



Securities

KS/COMPLIANCE/SEBI/CORR/2022-2023/DM/004

Date: April 5, 2022

Investment Management Department  
Securities and Exchange Board of India  
SEBI Bhavan, Plot No C4-A  
"G" Block, Bandra Kurla Complex,  
Bandra (East),  
Mumbai - 400 051

Dear Sir / Madam,

Sub: - Filing of Portfolio Management Services Disclosure Document  
Ref: SEBI Registration No. for PM.: INP00000258

In accordance with Regulation 22 of the SEBI (Portfolio Managers) Regulation, 2020, we are filing herewith following documents:

1. Portfolio Management Services Disclosure document dated April 5, 2022
2. Form C dated April 5, 2022 signed by the Principal Officer.
3. Certificate from M/s M. P. Chitale & Co., Chartered Accountants, dated April 5, 2022

Kindly acknowledge the receipt.

Thanking you.

Yours faithfully,

For Kotak Securities Limited

Sanjaya Nair  
Compliance Officer and Head Legal



Encl: as above

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CIN: U09099MH2009PLC15201  
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General A. K. Vaidya Marg  
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**PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT**

Kotak Securities Limited (KSL)

Portfolio Management Services

Disclosure Document



**PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT.**

**KEY INFORMATION AND DISCLOSURE DOCUMENT FOR PORTFOLIO MANAGEMENT SERVICES BY KOTAK SECURITIES LIMITED.**

- This document supersedes the Disclosure Document dated December 29, 2020 filed with Securities and Exchange Board of India (SEBI) on March 3, 2021.
- A certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations 2020 has been attached to this document.
- 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 informed decisions for engaging a Portfolio Manager.
- The necessary information about the Portfolio Manager required by an investor before investing is disclosed in the Disclosure document.
- Investors should carefully read the entire document before making a decision and should retain it for future reference.
- Investors may also like to seek further clarifications after the date of this document from the service provider.
- The Principal Officer designated by the Portfolio Manager is:

**Mr. Saurabh Bhoot**  
Senior Vice President

Tel no. (R) +91 22 42856825  
(D) +91 22 42859060

Email address: saurabh.bhoot@kotak.com

Dated: April 5, 2022



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**1. DISCLAIMER**

This document has been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations 2020. It shall be filed with the Securities and Exchange Board of India (SEBI). This Document has neither been approved or disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of this Document.

**2. DEFINITIONS**

In this Disclosure Document, unless the context otherwise requires:

“Act” means the Securities and Exchange Board of India, Act, 1992 (15 of 1992).

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

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

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

“Discretionary Portfolio Management Services” mean Portfolio Management Services provided by the Portfolio Manager exercising its sole and absolute discretion to invest in respect of the Client’s account in any type of security as per an Agreement relating to portfolio management and to ensure that all benefits accrue to the Client’s Portfolio, for an agreed fee structure, entirely at the Client’s risk.

“Financial year” means the year starting from 1<sup>st</sup> April and ending on 31<sup>st</sup> March the following year.

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

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

“Corpus” means the value of the funds and the market value of readily realizable investments brought in by the client and accepted and accounted by the Portfolio Manager. For discretionary clients, the investments brought in as corpus will be sold within a period of 30 days and the net realizable proceeds shall be taken to the portfolio on the respective dates, and if not so sold, shall be taken to the portfolio at the last available closing price on the day of switch to the portfolio. For non-discretionary clients, the investments brought in shall be immediately taken to the portfolio by the Portfolio Manager or at such period as may be mutually agreed between the Client and the Portfolio Manager.

“Kotak Securities” means Kotak Securities Limited.

“Non-discretionary Portfolio Management Services” means Portfolio Management Services under which the Portfolio Manager, subject to express prior instructions issued by the Client from time



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to time, for an agreed fee structure, invests in respect of the Client's account in any type of security entirely at the Client's risk and to ensure that all benefits accrue to the Client's Portfolio.

"Portfolio" means the total holdings of all investments, securities and funds belonging to the client.

"Portfolio Manager" means Kotak Securities Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra E, Mumbai 400070.

"Material change", for the purpose of Regulation 22 (7) of PMS Regulations, shall include change in control of the Portfolio Manager, Principal Officer, fees charged, charges associated with the services offered, investment approaches offered (along with the impact of such change) and such other changes as specified by SEBI from time to time.

**Material Change Change In Principal Officer:** The Board of Directors of Kotak Securities Limited (KSL) at their meeting held on March 28, 2022 has appointed Mr. Saurabh Bhoot as the Principal Officer for PMS Operations in the place of Mr. Srikrishnan KN. The appointment will have immediate effect.

"Regulations" means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

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. HISTORY, PRESENT BUSINESS AND BACKGROUND OF THE PORTFOLIO MANAGER :**

Kotak Securities Limited established in 1994, is a subsidiary of Kotak Mahindra Bank Limited and has significant equity participation from Kotak Mahindra Capital Company Limited. Kotak Securities is one of the largest brokerage and distribution houses in India. Kotak Securities is a corporate member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), Metropolitan Stock Exchange of India Limited (MSE), Multi Commodity Exchange of India Ltd (MCX) and National Commodity and Derivatives Exchange Limited (NCDEX). Kotak Securities is also Depository Participant of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and repository participant of Repositories connected to Exchanges. Its businesses include Stock Broking, Portfolio Management, Depository Services, Repository Services and services rendered in connection with distribution of primary market issues and financial products like mutual funds and fixed deposits. The Company having composite license also acts as Corporate agent of Kotak Mahindra Life Insurance Company Limited and Kotak Mahindra General Insurance Company Limited.



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Under the Portfolio Management services offered by Kotak Securities Limited, the funds of the investors are managed by a team of professionals.

The Company's core strengths are its investment research capabilities and its retail distribution reach. It has a research division with several analysts actively monitoring global and regional political, economic and social trends and events to assess their impact on the economy, the sectors and the companies they research, to offer quality research advice to clients.

Kotak Securities offers its services through a countrywide network of its offices and distribution agents.

### **4. PROMOTERS AND DIRECTORS OF THE PORTFOLIO MANAGER AND THEIR BACKGROUND IN BRIEF**

#### **4.1 Promoters**

The major shareholders of Kotak Securities Limited are Kotak Mahindra Bank Limited and Kotak Mahindra Capital Company Limited. Kotak Mahindra Bank Limited, along with its nominees, holds a stake of 75% in Kotak Securities Ltd. with the remaining stake being held by Kotak Mahindra Capital Company Limited. Uday S. Kotak is the key promoter of Kotak Mahindra Bank Limited, who along with his relatives and associates holds 25.99% of the equity share capital of Kotak Mahindra Bank Limited as on December 31, 2021.

Kotak Mahindra Bank Limited by itself and its subsidiaries offer the diverse finance solutions.

Kotak Mahindra Capital Company Limited, having equity participation of 25% in the Company is one of the largest investment banks of India.



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**4.2 Particulars of Directors in Kotak Securities Limited**

**▲ MR. JAIDEEP HANSRAJ – MANAGING DIRECTOR AND CEO**



Mr. Jaideep Hansraj has been appointed as the Managing Director and CEO of Kotak Securities Limited w.e.f 15<sup>th</sup> July, 2019.

Jaideep brings with him a strong domain in investments and capital markets along with a proven track record of building and scaling large businesses.

Jaideep is part of Kotak Mahindra Bank's Group Management Council that drives and oversees the Kotak Mahindra Group's growth charter. He joined Kotak Mahindra Group in July 1993. In a short span of four years, he was elevated as the Chief Executive of Kotak Mahindra International Ltd. (a subsidiary of Kotak Mahindra Finance Limited) in Dubai. In October 1999, he took over as the head of Kotak Securities' private client function. He moved from Kotak Securities to build the Wealth Management portfolio in the bank in 2004.

Under his leadership, Kotak Wealth Management has emerged as the leading wealth management firm in India and has won several accolades and recognition across the industry including being ranked #1 in Asian Private Banker's India 2017 AUM League Table.

He is also the member of Advisory Committee to the Board of NSE Clearing Limited representing Kotak Securities Limited.

He is at present a Director on the Board of KFin Technologies Limited, Anukrya Foundation and Kotak Mahindra Financial Services Limited.





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• **MR. NARAYAN S. A., CHAIRMAN**



Narayan SA has been with the Kotak Mahindra Group for more than 26 years and was a Member of the Bank Executive Board.

During his tenure with the Kotak Mahindra Group he has held various positions. He was the Managing Director at Kotak Securities Limited till March 2020 and has been the key driving force for setting up and steering its retail broking business to a leadership position.

He was President – Commercial Bank upto March 2018. He is at present the Chairman of Kotak Securities Limited and a Director on the Board of BSS Microfinance Limited, Infina Finance Private Limited, ECA Trading Services Limited and Māuka Foundation.

