

# **DISCLOSURE DOCUMENT**

**MIV Investment Services Pvt. Ltd.**  
**(Portfolio Management Services : Registration No. INP000001413)**  
**4<sup>th</sup> Floor, Oricon House, K. Dubash Road, Fort, Mumbai - 400001**  
**Ph : 022-22875801**

**Form C**

**Securities And Exchange Board Of India  
(Portfolio Managers) Regulations, 1993  
Regulation 14**

**Name of the Portfolio Manager** : MIV Investment Services Pvt. Ltd.  
4<sup>th</sup> Floor, Oricon House, K. Dubash Road, Fort, Mumbai 400001.  
**Tel** : 22875801 **Email** : ravi@prodigyinvest.com

We confirm that

- a. 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;
- b. the disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio Management
- c. the Disclosure Document has been duly certified by an independent chartered accountant Mr. Biren Gabhawala, a Partner of C.M.Gabhawala & Co., Chartered Accountants, having membership no. 40496 and office at 42, Nanik Niwas, 30, Dr. D.D.Sathe Marg, Girgaum, Mumbai – 400004 (Phone No. – 022 23823923/4641) on 25<sup>th</sup> April 2017.

For and on behalf of **MIV Investment Services Pvt. Ltd.**

Sd/-

**Mr. Ravi Chadha**  
**Principal Officer**  
4<sup>th</sup> Floor, Oricon House  
K. Dubash Road, Fort  
Mumbai 400001

Date : 25<sup>th</sup> April, 2017  
Place : Mumbai

## DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 14 of Securities & Exchange Board of India (Portfolio Managers) Regulation 1993)

- a. The Document has been filed with the Board along with the certificate in the prescribed format in terms of Regulation 14 of the SEBI (Portfolio Managers) Regulations, 1993.
- b. The purpose of the Document is to provide essential information about the portfolio services in a manner to assist and enable the investors in making informed decision for engaging a portfolio manager.
- c. The necessary information about the portfolio manager required by an investor before investing, and the investor may also be advised to retain the document for future reference.
- d. The name, phone number, e-mail address of the principal officer so designated by the portfolio manager is

Name of the principal officer : Mr. Ravi Chadha  
Phone No. : 91-22-22875801  
E-mail address : ravi@prodigyinvest.com

# **C. M. GABHAWALA & CO. (Regd.)**

## **CHARTERED ACCOUNTANTS**

42, Nanik Niwas, 30, Dr. D.D.Sathe Marg, Opera House, Mumbai - 400 004  
Phone: 2388 0101 / 2382 3923 , Fax : 2385 0931 , e-mail : admin@cmgco.net

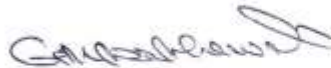
### **CERTIFICATE**

We hereby certify that the disclosures made in the enclosed Disclosure Document dated 25<sup>th</sup> April, 2017 prepared and forwarded by MIV Investments Services Private Limited in terms of the Fifth Schedule of Regulation 14 of the Securities and Exchange Board of India (Portfolio Managers) Regulations 1993 and the guidelines and directives issued by the Board from time to time, are true, fair and adequate to enable the investors to make a well informed decision.

This certificate is issued on the basis of the information and documents given/produced before us and on the basis of representation made by MIV Investment Services Private Limited.

**Place: Mumbai**  
**Date: 25<sup>th</sup> April, 2017.**

**For C. M. GABHAWALA & CO**  
**CHARTERED ACCOUNTANTS**  
**FRN No. 102870W**



**GOPAL GABHWALA**  
**PARTNER**  
**M. NO. 17573**



## INDEX OF CONTENTS

<b>Item No.</b>	<b>Contents</b>	<b>Page No.</b>
1.	Disclaimer clause	5
2.	Definitions	5
3.	Description	7
4.	Penalties, pending litigation or proceedings, findings of inspection or investigations for which action may have been taken or initiated by any regulatory authority etc.	8
5.	Services offered	8
6.	Risk factors	10
7.	Client Representation	12
8.	The Financial Performance of Portfolio Manager	12
9.	Portfolio Management Performance of Portfolio Manager	12
10.	Nature of expenses	13
11.	Taxation	14
12.	Accounting Policies	14
13.	Investor Services	15

