



A C Choksi

DISCLOSURE DOCUMENT

(Updated up to March 31, 2018)
Interim updation dated April 24, 2018

Portfolio Manger
A. C. Choksi Share Brokers Private Limited

2nd Floor, I.T.T.S House, 33 Shree SaiBaba Marg, Kalaghoda, Fort. Mumbai 400 001
Tel.: (022) 6159 5100 Fax: (022) 6159 5199 CIN: U67120MH1997PTC112510
Email: pms@acchoksi.com Website: www.acchoksi.com

DISCLOSURE DOCUMENT FOR PORTFOLIO MANAGEMENT SERVICES

(As per the requirement of Schedule V of Regulation 14 of Securities and Exchange Board of India (Portfolio Managers) Regulation, 1993)

(i) The Document is filed with the Securities and Exchange Board of India (SEBI) along-with the certificate in the prescribed format in terms of Regulation 14 of the SEBI (Portfolio Managers) Regulations, 1993.

(ii) The purpose of this 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. C. Choksi Share Brokers Private Limited as a Portfolio Manager.

(iii) 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. Clients may also wish to seek further clarifications after the date of this Document from the Portfolio Manager.

The latest Disclosure Document is placed on the below link –

http://www.acchoksi.com/PMS_Services.asp

(iv) All the intermediaries like Stock Broker and Depository Participants involved in the scheme are registered with SEBI.

(v) A. C. Choksi Share Brokers Private Limited is permitted to provide Portfolio Management Services pursuant to its registration as a portfolio manager with SEBI vides Registration No.: **INP_000004730** dated **July 07, 2015** under the Regulations.

(vi) Details of Principal Officer is as follows: =

Name of the Principal Officer:	Mr. Ashvin C Choksi
Phone number:	(022) 6159 5101
E-mail address:	acchoksi@acchoksi.com

(vii) The disclosure document is dated **30TH September 2018**.

PORTFOLIO MANAGER**A. C. Choksi Share Brokers Private Limited**

2nd Floor, I.T.T.S House,

33 Shree SaiBaba Marg,

Kalaghoda, Fort.

Mumbai 400 001

Tel.: + 91 22 6159 5100 Fax: + 91 22 6159 5199

Web: www.acchoksi.com

Email: pms@acchoksi.com

PRINCIPAL OFFICER**Mr. Ashvin Chimanlal Choksi**

2nd Floor, I.T.T.S House,

33 Shree SaiBaba Marg,

Kalaghoda, Fort.

Mumbai 400 001

Tel.: + 91 22 6159 5101 Fax: + 91 22 6159 5199

Email: acchoksi@acchoksi.com

AUDITORS**J. K. Shah & Co.**

3rd Floor, Flat No. 14,

Al-Karim Manzil,

15, Palton Road.

Mumbai 400 001

Tel.: + 91 22 2261 5581, + 91 22 2262 0183

Fax: + 91 22 2261 9937

Email: in

fo@jkshah.co.in

Form C
Securities and Exchange Board of India
(Portfolio Managers) Regulations, 1993
(Regulation 14)

Name of Portfolio Manager: **A. C. Choksi Share Brokers Private Limited**
Address: **2nd Floor, I.T.T.S House, 33 Shree SaiBaba Marg,
Kalaghoda, Fort. Mumbai 400 001**
Tel. No.: **+91 22 6159 5100**
Fax: **+91 22 6159 5199**
Email: **pms@acchoksi.com**

We confirm that:

1. 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;
2. The disclosures made in the document are true, fair and adequate to enable the investor to make a well informed decision regarding entrusting the management of the portfolio to us/investment in the Product of Portfolio Management Services;
3. The Disclosure Document has been duly certified by CA. Samir Kapadia (Membership No. 122349), Partner; Shah Kapadia & Associates (Reg. No. 132378W) having its office at 328, Champaklal Industrial Estate, Plot No. 105, Sion Koliwada Road, Sion (East), Mumbai 400022.

