its discretion and as a defensive or tactical measure, allocate part or all of the portfolio to units of any scheme registered under the SEBI (Mutual Funds) Regulations, 2026, including any category of scheme introduced thereunder from time to time (such as gold, debt, arbitrage, hybrid or international schemes), where it considers such allocation to be in the interest of clients. Any such allocation shall continue for such period as the Portfolio Manager considers appropriate having regard to prevailing market conditions, and the portfolio shall revert to its anchor allocation of equity mutual fund schemes when conditions so warrant.
Indicative tenure or investment horizon	The investment horizon envisaged is 5 years or longer. Mutual fund investing rewards patience through market cycles, and the strategy is designed to benefit investors who stay invested over a long period.

Investment Approach	SiMPL Select Mutual Fund Value Portfolio
Appropriate benchmarks to compare performance and basis for choice of benchmark	In accordance with SEBI Circular dated 16th December 2022 and APMI Circular dated 23rd March 2023 read with clarification dated 31st March 2023, the Benchmark for Investment Approaches is selected from the list prescribed by APMI to reflect the core philosophy of the Strategy. Accordingly, we have chosen BSE 500 TRI to benchmark the performance of SiMPL Select Mutual Fund Value Portfolio. Since the underlying mutual fund schemes invest across large cap, mid cap and small cap companies, the BSE 500 TRI, which represents the top 500 listed companies on the BSE by market capitalization, is in our view the appropriate index for performance comparison. The core philosophy of the Investment Approach remains the selection of equity mutual fund schemes, which is the anchor allocation of the portfolio. Any defensive or tactical allocation to other permissible schemes is condition-driven, continues only for such period as the Portfolio Manager considers appropriate having regard to prevailing market conditions, and does not alter this core philosophy or the appropriateness of the chosen benchmark.
Risk associated with the investment approach	Please refer to Clause 6 for Risk Factors

Notes:

- Investment in the above portfolios will be as per the SEBI Regulations for Portfolio Managers.
- Pending deployment, the funds may be invested in Liquid Fund Schemes, Exchange Traded Index Funds, Debt Oriented Schemes of Mutual Funds, Bank Deposits, Savings or Current Bank accounts and other short-term avenues available for investment.
- The Portfolio Manager shall furnish reports as per the agreement with the Client and as prescribed under regulation 31 of the SEBI (Portfolio Managers) Regulations, 2020.
- The Portfolio Manager recommends that the client should remain invested for a period of one year, which is not intended as a “lock-in” as the investment approach is long term, and clients shall benefit by remaining invested for longer periods of time. The Portfolio Manager confirms that any redemption request received from any Client at any given time would be honored.

ii) Minimum Investment Amount

The initial lump sum investment amount received as funds or worth of the securities received from the clients shall not be less than Rs. Fifty Lakh, provided that the minimum investment amount per client shall be applicable for new clients and fresh investments by existing clients.

iii) Option of direct onboarding of clients

Clients can on-board directly with SiMPL, without intermediation of persons engaged in distribution services and no charges except statutory charges shall be levied at the time of on-boarding.

iv) Policy for investment in Associates/Group Companies of the Portfolio Manager

The Portfolio Manager will not invest the funds of Clients in its associates / group companies.

v) Details of the diversification policy of the Portfolio Manager

The Portfolio Manager follows the Value Investing philosophy that lays considerable emphasis on intensive company research through the bottom-up approach and buying stocks at a significant discount to their estimated fair value.

While thorough research is always undertaken, not all the investments work out the way they are envisaged at the time of investing, which makes risk management by way of diversification an essential aspect of our investing style.

Therefore, in the case of **SiMPL Multi Cap Value Portfolio**, to provide sufficient focus as well as have reasonable diversification, we will be looking to construct a portfolio of up to 20-25 stocks. Since we follow the bottom-up approach to investing, that is, looking for investable companies rather than sectors or economies, sectoral restrictions may not be a specific calculated input for the construction of a portfolio.

In the case of **SiMPL Small Cap Value Portfolio**, the segment of the market where we aim to invest is also marred by additional risks like liquidity and volatility, often caused by factors beyond our control. While we cannot remove this risk inherent in this segment and the risk of our hypothesis not working out, we will aim to reduce this by keeping a larger basket of portfolio companies. To get the benefit of a concentrated portfolio while also keeping in mind the risks discussed earlier, we would like to keep our portfolio size up to 30-35 stocks. Also, as this is a defined segment, whereby we do not have the liberty to invest in higher market

capitalization companies in case of valuation discrepancies, we would like to stay patient and may remain in cash to preserve capital.

