


## CERTIFICATE

We, M/s , G.P. Agrawal & Co. have been requested by SKP Securities Limited, having Registered Office at Chatterjee International Centre, Level 21, 33A, Jawaharlal Nehru Road, Kolkata – 700 071 to certify the contents and information provided in the Disclosure Document required to be filled with the Securities and Exchange Board of India (SEBI) as per Regulation 22, of Securities and Exchange Board of India (Portfolio Managers ) Regulations , 2020.

We have verified the data from the respective documents provided by the managements. We have relied on the various representation made to us by the Management of the company wherever necessary.

Based on our verification of the records and information provided to us, we certify that the contents and information provided in the Disclosure Documents are true and adequate as required under Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Registration No. 302082E

  
(CA. Sunita Kedia)  
Partner  
Membership No. 060162  
UDIN: 21060162AAAAEV1718



Dated: 27.10.2021  
Place - Kolkata

GSTN :  
19AACFG8964F1Z2



+9133 46012771  
+9133 46017361  
+9133 66076831



[www.gpaco.net](http://www.gpaco.net)



[mail@gpaco.net](mailto:mail@gpaco.net)



Unit 606, 6th Floor  
Diamond Heritage  
16, Strand Road  
Kolkata - 700001 INDIA



## **DISCLOSURE DOCUMENT**

As required under Fifth Schedule of Regulation 22 of  
Securities and Exchange Board of India (Portfolio Managers) Regulation 2020

- i) The Disclosure Document has been filed with the Securities & Exchange Board of India along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- ii) 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 decision for engaging SKP Securities Ltd. as a Portfolio Manager.
- iii) The Disclosure Document contains necessary information about the Portfolio Manager, required by an investor before investing, and hence, the investor may be advised to retain the document for future reference.
- iv) The following are the Details of the Portfolio Manager:

<b>Name of the Portfolio Manager</b>	SKP Securities Limited L74140WB1990PLC049032
<b>Name of the Principal Officer</b>	Naresh Pachisia
<b>SEBI Registration Number</b>	INP000006509
<b>Registered Office Address</b>	Chatterjee International Centre, Level 21, 33A, Jawaharlal Nehru Road, Kolkata 700 071, India
<b>Phone</b>	+91 334007 7000
<b>Fax</b>	+91 334007 7007
<b>Email Id</b>	<a href="mailto:contact@skpsecurities.com">contact@skpsecurities.com</a>
<b>Website</b>	<a href="http://www.skpsecurities.com">www.skpsecurities.com</a>



## INDEX OF CONTENTS

Sl. No	Contents	Page No
1	Disclaimer clause	1
2	Definitions	1-3
3	Description	4-6
4	Penalties, pending litigations or proceedings, findings of inspections or investigations for which actions may have been taken or initiated by any regulatory authority	6
5	Services offered	7-9
6	Risk Factors	9-10
7	Client Representation	10-11
8	Financial Performance of Portfolio Manager	12
9	Performance of the Portfolio Manager	12
10	Nature of Expenses	13-14
11	Taxation	14
12	Accounting Policies	14-15
13	Investor Services	15-16
14	Form C	17



1) **Disclaimer clause:**

The particulars given in this Document have 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 the document. This document is not for public distribution and has been furnished to you solely for your information and may not be reproduced or redistributed to any other person.

2) **Definitions:**

Unless the context or meaning thereof otherwise requires, the following expressions shall have the meaning assigned to them hereunder respectively: -

- (a) **“Act”** means the Securities and Exchange Board of India Act, 1992 (15 of 1992).
- (b) **“Agreement”** means agreement between Portfolio Manager and its Client and shall include all Schedules and Annexures attached thereto.
- (c) **“Application”** means the application made by the Client to the Portfolio Manager to place its funds and/or securities with the Portfolio Manager for Portfolio Management Services. Upon execution of the Agreement by the Portfolio Manager, the Application shall be deemed to form an integral part of the Agreement. Provided that in case of any conflict between the contents of the Application and the provisions of the Agreement, the provisions of the Agreement shall prevail.
- (d) **“Assets”** means (i) the Portfolio and/or (ii) the Funds.
- (e) **“Body Corporate”** shall have the meaning assigned to it in or under clause (11) of section 2 of the Companies Act, 2013.
- (f) **“Bank Account”** means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in accordance with the agreement entered into with the Client.
- (g) **“Board”** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992.
- (h) **“Client”** means the person who enters into an Agreement with the Portfolio Manager for managing its portfolio and /or funds.
- (i) **“Custodian”** means a Custodian registered under Securities and Exchange Board of India (Custodian of Securities) Regulations, 1996 appointed by the Portfolio Manager.



