To
The Board of Directors,
Merisis Advisors Private Limited,
5th Floor, Unit No 504,
C Wing, One BKC, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051.
(Maharashtra, India)

**Independent Practitioner's Report on the Disclosure Document as per Regulation 22, Schedule V of SEBI (Portfolio Managers) Regulations, 2020.**

**1. Engagement**

We have been asked by the management of **Merisis Advisors Private Limited** (hereinafter referred to as 'the company') vide email dated May 31, 2025, to verify the Disclosure Document to be filed with the Securities and Exchange Board of India (hereinafter referred to 'the SEBI') pursuant to the requirements of regulation 22, Schedule V of SEBI (Portfolio Managers) Regulations, 2020.

**2. Management or Client's Responsibility for the Statement**

The preparation of the Disclosure Document (hereinafter referred to as 'the statement') is the responsibility of the management of the company including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes presentation of the statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The management is also responsible for ensuring that he complies with the other requirements of SEBI and provides all relevant information thereof.

**3. Practitioner's Responsibility**

Pursuant to the requirements of SEBI, it is our responsibility to provide assurance as to whether the Disclosure Document prepared by the management is true, fair and adequate or not on the basis of audited financial statements, explanations and other records provided by the management of the company, etc.

We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**4. Opinion**

On the basis of financial records and other explanations, documents and details provided to us by the management of the company, we provide limited assurance as per Annexure-A to the report that the contents and information of the Disclosure Document dated 1st July 2025 are true, fair and adequate as required under regulation 22 and Schedule V of SEBI (Portfolio Managers) Regulations, 2020.

Copy of Disclosure document has been annexed as Annexure-B to the report and stamped by us only for identification purpose.

**5. Restriction on Use**

The certificate is addressed to the management of the company solely for the purpose to enable them to comply with requirement of the SEBI pursuant and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

| Certificate No. | 0003 | 07 | 2025 |
|---|---|---|---|

*for* **Jain Ambavat & Associates LLP**
*chartered accountants*
Firm's Registration Number – 103887W / W100364

Akshay Madhusudan Taparia

Digitally signed by Akshay Madhusudan Taparia
Date: 2025.07.03 13:03:13 +05'30'

**Akshay M. Taparia**
Partner
UDIN: 25183411BMJGKN9264
Membership Number: 183411
Place: Mumbai
Date: July 3, 2025

jain ambavat & associates LLP
chartered accountants
10, Chemox House, 3rd Floor, 7, Barrack Lane, Opp. Bombay Hosp., Mumbai – 400020
302, Niranjan, 99, Marine Drive, Mumbai - 400002
Tel. No.: 022- 22036260 – 66 url: www.mumbaica.com

Annexure-A to our report no. |0003| 07 | 2025 | dated July 3, 2025.

## CHARTERED ACCOUNTANT CERTIFICATE

We have been requested by Merisis Advisors Private Limited ("the Company") to certify the contents and information provided in the Disclosure Document required to be filed with the Securities and Exchange Board of India (SEBI) as per regulation 22, Schedule V of SEBI (Portfolio Managers) Regulations, 2020.

We have verified the data from the respective documents provided by the management of the Company. We have relied on various representations made to us by the management of the Company wherever necessary.

Based on our verification of the records and information provided to us, we provide limited assurance that the contents and information provided in the Disclosure Document dated 1st July 2025 are true, fair, and adequate as required under regulation 22 and Schedule V of SEBI (Portfolio Managers) Regulations, 2020.

*for* **Jain Ambavat & Associates LLP**
*chartered accountants*
Firm's Registration Number – 103887W / W100364

Akshay Madhusudan Taparia
Digitally signed by Akshay Madhusudan Taparia
Date: 2025.07.03 13:02:51 +05'30'

**Akshay M. Taparia**
Partner
UDIN: 25183411BMJGKN9264
Membership Number: 183411
Place: Mumbai
Date: July 3, 2025

**Investment Disclosure Document Of**
**Merisis Advisors Private Limited (U74120MH2012PTC233044)**
**SEBI Registration Number: INP000006846**

As per the requirement of Fifth Schedule of Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020

## Declaration

- The Disclosure Document (hereinafter referred as the "Document") has been filed with the Securities and Exchange Board of India ("SEBI") along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020 ("Regulations").
- 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 "Merisis Advisors Private Limited" (hereinafter referred as the "Portfolio Manager") as the portfolio manager.
- The Document contains 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.
- The investor should read the Disclosure Document carefully prior to making a decision to avail of the Services.
- The Disclosure Document is updated on 01st July 2025

The name, phone number, e-mail address of the principal officer as designated by the Portfolio Manager along with the address of the Portfolio Manager is as follows:

| PRINCIPAL OFFICER | PORTFOLIO MANAGER |
|---|---|
| **Name**: Mr. Akshay Badjate | **Name**: Merisis Advisors Private Limited |
| **Phone**: +91 022 6828 0642 | **Registered Address**: Unit No 504, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051 |
| akshay@merisis.in | **Correspondence Address**: Unit No 504, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051 |

Akshay Madhusudan Taparia

Digitally signed by Akshay Madhusudan Taparia
Date: 2025.07.03 13:02:29 +05'30'

## Table of Content

**1. Disclaimer Clause:**

The Disclosure Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 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**

In this Document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

**Agreement:** means the portfolio management services agreement entered between the Portfolio Manager and the Client/Investor, as amended, modified, supplemented or restated from time to time together with all annexures, schedules and exhibits, if any.

**Client / Investor:** means such person(s) whose money or portfolio is advised or directed or managed by Portfolio Manager and is specified in Schedule I of the Agreement.

**Custodian:** means one or more custodian appointed by the Portfolio Manager, from time to time, for maintaining custody of funds and/or Securities of the Client.

**Depository:** Depository as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**Disclosure Document:** means this document filed by the Portfolio Manager with SEBI and issued to the Client as required under the Regulations and as may be amended by the Portfolio Manager from time to time.

**Distributor:** means a Person empaneled by the Portfolio Manager which refers clients to the Portfolio Manager in lieu of commission/charges.

**Portfolio Manager:** means Merisis Advisors Private Limited registered with Securities and Exchange Board of India as a Portfolio Manager vide Registration Certificate No. INP000006846 dated July 24, 2019, under the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

**Principal Officer:** means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager and is responsible for the decisions made by the Portfolio Manager for the management or administration of Portfolio of Securities or the funds of the Client, as the case may be; and all other operations of the Portfolio Manager.

**PMS:** means the portfolio management services provided by the Portfolio Manager in accordance with the terms and conditions set out in the Agreement, this Document and subject to Applicable Laws.

**Regulations:** means the SEBI (Portfolio Managers) Regulations, 2020 as amended and modified from time to time and including any circulars/notifications issued pursuant thereto.

**Securities:** shall mean and include securities/instruments of Portfolio Entities, all marketable securities including equity shares, quasi equity shares, preference shares, debentures (whether convertible or non-convertible and whether secured or unsecured and whether listed or unlisted), convertible securities, depository receipts, bonds, secured premium notes, government securities, pass-through certificates, treasury bills, units, derivatives, equity linked products, debt, hybrid debt products, mortgage-backed securities, commercial debt papers, notes, units of a trust and any other instrument falling within the definition of 'security' under section 2(h) of the Securities Contract (Regulation) Act, 1956.

