



Portfolio Managers

Portfolio Management Services

Disclosure Document-October 2018

Registered Add: 706-710, 7th Floor, Balrama Premises, Bandra Kurla Complex, Bandra (East). Mumbai-51

Correspondence Add: 406-408, Keshava Building, Behind Family Court, Bandra Kurla Complex, Bandra (East). Mumbai-51

SEBI PMS Reg No: INP000005731 | LLPIN Reg No: AAF-8925

For any clarification or additional information you are requested to contact us on 022-61946700/726 or write us on pms@pantomathgroup.com

FORM C

**Certificate of Portfolio Manager under Regulation 14 of Securities and Exchange Board of India
(Portfolio Managers) Regulations, 1993**

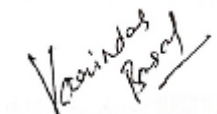
We confirm that:

1. The Disclosure Document of even date attached herewith and forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 1993 and the guidelines and directives issued by the Board from time to time;
2. 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;
3. The Disclosure Document has been duly certified by an independent Chartered Accountant. The details of the firm are as follows:

Firm Name	:	M/s Jain & Jain, Chartered Accountants
Address	:	601, Jolly Bhavan No. 2, 51, New Marine Lines, Mumbai - 400020.
Firm Registration No.	:	103869W
Phone No.	:	022-43408888
Email ID	:	cacisa@jainandjain.com

4. Copy of Chartered Accountant's Certificate to the effect that disclosures are made in the document are true, fair and adequate to enable the investors to make a well informed decision also forms a part of Disclosure Document.

For Pantomath Fund Managers LLP



**Varinder Bansal
Principal Officer**

Date: 30th October, 2018

Place: Mumbai

B. C. Jain

B.Com., F.C.A.

Ajay B. Jain

B.Com., F.C.A., D.F.M.L.I.

Kamlesh L. Makwana

B.Com., F.C.A., D.I.S.A (ICAI)



JAIN & JAIN
Chartered Accountants

Praful V. Shah

B.Com., F.C.A.

Jimmy V. Sheth

B.Com., F.C.A., D.I.S.A (ICAI)

Akansh S. Khicha

B.Com., A.C.A.

Certificate- PMS Disclosure Document

We have verified the Disclosure Documents dated 30th October, 2018 of **Pantamoth Fund Managers LLP**, a SEBI registered Portfolio Manager having registration – **INP-000005731** prepared as per the guidelines prescribed in Schedule-V of SEBI (Portfolio Managers) Regulation, 1993.

Based on verification of Disclosure Document, books of accounts and related records and information and explanation provided to us, we certify that the disclosures made in the document are true, fair and adequate to enable the investors to make a well-informed decision.

The certificate has been issued under Regulation 14 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.

For Jain and Jain;
Chartered Accountant
FRN: 103869W

CA Ajay Jain
Partner
Membership No: 110372

Date : 30th October, 2018
Place: Mumbai

DISCLOSURE DOCUMENT- PORTFOLIO MANAGEMENT SERVICES
(As required under Regulation 14 of SEBI (Portfolio Managers) Regulation, 1993)

1. This Disclosure Document has been filed with the Securities and Exchange Board of India along with the certificate in the prescribed format in terms of Regulation 14 of the SEBI (Portfolio Managers) Regulations, 1993.
2. The purpose of the Disclosure Documents is to provide essential information about the Portfolio Services in a manner meant to assist and enable the investor in making an informed decision for engaging a Portfolio Manager.
3. The necessary information about the Portfolio manager required by an investor before investing is disclosed in the Document. Investors may seek further clarifications after the date of this document from the service provider.
4. Please read this document carefully prior to making an investment decision and retain it for future references.
5. The details of Principal Officer are as follows:

Name	:	Mr Varinder Bansal
Address	:	706/710, Balrama Premises, Behind family court, Bandra Kurla Complex, Bandra (East). Mumbai -400 051
Tel No	:	022-61946774
Email Id	:	varinder.bansal@pantomathgroup.com

6. The Disclosure Document is dated **30th October, 2018**

TABLE OF CONTENTS

Sr No	Content	Page
1.	Disclaimer	1
2.	Definitions and Abbreviations	1
3.	Description about the Portfolio Manager	3
4.	Penalties, pending litigation or proceeding findings of inspection or investigations for which action have been taken or initiated by any regulatory authority.	5
5.	Services Offered	6
6.	Risk Factors	7
7.	(i) Client Representation (ii) Transaction with Related Parties	9
8.	The financial performance of the Portfolio Manager	11
9.	Portfolio Management Performance of the Portfolio Manager	12
10.	Nature Expenses	12
11.	Taxation	13
12.	Accounting Policies	14
13.	Investors Services	15
14.	Annexure	17

1. Disclaimer

The Disclosure Document have been prepared in accordance with the SEBI (Portfolio Managers) Rules and Regulations 1993 and filed with the Securities and Exchange Board of India. This Document has neither been approved nor disapproved by Securities and Exchange Board of India nor has Securities and Exchange Board of India certified the accuracy or adequacy of the contents of the Document.