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

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

(l) **“Discretionary Portfolio Manager”** means a Portfolio Manager who exercises or may, under a contract relating to portfolio management, exercise any degree of discretion in investments or management of portfolio of securities or funds of the Client, as the case may be.

(m) **“Document”** means this Disclosure Document.

(n) **“Financial Year”** means the year starting from April 1 and ending on March 31 of the following year.

(o) **“Funds”** means monies managed by the Portfolio Manager on behalf of the Client pursuant to Portfolio Management Agreement and includes monies mentioned in the Application, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to Portfolio Management Agreement, 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.

(p) **“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 to time in writing, for an agreed fee structure and for a definite described period, invests in respect of the Client’s account in any type of security entirely at the Client’s risk and ensure that all benefits accrue to the Client’s Portfolio.

(q) **“Parties”** means the Portfolio Manager and the Client; and **“Party”** shall be construed accordingly.

(r) **“Person”** includes an individual, a Hindu Undivided Family, 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.

(s) **“Portfolio”** means the Securities managed by the Portfolio Manager on behalf of the Client pursuant to the Portfolio Management Agreement and includes any Securities mentioned in the Application, any further Securities 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 bonus and rights shares or otherwise in respect of Securities forming part of the Portfolio, so long as the same is managed by the Portfolio Manager.





(t) **“Portfolio Manager”** will have the same meaning as given in regulation 2(i)(o) of the SEBI (Portfolio Managers) Regulations, 2020 as amended from time to time.

(u) **“Principal Officer”** means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager.

(v) **“Qualified Client”** means any Person (being over the age of 18 in the case of a natural person) (i) who is a fit and proper person, (ii) complies with know your client (KYC/CKYC) norms stipulated by the Portfolio Manager and SEBI, (iii) has not been convicted of any offence, (iv) has a sound financial standing and credit-worthiness, and (v) is willing to execute necessary documentation as stipulated by the Portfolio Manager and other than any Person.

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

(x) **“Scheduled Commercial Bank”** means any bank included in the second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934).

(y) **“SEBI”** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the SEBI Act.

(z) **“Securities”** includes: “Securities” as defined under the Securities Contracts (Regulation) Act, 1956 as amended from time to time and includes:

(i) Shares, scrips, stocks, derivatives, bonds, debentures or other marketable securities of a like nature in or of any incorporated company or other body corporate;

(ii) units or any other instrument issued by any mutual fund

(iii) any certificate or instrument (by whatever name called), issued to an investor by any issuer being a special purpose distinct entity which possesses any debt or receivable, including mortgage debt, assigned to such entity, and acknowledging beneficial interest of such investor in such debt or receivable, including mortgage debt;

(iv) Government securities;

(v) such other instruments as may be declared by the Central Government to be securities;

(vi) rights or interest in securities;

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 will in addition be interpreted according to their general meaning and usage and will also carry meanings assigned to them in regulations governing Portfolio Management Services.



### **3. Description:**

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

SKP Securities Ltd (hereinafter referred to as “SKP”) was incorporated on 18<sup>th</sup> May, 1990, co-promoted by Late Surender Kumar Pachisia and Mr. Naresh Pachisia, then having 33 and 8 years’ experience in stock broking respectively as Members of the then Calcutta Stock Exchange (CSE). Post an IPO in 1995, SKP was listed on BSE.

SKP Brokerage Ltd, Member of CSE since 1994 and NSE since 1996, was amalgamated with SKP Securities Ltd. in 1997-1998. In 2005, it acquired Membership of BSE as well. In 2000, it became a Depository Participant first with CDSL and then NSDL. Subsequently, it surrendered its trading membership with CSE. SKP is also SEBI registered Merchant Banker (Category-I).