Narayan is a Chartered Accountant and a Bachelor of Commerce from Mumbai University. He is an alumnus of the Harvard Business School.

Narayan has been recognized as CA Business Leader – Banking sector by ICAI- Awards 2016.

• **MR. KRISHNAN VENKAT SUBRAMANIAM, DIRECTOR**



KVS Manian  
Whole-time Director  
Corporate, Institutional & Investment Banking  
Wealth Management  
Kotak Mahindra Bank Limited

Manian has had an illustrious career of over 30 years including the last 26 with the Kotak Mahindra Group where he has been instrumental in setting up and growing many business divisions into success stories. Manian, currently a Whole-time Director on the Board of Kotak Mahindra Bank, heads the



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Wholesale Banking business and has oversight responsibility of the Investment Bank, Institutional Equities and Wealth Management businesses in the Group. He is also part of the Bank's Group Management Council that drives and oversees the firm's growth charter.

Manian brings his strategic vision combined with his "high energy" and "bias for action" style in execution to every business he manages. He has launched and grown to scale a number of businesses at Kotak including the likes of the Commercial Vehicles Financing, Business Loans, Asset Reconstruction and Structured Financing. Prior to leading the Corporate Bank, Manian was President – Consumer Banking, where he steered the bank from a single branch to over 600 branches and more than 1,000 ATMs across the country in a span of 10 years. He is the architect of the integrated Consumer franchise across asset and liability products. During his tenure, the bank launched several unique and innovative products. In the latter part of his stint as head of Consumer Banking, Manian also oversaw the retail brokerage business of Kotak Securities.

Manian played a crucial role in Kotak's journey from a NBFC to a bank. The end-to-end execution of the project within the planned time frame is testimony to Manian's ability to focus on every small detail, without losing sight of the big picture.

Currently as the Head of the Corporate, Institutional & Investment Bank, Manian has steered the business through its integration with ING Vysya and since then has been focused on building a high quality and profitable corporate franchise. Under his leadership, the Corporate Bank has grown its asset base to over Rupees One Lakh crore without compromising on the health of the book. Manian believes in a philosophy that relationships with corporates need to be built on the twin foundations of trust and value addition. Leading the business in its journey towards becoming an 'Excellent and Relevant Corporate Bank', Manian has introduced a number of initiatives including upgrading the service and technology infrastructure, introducing a segment-focused structure with offerings tailored to the needs of clients and integrating coverage across corporate banking and investment banking for large corporates. Manian has transformed the way the Bank understands Risk by introducing Risk Adjusted Pricing models and measurement of Economic Value Add (EVA). The corporate loan book of the Bank has one of the lowest NPA ratios in the country.

Manian has also recently been given the responsibility for oversight of the Wealth Management business of the Bank. Over the medium term, Manian plans to further improve synergies of the Wealth business with the rest of the Corporate Bank and significantly improve product and service standards through investment in technology and platform.

Manian embodies the true spirit of "Professional Entrepreneur", that is highly valued in the Kotak system. Manian's ability to recruit, retain, mentor and groom the best talent has added immense value to the organization. His high energy and driving style is infectious and drives the organization to keep itself up the curve, innovate continuously, and keep looking for opportunities. Manian's emphasis for content over form, talent over skill, and profitable growth are important philosophies that have shaped the organization.

Manian believes in giving back to society in whatever way he can. He has been acknowledged as the Highest Individual Pledge Raiser in the Corporate Challenge category by United Way of Mumbai at the Mumbai Marathon for a number of years. He is also fond of teaching and, as visiting faculty, takes guest lectures at the prestigious Jamnalal Bajaj Institute of management Studies in Mumbai.



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Manjan is an electrical engineer from IIT (BHU) - Varanasi, Post Graduate in Financial Management from Jammalal Bajaj Institute of Management Studies and a Cost and Works Accountant.

• **FALGUNI NAYAR, INDEPENDENT DIRECTOR**



Falguni Nayar is the Founder and Chief Executive Officer of Nykaa. Within a span of 9 years, Falguni has built one of India's leading lifestyle focused consumer technology platforms right from scratch. As the leader of a rapidly expanding group of businesses, Falguni closely oversees each of them, while building synergies to best leverage the group's strengths and interdependencies.

Before founding Nykaa, Falguni spent nearly two decades as one of India's leading investment bankers with the Kotak Mahindra group. During that time, Falguni guided founders of several Indian companies through roadshows in Europe and the U.S. as they made their way to stock market debuts. Last year, she expertly led her own to a stellar debut on the stock exchanges after Nykaa's IPO received an overwhelming response, having been oversubscribed 82 times. Today, Falguni is one of India's richest self-made female billionaires.

Falguni is the recipient of prominent awards and accolades for the crucial role she plays in transforming India's lifestyle, retail and consumer technology sectors. Forbes India featured Falguni in the *World's 100 Most Powerful Women* for the third year in a row in 2021 and she made her presence felt in the prestigious list of *The Bloomberg 50 2021*.



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■ **MR. NOSHIR DASTUR, INDEPENDENT DIRECTOR**



Mr. Noshir Dastur, aged 63 years, holds a Bachelor's degree in Commerce and is a Fellow Chartered Accountant. He has been practising as a Chartered Accountant since 1983. Since January 1, 1992, he has been associated with Dubash & Patil, Chartered Accountants, initially as a partner, and from May 26, 2014, as a proprietor. He was also associated with Bhandari-Dastur Gupta & Associates, Chartered Accountants, as a partner, from November 24, 1999 until March 31, 2008.

During his professional career, he has conducted statutory audits, internal audits, management audits of public and private limited companies, and concurrent and statutory audits of branches of public sector banks and companies. He has also assisted private companies in setting up their accounts department, formulating accounting systems and then exercising overall control over the functioning of such accounts departments.

He is currently a director in a private limited company, an additional director Kotak Mahindra Pension Fund Limited and Independent Director of Kotak Securities Limited.

**5. KEY ENTITIES IN THE GROUP**

The following are details appearing as per the latest audited financial statements of Kotak Mahindra Bank Limited and its subsidiaries:

<b>Name of the company</b>	<b>Type of activity handled*</b>
Kotak Mahindra Bank Ltd.	Commercial Banking.
Kotak Mahindra Prime Limited	Car Financing and other lending
Kotak Securities Limited	Stock Broking, Depository Participant, Repository Participant, Portfolio Manager and Research Analyst.
Kotak Mahindra Capital Company Limited	Category I Merchant banker
Kotak Mahindra Life Insurance Company Limited	Life Insurance
Kotak Mahindra Investments Limited	Investments and Financing



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Kotak Mahindra Asset Management Company Limited	Asset management company providing management and administrative services to the Kotak Mahindra Mutual Fund
Kotak Mahindra Trustee Company Limited	Trustee of Kotak Mahindra Mutual Fund
Kotak Mahindra (International) Limited	Financial & Advisory Services
Kotak Mahindra (UK) Limited	Broking and Advisory Services
Kotak Mahindra Inc.	Broking and Advisory Services
Kotak Investment Advisors Limited	Investment manager to domestic venture capital and private equity funds
Kotak Mahindra Trusteeship Services Limited	Acts as trustee to domestic venture capital and private equity funds, etc.
Kotak Infrastructure Debt Fund Limited	NBFC engaged in the business of infrastructure debt financing.
Kotak Mahindra Pension Fund Limited	Pension Fund Management
Kotak Mahindra Financial Services Limited	Arranging credit / deals in investments; advising; arranging custody
Kotak Mahindra Asset Management (Singapore) Pte. Limited	Asset management activities
Kotak Mahindra General Insurance Limited	General Insurance or Assurance Business
IVV Product Intermediates Limited (formerly known as 'ING Vysya Financial Services Limited')	Marketing and distribution of various financial products/services of the Bank
SSS Microfinance Private Limited	Business Correspondent Activities

\* The main business areas reflect the businesses that were undertaken by the different subsidiaries as on 31<sup>st</sup> March, 2021.

**6. PENALTIES, PENDING LITIGATIONS OR PROCEEDINGS ETC**

- There have been no instances of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made thereunder, against the Portfolio Manager except issuance of an administrative warning post an inspection conducted by SEBI for the period April 1, 2014 to February 24, 2016.
- There have been no instances of penalties imposed for any economic offence on the Portfolio Manager.
- Kotak Securities Limited is also a Stock Broker and Depository Participant. With respect to violation of any securities laws, SEBI, Exchanges and Depositories may have issued advise/warning/deficiency letters or levied penalty or imposed charges for certain operational deviations observed in inspections or in normal course of business, as a Stock Broker / Depository Participant. The advice / warning/ deficiency letters / charges / penalty imposed



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as a Broker / Depository Participant are not material in nature and does not affect the finance and operations of the company.