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2. Definitions and Abbreviations:

In this disclosure document, the following words and expressions shall have the meanings specified herein, unless the context otherwise requires:

Act	means the Securities and Exchange Board of India Act, 1992 (15 of 1992)
Advisory Services	means the non exclusive, non binding services, where the Portfolio Manager advises Clients on investments in general or gives specific advice required by the Clients as agreed upon in the Agreement. Advice, whether general or specific is non-binding in nature and it is entirely at client's discretion to follow the advice.
Agreement	Means Agreement entered between the portfolio manager and its client for providing Portfolio Management Services and shall include all schedules and annexures attached thereto and any amendments made to this Agreement by the parties in writing.
Board	The Securities Exchange Board of India constituted under the SEBI Act, 1992.
Chartered Accountant	means a chartered accountant as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949) and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act
Client	Means any Body Corporate, Partnership Firm, Individuals, HUFs Trust, Statutory Authority, LLPs, or any other person who enters into an agreement with the portfolio manager for managing its portfolio/funds or for advisory or consulting.
Compliance Officer	means an individual appointed under regulation 23A to monitor compliance of the act, rules, guidelines, instructions, regulation, notification etc issued by the board from time to time.
Custodian	A Custodian registered with Board under SEBI (Custodian Securities) Regulations, 1996, as amended from time to time and appointed by Portfolio Manager.
Derivatives	shall have the same meaning as defined in section 2 (ac) of Securities Contract (Regulation) Act, 1956. The definition is as follows: Derivative" — includes (A) a security derived from a debt instrument, share, loan, whether secured or unsecured, risk instrument or contract for differences or any other form of security; (B) a contract which derives its value from the prices, or index of prices, of underlying securities; (C) commodity derivatives; and (D) such other instruments as may be declared by the Central Government to be derivatives;

Discretionary Portfolio Manager	means a portfolio manager who exercises or may, under a contract relating to portfolio management, exercise any degree of discretion as to the investments or management of the portfolio of securities or the funds of the client, as the case may be.
Disclosure Document	This Disclosure Document for offering Portfolio Management Services.
Financial Year	means the year starting from April 1 and ending on March 31 of the following year.
I.T. Act	The Indian Income Tax Act, 1961, as amended from time to time.
“Net Asset Value” or “NAV”	means the market value of the Assets managed by the Portfolio Manager, as calculated by the Portfolio Manager from time to time, depending on the Strategy selected by the Client.
Non-Discretionary Portfolio Manager	The Non-Discretionary Portfolio Manager manages the funds in accordance with the directions of the clients
Portfolio Manager	means any person who pursuant to a contract or arrangement with a client, advises or directs or undertakes on behalf of the client (whether as a discretionary portfolio manager or otherwise) the management or administration of a portfolio of securities or the funds of the client, as the case may be
Portfolio	means the total holdings of securities belonging to any person;
“PFM” or “The LLP” or “Our LLP” or “Pantomath”	Pantomath Fund Managers LLP
Principal Officer	means an employee of the portfolio manager who has been designated as such by the portfolio manager
Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as amended from time to time.
Securities	Shall be as defined in Section 2(h) of the Securities Contract (Regulation) Act, 1956 which defines securities to include – (i) shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate; (ia) derivative (ib) units or any other instrument issued by any collective investment scheme to the investors in such schemes; (ic) security receipt as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; (id) units or any other such instrument issued to the investors under any mutual fund scheme (ii) Government securities; (ia) such other instruments as may be declared by the Central Government to be securities; and (iii) rights or interest in securities;
SME	Small and Medium Enterprises that are primarily unlisted or which are listed or proposed to be listed on a SME exchange or SME segment of an exchange
“We” “Us” “Our”	Unless the context otherwise requires, refers to as Pantomath Fund Managers LLP.

Abbreviations

Abbreviation	Full Form
BSE	Bombay Stock Exchange Ltd., Mumbai
DP	Depository Participant
FEMA	Foreign Exchange Management Act
FIMDA	Fixed Income Money Market and Derivatives Association of India
FPI	Foreign Portfolio Investors
GOI	Government of India
IPO	Initial Public Offer
NFO	New Fund Offer
NRI	Non-Resident Indian
NSE	National Stock Exchange of India Ltd.
PMS	Portfolio Management Service
SEBI	The Securities and Exchange Board of India

Words and expressions used in this Disclosure Document and not defined shall be interpreted according to their general meaning and usage. The terms and definitions are inclusive and not exhaustive and they have been included only for the purpose of clarity.

3. Description about the Portfolio Manager:

i. History, Present Business and Background:

Pantomath Fund Managers LLP (herein after referred to as “PFM”) was incorporated in 09th March, 2016, with the main object to provide Portfolio Management Services and investment advisory services. It has obtained registration from SEBI as a Portfolio Manager vide registration number INP000005731 on 12th July, 2017. Portfolio Management services shall include both discretionary and non-discretionary Portfolio Management. Advisory services includes providing general or specific advice as required by the client’s as per the terms of agreement.

ii. Details of Promoters and Partners of Portfolio Manager and their background:

Promoter:

PFM is wholly owned and promoted by Pantomath Capital Advisors Private Limited (herein after referred to as “PCAPL”). PCAPL is a holding company of Pantomath Fund Managers LLP. PCAPL is a company incorporated under Companies Act, 1956 on 10th September, 2013 and is a SEBI registered Category-I Merchant Banker. PCAPL provides all pervasive services to SMEs and on the other hand has carved out identified consultancy areas for large enterprises. PCAPL has lead managed maximum number of SME IPOs on SME bourses in India. It has positioned itself as leaders in SME space and undertakes numerous initiatives on regular basis such as conducting SME seminars alongwith industry houses, research publications, website, videos etc.