SKP commenced distribution of Mutual Funds in 1996 and was recognized by the industry for the pioneering efforts made in promoting a mutual fund investment cult in Eastern Region. It was amongst the first 12 mutual fund distributors to get registered with AMFI in 2002 when doing so was not mandatory and holds AMFI Registration No. 0006; the certificate for which was handed over personally by the then SEBI Chairman. Nominated for CNBC TV18 UTI Mutual Fund Best Performing Regional Financial Award (East) in most of its editions, SKP was the Winner in this category for 2014-2015 & 2015-2016 along with “The Grand Jury Award for work done for Financial Education and Financial Inclusion for 2015-2016” – a national recognition. It was once again awarded winner of Best Performing Regional Financial Award (East) in 2018-2019.

Presently, with a large institutional, corporate, private and retail client base developed over several decades, SKP is engaged in:

- Broking Services as a Member of NSE and BSE
- Equity Research & Analysis and allied activities
- Depository Services as a DP of NSDL and CDSL
- Distribution of Mutual Funds, Bonds/NCDs, Fixed Deposits, IPOs, etc.
- Merchant Banking

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

##### **Promoters:**

SKP Securities Limited was promoted in 1990 by Late Surender Kumar Pachisia and Mr. Naresh Pachisia having a long presence in capital markets. Currently, the Promoter Group holds 74.99% of the total share capital of the Company.



### Directors and their background:

Sl No	Name	Designation	Background
1	Naresh Pachisia	Managing Director	A B.Com from St. Xavier's College, Kolkata, a Certified Financial Planner (CFP) and AMP (ISB, Hyderabad), he carries over 39 years' experience in financial markets, equity research, portfolio management, wealth management, investment banking, institutional equities and stock broking.
2	Nikunj Pachisia	Whole Time Director	A BBA from George Washington university, USA, he carries over 12 years' experience in financial markets, equity research, portfolio management, wealth management, institutional equities and stock broking.
3	Ravi Todi	Independent Director	A Commerce Graduate and entrepreneur, he is a co-promoter of Shrachi Group having manufacturing interest in agricultural equipment, EPC and real estate development. He holds/has held leadership positions at CII, MCC, EO, CSC, etc.
4	Paritosh Sinha	Independent Director	An eminent lawyer with vast experience in general practice in civil, commercial, constitutional, corporate laws and Commercial Arbitration in Calcutta High Court and Supreme Court of India.
5	Santanu Ray	Independent Director	A Management Educator and Consultant with focused concentration on research and publication. He is a B.Com, FCA, carrying long years of experience as Corporate professional and academician.
6	Manju Pachisia	Non –Executive & Non- Independent Director	An AFP (Associate Financial Planner) and IRDA Certified Insurance Advisor, she holds certificate in Psychological counseling. She is a practicing Psychological counsellor.
7	Saurabh Sonthalia	Independent Director	A CA and PGDM (IIM-A), he carries 28 years' experience and strong relationships in Indian Financial Markets with a deep understanding of Indian economy, financial markets, asset management, investment banking and private equity investing in real estate and hospitality sectors.

**Group company information (i.e. information related to top 10 Group Companies / firms of the Portfolio Manager on turnover basis) (as per the audited financial statements for the year ended March 2021:**





1. SKP Commodities Limited, - Mr. Naresh Pachisia and Mr. Nikunj Pachisia, Common Directors
2. SKP Insurance Advisors Private Limited – Mr Naresh Pachisia, Common Director.
3. SKP Risk Advisors Private Limited - Mr Naresh Pachisia, Common Director.

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

1. All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Regulations made there under relating to Portfolio Management Services.

**None**

2. The nature of the penalty/direction.

**None**

3. Penalties/fines imposed for any economic offence and/or for violation of any securities laws relating to Portfolio Management Services.

**None**

4. Any pending material litigation/legal proceedings against the Portfolio Manager/key personnel with separate disclosure regarding pending criminal cases, if any.

**None**

5. Any deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency in relation to Portfolio Management Services for which action may have been taken or initiated.

**None**

6. Any enquiry/adjudication proceedings initiated by the Board against the Portfolio Manager or its directors, principal officer or employee or any person directly or indirectly connected with the Portfolio Manager or its directors, principal officer or employee, under the Act or Regulations made thereunder relating to Portfolio Management Services.

**None**



### **5. Services offered:**

SKP Securities Limited provides portfolio management services to the investors directly or without intermediation of any person engaged in distribution services. It may engage services of intermediary or distributors for distribution of PMS products in which case also investors will have the option to be on-boarded without any intermediation. As of date, Portfolio Management services are not operational.