In the case of **SiMPL Select Mutual Fund Value Portfolio**, diversification operates at two levels. At the first level, the portfolio invests in a select set of open-ended equity mutual fund schemes, typically up to 10, diversified across investment styles and market capitalisation categories. The number of schemes may be higher where the Portfolio Manager considers it appropriate for the strategy. At the second level, each underlying scheme itself holds a diversified portfolio of securities, so the client's look-through exposure spans a substantially larger number of companies and sectors than the count of schemes would suggest.

Since fund selection is driven by the assessment of each scheme's long-term track record and consistency rather than by top-down sector or theme allocation, sectoral restrictions are not a specific calculated input for portfolio construction. Diversification is assessed at the scheme level rather than at the fund house level, and the portfolio may hold multiple schemes managed by the same asset management company. Exposure to any single mutual fund scheme is monitored, and where the weight of a scheme grows disproportionately relative to the rest of the portfolio, the Portfolio Manager may review and rebalance the allocation.

Pending deployment or where suitable schemes are not available, funds may be held in cash & cash equivalents, liquid fund schemes or debt-oriented mutual fund schemes to preserve capital. In addition, as a defensive or tactical measure, the Portfolio Manager may allocate part or all of the portfolio to units of any scheme registered under the SEBI (Mutual Funds) Regulations, 2026, including any category of scheme introduced thereunder from time to time (such as gold, debt, arbitrage, hybrid or international schemes), where it considers such allocation to be in the interest of clients, with the portfolio reverting to its anchor allocation of equity mutual fund schemes when conditions so warrant.

vi) KYC and AMLA Guidelines

With reference to compliance with SEBI guidelines on Prevention of Money Laundering Act, 2002; SiMPL does not accept any clients residing in any of the countries mentioned in / listed in public statements issued by the Financial Action Task Force (FATF).

The FATF is the global standard setting body for anti-money laundering and combating the financing of terrorism (AML/CFT) and closely monitors countries those pose a risk to the international financial system and have deficiencies in compliance with the AML/CFT standards. FATF works with them to address those deficiencies.

vii) Fees charged to certain categories of clients

The Portfolio Manager may charge differential fees or offer modified fee terms to select categories of clients. This includes Promoter Director(s), Director(s), Shareholder(s), and Employees of the Portfolio Manager, as well as clients introduced through Registered Investment Advisors.

Additionally, fee structures may vary for individual clients based on their investment size, relationship tenure, strategic value to the firm, or other mutually agreed commercial terms, as specified in the respective Client Agreement in accordance with applicable SEBI (Portfolio Managers) Regulations and circulars issued from time to time.

6. Risk Factors

The investment made 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. and there is no assurance or guarantee that the value of or return on the investments made will appreciate and it could even depreciate.

Following are the risk factors as perceived by the Portfolio Manager:

A. General Risks Factors

1) Investment in Equities, Mutual Funds and Exchange Traded Index funds are subject to market risks and there is no assurance or guarantee that the objective of the Investment Approach will be achieved.

2) Investors are not being offered any guaranteed returns or assurance of any level of returns through these services.

3) The investments may not be suitable for all the investors.

4) The past performance of the Portfolio Manager does not in any manner indicate its prospects or returns and should not be taken as an indicator of future performance. The performance of the Portfolio may be adversely affected by the performance of individual companies, changes in the marketplace and industry specific and macro-economic factors.

5) As with any investment in securities, NAV of the portfolio can go up or down depending upon the factors and forces affecting the capital market.

6) The names of the Investment Approach do not in any manner indicate their prospects or returns.

7) 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.

8) 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.

9) 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.

10) The performance of the Portfolio may be affected by changes in general market conditions and factors and forces affecting the capital markets, in particular, level of interest rates and inflation, 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, liquidity, etc.

11) 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

12) Equity and equity-related instruments are inherently volatile and prone to price fluctuations on a daily basis. Their value is sensitive to both macro (e.g., interest rates, government policies, currency exchange rates, political events) and micro (e.g., individual company performance, specific sector developments) economic factors. Any adverse change in these areas can have a negative impact on the individual securities, a specific sector or all sectors. Consequently, the value of the Client's Portfolio may be adversely affected.

