DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule and 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 Management Services (PMS) in a manner to assist and enable the investors in making informed decision for engaging ICICI Securities Ltd. ("ICICI Securities") as a Portfolio Manager.

The Disclosure Document contains the 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.

The following are the Details of the Portfolio Manager:

<table>
<thead>
<tr>
<th>Name of the Portfolio Manager</th>
<th>ICICI Securities Limited.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEBI Registration Number</td>
<td>PM / INP000004060</td>
</tr>
<tr>
<td>Registered Office Address</td>
<td>ICICI Centre, H. T. Parekh Marg, Churchgate, Mumbai - 400 020</td>
</tr>
<tr>
<td>Phone</td>
<td>022-22777000/7001</td>
</tr>
<tr>
<td>Website</td>
<td><a href="https://www.icicidirect.com">https://www.icicidirect.com</a></td>
</tr>
</tbody>
</table>

i. The name, phone number, e-mail address of the Principal Officer so designated by the Portfolio Manager is:

<table>
<thead>
<tr>
<th>Name of the Principal Officer</th>
<th>Mr. Anupam Guha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phone</td>
<td>022-40840321</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:anupam.guha@icisecurities.com">anupam.guha@icisecurities.com</a></td>
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Date: 7 May 2020
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Date: 

[Signature]
1) **Disclaimer clause:**

The particulars given in this Document have been prepared in accordance with the Securities Exchange Board of India (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:


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 custodian with whom the Portfolio Manager enters into an agreement for availing custodial Services, which for the time being is ICICI Bank Ltd. and such other custodian (s) as may be appointed by Portfolio Manager from time to time in compliance of the provisions of SEBI (Portfolio Managers) Regulations, 2020.
j. "Depositary Account" means one or more account or accounts opened, maintained and operated by the Portfolio Manager with any depositary or depositary 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 the portfolio management services rendered to the Client by the Portfolio Manager on the terms and conditions contained in the agreement, where under the Portfolio Manager exercises any degree of discretion in the investments or management of assets of the Client.

l. "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.

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 the monies managed by the Portfolio Manager on behalf of the Client pursuant to Portfolio Investment Management Agreement and includes the monies mentioned in the Application, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to Portfolio Investment Management Agreement, the proceeds of the sale or other realization of the Portfolio and interest, dividend or other monies arising from the Assets, so long as the same is managed by the Portfolio Manager.

p. "Non-discretionary Portfolio Management Services" means a 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 Investment Management Agreement and includes any Securities mentioned in the Application, any further Securities
1) **Disclaimer clause:**

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h. **“Client”** means the person who enters into an Agreement with the Portfolio Manager for managing its portfolio and/or funds.

i. **“Custodian”** means custodian with whom the Portfolio Manager enters into an agreement for availing custodial Services, which for the time being is ICICI Bank Ltd. and such other custodian(s) as may be appointed by Portfolio Manager from time to time in compliance of the provisions of SEBI (Portfolio Managers) Regulations, 2020.
placed by the Client with the Portfolio Manager for being managed pursuant to
the Portfolio Investment 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” shall have the same meaning as given in regulation
2(1)(c) 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. “Regulations” means the Securities and Exchange Board of India (Portfolio
Managers) Regulations, 2020, as may be amended from time to time.

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

x. “Securities” includes: “Securities” as defined under the Securities Contracts
(Regulation) Act, 1956 as amended from time to time and includes (Check the
definition in SCR):

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.

ii. Derivative

iii. units or any other instrument issued by any collective investment scheme to
the investors in such schemes.

iv. Security receipt as defined in clause (zg) of section 2 of the Securitization and
Reconstruction of Financial Assets and Enforcement of Security Interest Act,
2002.

v. Units or any other such instrument issued to the investors under any mutual
fund scheme.

vi. Government securities

vii. Such other instruments as may be declared by the Central Government to be
securities.

viii. 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 shall in addition be interpreted according to their
general meaning and usage and shall also carry meanings assigned to them
in regulations governing Portfolio Management Services.
3) **Description**

i. **History, Present Business and Background of the Portfolio Manager**

ICICI Securities Limited is a public limited company listed on BSE and NSE. It was incorporated on March 9, 1995 as ICICI Brokerage Services Limited, as a public limited company under the Companies Act, 1956, with the Registrar of Companies, Maharashtra. Subsequently, the name of the Company was changed to ICICI Securities Limited, pursuant to a special resolution of its Shareholders dated March 12, 2007. ICICI Securities is a leading technology-based securities firm in India that offers a wide range of financial services including brokerage, financial product distribution and investment banking with focus on both retail and institutional clients. ICICI Securities is headquartered in Mumbai, and operate from offices in India, the United States, Singapore, and Oman. It is a part of the ICICI Group, one of the largest financial conglomerates in the country and promoted by ICICI Bank Limited.

ii. **Promoters of the Portfolio Manager, directors and their background**

Promoters: ICICI Bank Limited ("ICICI Bank")

ICICI Bank offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialized subsidiaries in the areas of investment banking, life and non-life insurance, venture capital and asset management. ICICI Bank's equity shares are listed in India on BSE Limited and the National Stock Exchange of India Limited and its American Depositary Receipts (ADRs) are listed on the New York Stock Exchange (NYSE).

iii. **Directors and their background:**

**Mr. Vijay Chandok** is the Managing Director and Chief Executive Officer of ICICI Securities Limited. Prior to joining the Company, Mr. Chandok served as the Executive Director of ICICI Bank Limited ("the Bank"), responsible for the International Banking, Small and Medium Enterprises (SME) businesses, global markets and commercial banking businesses of the Bank. He also served as a Director on the Boards of ICICI Bank UK PLC and ICICI Bank Canada Ltd.

Mr. Chandok has been with the ICICI Group since 1993 and has worked across corporate, retail and rural banking. Under Mr. Chandok's leadership, the Bank won numerous accolades. He also served as Vice Chairman of ICICI Home Finance Company Limited from April 13, 2009 to April 8, 2010.

Mr. Chandok holds a Master's degree in Management Studies from Narsee Monjee Institute of Management Studies, Mumbai (NMIMS). He also holds a Bachelor's degree in Mechanical Engineering from the Indian Institute of Technology (Banaras Hindu University), Varanasi (formerly IT-BHU). In 2017, Mr. Chandok was conferred with a Distinguished Alumnus Award from NMIMS University. He has been a Director on the Board of the Company since May 7, 2019.
placed by the Client with the Portfolio Manager for being managed pursuant to the Portfolio Investment 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” shall have the same meaning as given in regulation 2(1)(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. “Regulations” means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as may be amended from time to time.

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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.

ii. Derivative

iii. units or any other instrument issued by any collective investment scheme to the investors in such schemes.


v. Units or any other such instrument issued to the investors under any mutual fund scheme.

vi. Government securities

vii. Such other instruments as may be declared by the Central Government to be securities.

viii. 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 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.

[Signature]
Mr. Ajay Saraf is an Executive Director of ICICI Securities Limited. He is a member of the Institute of Chartered Accountants of India and the Institute of Cost and Works Accountants of India. He currently heads the Investment Banking and Institutional Broking divisions at the Company. He has over 25 years of experience and has been associated with the Company for over eight years. He has previously worked with ICICI Bank Limited for approximately nine years in corporate banking and Small and Medium Enterprises banking verticals. Prior to ICICI Bank Limited, he worked with American Express Bank Limited. He has been a Director on the Board of the Company since May 25, 2011.

Mr. Vinod Kumar Dhall is an Independent Director and Chairman of the Board of Directors of ICICI Securities Limited. He holds a bachelor's degree in law from the University of Delhi and a master's degree in mathematics from the University of Allahabad. He was in the Indian Administrative Service (IAS) where he worked at very high levels in government, at policy as well as executive levels. As Secretary, Ministry of Corporate Affairs, he introduced path-breaking reforms, such as enactment of the Competition Act and enhancing corporate insolvency and corporate governance provisions. He set up the Serious Frauds Investigation Office and initiated the pioneering E-governance project MCA21. He has long experience in economic and industrial matters and regulatory experience including as Member, SEBI and in Insurance. As Chairman/CEO of public sector companies, he has direct commercial experience. He also worked overseas with United Nations organizations. He has been a Director on the Board of the Company since October 28, 2014.

Mr. Ashvin Dhirajlal Parekh is an Independent Director of ICICI Securities Limited. He is a member of the Institute of Chartered Accountants of India. He has experience in business strategies, corporate planning, institutional strengthening and business transformation across industries including banking, insurance, pension and capital markets both in domestic and global markets. He is currently a director on the board of ICICI Lombard General Insurance Company Limited and ICICI Securities Primary Dealership Limited and a designated partner of Ashwin Parekh Advisory Services LLP. He has been a Director on the Board of the Company since August 25, 2016.

Mr. Subrata Mukherji is an Independent Director of the ICICI Securities Limited. He holds bachelor's degree in arts from the University of Mumbai and a master's degree in management studies from the University of Mumbai. He also holds a master's degree in accounting and finance from London School of Economics and Political Science and has completed the executive program from University of Michigan, School of Business Administration. He has previously worked with ICICI Bank Limited. He has been the Managing Director and Chief Executive Officer of ICICI Securities Limited from 2004 to 2007. The name of ICICI Securities Limited was changed to ICICI Securities Primary Dealership Limited in 2007. He was the Chairman of the Board of Directors of ICICI Securities Primary Dealership Limited from August 2007 to May 2009 and the Managing Director & CEO of our Company during the period from August 2007 to January 2009. He has also worked with ICICI Foundation for Inclusive Growth as Co-President from September 2010 to March 2011 and as President from April 2011 to July 2014. He has been a Director on the Board of the Company since November 29, 2017.
Ms. Vijayalakshmi Rajaram Iyer is an Independent Director of ICICI Securities Limited. She holds post-graduation degree in Commerce and Economics from University of Mumbai, Fellowship of CAIIB of Indian Institute of Banking and Finance. She has previously served as an Executive Director of Central Bank of India and the Chairperson and Managing Director of Bank of India. She was also a Whole Time Member (Finance and Investment) in the IRDAI. She has been a Director on the Board of the Company since November 29, 2017.

Mr. Anup Bagchi is a Non-Executive Director of ICICI Securities Limited. He holds a post graduate diploma in management from the Indian Institute of Management, Bangalore and an engineering degree from the Indian Institute of Technology, Kanpur. He has been with ICICI Group for about 26 years. Mr. Anup Bagchi is an Executive Director of ICICI Bank Limited since February 1, 2017. Prior to this, he was the Managing Director & CEO of ICICI Securities Limited. He was on the Executive Committee of National Securities Depository Ltd., Advisory Committee of BSE Limited and was co-Chairman of Federation of Indian Chambers of Commerce & Industry (FICCI) Capital Markets Committee. He was also a member of SEBI’s Secondary Markets Advisory Committee (SMAC), Fair Market Conduct Committee and Committee on Financial and Regulatory Technologies and Risk Management Review Committee. He has been a Director on the Board of the Company since October 11, 2018.