#### **a) Discretionary Services:**

Under these services, the choice as well as the timings of the investment decisions in Securities rests solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. The Portfolio Manager's decision (taken in good faith) in deployment of the Client's fund's is absolute and final and can never be called in question or be open to review at any time during the currency of the agreement or at any time thereafter except on the ground of fraud, malafide, conflict of interest or gross negligence. This right of the Portfolio Manager will be exercised in accordance with the relevant Acts, Regulations, guidelines and notifications in force from time to time. Periodical statements in respect to Client's Portfolio will be sent to the respective Client.

#### **b) Non - Discretionary Services:**

Under these Services, the portfolio of the Client is managed in consultation with the Client. Assets are managed as per express prior instructions issued by the Client from time to time. The Client will have complete discretion to decide on the investments in Securities made. The Portfolio Manager inter alia manages transaction execution, accounting, recording or corporate benefits, valuation and reporting aspects on behalf of the Client entirely at the Client's risk.

#### **c) Advisory Services:**

Under these services, the Portfolio Manager advises the Client on investments in general or any specific advice required by the Clients as agreed upon in the Client agreement. The Portfolio Manager will render the best possible advice to the client having regard to the client's needs and the environment, and his own professional skills. The advice may be either general or specific in nature and may pertain to a particular portfolio. Entry/exit timing, execution and settlement are solely Client's responsibility. The same can be binding or non-binding in nature or in such terms as mentioned in the Client agreement. For such services, the Portfolio Manager charges the Client a fee for services rendered as mentioned in the Client agreement.



**Products available:-**

**Currently we are having the following products:-**

**The SKP Edge - A Diversified Equity PMS Strategy**

**The Objective**

To generate long term capital appreciation from a diversified, multi cap equity\* portfolio.

**The Methodology**

**Stock Selection :** Starting from a 'Top Down' approach based on macro fundamentals, followed by sector selection, we move to 'Bottom Up' stock selection; universe of identified stocks are filtered through an extensive research and analytical framework with business fundamentals, quality of management and valuation forming its cornerstones. The universe mid and small cap stocks primarily comprise of high conviction stocks under SKP research involving strong due diligence, providing the SKP Edge.

**Strategy Construct:** Strict investment guidelines for portfolio risk containment with an attempt to generate alpha over benchmark\*\*, which include, amongst others:

- Market Cap Allocation: Large Caps: 60-40%, Mid & Small Caps: 40-60%, Cash/Liquid Funds: 0-20% (New accounts may take upto 3 months to reach these allocation levels)
  - Not over 25% allocation to a single sector or a single stock
  - A diversified portfolio comprising of not more than 40 stocks.
  - Exposure to Derivatives, if any, only for hedging purposes within SEBI guidelines.
  - No short selling
- \* Equity related instruments included

\*\*A 40:20:40 blend of Nifty 50: Nifty Mid Cap and Nifty Small Cap

**The SKP Discovery A High Conviction Equity PMS Strategy**

**The Objective**

To generate absolute capital appreciation over three years, from a diversified equity\* portfolio of high conviction ideas, primarily from small cap companies under SKP's research coverage.

**The Methodology**

**Stock Selection:** A 'Bottom Up' high conviction stock selection from a universe of primarily small cap stocks under SKP's research coverage involving strong due diligence, which are likely to generate absolute returns over a period of about three years, filtered through an extensive analytical framework with business fundamentals, quality of management and valuation forming its cornerstones.

**Strategy Construct:** A 'Buy & Hold' policy somewhat dilutes the high risk that such a strategy carries. Strict investment guidelines for portfolio risk containment with an attempt to generate absolute returns, which include, amongst others:



- Asset Allocation: Equities 80-100%; Cash/Liquid Funds: 0-20% (New accounts may take upto 3 months to reach these allocation levels)
- Not over 30% allocation to a single sector or a single stock
- A focussed, yet diversified portfolio, comprising of not more than 20 stocks.
- Exposure to Derivatives, if any, only for hedging purposes within SEBI guidelines.
- No short selling

\*Equity and Equity related instruments

Note:

- Investment under Portfolio Management Services will be only as per SEBI Regulations.
- Uninvested amounts forming part of the Client's Assets may be at the discretion of the Portfolio Manager be held in cash or deployed in Liquid Funds, Exchange Traded Index Funds, Debt Funds, Gilt Funds, Bank Deposits and other short term investment avenues.
- Portfolio Manager, with the consent of the Client, may lend securities held by the Client through an Approved Intermediary, for interest.
- The Portfolio Manager will not invest any of the funds of the Client in shares, debt, deposits and other financial instruments of group companies of the Portfolio Manager.
- The Portfolio Manager may move between asset classes i.e. Equity, Fixed income and Cash depending upon market condition. This is done mainly with an objective of protecting capital when markets are uncertain or have a downward bias
- As per Regulation 24(5) of SEBI (Portfolio Managers) Regulation, 2020 Portfolio Manager may invest in units of Mutual Funds only through direct plans.
- Portfolio Manager can use various derivative and hedging products from time to time as may be available and permitted by SEBI, in an attempt to protect the value of portfolio and enhance the client's interest.

## **6) Risk Factors:**

Investments made in securities are subject to market risk and there is no assurance or guarantee that the objectives of investments will be achieved. Following are the risk factors as perceived by the Portfolio Manager:

- Investment in equities, derivatives, mutual funds and all other market-linked securities are subject to market risks and there is no assurance or guarantee that the objective of investments will be achieved.
- As with any investment in securities, the Net Asset Value of the portfolio can go up or down depending upon the factors and forces affecting capital markets.
- Portfolio Performance may be affected by changes in Government policies, macroeconomic or geo political factors, industry/company specific issues, performance of individual companies or securities, interest rates and risks associated with trading volumes, liquidity and settlement systems in equity and debt markets.
- Past performance of the Portfolio Manager does not indicate its future performance. Investors are not being offered any guaranteed returns.
- Investment strategies are given different names for ease of understanding purpose. Names of Strategies do not, in any manner, indicate their prospects or returns.
- Investments in debt instruments and other fixed income securities are subject to default risk, liquidity risk and interest rate risk. Interest rate risk results from changes in demand and supply for money and other macroeconomic factors and creates price changes in the





value of debt instruments. Consequently, Net Asset Value of the portfolio may be subject to fluctuation.

- Investments in debt instruments are subject to reinvestment risks as interest rates prevailing on interest amount or maturity due dates may differ from the original coupon of the bond, which might result in the proceeds being invested at a lower rate.
- The Portfolio Manager may invest in non-publicly offered debt securities and unlisted equities. This may expose the Client's portfolio to liquidity risks.
- Engaging in securities lending is subject to risks related to fluctuations in collateral value/settlement/liquidity/counter party.
- The Portfolio Manager may use derivatives instruments like index futures, stock futures and options contracts, warrants, convertible securities, swap agreements or any other derivative instruments for the purpose of hedging and portfolio balancing, as permitted under the Regulations and guidelines. Usage of derivatives will expose the Portfolio to certain risks inherent to such derivatives. As and when the Portfolio Manager deals in the derivatives market on behalf of the Client, there are risk factors and issues concerning the use of derivatives that investors should understand.
- Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value.
- There are inherent risks arising out of investment objectives, investment strategy, asset allocation and non-diversification of portfolio.
- The Net Asset Value may be affected by changes in settlement periods and transfer procedures.

## **7. Client Representation:**

### **i) Details of Client account activated**

<b>Category of Clients</b>	<b>No. of Clients</b>	<b>Funds managed (Rs. Crores)</b>	<b>Discretionary/ Non-Discretionary</b>
Associates/Group as on 31/03/2021	Nil	Nil	Nil
Others as on 31/03/2021	Nil	Nil	Nil
Total as on 31/03/2021	Nil	Nil	Nil





**ii) Transactions with related parties are as under:**

- The Portfolio Manager also provides stock broking services as a Member of National Stock Exchange of India Limited and BSE Ltd., as a Depository Participant on National Securities Depositories Limited and Central Depository Services (India) Limited and as Research Analyst, Merchant Banker, Investment Adviser and is also registered with Association of Mutual Fund of India as a Mutual Funds Distributor. The Portfolio Manager uses its own services.
- Disclosure of transaction with related parties and nature of relationship (for the year ended March 31, 2021 ) are as under:

**Key Managerial Persons:** Naresh Pachisia, Managing Director  
Nikunj Pachisia, Whole time Director

**Close members of KMP:** Manju Pachisia  
Nikunj Pachisia  
Kanupriya Pachisia  
Vaibhav Pachisia

**Significant influence entities:** Naresh Pachisia & Sons (HUF)  
Nikunj Pachisia (HUF)  
SKP Commodities Limited  
SKP Insurance Advisors Pvt Ltd  
SKP Risk Advisors Pvt Ltd