Ms Madhu Lunawat and Mr Mahavir Lunawat are promoters of PCAPL and also Designated Partners of Pantomath Fund Managers LLP. Brief details, profile and experience of promoters and key managerial persons are as follows:

Ms Madhu Lunawat (FCA):

She is a qualified CA from Institute of Chartered Accountants of India has approximately 10 years of experience in Finance and Accounts. She also has vast exposure in handling treasury operations, securitisation, merchant banking, corporate finance, valuations and taxation advisory. Ms. Lunawat has successfully handled SME IPOs of prominent companies listed on BSE SME Exchange & NSE Emerge. Prior to joining Pantomath Fund Managers LLP, Ms. Lunawat has had the working exposure with leading organisations such as Infosys, ASREC and Edelweiss. She served as Chief Financial Officer with Edelweiss Asset Reconstruction Company Limited wherein her main profile included stressed assets resolution, securitization and revival of non-performing assets. She has further worked on diverse engagements including ORACLE implementation, European securitisation, stressed assets resolution, ESOP advisory etc. She has expertise in financial structuring through IPOs, FPOs and acquisitions. She has also advised on business structuring from FDI perspective.

Mr. Mahavir Lunawat (FCS, CFA, PGDSL, LL.B):

He is a Fellow Member and a Central Council Member of ICSI (Institute of Company Secretaries of India). He has been a Company Secretary Gold Medallist in Company Secretaries. He is also a Chartered Financial Analyst and law graduate from Government Law College. He has over 15 years of experience in business and corporate advisory services, Capital Markets, M&A various sectors. His expertise includes merchant banking valuation, takeover advisory, mergers, demergers, corporate restructuring for various domestic and overseas companies.

In the past, he has also worked for various leading conglomerates such as Imperial Tobacco Company (ITC), Reliance Industries Limited and PricewaterhouseCoopers. He has also worked on diverse engagements including pre-IPO restructuring, capital reduction models, restructuring promoter holding companies, repatriation strategies, value unlocking etc. He has provided advisory services in complex issues arising out of corporate and securities law and capital markets and has worked extensively on areas of Corporate Governance.

Mr. Lunawat represents and serves various industry bodies, regulatory groups and professional institutions, including: Central Council Member at Institute of Companies Secretaries of India (ICSI); Director at Association of Investment Bankers of India (AIBI); Member at Capital Market Committee, PHD chamber; etc.

Mr Varinder Bansal – (M.Sc, Finance and MBA) – Key Managerial Personnel:

Mr Varinder Bansal is a Fund Manager and a Principal Officer at Pantomath Fund Managers LLP. He is M. Sc Finance and MBA, Finance by qualification with nearly 12 years of professional work experience.

He started his professional journey with CNBC-TV18, India's - largest business news channel as an intern and was subsequently promoted to Head of Research in five years. Last position he held at CNBC-TV18 was Corporate Editor & Head of Research. He spearheaded the equity research team in the channel, which included in-depth analysis of financial statements of listed companies in India. At CNBC-TV18, he was in-charge of all key events like Union Budget, India Business Leader Award programming to large award functions, and hence traversed the entire gamut of macro vision to micro calculations, a big plus for a value investor.

iii. Group Companies / Firms :

Details of group companies/ firms are as follows:

Sr No.	Name of Company	Nature of Business
1	Pantomath Capital Advisors Private Limited	SEBI registered category I Merchant Banker
2	Pantomath Stock Brokers Private Limited	SEBI registered Stock Broker and Depository Participant
3	Pantomath Finance Private Limited	NBFC registered with RBI
4	Pantomath Advisors LLP	Corporate Advisory Services
5	Pantomath Sabrimala Investment Managers LLP	Investment Manager to a SEBI registered Cate I SME Alternative Investment Fund
6	Pantomath Investor Awareness and CSR Foundation	Registered under the provisions of Companies Act as Non-Profit Company
7	Pantomath Asset Management Holdings Private Limited	Yet to commence business
6	Pantomath Capital Management Private Limited	Yet to commence business

iv. Details of Services being offered:

Types of services being currently offered are (a) Discretionary Portfolio Management (b) Advisory Services.

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

Sr No	Nature	Details
i.	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made thereunder	Nil
ii.	The nature of the penalty/direction	N.A
iii.	Penalties imposed for any economic offence and/ or for violation of any securities laws	Nil
iv.	Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding Pending criminal cases, if any	Nil
v.	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency	Nil
vi.	Any enquiry/ adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the Portfolio manager or its directors, principal officer or employee, under the Act or Rules or Regulations made thereunder	Nil

5. Services Offered

Discretionary Portfolio Management:

Under these services, an investor shall give his portfolio either in the form of cash or stock to Pantomath Fund Manager for being managed by team of experienced professionals comprising of strategists, Analyst's etc. The portfolio manager shall manage the client's Portfolio in its entirety, including planning the structure, executing the plan in a systematic manner, monitoring the investments continually and safe custody of securities held. The Portfolio Manager's decision in deployment of the Client's Portfolio is absolute and final and is not open to review or question.