For **A. C. Choksi Share Brokers Private Limited**

Ashvin Chimanlal Choksi
Principal Officer
2nd Floor, I.T.T.S House,
33 Shree SaiBaba Marg,
Kalaghoda, Fort.
Mumbai 400 001

Date: 30TH September 2018
Place: Mumbai

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Date: 31st March 2018.

Place: Mumbai

1. Disclaimer

The particulars disclosed in disclosure documents have been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 1993 and filed with Securities Exchange board of India (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 requires otherwise, the following expressions shall have the meaning assigned to them hereunder respectively:-

- **"Act"** means the Securities and Exchange Board of India, Act, 1992 (Act No. 15 of 1992).
- **"ACCSBPL"** means A C Choksi Share Brokers Private Limited a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 2nd Floor, I.T.T.S House, 33 Shree SaiBaba Marg, Kalaghoda, Fort. Mumbai 400 001 (India).
- **"Agreement"** means the Discretionary Portfolio Management Services Agreement, or the Non-Discretionary Portfolio Management Services Agreement, or the Investment Advisory Services Agreement, or the Portfolio Management Services Agreement, as the case may be, entered into between the Portfolio Manager and the Client in terms of Regulation 14 and schedule IV of SEBI (Portfolio Managers) Regulations, 1993 and SEBI (Portfolio Managers) Amendment Regulations, 2002 issued by the Securities and Exchange Board of India and shall include all schedules and annexures attached thereto and shall also include all modifications, alterations, additions or deletions made thereto in accordance with the terms thereof.
- **"AML Laws"** shall mean Prevention of Money Laundering Act, 2002, the Rules issued there under and the guidelines/circulars issued by SEBI thereto, as amended from time to time.
- **"Application"** means the application made by the Client to the Portfolio Manager to avail of the Portfolio Management Services from the Portfolio Manager. Upon execution of an Agreement between the Portfolio Manager and the Client, 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.
- **"Assets"** means (i) the Portfolio and / or (ii) the Funds, details of which are set forth in the respective Agreements.
- **"Asset under Management (AUM)"** for each individual client on the date of valuation shall mean sum of market value of all Investments including equities, mutual fund units and other investments, bank balance and other receivables as reduced by sum total of accrued liabilities.
- **"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.
- **"Bank"** means scheduled commercial bank, with which the Portfolio Manager will open and operate the Bank Accounts for the purposes of the Portfolio Management Services.
- **"Client" or "Investor"** means anybody corporate, partnership firm, individual, HUF, association of person, body of individuals, trust, statutory authority, or any other person who registers with the Portfolio Manager for availing the services of portfolio management.
- **"Custodian"** means Custodian/Depository Participant as may be appointed by the Portfolio Manager, from time to time, for custody of securities of the Client and to perform such other functions like keeping track of corporate benefits associated with the securities etc.
- **"Discretionary portfolio manager"** means a portfolio manager who exercises or may, under a contract relating to portfolio management, exercise any degree of discretion as to the investments or management of the portfolio of securities or the funds of the client, as the case may be;
- **"Depository Account"** means any account of the Client or for the Client with an entity registered as a depository participant as per the relevant regulations.
- **"Depository Participant"** shall mean any person with whom the Securities of the Client in dematerialized form may be held in an account opened for that purpose pursuant to the Communication given by the Client from time to time and pursuant to such agreement, understanding or writing as may be executed between the Client and the Depository Participant or executed between Client and the Depository Participant.
- **"Disclosure Document"** means this Disclosure Document prepared and issued by ACCSBPL in accordance with the terms laid under Regulation 14 (2) (a) and Schedule V of the SEBI (Portfolio Managers) Regulation, 1993.