13) Equity and equity related instruments listed on the stock exchange carry lower liquidity risk, however the Portfolio Manager's ability to sell them is constrained by the overall trading volume on the stock exchanges. Unforeseen circumstances can significantly extend settlement periods. If the Portfolio Manager cannot buy or sell investments due to these settlement issues, the client may miss investment opportunities or incur potential losses if the value of unsold securities declines.

14) Further risks may arise due to an inherent nature/risk in the stock markets such as volatility, market scams, circular trading, price rigging, and sudden liquidity changes. Risks also include the delisting of securities or market closure, relatively small number of scrips accounting for a large proportion of the trading volume among others. These inherent risks can negatively impact the performance and stability of the client's portfolio.

C. Risk associated with debt and money market securities

15) 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 rates 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.

16) Liquidity or Marketability Risk

The Portfolio Manager's ability to execute a sale/purchase order is dependent on the liquidity or marketability of the security. The primary measure of Liquidity risk is the spread between the bid price and the offer price quoted by a dealer. While listed securities have lower risk, sales are limited by overall trading volumes. Also, varying settlement cycles across different segments of Indian financial markets may be extended significantly by unforeseen circumstances.

17) Credit Risk

Credit risk or default risk is the danger that an issuer of a fixed income security may default (that is, unable to pay timely principal and interest on that 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.

18) 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 debt instruments are subject to reinvestment risks as interest rates prevailing on the interest or maturity due dates might differ from earlier coupon rate, resulting in the proceeds being reinvested at a lower coupon rate.

D. Risk associated with derivatives instruments

19) 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.

20) 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

21) 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.

22) 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.

23) Past performance of the sponsors, asset management company (AMC)/fund does not indicate the future performance of the schemes of the fund.

24) 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.

25) The Portfolio Manager shall not be responsible if the AMC/ fund does not comply with the provisions of SEBI (Mutual Funds) Regulations, 2026 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 monitory 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.

26) The Portfolio Manager shall not be liable for any default, negligence, lapse error or fraud on the part of the AMC/the fund.

27) 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.

28) 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

29) 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

30) 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.

31) 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.

32) The Portfolios may invest in its Associates/ Related Parties relating to portfolio management services and thus conflict of interest may arise while investing in securities of the Associates/Related Parties of the Portfolio Manager. Portfolio Manager shall ensure that such transactions shall be purely on arms' length basis and to the extent and limits permitted under the Regulations. Accordingly, all market risk and investment risk as applicable to securities may also be applicable while investing in securities of the Associates/Related Parties of the Portfolio Manager.

33) All transactions of purchase and sale of securities made by Promoter(s), Director(s) or entities controlled by them or transactions made by the employees of the Portfolio Manager who are directly involved in investment operations shall be subject to a pre-clearance procedure in accordance with the internal policies adopted for this purpose.

7. Nature of Expenses

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

The below mentioned fees, charges and expenses shall be directly debited to the client's account as and when the same becomes due for payment.

Any other statutory charges, as applicable, will be levied on these expenses, wherever applicable.

i) Investment Management & Advisory Fees:

Management Fees charged may be a Fixed Fee or a Performance Fee or a combination of both which may be charged at the end of a specified tenure as per the Agreement between the Portfolio Manager and the Client.

ii) Custodian Fees:

These are custodian charges which include safe-keeping, transaction, depository charges, SEBI/Regulatory charges, out of pocket expenses, etc. The Custodian Fees are charged as per the agreement between the Portfolio Manager and the Custodian.

iii) Brokerage & Transaction Cost:

The brokerage and transaction costs are charged at actual. The amount of brokerage incurred on investments is disclosed in the reports shared with clients.

The investments under Portfolio Management Services would be made through registered members of stock exchange who typically charge brokerage in the range of 0.05% to 0.25% of the contract value.

In addition to the brokerage, transaction costs like network charges, turnover tax/charges, stamp duty, transaction charges, service tax, securities transaction tax (STT), or any other tax levied by statutory authorities, foreign transaction charges (if any) and other charges on the purchase and sale of shares, stocks, bonds, debt instruments, deposits, other financial instruments would also be levied by the broker.