- 1) **Disclaimer:** The particulars given in this Document have been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 1993 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.
- 2) **Definitions:** Unless the context or meaning thereof otherwise requires, the following expressions shall have the meaning assigned to them hereunder respectively:
  - a. **“Act”** means the Securities and Exchange Board of India, Act 1992 (15 of 1992).
  - b. **“Advisory Portfolio Management Services”** : means the Portfolio Management Services rendered by the Portfolio Manager to the Client on the terms and conditions contained in the Agreement, where under the Portfolio Manager provides only investment advice. The entry/exit decision, timing, execution and settlement is solely the responsibility of the Client.
  - c. **“Agreement”** means agreement between Portfolio Manager and its Client and shall include all Schedules and Annexures attached thereto.
  - d. **“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.
  - e. **“Assets”** means the Portfolio and/or the Funds
  - f. **“Body Corporate”** shall have the meaning assigned to it in or under clause (7) of section 2 of the Companies Act, 1956 (91 of 1956);
  - g. **“Bank Account”** means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Bank in accordance with the agreement entered into with the Client.
  - h. **“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.
  - i. **“Client”** means the person who enters into an Agreement with the Portfolio Manager for managing its portfolio and/or the funds.
  - j. **“Custodian”** means any person who carries on or proposes to carry on the business of providing custodial services in accordance with the regulations issued by SEBI from time to time.
  - k. **“Depository Account”** means one or more account or accounts opened, maintained and operated by the Portfolio Manager with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations, 1996 in accordance with the agreement entered into with the Client.
  - l. **“Discretionary Portfolio Management Services”** : means the Portfolio Management Services rendered by the Portfolio Manager to the Client on the terms and conditions contained in the Agreement, where under the Portfolio Manager exercise any degree of discretion in the investment or management of the assets of the Client.
  - m. **“Document”** means this Disclosure Document.
  - n. **“Financial Year”** means the year starting on 1<sup>st</sup> April and ending on 31<sup>st</sup> March of the following year.

- o. **"Funds"** means the monies managed by the Portfolio Manager on behalf of the Client pursuant to the 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 the 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. **"Parties"** means the Portfolio Manager and the client; and "Party" shall be construed accordingly.
- q. **"Person"** includes any individual, partners in partnership, central or state government, company, body corporate, cooperative society, corporation, trust, society, Hindu Undivided Family or any other body of persons, whether incorporated or not.
- r. **"Portfolio"** means the Securities managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes the Securities mentioned in the Application, any further Securities placed by the Client with the Portfolio Manager for being managed pursuant to the 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.
- s. **"Portfolio Manager"** shall have the same meaning as given in regulation 2(cb) of the SEBI (Portfolio Managers) Regulations, 1993 as amended from time to time.
- t. **"Principal Officer"** means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager.
- u. **"Regulations"** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as may be amended from time to time.
- v. **"Scheduled Commercial Bank"** means any bank included in the second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934).
- 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
  - a. 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;
  - b. Derivative;
  - c. Units or any other instrument issued by any collective investment scheme to investors in such schemes;
  - d. Security receipt as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
  - e. Units or any other such instrument issued to the investors under any mutual fund scheme;
  - f. Government securities;
  - g. Such other instruments as may be declared by the Central Government to be securities;
  - h. Rights or interest in securities;
  - i. Exchange Traded funds; and
  - j. Liquid Funds.

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 this general meaning and usage and shall also carry meanings assigned to them in regulations governing Portfolio Management Services.

3) **Description:**

- a) **History, Present Business and Background of the Portfolio Manager:** MIV Investment Services Pvt. Ltd. was founded in June 2005 with the vision of providing Portfolio Management Services. The company currently caters to retail and corporate clients. Under the portfolio management services provided by the company, the investors are advised by a team of professionals having long experience in the various facets of equity markets such as Research, Fund Management, Dealing and Institutional Sales.
- b) **Promoters of the Portfolio Manager, directors and their background :** The promoters and directors of MIV are as under :

**Ravi Chadha (Director)**

Mr. Ravi Chadha has a wide ranging experience of over 27 years in the banking and financial services sector. After completing his Graduation in Commerce from H. R. College of Commerce, University of Mumbai, Mr. Chadha acquired Chartered Accountant degree (with merit ranking in both Inter & Final Examinations) from The Institute of Chartered Accountants of India. In his current position as the Chief Investment Officer of the PMS, Mr. Ravi Chadha is leading a team of professionals which advises the clients on investment / divestment of securities. Mr. Ravi Chadha was responsible for setting up Portfolio Management Services for Motilal Oswal Securities Ltd. He was also the Head of Retail team (Equity Advisory Group) on an all India basis for Motilal Oswal Securities Ltd besides heading Institutional Sales for 2 years. Prior to joining Motilal Oswal Securities Ltd., Mr. Ravi Chadha worked for over 4 years with ANZ Grindlays Bank where he worked in the investment banking division and was also the Portfolio Manager of the Bank's Portfolio Management Division 'Investcare' for 2 years.