The minimum size of the portfolio under the Discretionary PMS should be atleast equal to the minimum corpus that can be accepted as per Regulations.

Portfolio Manager shall have absolute discretion over investing in the manner as it may deem fit. The long-term risk is managed with the help of an Equity research team whose objective shall be to identify stock ideas to be included or otherwise in portfolio and provide assistance to fund management team in its decision making.

Pantomath Fund Manager LLP is offering its Discretionary Portfolio Management Services by the name "***Pantomath Emerging Giants PMS***". The investment objective is to create long term capital appreciation and maximization of returns for the investors over a long term period (usually but not mandatorily of 3 years) by predominantly investing in emerging opportunities be it SMEs, Small Cap and other growth-oriented companies whether listed securities or unlisted. Some of the Key features of the Portfolio are as follows:

- Portfolio shall primarily focus on investment broadly falling under Small caps and SMEs (Small and Medium Enterprises). Securities listed on any exchange or proposed to be listed on any exchange shall be added to the Portfolio with an objective to create an optimum mix to maximize return and minimize the loss.
- The investment shall be made in any Securities whether listed, proposed to be listed or unlisted.
- Securities may be listed or proposed to be listed on SME Exchange or Main Board of any Recognized Stock Exchange in India.
- The investment shall be made with a long term time frame (Atleast a time horizon of 3 years or more generally) with the perspective of high returns and growth.
- Continuous attention to changing market conditions and environment in relation to the individual investments in the portfolio and acting as per the needs of the time.
- Regular Reporting and updation of composition, valuation and performance on monthly/quarterly/half yearly basis.
- Since, major investment shall be in companies falling in small and Medium enterprise category, the Portfolio shall be High Risk and High Reward.
- The portfolio shall generally consist of Equity stocks, Mutual Funds and Debt / Money Market Instruments.
- The Portfolio shall be of high Risk. Further, within this high risk, portfolio of each client shall be based on their risk appetite.
- Benchmark for comparison of Portfolio performance shall be S&P BSE Small Cap Index.
- Indicative Asset Allocation for each Portfolio shall be as follows:

Asset Class	Investment range
Equity	85-100%
Debt and Money market	0-15%
Cash and cash equivalents	0-15%

However, it shall be noted that the above asset allocations are only indicative in nature and are subject to the discretion of the Portfolio Manager based on his assessment of various factors like Risk, Market condition, business cycle etc.

Advisory Services:

The Portfolio Manager may provide advisory services, in the nature of investment advisory which shall include advising on investment/divestment of individual securities on the Client's Portfolio for an agreed fee to all eligible categories of investors who can invest in Indian market including NRIs, FIIs, etc. The role of the Portfolio Manager is merely to provide non-binding advice to the client and the final decision shall rest solely with the client on the management of his/hers/its portfolio.

Investment in Associate/ Group Companies of Portfolio Manager:

The Portfolio Manager shall not invest in its Associate or Group companies. However, the Portfolio Manager may invest in securities where either the Portfolio Manager or its group companies have acted as a underwriter, Merchant banker, Market Maker or any or all have invested in such companies.

6. Risk Factors

- i. Securities investments are subject to market and other risks and the Portfolio Manager provides no guarantee or assurance that the objectives of investments set out in the Disclosure Document and/or the Portfolio Management Services Agreement will be achieved.
- ii. Past performances of the Portfolio Manager or of the key personnel of the Portfolio Manager do not guarantee its/their future performance.
- iii. The Portfolio Manager has limited experience or track record.
- iv. Investments made by the Portfolio Manager are subject to risks arising from the investment objective, investment strategy and asset allocation.
- v. Investments are subject to market risk arising out of non-diversification or limited diversification.
- vi. Changes in Applicable Law may impact the performance of the Portfolio.
- vii. The names of the portfolios do not in any manner indicate their prospects or returns.
- viii. Debt and other fixed income investments may be subject to changes in interest rates and/or liquidity, credit and reinvestment risks.