Mr. Pramod Rao is a Non-Executive Director of ICICI Securities Limited. He holds B.A. and LLB (Hons) degree from the National Law School of India University, Bangalore (NLSIU). He presently serves as a member of the Legal & Banking Operations Committee of Indian Banks' Association (IBA) and of the National Committee for Regulatory Affairs constituted by the Confederation of Indian Industry (CII). He is the Chairman of the Fund Raising & Resource Mobilization Committee of IDIA - Increasing Diversity by Increasing Access – an NGO dedicated to assisting students from underprivileged background entering premier law schools in India. He participates in and contributes to various law and regulatory reform initiatives of the government, regulators and Industry forums. He joined ICICI Bank Limited as its Group General Counsel on August 16, 2018 and oversees the legal function for the ICICI group. He previously worked with Induslaw, a law firm as a resident partner, overseeing its Banking and Finance practice. Prior to Induslaw, he worked with ICICI Bank for over 15 years. He has been a Director on the Board of the Company since October 11, 2018.

iv. **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 December 2019):**

<table>
<thead>
<tr>
<th>Sr. No.</th>
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<tbody>
<tr>
<td>1.</td>
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v. Details of the services being offered: Discretionary/Non-discretionary/Advisory

a) Discretionary Services:

Under these services, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. 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 shall be exercised strictly in accordance with the relevant Acts, Regulations, guidelines and notifications in force from time to time. Periodical statements in respect to Client's Portfolio shall be sent to the respective Client.

b) Non-Discretionary Services:

Under the Non-Discretionary Portfolio Management Services, the portfolio of the Client shall be managed in consultation with the Client. Under this service, the Assets will be managed as per express prior instructions issued by the Client from time to time. The Client will have complete discretion to decide on the investment (Stock Quantity and Price or amount). Under this service, 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 and 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 investment requirement, and his own professional skills. 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 mentioned in the Client agreement. 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 the Client's responsibility.

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

(i) **All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made there under:**
No penalties have been imposed by SEBI on ICICI Securities. Details of directions issued by SEBI to ICICI Securities are mentioned in the section 'the nature of the penalty/direction' below.

(ii) **The nature of the penalty/direction:**
No penalties have been imposed by SEBI on ICICI Securities. Details of directions issued by SEBI to ICICI Securities as on date are as below:

- The Company has paid ₹ 28,68,750/- SEBI towards settlement amount under SEBI (Settlement Proceedings) Regulations, 2018 ('Settlement Regulations'). The same was in relation to a settlement application submitted to SEBI in the matter of two trading accounts that were opened at Company in January 2007 and July 2008 by account holders by misrepresenting their identities.
- In relation to rights issue of equity shares of Network 18 Media & Investments Ltd, SEBI observed certain deficiency in due diligence on disclosure pertaining to promoter group. Hence SEBI vide letter dated June 7, 2019 advised the Company to be more careful in future.
- SEBI had vide its letter dated November 29, 2017 issued an administrative warning to ICICI Securities for the observations made during the stock broker inspection conducted in March 2016. Pursuant to such inspection, SEBI noted certain discrepancies in relation to Running Account Authorization ("RAA") forms. SEBI required the Company to submit an Action Taken Report ("ATR") for the observations and place corrective steps taken to rectify such discrepancies before its Board and forward their comments to SEBI. The Company has placed the corrective steps before the Board at its meeting held on December 6, 2017. The Company, through its letter dated December 19, 2017, informed SEBI regarding the corrective action undertaken in relation to this matter. Further, the Company, through its letter dated January 22, 2018, submitted the copy of the relevant extract from the minutes of the board meeting dated December 6, 2017 to SEBI.
- ICICI Securities, along with other book running lead managers to the IPO of Equitas Holdings Limited ("Equitas"), by the letter dated March 18, 2016, informed SEBI regarding certain additional disclosures made by the Company after the filing of the DRHP and the modifications proposed to be included in the RHP. Subsequently, the Company along with the other book running lead managers to the IPO of Equitas, received a letter dated March 31, 2016 from SEBI advising all the book running lead managers to the IPO of Equitas to be more careful while exercising due diligence with respect to
4. ICICI Prudential Asset Management Company Limited  
5. ICICI Securities Limited  
6. ICICI Home Finance Company Limited  
7. ICICI Securities Primary Dealership Limited  
8. ICICI Bank Canada  
9. ICICI Bank UK PLC  
10. India Infradebt Limited

v. Details of the services being offered: Discretionary/Non-discretionary/Advisory

a) Discretionary Services:

Under these services, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. 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 shall be exercised strictly in accordance with the relevant Acts, Regulations, guidelines and notifications in force from time to time. Periodical statements in respect to Client’s Portfolio shall be sent to the respective Client.

b) Non - Discretionary Services:

Under the Non-Discretionary Portfolio Management Services, the portfolio of the Client shall be managed in consultation with the Client. Under this service, the Assets will be managed as per express prior instructions issued by the Client from time to time. The Client will have complete discretion to decide on the investment (Stock Quantity and Price or amount). Under this service, 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 and 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 investment requirement, and his own professional skills. 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 mentioned in the Client agreement. The advice may be either general or specific in nature.

[Signature]
disclosure in the offer documents. The Company was also advised to submit the corrective steps taken to rectify the disclosures in the offer documents for Equitas and the corrective steps for future offer documents. SEBI required the Company to place the letter dated March 31, 2016 before its Board and forward their comments to SEBI. The Board of the Company, at its meeting held on April 28, 2016, discussed such letter and was satisfied with the steps taken. The Company, along with the other book running lead managers, by their letter dated April 29, 2016 replied to the observations raised by SEBI, stating that the lead managers acted in good faith, with adequate and reasonable care in discharging the obligations of a responsible merchant banker.

- SEBI had, vide letter dated August 5, 2014, issued an administrative warning to ICICI Securities for the observation made in the inspection conducted in September 2013 to examine the systems put in place by the Company to comply with its anti-money laundering ("AML")/ Combating the Financing of Terrorism ("CFT") obligations and with the grievance redress mechanism prescribed by SEBI. SEBI noted certain discrepancies, such as in relation to the Company’s AML/CFT Policy, KYC documentation and investor complaints. SEBI viewed such discrepancies seriously and advised the Company to be careful in the future and to improve its compliance standards to avoid recurrence of such instances. ICICI Securities, by its letter dated September 2, 2014, responded to the observations of SEBI, along with the action taken in this regard. The Company, by its letter dated November 26, 2014 to SEBI, conveyed that the Board was satisfied with the corrective actions taken in this regard.

- SEBI had conducted inspection of books of accounts of the Company from April 2008 to August 2010. SEBI, vide its letter dated March 11, 2011, laid out the findings of its inspection in relation to the downtime of icicidirect.com on July 8, 2010. SEBI observed that the Company had not complied with Regulation 7, read with clauses A(2) and A(5) of the Code of Conduct for stock brokers prescribed in Schedule II, of the SEBI Stock Brokers and Sub-brokers Regulations. SEBI vide letter dated September 21, 2011 advised the company to ensure strict compliance of SEBI Acts, Rules and Regulations, the SCR, the SCRR, rules, regulations, bye-laws, directives/circulars issued by stock exchanges, from time to time. SEBI required the Company to place before its Board such findings, corrective steps taken to rectify deficiencies and such letter from SEBI and forward their comments to SEBI. The Board, at its meeting held on October 20, 2011, was satisfied with the corrective actions taken. The Company, vide letter dated December 2, 2011, conveyed the comments of the Board to SEBI.

- In two of the public issues managed by the Company viz., Parabolic Drugs Limited and Nitesh Estates Limited, SEBI had vide its letter dated June 28, 2011 observed that the book running lead managers ("BRLMs") did not exercise due diligence in relation to the disclosures made in offer documents in such public issues and that the BRLMs did not adequately supervise the activities of the registrar to the issue. SEBI vide its letter dated
November 25, 2011 observed that the age of applicants was not captured by the registrar to the issue and allotment of shares was made to minors. SEBI viewed such discrepancies seriously and advised the Company to be careful in the future and to improve its compliance standards. The Company submitted the ATR to SEBI on December 21, 2011. SEBI also required the Company to place the findings of such SEBI inspection, corrective steps taken by the Company and the letter from SEBI dated November 25, 2011 before its Board and to forward their comments to SEBI. The Board, at its meeting held on January 18, 2012, was satisfied with the corrective steps taken and such comments were sent to SEBI vide letter dated March 15, 2012.

- iCICI Securities and Avendus Capital Private Limited were the BRLMs and SPA Merchant Bankers Limited was the co-BRLM to the IPO of Parabolic Drugs Limited. Certain demand notices were issued to Parabolic Drugs Limited by Directorate General of Foreign Trade alleging non-fulfilment of export obligations, the details of which were not mentioned in the DRHP. The BRLMs received a letter dated February 26, 2010 issued by SEBI on such demand notices and other clarifications regarding disclosures in such DRHP. SEBI vide its letter dated April 19, 2010 advised the BRLMs to exercise due diligence and ensure compliance with applicable law, while performing its duties as a merchant banker.

- SEBI had vide its observation letter dated March 5, 2010 regarding the draft letter of offer for the rights issue of Adani Enterprises Limited had stated that the company was required to appoint one additional independent director on its Board of Directors of the company and ensure that the composition of the board of directors was in accordance with applicable law within six month from March 5, 2010. The lead managers, including ICICI Securities vide their in-seriatim reply dated March 11, 2010 conveyed to SEBI that the company had undertaken to comply with the said requirement. SEBI, vide its letter dated November 22, 2010 sought clarification regarding compliance with the observation letter. The Company, vide its letter dated December 22, 2010 forwarded the issuer company’s response regarding compliance with the requirement of appointment of an independent director and sought further time to appoint an additional independent director. Subsequently, the issuer company completed the process of appointment one additional independent director on February 12, 2011. SEBI vide its letter dated May 10, 2011, advised the lead managers to ensure compliance with SEBI observations and exercise due diligence with proper care in future while performing the duties as a merchant banker.

- In relation to the IPO of Parabolic Drugs Limited, SEBI had, vide its letter dated June 24, 2010, conveyed its no objection to the BRLMs to consider forms with PAN mismatch for allocation in certain cases and had advised the BRLMs to ensure that all syndicate members in the process of data entry, geared up their back office systems, considered introducing maker checker concepts and adopted appropriate data validation procedure so as to ensure error free data entry in future in the bidding system. SEBI further
disclosure in the offer documents. The Company was also advised to submit the corrective steps taken to rectify the disclosures in the offer documents for Equitas and the corrective steps for future offer documents. SEBI required the Company to place the letter dated March 31, 2016 before its Board and forward their comments to SEBI. The Board of the Company, at its meeting held on April 28, 2016, discussed such letter and was satisfied with the steps taken. The Company, along with the other book running lead managers, by their letter dated April 29, 2016 replied to the observations raised by SEBI, stating that the lead managers acted in good faith, with adequate and reasonable care in discharging the obligations of a responsible merchant banker.

- SEBI had, vide letter dated August 5, 2014, issued an administrative warning to ICICI Securities for the observation made in the inspection conducted in September 2013 to examine the system put in place by the Company to comply with its anti-money laundering ("AML")/Combating the Financing of Terrorism ("CFT") obligations and with the grievance redressal mechanism prescribed by SEBI. SEBI noted certain discrepancies, such as in relation to the Company’s AML/CFT Policy, KYC documentation and investor complaints. SEBI viewed such discrepancies seriously and advised the Company to be careful in the future and to improve its compliance standards to avoid recurrence of such instances. ICICI Securities, by its letter dated September 2, 2014, responded to the observations of SEBI, along with the action taken in this regard. The Company, by its letter dated November 26, 2014 to SEBI, conveyed that the Board was satisfied with the corrective actions taken in this regard.