- Pending material litigation/legal proceedings against the portfolio manager / key personnel are as under:

**Details of Civil/ Criminal Complaints**

Details of settled litigation/proceedings against Kotak Securities Limited, as Portfolio Manager at civil/consumer courts are given below:

Sr.No.	Names of the party	Nature of dispute
Nil	Nil	Nil

- There have been no instances of any deficiency in the systems and operations in the capacity of portfolio manager observed by the Board or any regulatory agency except issuance of an administrative warning post an inspection conducted by SEBI for the period April 1, 2014 to February 24, 2016.
- Kotak Securities Limited is also a Stock Broker and Depository Participant. With respect to deficiency in the system and operation of the company, in the capacity of the Stock Broker/Depository Participant, SEBI, Exchanges and Depositories may have issued advise/warning/deficiency letters or levied penalty or imposed charges for certain operational deviations observed in inspections or in normal course of business. The advice / warning/ deficiency letters/ charges / penalty imposed as a Broker / Depository Participant are not material in nature and does not affect the finance and operations of the company.
- There have been no instances of any enquiry/adjudication proceedings initiated by the Board against 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.



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**7. DETAILS OF SERVICES OFFERED BY THE PORTFOLIO MANAGER**

The Portfolio Manager broadly offers services under the following categories.

◆ **Discretionary services**

Under Discretionary Services, at present, there are no active strategies which are on offer.

◆ **Non-discretionary services**

Under Non- Discretionary Services, at present, there are no active strategies which are on offer.

◆ **Advisory Services**

Under Advisory Services, at present, there are no active strategies which are on offer.

◆ **Investment Approaches of the Portfolio Manager**

**(I) Investment Objective**

The investment objective of the portfolio is to generate long term capital appreciation and income in the form of dividends by investing in quality businesses.

Practising a blend of Growth & Value investing, the portfolio invests or proposes to invest in listed and unlisted equity & equity related instruments with the aim of generating long term capital appreciation & income in the form of dividends. It can also invest in money market instruments & units of mutual fund, Multi-cap Portfolio comprising of companies unconstrained by any market segments like market capitalization (large cap – mid cap), sectors, themes etc.

**(ii) Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.**

Listed and Unlisted equity & equity related instruments. It can also invest in money market instruments & units of mutual funds.

**(iii) Basis of selection of such types of securities as part of the investment approach**

The basis of selection of such types of securities as part of the investment approach involves the following:

- Invest in sound businesses with potential to create the value.
- Portfolio of companies in industries with favorable operating dynamics and growth visibility
- Invest in Companies with :



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- o Strong Balance Sheets
- o Good Capital allocation track record
- o High return on capital over a longer time frame

- A diversified multicap portfolio with ~15-25 quality companies
- Appropriate cap on individual stock at cost
- Stock selection and industry allocation independent of benchmark weights

**(iv) Allocation of portfolio across types of securities**

Allocation of Portfolio will be mix of Liquid Mutual Funds, listed equities & equity related Instruments.

**(v) appropriate benchmark to compare performance and basis for choice of benchmark**

NIFTY 50 /Sensex

**(vi) indicative tenure or investment horizon**

The recommended investment horizon shall be at least 3 years.

**(vii) Risk Factors**

Market risk, political, geopolitical risk, risk arising from changing business dynamics, which may affect portfolio returns and force majeure events like COVID-19. Portfolio shall be subject to Risk Factors associated with investments in listed Equity & Equity related securities, Money market instruments & units of Mutual Funds

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

The Portfolio Manager, before investing in the Securities of associate/group companies, will evaluate such investments, the criteria for the evaluation being the same as is applied to other similar investments to be made under the Portfolio. Investments under the Portfolio in the securities of the group companies will be carried out to achieve the investment objectives and strategies and in the normal course of investment activity subject to the limits prescribed in the Agreement (if any) executed with the respective Client and the same would be subject to the applicable laws/regulations/guidelines.





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**8. PORTFOLIO STRATEGY SPECIFIC DETAILS – DISCRETIONARY SERVICES**

Under Discretionary Services, at present, there are no active strategies which are on offer.

**9. PORTFOLIO STRATEGY SPECIFIC DETAILS – NON DISCRETIONARY SERVICES**

Under Non- Discretionary Services, at present, there are no active strategies which are on offer.

**10. RISK FACTORS**

- 10.1 Investments in securities are subject to market risks which include price fluctuation risks. There is no assurance or guarantee that the objectives of investments will be achieved. The investments may not be suited to all categories of investors.
- 10.2 The past performance of the Portfolio Manager does not indicate its future performance. There is no assurance that past performances will be repeated. Investors are not being offered any guaranteed or indicative returns by the Portfolio Manager.
- 10.3 The names of the portfolio strategies do not in any manner indicate their prospects or returns. The performance in the equity portfolio strategies may be adversely affected by the performance of individual companies, changes in the market place and industry specific and macro-economic factors.
- 10.4 The debt investments and other fixed income securities may be subject to interest rate risk, liquidity risk, credit risk and reinvestment risk. Liquidity in these investments may be affected by trading volumes, settlement periods and transfer procedures.
- 10.5 Technology, pharmaceutical stocks and some of the investments in niche sectors run the risk of volatility, high valuation, obsolescence and low liquidity.
- 10.6 Portfolio strategies using derivative / futures and options products are affected by risks different from those associated with stock and bonds. Such products are highly leveraged instruments and their use requires a high degree of skill, diligence and expertise. Small price movements in the underlying security may have a large impact on the value of derivatives and futures and options. Some of the risks relate to mis-pricing or the improper valuation of derivatives and futures and options and the inability to correlate the positions with underlying assets, rates and indices. Also, the derivatives and futures and options market is nascent in India.
- 10.7 In the case of stock lending, risks relate to the defaults from counterparties with regard to securities lent and the corporate benefits accruing thereon, inadequacy of the collateral and settlement risks. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the portfolio strategies.
- 10.8 Investors are not being offered any guaranteed or assured return/s i.e. either of principal or appreciation on the portfolio.



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- 10.9 The liquidity of the Portfolio's investments is inherently restricted by trading volumes in the securities in which it invests.
- 10.10 The Portfolio Manager may, considering the overall level of risk of the portfolio, invest in lower rated/unrated securities offering higher yield. This may increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.
- 10.11 The Portfolio Manager may, subject to authorization by the Client in writing, participate in securities lending. The Portfolio Manager may not be able to sell/lend out securities, which can lead to temporary illiquidity.
- 10.12 Non-diversification risk arises when a particular investment/Asset is not invested to a well-diversified Portfolio. The Portfolio Manager will attempt to mitigate non-diversification risk by maintaining a well-diversified Portfolio.
- 10.13 Portfolio risks including risk specific to the investment approach offered by the portfolio manager: Market risk, political, geopolitical risk, risk arising from changing business dynamics, which may affect portfolio returns and force majeure events like COVID-19. Portfolio shall be subject to Risk Factors associated with investments in listed Equity & Equity related securities, Money market instruments & units of Mutual Funds.
- 10.14 Disclosure regarding transactions of purchase and sale of securities by portfolio manager and its employees who are directly involved in investment operations, having conflict of interest with the transactions in any of the client's portfolio.

The Portfolio Manager has implemented the Trading code of Conduct pursuant to the SEBI Prohibition of (Insider Trading) Regulations, 1992. The employees of the Portfolio Manager are required to abide by the said policy as applicable to them. Permissions to trade in shares is given in accordance with the necessary controls, approvals, Restricted trading list applicable to employees as per our Trading code of Conduct.

- 10.15 Disclosure of conflicts of interest related to services offered by Group Companies/Associates of the Portfolio Manager.

Each group/associate companies have independent management and transaction, if any are entered into on arm's length basis and all the regulatory requirements pertaining to the same will be adhered.

1. The Portfolio Manager has invested and may invest the funds of the Clients in the units of Schemes of mutual fund of Kotak Mahindra Asset Management Company and products of other group companies.
2. The Portfolio Manager has opened or may open the bank account(s) of the clients in its own name as per the requirement of each investment approach, with Kotak Mahindra Bank Limited and for this purpose the Portfolio Manager may be required to maintain a minimum balance with the Bank. The Portfolio Manager may invest un-invested amounts in Fixed deposits of Kotak Mahindra Bank Limited.



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3. The Portfolio Manager has/will appoint Kotak Mahindra Bank Limited for availing custodian and demat services.
4. The portfolio manager shall comply with the provisions of the PMS regulations while managing or administering clients' portfolio.