**SEBI:** shall mean 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.

**Portfolio or Client Portfolio:** means the total holdings of Securities and goods belonging to the Client in accordance with the Agreement.

**PML Laws:** means the Prevention of Money Laundering Act, 2002, Prevention of Money- laundering (Maintenance of Records) Rules, 2005, the guidelines/circulars issued by SEBI thereto as amended and modified from time to time.

**Investment Approach:** is a scheme wise broad outlay by the Portfolio Manager indicating its investment objective, type of securities and permissible instruments, basis of selection, allocation mechanism, benchmark selection and associated risks among other aspects.

Any term used in this Document but not defined herein (but defined in the Regulations) shall have the same meaning as assigned to them in the Regulations.

## 3. Description

### I. History, Present Business and Background of the Portfolio Manager

The Portfolio Manager was incorporated on July 06, 2012, at Mumbai. The Portfolio Manager is currently engaged in the business of providing investment banking advisory services to corporate clients and portfolio management services and advisory services to High-Net-Worth Individuals (HNIs), institutional clients, corporate and other permissible class of investors. The services offered by the Portfolio Manager under the investment banking advisory services are equity syndication, merger and acquisition advisory and structured credit solutions. The Portfolio Manager has as portfolio manager license (registration number INP000006846 dated July 24, 2019]) to offer, portfolio management

### II. Promoters of the Portfolio Manager, Director and their background

**(a) Fazal Ahad**

Mr. Ahad has more than 26 years of experience in investment banking, asset management and industry, in India and abroad. Mr. Ahad has earlier worked with Rana Investment Company, Saudi Arabia, Reliance Industries Limited, Lloyds Finance Limited, IDBI Bank Limited and Tata Motors Limited. Mr. Ahad brings expertise of having run a private equity fund and a perspective of what funds look for in deals. He is a B. Tech in Electrical Engineering from IIT BHU, an MBA from IIM-Calcutta and a CFA.

**(b) Sumir Verma**

Mr. Verma has more than 26 years of experience in investment banking, strategy consulting, operational leadership roles, corporate acquisitions in India and abroad. Mr. Verma has earlier worked with Meghraj Capital Advisors Private Limited and Cambridge Solutions Limited. He also assisted and worked with corporate strategy group at Aditya Birla Group & Export-Import Bank of India. He brings strong investment banking skills, organization building abilities and the zeal of an entrepreneur to Merisis Advisors Private Limited. He is a Chartered Accountant and an MBA from XLRI, Jamshedpur.

**(c) Sunil Gulati**

Mr. Gulati is the non-executive Chairman of Merisis Advisors Private Limited, a boutique investment bank and is an independent director on the boards of (a) Fincare Small Finance Bank Limited; (b) PNB MetLife India Insurance Company Limited; (c) Varthana Finance Private Limited, a NBFC that finances affordable private schools; (d) Visage Holdings and Finance Private Limited (branded as Kinara), a NBFC financing MSMEs; (e) Samunnati Financial Intermediation & Services Private Limited, a NBFC focused on the agriculture value chain; (f) Perfios Aggregation Services Pvt Ltd. (g) Empays Payment Systems India Private Limited , a RBI licensed player focused on domestic and cross-border payment services; and (h) Paradime Technologies Private Limited (branded as Numberz), an account receivable and cash flow management software services company and (i) SBI Mutual Fund Trustee Co Pvt Ltd and (j) Arthan Finance Pvt Ltd.

He has 3 (three) decades of global experience in the banking industry across investment banking, corporate finance, relationship management, risk management and corporate strategy. Sunil holds a B. Tech from the Indian Institute of Technology, Delhi (1982) in Electrical Engg./Computer Science and is a gold medalist from the Indian Institute of Management, Ahmedabad (1984).

**III. Top 10 Group companies/firms of the Portfolio Manager on turnover basis**

The details of group companies/firms of the Portfolio Manager on turnover bases for the period ended March 31, 2025:

| Sr no. | Name of Entities | Status |
|---|---|---|
| 1. | Valuebridge Capital Advisors Private Limited | 100% shares are owned by Merisis Advisors Private Limited. |
| 2. | Merisis Wealth Private Limited | 100% shares are owned by Merisis Advisors Private Limited |
| 3. | Merisis Investment Managers LLP | 1. Merisis Advisors Private Limited - 99.99%; 2. Sumir Verma - 0.01% |

**IV. Details of the services being offered: Discretionary and Advisory**

The Portfolio Manager offers Discretionary portfolio management services and Advisory services to its clients.

**a) Discretionary Portfolio Management Services:**
Under this service, the Portfolio Manager can exercise any degree of discretion in the investments or management of Assets of the Client. The choice as well as the timings of the investment decisions would rest solely with the Portfolio Manager. The portfolio managers' Decision (taken in good faith) in deployment of the Clients' account is absolute and final and cannot be called in question or be open to review at time during the currency of the agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence. The acts done by the Portfolio Manager will be in accordance with the relevant Acts, Regulations, guidelines and notifications in force from time to time.

**b) Advisory Services:**
Under this service, the Portfolio Manager will provide advice to the Client on investments in general or any specific advice required by the Clients. The Portfolio Manager will render the advice suitable to the Client as per the Client's needs and the same can be binding or non – binding in nature in accordance with the terms mentioned in the agreement. The execution of the advice will solely be the Client's responsibility.

**Merisis Advisors Private Limited shall provide the above services to the following category of clients:**

| Client Category | Nature of services |
|---|---|
| Indian resident individuals, non – resident Indians, bodies corporate, partnership firms, trust, societies, association of persons, limited liability partnership & such other | Discretionary/ Non- discretionary/ Advisory |
| Foreign Portfolio Investors and their sub - accounts | Discretionary/ Non- discretionary/ Advisory |

**4. Penalties, pending litigation or proceedings:**

| | | |
|---|---|---|
| 1 | All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Regulations made thereunder | NA |
| 2 | The nature of the penalty/direction. | NA |
| 3 | Penalties imposed for any economic offence and/or for violation of any Securities laws. | NO |
| 4 | Any pending material litigation/legal proceedings against the Portfolio Manager/key personnel with separate disclosure regarding pending criminal cases, if any. | NO |
| 5 | Any deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency. | NO |
| 6 | Any enquiry/adjudication proceedings initiated by the Board against the Portfolio Manager or its directors, principal officer or employee or any person directly or indirectly connected with the Portfolio Manager or its directors, principal officer or employee under the Act or Regulations made thereunder. | NO |

**5. Services Offered**

I. The Portfolio Manager broadly offers Discretionary Portfolio Management, Non-Discretionary portfolio Management and Advisory Portfolio Services.

II. The Portfolio Manager shall not accept from the client, funds or securities worth less than fifty lakh rupees (Rs 50 Lakhs). However, the said minimum investment amount shall not be applicable to Accredited Investors.