Any fees exit load or any other charges (if any) on units of Mutual Funds will also be charged to clients.

iv) Certification and Professional Charges:

Charges payable for outsourced professional services, if any, like auditing, taxation, etc. and legal services for documentation, notarizations, certifications, attestations, etc. required by brokers, bankers, depository participants and/ or regulatory authorities, including their legal fees, charges, out of pocket expenses, etc.

v) Incidental Expenses:

Charges in connection with day-to-day operations for opening and operation of bank and/or demat account(s), expenditure incurred on postage, courier, stamp duty, notarizations or any other out-of-pocket expenses as may be incurred by the Portfolio Manager.

vi) Goods and Service Tax and any other statutory levies:

As per the rates applicable from time to time.

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.

The Portfolio Manager will provide adequate statements to the Client on a periodical basis, prior to the due dates of income tax payments, to enable the investor to meet their tax obligations under the Income Tax Act, 1961.

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 Gain

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 up to 22 July 2024 Period of Holding	Position on or after 23 July 2024 Period of Holding	Characterization
Listed Securities (other than unit) and unit of equity oriented mutual funds, unit of UTI, zero coupon bonds	More than twelve (12) months	More than twelve (12) months	Long-term capital asset
	Twelve (12) months or less	Twelve (12) months or less	Short-term capital asset
Unlisted shares of a company	More than twenty-four (24) months	More than twenty-four (24) months	Long-term capital asset
	Twenty-four (24) or less	Twenty-four (24) or less	Short-term capital asset
Other Securities (other than Specified Mutual Fund or Market Linked Debenture acquired on or after 1 April 2023; or unlisted bond or unlisted debenture)	More than Thirty-six (36) months	More than twenty-four (24) months	Long-term capital asset
	Thirty-six (36) months or less	Twenty-four (24) or less	Short-term capital asset
Specified Mutual Fund or Market Linked Debenture acquired on or after 1 April 2023	Any period	Any period	Short-term capital asset
Unlisted bond or unlisted debenture	More than 36 months		Long-term capital asset
	36 months or less	Any period	Short-term capital asset

- **<u>Definition of Specified Mutual Fund:</u>**

<u>Before 1st April 2025:</u>

*"**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.

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 number 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. <u>Goods and Services Tax on services provided by the portfolio manager</u>

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, whicehever 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 shall be followed.

8) Unrealized gain/losses are the differences between the current market value / Net Asset Value and the historical cost of the securities/

acquisition price at which securities are valued on the date of admitting as a corpus inward in the Client's portfolio.

9) Dividend income earned on Mutual Funds shall be recognized on an receipt basis. For securities quoted on NSE or BSE, the dividend shall be recognized, not on the date the dividend is declared, but on the date the security is quoted on an ex-dividend basis. For other investments, which are not quoted on NSE or BSE, dividend income shall be recognized on the date of receipt.

10) Bonus shares/units to which the Client becomes entitled shall be recognized only when the original shares/units on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.

11) For Rights Issue, Rights Entitlement shall be recognized only when the original shares on which the rights entitlement accrues are traded on the stock exchange on an ex-rights basis.

12) All other corporate actions entitlement, excluding those mentioned at (10) and (11) above shall be calculated and accounted based on the end of the day ('EOD') position prevailing before the ex-date.

13) In respect of all interest-bearing investments, income shall be accrued on a day-to-day basis as it is earned. Therefore, when such investments are purchased, interest earned for the period from the last interest due date up to the date of purchase shall not be treated as a cost of purchase but shall be debited to Interest Recoverable Account. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale shall not be treated as an addition to sale value but shall be credited to Interest Recoverable Account. In case of Fixed Deposits, interest earned but not received, shall be accrued at the end of every quarter.

14) Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction would be recorded, in the event of a purchase, as of the date on which the portfolio obtains its enforceable obligation to pay the price or, in the event of a sale, when the portfolio obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the securities sold.

C. **Valuation of portfolio investments**

15) 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 (NSE & BSE), 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.

Also, we will review/monitor such defunct stocks from time to time and take appropriate action to evaluate it in consultation with the Fund Managers.

16) Investments in unlisted units of Mutual Funds are valued at NAV of the relevant scheme. Provided investments in mutual funds shall be through direct plans only.

17) 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.

18) 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.

19) In case of any other Securities, the same are valued as per the standard valuation norms applicable to the mutual funds.