- **“Financial year”** means the year starting from 1st April and ending on 31st March the following year.
- **“Funds”** means the monies placed by the Client with the Portfolio Manager and managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes the proceeds of the sale or other realisation of the Portfolio and interest, dividend or other monies arising from the Assets, so long as the same is managed by the Portfolio Manager.
- **“Funds managed”** means the market value of the Portfolio of the Client as on date.
- **“NAV” or “Net Asset Value” or “Net Asset Value of the Portfolio”** shall mean the Market Value of the assets in the Portfolio consisting of the aggregate of (a) the amount of Cash in the Bank Account; and (b) the market value of Client Securities.
- **‘Non-Discretionary Portfolio Management Services’** means a Portfolio Management Services under which the Portfolio Manager, subject to express prior instructions issued by the Client from time to time in writing, for an agreed fee structure and for a definite described period, invests in respect of the Client’s account in any type of security entirely at the Client’s risk and to ensure that all benefits accrue to the Client’s Portfolio.
- **‘NRI’** means a non-resident Indian as defined under the Foreign Exchange Management Act, 1999.
- **‘Portfolio’** means the holdings of securities managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes 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 in respect of securities forming part of the Portfolio, so long as the same is managed by the Portfolio Manager.
- **“Portfolio Manager”** (PM) means A C Choksi Share Brokers Private Limited (ACCSBPL), who has obtained certificate from SEBI to act as a Portfolio Manager under Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, vide registration no. **INP 000004730**.
- **“Principal Officer”** means a person who has been designated as Principal Officer by the Portfolio Manager as required under the SEBI (Portfolio Managers) Regulations, 1993 and who will be responsible for the activities of Portfolio Manager.
- **“Regulations”** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 and shall also mean to refer to Clause 18 of Chapter III of SEBI (Investment Advisers) Regulations 2013, where applicable.
- **“Foreign Institutional Investor (FII)”** shall have the meaning defined under SEBI (Foreign Institutional Investor) Regulations, 1995.
- **“SEBI”** mean the Securities and Exchange Board of India set up under the Securities and Exchange Board of India Act, 1992.
- **“Securities”** includes: “Securities” as defined under the Securities Contracts (Regulation) Act, 1956 as amended from time to time and includes:
 - (i) Shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;
 - (ii) derivative;
 - (iii) units or any other instrument issued by any collective investment scheme to the investors in such schemes;
 - (iv) security receipt as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
 - (v) units or any other such instrument issued to the investors under any mutual fund scheme;
 - (vi) Government securities;
 - (vii) such other instruments as may be declared by the Central Government to be securities;
 - (viii) rights or interest in securities;
 - (ix) Exchange Traded Funds; and
 - (x) 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 their general meaning and usage and shall also carry meanings assigned to them in regulations governing portfolio management services.

3. Description

i) History, Present Business and Background of Portfolio Manager

A C Choksi Share Brokers Private Limited (ACCSBPL) is a company registered under the Companies Act, 1956 vide Corporate Identity Number: U67120MH1997PTC112510 dated December 17, 1997 having its Registered Office at 2nd Floor, I.T.T.S House, 33 Shree SaiBaba Marg, Kalaghoda, Fort. Mumbai 400 001 (India).

ACCSBPL operates in the Equity, Cash and Derivatives segments of both NSE and BSE. We are a member of the National Stock Exchange of India Ltd (NSE), Bombay Stock Exchange Ltd (BSE) segment. We are Depository Participant at Central Depository Services (India) Ltd. (CDSL). ACCSBPL is also AMFI registered Mutual Fund Distribution House. We also provide Internet Trading and offer IPO opportunities.

ACCSBPL had obtained a certificate from SEBI dated **July 07, 2015** to act as a Portfolio Manager under Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 vide registration no. **INP 000004730**.

In addition ACCSBPL conducts research activities related to economic research, result expectations, derivative strategies etc. It is well-respected Stock Broking House with strong position in Institutional Broking. The transparent business practices and research based investing and state of the art technology have enabled us to serve Institutional clients with full expertise. It is highly capitalized Organization in terms of net worth to suit its institutional client's needs. Our Institutional Business Desk has relationships with all leading Financial Institutions and is regarded as a house with a "Strong Market Research Capabilities". Our retail business desk provides investment solutions to all investors through its Branches & Network Partners. We find our strength in team of talented and confident individuals from diversified backgrounds. Qualified professionals under the able leadership of Promoters carry out core functions. We believe in continuous training and adoption of best management practices.