**Mala Chadha (Director)**

Mrs. Mala Chadha has done her Bachelor of Arts and heads the HR & Admin function of MIV Investment Services Pvt. Ltd.

- c) **Top 10 Group companies/firms of the Portfolio Manager on turnover basis:** NIL
- d) **Details of the services being offered:**

**Discretionary Services**

Under these services, the choice as well as the timing of the investment decision rests solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. The Portfolio Manager's decision (taken in good faith) in deployment of the Client's funds



shall be binding on the Client and shall not be assailed, challenged, questioned or disputed by the Client in any manner whatsoever 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. The company has launched the following strategies under discretionary services viz. a) Prodigy Growth Strategy – HiGrowth Style, b) Prodigy Growth Strategy – HiValue Style, c) Prodigy Growth Strategy – HiFocus Style, d) Prodigy Growth Strategy – UltraFocus Style, e) Prodigy BlueChip Strategy and f) Prodigy Debt Strategy.

The portfolio manager is currently utilizing the services of Emkay Global Financial Services Ltd., Quant Broking Pvt. Ltd. and Edelweiss Broking Ltd.

#### **Advisory Services**

Under these services, the Portfolio Manager provides only investment advice. The entry/exit timing, execution and settlement are solely the responsibility of the Client.

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

1	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.	N.A.
2	The nature of the penalty/direction.	N.A.
3	Penalties imposed for any economic offence and/ or for violation of any securities laws.	N.A.
4	Any pending material litigation/legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any.	N.A.
5	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	N.A.
6	Any enquiry/ adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or Rules or Regulations made thereunder.	N.A.

#### **5) Services Offered:** The Portfolio Manager manages the Assets of the Client using the following strategies:

- a. **Prodigy Growth Strategy – HiGrowth Style:** The strategy will aim to invest in under-researched and under-valued growth stocks (identified using proprietary approach called 'Reverse Research'). The strategy will focus on investing in unique businesses which are likely to enter a phase of accelerated growth / at an inflection point in their economic life cycle. Our endeavor would be to search for promising businesses that can like a prodigy grow into something great. The strategy also aims to invest in listed Exchange Traded funds (including equity and non-equity asset classes) that may be in a secular uptrend, based on Relative Strength Comparative Indicator versus the main equity indices. The style of the strategy being aggressive, the portfolio would have a larger proportion of

tactical positions (as compared to the HiValue style) which may be of a short term nature. The portfolio churn may be on the higher side if warranted.

- b. **Prodigy Growth Strategy – HiValue Style:** The strategy will aim to invest in under-researched and under-valued growth stocks (identified using proprietary approach called 'Reverse Research). The strategy will focus on investing in unique businesses which are likely to enter a phase of accelerated growth / at an inflection point in their economic life cycle. Our endeavor would be to search for promising businesses that can like a prodigy grow into something great. The strategy also aims to invest in listed Exchange Traded funds (including equity and non-equity asset classes) that may be in a secular uptrend, based on Relative Strength Comparative Indicator versus the main equity indices. The style of the strategy being less aggressive than HiGrowth style, the portfolio would have a smaller proportion of tactical positions and more of strategic positions.
- c. **Prodigy Growth Strategy – HiFocus Style:** The strategy will aim to invest in under-researched and under-valued growth stocks (identified using proprietary approach called 'Reverse Research). The strategy will focus on investing in unique businesses which are likely to enter a phase of accelerated growth / at an inflection point in their economic life cycle. Our endeavor would be to search for promising businesses that can like a prodigy grow into something great. The strategy also aims to invest in listed Exchange Traded funds (including equity and non-equity asset classes) that may be in a secular uptrend, based on Relative Strength Comparative Indicator versus the main equity indices. The style of the strategy being focused, the portfolio would have concentrated holdings in fewer stocks. A concentrated portfolio runs the risk of being inadequately diversified.
- d. **Prodigy Growth Strategy – UltraFocus Style:** The strategy will aim to invest in under-researched and under-valued growth stocks (identified using proprietary approach called 'Reverse Research). The strategy will focus on investing in unique businesses which are likely to enter a phase of accelerated growth / at an inflection point in their economic life cycle. Our endeavor would be to search for promising businesses that can like a prodigy grow into something great. The strategy also aims to invest in listed Exchange Traded funds (including equity and non-equity asset classes) that may be in a secular uptrend, based on Relative Strength Comparative Indicator versus the main equity indices. The style of the strategy being ultra focused than HiFocus style, the portfolio would have even more concentrated holdings in fewer stocks. A highly concentrated portfolio runs a larger risk of being inadequately diversified and therefore carries higher volatility risk. Based on client's special request with respect to portfolio churn / concentration and risk appetite, these portfolios may differ from the others as we accommodate these special requests.
- e. **Prodigy BlueChip Strategy:** The strategy will aim to generate steady returns over the long term by investing in Blue-chips and emerging Blue-Chips which are considered to be well managed. This product is positioned at a more benign level of the 'risk-reward' curve, capitalizing on long term uptrends in Blue-chips and Emerging Blue-Chips. The strategy also aims to invest in listed Exchange Traded funds (including equity and non-equity asset classes) that may be in a secular uptrend, based on Relative Strength Comparative Indicator versus the main equity indices.