III. The Portfolio Manager may on-board the Client directly or through empaneled Distributor

IV. These services are being offered under various strategies with various terms and conditions which are described in further details in “Annexure I – Investment Approach”

**6. Risk factors**

**I. General Risks:**

a) Securities investments are subject to market risk and there is no assurance or guarantee that the objectives of the PMS will be achieved. There is no assurance or guarantee that the objectives of investments in securities will be achieved. The value of the portfolio may increase or decrease depending upon various market forces and factors affecting the capital markets such as de-listing of securities, market closure, a relatively small number of scrips accounting for a large proportion of trading volume. Consequently, the portfolio manager provides no assurance of any guaranteed returns on the portfolio.

b) The Portfolio Manager has no previous experience/track record in the field of portfolio management services and has obtained a license to function as a portfolio manager only on July 24, 2019. However, the Principal Officer, directors and other key management personnel of the Portfolio Manager have rich individual experience.

c) The past performance of the Portfolio Manager or its partners or the principal officer does not indicate its future performance.

d) Investment decisions made by the Portfolio Manager may not always be profitable.

e) Prospective Clients should review / study this Disclosure Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale or conversion into money) of the Portfolio and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their Portfolio before authorizing the Portfolio Manager to make an investment on their behalf.

f) As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Portfolio will endure indefinitely. In view of the individual nature of tax consequences, each investor is advised to consult his/ her own professional tax advisor.

g) The investments made are subject to external risks such as war, natural calamities, and policy changes of local / international markets which affect stock markets.

h) Any policy change / technology change / obsolescence of technology would affect the investments made in a particular industry.

i) The Portfolio Manager is neither responsible nor liable for any losses resulting from the operations of the Portfolios.

j) The Portfolio Manager does not offer any guaranteed / assured returns.

k) Any act, omission or commission of the Portfolio Manager under the Agreement would be solely at the risk of the Client and the Portfolio Manager will not be liable for any act, omission or commission or failure to act save and except in cases of gross negligence, willful default and/or fraud of the Portfolio Manager.

l) The PMS is subject to risk arising out of non-diversification as the Portfolio Manager under its PMS may invest in a particular sector, industry, few/single Portfolio Entity/ies. The performance of the Client Portfolio would depend on the performance of such companies/industries/sectors of the economy.

m) Investment and Liquidity Risks: There may be no active secondary market for investments of the kind the Portfolio Manager may make for the Client Portfolio. Such investments may be of a medium-to-long term nature. There are a variety of methods by which unlisted investments may be realized, such as the sale of investments on or after listing, or the sale or assignment of investments to joint-venture partners or to third parties subject to relevant approvals. However, there can be no guarantee that such realizations shall be achieved, and the Portfolio's investments may remain illiquid.

n) Since the Portfolio may only make a limited number of investments, poor performance by one or a few of the investments could severely adversely affect the total returns of the PMS.

o) Macro-Economic risk: Overall economic slowdown, unanticipated corporate, performance, environmental or political problems, changes to monitory or fiscal policies, changes in government policies and regulations with regard to industry and exports may have a direct or indirect impact on the investments, and consequently the growth of the portfolio.

**II. Risks associated with investments in equity and equity linked securities**

Other risks arising from the investment objectives, investment strategy, Investment Approach and asset allocation are stated as under:

Equity and equity related securities by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors. In the process, the prices of securities can go up or down as well and therefore there is no guarantee of profits.

In domestic markets, there may be risks associated with trading volumes, settlement periods and transfer procedures that may restrict liquidity of investments in equity and equity related securities.
In the event of inordinately low volumes, there may be delays with respect to unwinding the Portfolio and transferring the redemption proceeds.

The value of the Client Portfolio, 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 policies of any appropriate authority and other political and economic developments and closure of stock exchanges which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the Portfolio valuation may fluctuate and can go up or down.

Client may note that Portfolio Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.

**III. Risks associated with investments in fixed income securities/products**

**Interest Rate Risk:** As with all debt securities, changes in interest rates affects the valuation of the portfolios, as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise.

**Liquidity Risk:** This refers to the ease at which a security can be sold at or near its true value. Lower liquidity can result in higher spreads affecting the price of the security.

**Credit Risk:** Debt securities are subject to the risk of the issuer's inability to meet the principal and interest payments on the obligations and may also be subject to the price volatility due to such factors as interest sensitivity, market perception, or the creditworthiness of the issuer and general market risk.

**Reinvestment Risk:** Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

**Rating Risk:** Different types of debt securities in which the Client invests, may carry different levels and types of risk. Accordingly, the risk may increase or decrease depending upon its investment pattern, for instance corporate bonds carry a higher amount of risk than government securities. Further even among corporate bonds, bonds, which are AA rated, are comparatively riskier than bonds, which are AAA rated.

**IV. Management and Operational risks**

Reliance on the Portfolio Manager: The success of the PMS will depend to a large extent upon the ability of the Portfolio Manager to source, select, complete and realize appropriate investments and also reviewing the appropriate investment proposals. The investment decisions made by the Portfolio Manager may not always be profitable as the results will only be known after the decisions are made. Investments made by the Portfolio Manager are subject to risks arising from the investment objectives, Investment Approach, investment strategy and asset allocation.

Ongoing risk profiling risk: The Client would be subject to ongoing risk profiling in accordance with the Regulation. If in case during such ongoing risk profiling, it is found that the Client is not suitable for the investments in Securities or doesn't have risk appetite, the Portfolio Manager may terminate the Agreement with the Client.

**7. Client Representation:**

I. The following data pertains to clients as on 31st March 2025.

| Category | Number of clients | AUM (INR cr) | Discretionary /Non-discretionary |
|---|---|---|---|
| **Proprietary (Corporate)/ Associates/Group Cos** | - | - | Discretionary |
| **Resident Individuals** | 11 | 6.5214 | |
| **NRIs** | 0 | 0 | |
| **Corporates** | 0 | 0 | |
| **Total** | 11 | 6.5214 | |

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

*Related party disclosures as per the standards specified by the Institute of Chartered Accountants of India:*

**A. Names of the related parties**

| | | |
|---|---|---|
| i. | Related Entities | : Merisis Investment Managers LLP<br>: Valuebridge Capital Advisors Private Limited<br>: Merisis Wealth Private Limited |
| ii. | Key Management Personnel | : Sumir Verma (Director)<br>: Fazal Ahad (Director)<br>: Sunil Gulati (Director)<br>: Vijay Iyer (Managing Director of Subsidiary) |
| iii. | Relative of Key Management Personnel not covered above | : Lansdowne Associates<br>: Farrah Deba<br>: Swati Verma<br>: Zoheb Ahad<br>: Samriddhi Verma |

**B. Related party transactions (Based on the Audited Standalone Financials)**

| Nature of transaction | For the financial year 2021-2022(Amount in INR Lakhs) | For the financial year 2022- 2023 (Amount in INR Lakhs) | For the financial year 2023-2024 (Amount in INR Lakhs) |
|---|---|---|---|
| **Issue of Compulsorily Convertible Preference Shares (including securities premium):** | | | |
| Sunil Gulati | - | - | - |
| | | | |
| **Fees for purchase of services:** | | | |
| Sunil Gulati | 35.63 | - | - |
| Samriddhi Verma | 18.00 | 18.00 | - |
| Zoheb Ahad | 17.50 | 18.00 | 15.00 |
| Farrah Deba | 14.00 | 48.00 | 15.00 |
| Swati Verma | 12.00 | 43.00 | 15.00 |
| Lansdowne Associates | 5.00 | 47.00 | 15.00 |
| | | | |
| **Purchase of Fixed Assets:** | | | |
| Valuebridge Capital Advisors Pvt Ltd | - | 16.70 | - |
| | | | |
| **Purchase of Shares:** | | | |
| Fazal Ahad | 0.29 | - | - |
| Sumir Verma | 0.42 | - | - |
| Swati Verma | 0.01 | - | - |
| | | | |
| **Loans Repaid:** | | | |
| Valuebridge Capital Advisors Private Limited | 6.24 | 49.64 | |