ii) Promoters of Portfolio Manager, Director and their Background:

The details of the promoters and directors of ACCBPL are given below:

1) Mr. Ashvin C Choksi (Director - A. C. Choksi Share Brokers Private Limited & A. C. Choksi Commodities Private Limited) MS (EE) Cleveland State University, U.S.A. Chairman. Mr. Ashvin Choksi is Promoter of ACC. He has experience of more than 32 years. He started the business in 1984 along with Co-Promoter Dipika Choksi. Strategy, Systems, IT & Business administration are his forte. Honesty, transparency, integrity, client goodwill form the core of his business practice. His strong belief of service to the client is not only practiced by him but one can see his continuous efforts to inculcate similar values in employees of the organization.

2) Mrs. Dipika A Choksi (Director - A. C. Choksi Share Brokers Private Limited & A. C. Choksi Commodities Private Limited) BA (Economics) Bombay University, 2 yrs (child psychology) Miami U.S.A, Director Mrs. Choksi is the Co-Promoter of ACC. Business administration, Institutional Sales, HR is her forte. Under her able guidance, ACC has achieved a strong Institutional Focus and footing. She is well respected for her balanced judgments and valuable insights to management & HR issues. She strongly believes in teamwork.

iii) Details of group Companies

The following are our group companies on the basis of performance based on turnover/ income:

- A C Choksi Commodities Private Limited

(iv) Details of Services being offered

The nature of services offered by A. C. Choksi Share Brokers Private Limited includes discretionary, non-discretionary and advisory as per the Portfolio Manager - Client Agreement.

4. Product Offered

i) Type of Services being offered: Discretionary

Under the portfolio management services offered by A. C. Choksi Share Brokers Private Limited the funds of the Client is Managed by a team of experienced professionals comprising of strategists, technical analysts, specialists in derivative products, etc. The Portfolio Manager's Investment philosophy underlines maximizing the risk adjusted returns depending on the client's risk tolerance. In order to achieve the same, a disciplined investment approach, with adequate risk controls, has been adopted. The PMS team is assisted by equity research team whose Sole objective is to undertake bottoms-up research and identify stock ideas to be included in our model portfolio.

For Discretionary Portfolio Management Services means Portfolio Management Services where a Portfolio Manager exercises or may, under a contract relating to Portfolio Management, exercise any degree of discretion as to investment or management of the portfolio of securities or the funds of the Client, as the case may be.

SCHEME NAME : - "MONEY MULTIPLIER"

Type of portfolio	Open Ended Discretionary Portfolio
Investment Objective	The objective of portfolio management is to create wealth for clients by prudently investing in quality stocks for long term. The portfolio will invest in mix of large cap and mid-cap companies. In large cap stocks the focus will be to invest in value companies. In mid and small cap companies the intent is to capitalize on the growth opportunity the company provides over long term.
Investment Strategy	Active monitoring of multi-cap stocks with a passive approach to investment. Focus will be on business outlook of companies invested and profit booking call will be taken accordingly. In the small and mid-cap stocks the focus is to identify emerging trends and companies which stand to benefit from such opportunities. In large cap focus is to invest on principles of value investing for long term. Risk Mitigation: Portfolio will be balanced with not more than 22-25 companies at any point of time. It will have prudent balance between large cap and mid-cap stocks. Cash not deployed will be parked in liquid funds or any other similar asset for immediate investments.
Benchmark	BSE-500

Investor Profile

Ideally suited for long-term equity investors who seek the comfort of high safety margin with an investment horizon of 36 Months.

ii) Minimum amount of Investment

The minimum investment amount shall be as decided between the client and ACCSBPL subject to minimum of ` 2,500,000.

iii) Policies for investments in associates / group companies & Transactions with Associate group Company

The Portfolio Manager may utilize the services of the Sponsor, Group Companies and / or any other subsidiary or Associate company of the Sponsor established or to be established at a later date, incase such a company is in a position to provide requisite services to the Portfolio Manager. The Portfolio Manager will conduct its business with the aforesaid companies (including their employees or relatives) on commercial terms and on arms length basis and at mutually agreed terms and conditions and to the extent permitted under SEBI Regulations after evaluation of the competitiveness of the pricing offered and the services to be provided by them.