- f. **Prodigy Debt Strategy:** The strategy aims to generate optimal returns through active management of portfolio by investing in debt oriented schemes of mutual funds (including Exchange Traded Funds), bank deposits, Bonds (listed and unlisted) and Debentures (listed and unlisted). The fund manager will decide on the appropriate asset allocation (between liquid, ultra short term, short term, gilt etc) depending on market conditions.

The Portfolio Manager may use derivative instruments like index futures, stock futures and options contracts, warrants, convertible securities, swap agreements or any other derivative instruments in each of the above three strategies for the purpose of hedging and portfolio balancing, as permitted under the regulations and guidelines.

The Portfolio Manager may design and develop various strategies keeping in mind the market conditions and may customize it according to Client's specific needs and profile. The Portfolio in all cases will be guided strictly by the relevant guidelines, Acts, Rules, Regulations and notifications prevailing in force from time to time. While at all times, the investment objective of the Portfolio Manager shall be preservation and growth of capital, we wish to reiterate that there can be no assurance and / or guarantee of such growth or preservation of capital. The amount invested by Clients may be subject to a lock in period as detailed in the Schedule to the agreement between the Client and the Portfolio Manager.

All the abovementioned strategies are used under the discretionary portfolio management services as per the Regulations specified by SEBI. Investments under Portfolio Management Services will be only as per the SEBI Regulations on PMS.

The un-invested amounts forming part of the Client's Assets may at the discretion of the Portfolio Manager be held in cash or deployed in Exchange Traded Liquid Funds or Liquid fund schemes of mutual funds or any other short term avenues for investments. The Portfolio Manager may also invest the funds in Fixed Maturity Plans, Bank deposits, Bonds (listed and unlisted), Debentures (listed and unlisted) of varying maturities as well as Gilt schemes or debt oriented schemes of Mutual Funds. The Portfolio Manager, with the consent of the Client, may lend the securities through an Approved Intermediary, for interest.

The Portfolio Manager will not invest any of the funds of the Clients in the shares, mutual funds, debt, deposits and other financial instruments of group companies of the Portfolio Manager.

Apart from Discretionary Portfolio Management Services, the Portfolio Manager also offers Advisory Portfolio Management Services wherein the Portfolio Manager only renders advice to the Client in respect of investments / disinvestment in Securities. The discretion to execute the transactions and the responsibility for execution / settlement of the transactions lies solely with the Client.

- 6) **Risk Factors:** The investments made in securities are subject to market risks and there is no assurance of guarantee that the objectives of investments will be achieved. Following are the risk factors as perceived by the management.
- Investment in equities, derivatives, mutual funds and Exchange Traded Funds are subject to market risks and there is no assurance or guarantee that the objective of the investments will be achieved.