**11. CATEGORIES OF CLIENTS SERVICED**

The following exhibit indicates details of categories of clients in respect of whom Portfolio management services were rendered in the past:

Category of Clients	No. Of Clients	Funds Managed Rs. In lakhs
<b>As on March 31, 2020 (Active Clients only)*</b>		
Discretionary Clients	NIL	NIL
Non-Discretionary clients	NIL	NIL
Clients being Associates or Group Cos.	NIL	NIL
<b>TOTAL</b>	<b>NIL</b>	<b>NIL</b>
<b>As on March 31, 2021 (Active Clients only)*</b>		
Discretionary Clients	NIL	NIL
Non-Discretionary clients	NIL	NIL
Clients being Associates or Group Cos.	NIL	NIL
<b>TOTAL</b>	<b>NIL</b>	<b>NIL</b>
<b>As on March 31, 2022 (Active Clients only)*</b>		
Discretionary Clients	NIL	NIL
Non-Discretionary clients	NIL	NIL
Clients being Associates or Group Cos.	NIL	NIL
<b>TOTAL</b>	<b>NIL</b>	<b>NIL</b>

Note: The accounts of a person registered under more than one portfolio strategy are not consolidated but treated as multiple clients for this purpose.

\*AUM as on 31st March, 2022 includes securities received from the client but which do not form part of Client's portfolio as decision to include such securities in Portfolio lies with Portfolio Manager. The same would be added to the portfolio either by liquidation or by taking it into portfolio.



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**12. DISCLOSURES IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES PERTAINING TO PORTFOLIO MANAGEMENT SERVICES**

1. Kotak Securities is registered with Securities and Exchange Board of India for providing various services namely:
  - A. Securities trading as a member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE) and Metropolitan Stock Exchange of India Limited (MSE), Multi Commodity Exchange of India Ltd (MCX), National Commodity & Derivatives Exchange Limited (NCDEX) and Clearing Corporations & Repositories attached to the Exchanges.
  - B. Depository services as a Depository Participant of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
  - C. Portfolio Management as a Portfolio Manager registered under the SEBI (Portfolio Managers) Regulations, 2020.
  - D. Research Analysis as a Research Analyst registered under SEBI (Research Analysts) Regulations, 2014.
2. Kotak Securities Limited is also a distributor of Mutual Fund schemes and other financial products and the company having composite license also acts as Corporate agent of Kotak Mahindra Life Insurance Company Limited and Kotak Mahindra General Insurance Company Limited appearing under disclosures in respect of transactions with related party.
3. The Portfolio Management division of Kotak Securities Limited, avails the aforesaid services from Kotak Securities Limited, as mentioned in 1(A) and 1(B) above and that of a distributor, for consideration, in managing the Portfolio of the Clients.
4. The Portfolio Manager has invested and may invest the funds of the Clients in the units of Schemes of mutual fund of Kotak Mahindra Asset Management Company and other short term products of other group companies.
5. The Portfolio Manager has opened or may open the bank account(s) of the clients in its own name as per the requirement of each portfolio strategy, with Kotak Mahindra Bank Limited and for this purpose the Portfolio Manager may be required to maintain a minimum balance with the Bank. The Portfolio Manager may invest un-invested amounts in Kotak Mahindra Bank Limited as deposits.
6. The Portfolio Manager has appointed Kotak Mahindra Bank Limited as Custodian in respect of securities managed or administered by the Portfolio Manager.
7. Kotak Securities Limited also acts as Syndicate Member or sub-syndicate member or underwriter in public issues, and Kotak Mahindra Capital Company Limited is appointed as Lead Manager or underwriter or renders advisory services in fund raising, open offers and the like to various entities. Subject to regulatory requirements, the Portfolio Manager reserves the right to invest in securities in which Kotak Securities Limited or Kotak Mahindra Capital Company Limited is appointed in the capacity as described above.



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8. The portfolio manager shall comply with the provisions of the PMS regulations while managing or administering clients' portfolio.
9. Related party disclosures, as required by Accounting Standard 18, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India as per accounts for the year ended 31<sup>st</sup> March, 2021 are as follows and refer Annexure 1 for transactions carried out with related parties in the ordinary course of business as per accounts for the year ended 31<sup>st</sup> March, 2021.

<b>A. Related parties where control exists:</b>	
<b>Nature of relationship</b>	<b>Related Party</b>
Holding Company	Kotak Mahindra Bank Limited (KMBL) (Holds 74.99% of the equity share capital) Mr. Uday S. Kotak, along with relatives and companies controlled by him, holds 26.02% (Previous Year 29.99%) of the equity share capital and 17.29% of the paid-up share capital of KMBL
Subsidiary	Kotak Mahindra Financial Services Limited
<b>B. Other Related Parties:</b>	
(i) Fellow Subsidiaries:	Kotak Mahindra Capital Company Limited Kotak Mahindra Prime Limited Kotak Infrastructure Debt Fund Limited Kotak Mahindra Asset Management Company Limited Kotak Mahindra Inc. Kotak Mahindra International Limited Kotak Mahindra Investments Limited Kotak Investment Advisors Limited Kotak Mahindra Life Insurance Company Limited (Formerly known as Kotak Mahindra Old Mutual Life Insurance Limited) Kotak Mahindra (UK) Limited Kotak Mahindra General Insurance Company Limited
(ii) Key management personnel	Mr. Narayan S. A., Chairman Mr. K.V.S. Manian, Non-Executive Director Mr. Jaideep Hansraj, Managing Director Ms. Falguni Nayar, Independent Director Mr. Noshir Dastur, Independent Director
(iii) Relatives of key management Personnel/persons having significant influence	Mrs. Rekha Narayan Mr. Suresh Kotak Mr. Jay Kotak Mrs. Archana Jaideep Hansraj Mrs. Aarti Neal Chandaria



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	Mr. Siddharth Narayan Mrs. Indra Suresh Kotak Suresh Kotak (HUF)
(iv) Enterprises over which Director/ key management personnel/ relatives of key management personnel have significant influence	Infina Finance Private Limited Kotak Commodity Services Private Limited ECA Trading Services Limited (Formerly known as ACE Derivatives and Commodity Exchange Limited) Business Standard Private Limited



**PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT**

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

The following exhibit captures key financial data pertaining to the Portfolio Manager as per the last audited financial statements

**Balance Sheet**

**KOTAK SECURITIES LIMITED**  
**STANDALONE BALANCE SHEET AS AT 31st MARCH, 2021**

S/No	Particulars	Serial No.	IN ₹ Lakhs		
			As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>ASSETS</b>					
(a)	Financial Assets				
(a)	Cash and cash equivalents	1	7,188.10	22,744.30	2,013.63
(b)	Bank Balance other than (a) above	2	839,106.15	277,256.26	143,791.90
(c)	Derivative financial instruments	4	1,432.70	177.07	224.94
(d)	Receivables				
	Trade receivables		225,224.66	180,894.04	169,298.85
	(i) Other receivables				
			305,934.46	253,608.98	169,298.85
(e)	Loans				
(f)	Investments	7	276,682.08	25,541.51	23,153.54
(g)	Other financial assets	8	252,937.09	182,890.94	228,443.22
			5,211.71	0,626.57	1,237.75
	<b>Total Financial assets</b>		<b>1,365,012.32</b>	<b>559,079.32</b>	<b>833,145.96</b>
(h)	Non-financial assets				
(i)	Intangible				
(a)	Goodwill (in ₹ Lakhs)	9A	1,424.59	1,358.89	1,300.01
(b)	Patents (in ₹ Lakhs)	10	378.63	403.71	632.60
(c)	Investment Property	11	2,097.39	2,132.68	2,167.62
(d)	Property, Plant and Equipment	12	9,432.39	11,015.22	5,619.83
(e)	Other Intangible assets	13	395.60	374.67	489.29
(f)	Other non-financial assets	14	4,632.51	1,167.81	4,454.76
	<b>Total Non-financial assets</b>		<b>18,311.51</b>	<b>18,419.98</b>	<b>24,604.09</b>
	<b>Total Assets</b>		<b>1,383,323.83</b>	<b>577,499.30</b>	<b>857,750.05</b>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
(a)	Financial liabilities				
(a)	Derivative financial instruments	4	1,432.70	177.07	224.94
(b)	Payables				
	Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises				
	(ii) total remaining dues of creditors other than micro enterprises and small enterprises		141,072.60	375,017.00	254,473.40
			141,072.60	375,017.00	254,473.40
(c)	Debt securities	15	316,758.44	62,187.40	136,763.03
(d)	Borrowings (Other than Debt Securities)	16	-	11.67	-
(e)	Subordinated liabilities	17	-	-	-
(f)	Other financial liabilities	18	1,145.25	23,129.68	7,137.67
	<b>Total financial liabilities</b>		<b>779,346.43</b>	<b>512,486.52</b>	<b>440,567.88</b>
(g)	Non-financial liabilities				
(a)	Current tax liabilities (Net)	19	1,370.07	2,185.94	1,554.17
(b)	Provisions	20	3,464.68	3,655.75	3,511.67
(c)	Other non-financial liabilities	21	7,356.49	3,055.93	2,550.60
	<b>Total Non-financial liabilities</b>		<b>12,181.24</b>	<b>8,897.62</b>	<b>7,616.44</b>
	<b>Total Liabilities (A)</b>		<b>791,527.67</b>	<b>521,384.14</b>	<b>448,184.32</b>
<b>EQUITY</b>					
(a)	Equity Share Capital	22	100.00	100.00	100.00
(b)	Other equity	23	546,423.24	455,915.16	220,700.57
	<b>Total Equity (B)</b>		<b>646,523.24</b>	<b>555,915.16</b>	<b>320,800.57</b>
	<b>Total Liabilities and Equity (A+B)</b>		<b>1,438,050.91</b>	<b>1,077,299.30</b>	<b>1,168,950.62</b>



**PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT.**
**Profit and Loss Account**

 KOTAK SECURITIES LIMITED,  
 STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

Particulars	Sl. No.	Amt. in Lakhs		
		Year Ended 31st March 2021	Year Ended 31st March 2020	Year Ended 31st March 2019
<b>REVENUE FROM OPERATIONS</b>				
(i) Interest income	23	52,826.58	54,937.33	51,994.55
(ii) Dividend income	24	102.65	779.86	1,111.06
(iii) Lease and amortisation income	25	151,512.81	111,913.58	106,774.75
(iv) Net gain on fair value changes	26	14,553.31	16,054.70	9,445.30
(v) Total revenue from operations		229,005.35	183,725.37	179,325.66
(vi) Other income	27	2,797.70	3,448.56	1,729.22
(vii) Total Income (I + II)		231,803.05	187,173.93	181,054.88
<b>EXPENSES</b>				
(i) Finance costs	28	7,417.47	11,419.41	12,520.02
(ii) Fees and commission expenses	29	35,713.06	71,461.47	23,520.00
(iii) Impairment on financial instruments	30	2,193.04	497.40	1,429.92
(iv) Employee benefits expense	31	41,618.55	36,110.51	25,074.93
(v) Depreciation, amortisation and impairment	32	3,970.47	1,921.14	2,265.78
(vi) Other expenses	33	35,043.58	34,176.25	23,504.72
(vii) Total expenses		126,066.07	122,546.29	109,315.43
(viii) Profit before tax (III - IV)		105,736.98	64,627.64	71,739.45
(ix) Tax expense				
(i) Current tax		25,840.41	30,925.70	23,453.35
(ii) Current tax pertaining to prior periods			(6.73)	1.00
(iii) Deferred tax credit/(charge)		(611.14)	171.14	(173.65)
(iv) Total tax expense (I - II - III)		25,229.27	30,889.91	23,280.70
(x) Profit for the year from continuing operations (V - VI)		79,507.71	33,737.73	48,458.75
(xi) Profit for the year from continuing operations (V - VI)		79,507.71	33,737.73	48,458.75
(xii) Other comprehensive income				
(i) Items that will not be reclassified to profit or loss				
- Changes in revaluation surplus				
(ii) Amortisation of net of the defined pension plan		190.57	(175.24)	(115.00)
Sub-total		190.57	(175.24)	(115.00)
(iii) Income tax relating to items that will not be reclassified to profit or loss		(4,486)	54.37	60.19
Total (A)		186.11	(120.87)	(54.81)
(iv) Items that will be reclassified to profit or loss				
(i) Debt Instruments through Other Comprehensive Income		2,301.18	1,596.82	(533.82)
Sub-total		2,301.18	1,596.82	(533.82)
(ii) Income tax relating to items that will be reclassified to profit or loss		(545.27)	(175.67)	179.16
Total (B)		1,755.91	1,421.15	(354.66)
Other comprehensive income (A + B)		1,942.02	1,300.28	(409.47)
(xiii) Total Comprehensive Income for the year (VII + VIII)		81,449.73	35,038.01	48,049.28
(xiv) Earnings per equity share (For continuing operations)	34			
Basic (Rs.)		4,397.33	3,346.77	2,247.47
Diluted (Rs.)		4,697.33	3,344.27	2,247.47

The audited financial statements shall be made available on request.





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**14. PORTFOLIO MANAGEMENT PERFORMANCE OF THE PORTFOLIO MANAGER**

The following exhibit captures the past performance of the services offered by the Portfolio Manager for the last three years for each category of investments, based on weighted average method. The weighted average method is the internal rate of return arrived at by taking into account all clients who had transacted during the reporting period. For the purpose of calculation we take into account the opening Assets Under Management (AUM), the inflows and outflows during the period and the AUM at the end of the reporting period of the said clients and determine the internal rate of return pertaining to these cash flows

	F.Y. 2021-22 (refer Note 1)	F.Y. 2020-21 (refer Note 1)	F.Y. 2019-2020 (refer Note 1)
	% Returns p.a	% Returns p.a	% Returns p.a
Discretionary Services	NIL	NIL	NIL
Non-Discretionary Services	NIL	NIL	9.91%
Performance Indicators	NIL	NIL	F.Y. 2019-20 (refer Note 3)
Benchmark Returns - BSE Sensex - Discretionary Services	NIL	NIL	NIL
Benchmark Returns - BSE Sensex - Non-Discretionary Services	NIL	NIL	5.57%
Benchmark Returns - S&P CNX Nifty - Discretionary Services	NIL	NIL	NIL
Benchmark Returns S&P CNX Nifty - Non-Discretionary Services	NIL	NIL	7.74%

**Notes:**

- 1) The internal rate of return has been arrived at by taking into account clients active as at the end of the reporting period as well as clients closed/deactivated during the period.
- 2) Performance indicators represent the absolute change in SENSEX/S&P CNX NIFTY.



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- 3) Benchmark Returns have been computed using the internal rate of return for benchmark values applicable as at:
- beginning of the period of computation
  - each corpus inflow date
  - each corpus outflow date
  - end of the period of computation

**15. Audit Observations:**

There have been no Audit observations by statutory auditor in the preceding 3 years.

**16. NATURE OF COSTS AND EXPENSES FOR CLIENTS:**

The following are indicative types of costs and expenses for clients availing the Portfolio Management services.

The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Agreement and the agreements in respect of each of the services availed at the time of execution of such agreements. The below mentioned fees, charges and expenses shall be directly debited to the clients' account as and when the same becomes due for payment.

**a. Management Fees**

Management fees relate to the portfolio management services offered to clients. The fee may be in the form of an entry or exit charge or a recurring charge in the nature of a fixed charge (which can be an absolute amount or a percentage of the quantum of funds managed) or in the nature of a variable charge that are linked to portfolio returns achieved or a combination of all or any of these.

Following are the types of fees charged:

**Fixed Fees:**

- **Nav Based Fees** – The range of fees is between 0.01% to 2.5%. Fees are charged at the end of every quarter on daily net asset value for the given period as agreed upon by the client in the agreement.

➤ **Variable Fees:** The range of fees is between 1% to 25%

- **Performance Based Fees – High Water Mark Principle:**

As per the SEBI circular, the High Watermark for the purpose of computation of performance based fees will be the highest value, the portfolio has reached on the date when performance based fees is charged (the "anniversary date"). High



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Watermark for the first year will be the net corpus contributed by the client during that year. High Watermark for subsequent years shall be the higher of Opening High Watermark for that year and the Closing Portfolio Value as at the Anniversary date. In case of interim contributions / withdrawals, the High watermark will be appropriately adjusted by the inflow amount and proportionately for the withdrawal amount. In other words, the performance based fee will be charged only when the portfolio value on the fee charging date exceeds, the Opening High watermark after adjusting for interim contribution/ withdrawal.

For the purpose of calculating Performance Based Fees, Portfolio Returns as on the Fee charging date shall be the Closing Portfolio Value less High Watermark. All expenses and charges (other than Portfolio Management fees) shall be added back to such Portfolio Returns to derive the Net Profits.

**b. Advisory Fees: The range of fees is between 0.01% to 2.5%**

These charges may be in the nature of fixed fees (which can be an absolute amount or a percentage of the quantum of funds managed) or in the nature of a variable charge that are linked to portfolio returns achieved or a combination of all or any of these. It may be charged as per the terms of agreement between the Portfolio Manager and the Client from time to time.

**c. Custodian / Depository Fees: The range of fees is between 0.01% to 0.10% of NAV**

The charges relating to opening and operation of dematerialized accounts, custody and transfer charges for shares, bonds and units, dematerialization, rematerialisation and other charges in connection with the operation and management of the depository/custody accounts.

**d. Registrar and transfer agent fee: This fee is charged on actual basis**

Charges payable to registrars and transfer agents in connection with effecting transfer of securities and bonds including stamp charges, cost of affidavits, notary charges, postage, stamp and courier charges.

**e. Brokerage and transaction costs: The range is between 0.01% to 2.5% (min 0.01paise to 0.10paise & min Rs 1 to Rs 21 per Order (exclusive of STT & Other Charges)**

The brokerage charges and other charges like service charge, stamp duty, transaction costs, securities transaction tax, goods and service tax, turnover tax, exit and entry loads on the purchase and sale of shares, stocks, units of mutual funds and other financial instruments.