The Portfolio Manager may invest in shares, units of mutual funds, debt, deposits and other financial instruments issued by any of the group /associate companies of the Portfolio Manager to the extent permitted under the SEBI Regulations.

5. Penalties & Pending litigation

There have been no instances of penalties imposed or directions issued by the Board or any regulatory agency under the Act, Rules or Regulations for any economic offence or for violation of any securities laws or for any deficiency in the systems and operations of the Portfolio Manager. There are no material legal proceedings, civil or criminal initiated against the Portfolio Manager, its directors, principal officer or employee under the Act, Rules or Regulations.

Sr. No.	Particulars	Status
1	Cases of penalties imposed by the board or the directions issued by the Board under the Act or Rules or Regulations made there under	Nil
2	The nature of penalty / direction	Not Applicable
3	Penalties imposed for economic offence and / or for violation of any securities laws	Nil
4	Any pending material litigation / legal proceedings against the Portfolio Manager / key personnel with separate disclosure regarding pending criminal cases, if any	Nil
5	Any deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency	Nil
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 there under	Nil

6. Risk Factor Involved

(i) Investment in Securities is subject to market risks, interest rate risks, political risks, economic risks, credit risks, political risks, currency risks, country risks and risks from changing business dynamics. This may adversely affect returns. The Portfolio Manager does not assure or guarantee that the objectives of any of the Portfolios will be achieved. The Client is not being offered any guaranteed or indicative returns through these portfolios.

(ii) There is no assurance, insurance or guarantee that the objectives of the Portfolio will be achieved. Past performance of the Portfolio Manager does not indicate its future performance. Investors are not being offered any assurance, insurance or guarantee either that the investment objective of the Portfolio Product will be achieved or of any indicative returns or of protection of initial corpus or of appreciation of the Portfolio through these Portfolio products. The names of the portfolio do not in any manner indicate their prospects or returns.

(iii) Portfolios of clients may be concentrated in certain companies / industries / sector / class of assets and may be subject to volatility, high valuations, obsolescence and low liquidity. The risk of loss is greater because of concentration. The performance of the portfolio would depend on the performance of such companies / industries / sectors of the economy / class of assets.

(iv) The value of the Portfolios may be affected by the performance of companies, industry specific factors, changes in the general market conditions and factors and forces affecting the capital markets, in particular, the level of interest rates, various market related factors, trading volumes, settlement periods, transfer procedures, currency exchange rates, foreign investments, changes in government policies, taxation, political, economic and other developments, closure of stock exchanges, etc.

(v) There are inherent risks arising out of investment objectives, investment strategy, asset allocation and non-diversification of portfolio.

(vi) The liquidity of the investments is guided and inherently restricted by the trading volumes in the securities in which the Portfolio Manager may invest. This may limit the Portfolio Manager's ability to freely deal with securities in the Portfolio.

(vii) Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Portfolio Manager. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly due to unforeseen circumstances. The inability of the Portfolio Manager to make intended security purchases due to settlement problems could result in missing out on certain investment opportunities. By the same rationale, the inability to sell securities held in the Portfolio due to the absence of a well developed and liquid secondary market would result, at times, in potential losses in the Portfolio.

(viii) Securities that are listed on the stock exchange carry lower liquidity risk; the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Debt / Money market Instruments lack a well developed secondary market despite being fairly liquid, which may restrict the selling ability of the Portfolio Manager and may lead to investments incurring losses till the security is finally sold.

(ix) The clients may not be able to avail of securities transaction tax credit benefit and / or tax deduction at source (TDS) credit and this may result in an increased incidence of tax on the clients. The client may incur a higher rate of TDS / Dividend Distribution Tax in case the investments are aggregated in the name of the Portfolio Management Portfolio Product.