- The Portfolio Manager has been exclusively offering Advisory Portfolio Management Services since obtaining the PMS licence in October 2005. Discretionary Portfolio Management Services have been launched by the Portfolio Manager for the first time on 1<sup>st</sup> March 2012. Under discretionary Portfolio Management services, the company has a track record of only 61 months. A track record of such a short magnitude is not a sufficient indicator of the capability of the Portfolio Manager.
- As with any investment in securities, the Net Asset Value of the portfolio can go up or down depending upon the factors and forces affecting the capital markets.
- The performance of the portfolio may be affected by changes in Government and RBI policies, volatility in the equity markets, general levels of interest rates and risk associated with trading volumes, liquidity and sentiment systems in the equity and debt markets.
- The performance of the Assets of the Client may be adversely affected by the performance of individual securities, changes in the market place and industry specific and macro economic factors. The investment strategies are given different names for convenience purpose and the names of the Strategies do not in any manner indicate their prospects or returns.
- Technology stocks and some of the investments in niche sectors run the risk of volatility, high valuation, obsolescence and low liquidity.
- Investments in debt instruments and other income securities are subject to default risk, liquidity risk and interest rate risk. Interest rate risk results from changes in demand and supply for money and other macroeconomic factors and creates price changes in the value of the debt instruments. Consequently, the Net Asset Value of the portfolio may be subject to fluctuation.
- Investments in debt instruments are subject to reinvestment risks as interest rates prevailing on interest amount or maturity due dates may differ from the original coupon of the bond, which might results in the proceeds being invested at a lower rate.
- The Portfolio manager may invest in non-publicly offered debt securities and unlisted equities. This may expose the portfolio to liquidity risks.
- Engaging in securities lending is subject to risks related to fluctuations in collateral value / settlement / liquidity / counter party.
- The Portfolio Manager may use derivative 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 required investment techniques and risk analysis 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 access the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movement correctly. There is a 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 mis-pricing or the improper

valuation of the derivatives and the inability of derivatives to correlate perfectly with the 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.

- The Net Asset Value may be affected by changes in settlement periods and transfer procedures.

7) **Client Representation:**

Category of Clients	No. of Clients			Funds managed (Rs. in cr)			Discretionary / Non Discretionary (if available)
	31.03.17	31.03.16	31.03.15	31.03.17	31.03.16	31.03.15	
Associates / group	0	0	0	0.00	0.00	0.00	Discretionary
Others	172	140	116	358.31	246.22	259.92	Discretionary
Total	172	140	116	358.31	246.22	259.92	Discretionary

**Transactions with related parties for the year ended 31<sup>st</sup> March 2017 (Amount in Rupees)**

Nature of transaction	Ravi Chadha (Director)	Mala Chadha (Director)	Sharad Nayak (Key Mgmt Personnel)
Managerial Remuneration paid	62,00,000	31,00,000	39,00,000
Rent received for use of office	60,000	60,000	-
Rent paid for use of car	4,32,000	-	-

8) **The Financial Performance of the Portfolio Manager:**

(Rs. in lacs)

	2014-15	2015-16	2016-17
	Audited	Audited	Unaudited
Profit before depreciation & tax	802.17	514.52	566.97
(-) Depreciation	22.20	22.78	24.62
(-) Provision for tax	218.05	23.62	81.89
Profit / (Loss) for the year	561.92	468.12	460.46

9) **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 14 of the SEBI (Portfolio Managers) Regulation 1993.**

The Portfolio Manager had been exclusively offering Advisory Portfolio Management Services since obtaining the PMS licence in October 2005 wherein the Portfolio Manager only renders advice to the Client in respect of investments / disinvestment in Securities. The discretion to

execute the transactions and the responsibility for execution / settlement of the transactions lies solely with the Client. Accordingly, the portfolio management performance cannot be measured.

Discretionary Portfolio Management Services have been started by the Portfolio Manager since 1<sup>st</sup> March 2012. The performance data for the respective period is given hereunder.

Name of Strategy	Bench- mark	2016-17		2015-16		2014-15	
		Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark
Prodigy Growth Strategy – HiGrowth Style	Nifty	39.54	18.61	-6.12	-8.75	78.44	25.67
Prodigy Growth Strategy – HiValue Style	Nifty	39.15	18.47	-5.45	-8.91	74.85	26.20
Prodigy Growth Strategy – HiFocus Style	Nifty	39.42	19.71	-5.14	-10.10	73.02	23.52
Prodigy Growth Strategy – UltraFocus Style	Nifty	39.77	18.76	-6.58	-9.00	66.04	20.18
Prodigy BlueChip Strategy	Nifty	-	-	-6.10	-10.07	60.46	42.32
Prodigy Debt Strategy	N.A.	7.41	N.A.	7.79	N.A.	9.50	N.A.

All the portfolio and benchmark returns are weighted returns for the respective financial years.