(Rs in Lacs)				
Particulars	With entities under significant control	Key managerial person	Close members of Key Managerial Person	Total
Remuneration	-	78.00	-	78.00
Brokerage earned	-	0.31	-	0.31
Demat Charges Received	0.01	0.07	0.01	0.09
PMS Fees	-	0.06	-	0.06
Receiving of services	16.34	-	-	16.34



**8. Financial Performance of Portfolio Manager (Based on audited financial Statements)**

The Financial Performance of SKP Securities Limited for last 2 years are given below:

(₹in Lacs)

Particulars	Financial Year	
	2021	2020
Revenue from Operations and other Income	1504.25	1108.14
Total Expenses	1088.70	1106.42
Profit Before Tax	415.55	1.72
Tax Expenses	61.52	30.66
Profit /(Loss) for the year	354.03	(28.94)
Other Comprehensive Income	10.57	(3.64)
Total Comprehensive Income	364.60	(32.58)
Retained Earnings- Opening Balance	1466.56	1983.56
Less : Used for Buyback of Shares	-	(484.42)
Less : Transfer to General Reserve	(25.00)	-
Retained Earnings- Closing Balance	1806.16	1466.56
Net Worth	2519.86	2155.26

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

Portfolio Name	Type of Service	Date of Inception	April 1 ,2020 March 31, 2021	April 1 ,2019 March 31, 2020	April 1 ,2018 March 31, 2019
The SKP Edge	Discretionary	13/06/2019	4.9464 %	- (2.9301)%	NA

\* Portfolio Manager commenced its operation w.e.f. 13/06/2019



**10. Audit Observation:**

Portfolio Name	Type of Service	Date of Inception	April 1, 2020 to March 31, 2021	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019
The SKP Edge	Discretionary	13/06/2019	Nil	NA	NA

\* Portfolio Manager commenced its operation w.e.f. 13/06/2019

**10) Nature of expenses:****i) Portfolio Management Fees:**

Portfolio Management Fees charged may be a fixed fee or investment return based fee or a combination of both as detailed in the Schedule to the Portfolio Management Services Agreement. The Fees may be charged periodically at the end of a specified tenure as agreed between the Client and the Portfolio Manager.

**ii) Custodian/Depository Fees:**

The charges pertaining 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 accounts, if any, is charged to the Clients' Account.

**iii) Registrar & Transfer Agent Fees:**

Charges payable to registrar and transfer agents in connection with effecting transfer of securities, including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges, etc., if any, is charged to the Clients' Account.

**iv) Brokerage & Transaction Cost:**

Transactions are done through registered members of Stock Exchange(s) who charge brokerage up to a maximum of 2.5% of contract value, is charged to Clients' Account on actual basis. Operating expenses excluding brokerage, over and above the fees charged for Portfolio Management Services, shall not exceed 0.50% per annum of the client's average daily Assets under Management. In addition to the brokerage, transaction costs like network charges, turnover charges, stamp duty, transaction costs, Securities Transaction Tax or any other tax levied by statutory authority(ies), foreign transaction charges (if any) and other charges on the purchase and sale of shares, stocks, bonds, debt, deposits, other financial instruments are also levied by the broker (including SKP Securities Ltd.), if any, are charged to Clients' Account. Entry or Exit Loads (if any) on units of Mutual Funds as levied by each fund house is applicable to the client.

**v) Goods and Service Tax & other statutory levies:**

As applicable from time to time, is charged to Clients' account.



#### **vi) Set Up Fee /Exit Load**

As may be mutually agreed to between the Client and the Portfolio Manager and mentioned in the Portfolio Management Services Agreement. The fee so charged may be a fixed amount or a performance-based fee or a combination of both. However, no upfront fees shall be charged by the portfolio manager directly or indirectly to the clients.

Exit Load, if any, is charged to the Clients' Account. In case client portfolio is redeemed in part or full the exit load charged shall be as under:

- a. In the first year of investment maximum of 3% of the amount redeemed
- b. In the second year of investment, maximum 2% of the amount redeemed
- c. In the third year of investment, maximum 1% of the amount redeemed
- d. After a period of three years from the date of investment, no exit load.

#### **vii) Certification and professional charges:**

Charges payable for out sourced professional services like accounting, auditing, taxation and legal services etc. for documentation, notarizations, certifications, attestations required by bankers or regulatory authorities including legal fees etc., if any, are charged to Clients' Account.