20) Private equity/pre-IPO placements will be valued at cost or at the last deal price available at which the Company has placed shares to other investors

21) The cost of acquisition in case of listed securities which are introduced as part of the corpus would be accounted at the previous day's closing price on NSE/BSE, if received before close of market hours. In case the listed securities are transferred after closure of market hours, then they will be accounted at the closing price on NSE/BSE as on the date of transfer.

22) In case of exceptional circumstances, valuation shall be carried out on a fair value basis as determined by the Portfolio Manager.

The Investor may contact the customer services official of the Portfolio Manager for the purpose of clarifying or elaborating on any of the above policy issues.

The Portfolio Manager may change the valuation policy for any particular type of security consequent to any regulatory changes or change in the market practice followed for valuation of similar Securities. However, such changes would be in conformity with the Regulations.

10. Investor Services

i) The details of Investor Relation / Compliance Officer, who shall attend to the investor queries and complaints is mentioned below:

Name of the person	Ms. Fahima Malik
Designation	Chief Operating Officer & Compliance Officer
Address	505-506, Laxmi Plaza, Laxmi Industrial Estate, Off New Andheri Link Road, Andheri (West), Mumbai – 400053
Phone (Office)	022 – 4783 3516 / 4783 3466
Email	fahima@simpl.co.in or investorcare@simpl.co.in

ii) **Grievance Redressal and Dispute Settlement Mechanism**

The objective of grievance redressal system is to ensure that all clients are always treated fairly and that any complaints raised by the clients are dealt with courtesy and in time. The Portfolio Manager shall endeavor to address all complaints regarding services, deficiencies or causes for grievances, for whatsoever reason, in a reasonable and timely manner.

To ensure the same, we have introduced the following system:

- Clients can email their complaints directly to the Compliance Officer and it will be the Compliance Officer's responsibility to respond within 7 days from receipt of the complaint.
- If the Compliance Officer is unable to resolve any complaint, Client can escalate the same to the Principal Officer, and it will be the Principal Officer's responsibility to respond within 7 days from the receipt of the complaint.
- Principal Officer: Mr. Ravindra Purohit
  Email: ravi@simpl.co.in & Contact no: 022-4783 3516
- If neither of the above is able to satisfactorily resolve the Client's complaint, Promoter or Director can be directly contacted.
- Promoter Director: Mr. Rajashekar Iyer
  Email: rajashekar.iyer@gmail.com & Contact No. 022-4783 3516
- Director: Mrs. Hema B. Rajashekar
  Email: hema.rajashekar@gmail.com & Contact No. 022-4783 3516

Apart from the above, Clients can, at any point of time, during the office hours (10 am to 4 pm, Monday to Friday) visit the Portfolio Manager's office and register their complaints in the "Complaint Register" maintained by the Compliance Officer / Portfolio Manager.

Further, any suggestions/feedback can always be emailed directly to investorcare@simpl.co.in

Grievances/disputes, if any, that may arise pursuant to the Portfolio Management Services Agreement entered into shall as far as possible be redressed through the above 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 Courts at Mumbai and are governed by Indian Laws.

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 mechanism:-

All disputes, differences, claims and questions whatsoever arising between the Client and the Portfolio Manager and/or their respective representatives shall be settled in accordance with the provisions of The Arbitration and Conciliation Act, 1996 or any statutory requirement, modification or re-enactment thereof for the time being in force. Such arbitration proceedings shall be held at Mumbai (India).

In addition to the above, the clients can also login to the SEBI Complaints Redressal System (SCORES) website https://scores.sebi.gov.in to register their grievances / complaints.

After exhausting all aforementioned options for resolution, if the client is not satisfied, they can initiate dispute resolution through the Online Dispute Resolution Portal (ODR) at https://smartodr.in/login.

The client can directly initiate dispute resolution through the ODR Portal if the grievance lodged with the Portfolio Manager is not satisfactorily resolved or at any stage of the subsequent escalations mentioned above.

The dispute resolution through the ODR Portal can be initiated when the complaint/dispute is not under consideration in SCOREs guidelines or not pending before an auditory arbitral process, court, tribunal or consumer forum or are non-arbitrable in terms of Indian law.

The process on Online Dispute Resolution Mechanism and the relevant SEBI Master Circular for Online Resolution of Disputes in the Indian Securities Market can be accessed at https://www.sebi.gov.in/legal/master-circulars.

iii) **Details of Distributors empaneled with the Portfolio Manager**

With the objective of enhancing transparency and investor protection, all Portfolio Managers are required to maintain and disclose the details of their empaneled PMS Distributors on their respective websites.