- SEBI had conducted inspection of books of accounts of the Company from April 2008 to August 2010. SEBI, vide its letter dated March 11, 2011, laid out the findings of its inspection in relation to the downtime of icicidirect.com on July 8, 2010. SEBI observed that the Company had not complied with Regulation 7, read with clauses A(2) and A(5) of the Code of Conduct for stock brokers prescribed in Schedule II, of the SEBI Stock Brokers and Sub-brokers Regulations. SEBI vide letter dated September 21, 2011 advised the company to ensure strict compliance of SEBI Acts, Rules and Regulations, the SCRA, the SCRR, rules, regulations, bye-laws, directives/circulars issued by stock exchanges, from time to time. SEBI required the Company to place before its Board such findings, corrective steps taken to rectify deficiencies and such letter from SEBI and forward their comments to SEBI. The Board, at its meeting held on October 20, 2011, was satisfied with the corrective actions taken. The Company, vide letter dated December 2, 2011, conveyed the comments of the Board to SEBI.

- In two of the public issues managed by the Company viz, Parabolic Drugs Limited and Nitesh Estates Limited, SEBI had vide its letter dated June 28, 2011 observed that the book running lead managers ("BRLMs") did not exercise due diligence in relation to the disclosures made in offer documents in such public issues and that the BRLMs did not adequately supervise the activities of the registrar to the issue. SEBI vide its letter dated
expressed displeasure towards such BRLMs including ICICI Securities, in not exercising the required level of diligence and advised to ensure that such instances did not recur and the applicable regulatory requirements were strictly followed.

- Proceedings were initiated against our Company by SEBI under Section 15I of the SEBI Act read with Rule 4 of the Securities and Exchange Board of India (Procedure for holding enquiry and imposing penalties by Adjudicating officer) Rules, 1995, regarding the execution of the trades conducted by certain persons debarred by SEBI through ICICIdirect.com. SEBI passed an order dated March 3, 2010 stating that the delay on the part of the Company in deactivating the trading accounts of such persons was not due to any malafide intention. The Adjudicating Officer concluded that the Company never consciously or deliberately avoided to comply with the obligations cast upon it under relevant clauses of Code of Conduct as specified in Schedule II of the SEBI Stock Brokers and Sub-brokers Regulations and the lapse was inadvertent and due to bona fide belief/conduct of the Company. Further, the Adjudicating Officer recognised that the breach was venial and technical and that there was no nexus or connivance of the Company regarding the trades by such persons. Hence, no penalty was imposed on the Company under section 15HB of the SEBI Act and adjudication proceedings were disposed of.

- SEBI, pursuant to the inspection conducted in 2007, by the letter dated January 15, 2008, warned ICICI Securities to be careful and ensure strict compliance with the provisions of SEBI Act, Rules, Regulations, issued thereunder and circulars of SEBI and strictly abide by provisions of the SCRA and the SCRR and the rules, regulations, bye-laws, directives / circular issued by the Stock Exchanges from time to time. The Company, vide its letter dated May 9, 2007, explained the corrective actions and remedial actions taken with regards to the observations issued by SEBI, in relation to, amongst others, issues concerning direct business catalysts, loans against shares to ICICI Bank, SPOT facility, and the manner regarding execution of POAs on behalf of clients.

a. Penalties imposed for any economic offence and/ or for violation of any securities laws.- Nil

b. Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any.- Nil

c. Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.- No

d. Any enquiry/ adjudication proceedings initiated by the Board as on date 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: -

5) Services offered:

i. Discretionary PMS:

The Portfolio Manager may design and develop various products keeping in mind market conditions and may customize for Client's specific need / profile. The Portfolio in all cases will be guided strictly by the relevant SEBI Regulations and circulars prevailing in force from time to time. The instrument may be principal protected or non-protected, which may have fixed or variable pay-offs. The investment objective of the Portfolio Manager shall be preservation and growth of capital, and at the same time endeavour to reduce the risk of capital loss. However, while the aforesaid is the objective, it needs to be reiterated that there can be no assurance and/or guarantee of such growth or even as regards preservation of capital or of there being no capital loss.

All the below mentioned strategies are used under the discretionary portfolio management services as per the SEBI Regulations, circulars etc. issued from time to time.

The main features under Discretionary Portfolio Management Services are:

- Any Strategy/ product under Discretionary Portfolio Management Services shall not invest in primary market issues including Offer for Sale (OFS) of ICICI group Companies.
- Minimum Portfolio Size: ₹50Lakhs or any amount not less than the statutory minimum as may be specified by the SEBI from time to time.

The Portfolio Manager manages the Assets of the Client using the following Strategies:

a) Active-Index Portfolio strategy:
   Benchmark: NSE 200

   Investment Approach:-

   To deliver Capital appreciation over a long term by investing in equities, based on low volatility and high alpha factors. Stocks are selected as per the relative weights of stocks based on combined score of high alpha and low volatility. Stocks are selected from Nifty 100 and Nifty Mid-cap 50.

   It follows low cost index based passive investment strategy such as NIFTY ALV. It is suitable for such clients who have Investment horizon of 3 Years and above. The investments strategy is based on the Alpha low Volatility and hence concentration and selection of a sector or stock is dependent on the methodology adopted by the strategy.
expressed displeasure towards such BRLMs including ICICI Securities, in not exercising the required level of diligence and advised to ensure that such instances did not recur and the applicable regulatory requirements were strictly followed.

- Proceedings were initiated against our Company by SEBI under Section 15I of the SEBI Act read with Rule 4 of the Securities and Exchange Board of India (Procedure for holding enquiry and imposing penalties by Adjudicating officer) Rules, 1995, regarding the execution of the trades conducted by certain persons debarred by SEBI through ICICIdirect.com. SEBI passed an order dated March 3, 2010 stating that the delay on the part of the Company in deactivating the trading accounts of such persons was not due to any malafide intention. The Adjudicating Officer concluded that the Company never consciously or deliberately avoided to comply with the obligations cast upon it under relevant clauses of Code of Conduct as specified in Schedule II of the SEBI Stock Brokers and Sub-brokers Regulations and the lapse was inadvertent and due to bona fide belief/conduct of the Company. Further, the Adjudicating Officer recognised that the breach was venial and technical and that there was no nexus or connivance of the Company regarding the trades by such persons. Hence, no penalty was imposed on the Company under section 15HB of the SEBI Act and adjudication proceedings were disposed of.

- SEBI, pursuant to the inspection conducted in 2007, by the letter dated January 15, 2008, warned ICICI Securities to be careful and ensure strict compliance with the provisions of SEBI Act, Rules, Regulations, issued thereunder and circulars of SEBI and strictly abide by provisions of the SCRA and the SCRR and the rules, regulations, bye-laws, directives / circular issued by the Stock Exchanges from time to time. The Company, vide its letter dated May 9, 2007, explained the corrective actions and remedial actions taken with regards to the observations issued by SEBI, in relation to, amongst others, issues concerning direct business catalysts, loans against shares to ICICI Bank, SPOT facility, and the manner regarding execution of POAs on behalf of clients.

a. Penalties imposed for any economic offence and/ or for violation of any securities laws.- Nil

b. Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any. - Nil

c. Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency. - No

d. Any enquiry/ adjudication proceedings initiated by the Board as on date against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its
b) Ethical Index Portfolio strategy:
   Benchmark: NSE 200

   Investment Approach:

   The Strategy aims to deliver long term capital appreciation by investing in equity shares of
   companies which are Sharia/ESG compliant by considering passive investment approach.
   ICICI securities will get Sharia compliant stocks from NSE (NSE has contracted with Taqwa
   Advisory and Shariah Investment Solutions (TASIS) to provide the Shariah screens and filter
   the stocks) Or We will get non-binding ESG (Environment Social & Governance)
   research/ideas from reputed Organizations like MSCI. ICICI Securities does not have
   Shariah/ESG board for selecting Shariah \ESG complaint stocks. ICICI Securities shall not
   responsible if conflict arise in terms of Shariah\ESG compliant.

c) ISec Select Stock Portfolio Strategy:
   Benchmark: NSE 200

   Investment Approach:

   The Strategy aims to benefit from the long term compounding effect on investments
   done in company doing good businesses for superior wealth creation. The select
   stock Portfolio endeavours to generate capital appreciation in the long term by
   investing in stocks while striking an appropriate balance of concentration and
   diversification. The Portfolio Manager retains the flexibility to invest across market
   capitalisation and sectors. The Portfolio Manager may choose to have a greater
   degree of concentration across stocks and sectors in an attempt to enhance returns.
   ISEC PMS will take a top-down/Bottom-up approach on listed equity strategies for
   portfolio construction.

d) ISec Enhanced Index Portfolio strategy:
   Benchmark: NSE 200

   Investment Approach:

   To deliver capital appreciation over a long term by investing in equities, based on low
   Quality, Value, volatility and high alpha factors. Stocks are selected as per the relative
   weights of stocks based on combined score of value, quality, volatility and alpha. Stocks are
   selected from defined Universe. It is suitable for client having investment horizon of 3 years
   and above. As strategy is factor based hence concentration and selection of a sector or
   stock is dependent on the methodology adopted by the strategy.
e) ISec All Weather Portfolio strategy:
   **Benchmark:** NSE 200

**Investment Approach:-**

The Strategy aims to deliver capital appreciation over a long term by investing in mutual fund including debt, equity and gold ETF's strategies. Portfolio will be constructed in consonance with selection framework:-

- The Portfolio Manager will invest in various MFs/ETF's based on parameters and will cover funds that are focused across stocks, sectors & market capitalization.
- The selection of the strategies will be based on the criteria of investment objective and
- Framework is subject to regulations from time to time.

f) ISec ESG Leaders strategy:

**Investment Approach:-**

The objective of this Strategy is to deliver long term capital appreciation by investing in the stocks that are ESG compliant. It will invest funds in companies that are focused on conserving the environment, positively impacting communities that they operate in and conducting business ethically. These sustainable business are not only environmentally and social responsible but also make sense for investments as we look to build wealth over the long term. ICICI securities will take ESG complaint company name from reputed institution provider such as MSCI. Stocks will be selected based on fundamental and momentum factors.

ii. Non-Discretionary Portfolio Management Services ('NDPMS')

The main features under Non-Discretionary Portfolio Management Services are:

- Any Strategy/product under Non-Discretionary Portfolio Management Services shall invest in primary market issues including Offer for Sale (OFS) of ICICI group Companies subject to regulations.
- Minimum Portfolio Size: 50 Lakhs or any amount not less than the statutory minimum as may be specified by the SEBI from time to time.
- Non-binding advice from internal advisor.
- Investment in unlisted securities, if any, will not exceed 25% of the assets under management.
- Any changes wrt to NDPMS product offering will be updated in term sheet and prior clients approval will be obtained.