(x) After accepting the corpus, the Portfolio Manager may not get an opportunity to deploy the same or there may be delay in deployment. In such a situation, the clients may suffer opportunity loss.

(xi) Debt and other fixed income investments may be subject to changes in interest rates and/or liquidity, credit and reinvestment risks.

(xii) Liquidity in the investments may be affected by trading volumes, settlement periods and transfer procedures.

(xiii) Derivatives, futures and options are highly leveraged instruments and require a high degree of skill, diligence and expertise. Small price movements in the underlying security may have a large impact on the value. The derivatives and futures and options market is relatively new.

(xiv) In the case of stock lending, risks relate to the defaults from counterparties with regard to securities lent and the corporate benefits accruing thereon. The Portfolio Manager is not responsible for any loss resulting from stock lending.

(xv) Any act, omission or commission of the Portfolio Manager while managing the portfolio is solely at the risk of the clients and the Portfolio Manager will not be liable save and except in cases of negligence and / or willful default.

7. Client Representation

Financial Year	No. of Clients	Category of Clients		Funds managed (Rs. In Crores)	Discretionary/ Nondiscretionary (if available)
		Associates/Group Companies	Others		
Ended March 31, 2018	66	0	66	49.86	Discretionary
Ended March 31, 2017	35	0	35	21.21	Discretionary
Ended March 31, 2016	3	0	3	1.68	Discretionary

8. Disclosure In Respect Of Transactions with Related Parties for Portfolio Management Services

Disclosure in respect of transactions with related parties as per Accounting Standard 18 Issued by the Institute of Chartered Accountants of India are not made as the same is not applicable to the Portfolio Manager.

The Portfolio manager is a member of the BSE (BSE), National Stock of India Limited (NSE). The Portfolio manager is also a registered depository participant with CDSL. For the purpose of executing transactions of purchase and sale of securities the Portfolio manager would transact through the membership held by the Portfolio Manager in NSE and BSE as mentioned above. Brokerage will be charged for such transactions as per clause 14.

9. Financial Performance of Portfolio Manager (Based on audited financial statements)

	FY – 2017 (Amount in Rupees)	FY–2016 (Amount in)	FY–2015 (Amount in Rupees)
Gross Income	28,083,568	30,653,573	36,192,407
Expenses	25,171,719	32,154,906	43,197,371
Profit / (Loss) before Tax	2,911,849	(1,501,332)	(7,004,964)
Provision for Taxation	0	(3,316,648)	(807,060)
Profit / (Loss) after Tax	2,911,849	(4,817,980)	(6,197,905)
Equity Capital	60,000,000	60,000,000	60,000,000
Free Reserves	38,171,772	35,259,923	40,077,903
Net worth	77,794,931	74,222,936	80,388,967

10. Portfolio Management Performance

Performance of the portfolio manager for the last three years, Regulations 14 of the SEBI (Portfolio Managers) regulation

1993. In case of Discretionary Portfolio Manager disclosure of performance indicators calculated using weighted average method. A C Choksi has been managing the investment of portfolio keeping Benchmark for its performance with BSE – 500 performances. The BSE – 500 performances for the F.Y. April, 2017 to March, 2018 is **11.82%** and our performance is **20.60%**.

The portfolio manager shall receive Fees for its Services and reimbursement of all costs and expenses. A portfolio Management Fess as is more particularly described in the Scheduled attached herewith shall be paid by the Client to the Portfolio Manager.