Clients have the option to be on-boarded directly with the Portfolio Manager without intermediation of persons engaged in distribution services.

SiMPL has empaneled the following Distributors in addition to direct onboarding option for availing our portfolio management services:

Distributor's Name	**Magnum Wealth**	**Pygmalion Renaissance Private Limited**
APRN	APRN02483	APRN00065
Address	1607, One Lodha Place, Lower Parel, Mumbai 400013	No. 327-328, 5th Floor, 80 feet road, HAL 2nd Stage, Indiranagar, Bengaluru 560008
Contact Details	varun@magnumadvisors.in	srikanth@pygmalionwealth.com
Date of Empanelment	1st January 2018	13th July 2018

11. Details of the diversification policy of the Portfolio Manager

The Portfolio Manager follows the Value Investing philosophy that lays considerable emphasis on intensive company research through the bottom-up approach and buying stocks at a significant discount to its estimated fair value.

While thorough research is always undertaken, not all the investments work out the way they are envisaged at the time of investing, which makes risk management by way of diversification an essential aspect of our investing style.

Therefore, in the case of **SiMPL Multi Cap Value Portfolio**, to provide sufficient focus as well as have reasonable diversification, we will be looking to construct a portfolio of up to 20-25 stocks. Since we follow the bottom-up approach to investing, that is, looking for investable companies rather than sectors or economies, sectoral restrictions may not be a specific calculated input for the construction of a portfolio.

In the case of **SiMPL Small Cap Value Portfolio**, the segment of the market where we aim to invest is also marred by additional risks like liquidity and volatility often caused by factors beyond our control. While we cannot remove this risk inherent in this segment and the risk of our hypothesis not working out, we will aim to reduce this by keeping a larger basket of portfolio companies. To get the benefit of a concentrated portfolio while also keeping in mind the risks discussed earlier, we would like to keep our portfolio size up to 30-35 stocks. Also, as this is a defined segment, whereby we do not have the liberty to invest in higher market capitalization companies in case of valuation discrepancies, we would like to stay patient and may remain in cash to preserve capital.

In the case of **SiMPL Select Mutual Fund Value Portfolio**, diversification operates at two levels. At the first level, the portfolio invests in a select set of open-ended equity mutual fund schemes, typically up to 10, diversified across investment styles and market capitalisation categories. The number of schemes may be higher where the Portfolio Manager considers it appropriate for the strategy. At the second level, each underlying scheme itself holds a diversified portfolio of securities, so the client's look-through exposure spans a substantially larger number of companies and sectors than the count of schemes would suggest.

Since fund selection is driven by the assessment of each scheme's long-term track record and consistency rather than by top-down sector or theme allocation, sectoral restrictions are not a specific calculated input for portfolio construction. Diversification is assessed at the scheme level rather than at the fund house level, and the portfolio may hold multiple schemes managed by the same asset management company. Exposure to

any single mutual fund scheme is monitored, and where the weight of a scheme grows disproportionately relative to the rest of the portfolio, the Portfolio Manager may review and rebalance the allocation.

Pending deployment or where suitable schemes are not available, funds may be held in cash & cash equivalents, liquid fund schemes or debt-oriented mutual fund schemes to preserve capital. In addition, as a defensive or tactical measure, the Portfolio Manager may allocate part or all of the portfolio to units of any scheme registered under the SEBI (Mutual Funds) Regulations, 2026, including any category of scheme introduced thereunder from time to time (such as gold, debt, arbitrage, hybrid or international schemes), where it considers such allocation to be in the interest of clients, with the portfolio reverting to its anchor allocation of equity mutual fund schemes when conditions so warrant.