The Portfolio Manager manages the assets of the clients using the following Strategies:

a) ISec ACE Equity NDPMS
b) Ethical Index Portfolio strategy:
   Benchmark: NSE 200

Investment Approach:-

The Strategy aims to deliver long term capital appreciation by investing in equity shares of companies which are Sharia/ESG compliant by considering passive investment approach. ICICI Securities will get Sharia compliant stocks from NSE (NSE has contracted with Taqwa Advisory and Shariah Investment Solutions (TASIS) to provide the Shariah screens and filter the stocks) Or We will get non-binding ESG (Environment Social & Governance) research/ideas from reputed Organizations like MSCI. ICICI Securities does not have Shariah\ESG board for selecting Shariah \ESG complaint stocks. ICICI Securities shall not responsible if conflict arise in terms of Shariah\ESG compliant.

c) ISec Select Stock Portfolio Strategy:
   Benchmark: NSE 200

Investment Approach:-

The Strategy aims to benefit from the long term compounding effect on investments done in company doing good businesses for superior wealth creation. The select stock Portfolio endeavours to generate capital appreciation in the long term by investing in stocks while striking an appropriate balance of concentration and diversification. The Portfolio Manager retains the flexibility to invest across market capitalisation and sectors. The Portfolio Manager may choose to have a greater degree of concentration across stocks and sectors in an attempt to enhance returns. ISEC PMS will take a top-down/Bottom-up approach on listed equity strategies for portfolio construction.

d) ISec Enhanced Index Portfolio strategy:
   Benchmark: NSE 200

Investment Approach:-

To deliver capital appreciation over a long term by investing in equities, based on low Quality, Value, volatility and high alpha factors. Stocks are selected as per the relative weights of stocks based on combined score of value, quality, volatility and alpha. Stocks are selected from defined Universe. It is suitable for client having investment horizon of 3 years and above. As strategy is factor based hence concentration and selection of a sector or stock is dependent on the methodology adopted by the strategy.
Investment Approach:-

The investment objective of the scheme is to generate long term capital appreciation from a portfolio of equity and equity related securities by selecting stocks from larger universe. Under this strategy, the fund manager will provide the client a comprehensive advisory package to generate long term investment. Non-Discretionary Portfolio Management Services, is designed to help the client in his investment decisions. Under, this strategy, the client will handle his/her own funds and take his/her own decisions based on the Portfolio Manager’s recommended stocks or proposals. Moreover, the Portfolio Manager will help the client to reconstruct his/her portfolio as per client’s investment objectives. The investments strategy is based on the stocks selected from defined universe and continues to have Concentration and systematic risks.

b) lSec ACE Fixed Income Strategy

Investment Approach:-

The client can choose to invest if he seeks to generate income through interest accruals and capital appreciation of debt securities by active management. The portfolio manager would invest in a range of debt and money market instruments including Structured Products (Principal Protected and Non-Principal Protected including fixed coupon or benchmark participation linked (Equity, Index, G-Sec, or basket of securities in same asset class), across maturities and credit ratings with an endeavour to generate income while keeping the capital erosion to minimum. This may be done by maintaining the optimum balance of safety, liquidity, and returns, with a view to maintain portfolio risks within manageable limits.

As per the SEBI guidelines for issue and listing of Market Linked Debentures (MLDs)/Structured Products 2011, the valuation of the MLDs is carried out by an approved Credit Rating Agency registered with SEBI under SEBI Credit Rating Agency Regulations 1999.

c) lSec ACE Multi Asset Strategy

Investment Approach:-

The portfolio manager seeks to generate returns from portfolio by investing across multiple asset classes. The portfolio is constructed to allocate funds dynamically between Debt (Bonds, NCDs, Preference shares, Debt Mutual Funds, Money market instruments), Equity (Direct Equity and Mutual Funds), Hybrid Funds, ALIF, REITS, InvITs, Gold ETF, Unlisted Securities (subject to regulations) and Structured Products (Principal Protected and Non-Principal Protected including fixed coupon or benchmark participation linked (Equity, Index, G-Sec, or basket of securities in same asset class). Addition/ deletion of securities will change subject to regulations. In case of investment in ALIF, minimum corpus of Rs.1 Crore over and above the statutory minimum portfolio as mentioned above, would be required.

This mandate aims to generate a core portfolio for clients based on his specific needs. Hence, asset class limits are determined based on discussions with the clients and in accordance with the client suitability.
As per the SEBI guidelines for issue and listing of MLDs/Structured Products 2011, the valuation of the MLDs is carried out by an approved Credit Rating Agency registered with SEBI under SEBI Credit Rating Agency Regulations 1999.

NOTE:

- Investment under Portfolio Management Services will be only as per the SEBI Regulations on PMS.
- The 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 fund schemes, Exchange Traded Index Funds, debt oriented schemes of Mutual funds, Gilt schemes, Bank deposits and other short term avenues for Investment.
- The Portfolio Manager, with the consent of the Client, may lend the securities through an Approved Intermediary.

iii. Investment in associates/group companies:-

The Portfolio Manager will, 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. The Portfolio Manager may also make investment under the schemes of ICICI Prudential Mutual Fund. Investments under the Portfolio in the securities of the group companies will be subject to the limits (if any) prescribed in the Agreement executed with the respective Client and the same would be subject to the applicable laws/regulations/guidelines.

Details of conflicts of interest related to services offered by group companies or associates of the portfolio manager:-

The Portfolio Manager and its group companies/associates are engaged in a broad spectrum of activities in the financial services sector. The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the Portfolio Manager shall endeavor to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm's length basis.

6) RISK FACTORS

A. General Risk Factors applicable to investments:

- Securities investments are subject to market risks and there is no assurance or guarantee that the objective of investments will be achieved.
- Past performance of the portfolio manager does not indicate its future performance.
- Investors are not being offered any guaranteed or assured return/s i.e. either of Principal or appreciation on the portfolio.
- Investors may note that Portfolio Manager's investment decisions may not be always profitable, as actual market movements may be at variance with anticipated trends.
- Investors may not be able to voluntarily withdraw from the portfolio. In
Investment Approach:-

The Investment objective of the scheme is to generate long term capital appreciation from a portfolio of equity and equity related securities by selecting stocks from larger universe. Under this strategy, the fund manager will provide the client a comprehensive advisory package to generate long term investment. Non-Discretionary Portfolio Management Services, is designed to help the client in his investment decisions. Under, this strategy, the client will handle his/her own funds and take his/her own decisions based on the Portfolio Manager’s recommended stocks or proposals. Moreover, the Portfolio Manager will help the client to reconstruct his/her portfolio as per client’s investment objectives. The investments strategy is based on the stocks selected from defined universe and continues to have Concentration and systematic risks.

b) ISec ACE Fixed Income Strategy

Investment Approach:-

The client can choose to invest if he seeks to generate income through interest accruals and capital appreciation of debt securities by active management. The portfolio manager would invest in a range of debt and money market instruments including Structured Products (Principal Protected and Non-Principal Protected including fixed coupon or benchmark participation linked (Equity, Index, G-Sec, or basket of securities in same asset class), across maturities and credit ratings with an endeavour to generate income while keeping the capital erosion to minimum. This may be done by maintaining the optimum balance of safety, liquidity, and returns, with a view to maintain portfolio risks within manageable limits.

As per the SEBI guidelines for Issue and listing of Market Linked Debentures (MLDs)/Structured Products 2011, the valuation of the MLDs is carried out by an approved Credit Rating Agency registered with SEBI under SEBI Credit Rating Agency Regulations 1999.

c) ISec ACE Multi Asset Strategy

Investment Approach:-

The portfolio manager seeks to generate returns from portfolio by investing across multiple asset classes. The portfolio is constructed to allocate funds dynamically between Debt (Bonds, NCDs, Preference shares, Debt Mutual Funds, Money market instruments), Equity (Direct Equity and Mutual Funds), Hybrid Funds, AIF, REITS, InvITs, Gold ETF, Unlisted Securities (subject to regulations) and Structured Products (Principal Protected and Non-Principal Protected including fixed coupon or benchmark participation linked (Equity, Index, G-Sec, or basket of securities in same asset class). Addition/ deletion of securities will change subject to regulations. In case of investment in AIF, minimum corpus of Rs.1 Crore over and above the statutory minimum portfolio as mentioned above, would be required.

This mandate aims to generate a core portfolio for clients based on his specific needs. Hence, asset class limits are determined based on discussions with the clients, and in accordance with the client suitability.
addition, they may not be able to transfer any of the interests, rights, or obligations with regard to the Portfolio except as may be provided in the client agreement and the applicable regulations.

- The portfolio may be affected by settlement periods and transfer procedures.
- The Portfolio Management Service is subject to risk arising from the investment objective, investment strategy and asset allocation.
- The Portfolio Manager carries out risk profiling of investors at the time of initial investment. In case investor doesn't inform the changes in the profile, there is a risk of investment advice on the basis of incorrect risk profiling of the client.
- The investor should read the disclosure document and terms and conditions of the product properly before making any investment decision. The Portfolio Manager would be acting on the advice of experts in the relative fields but would not be responsible for any loss occasioned by any act or omission on the part of such persons.
- A portfolio which tends to concentrate on a specific asset class or a specific sector could carry the risk with regard to non-diversification of the portfolio and hence, the scope for diversification could be limited at times. There could be instances when the portfolio might have an unusually high exposure to a few stocks.
- The investments are vulnerable to movements in the prices of securities invested by the portfolio, which could have a material bearing on the overall returns from the portfolio. The value of the portfolio investments, may be affected generally by factors affecting securities markets, such as price and volume, volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets.
- The Portfolio Manager and its group companies/associates are engaged in a broad spectrum of activities in the financial services sector. The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the Portfolio Manager shall endeavor to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm's length basis.

B. Risks related to Equity and Equity Linked Investments:

- The liquidity of the Portfolio's investments is inherently restricted by trading volumes in the securities in which it invests.
- The valuation of the Portfolio's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. There will be no prior intimation or prior
 indication given to the Clients when the composition/asset allocation pattern changes.

- Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Portfolio. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the portfolio due to the absence of a well-developed and liquid secondary market for debt securities would result, at times, in potential losses to the Portfolio, in case of a subsequent decline in the value of securities held in the Portfolio.

- In case of Dividend Yield Portfolios, returns of the Portfolio could depend on the dividend earnings and capital appreciation, if any, from the underlying investments in various dividend yield companies. The dividend earnings of the portfolio may, vary from year to year based on the philosophy and other consideration of each of the high-dividend yield companies. Further, it should be noted that the actual distribution of dividends and frequency thereof by the high-dividend yield companies in future would depend on the quantum of profits available for distribution by each of such companies. Dividend declaration by such companies will be entirely at the discretion of the shareholders of such companies, based on the recommendations of its Board of Directors. Past track record of dividend distribution may not be treated as indicative of future dividend declarations. Further the dividend yield stocks may be relatively less liquid as compared to growth stocks.

- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The Portfolio Manager may choose to invest in unlisted securities that offer attractive yields. This may however increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.

- While securities that are listed on the stock exchange carry relatively lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Portfolio(s) and may lead to the investment(s) incurring losses till the security is finally sold.

The Portfolio Manager may, subject to authorisation 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. There are risks inherent in securities lending, including the risk of failure of the other party, in this case the approved intermediary to comply with the terms of the agreement. Such failure can result in a possible loss of rights to the collateral, the inability of the Approved Intermediary to return the securities deposited by the lender and the possible loss of corporate benefits accruing thereon.

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addition, they may not be able to transfer any of the interests, rights, or obligations with regard to the Portfolio except as may be provided in the client agreement and the applicable regulations.

- The portfolio may be affected by settlement periods and transfer procedures.
- The Portfolio Management Service is subject to risk arising from the investment objective, investment strategy and asset allocation.
- The Portfolio Manager carries out risk profiling of investors at the time of initial investment. In case investor doesn’t inform the changes in the profile, there is a risk of investment advice on the basis of incorrect risk profiling of the client.
- The investor should read the disclosure document and terms and conditions of the product properly before making any investment decision. The Portfolio Manager would be acting on the advice of experts in the relative fields but would not be responsible for any loss occasioned by any act or omission on the part of such persons.
- A portfolio which tends to concentrate on a specific asset class or a specific sector could carry the risk with regard to non-diversification of the portfolio and hence, the scope for diversification could be limited at times. There could be instances when the portfolio might have an unusually high exposure to a few stocks.
- The investments are vulnerable to movements in the prices of securities invested by the portfolio, which could have a material bearing on the overall returns from the portfolio. The value of the portfolio investments, may be affected generally by factors affecting securities markets, such as price and volume, volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets.
- The Portfolio Manager and its group companies/associates are engaged in a broad spectrum of activities in the financial services sector. The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the Portfolio Manager shall endeavor to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm’s length basis.