#### **viii) Incidental expenses:**

Charges in connection with day-to-day operations like courier expenses, stamp duty, service tax, postal, telegraphic, opening and operation of bank account, distribution charges or any other out of pocket expenses as may be incurred by the Portfolio Manager while executing clients' work, if any, is charged to Clients' Account.

### **11) Taxation**

In view of the individual nature of tax consequences, each Client is advised to consult their tax advisor with respect to the specific tax consequences. The Portfolio Manager will not be responsible for assisting in or completing the fulfillment of the Client's tax obligations. Provisions of the Income Tax Act, 1961 shall apply to the client and the Portfolio Manager in respect of their income.

### **12) Accounting Policies:**

The following Accounting policy is applied for investments of Clients:

Investments in Equities, Mutual funds, Exchange Traded Funds, Debt instruments and funds will be valued at closing market prices of the exchanges (BSE or NSE as the case may be) or the Repurchase Net Asset Value declared for the relevant scheme on the date of the report or any cut-off date or the market value of the debt instrument at the cutoff date. Alternatively, the last available prices on the exchange or the most recent NAV will be reckoned. In case of structured products, the portfolio will be valued at the face value of the product until the expiry of the tenure.

- a) Realized gains/ losses will be calculated by applying the "first in first out" principle.
- b) For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.





- c) Unrealized gains/losses are differences in between the current market values/NAV and the historical cost of the securities.
- d) Dividend on equity shares and interest on debt instruments will be accounted on accrual basis. Further Mutual Fund dividend will be accounted on receipt basis. Other income like bank interest, interest on FD etc. shall also be accounted on receipt basis.
- e) Bonus shares are recognized only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.
- f) Right entitlement is recognized only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.
- g) The cost of investment acquired or purchased will include brokerage, stamp duty and any charge customarily included in the Brokers 'Note/Cost Note.
- h) Portfolio Management Fees, Performance based Fees, Advisory Fees and other charges are accounted as per the agreement with the client.

The Portfolio Manager and the Client can adopt any specific methodology for valuation of investments or accounting the same as may be mutually agreed between them on a case specific basis. Accounting Policies and Standards as outlined above are subject to changes made from time to time by Portfolio Manager. However, such changes would be in conformity with the Regulations.

### **13) Investor Services:**

**(i) Details of investor relation officer who will attend to investor queries and complaints is mentioned herein below:**

**Name** : Gaurav Agarwal  
**Address** : SKP Securities Limited, Chatterjee International Centre, Level 21, 33A, J. L. Nehru Road, Kolkata 700 071  
**Telephone No:** (033) 4007 7000  
**E mail** : gaurav.agarwal@skpsecurities.com

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

**(ii) Grievance redressal and dispute settlement mechanism:**

The Portfolio Manager will endeavor to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. If the Client remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the client may seek to redress his complaint through the redressal mechanism which is available on the SEBI website i.e. SCORES. Alternatively, the Client and the Portfolio Manager will abide by the following mechanisms which is available on the SEBI website i.e. SCORES. Alternatively, the Client and the Portfolio Manager will 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 will 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 for the time being in force. Such Arbitration proceedings will be held at Kolkata or such other place as the Portfolio Manager thinks fit.

For SKP Securities Limited

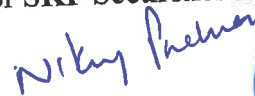


**Naresh Pachisia**  
**Managing Director**



Date : 27.10.2021  
Place: Kolkata

For SKP Securities Limited



**Nikunj Pachisia**  
**Director**



**Form C**  
**SKP Securities Limited**  
**Chatterjee International Centre**  
**Level 21 33A, J.L. Nehru Road**  
**Kolkata 700 071**  
**Phone : 033 4007 7000 Fax 4007 7007**  
**Email - contact@skpsecurities.com**

We confirm that:

- i) the Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;
- ii) the disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio Management
- iii) the Disclosure Document has been duly certified by CA. Sunita Kedia (FRN : 302082E) Chartered Accountants of M/s G.P. Agrawal & Co Phone no – 033-6607 6831 on 27<sup>th</sup> Oct 2021 a copy of which is attached herewith.

For SKP Securities Limited

  
**Naresh Pachisia**  
**Principal Officer**



October 27, 2021