#### 10) Nature of expenses:

- a) **Investment Management & Advisory Fees:** may be a fixed fee or a return based fee or a combination of both as detailed in the Schedule to the Portfolio Management Services agreement. The fees may be charged upfront and / or at the end of a specified tenure as agreed between the Client and the Portfolio Manager.
- b) **Custodian Fees:** As may be agreed between the Client and the Portfolio Manager.
- c) **Registrar & Transfer Fees:** NIL.
- d) **Brokerage & Transaction Cost:** The investments under Portfolio Management would be done through registered members of the Stock Exchange(s) who can charge brokerage up to a maximum of 2.5% of the contract value. In addition to the brokerage, transaction costs such as network charges, 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 be levied by the broker. Entry or exit loads (if any) on units of mutual funds will also be charged from the Clients.
- e) **Service Tax & depository charges :** As applicable from time to time.
- f) **Entry load / Exit load :** As may be agreed between the Client and the Portfolio Manager.
- g) **Certification and professional charges:** The charges payable for out-sourced professional services like accounting, auditing, taxation and legal services etc for documentation, notarizations, certifications and attestations required by bankers or regulatory authorities including legal fees would be charged at actuals.
- h) **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 will be charged at actuals.

- i) **Account opening charges:** As may be agreed between the Client and the Portfolio Manager.
- 11) **Taxation:** Investment in securities is subject to the provisions of the India Income Tax Act, 1961. Special reference needs to be made in respect of provision related to capital gains, business income and all other provisions of the Income Tax Act. Provisions related to tax deduction at source shall also apply, wherever applicable. Interest and dividends would be subject to tax as per the provisions of the Income Tax Act. It shall be the Client's responsibility to deduct tax at source, if applicable, on the management fees payable by the Client to the Portfolio Manager as also to meet the advance tax obligation installments payable on the due dates under the Income Tax Act, 1961.
- 12) **Accounting Policies:** The following accounting policy will be applied for the portfolio investments of the clients.
- a) 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.
  - b) Realized gains/losses will be calculated by applying the First in First Out method.
  - c) Transactions for purchase or sale of securities will be recognized as of the trade date and not as of the settlement date so that the effect of all investments traded during a financial year are recorded and reflected in the financial statements of that year.
  - d) For derivative transactions (if any), unrealized gains and losses on open position will be calculated by marking to market the open positions.
  - e) Unrealized gains/losses are the differences between the current market values or NAV of even date and the historical cost of the securities.
  - f) Dividend on shares and units in mutual funds, interest on debt instruments etc. shall be accounted on an accrual basis.
  - g) 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.

### 13) Investor Services:

a) **Name, address and telephone number of the investor relation officer who shall attend to the investor queries and complaints:**

Name : Mr. Pradeep Sargar, Compliance Officer  
Address : MIV Investment Services Pvt. Ltd.  
4<sup>th</sup> Floor, Oricon House,  
K. Dubash Road,  
Fort, Mumbai - 400001.  
Telephone : 91-22-22875801/ 9819502933  
Email : pradeep@prodigyinvest.com

b) **Grievance redressal and dispute settlement mechanism:**

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 1993 and any amendments made thereto from time to time. However, all the legal actions and proceedings are subject to the jurisdiction of courts 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. The following administrative mechanism with respect to grievance redressal has been set up by the Portfolio Manager.

1. All grievances to be addressed to Mr. Jagdish Sosa (Manager – Client Servicing).
2. Any complaint received would be entered into the complaint register.
3. It would be the endeavor of the Manager – Client Servicing to resolve the complaints within 10 working days from the date of receipt of the complaint.
4. Any complaint remaining unresolved at the end of 10 working days will be escalated to the Principal Officer.
5. The Principal Officer will endeavor to resolve the complaint within the next 10 working days.
6. The Principal Officer will sign off on the complaint register on a monthly basis.
7. The Compliance Officer will submit a quarterly report to the Board of Directors.

If the client remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the client can lodge his/her grievances with SEBI at <http://scores.gov.in>. The client may also write to any of the offices of SEBI. For any queries, feedback or assistance, please contact SEBI Office on Toll Free Helpline at 1800 22 7575 / 1800 266 7575.



If the client remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the Client 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 the Arbitration process as described in the Portfolio Investment Management Agreement or any Supplemental Agreement thereto.

For MIV Investment Services Pvt. Ltd.

Sd/-

Mr. Ravi Chadha  
Director

Sd/-

Mrs. Mala Chadha  
Director

**Place** : Mumbai  
**Date** : 25<sup>th</sup> April, 2017