B. Risks related to Equity and Equity Linked Investments:

- The liquidity of the Portfolio’s investments is inherently restricted by trading volumes in the securities in which it invests.
- The valuation of the Portfolio’s investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. There will be no prior intimation or prior
To the extent that the portfolio will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

C. Risks related to investments in debt and debt related instruments:

- Interest Rate Risk: As with all debt securities, changes in interest rates may affect valuation of the Portfolios, as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than prices of short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the valuations of Portfolios.

- Liquidity or Marketability Risk: This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristic of the Indian fixed income market.

- Credit Risk: Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

- Reinvestment Risk: This risk refers to the interest rate levels at which cash flows.

- Received from the securities under a particular Portfolio are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.

- The Portfolio Manager may, considering the overall level of risk of the portfolio, invest in lower rated/ unrated securities offering higher yields. This may increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.

D. Risks related to investments in derivatives instruments:

- 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.

E. Risks specific to investments in mutual fund schemes

• Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Schemes will be achieved. The various factors which impact the value of the Scheme's investments include, but are not limited to, fluctuations in markets, interest rates, prevailing political and economic environment, changes in government policy, tax laws in various countries, liquidity of the underlying instruments, settlement periods, trading volumes, etc.

• As with any securities investment, the Net Asset Value (NAV) of the Units issued under the Schemes can go up or down, depending on the factors and forces affecting the capital markets.

• Past performance of the Sponsors, Asset Management Company (AMC)/Fund does not indicate the future performance of the Schemes of the Fund.

• The Portfolio Manager shall not be responsible for liquidity of the Scheme’s investments which at times, be restricted by trading volumes and settlement periods. The time taken by the Scheme for redemption of units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the Scheme’s portfolio.

• The Portfolio Manager shall not responsible, if the AMC/ Fund does not comply with the provisions of SEBI (Mutual Funds) Regulations, 1996 or any other circular or acts as amended from time to time. The Portfolio Manager shall also not be liable for any changes in the offer document(s)/Scheme Information Document(s) of the scheme(s), which may vary substantially depending on the market risks, general economic and political conditions in India and other countries globally, the monetary and interest policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally.

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

• While it would be the endeavor of the Portfolio Manager to invest in the
• To the extent that the portfolio will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

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• Liquidity or Marketability Risk: This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristic of the Indian fixed income market.
• Credit Risk: Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.
• Reinvestment Risk: This risk refers to the interest rate levels at which cash flows.
• Received from the securities under a particular Portfolio are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.

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schemes in a manner, which will seek to maximize returns, the performance of the underlying schemes may vary which may lead to the returns of this portfolio being adversely impacted.

- The scheme specific risk factors of each of the underlying schemes become applicable where the Portfolio Manager invests in any underlying scheme. Investors who intend to invest in this portfolio are required to and are deemed to have read and understood the risk factors of the underlying schemes.
- The Portfolio Manager does not offer any guaranteed or assured returns to the investors.

7) **Client Representation:**

**i. Details of Client’s accounts activated:**

<table>
<thead>
<tr>
<th>Category of Clients</th>
<th>Total No. of Clients</th>
<th>Funds managed* (₹ Crore)</th>
<th>Discretionary/Non-Discretionary (If available)</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Associates/group companies (As on December 31, 2019)</td>
<td>Nill</td>
<td>Nill</td>
<td>Nill</td>
</tr>
<tr>
<td>ii) Others: (As on December 31, 2019) - ICICI SECURITIES LIMITED</td>
<td>316</td>
<td>109.271</td>
<td>Discretionary</td>
</tr>
<tr>
<td>Total: (As on December 31, 2019)</td>
<td>316</td>
<td>109.271</td>
<td></td>
</tr>
</tbody>
</table>

*“Funds Managed” indicates market value of Assets under Management.

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

- The Portfolio Manager uses the broking services of its own broking division having membership of BSE and NSE in Cash, Derivatives & Currency.
- Names of related parties and nature of relationship (as on September 30, 2019) are as under:
  - **Related parties where control exists:**
    - Holding Company : ICICI Bank Limited
    - Subsidiary Companies : ICICI Securities Holding Inc. and ICICI Securities Inc.
  - **Fellow Subsidiaries:**
    - ICICI Prudential Asset Management Company
    - ICICI Venture Funds Management Company Limited
    - ICICI Lombard General Insurance Company
    - ICICI Prudential Life Insurance Company
    - ICICI Securities Primary Dealership Limited

[Signature]
ICICI Home Finance Company Limited

ICICI Securities Employees Group Gratuity Fund

Key Management Personnel:
- Mr. Vijay Chandok
- Mr. Ajay Saraf
- Mr. Raju Nanwani
- Mr. Harvinder Jaspal

Other related parties where transactions have occurred during the period

Fellow Subsidiaries:
- ICICI Securities Primary Dealership Limited
- ICICI Prudential Life Insurance Company Limited
- ICICI Lombard General Insurance Company Limited
- ICICI Prudential Asset Management Company Limited
- ICICI Home Finance Company Limited
- ICICI Securities Employees Group Gratuity Fund

Transactions with related parties as on March 31, 2019 and from April 1, 2019 to September 30, 2019 (Amount in Rupees):

Statement of Profit and Loss Items

<table>
<thead>
<tr>
<th>Nature of Transaction</th>
<th>Name of Related Party</th>
<th>Fellow Subsidiary Company</th>
<th>March 31, 2019</th>
<th>April 1 to September 30, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from services and brokerage (commission and fees)</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>254.3</td>
<td>557</td>
</tr>
<tr>
<td></td>
<td>ICICI Home Finance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>9.6</td>
<td>10.9</td>
</tr>
<tr>
<td></td>
<td>ICICI Prudential Life Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>549.9</td>
<td>215.5</td>
</tr>
<tr>
<td></td>
<td>ICICI Securities Primary Dealership Limited</td>
<td>Fellow Subsidiary Company</td>
<td>0.5</td>
<td>0.0</td>
</tr>
<tr>
<td></td>
<td>ICICI Lombard General Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>10.8</td>
<td>3.8</td>
</tr>
<tr>
<td></td>
<td>ICICI Prudential Asset Management Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>142.2</td>
<td>53.3</td>
</tr>
<tr>
<td></td>
<td>ICICI Securities, Inc.</td>
<td>Subsidiary Company</td>
<td>105.5</td>
<td></td>
</tr>
</tbody>
</table>
schemes in a manner, which will seek to maximize returns, the performance of the underlying schemes may vary which may lead to the returns of this portfolio being adversely impacted.

- The scheme specific risk factors of each of the underlying schemes become applicable where the Portfolio Manager invests in any underlying scheme. Investors who intend to invest in this portfolio are required to and are deemed to have read and understood the risk factors of the underlying schemes.
- The Portfolio Manager does not offer any guaranteed or assured returns to the investors.

7) **Client Representation:-**

1. **Details of Client’s accounts activated:**

<table>
<thead>
<tr>
<th>Category of Clients</th>
<th>Total No. of Clients</th>
<th>Funds managed* (` Crore)</th>
<th>Discretionary/ Non-Discretionary (if available)</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Associates /group companies (As on December 31, 2019)</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>ii) Others: (As on December 31, 2019) - ICICI SECURITIES LIMITED</td>
<td>316</td>
<td>109.271</td>
<td>Discretionary</td>
</tr>
<tr>
<td>Total: (As on December 31, 2019)</td>
<td>316</td>
<td>109.271</td>
<td></td>
</tr>
</tbody>
</table>

* "Funds Managed" indicates market value of Assets under Management.

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

- The Portfolio Manager uses the broking services of its own broking division having membership of BSE and NSE in Cash, Derivatives & Currency.

- Names of related parties and nature of relationship (as on September 30, 2019) are as under:

  - **Related parties where control exists:**
    - Holding Company: ICICI Bank Limited
    - Subsidiary Companies: ICICI Securities Holding Inc. and ICICI Securities Inc.

  - **Fellow Subsidiaries:**
    - ICICI Prudential Asset Management Company
    - ICICI Venture Funds Management Company Limited
    - ICICI Lombard General Insurance Company
    - ICICI Prudential Life Insurance Company
    - ICICI Securities Primary Dealership Limited

[Signature]
<table>
<thead>
<tr>
<th>Interest Income</th>
<th>ICICI Bank Limited</th>
<th>Holding Company</th>
<th>107.9</th>
<th>52.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICICI Bank Limited</td>
<td>Staff expenses</td>
<td>Holding Company</td>
<td>25.1</td>
<td>6.6</td>
</tr>
<tr>
<td>ICICI Securities Primary Dealership Limited</td>
<td>Fellow Subsidiary Company</td>
<td>(0.4)</td>
<td>(0.2)</td>
<td></td>
</tr>
<tr>
<td>ICICI Prudential Life Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>0.7</td>
<td>1.7</td>
<td></td>
</tr>
<tr>
<td>ICICI Lombard General Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>52.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Prudential Asset Management Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>469.3</td>
<td>163.9</td>
</tr>
<tr>
<td>ICICI Bank Limited</td>
<td>ICICI Securities Primary Dealership Limited</td>
<td>Subsidiary Company</td>
<td>197.8</td>
<td>105.5</td>
</tr>
<tr>
<td>ICICI Securities, Inc.</td>
<td>ICICI Investment Management Company Limited</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other expenses</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>249.7</td>
<td>127.9</td>
</tr>
<tr>
<td>ICICI Bank Limited</td>
<td>ICICI Securities, Inc.</td>
<td>Subsidiary Company</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>ICICI Lombard General Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>3.0</td>
<td>1.0</td>
<td></td>
</tr>
<tr>
<td>ICICI Securities Primary Dealership Limited</td>
<td>Fellow Subsidiary Company</td>
<td>1.5</td>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td>ICICI Prudential Life Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>1.9</td>
<td>1.0</td>
<td></td>
</tr>
<tr>
<td>ICICI Venture Funds Management Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>0.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance cost</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>2.4</td>
<td>2.9</td>
</tr>
<tr>
<td>Dividend Paid</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>1,939.6</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of bond</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>100.8</td>
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<tr>
<td>ICICI Securities Primary Dealership Limited</td>
<td>Fellow Subsidiary Company</td>
<td>184.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
*The figures as on September 30, 2019.