- ix. The prospective clients confirms that he/she/they fully understand the portfolio manger's explanations of the risks associated with his/her/their investments in the Portfolio offering, in the same context and sense as conveyed by the Portfolio Manager.
- x. Prospective clients should review / study the Disclosure Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale or conversion into money) of Portfolio and to the treatment of income (if any), capitalisation, capital gains, any distribution, and other tax consequences relevant to their Portfolio, acquisition, holding, capitalisation, disposal (sale, transfer or conversion into money) of Portfolio within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to purchase/gift portfolio of securities are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding portfolio of securities before making an investment.
- xi. The clients shall hold sole responsibility for all the risk and rewards made by the portfolio manager and can in no event hold the Portfolio Manager liable for any loss that may arise from investment decisions, provided within the scope of the agreement.
- xii. **Liquidity Risk:**
Liquidity of investments in equity and equity related securities are often restricted by factors such as trading volumes, settlement periods and transfer procedures. If a particular security does not have a market at the time of sale, then the Portfolio may have to bear an impact depending on its exposure to that particular security. While Securities that are listed on a stock exchange generally carry a lower liquidity risk, the ability to sell these investments is limited by overall trading volume on the stock exchange. Money market securities, while fairly liquid, lack a well develop secondary market, which may restrict the selling ability of such securities thereby resulting in a loss to the Portfolio until such securities are finally sold. This risk is significantly higher under the Services since the Portfolio Manager shall invest a large portion of the Portfolio in SMEs, Small Cap and growth-oriented companies, listed securities, unlisted securities or securities that are listed or proposed to be listed in India. Even upon termination of the Agreement, the Client may receive illiquid securities and finding a buyer for such Securities may be difficult. Further, different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets are un-invested and no return is earned thereon. The inability of the Portfolio Manager to make intended Securities purchases, due to settlement problems, could cause the Portfolio to miss certain investment opportunities.
- xiii. **Lock-in Risk:**
Portfolio Manager may invest in unlisted securities or at a Pre-IPO stage which shall be locked in for a period of one year from the date of allotment in the IPO.
- xiv. **Mutual Fund Risk:**
This risk arises from investing in units of Mutual funds. Risk factors inherent to equities and debt securities are also applicable to investments in mutual fund units. Further, scheme specific risk factors of each such underlying scheme, including performance of their underlying stocks, derivatives instruments, stock lending, off-shore investments etc., will be applicable in the case of investments in mutual fund units. In addition, events like change in fund manager of the

scheme, take over, mergers and other changes in status and constitution of mutual funds, foreclosure of schemes or plans, change in government policies could affect performance of the investment in mutual fund units.

- xv. **Credit Risk:**
Debt securities are subject to the risk of the issuer's inability to meet the principal and interest payments on the obligations and may also be subject to the price volatility due to such factors as interest sensitivity, market perception, or the credit worthiness of the issuer and general market risk.
- xvi. **Interest Rate Risk:**
It is associated with movements in interest rates, which depend on various factors such as government borrowing, inflation, economic performance etc. The value of investments will appreciate/depreciate if the interest rates fall/rise. Fixed income investments are subject to the risk of interest rate fluctuations, which may accordingly increase or decrease the rate of return thereon. When interest rates decline, the value of a portfolio of fixed income securities can be expected to rise. Conversely, when interest rates rise, the value of a portfolio of fixed income securities can be expected to decline.
- xvii. **Reinvestment Risk:**
This risk arises from the uncertainty in the rate at which cash flows from an investment may be reinvested. This is because the returns from reinvestment would depend upon prevailing market rates at the time that the proceeds from an existing investment are received by the Portfolio Manager.
- xviii. The Portfolio Manager shall not be held responsible for any loss or damage arising from, including but not limited to market conditions, force majeure* circumstances, delay on the part of companies or other authorities (including government authorities) in registering transfer of shares and securities, errors of judgment on the part of company or other factors beyond the control of the Portfolio Manager.
- xix. The liability of the client shall not exceed his investments with the portfolio Manager.
- xx. Acts of State, or sovereign action, acts of nature, acts of war, civil disturbance are extraneous factors which can impact the Portfolio.

7. Client Representation

i. Details of Number of Client and Funds Managed is given below:

Category of Clients	Discretionary		Advisory
	No of Clients	Funds managed - AUM (Rs in Cr)	No of Clients
As on 30th Sep, 2018			
- Associates/Group Companies	1	0.43	Nil
- Others	58	22.78	Nil
Total	59	23.21	Nil

Since the portfolio is new, details of funds managed for all the 3 years is not available.

ii. Related Party Disclosures:

(1) List of related parties with whom the Portfolio Manager has transactions –

a. Subsidiary/ Holding

- i. Pantomath Capital Advisors Private Limited

b. Partners

- i. Pantomath Capital Advisors Private Limited
- ii. Mahavir Lunawat
- iii. Madhu Lunawat

c. Key Management Personnel

- i. Varinder Bansal

d. Relatives of Key Management Personnel

- i. Puja Bansal

e. Enterprise over which partners have significant influence.

- i. Pantomath Capital Advisors Private Limited
- ii. Pantomath Stock Brokers Private Limited
- iii. Pantomath Capital Management Private Limited
- iv. Pantomath Asset Management Holdings Private Limited
- v. Pantomath Finance Private Limited
- vi. Pantomath Sabrimala Investment Managers LLP
- vii. Pantomath Advisors LLP

(2) Disclosures with related parties as per the standards specified by Institute of Chartered Accountants of India (as notified Central Government) for the financial year ended as on 31st March, 2018 are as follows:

(Amount in Rs.)

Nature of Transactions	Holding Company	Enterprise over which partners have significant influence	Relatives of Key Management Personnel	Total
Capital Introduced	200,00,000	-	-	200,00,000
Loan Given	-	203,92,341	-	203,92,341
Loan Received	52,00,000	-	-	52,00,000
Expense Incurred on behalf of LLP	18,10,429	-	-	18,10,429
Investment	-	16,10,010	-	16,10,010
Interest Received	-	15,47,045	-	15,47,045
Management Fees	-	-	3,935	3,935
Total	270,10,429	235,49,396	3,935	5,05,63,760

(3) **Disclosure in respect of transactions with related parties pertaining to Portfolio Management Services**

Pantomath Stock Brokers Private Limited is a group company of Portfolio Manager and also a SEBI Registered Stock Broker and a Depository Participant. It is a member of the Bombay

Stock Exchange Limited, National Stock of India Limited (NSE) and a Depository Participant with Central Depository Services Limited (CDSL). The Portfolio manager may transact through the aforesaid group company either exclusively or otherwise as a Stock Broker and Depository Participant.