| | | | |
|---|---|---|---|
| Merisis Investment Managers LLP | - | 260.00 | |
| | | | |
| **Sale of Services and other operating revenues** | | | |
| Valuebridge Capital Advisors Private Limited | 71.05 | 177.59 | 12.30 |
| Merisis Investment Managers LLP | 11.51 | 103.88 | 37.73 |
| Merisis Wealth Private Limited | 0.45 | - | 92.00 |
| | | | |
| **Remuneration:** | | | |
| Fazal Ahad | 58.08 | 148.00 | 75.00 |
| Sumir Verma | 58.52 | 101.00 | 75.00 |
| Swati Verma | - | - | - |
| Farah Deba | - | - | - |
| | | | |
| **Share Subscription:** | | | |
| Valuebridge Capital Advisors Private Limited | - | - | - |
| Merisis Wealth Private Limited | - | - | 326.47 |
| | | | |
| **Receipt of Share Application Money** | | | |
| Vijay Iyer | - | 59.13 | - |
| | | | |
| **Loans and Advances** | | | |
| Valuebridge Capital Advisors Private Limited | 0.30 | 0.03 | - |
| Merisis Investment Managers LLP | 327.77 | 236.56 | - |
| Merisis Wealth Private Limited | 8.02 | 6.34 | - |
| | | | |
| | | | |
| **Transfer of Gratuity Liability** | | | |
| Valuebridge Capital Advisors Private Limited | - | 0.26 | - |
| Merisis Wealth Private Limited | - | 1.83 | 0.84 |
| | | | |
| **Borrowings** | | | |
| Valuebridge Capital Advisors Private Limited | - | 0.26 | |
| | | | |

8. **Financial Performance of Portfolio Manager (based on audited standalone financial statements) INR value in lakhs**

| | As on March 31, 2022 | As on March 31, 2023 | As on March 31, 2024 |
|---|---|---|---|
| **Net Profit (After Tax)** | 628.73 | 79.82 | 119.60 |

9. **Performance of the Portfolio Manager**

The Portfolio Manager has been granted registration on July 24, 2019.

| | | | | | | | | Data as on 31 March 2025 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Strategy** | **Performance (in CAGR)** | **1 Month** | **3 Month** | **6 Month** | **1 Year** | **2 Year** | **3 Year** | **4 Year** | **5 Year** | **Since Inception** |
| Equity | Merisis Multicap Portfolio | 7.99 | -6 | -14.93 | 1.7 | 7.9 | 6.4 | 9.86 | 17.96 | 16.78 |
| | Benchmark: Nifty 50 TRI | 6.31 | -0.29 | -8.51 | 6.65 | 17.77 | 11.75 | 13.82 | 23.7 | 15.32 |
| **Strategy Performance Computation is based on TWRR on Pooled basis, post fees & expenses** | | | | | | | | | | |

10. **Audit Observations for preceding three years**

Merisis Advisors Private Limited was incorporated on July 06, 2012
There were no adverse observations made by statutory Auditor of the Portfolio Manager in the audit report of last 03 preceding years.

11. **Nature of expenses**

The following are indicative types of costs and expenses incurred by the Portfolio Manager for and on behalf of clients availing the Portfolio Management Services. The exact basis of charge relating to each of the services shall be annexed to the Portfolio Management Agreement.

I. **Investment Management and Advisory Fees / Portfolio Management Fees:** This fee may be a fixed charge or a percentage of the quantum of funds managed or may be linked to the portfolio performance / returns achieved or a combination of any of these as agreed in the Agreement entered into between the Portfolio Manager and the Client.

While calculating performance fees, we follow the best practices keeping in mind the interest of our clients:

a) High Water Mark: the principle of high-water mark will be followed. High Water Mark shall be the highest value that the portfolio / account has reached. Value of the portfolio for computation of high watermark shall be taken to be the value on the date when performance fees are charged. For the purpose of charging performance fee, the frequency shall be as per agreed fee term which shall in no case be less than quarterly. The portfolio manager shall charge a performance-based fee only on an increase in portfolio value in excess of the previously achieved high water mark.

b) Hurdle Rate Compounding: Hurdle rate is the minimum return a portfolio should generate before any performance fee can kick in. We follow hurdle rate compounding on the initial investment even in down years keeping in mind the interest of the clients.

c) Net Returns: The performance fees is calculated on net returns i.e. after adjusting for all the expenses including management fees, brokerage, custodian fee, stamp duty & taxes like STT etc.

Apart from Portfolio Management Fees, the following are the general costs and expenses to be borne by the Client availing the Services of the Portfolio Manager on actual basis:

II. **Brokerage and transaction costs:** The investments under the strategies of the portfolio manager would be done through the registered members of the stock exchanges who charge brokerage at a percentage per transaction which are subject to change from time to time. In addition to the brokerage, there are demat transaction charges and other charges like GST, stamp duty, transaction costs including bank charges, turnover tax, securities transaction tax or any other tax levied by statutory authorities on the purchase and sale of securities and entry or exit loads (if any) on units of mutual funds.

## III. Other Expenses:

a) Custodian / Depository fees: The charges relate to opening and operation of Depository accounts, custody and transfer charges for Securities, dematerialization and re-materialization and other charges in connection with the operation and management of the Depository accounts.

b) Registrar and transfer agent fees: Charges payable to registrars and transfer agents in connection with transfer of Securities including stamp charges, cost of affidavits, notary fees, postage, courier and other related charges. Similarly, charges payable to registrars and transfer agents in connection with services such as collection of applications together with payments from clients, redemption of investments, maintenance of client accounts, preparation & mailing statements of accounts and other client reports, responding to enquiries made by clients etc.

c) Securities lending related expenses: The charges pertaining to lending of Securities and costs associated with transfers of Securities connected with the lending operations would be recovered.

d) Certification and professional charges: Charges payable for outsourced professional services like accounting, auditing, taxation and legal services etc. for documentation, notarizations, certifications, attestations required by bankers or regulatory authorities including legal fees etc would be recovered.

e) Services related expenses: Charges in connection with day-to-day operations like courier expenses, stamp duty, service tax, postal, telegraphic any other out of pocket expenses as may be incurred by the portfolio manager would be recovered.

f) Direct Clients: Clients can get onboarded and opt for services of Portfolio Manager, without any intermediation of persons engaged in distribution services. Prospective investors may directly contact us at given coordinates (email & number).

g) Any other incidental and ancillary charges: All incidental and ancillary expenses not covered above but incurred by the Portfolio Manager on behalf of the Client for the Services and expenses incurred by the Portfolio Manager in terms of the Agreement shall be charged to the Client.