### Balance Sheet Items

<table>
<thead>
<tr>
<th>Nature of Transaction</th>
<th>Name of the Related Party</th>
<th>Holding Company / Subsidiary Company / Fellow Company</th>
<th>2019 (¥ Million)</th>
<th>2018 (¥ Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>1,276.1</td>
<td>1,276.1</td>
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<tr>
<td>Payables</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>113.8</td>
<td>94.3</td>
</tr>
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<td></td>
<td>ICICI Lombard General Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>0.6</td>
<td>0.5</td>
</tr>
<tr>
<td></td>
<td>ICICI Prudential Life Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>0.4</td>
<td>0.2</td>
</tr>
<tr>
<td></td>
<td>ICICI Securities Primary Dealership Limited</td>
<td>Fellow Subsidiary Company</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>ICICI Securities, Inc.</td>
<td>Subsidiary Company</td>
<td>35.1</td>
<td>16.8</td>
</tr>
<tr>
<td></td>
<td>ICICI Venture Funds Management Company Limited</td>
<td>Subsidiary Company</td>
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<tr>
<td>Other liabilities</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td></td>
<td>60.6</td>
</tr>
<tr>
<td>Fixed assets purchases</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>0.8</td>
<td>4.6</td>
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<td></td>
<td>ICICI Prudential Life Insurance Company Limited</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>ICICI Prudential Asset Management Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ICICI Prudential Life Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ICICI Prudential Asset Management Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed assets sold</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td></td>
<td>0.7</td>
</tr>
<tr>
<td>Investment</td>
<td>ICICI Securities Holding Inc.</td>
<td>Subsidiary Company</td>
<td></td>
<td>122.7</td>
</tr>
<tr>
<td>Category</td>
<td>Company</td>
<td>Relation</td>
<td>Interest Income</td>
<td>Staff expenses</td>
</tr>
<tr>
<td>-----------------------</td>
<td>----------------------------------------------</td>
<td>-------------------------------</td>
<td>-----------------</td>
<td>----------------</td>
</tr>
<tr>
<td>ICICI Venture Funds</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>0.5</td>
<td>25.1</td>
</tr>
<tr>
<td>Management Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Bank Limited</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>107.9</td>
<td>5.6</td>
</tr>
<tr>
<td>ICICI Prudential Life</td>
<td>ICICI Securities Primary Dealership Limited</td>
<td>Fellow Subsidiary Company</td>
<td>0.7</td>
<td>(0.4)</td>
</tr>
<tr>
<td>Insurance Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Lombard General</td>
<td>ICICI Lombard General Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>52.2</td>
<td></td>
</tr>
<tr>
<td>Insurance Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Prudential Asset</td>
<td>ICICI Securities, Inc.</td>
<td>Subsidiary Company</td>
<td>197.8</td>
<td>105.5</td>
</tr>
<tr>
<td>Management Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Investment</td>
<td>ICICI Investment Management Company Limited</td>
<td>Holding Company</td>
<td>163.9</td>
<td>127.9</td>
</tr>
<tr>
<td>Management Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Lombard General</td>
<td>ICICI Lombard General Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>3.0</td>
<td>1.9</td>
</tr>
<tr>
<td>Insurance Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Securities</td>
<td>ICICI Securities Primary Dealership Limited</td>
<td>Fellow Subsidiary Company</td>
<td>1.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Primary Dealership</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Prudential Life</td>
<td>ICICI Prudential Life Insurance Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>1.9</td>
<td>1.0</td>
</tr>
<tr>
<td>Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Venture Funds</td>
<td>ICICI Venture Funds Management Company Limited</td>
<td>Fellow Subsidiary Company</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>Management Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Bank Limited</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>2.4</td>
<td>2.9</td>
</tr>
<tr>
<td>ICICI Securities</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>1,939.6</td>
<td></td>
</tr>
<tr>
<td>Primary Dealership</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited</td>
<td>Fellow Subsidiary Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Company</td>
<td>Other Company</td>
<td>Amount</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>----------------------------------------------</td>
<td>---------------------------------------------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>Fixed deposits (₹ 2.5 million)</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>1,122.0</td>
<td></td>
</tr>
<tr>
<td>Accrued interest income</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>28.8</td>
<td></td>
</tr>
<tr>
<td>Bank balance (Net of current liabilities ₹ 0.0)</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>2,397.0</td>
<td></td>
</tr>
<tr>
<td>Deposit</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>2.3</td>
<td></td>
</tr>
<tr>
<td>Loans &amp; advances (including prepaid expenses)</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>0.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ICICI Lombard General Insurance Company Ltd</td>
<td>Fellow Subsidiary Company</td>
<td>63.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ICICI Prudential Life Insurance Company Ltd</td>
<td>Fellow Subsidiary Company</td>
<td>1.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ICICI Securities Primary Dealership Ltd</td>
<td>Fellow Subsidiary Company</td>
<td>0.2</td>
<td></td>
</tr>
<tr>
<td>Other assets</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td>59.6</td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>ICICI Bank Limited</td>
<td>Holding Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company Name</td>
<td>Accrued Income</td>
<td>Entry 1</td>
<td>Entry 2</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>----------------</td>
<td>---------</td>
<td>---------</td>
<td></td>
</tr>
<tr>
<td>ICICI Prudential Life Insurance Company Limited</td>
<td>Fellow</td>
<td>-</td>
<td>44.7</td>
<td></td>
</tr>
<tr>
<td>Lombard General Insurance Company Limited</td>
<td>Fellow</td>
<td>-</td>
<td>0.4</td>
<td></td>
</tr>
<tr>
<td>Prudential Asset Management Company Limited</td>
<td>Fellow</td>
<td>-</td>
<td>26.5</td>
<td></td>
</tr>
<tr>
<td>ICICI Home Finance Company Limited</td>
<td>Fellow</td>
<td>-</td>
<td>3.8</td>
<td></td>
</tr>
<tr>
<td>ICICI Securities Primary Dealership Limited</td>
<td>Fellow</td>
<td>-</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>ICICI Venture Funds Management Company Limited</td>
<td>Fellow</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Bank Limited</td>
<td>Holding</td>
<td>13.1</td>
<td>8.8</td>
<td></td>
</tr>
<tr>
<td>Lombard General Insurance Company Limited</td>
<td>Fellow</td>
<td>0.5</td>
<td>0.3</td>
<td></td>
</tr>
<tr>
<td>Prudential Asset Management Company Limited</td>
<td>Fellow</td>
<td>34.5</td>
<td>10.8</td>
<td></td>
</tr>
<tr>
<td>Home Finance Company Limited</td>
<td>Fellow</td>
<td>0.8</td>
<td>2.4</td>
<td></td>
</tr>
</tbody>
</table>

*The figures as on September 30, 2019.*
<table>
<thead>
<tr>
<th>Category</th>
<th>Holder/Company</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed deposits</td>
<td>ICICI Bank Limited Holding Company</td>
<td>1,122.0</td>
</tr>
<tr>
<td>(₹ 2.5 million Kept as collateral security towards bank guarantees. Previous period ₹ 374.2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued interest income</td>
<td>ICICI Bank Limited Holding Company</td>
<td>28.8</td>
</tr>
<tr>
<td>Bank balance</td>
<td>ICICI Bank Limited Holding Company</td>
<td>2,397.0</td>
</tr>
<tr>
<td>(Net of current liabilities of ₹ 0.0 Previous year ₹ 0.8)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposit</td>
<td>ICICI Bank Limited Holding Company</td>
<td>2.3</td>
</tr>
<tr>
<td></td>
<td>ICICI Lombard General Insurance Company Limited Fellow Subsidiary Company</td>
<td>0.1</td>
</tr>
<tr>
<td>Loans &amp; advances</td>
<td>ICICI Bank Limited Holding Company</td>
<td>0.6</td>
</tr>
<tr>
<td>(including prepaid expenses)</td>
<td>ICICI Lombard General Insurance Company Limited Fellow Subsidiary Company</td>
<td>53.2</td>
</tr>
<tr>
<td></td>
<td>ICICI Prudential Life Insurance Company Limited Fellow Subsidiary Company</td>
<td>1.1</td>
</tr>
<tr>
<td></td>
<td>ICICI Securities Primary Dealership Limited Fellow Subsidiary Company</td>
<td>0.2</td>
</tr>
<tr>
<td>Other assets</td>
<td>ICICI Bank Limited Holding Company</td>
<td>59.6</td>
</tr>
<tr>
<td>Receivables</td>
<td>ICICI Bank Limited Holding Company</td>
<td></td>
</tr>
</tbody>
</table>
8) Financial Performance of Portfolio Manager (Based on Audited financial Statements)

Financial highlights of ICICI Securities Limited for the last 3 financial years and from April 1, 2019 to December 31, 2019 are given as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY2017 (IGAAP)</th>
<th>FY2018 (IGAAP)</th>
<th>FY2019 (Ind AS)</th>
<th>April 1, 2019 to December 31, 2019* (Ind AS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Income</td>
<td>14,039.0</td>
<td>18,568.0</td>
<td>17,258.0</td>
<td>12,418.9</td>
</tr>
<tr>
<td>Profit/(Loss) before Depreciation and Tax</td>
<td>5,364.4</td>
<td>8,856.8</td>
<td>7,700.3</td>
<td>5,868.9</td>
</tr>
<tr>
<td>Depreciation</td>
<td>154.6</td>
<td>152.6</td>
<td>149.3</td>
<td>451.4</td>
</tr>
<tr>
<td>Profit/(Loss) before Tax</td>
<td>5,209.8</td>
<td>8,504.2</td>
<td>7,551.0</td>
<td>5,417.5</td>
</tr>
<tr>
<td>Provision for Tax</td>
<td>1,833.7</td>
<td>2,970.6</td>
<td>2,681.8</td>
<td>1,590.1</td>
</tr>
<tr>
<td>Profit/(Loss) After Tax</td>
<td>3,376.1</td>
<td>5,533.6</td>
<td>4,889.2</td>
<td>3,827.4</td>
</tr>
<tr>
<td>Other Comprehensive Income(net of tax)</td>
<td>-</td>
<td>-</td>
<td>(25.9)</td>
<td>(40.1)</td>
</tr>
<tr>
<td>Total Comprehensive Income</td>
<td>-</td>
<td>-</td>
<td>4,843.3</td>
<td>3,787.3</td>
</tr>
<tr>
<td>Balance brought forward from previous year</td>
<td>1,402.0</td>
<td>2,310.4</td>
<td>5,641.8</td>
<td>7,534.0</td>
</tr>
<tr>
<td>Amount available for appropriation</td>
<td>4,778.1</td>
<td>7,844.0</td>
<td>10,485.1</td>
<td>11,321.3</td>
</tr>
<tr>
<td>Profit/(Loss) carried forward to the Balance Sheet</td>
<td>2,310.4</td>
<td>6,711.5</td>
<td>7,534.0</td>
<td>7,456.6</td>
</tr>
<tr>
<td>Earnings per share on equity shares of 5 each (Basic and Diluted)</td>
<td>10.48</td>
<td>17.18</td>
<td>Basic - 15.12</td>
<td>Basic-11.88</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Diluted 15.11</td>
<td>Diluted 11.87</td>
</tr>
</tbody>
</table>
9) The Portfolio Management performance of the Portfolio Manager for the last 3 years and in case of discretionary Portfolio Manager disclosure of performance indicators calculated using weighted average method in terms of regulation 22 of the SEBI (Portfolio Managers) Regulation 2020

<table>
<thead>
<tr>
<th>Portfolio Performance (%)</th>
<th>Current Period (As on December 31, 2019)</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>since 22 April 2019 to December 31, 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted return %</td>
<td>2.85% against benchmark return of 2.04%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>Benchmark</td>
<td>Product</td>
<td>Benchmark</td>
<td>Product</td>
</tr>
<tr>
<td>Active Index Portfolio</td>
<td>Nil</td>
<td>NSE2 00</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

Note: PMS Service of the Company has not yet completed 1 year period. Hence performance for Year 1, Year 2 and Year 3 is not applicable.