(4) Appointment of Custodian and Fund Accountant:

PFM may appoint a Custodian and/ or Fund accountant for its PMS services.

8. Financial Performance of the Portfolio Manager :

Summarized Financial Statement – Balance Sheet

	As at March 31, 2018	As at March 31, 2017
<u>Sources Of Funds</u>		
Partners' Capital Account	203,79,605	98,420
Unsecured Loans	52,00,000	-
Total	255,79,605	98,420
<u>Application Of Funds</u>		
Fixed Assets	1,61,263	-
Investments	16,10,010	-
Current Assets, Loans And Advances		
Sundry Debtors	19,09,023	-
Cash and Bank Balances	40,28,823	96,050
Loans and Advances	214,97,546	-
Other Current Assets	7,35,128	2,370
	281,70,520	98,420
Less: Current Liabilities and Provisions	43,62,188	-
Net Current Assets	238,08,332	98,420
Total	255,79,605	98,420

Summarized Financial Statement - Profit and Loss Account

	For the year ended March 31, 2018	For the year ended March 31, 2017
Income		
(a) Professional & Advisory Fees	29,39,848	-
(b) Other Income	17,90,153	-
	47,30,001	-
Expenditure		
(a) Employee, Administrative and Other Expenses	42,87,533	1,580
(b) Depreciation	35,545	-
	43,23,078	1,580
Profit / (Loss) Before Tax	4,06,923	(1,580)
Current Tax	1,25,738	-
Profit After Tax	2,81,185	(1,580)

Since the Portfolio Manager was incorporate on 09th March, 2016, comparative figures for all the 3 years are not available for disclosure.

9. PORTFOLIO MANAGEMENT PERFORMANCE OF PORTFOLIO MANAGER FOR THE LAST THREE YEARS: IN CASE OF DISCRETIONARY PORTFOLIO MANAGER, DISCLOSURE OF PERFORMANCE INDICATORS CALCULATED USING WEIGHTED AVERAGE METHOD IN TERMS OF REGULATION 14(2)(b)(iv) OF THE SEBI (PORTFOLIO MANAGERS) REGULATIONS, 1993

The performance of the Portfolio Manager under Discretionary Portfolio Manager Service based on Time Weighted Rate of Return methodology in terms of Regulation 14 (2) (b) (iv) of the SEBI (Portfolio Managers) Regulation, 1993 is as follows:

Portfolio/ Benchmark	Returns for the Periods (%)	
	As on 30 th September, 2018 (since inception)	As on 31 st March, 2018 (since inception)
Emerging Giants		
Portfolio Performance (%)	0.89%	12.86%
S&P BSE Small Cap index	-11.22%	4.55%

Since the Portfolio is new, comparative figures for all the 3 years are not available for disclosure.

Method of Performance Calculation:

Portfolio Performance is calculated after accounting for cash flows using Time Weighted Rate of Return method (TWRR). Benchmark return is calculated on the basis of absolute returns.

10. Nature of Expenses

The following are the general costs and expenses to be borne by the client availing the services of the Portfolio Manager.

i. Management Fees:

Management fees relate to the portfolio management services offered to the clients. The fee may be fixed charge or a percentage of quantum of portfolio or assets under management (AUM).

ii. Performance Fees:

Performance fees are charged on profit or performance of the portfolio. It shall be computed using high water mark principle over the life of the investment. High Water Mark shall be the highest value that the portfolio/account has reached. Value of the portfolio for computation of high watermark shall be taken to be the value on the date when performance fees are charged. For the purpose of charging performance fee, the frequency shall not be less than quarterly. The portfolio manager shall charge performance based fee only on increase in portfolio value in excess of the previously achieved high water mark. Detailed fee schedule is available as a part of agreement.

iii. Set up Fees :

One-time Set-up fees shall be charged either as a fixed amount or at a rate not exceeding 1 % of each investment.

iv. Exit Load :

Exit load shall be charged to the client on closing value of portfolio under management on the date of closure on withdrawal of portfolio before the expiry of 3 years from the date of investment. It shall be charged at variable rates as indicated below:

- if exit Between 0 and 12 months: 3%,
- Greater than 12 months and upto 24 months: 2 %
- Greater than 24 months and upto 36 months: 1 %
- Greater than 36 months: No exit load

v. Custodian / Depository Fees :

The charges related to opening and operation of dematerialized accounts, custody and transfer charges, bonds and units, dematerialization and other charges in connection with the operation and management of the depository accountants.

vi. Registrar and Transfer Agent Fees:

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 to be charged at actuals.

vii. Brokerage and Transaction costs:

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

viii. Securities Lending and Borrowing Charges:

The charges pertaining to the lender of securities, cost of borrowing including interest and cost associated with transfer of securities connected with the lending and borrowing transfer operations.

ix. Certification and professional charges:

Charges payable for out sourced professional services like accounting, auditor expenses, taxation and legal services, notarizations etc. for certification attestations required by bankers or regulatory authorities.

x. Incidental and Other Expenses:

Charges in connection with the courier expenses, stamp duty, service tax, postal, telegraphic, opening and operation of bank accounts etc. not recovered above but incurred by the Portfolio Manager on behalf of the client shall be charged to the Client. The Portfolio Manager may, subject to the specific permission from the client, charge such fees from the client for each activity for which service is rendered by the Portfolio Manager directly or indirectly (where such service is outsourced such as custodian services, fund accounting etc). The Portfolio Manager shall deduct directly from the cash account of the client all the fees/costs as specified above.