An indicative table of the charges that may be levied by the Portfolio Manager is given hereunder:

| No. | Nature of Fees | Annual Fees |
|---|---|---|
| 1 | **Upfront Fee** | Nil / Usually NA |
| 2 | **Fixed Management Fee**<br>(on asset under management) | Upto 2% p.a<br>Charged Monthly |
| 3 | **Performance Fee**<br>(on returns above 7%) | Upto 20% p.a<br>Charged Yearly |
| 4 | **Brokerage**<br>(on transaction value) | At Actuals<br>0.05% |
| 5 | **Custodian Fees along with Fund Accounting Charges**<br>(on asset under management) | At Actuals<br>0.05% |
| 6 | **Depository Charges** | At Actual |
| 7 | **Exit Load**<br>(No lock-ins or exit load) | Nil |
| 8 | **Registrar & Transfer Fees** | At Actual |
| 9 | **Applicable Goods & Service Tax (GST),** | At Actual |

| | | |
|---|---|---|
| | **Security Transaction Tax (STT) & other Statutory levies** | |
| 10 | **Out of pocket & other incidental Expenses like audit fees, etc.** | At Actual |

In case of the fixed fee in percentage terms, the same will be charged monthly to the client. In case of performance-based fees, the same will be charged on yearly completion cycle from the date of account activation for each respective client or the year end cycle of 31st March of each year

**12. Tax Implications**

It may be noted that the information given hereinafter is only for general information purposes and is based on the Portfolio Manager's understanding regarding the Tax laws and practice currently in force in India and the Investors should be aware that the relevant fiscal rules or their interpretation may change or it may not be acceptable to the tax authorities. As is the case with any interpretation of any law, there can be no assurance that the tax position or the proposed tax position prevailing at the time of an investment will be accepted by the tax authorities or will continue to be accepted by them indefinitely.

In view of the individual nature of tax consequences, each client is advised to consult his/her/its tax advisor with respect to the specific tax consequences to him/her/it of participation in the product. The portfolio manager shall not be responsible for assisting in or completing the fulfillment of the client's tax obligations.

Under the portfolio management service, responsibility of the income tax payable on capital gains, dividends, interest or any other taxable income is on the Investor. The Portfolio Manager will provide adequate statements required for the accounting purpose.

**13. Accounting policies**

I. The Portfolio Manager shall maintain a separate Portfolio record in the name of the Client in its book for accounting the assets of the Client and any receipt, income in connection therewith as provided under SEBI (Portfolio Managers) Regulations, 2020.

II. The Portfolio Manager shall keep and maintain proper books of accounts, records and documents for each Client so as to explain transactions for each client and to disclose at any point in of time the financial positions of each of the client and in particular to give a true and fair view of the state of affairs of the portfolio of each client.

III. The key pointers of the accounting policy can be summarized as below pointers:

a) Contribution to the portfolio by way of securities are recorded as market value
b) All the investments performance reports will consider the valuation as per the mark to market basis
c) Profit or Loss on sale of investments is calculated using the "First In First Out" (FIFO) method
d) Purchase and sale transactions will be recognized on the trade date and not on the settlement date
e) Corporate actions like Bonus, Split, Dividends, Rights, Merger, Demerger, Buyback etc will be maintained
f) TDS if any is accounted as corpus out, since such amounts are not available for investment purposes
g) Accounting norms prevalent in the PMS industry will be adopted from time to time
h) Client may contact the office of Portfolio Manager to get further clarity on the accounting policies

**14. Custodian Service Provider**

Custody of all Securities of the Client shall be with the Custodian who shall be appointed, from time to time, at the discretion of the Portfolio Manager. The Custodian shall act on instructions of the Portfolio Manager.

All such custodian fees, charged by the Custodian shall be payable by the Client. The Portfolio Manager shall not be liable for any act of the Custodian, done with or without the instruction of the Portfolio Manager, which may cause or is likely to cause any loss or damage to the Client.

| Sr | Service Provider | SEBI Registration # | Nature of Service Provided |
|---|---|---|---|
| 1 | HDFC Bank Limited | IN/CUS/001 | Custodian and Fund accounting services |

**15. Investors services**

**I. Contact Information of the Investor Relations Officer**
The officer will ensure that the Client's grievances are sorted out promptly. The Portfolio Manager will ensure that this official is vested with necessary authority, independence and the means to handle Client complaints.

| | |
|---|---|
| **Name** | Mr. Vikas Kesharwani |
| **Designation** | Head – Fund Operations |
| **Address** | 11/A, 19th Main Road, Sector 3, HSR Layout, Bengaluru, Karnataka – 560102 |
| **Telephone No** | +91 080 – 44324168 |
| **Email id** | vikas@merisis.in |

**II. Grievance redressal and dispute settlement mechanism:** The grievances, if any that may arise pursuant to this Agreement shall be sent to

| | |
|---|---|
| **Name** | Mr. Sumir Verma |
| **Designation** | Compliance Officer |
| **Address** | 11/A, II Floor, 19th Main Road Opp: Indian Oil Petrol Bunk, Sector 3, HSR Layout, Bengaluru, Karnataka 560102 |
| **Telephone No** | +91 080 – 44324168 |
| **Email id** | sumir@merisis.in |

a) The Portfolio Manager will ensure that this official is vested with the necessary authority and independence to handle Client complaints. The aforesaid official will immediately identify the grievance and take appropriate steps to eliminate the causes of such grievances to the satisfaction of the Client. Effective grievance management would be an essential element of the Portfolio Manager's portfolio management services

b) Any dispute unresolved by the above internal grievance redressal mechanism of the Portfolio Manager, can be submitted to arbitration under the Arbitration and Conciliation Act, 1996. The arbitration shall be before three arbitrators, with each party entitled to appoint an arbitrator and the third arbitrator being the presiding arbitrator appointed by the two arbitrators. Each party will bear the expenses / costs incurred by it in appointing the arbitrator and for the arbitration proceedings. Further, the cost of appointing the presiding arbitrator will be borne equally by both the parties. Such arbitration proceedings shall be held at Mumbai and the language of the arbitration shall be English. The courts of Mumbai shall have the exclusive jurisdiction to adjudicate upon the claims of the parties.

c) Without prejudice to anything stated above, the Client can also register its grievance/complaint through SCORES (SEBI Complaints Redress System), post which SEBI may forward the complaint to the Portfolio Manager and the Portfolio Manager will suitably address the same. SCORES is available at http://scores.gov.in.

**16. Details of investments in the securities of related parties of the portfolio manager**

There are no related parties of the portfolio manager.

| No | Investment Approach, if any | Name of the associate/related party | Investment amount (cost of investment) as on last day of the previous calendar quarter (INR in crores) | Value of investment as on last day of the previous calendar quarter (INR in crores) | Percentage of total AUM as on last day of the previous calendar quarter |
|---|---|---|---|---|---|
| 1 | | NA | Nil | Nil | Nil |

**17. Details of the diversification policy of the portfolio manager**

The Portfolio Manager follows a comprehensive diversification policy designed to optimize risk-adjusted returns while minimizing portfolio risks. This policy includes a dynamic asset allocation strategy that distributes investments across asset classes based on investment approach.

**18. General**

**Prevention of Money Laundering**

The Portfolio Manager shall presume that the identity of the Client and the information disclosed by the Client is true and correct. It will also be presumed that the funds invested by the Client through the services of the Portfolio Manager come from legitimate sources / manner only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the Income Tax Act, 1961, PML Laws, Prevention of Corruption Act, 1988 and/or any other Applicable Law in force and the investor is duly entitled to invest the said funds.

To ensure appropriate identification of the Client(s) under its Know Your Client (KYC) policy and with a view to monitor transactions in order to prevent money laundering, the Portfolio Manager (itself or through its nominated agency as permissible under Applicable Laws) reserves the right to seek information, record investor's telephonic calls and/or obtain and retain documentation for establishing the identity of the investor, proof of residence, source of funds, etc.