Part-II Dynamic Section:

12. Client Representation

i) Portfolio Management Business Details:

Category of Clients	Number of Client Accounts	Funds Managed (Rs. in Crores)	Discretionary / Non – Discretionary
#Associates / Group Companies (last 3 years)			
As of June 30, 2026	18	377.97	Discretionary
As of March 31, 2026	18	301.12	Discretionary
As of March 31, 2025	19	312.90	Discretionary
As of March 31, 2024	16	256.60	Discretionary
Others (last 3 years)			
As of June 30, 2026	498	1,222.62	Discretionary
As of March 31, 2026	478	997.30	Discretionary
As of March 31, 2025	374	1,031.65	Discretionary
As of March 31, 2024	284	866.49	Discretionary
Total			
As of June 30, 2026	516	1,600.59	Discretionary
As of March 31, 2026	496	1,298.42	Discretionary
As of March 31, 2025	393	1,344.55	Discretionary
As of March 31, 2024	300	1,123.09	Discretionary

#Includes investments made by Promoter, Director, Employees and their Relatives
(excluding Non-Executive Director and relatives of Non-Executive Director)

ii) Complete disclosure in respect of transactions with related parties as per the standards specified by the Institute of Chartered Accountants of India

(Based on Audited Financial Statements for the year ended 31st March 2025)

a) The list of related parties and the nature of their relationship is as under:

Sr. No.	Name of the Related Party	Nature of Relationship
1	Mr. Rajashekar S Iyer	Promoter Director
2	Ms. Hema B Rajashekar	Director
3	Mr. Mehul B Vasant	Director (Non-Executive)
4	Mr. Ravindra Purohit	Chief Investment Officer & Principal Officer
5	Ms. Fahima Malik	Chief Operating Officer & Compliance Officer
6	Mr. V.R. Nagabushanam	Parent of Director
7	Ms. Gomathy Bushanam	Parent of Director
8	Ms. Janani Rajashekar	Daughter of Director
9	Ms. Kusum Purohit	Parent of Chief Investment Officer & Principal Officer
10	Mr. Ramesh Dayal Purohit	Parent of Chief Investment Officer & Principal Officer
11	Securities Research & Analysis LLP	Firm controlled by Promoter
12	Nitya Media LLP *(converted from Pvt Ltd. co. to LLP on 24.02.2021)*	Firm controlled by Promoter
13	Nitya Analytics Private Limited	Firm controlled by Promoter & Executive Director
14	Ms. Aditi Mehul Vasant	Daughter of Director
15	Mr. Varun Mehul Vasant	Son of Director
16	Ms. Naina Vasant	Spouse of Director
17	Magnum Wealth *(earlier known as Magnum Marketing)* – Distributor of SiMPL	Partnership Firm of Director & Relatives of Directors
18	Pygmalion Renaissance Private Limited – Distributor of SiMPL	Director is a shareholder and member of the Advisory Board

b) Transactions with related parties:

Payments made to related parties –

Particulars	FY 2024-25	FY 2023-24
	(Amount in Rs.)	
Remuneration Paid	39,221,590	56,558,403
Reimbursement of Expenses	86,064	91,244
Commission paid to Distributors	30,395,567	37,636,468

Receipts from related parties –

Particulars	FY 2024-25	FY 2023-24
	(Amount in Rs.)	
PMS Fees & charges received from Directors & Employees	11,759,411	10,088,723
PMS Fees & charges received from relatives of Directors & Employees	3,257,843	4,332,519
PMS Fees & charges received from Companies controlled by Promoters	11,80,000	1,347,207
PMS Fees & charges received from Distributors	75,778	-

Other than those disclosed above, there are no other related party transactions which have taken place in the financial years mentioned above.

All the related party transactions were on an arm's length basis and were in the ordinary course of business.

13. Financial Performance of the Portfolio Manager

As per the Audited Financial Statements for the year ended 31st March 2025, SiMPL is complaint with the minimum net worth criteria of Rs. 5 crores as mandated by SEBI.

The financial position and performance of the Portfolio Manager based on the audited financial statements are as given below:

Particulars	FY25	FY24	FY23
	(Rs. In Lakhs)		
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	270.00	300.00	300.00
Reserves & Surplus	3,519.72	3,868.00	2,633.90
Share Capital Redemption Reserve	30.00	-	-
Non-Current Liabilities			
Deferred Tax Liability	7.36	5.39	2.75
Current Liabilities			
Other Current Liabilities	302.98	549.71	55.07
Short Term Provisions	382.55	692.06	94.23
Total Equity & Liabilities	**4,512.61**	**5,415.16**	**3,085.95**
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	190.09	200.66	186.31
Intangible Assets	35.22	42.13	0.02
Intangible Assets under development	2.50	2.50	2.50
Non-Current Investments	2,452.63	2,150.89	896.94
Deferred Tax Asset	-	-	-
Other Non-Current Investments	3.26	3.26	3.26
Current Assets			
Trade Receivable	1,244.70	2,537.53	207.54
Cash & Cash Equivalents	342.70	326.89	1,755.71