10) Audit observations for preceding 3 years:

<table>
<thead>
<tr>
<th>Period</th>
<th>Audit observation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preceding 3 years prior to March 31, 2019*</td>
<td>NIL</td>
</tr>
<tr>
<td>April 1, 2019 to September 30, 2019</td>
<td>1) It was observed that statements containing separate client-wise data for their funds was sent to clients on a quarterly basis instead of monthly basis (till October 31, 2019), as specified by SEBI vide circular no. IMD/ DOF/PMS/Cir-4/2009 dated June 23, 2009.</td>
</tr>
<tr>
<td></td>
<td>2) It was observed that the online monthly and quarterly reports sent to clients till October 31, 2019, did not contain details of risk forseen by the portfolio manager and the risk relating to the securities recommended by the portfolio manager for investment or divestment.</td>
</tr>
</tbody>
</table>

* Company started its operation from April 2019
8) Financial Performance of Portfolio Manager (Based on Audited financial Statements)

Financial highlights of ICICI Securities Limited for the last 3 financial years and from April 1, 2019 to December 31, 2019 are given as under:-

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<td>152.6</td>
<td>149.3</td>
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<td>7,551.0</td>
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<td>-</td>
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<td>-</td>
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<td>17.18</td>
<td>Basic - 15.12</td>
<td>Basic - 11.88 Diluted 15.11</td>
</tr>
</tbody>
</table>
11) **Nature of expenses:**

   i. **Investment Management & Advisory Fees:**
      
      Investment Management and Advisory fees charged will be based on Assets under Management (AUM).

   ii. **Custodian Fees:** As may be decided between the Client and the Portfolio Manager.

   iii. **Brokerage & Transaction Cost:**
      
      The investments under Portfolio Management would be done through registered members of the Stock Exchange(s) who charge brokerage up to a maximum of 2.5% of contract value. In addition to the brokerage, transaction cost like turnover charges, stamp duty, transaction costs, turnover tax, Securities transaction tax or any other tax levied by statutory authority (ies), foreign transaction charges (if any) and other charges on the purchase and sale of shares, stocks, bonds, debt, deposits, other financial instruments would also be levied by the broker (including ICICI Securities) Entry or exit loads (if any) on units of Mutual Funds will also be charged from Clients.

   iv. **Goods and Service Tax:**
      
      As applicable from time to time.

   v. **Depository Charges:**
      
      As may be applicable from time to time.

   vi. **Entry Load /Exit Load**
      
      As may be mutually agreed to between the Client and the Portfolio Manager.

   vii. **Certification and professional charges:**
      
      Charges payable for out sourced professional services like accounting, auditing, taxation and legal services, etc. for documentation, notarisation, certifications, attestations required by bankers or regulatory authorities including legal fees etc.

   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.

   Investors may note that, the fees/ expenses that may be charged to Clients mentioned below are indicative only. The same will vary depending upon the exact nature of the services to be provided to investors.
<table>
<thead>
<tr>
<th>(I)</th>
<th>Investment Management and Advisory fee**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1)</td>
<td>Fixed Fee Up to 3%</td>
</tr>
<tr>
<td>2)</td>
<td>Fees based on Assets under Management (AUM) Up to 3%</td>
</tr>
<tr>
<td>3)</td>
<td>Exit Loads Up to 1%</td>
</tr>
<tr>
<td>(II)</td>
<td>Custodian Fee** Up to 1%</td>
</tr>
<tr>
<td>(III)</td>
<td>Brokerage and transaction costs Maximum of 1% of contract value</td>
</tr>
<tr>
<td>(IV)</td>
<td>Fund Accounting Charges** Up to 0.50%</td>
</tr>
</tbody>
</table>

**Basis of Charge – Indicative (any one or a combination of the below)
1. On Average Daily Assets Under Management
2. On Capital Invested
3. On Capital Committed
4. On Average Daily Equity portion of the Portfolio
5. On Average Daily Assets Under Custody

Note:

a. Average daily portfolio value means the value of the portfolio of each client determined in accordance with the relevant provisions of the agreement executed with the client and includes both realized and unrealized gains/losses.

b. The Portfolio Manager may also be entitled to recover transaction fee, brokerage charges, demat fees, and/or disbursement made in respect of the investments (and/or disbursements) and/or any incidentals in the form of stamp duties, registration charges, professional fees, legal fees, consultancy charges, service charges, etc. and such other expenses, duties, charges incurred on behalf of the Client on account of the Service provided to him/her/it.

12) Taxation Direct (Based on Finance (No.2) Act, 2019)

Taxation

The following information is based on the law in force in India at the date hereof. The information set forth below is based on the Portfolio Manager’s understanding of the Tax Laws as of this date of Disclosure Document. The client should seek advice from his/her/its own professional advisor if he/she/it is in any doubt regarding the taxation consequences of investing in the Products offered under Portfolio Management Services.
11) **Nature of expenses:**

i. **Investment Management & Advisory Fees:**
Investment Management and Advisory fees charged will be based on Assets under Management (AUM).

ii. **Custodian Fees:** As may be decided between the Client and the Portfolio Manager.

iii. **Brokerage & Transaction Cost:**
The investments under Portfolio Management would be done through registered members of the Stock Exchange(s) who charge brokerage up to a maximum of 2.5% of contract value. In addition to the brokerage, transaction cost like turnover charges, stamp duty, transaction costs, turnover tax, Securities transaction tax or any other tax levied by statutory authority (ies), foreign transaction charges (if any) and other charges on the purchase and sale of shares, stocks, bonds, debt, deposits, other financial instruments would also be levied by the broker (including ICICI Securities) Entry or exit loads (if any) on units of Mutual Funds will also be charged from Clients.

iv. **Goods and Service Tax:**
As applicable from time to time.

v. **Depository Charges:**
As may be applicable from time to time.

vi. **Entry Load /Exit Load**
As may be mutually agreed to between the Client and the Portfolio Manager.

vii. **Certification and professional charges:**
Charges payable for outsourced professional services like accounting, auditing, taxation and legal services, etc. for documentation, notarisations, certifications, attestations required by bankers or regulatory authorities including legal fees etc.

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.

Investors may note that, the fees/ expenses that may be charged to Clients mentioned below are indicative only. The same will vary depending upon the exact nature of the services to be provided to investors.
Income Tax:

The maximum tax rates applicable to different categories of assesses are as follows:

**Resident individual or HUF or AOP or BOI or any other artificial juridical person**

<table>
<thead>
<tr>
<th>Assesses</th>
<th>Rate of Surcharge &amp; Cess Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign companies</td>
<td>30%* + surcharge &amp; cess</td>
</tr>
<tr>
<td>Partnership Firms</td>
<td>30% + surcharge &amp; cess</td>
</tr>
<tr>
<td>-Domestic Company i) Where its total turnover or gross receipt during the previous year 2017-18 does not exceed Rs. 400 crore</td>
<td>25% + surcharge &amp; cess</td>
</tr>
<tr>
<td>ii) Where it opted for Section 115BA</td>
<td>25% + surcharge &amp; cess</td>
</tr>
<tr>
<td>iii) Where it opted for Section 115BAA</td>
<td>22% + surcharge &amp; cess</td>
</tr>
<tr>
<td>iv) Where it opted for Section 115BAB</td>
<td>15% + surcharge &amp; cess</td>
</tr>
<tr>
<td>v) Any other domestic company</td>
<td>30% + surcharge &amp; cess</td>
</tr>
<tr>
<td>-Non-resident Indians</td>
<td>30%* + surcharge &amp; cess</td>
</tr>
<tr>
<td>-Foreign companies</td>
<td>40% + surcharge &amp; cess</td>
</tr>
</tbody>
</table>

*Maximum slab rate is 30%, although generally taxed @ slab Rate for income other than Capital Gain.

<table>
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<tr>
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</thead>
<tbody>
<tr>
<td>Individuals (including NRIs/P(Os), HUFs, Non-Corporate Firms)</td>
<td>- at the rate of 10% on income tax if income is above ₹ 50 lakh but below ₹ 1 crore</td>
</tr>
<tr>
<td></td>
<td>- at the rate of 15% on income tax if income is above ₹ 1 crore but below ₹ 2 crore</td>
</tr>
<tr>
<td></td>
<td>- at the rate of 25% on income tax if income is above ₹ 2 crore but below ₹ 5 crore</td>
</tr>
<tr>
<td></td>
<td>- at the rate of 37% on income tax if income is above ₹ 5 crore</td>
</tr>
<tr>
<td></td>
<td>Health &amp; Education cess of 4% is payable on the total amount of tax including surcharge.</td>
</tr>
<tr>
<td></td>
<td>- The Finance (No. 2) Act, 2019 has been amended to withdraw the enhanced surcharge, i.e., 25% or 37%, as the case may be, from income chargeable to tax under section 111A and 112A. Hence, the maximum rate of surcharge on tax payable on such incomes shall be 15%. However,</td>
</tr>
</tbody>
</table>

In the document, there is a handwritten note that appears to be a signature.
| Firms/ Co-operative society/ local authority | where other income of a person does not exceed Rs. 2 crores but after including the incomes as referred to in section 111A and 112A, the total income exceeds Rs. 2 crores then irrespective of the amount of other income, surcharge shall be levied at the rate of 15% on the amount of tax payable on both normal income as well as income referred to in section 111A and 112A. - at the rate of 10% on income tax if income is above ₹ 50 lakh but below ₹ 1 crore - at the rate of 15% on income tax if income is above ₹ 1 crore but below ₹ 2 crore - at the rate of 25% on income tax if income is above ₹ 2 crore but below ₹ 5 crore - at the rate of 37% on income tax if income is above ₹ 5 crore |
| Companies of following categories: | A surcharge of 12% on income tax if income is above ₹ 1 crore. Health & Education cess of 4% is payable on the total amount of tax including surcharge. |
| i) Where its total turnover or gross receipt during the previous year 2017-18 does not exceed Rs. 400 crore | Taxable income more than ₹ 1 crores and up to ₹ 10 crore: A surcharge of 7% on income tax and Health & Education cess of 4% is payable on the total amount of tax including surcharge. (A surcharge of 2% in case of foreign companies) |
| ii) Where it opted for Section 115BA | Companies where the taxable income is more than ₹ 10 Crore: A surcharge of 12% on income tax and Health & Education cess of 4% is payable on the total amount of tax including surcharge (a surcharge of 5% in case of foreign companies). |
| iii) Any other company other than section 115BAA and 115BAB | Surcharge rate shall be 10% irrespective of amount of income and Health & Education cess of 4% is payable on the total amount of tax including surcharge. |

The Dividend received in respect of the shares and units of Mutual Fund held in the Products offered under the Portfolio Management Services are subject to tax in the hands of investor. For Example: if the aggregate dividend income accrued/ received by an individual/HUF or a firm (from domestic companies only) resident in India, exceeds ₹ 10 lakhs, such excess of the aggregate dividend income accrued/ received shall be chargeable.
Income Tax:

The maximum tax rates applicable to different categories of assesses are as follows:

Resident individual or HUF or AOP or BOI or any other artificial juridical person

- Foreign companies: 40% + surcharge & cess
- Partnership Firms: 30% + surcharge & cess
- Domestic Company:
  - i) Where its total turnover or gross receipt during the previous year 2017-18 does not exceed Rs. 400 crore: 25% + surcharge & cess
  - ii) Where it opted for Section 115BA: 25% + surcharge & cess
  - iii) Where it opted for Section 115BAA: 22% + surcharge & cess
  - iv) Where it opted for Section 115BAB: 15% + surcharge & cess
  - v) Any other domestic company: 30% + surcharge & cess

- Non-resident Indians: 30% + surcharge & cess
- Foreign companies: 40% + surcharge & cess

*Maximum slab rate is 30%, although generally taxed @ slab Rate for income other than Capital Gain.