Where the funds invested are for the benefit of a person (beneficiary) other than the person in whose name the investments are made and/or registered, the Client shall provide an undertaking that the Client, holding the funds/securities in his name, is legally authorized/entitled to invest the said funds/securities through the services of the Portfolio Manager, for the benefit of the beneficiaries.

The Portfolio Manager will not seek fresh KYC from the Clients who are already KYC Registration Agency (KRA) compliant except the information required under any new KYC requirement. The Clients who are not KRA compliant, the information will be procured by the Portfolio Manager and uploaded.

The Portfolio Manager, and its directors, shareholders, employees, agents and service providers shall not be liable in any manner for any claims arising whatsoever on account of freezing the Client's account/rejection of any application or mandatory repayment/returning of funds due to non- compliance with the provisions of the PML Laws and KYC policy. If the Portfolio Manager believes that transaction is suspicious in nature within the purview of the PML Laws, then it will report the same to FIU-IND.

Notwithstanding anything contained in this Document, the provisions of the Regulations, PML Laws and the guidelines there under shall be applicable. Clients/Investors are advised to read the Document carefully before entering into an Agreement with the Portfolio Manager.

**For and on behalf of Merisis Advisors Private Limited**

| | | |
|---|---|---|
| **Mr. Sumir Verma**<br>**DIN**: 02816723<br>Director | | SVerma |
| **Mr. Fazal Ahad**<br>**DIN**: 03209340<br>Director | | Fazal Ahad |

Place: Mumbai
Date: 01/07/2025

## 19. Annexure I – Investment Approach

### 1. Investment Approach - Merisis Multicap Portfolio

#### I. Investment Objective

This is an actively managed, long only investment strategy under the discretionary mandate designed to make investments in Equity securities as per individual client needs and preferences.

The investment objective is to generate capital appreciation and dividend income by investing in a diversified portfolio of stocks belonging to various capitalization and sectors by utilizing a combination of top down and bottom up stock selection approach.

Some tactical opportunities in other asset classes like REITs & INVITs, if possible, based on research and market outlook will be identified to enhance overall returns.

#### II. Description of type of securities

The investments would include listed stocks among large cap, mid cap and small cap companies.
These listed stocks could represent various businesses across sectors like BFSI, Pharma, IT, FMCG, etc.

#### III. Basis of selection of securities

Investments will only be in stocks listed on the BSE or NSE.
Funds pending deployment will be invested in Liquid / Money Market Funds.
Portfolio investments in stocks will be driven by top down and bottom-up stock selection approach.
The stock selection would be driven by both fundamental and technical analysis.
Growth, Value and Momentum style of investment may be used to select securities.
The investments in stocks will largely be within an IC approved securities universe comprising of the Top 1,000 listed Companies (by Market Capitalization).
The stocks will be included in the research universe based on due research by the Portfolio management team utilizing both internal and external research.
At the time of investment in a particular security due consideration will be given on the impact on overall portfolio in terms of weightage, diversification, liquidity etc.

#### IV. Strategy

Equity

#### V. Fund Management Style

- Active asset allocation strategy will be followed
- Long only
- Top down and bottom-up investment approach will be utilized
- Stock selection would be driven by both fundamental and technical analysis.
- Growth, Value and Momentum style of investment may be used to manage portfolio.

## VI. Asset Allocation (Indicative)

| Segment | Allocation Range | Maximum % Weight per any single script |
|---|---|---|
| Top 1,000 Companies (by Market Capitalization) | 0-100% | 15% |
| Beyond Top 1,000 Companies (By Market Capitalization) | 0-10% | 5% |
| ETFs / FoFs / Invits / REITs / Listed Debt / Debt ETFs | 0-60% | 15%* |
| Liquid ETFs | 0-15% | 15%* |

*Going beyond Max permissible weights will require explicit approval from IC

## VII. Benchmark and basis for benchmark

| | |
|---|---|
| S&P BSE 500TRI Index | 100% |
| **Total** | **100** |

The benchmark is most suitable for comparing performance of the investment strategy based on Asset allocation.

## VIII. Indicative Investment horizon

Investment horizon will be 3-5 years as the strategy can also invest stocks beyond the top 1,000 listed Companies which require longer time horizon for the investment thesis to play out.

## IX. Risk associated with the investment approach

The following risks are considered and measures taken for mitigation of the risks.

| | |
|---|---|
| **Market Risk** | Market risk is defined as the risk involved in investing in financial markets and holding individual securities.<br><br>The risk is mitigated as the Investment team adopts the best practice tools to manage the market risk of the funds within the framework set by their specific Investment Approach. |
| **Concentration risk** | Concentration risk is defined as the risk from having a high exposure to any issuer or sector.<br><br>The risk is mitigated at the company level by avoiding portfolio concentration and diversifying the number of stocks in the portfolio as per the investment approach. |

| | |
|---|---|
| **Liquidity Management Risk** | Liquidity risk is the risk of incurring realized losses because of having to obtain funds at unfavorable conditions due to a mismatch in the cash flows of assets and liabilities.<br><br>The Funds will have an Exit Load to manage the risk in short term horizon as well have diversified holding across market capitalization and sectors with due consideration to liquidity. |
| **Asset Limit Breach Risk** | Asset limit breach risk is defined as the risk involved in breaching a hard limit set by either SEBI, the company or within a specific Fund Investment Approach due to possible significant redemptions, inability to fully execute a rebalancing, asset price appreciation or maturity of bonds.<br><br>These limits are monitored by the Investment Team on a daily basis. Once a breach occurs, it is reported immediately to Head Fund Management for corrective action. |
| **Operational Risk** | Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events.<br>The management of portfolios involves monitoring of investment holdings on a regular basis, and thus strict discipline needs to be maintained to prevent any operational slippages.<br><br>The Risk will be handled as per norms laid down by SEBI. |

---

**2. Investment Approach - Merisis SmartBlend ETF Strategy**

**I. Investment Objective**

This is an actively managed, long only investment strategy under the discretionary mandate designed to make investments in various asset classes viz Domestic Equity, International Equity, Debt, Gold, Silver and Cash (Liquid Funds) via Exchange Traded Funds (ETFs) as the underlying, basis the client risk profile. The strategy may also include taking exposure to alternate asset classes such as listed REITs and INVITs. The strategy may also include taking exposure to international markets through direct mutual funds offering Fund of Fund structures.

The investment objective is to generate capital appreciation and/Or income via interest and dividends by investing in a diversified portfolio of ETFs, REITs and INVITs representing various asset classes viz Equity, Debt, Precious Metals, Cash (Liquid Funds), REITs, INVITs and Direct Mutual Funds by utilizing quantitative and qualitative research (both primary and secondary).

**II. Description of type of securities**

The investments would include ETFs as underlying representing various asset classes viz Equity, Debt, Precious Metals, (Liquid Funds), REITs, INVITs and Direct Mutual Funds.

**III. Basis of selection of securities**

ETFs with adequate liquidity and meeting a certain AUM threshold would be considered for inclusion in the tracking universe.
Funds pending deployment will be invested in Liquid / Money Market Funds.
Portfolio investments would be done basis quantitative and qualitative analysis
Growth, Value and Momentum style of investing may be used to select ETFs, REITs and INVITs.
The investments in ETFs, REITs, INVITs and Direct Mutual Funds will be within an IC approved universe
The ETFs, REITs, INVITs and Direct Mutual Funds will be included in the research universe based on due diligence by the Portfolio management team utilizing both internal and external research

At the time of investment in a particular instrument, due consideration will be given on the impact on overall portfolio in terms of weightage, diversification, liquidity etc.