11. Taxation

- i. General: The information given hereinafter is only for general information purposes and is based on the tax law and practice currently in force in India however the client should be aware that the relevant fiscal rules or their interpretation which change from time to time. The portfolio gains in an account could be in the nature of capital gains (either short term or long term depending upon the holding period) or business income depending on the status and intent of the client at the time of entering into agreement for portfolio management. In view of the

above and since the individual nature of tax consequences may differ in each case on its merits and facts, each investor is advised to consult his/her or its professional tax advisor with respect to the specific tax implications arising out of its participation in the PMS, as an investor.

- ii. Dividend: Income by way of dividends distributed by domestic companies and income received in respect of units of a Mutual Fund registered with SEBI, held in the Portfolio, is exempt from tax in the hands of the investors.
- iii. Tax Deduction at source: If any tax is required to be withholding on account of any future legislation, the portfolio manager shall be obliged to act in accordance with the regulatory requirements in this regard. Interest and dividend would be subject to tax as per the provisions of the Income Tax Act, 1961.
- iv. Advance Tax instalment obligations: It shall be the client's responsibility to meet the advance tax obligation instalments payable on the due dates under the Income Tax Act, 1961.
- v. Capital Gains: Long term capital gains and short term capital gains would be taxed as per applicable provisions of the Income Tax Act, 1961, from time to time.
- vi. Income from Business & Profession: In case gains are treated as "Income from Business & Profession", the same is taxable at normal rates prevailing from time to time.

12. Accounting Policies

Accounting under the respective portfolios of the clients will be done in accordance with Generally Accepted Accounting Principles in India. The following Accounting policy will be applied for the portfolio investments of the Client:

- i. Listed Equity shares are to be valued at closing market price of the security at National Stock Exchange Limited (NSE). In case the market price on NSE is not available for the valuation date, closing price on Bombay Stock Exchange Limited (BSE) is considered.
- ii. Unquoted Equity Shares shall be valued at cost of acquisition till the shares get listed on the stock exchange.
- iii. Shares awaiting listing due to IPO shall be valued at allotment price.
- iv. Units of Dividend re-investment or Growth Mutual Funds shall be valued at closing Net Assets Value (NAV) of the respective scheme as on the valuation date.
- v. Other Investment shall be valued at Historical cost.
- vi. Profit or loss on sale of investments is recognised on the date of transaction and is determined by applying First-in First-out principal.
- vii. Unrealized gains/losses are the differences between the current market values/NAVs and the historical cost of the securities.
- viii. Dividend income and other Corporate benefits earned by the Portfolio shall be recognized, not on the date the dividend is declared, but on the date the share is quoted on an ex-dividend basis.

- ix. The client may opt to withdraw funds from his/her/their account after giving adequate prior notice of such withdrawal to the Portfolio Manager. However at no time should the account balance fall below the minimum investment specified and applicable to the respective offering, as a result of such withdrawal.
- x. Transactions for purchase or sale of investments would be recognized as of the trade date and not as of the settlement date, so that the effect of all Investments traded during a financial year are recorded and reflected in the financial statement for that year.
- xi. The cost of Investments acquired or purchased would include brokerage, stamp charges, securities transaction tax and any charge customarily included in the broker's contract note. In respect of privately placed debt instruments, any front-end discount offered shall be reduced from the cost of investment.
- xii. Realization of Investments, after receiving notice of redemption, will be at the actual sale value, executed within 3 trading days from date of receipt of such notice, pending corporate actions not withstanding. Final settlement will be expedited within 7 working days, net of charges as may be applicable.
- xiii. The accounting policies and standards outlined above are as per existing Regulations which are subject to change.
- xiv. The Portfolio Manager and the Client can adopt any specific norm or methodology for valuation of investments or accounting the same as may be mutually agreed between them on a case specific basis.
- xv. The Client may contact the customer services official of the Portfolio Manager for the purpose of clarifying or elaborating on any of the above policy issues.

13. Investors Services

i. Name, Address, Telephone Number of the Investor Relations Officer who shall attend to the investor queries and complaints:

Where the client has any grievance, he should promptly notify the same to the investor relation officer of the portfolio manager in writing, giving sufficient details to enable the portfolio manager to take necessary steps. The portfolio Manager upon receipt of such grievances shall take prompt action to resolve the same.

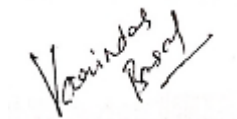
Name : Tejas Vaid
 Address : 706/710, Balrama Premises, behind family court, BKC, Bandra, Mumbai -51
 Tel No : 9870918582
 Email Id : tejas.vaid@pantomathgroup.com

ii. Grievances Redressal and dispute settlement mechanism:

In case of any grievance/ complaint, client's shall mail us on pms@pantomathgroup.com We will endeavour to address the complaint in a reasonable time limit within 15 days from the date of receipt of complaint. In case of dissatisfaction, the client may contact Compliance Officer or Partner.