**f. Securities lending charges: The range of charges is between 0.01% to 2.5% (min 10 paise)**

The charges pertaining to the lending of securities and costs associated with transfers of securities connected with the lending transfer operations.



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- g. **Certification and professional charges:** The range of fees is between Rs.100/- to 500/- every Traded Day for NRI clients and for Resident Indian clients, it is charged on an actual basis

Charges payable for outsourced professional services like accounting, taxation and legal services, notarisations etc. for certifications, attestations required by bankers or regulatory authorities.

- h. **Bank and Depository charges:** This is charged on an actual basis

For availing the Portfolio Management Service the Clients have to open the bank account and demat account and in this regard the clients will have to pay charges as per schedule of charges forming part of the account opening forms signed by them.

- i. **Incidental Expenses:** This is charged on an actual basis

Charges in connection with the courier expenses, stamp duty, service tax, postal, telegraphic, opening and operation of bank accounts, expenses pertaining to storage/retrieval of documents etc.

Note: Above charges are exclusive of GST

**17. TAXATION IMPLICATIONS FOR CLIENTS:**

**17.1 General**

In view of the individual nature of tax consequences on the income, capital gains or otherwise, arising from investments through Portfolio Management Service, each Client is advised to consult his / her / its tax advisor with respect to the specific tax consequences to him / her / it on investment through Portfolio Management Services:

The Portfolio Manager shall not be responsible for assisting in or completing the fulfilment of the client's tax obligations.

The tax implications mentioned herein are effective as on the date of issue of this document and may change due to modifications in existing legislation.

**17.2 Tax deduction at source**

The Portfolio Manager shall be obliged to withheld/deduct the tax at applicable rates in accordance with the regulatory requirements under Income Tax Act.

**17.3 Dividend Taxation**

W.e.f 01.04.2020, dividends declared by domestic company / income distributed by mutual funds shall be taxable in the hands of shareholder / unit holder respectively. Correspondingly, domestic company/ Mutual fund is not liable for dividend distribution tax for the dividends



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declared after 31.03.2020. Further, such dividend/income distributed by company / Mutual fund is subjected to TDS.

**17.4 Advance tax installment obligations**

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

**17.5 Long term capital gains**

Finance Act 2018 has introduced Long Term Capital Gains Tax @ 10% on Long Term Capital Gains arising on transfer of equity shares / units of equity oriented funds earned by investors on which STT has been levied.

The salient features of the new tax regime are as under:

- Any transfer of long term capital asset being equity shares / equity oriented fund units on or after 1 April 2018, shall not be exempt under section 10(38).
- Long term capital gains in excess of Rs. 1 lakh shall be taxable @ 10% plus applicable surcharge (if any) plus health & education cess @ 4%.
- The capital gain will be computed without giving effect to the 1st and 2nd proviso to section 48 in the manner laid down under the section i.e. without indexation benefit and without foreign currency conversion benefit
- As per section 55 of Income tax Act, 1961, cost for equity shares & units of equity oriented fund acquired prior to 1 Feb 2018 and sold on or after 1 April 2018 will be computed as under:

Higher of:

- Cost of acquisition or

- Lower of:

- FMV of asset on 31 Jan 2018
- Full value of consideration accruing as a result of transfer

Under the provisions of section 112 of the Act, long-term capital gains (other than those covered in section 112A) are subject to tax at the rate of 20% (plus the applicable surcharge and health and education cess, if applicable), in the event indexation benefit is claimed. In the event that indexation benefit is not availed for the purpose of calculation of the cost of acquisition, the long-term capital gains would be taxed at the rate of 10% (plus the applicable surcharge and health and education cess, if applicable). This option is available only in the case of long-term capital gains arising on the sale of listed securities (other than units) or zero coupon bonds.

**17.6 Short term capital gains**



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Securities (other than a unit) listed on recognized stock exchange in India or units of UTI or units of equity oriented mutual fund or zero coupon bonds held for not more than 12 months preceding the date of transfer would be classified as short term capital assets and gains on its transfer will be treated as short term capital gains. Unlisted shares of a company (shares not being listed on any recognized stock exchange in India) would be considered as short term capital assets if held for a period upto 24 months preceding the date of transfer. Other securities would be considered as short-term capital assets if held for a period upto 36 months immediately preceding the date of transfer.

Short term capital gains arising on transfer of equity shares in a company and on units of an equity oriented fund are chargeable to tax @ 15% (plus applicable surcharge, if any & Health & education Cess), provided the shares are sold on a recognized stock exchange in India and such transaction is subjected to Securities Transaction Tax in accordance with Chapter VII of the Finance (No.2) Act, 2004.

- 17.7 Each Client is advised to consult his/her/its tax advisor with respect to the tax consequences to him/ her/it in respect of transaction in derivative products.
- 17.8 Pursuant to Explanatory Memorandum in respect of Notification S.O.89(E), dated January 25, 2006, an eligible transaction in respect of trading in respect of derivatives referred to in Section 2(ac) of The Securities Contracts (Regulation) Act, 1956 carried out in the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited with effect from January 25, 2006 will be excluded from the preview of "speculative transaction", subject to certain conditions, as mentioned in the Explanation appearing after the proviso to section 43(5) of the Income tax Act, 1961.

**18. ACCOUNTING POLICY / VALUATIONS:**

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

- a. Investments in Equities, Mutual Funds and Debt Instruments except Reference Linked debentures will be valued at the closing market prices of the exchange (BSE or NSE as the case may be) or the Repurchase Net Asset Value declared for the relevant scheme on the date of the report or any cutoff date or the market value of the debt instrument at the cutoff date. Alternatively, the last available prices on the exchange or the most recent NAV will be reckoned.
- b. Reference Linked debentures are valued at closing market prices of the exchange (BSE or NSE as the case may be) or on the latest valuation as given to Portfolio manager by the issuer or at Cost.
- c. Purchases are accounted at the cost of acquisition inclusive of brokerage in case of equities and entry loads in case of units of mutual funds. Sales are accounted based on proceeds net of brokerage in case of equities and exit loads in case of units of mutual fund.
- d. The securities received toward corpus, which are sold and not added to the portfolio are accounted at the net selling price. The securities received toward corpus and added to the portfolio are valued and accounted at the closing rate of BSE on the date of addition to the



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portfolio. The securities withdrawn as corpus are valued and accounted at the closing rate of BSE on the date of withdrawal.

Mutual Fund units received towards corpus are valued and accounted at the latest available NAV on the date of addition to the portfolio. Mutual fund units withdrawn are valued and accounted at the latest available NAV on the date of on the date of withdrawal.

- e. Realised gains/losses will be calculated by applying the First in / First out principle. For example, the earliest purchased quantity will be reckoned for the current / most recent sale at the respective prices at both points in time.
- f. For derivatives and futures and options, unrealised gains and losses will be calculated by marking to market the open positions.
- g. Unrealized gains / losses are the differences between the current market values/ NAV's and the historical cost of the securities.
- h. Dividends on units in mutual funds, interest, stock lending fees earned etc. shall be accounted on receipt basis. Dividends on shares shall be accounted on accrual basis on the respective ex dates. The interest on debt instruments shall be accounted on cash /receipt basis.
- i. Pending listing on NSE/BSE, securities resulting from a demerger are valued at their apportioned cost as per the ratios/book values published by the companies.
- j. Bonus and split of securities are accounted on the ex-date (BSE or NSE as the case may be) thereof.
- k. Securities Transaction Tax levied on purchase/sale of securities and derivatives during the financial year is recognized as an expense in the books of accounts.
- l. Tax deducted at source on sale of shares / mutual funds, interest or any other income on which tax is liable to be deducted is adjusted against corpus on a yearly basis in the financial year immediately following the financial year to which such Tax deducted at source pertains, since such amounts are not available to the Portfolio Manager for investment purposes. Advance Tax deposited by Authorized Dealer on behalf of Non Resident clients on sale of shares will be treated similarly.
- m. The Portfolio Manager and the client can adopt any specific norms or methodology for valuation of investments or accounting the same as may be mutually agreed between them on a case specific basis.

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.



**PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT**

**19. INVESTOR SERVICES**

**19.1 Contact information**

Name, address and telephone number of the investor relations officers who shall attend to the investor queries and complaints.

Name : Mr. Saurabh Bhoot  
Address : Kotak Infinity, 8<sup>th</sup> Floor,  
Building no. 21, Infinity Park,  
Off Western Express Highway  
General A K Vaidya Marg  
Malad (E), Mumbai – 400097  
Telephone : 91.22.42856825  
Email : [saurabh.bhoot@kotak.com](mailto:saurabh.bhoot@kotak.com)

The officials mentioned above will ensure prompt investor services. The Portfolio Manager will ensure that these officials are vested with the necessary authority, independence and the wherewithal to handle investor complaints.