**IV. Fund Management Style**

Active asset allocation strategy will be followed
Long only
Research and Portfolio Management tools like Wealth Spectrum, Morningstar Direct, Finalyca, Value Research, ACE Equity, Screener.in would be used
Selections would be driven by both quantitative and qualitative analysis.
Growth, Value and Momentum style of investment may be used to manage portfolio.

**V. Asset Allocation (Indicative)**

| **Strategic Asset Allocation** | **Range %** |
|---|---|
| Cash (Liquid ETFs) / Debt ETFs | 0 – 60 |
| Domestic Equity | 0 – 100 |
| International Equity | 0 – 40 |
| Precious Metals | 0 – 60 |
| REITs / INVITs | 0 – 30 |

| **Asset Class** | **Classification (Universe of instruments)** |
|---|---|
| Domestic Equity | Index ETFs, Focused ETFs, Sectoral ETFs, Smart Beta ETFs |
| International Equity | International ETFs, Direct Mutual Funds, Fund of Funds |
| Debt | Debt ETFs, Bharat Bond ETFs, 10 Year Government Bond ETFs, Medium Duration ETFs |
| Cash | Liquid ETFs, Money Market ETFs, Overnight ETFs |
| Precious Metals | Gold ETFs, Silver ETFs |
| REITs / INVITs | Listed REITs & INVITs |

**Customers shall be offered a dynamic model portfolio under Merisis Active Passive Strategy**

**VI. Strategy**

Hybrid

**VII. Benchmark and basis for benchmark**

| | |
|---|---|
| CRISIL Hybrid 35+65 - Aggressive TR INR | 100% |
| **Total** | 100% |

The benchmark is most suitable for comparing performance of the investment strategy based on Asset allocation.

**VIII. Indicative Investment horizon**

Minimum Investment horizon of 2 years is recommended as the strategy can also invest in International, mid cap, small cap, sectoral or smart beta linked ETFs which typically require longer time horizon for the investment thesis to play out.

**IX. Risk associated with the investment approach**

The following risks are considered, and measures taken for mitigation of the risks.

| | |
|---|---|
| **Market Risk** | Market risk is defined as the risk involved in investing in financial markets and holding individual securities.<br><br>The risk is mitigated as the Investment team adopts the best practice tools to manage the market risk of the instruments selected within the framework set by their specific Investment Approach. |
| **Concentration risk** | Concentration risk is defined as the risk from having a high exposure to any single instrument.<br><br>The risk is mitigated at the company level by avoiding portfolio concentration and diversifying the number of instruments in the portfolio as per the investment approach. |
| **Liquidity Management Risk** | Liquidity risk is the risk of incurring realized losses because of having to purchase instruments at unfavourable conditions due to a mismatch or lack of depth in the bid ask order book in the market particularly during a disruptive or volatile market environment<br><br>The instruments selected will be based on a strict pre-defined liquidity and AUM threshold criteria that will be monitored on a bi-annual basis. |
| **Operational Risk** | Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events.<br>The management of portfolios involves monitoring of investment holdings on a regular basis, and thus strict discipline needs to be maintained to prevent any operational slippages.<br><br>The Risk will be handled as per norms laid down by SEBI. |

---

**3. Investment Approach - Merisis Catalyst Strategy – Series I**

**I. Investment Objective**

This is an actively managed, long only investment strategy under the discretionary mandate designed to make investments in stocks while being completely sector and market capitalization agnostic.

The investment objective is to generate significant capital appreciation by investing in a highly concentrated portfolio of stocks representing specific themes, viz., ***(illustrative but not exhaustive)***

a. Turnaround Opportunities: Invest in stocks where businesses are currently undergoing restructuring and/or coming out of a low point in the business cycle
b. High Growth Opportunities: Invest in stocks with promising high growth opportunity over the medium to long term
c. Deep Value Opportunities: Invest in stocks which trade a deep discount to their intrinsic value or well below long term valuation multiples

**II. Tenure**

Each "Catalyst" series will be open for subscriptions for a specified duration as decided internally by the Investment Committee. The fund manager may take up to a period of 12 months to deploy the entire capital into ideas that fit the investment framework. Each investor portfolio will be offered for redemption at the client's discretion upon it completing a 36-month period post deployment of minimum 85% of the capital within the first 12-month period. There is also an option to extend the portfolio life by an additional 12 months at the discretion of the client, available at the end of the 36-month period. Further the portfolio may be closed prematurely upon meeting a predefined hurdle rate at the discretion of the client. Upon closure of the portfolio money will be returned to investors within a period of 7 working days. The performance fees will be calculated against the strategy hurdle rate only at the end of investment tenure. Further the performance fees will be computed only from the date of deployment of minimum 85% capital into the strategy up to the completion of the investment tenure.

### III. Description of type of securities

The investments would include only stocks while being completely sector and market capitalization agnostic

### IV. Basis of selection of securities

a. Investments will only be in stocks listed on the BSE or NSE.
b. Funds pending deployment may be invested in Liquid / Money Market Funds.
c. Portfolio investments in stocks will be driven by top down and bottom-up stock selection approach.
d. The stock selection would be driven by both fundamental and technical analysis.
e. Counter cyclical, non-consensus, GARP centric approach may be used to select individual securities.
f. The investments in stocks will largely be within an IC approved securities universe comprising of the Top 1,500 listed Companies (by Market Capitalization).
g. The stocks will be included in the research universe based on due research by the Portfolio management team utilizing both internal and external research.
h. At the time of investment in a particular security due consideration will be given on the impact on overall portfolio in terms of weightage, diversification, liquidity etc.

### V. Strategy

Equity

### VI. Fund Management Style

- Active management will be followed
- Long only
- Top down and bottom-up investment approach will be utilized
- Stock selection would be driven by both fundamental and technical analysis.
- Growth, Value special situations, Momentum, GARP style of investment may be used to manage portfolio.
- Portfolio will have moderate to low churn

### VII. Asset Allocation (Indicative)

| Segment | Allocation Range | Maximum % Weight per any single script* |
|---|---|---|
| Top 1,000 Companies (by Market Capitalization) | 50-100% | 15% |
| Beyond Top 1,000 Companies (By Market Capitalization) | 0-50% | 10% |
| SME Companies# | 0-10% | 10% |

*Going beyond Max permissible weights will require explicit approval from IC
#Minimum free float Market Capitalization of the target company should be > INR 200 Crores

**VIII. Benchmark and basis for benchmark**

| | |
|---|---|
| S&P BSE 500TRI Index | 100% |
| **Total** | **100** |

The benchmark is most suitable for comparing performance of the investment strategy based on Asset allocation.

**IX. Indicative Investment horizon**

Investment horizon will be 3-5 years as the strategy will invest in stocks beyond the top 500 listed Companies which require longer time horizon for the investment thesis to play out.