Particulars	FY25	FY24	FY23
Short term loan & advances	210.00	95.42	3.35
Other Current Assets	31.51	55.88	30.30
Total Assets	**4,512.61**	**5,415.16**	**3,085.95**
REVENUE FROM OPERATIONS			
Sale of Services (Net of GST)	2,142.68	2,843.33	711.91
Other Income (Interest & Dividend)	119.17	131.37	127.04
Total Revenue	**2,261.85**	**2,974.70**	**838.95**
Employee Benefits expenses	643.94	813.66	335.63
Depreciation & Amortization Expenses	23.62	14.74	13.05
Other Expenses	413.20	476.12	191.50
Total Expenses	**1,080.76**	**1,304.52**	**540.18**
Profit /(Loss) before Tax	1,181.09	1,670.18	298.77
Current Tax	(336.60)	(446.00)	(80.00)
Deferred Tax	(1.97)	(2.64)	(2.31)
Tax on Buy Back of Shares	(223.64)	-	-
Taxes of Earlier Years	22.83	12.56	18.67
Profit /(Loss) after Tax	**641.71**	**1,234.10**	**235.13**

14. Portfolio Management Performance of the Portfolio Manager

Portfolio Management performance since inception and Benchmark performance indicators have been calculated using 'Time Weighted Rate of Return' (TWRR) method in terms of Regulation 22 of SEBI (Portfolio Managers) Regulations,2020.

In accordance with SEBI Circular dated 16th December 2022 and APMI Circular dated 23rd March 2023 read with clarification dated 31st March 2023, the Benchmark for Investment Approaches are selected from the list prescribed by APMI to reflect the core philosophy of the Strategy and the new Benchmarks are adopted with effect from 1st April 2023. Since the performance details are as on 31st March 2023, performance of the old benchmark has been provided.

Data is based on audited financial statements; however, the information provided herein has not been verified by SEBI.

Annual TWRR Returns (net of all fees and expenses)			
	SiMPL Multi Cap Value Consolidated Portfolio	**Benchmark Performance NSE Nifty 50**	**Benchmark Performance BSE 500 TRI**
FY10*	16.0%	13.9%	16.5%
FY11	11.0%	11.1%	8.9%
FY12	10.2%	-9.2%	-7.8%
FY13	13.2%	7.3%	6.5%
FY14	38.2%	18.0%	19.0%
FY15	82.2%	26.7%	35.0%
FY16	-7.9%	-8.9%	-6.4%
FY17	23.7%	18.5%	25.5%
FY18	15.2%	10.3%	13.2%
FY19	4.9%	14.9%	9.7%
FY20	-16.5%	-26.0%	-26.5%
FY21	59.4%	70.9%	78.6%
FY22	27.1%	18.9%	22.3%
FY23	3.2%	-0.6%	-0.9%
FY24	35.7%	28.6%	40.0%
FY25	18.3%	5.3%	6.0%
FY26	-6.2%	-5.1%	-3.1%
Q1'FY27^	19.3%	6.9%	12.1%

* - Computation for period Sept 2009 to Mar 2010

^ - Unaudited

Annual TWRR Returns (net of all fees and expenses)		
	SiMPL Small Cap Value Consolidated Portfolio	**Benchmark Performance BSE 500 TRI**
FY24*	19.2%	31.8%
FY25	17.4%	6.0%
FY26	5.2%	-3.1%
Q1'FY27^	25.7%	12.1%

* - Return for period 15th May to 31st March 2024

^ - Unaudited

15. Audit Observations

There have been no adverse audit observations by the Statutory Auditors in the preceding 3 years.

16. Details of investments in the securities of related parties of the portfolio manager

The Portfolio Manager will not invest the funds of Clients in its associates / group companies.

For Securities Investment Management Private Limited

Mr. Rajashekar Iyer - Director	Rajashekar S Iyer Digitally signed by Rajashekar S Iyer Date: 2026.08.24 17:09:43 +05'30'
Mrs. Hema B. Rajashekar - Director	HEMA BHUSHANAM RAJASHEKAR Digitally signed by HEMA BHUSHANAM RAJASHEKAR Date: 2026.08.24 17:10:04 +05'30'

Place: Mumbai

Date: 24th August 2026