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to tax at the rate of 10% (plus applicable surcharge and education cess). However, the dividend/income distribution on securities and units received by Products offered under the Portfolio Management Services will be after distribution tax on the amount of dividend/income distributed.

The rates of tax on the dividend/income distribution on units would be as under:

<table>
<thead>
<tr>
<th>Rate of Tax (%)</th>
<th>Type of Payer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mutual Fund</td>
</tr>
<tr>
<td></td>
<td>Money Market Liquid Fund</td>
</tr>
<tr>
<td>Individuals / H.U.F.</td>
<td>25%</td>
</tr>
<tr>
<td>NRI</td>
<td>25%</td>
</tr>
<tr>
<td>Others</td>
<td>30%</td>
</tr>
</tbody>
</table>

**Capital Gains Tax**

(a) **Long Term**

For Individuals, HUF, Partnerships Firm and Indian Companies

in case of listed equity shares and securities and units of equity oriented schemes sold on a recognized stock exchange, which are subject to Securities Transaction Tax (currently 0.001% for units of equity oriented scheme and 0.1% on equity shares), the tax on Long Term Capital Gain would be 10% if Capital gain is more than ₹ 1 Lac with a grandfathering clause. Long term capital gains in respect of other than listed securities or units would be subject to tax at the lower of 20% (plus surcharge and education cess) of the gains computed after cost indexation, or 10% (plus surcharge and education cess) of the gains computed without cost indexation.

(b) **Short Term**

For Resident Individuals, HUF, Partnerships Firm and Indian Companies

Short-term Capital Gains (other than shares or units of equity oriented funds on a recognized stock exchange, which are subject to Securities Transaction Tax) is added to the total income. Total income including short-term capital gain is chargeable to tax as per the relevant slab rates. However, tax on short term capital gains on sale of shares and units of equity oriented funds on a recognized stock exchange, which are subject to Securities Transaction Tax, would be @ 15% (plus applicable surcharge and an education cess).

**Provisions regarding Dividend income and Bonus**

According to the provisions of Section 94(7) of the Act, losses arising from the sale/redeemption of units purchased within 3 months prior to the record date (for entitlement of dividends) and sold within 3 months after such date, is disallowed to the extent of income on such units (claimed as tax exempt).

According to the provisions of Section 94(8) of the Act, if an investor purchases units within 3 months before the record date (for entitlement of bonus) and sells/redeems the units within 9 months after that date, and by virtue of holding the original units, he becomes
entitled to bonus units, then the loss arising on transfer of original units shall be ignored for the purpose of computing his income chargeable to tax. In fact, the loss so ignored will be treated as cost of acquisition of such bonus units.

Switching from one scheme to another
As stated in the respective Scheme Information Documents, switching from one Scheme / option to another Scheme / option will be effected by way of redemption of units of the relevant Scheme / option and reinvestment of the redemption proceeds in the other Scheme / option selected by the unit holder. Hence, switching will attract the same implications as applicable on transfer of such units.

Consolidation of Schemes
Transfer of units upon consolidation of mutual fund schemes of two or more schemes of mutual fund in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains. Further, transfer of units upon consolidation of plans within mutual fund schemes in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains. Provided that consolidation is of two or more schemes of equity oriented fund or of two or more schemes of funds other than equity oriented fund.

Tax withholding:

Resident Investors
As per Circular no. 715 dated August 8, 1995 issued by the CBDT in case of resident Unit holders, no tax is required to be deducted at source from capital gains arising at the time of repurchase or redemption of the units.

Foreign Portfolio Investors
Under section 196D of the Act, no tax is required to be deducted at source on income way of capital gains earned by a FPI.

Non-resident Investors other than FPI’s
Under Section 195 of the Act, the Mutual Fund is required to deduct tax at source at the rate of 20% /10% (without indexation) on any long-term capital gains arising to nonresident investors from units other than units of an equity oriented scheme. Long term capital gains from equity oriented schemes & listed equity shares are liable to be withhold @10% if the capital gain exceed ₹ 1 Lakh during the financial year starting from April 1, 2018.

In respect to short-term capital gains from units other than units of an equity oriented scheme, tax is required to be deducted at source at the rate of 30% (Assuming Highest tax bracket for investor) if the payee unit holder is a non-resident non-corporate and at the rate of 40% if the payee unit holder is a foreign company. In case of equity oriented schemes, tax is required to be deducted at the rate of 15% for both corporate and non-corporate non-resident unit holders.

Further, the aforesaid tax to be deducted is required to be increased by surcharge and Health & Education Cess, as applicable.

As per circular no. 728 dated October 30, 1995 issued by the CBDT, in the case of a
to tax at the rate of 10% (plus applicable surcharge and education cess). However, the dividend/income distribution on securities and units received by Products offered under the Portfolio Management Services will be after distribution tax on the amount of dividend/income distributed.

The rates of tax on the dividend/ income distribution on units would be as under:

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<td></td>
<td>Liquid Fund</td>
<td>Scheme</td>
</tr>
<tr>
<td>Individuals/H.U.F.</td>
<td>25%</td>
<td>10%</td>
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<tr>
<td>NRI</td>
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**Capital Gains Tax**

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In case of listed equity shares and securities and units of equity oriented schemes sold on a recognized stock exchange, which are subject to Securities Transaction Tax (currently 0.001% for units of equity oriented scheme and 0.1% on equity shares), the tax on Long Term Capital Gain would be 10% if Capital gain is more than ₹ 1 Lac with a grandfathering clause. Long term capital gains in respect of other than listed securities or units would be subject to tax at the lower of 20% (plus surcharge and education cess) of the gains computed after cost indexation, or 10% (plus surcharge and education cess) of the gains computed without cost indexation.

**(b) Short Term**

For Resident Individuals, HUF, Partnerships, Firm and Indian Companies

Short-term Capital Gains (other than shares or units of equity oriented funds on a recognized stock exchange, which are subject to Securities Transaction Tax) is added to the total income. Total income including short-term capital gain is chargeable to tax as per the relevant slab rates. However, tax on short term capital gains on sale of shares and units of equity oriented funds on a recognized stock exchange, which are subject to Securities Transaction Tax, would be 15% (plus applicable surcharge and education cess).

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According to the provisions of Section 94(7) of the Act, losses arising from the sale/redemption of units purchased within 3 months prior to the record date (for entitlement of dividends) and sold within 9 months after such date, is disallowed to the extent of income on such units (claimed as tax exempt).

According to the provisions of Section 94(8) of the Act, if an investor purchases units within 3 months before the record date (for entitlement of bonus) and sells/redeems the units within 9 months after that date, and by virtue of holding the original units, he becomes
remittance to a country with which a Double Tax Avoidance Agreement ('DTAA') is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee.

Please note:
The tax incidence to investors could vary materially based on residential status, characterization of income (i.e. capital gains versus business profits) accruing to them. The information provided here is general in nature. Please consult your financial planner before taking decision.

13) Accounting Policies:
The following Accounting policy will be applied for the investments of Clients:

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

a. Realized gains/losses will be calculated by applying the first in / first out principle. The Portfolio Manager and the Client can adopt any specific norms or methodology for valuation of investments or accounting the same as may be mutually agreed between them on a case specific basis.

b. For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.

c. Unrealised gains/losses are the 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 shall be accounted on accrual basis. Further Mutual Fund dividend shall be accounted on receipt basis. Other income like bank interest, interest on FD, etc. shall also be accounted on receipt basis.

e. Bonus shares shall be recognised 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 shall be recognised only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.

The cost of investment acquired or purchased shall include brokerage, stamp duty and any charge customarily included in the brokers cost note/bought note.

The Accounting Policies and Standards as outlined above are subject to changes made from
remittance to a country with which a Double Tax Avoidance Agreement ('DTAA') is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee.

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The cost of investment acquired or purchased shall include brokerage, stamp duty and any charge customarily included in the brokers cost note/bought note.

The 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.

14) **Investors Services:**

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

<table>
<thead>
<tr>
<th>Name of the person</th>
<th>Mr. Rakesh Seth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designation</td>
<td>Assistant Vice President</td>
</tr>
<tr>
<td>Address</td>
<td>ICICI Centre, H. T. Parekh Marg, Churchgate, Mumbai - 400 020</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:pmshelodesk@icicides.com">pmshelodesk@icicides.com</a></td>
</tr>
<tr>
<td>Telephone</td>
<td>022-40707105</td>
</tr>
</tbody>
</table>

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

a. The Investment Relation Officer(s) will be the interface between the Portfolio Manager and the Client. In case the Client is not satisfied with the redressal by the Portfolio Manager or otherwise, the Client may lodge the complaint on SEBI's web based complaints redress system (SCORES).

b. Grievances, if any, that may arise pursuant to the Portfolio Investment Management Agreement entered into shall as far as possible be redressed through the administrative mechanism by the Portfolio Manager and are subject to SEBI (Portfolio Managers) Regulations 2020 and any amendments made thereto from time to time. However, all the legal actions and proceedings are subject to the jurisdiction of court in Mumbai only and are governed by Indian laws.

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 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 through Arbitration process as described in the Portfolio Investment Management Agreement or any Supplemental Agreement thereto.

For ICICI Securities Limited

Mr. Vijay Chandok

Mr. Ajay Saraf

Place: Mumbai
Date: 7 May 2020
FORM C

SECURITIES AND EXCHANGE BOARD OF INDIA (PORTFOLIO MANAGERS) REGULATIONS, 1993
(Regulation 16)

ICICI Securities Limited

ICICI Centre, H.T.Parekh Marg, Churchgate, Mumbai - 400 020, Phone - 022-66377115, Email ID
sonali.chandak@icicisecurities.com.

We confirm that:

The Disclosure Document 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;

The disclosure made in the document are true, fair and adequate to enable the investors to make a well
informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio
Management Product;

The Disclosure Document has been duly certified by M/s. Shah & Ramaiya Chartered Accountants
represented by partner Mr. Shardal Shah (Membership No.:118394) having office at 36/227, RDP 10,
Sector - 6, Charkop, Kandivali (West), Mumbai - 400 067. Tel No. +91 8108111531/2.

Date: April 27, 2020

Signature of the Principal Officer

Place: Mumbai

Name: Anupam Guha

Address: ICICI Centre,
H.T.Parekh, Marg,
Churchgate, Mumbai - 400 020
CERTIFICATE

We have verified the Disclosure Document ("the Document") for Portfolio Management Services prepared by ICICI Securities Limited, a Portfolio Manager registered with SEBI under the SEBI (Portfolio Managers) Regulations, 2020 (SEBI Reg. No. INP000004060), dated 7th May, 2020, having its Registered Office ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai - 400 020.

The disclosure made in the document is made on the model disclosure document as stated in Schedule V of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations 2020.

Our certification is based on the audited Balance sheet of the Company for the quarter ended 30th June 2019, 30th September, 2019 and 31st December, 2019 and examination of other records, data made available and information & explanations provided to us.

Based on such examination we certify that:

a. The Disclosure made in the document is true, fair and correct and
b. The information provided in the Disclosure Document is adequate to enable the investors to make well-informed decisions.

The enclosed document is stamped and initialed / signed by us for the purpose of identification.

For Shah & Ramaiya,
Chartered Accountants
FRN.: 126489W
SHARDUL
JASHWANTLAL
SHAH
CA Shardul Shah
Partner
M No.: 118394
UDIN No.: 20118394AAAABV2588

Place: Mumbai
Date: 14th May, 2020