**X. Risk associated with the investment approach**

The following risks are considered and measures taken for mitigation of the risks.

| | |
|---|---|
| **Market Risk** | Market risk is defined as the risk involved in investing in financial markets and holding individual securities.<br><br>The risk is mitigated as the Investment team adopts the best practice tools to manage the market risk of the funds within the framework set by their specific Investment Approach. |
| **Concentration risk** | Concentration risk is defined as the risk from having a high exposure to any issuer or sector.<br><br>The risk is mitigated at the company level by avoiding portfolio concentration and diversifying the number of stocks in the portfolio as per the investment approach. |
| **Liquidity Management Risk** | Liquidity risk is the risk of incurring realized losses because of having to obtain funds at unfavorable conditions due to a mismatch in the cash flows of assets and liabilities.<br><br>The Funds will have an Exit Load to manage the risk in short term horizon as well have diversified holding across market capitalization and sectors with due consideration to liquidity. |
| **Asset Limit Breach Risk** | Asset limit breach risk is defined as the risk involved in breaching a hard limit set by either SEBI, the company or within a specific Fund Investment |

| | |
|---|---|
| | Approach due to possible significant redemptions, inability to fully execute a rebalancing, asset price appreciation or maturity of bonds.<br><br>These limits are monitored by the Investment Team on a daily basis. Once a breach occurs, it is reported immediately to Head Fund Management for corrective action. |
| **Operational Risk** | Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events.<br>The management of portfolios involves monitoring of investment holdings on a regular basis, and thus strict discipline needs to be maintained to prevent any operational slippages.<br><br>The Risk will be handled as per norms laid down by SEBI. |

---

## 4. Investment Approach - Merisis Liquid Plus Strategy

### I. Investment Objective

This is an actively managed, long only liquidity / cash management strategy under the discretionary mandate designed to park initial contribution of clients at the time of subscription to any of the equity or equivalent investment strategies in Liquid or Overnight or Money Market Funds / ETFs.

The investment objective is income generation with a clear focus on capital protection by investing in Liquid or Overnight or Money Market Funds / ETFs.

### II. Description of type of securities

The investments would include only Liquid or Overnight or Money Market Funds / ETFs.

### III. Basis of selection of securities

a. Investments will only be in Liquid or Overnight or Money Market Funds / ETFs
b. The fund selection would be driven by considerations that include the following:
i. The Size (AUM) of the scheme
ii. Liquidity of the scheme (daily turnover incase of an ETF)
iii. Expense Ratio of the scheme
iv. Credit quality of the scheme
v. Duration of the scheme

### IV. Strategy

Debt

### V. Fund Management Style

- Active cash management will be followed
- Long only

## VI. Asset Allocation (Indicative)

| Segment | Allocation Range | Maximum % Weight per any single scrip* |
|---|---|---|
| Liquid or Overnight or Money Market Funds / ETFs | 0-100% | 100% |

## VII. Benchmark and basis for benchmark

| | |
|---|---|
| CRISIL Composite Bond Fund Index | 100% |
| **Total** | **100** |

The benchmark is most suitable for comparing performance of the investment strategy based on Asset allocation.

## VIII. Indicative Investment horizon

Investment horizon will be 1 Day to 365 days as the strategy will invest in Liquid / Overnight / Money Market schemes or ETFs which are typically for short duration.

## IX. Risk associated with the investment approach

The following risks are considered and measures taken for mitigation of the risks.

| | |
|---|---|
| **Interest Rate Risk** | Market value of fixed income securities is generally inversely related to interest rate movement. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. Accordingly, value of a scheme portfolio may fall if the market interest rate rise and may appreciate when the market interest rate comes down. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded. |
| **Credit Risk** | This is risk associated with default on interest and /or principal amounts by issuers of fixed income securities. In case of a default, scheme may not fully receive the due amounts and NAV of the scheme may fall to the extent of default. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It may be mentioned here that a government security is a sovereign security and is safer. Corporate bonds carry a higher amount of credit risk than government securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a rating agency is safer than a bond rated lower by the same rating agency. |
| **Spread Risk** | Credit spreads on corporate bonds may change with varying market conditions. Market value of debt securities in portfolio may depreciate if the credit spreads widen and vice versa. Similarly, in case of floating rate securities, if the spreads over the benchmark security / index widen, then the value of such securities may depreciate. |
| **Liquidity Risk** | Liquidity risk refers to the ease with which securities can be sold at or near its valuation yield-to-maturity (YTM) or true value. Liquidity condition in market varies from time to time. The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium |

| | |
|---|---|
| | attached to the price of the bond. In an environment of tight liquidity, necessity to sell securities may have higher than usual impact cost. Further, liquidity of any particular security in portfolio may lessen depending on market condition, requiring higher discount at the time of selling.<br><br>The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of some of these investments. Different segments of the Indian financial markets have different settlement periods, and such periods may be extended significantly by unforeseen circumstances. Further, delays in settlement could result in temporary periods when a portion of the assets of the Scheme are not invested and no return is earned thereon or the Scheme may miss attractive investment opportunities.<br><br>At the time of selling the security, the security may become illiquid, leading to loss in value of the portfolio. The purchase price and subsequent valuation of restricted and illiquid securities may reflect a discount, which may be significant, from the market price of comparable securities for which a liquid market exists.<br>These limits are monitored by the Investment Team on a daily basis. Once a breach occurs, it is reported immediately to Head Fund Management for corrective action. |
| **Counterparty Risk** | This is the risk of failure of the counterparty to a transaction to deliver securities against consideration received or to pay consideration against securities delivered, in full or in part or as per the agreed specification. There could be losses to the fund in case of a counterparty default. |
| **Prepayment Risk** | This arises when the borrower pays off the loan sooner than the due date. This may result in a change in the yield and tenor for the mutual fund scheme. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of Asset-backed securities (ABS). However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold. Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal may only be reinvested at a lower rate. |
| **Re-investment Risk** | Investments in fixed income securities carry re-investment risk as the interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond (the purchase yield of the security). This may result in final realized yield to be lower than that expected at the time<br><br>The additional income from reinvestment is the "interest on interest" component. There may be a risk that the rate at which interim cash flows can be reinvested are lower than that originally assumed. |

**FORM C**

Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 (Regulation 22)

| | |
|---|---|
| **Name** | Merisis Advisors Private Limited |
| **Address** | **Registered Address:** Unit No 504, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051<br><br>**Correspondence Address**: Unit No 504, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051 |
| **Phone** | 022 6828 0642 |
| **Fax Number** | - |
| **Email** | sumir@merisis.in |

We confirm that:

I. The Disclosure Document forwarded to SEBI is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by SEBI from time to time;

II. The disclosures made in the Document are true, fair and adequate to enable the investors to make a well-informed decision regarding entrusting the management of the portfolio to us / investment through the Portfolio Manager;

III. The Disclosure Document has been duly certified by an independent Chartered Accountant, as on 01$^{st}$ July 2025. The details of the Chartered Accountants are as follows:

Name of the Firm : Jain Ambavat & Associates LLP
Registration Number : 103887W / W100364
Proprietor :
Membership Number : 183411
Address : 10, Chemox House, 3$^{rd}$ Floor ,7, Barrack Lane, Opp Bombay Hospital, Mumbai 400020
Telephone Number : 022-22036260

(enclosed is a copy of the Chartered Accountants' certificate to the effect that the disclosures made in the Document are true, fair and adequate to enable the investors to make a well-informed decision).

**For and on behalf of Merisis Advisors Private Limited**

Akshay Badjate

MERISIS ADVISORS (P) LTD.

**Akshay Badjate**
**Principal Officer**