**19.2 GRIEVANCE REDRESSAL AND DISPUTE SETTLEMENT MECHANISM**

The Portfolio Manager will endeavour to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. Clients can also lodge complaints by visiting 'Scores' website of SEBI at link: <http://scores.gov.in>.

If the investor remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the investor and the Portfolio Manager shall abide by the following mechanisms.

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 and subject to the provisions of The Arbitration and Conciliation Act 1996, or any statutory requirement, modification or re-enactment thereof. Such Arbitration proceedings shall be held at Mumbai or such other place as the Portfolio Manager thinks fit.

**20. MISCELLANEOUS:**

**Option for direct on-boarding :**

As per SEBI circular no. SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020 clients now have an option to be on-boarded directly, without intermediation of persons engaged in distribution services.



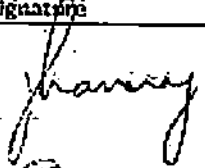



**PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT.**

**21. GENERAL**

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

Approved by the Directors of Kotak Securities Limited

SR. No.	Name of the Director	Signature
1.	Mr. Jaideep Hansraj	
2.	Mr. Narayan SA	





**NOTES TO FINANCIAL STATEMENTS**  
 Notes to the Financial Statements for the year ended 31st March 2015  
 D. Following is a detail of other financial reporting

Name of the Instrument	Name of Related Party	Holding Company/Controlled		Identify		Is the Instrument a Financial Instrument as defined in the Standard for Financial Reporting during the Year?		Risk Management		Addressed by Management		Carrying amount at the end of the reporting period by nature of the instrument		Gross Total	
		Company	Trust	Control	Identify	Current Year	Previous Year	Current Year	Previous Year	Addressed by Management		Current Year	Previous Year	Current Year	Previous Year
										Current Year	Previous Year				
Current Assets	The Finance Private Limited	-	-	-	-	-	-	-	-	-	-	3.3	4.87	3.3	2.92
Current Liabilities	The Finance Private Limited	-	-	-	-	-	-	-	-	-	-	1.23	1.23	1.23	0.35
Non-current Assets	The Finance Private Limited	22.5	14.8	-	-	-	-	-	-	-	-	-	-	22.5	14.8
Non-current Liabilities	The Finance Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	The Finance Private Limited	22.5	14.8	-	-	-	-	-	-	-	-	-	-	22.5	14.8
Total Liabilities	The Finance Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Equity	The Finance Private Limited	22.5	14.8	-	-	-	-	-	-	-	-	-	-	22.5	14.8
Marked to Market Total	The Finance Private Limited	3,214.6	1,214.1	-	-	-	-	-	-	-	-	-	-	3,214.6	1,214.1
<b>Marked to Market Financial Instruments</b>															
Financial Instruments	Bank Deposits	1,000	1,000	-	-	-	-	-	-	-	-	-	-	1,000	1,000
	Government Bonds	100	100	-	-	-	-	-	-	-	-	-	-	100	100
	Equity Investments	-	-	-	-	250	250	-	-	-	-	-	-	250	250
	Debt Investments	-	-	-	-	100	100	-	-	-	-	-	-	100	100
	Other Financial Instruments	-	-	-	-	150	150	-	-	-	-	-	-	150	150
	Derivatives	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	1,100	1,100	-	-	500	500	-	-	-	-	-	-	500	500
	Total	3,214.6	1,214.1	-	-	250	250	-	-	-	-	-	-	500	500
Financial Instruments	Bank Deposits	1,000	1,000	-	-	-	-	-	-	-	-	-	-	1,000	1,000
	Government Bonds	100	100	-	-	-	-	-	-	-	-	-	-	100	100
	Equity Investments	-	-	-	-	250	250	-	-	-	-	-	-	250	250
	Debt Investments	-	-	-	-	100	100	-	-	-	-	-	-	100	100
	Other Financial Instruments	-	-	-	-	150	150	-	-	-	-	-	-	150	150
	Derivatives	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	1,100	1,100	-	-	500	500	-	-	-	-	-	-	500	500
	Total	3,214.6	1,214.1	-	-	500	500	-	-	-	-	-	-	500	500



**KOTAK SECURITIES LIMITED**  
 Notes forming part of the financial statements for the year ended 31st March 2014  
 C. To know more then visit our website [www.kotaksec.com](http://www.kotaksec.com)

(Rupees in Lakhs)

Nature of Investment	Name of Related Party	Holding Company/ Government Body		Company		Partnership		Trust		Other		Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Holding Company	Kotak Mahindra Bank Limited	41,207	3,41,179	-	-	-	-	-	-	-	-	41,207	3,41,179
	Kotak Mahindra Finance Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Life Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Insurance Co. Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (New Zealand) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Singapore) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
Partnership	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (New Zealand) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Singapore) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
Trust	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (New Zealand) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Singapore) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
Other	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (New Zealand) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Singapore) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>41,207</b>	<b>3,41,179</b>	<b>-</b>	<b>-</b>	<b>1,006.57</b>	<b>372.88</b>	<b>0.23</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>41,207</b>	<b>3,41,179</b>
Equity Instruments	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (New Zealand) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Singapore) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
Debt Instruments	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (New Zealand) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Singapore) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Other	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (New Zealand) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Singapore) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (UK) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (USA) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Canada) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Kotak Mahindra Finance (Australia) Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>41,207</b>	<b>3,41,179</b>	<b>-</b>	<b>-</b>	<b>1,006.57</b>	<b>372.88</b>	<b>0.23</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>41,207</b>	<b>3,41,179</b>



**KOTAK SECURITIES LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March 2011  
 C. Following are schedule notes annexed herewith related parties.

Name of Transactor	Name of Related Party	Relevant Dates/Periods		Period		Period		Period		Period		Period		Period		Period			
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year		
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	
Cash Equivalents	Cash	14,716.21	8,284.72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,723.33	4,982.72
	Bank Balance - Cash	-	-	-	-	1,230.75	254.18	-	-	-	-	-	-	-	-	-	-	8,284.72	108.91
	Bank Balance - Term	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,893.81
	Bank Balance - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.41
	Bank Balance - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55.79
	Bank Balance - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.63
<b>Cash Equivalents Total</b>		<b>14,716.21</b>	<b>8,284.72</b>			<b>1,230.75</b>	<b>254.18</b>											<b>12,723.33</b>	<b>4,982.72</b>
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	1,194.12	1,291.23	-	-	-	-	-	-	-	-	-	-	1,194.12	1,291.23
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	8.35	17.12	-	-	-	-	-	-	-	-	-	-	8.35	17.12
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	8.35	17.12	-	-	-	-	-	-	-	-	-	-	8.35	17.12
<b>Debtors Total</b>						<b>1,194.12</b>	<b>1,291.23</b>											<b>1,194.12</b>	<b>1,291.23</b>
Provision of Doubtful	State Bank of India - Secular Leasing Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision of Doubtful	State Bank of India - Secular Leasing Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Provision of Doubtful Total</b>																			
Payables to Key Management Personnel	Key Management Personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payables to Key Management Personnel	Key Management Personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Payables to Key Management Personnel Total</b>																			
<b>Net Debtors</b>		<b>2,111.43</b>	<b>2,152.19</b>			<b>1,194.12</b>	<b>1,291.23</b>											<b>1,194.12</b>	<b>1,291.23</b>
Debtors	State Bank of India - Secular Leasing Ltd	8.35	17.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.35	17.12
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	1,194.12	1,291.23	-	-	-	-	-	-	-	-	-	-	1,194.12	1,291.23
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	8.35	17.12	-	-	-	-	-	-	-	-	-	-	8.35	17.12
<b>Debtors Total</b>		<b>8.35</b>	<b>17.12</b>			<b>1,194.12</b>	<b>1,291.23</b>											<b>1,194.12</b>	<b>1,291.23</b>
Debtors	State Bank of India - Secular Leasing Ltd	8.35	17.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.35	17.12
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	1,194.12	1,291.23	-	-	-	-	-	-	-	-	-	-	1,194.12	1,291.23
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	8.35	17.12	-	-	-	-	-	-	-	-	-	-	8.35	17.12
<b>Debtors Total</b>		<b>8.35</b>	<b>17.12</b>			<b>1,194.12</b>	<b>1,291.23</b>											<b>1,194.12</b>	<b>1,291.23</b>
Debtors	State Bank of India - Secular Leasing Ltd	8.35	17.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.35	17.12
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	1,194.12	1,291.23	-	-	-	-	-	-	-	-	-	-	1,194.12	1,291.23
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	8.35	17.12	-	-	-	-	-	-	-	-	-	-	8.35	17.12
<b>Debtors Total</b>		<b>8.35</b>	<b>17.12</b>			<b>1,194.12</b>	<b>1,291.23</b>											<b>1,194.12</b>	<b>1,291.23</b>
Debtors	State Bank of India - Secular Leasing Ltd	8.35	17.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.35	17.12
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	1,194.12	1,291.23	-	-	-	-	-	-	-	-	-	-	1,194.12	1,291.23
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	8.35	17.12	-	-	-	-	-	-	-	-	-	-	8.35	17.12
<b>Debtors Total</b>		<b>8.35</b>	<b>17.12</b>			<b>1,194.12</b>	<b>1,291.23</b>											<b>1,194.12</b>	<b>1,291.23</b>
Debtors	State Bank of India - Secular Leasing Ltd	8.35	17.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.35	17.12
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	1,194.12	1,291.23	-	-	-	-	-	-	-	-	-	-	1,194.12	1,291.23
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	8.35	17.12	-	-	-	-	-	-	-	-	-	-	8.35	17.12
<b>Debtors Total</b>		<b>8.35</b>	<b>17.12</b>			<b>1,194.12</b>	<b>1,291.23</b>											<b>1,194.12</b>	<b>1,291.23</b>
Debtors	State Bank of India - Secular Leasing Ltd	8.35	17.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.35	17.12
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	1,194.12	1,291.23	-	-	-	-	-	-	-	-	-	-	1,194.12	1,291.23
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	8.35	17.12	-	-	-	-	-	-	-	-	-	-	8.35	17.12
<b>Debtors Total</b>		<b>8.35</b>	<b>17.12</b>			<b>1,194.12</b>	<b>1,291.23</b>											<b>1,194.12</b>	<b>1,291.23</b>
Debtors	State Bank of India - Secular Leasing Ltd	8.35	17.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.35	17.12
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	1,194.12	1,291.23	-	-	-	-	-	-	-	-	-	-	1,194.12	1,291.23
Debtors	State Bank of India - Secular Leasing Ltd	-	-	-	-	8.35	17.12	-	-	-	-	-	-	-	-	-	-	8.35	17.12
<b>Debtors Total</b>		<b>8.35</b>	<b>17.12</b>			<b>1,194.12</b>	<b>1,291.23</b>											<b>1,194.12</b>	<b>1,291.23</b>