If not satisfied with our response above, you can lodge your grievances with SEBI at <http://scores.gov.in> or you may write to any SEBI office. For any queries or feedback please contact SEBI office on Toll Free Helpline at 1800 22 7575/ 1800 266 7575.

For Pantomath Fund Managers LLP



Principal Officer



Partner



Partner

Date : 30th October, 2018

Place : Mumbai

ANNEXURE – FEES DETAILS

Management Fees	2.5 % p.a. charged in four equal instalments of 0.625% every quarter on daily NAV
Hurdle Rate	15% p.a
Performance Fees	30% over and above Hurdle Rate charged every financial year with High Water Mark
Brokerage/DP/Transaction Charges	At Actuals with a cap of 0.50% of AUM
One –Time Set up Fees	Not Exceeding 1 % of the investment Amount
Custodian Fee	At Actual
Fund Accounting & Audit	At Actual
Registrar & Transfer Agent Fee	At Actual
Securities Lending Charges	At Actual
Certification and Professional Charges	At Actual
Incidental Expenses	At Actual
Exit Load	3 % (if exit before 1st year), 2 % (if exit before 2nd year), 1 % (if exit before 3rd year)
Minimum Investment	Rs 25 lakhs

All fees/expenses/charges payable by the client will be subject to GST as per prevailing rate.

Illustration for Fees and Charges

The assumptions for the illustration are as follows:

4. Size of sample portfolio: Rs. 25 lacs over
5. Period: 1 year
6. Hurdle Rate: 15% of amount invested
7. Brokerage/ DP charges/ transaction charges: Weighted Average of such charges (as a percentage of assets under management) levied in the past year/ in case of new portfolio managers indicative charges as a percentage of assets under management (e.g. 2%)
8. One time setup fees (e.g. 1%)
9. Management fee (e.g. 2.5%)
10. Performance fee (e.g. 30% of profits over hurdle rate)
11. The frequency of calculating performance fees shall be annual.

Portfolio performance: Gain of 20%

Nature of Fees	Amount
Capital Contribution	25,00,000
Less: One Time Set up fees @ 1 %	25,000
Less: Other fees (at Actuals)	xx
Assets under management (AUM)	24,75,000
Add: Profits on investment during the year @ 20% on AUM	4,95,000
Gross Value of the portfolio at the end of the year	29,70,000
Less: Brokerage/DP charges/any other similar charges (Adhoc assumed @2% on AUM)	(49,500)
Less: Management Fees (e.g. 2.5% on AUM)	(61,875)
Less: Performance fees – working given below)	(37,125)
Total charges during the year	(1,48,500)
Net value of the portfolio at the end of the year	28,21,500
% change over capital contributed Calculation of Performance Fees for above	12.86%

Nature of Fees – Performance fees

Profit for the year	4,95,000
Less: Minimum profit level (Hurdle Rate@15% on AUM)	3,71,250
Amount on which Profit Sharing Fees to be calculated	1,23,750
Performance Fees @30%	37,125

Portfolio performance: Gain of 20%

Nature of Fees	Amount
Capital Contribution	25,00,000
Less: One Time Set up fees @ 1 %	25,000
Less: Other fees (at Actuals)	Xx
Assets under management (AUM)	24,75,000
Less: Loss on investment during the year @ 20% on AUM	(4,95,000)
Gross Value of the portfolio at the end of the year	19,80,000
Less: Brokerage/DP charges/any other similar charges (Adhoc assumed @ 2% on AUM)	(49,500)
Less: Management Fees (e.g. 2.5% on AUM)	(61,875)
Less: Performance fees	xx
Total charges during the year	(1,11,375)
Net value of the portfolio at the end of the year	18,68,625
% change over capital contributed Calculation of Performance Fees for above	-25.26%

Portfolio performance: No Change

Nature of Fees	Amount
Capital Contribution	25,00,000
Less: One Time Set up fees @ 1 %	25,000
Less: Other fees (at Actuals)	xx
Assets under management (AUM)	24,75,000
Add /(less) : Profit/(Loss) on investment during the year @ 0% on AUM	0
Gross Value of the portfolio at the end of the year	24,75,000
Less: Brokerage/DP charges/any other similar charges (Adhoc assumed @ 2% on AUM)	(49,500)
Less: Management Fees (e.g. 2.5% on AUM)	(61,875)
Less: Performance fees	Xx
Total charges during the year	(1,11,375)
Net value of the portfolio at the end of the year	23,63,625
% change over capital contributed Calculation of Performance Fees for above	-5.46%

Indicative statement to be handwritten by the Client

[I have read and understood the terms of the Agreement as well as I agree to pay fees & charges as mentioned in this document.]



PORTFOLIO MANAGEMENT SERVICES



Progress with Values

Pantomath Fund Manager LLP

Regd. Office : 706/710, Balrama Premises, behind family court, BKC, Bandra, Mumbai -51.

Email:pms@pantomathgroup.com|Tel : 022-61946700 |Fax : 26598690