NOTES TO ACCOUNTS  
 Being a part of the Financial Statements for the year ended 31st March 2011  
 The following transactions were carried out in the stated period

Page 14 of 15

Account / Name of Firm	Name of Related Party	Nature of Relationship						Key Management Personnel		Articles of Association		Details of Transactions			
		Holding Company/Controlling Body		Subsidiary		Joint Venture/Associate with whom transactions have taken place during the year		Director	Executive	Group	Associate	Current Year	Previous Year	Current Year	Previous Year
		Elective	Provision	Current	Previous	Current	Previous								
Trade Receivables	Swan Investment Pvt Ltd	013.14	584.14	-	-	-	-	-	-	-	-	-	-	671.5	223.24
	Jaypee Power	-	3.12	-	-	-	-	-	-	-	-	-	-	-	3.09
	Bank of India - Mumbai Region	-	-	-	-	-	-	-	-	-	-	-	-	-	1.21
	Bank of India - Kolkata Branch	-	-	-	-	0.01	0.03	-	-	-	-	-	-	0.12	0.33
	Bank of Maharashtra	-	-	-	-	0.04	12.15	-	-	-	-	-	-	12.19	12.15
	Bank of India - New Delhi	-	-	-	-	-	1.18	-	-	-	-	-	-	-	1.18
	State Bank of India	-	-	-	-	-	-	-	-	-	-	-	0.24	-	0.24
Payable (Direct) Total		073.14	587.26	-	-	06.02	22.31	-	-	-	-	-	0.24	22.31	117.37

\* The above transactions are carried out in the ordinary course of business and are not related to the financial statements of the company.



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

**KOTAK SECURITIES LIMITED**

Regd Office: 27 BKC, C 27, G block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051  
Correspondence address: Kotak Infinity, 8<sup>th</sup> Floor, Building no. 21, Infinity Park, Off Western  
Express Highway, General A K Vaidya Marg, Malad (E), Mumbai - 400097, Telephone: 91 22  
42856825, Fax No.: 91 22 67256753

Dear Investor,

We confirm that:

- i) the Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;
- ii) the disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio Management;
- iii) the Disclosure Document has been duly certified by an independent chartered accountant on April 5, 2022.

Vidya Barje  
For M.P. Chitale & Co.  
Chartered Accountants,  
1/11, 1st Floor, Prabhadevi Industrial Estate,  
Veer Savarkar Marg, Opposite Siddhi Vinayak Temple,  
Prabhadevi, Mumbai-400 025.

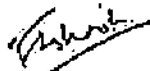
Membership No. 104994

Tel: +91(22) 43474301/02/03

Fax: +91(22) 43474304

The copy of the Chartered Accountant's certificate is enclosed.

For Kotak Securities Limited



Saurabh Bhoot  
Senior Vice President

Kotak Infinity, 8<sup>th</sup> Floor, Building no. 21, Infinity Park, Off Western Express Highway, General A K  
Vaidya Marg, Malad (E), Mumbai - 400097

Date: April 5, 2022

Place: Mumbai



Kotak Securities Limited  
CIN: U69399MH1999PLC134021  
8th Floor, Kotak Infinity  
Bldg No. 21, Infinity Park  
General A.K. Vaidya Marg  
Opp. Film City Road  
Malad (E), Mumbai - 400 097.

Tel: 91 22 4285 6825  
www.kotaksecurities.com

Registered Office  
27 BKC, C 27, G block  
Bandra Kurla Complex  
Bandra (E), Mumbai - 400 051

Tel: 91 22 4285 6825  
Tel: 91 22 6725 6753  
Toll Free: 1800 2093151  
www.kotaksecurities.com

# **M. P. Chitale & Co.**

**Chartered Accountants**

111, Prabhadevi Ind. Estate, 1st Flr., Opp. Siddhivinayak Temple, Veer Savarkar Marg, Prabhadevi, Mumbai - 25 • Tel.: 43474391-01 • Fax : 43474394

**The Board of Directors,  
Kotak Securities Ltd.,  
27 BKC, C 27, G-Block,  
Bandra Kurla Complex,  
Bandra East,  
Mumbai - 400070**

## **Certificate under regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020**

1. We have been requested by management of Kotak Securities Limited (the Company) to certify the contents of Disclosure Document dated April 05, 2022 for portfolio management services of the Company which is prepared by the Company in accordance with the Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 (the SEBI Regulations). We understand that the Disclosure Document is required to be submitted to the Securities and Exchange Board of India (the SEBI):

### **Management's responsibility**

2. The management of the Company is responsible for the maintenance of the books of account and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation and presentation of Disclosure Document.
3. The Disclosure Document and compliance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 is the responsibility of the management of the Company.

### **Auditor's responsibility**

4. We have not performed an audit, the objective of which would be expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such an opinion.



5. For the purpose of this certificate, we have planned and performed the following procedures to determine whether anything has come to our attention that causes us to believe that the aforementioned Disclosure Document is not in compliance with the SEBI Regulations.
- a) The list of persons classified as group companies and list of related parties are as per audited financial statements available on the Company website;
  - b) The promoters and directors' qualifications, experience, ownership details are as confirmed by the directors and have been accepted without further verification;
  - c) We have relied solely on representations provided by the management of the Company and not performed any procedures in relation to penalties or litigations against the Portfolio Manager, as mentioned in the Disclosure Document;
  - d) We have reviewed the figures for performance disclosed, if any, in the Disclosure Document with figures in the regulatory return filed by the Company with SEBI;
  - e) We have relied solely on representations provided by the management of the Company and not performed any procedures in relation to the investment objectives and policies / investment philosophy;
  - f) We have reviewed nature of fees and expenses as per the agreements and representations provided by the Company; and
  - g) We have verified the financial figures disclosed in the Disclosure Document, if any, with the audited financial statements for the respective years.

#### **Conclusion**

5. Based on the procedures performed as stated above, evidence obtained and information and explanations provided by the Company, nothing has come to our attention that causes us to believe that the Disclosure Document is not, in all material aspects, in compliance with the SEBI Regulations:

Based on our review of attached Disclosure Document, audited annual accounts of the Portfolio Manager and its other relevant records and information furnished by the Portfolio Manager along with representation provided, we certify that the disclosures made in the attached Disclosure Document for Portfolio Management are true, fair and adequate to enable the investors to make a well informed decision.

7. This certificate is issued solely to comply with Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 (as amended from time to time) and may not be suitable for any other purpose. Accordingly, our certificate should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior written consent.

For M.P. Chitale & Co.  
Chartered Accountants  
Firm Reg. No. 101851W

  
Vidya Barje



Partner  
M. No. 104994  
Mumbai, April 05, 2022  
UDIN: 22104994AGLCC14939