11. Nature of Cost & Expenses Include

The following are indicative types of expenses. The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Services Agreement and the agreements in respect of each of the services availed at the time of execution of such agreements.

i) Management Fees:

Management Fees relate to the portfolio management services offered to Clients. The fee may be a fixed charge or a percentage of the quantum of funds managed or linked to portfolio on return achieved or a combination of any of these.

ii) High Water Mark Principle:

High Water Mark shall be the highest value that the portfolio/account has reached. Value of the portfolio for computation of high watermark shall be taken to be the value on the date when performance fees are charged. For the purpose of charging performance fee, the frequency shall not be less than quarterly. The portfolio manager shall charge performance based fee only on increase in portfolio value in excess of the previously achieved high water mark.

iii) Custodian/Depository Fees:

The charges pertaining to opening and operation of dematerialized accounts, custody and transfer charges for shares, bonds and units, dematerialization, rematerialization and other charges in connection with the operation and management of the depository accounts.

iv) Registrar and Transfer Agent Fee:

Charges/Fees payable to registrar and transfer agents in connection with effecting transfer of securities, including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges, etc.

v) Brokerage and transaction costs:

The brokerage charges and other charges like service tax, securities transaction tax, service charges, stamp duty, transaction costs, turnover tax, exit and entry loads on the purchase and sale of shares, stocks, bonds, debt, deposits, units and other financial instruments as may be imposed from time to time.

vi) Certification and Professional Charges:

Charges payable for outsourced professional services like accounting, taxation and legal services, notarization, etc. for certification, attestation required by bankers, intermediaries and regulatory authorities.

vii) Securities lending and borrowing charges:

The charges pertaining to the lending of securities, costs of borrowings and costs associated with transfer of securities connected with the lending and borrowing transfer operations.

viii) Fund Admin charges:

The charges pertaining to administration of the client's portfolio.

ix) Profit Sharing:

The Portfolio manager may have a profit sharing arrangement with the clients based on the High Water Mark principle.

x) Incidental Expenses:

Courier charges, stamp duty, service tax, postal stamps, opening and operation of bank accounts, etc.

xi) Exit Charges:

Portfolio Manager may Charge exit Charges / Early withdrawal fee as may be agreed upon between Portfolio Manager and Clients as per the terms and conditions of a particular portfolio product.

xii) Any other incidental and ancillary charges:

All incidental and ancillary expenses not recovered above but incurred by the Portfolio Manager on behalf of the client shall be charged to the Client.

All fees and charges shall be levied on the actual amount of clients' assets under management. In case of interim contributions/ withdrawals by clients, performance fees may be charged after appropriately adjusting the high water mark on proportionate basis.

The fees charged to the client for PMS come under the ambit of "fees for technical services" under Section 194J of the Income Tax Act, 1961("the Act"). As the section calls for withholding tax, the client deposits with the competent authority the tax plus applicable surcharge and education cess on the fees that the client pays to the Portfolio Manager. The same is then reimbursed to the client by the AMC by way of cheque / RTGS.

Manner of payment:

Client shall pay by way of cheque/ DD/ Debit to the client portfolio account, as per the respective fee schedule applicable to the portfolio services opted by the client.41

Schedule of Fees**A. Portfolio Manger Services Charges:**

Particulars	Charges
Entry Load	Nil
Management Fee	1% per annum charged at 25bps every quarter on Assets under Management (AUM)
Profit Sharing	Portfolio Manager shall take 15% of Profits earned in the Portfolio as his fee. At time of fees being raised from Profit in portfolio, the residual portfolio shall always be MTM positive
Exit Load	5%, 3%, 1% respectively in Years 1, 2 and 3
Brokerage Cost (Addition of this details)	0.30%

B. Custody Services:

Particulars	Charges
Annual Custody Charges (On average monthly Assets Under Custody)	0.08% per annum on Average AUC
Clearing, Settlement & Subscription Charges: <ul style="list-style-type: none"> Equity (cash markets) Mutual funds Debt Derivatives (Futures) Derivatives (Options) 	0.03% on txn value 0.01% on txn value subject to maximum of INR 50 0.03% on txn value subject to minimum of INR 250 0.003% on txn value (Turnover) 0.03% on txn value (Premium)
Taxes, Regulatory Levies	Actuals, as applicable
SEBI Fee	0.0005% on AUC P.A.
Depository Charges	As per Section C
Out of Pocket Expenses (viz charges for CA certificate, stamp paper costs consultant fee, courier charges, etc.)	To be reimbursed on actual basis

Billing Cycle	At quarterly intervals, to be started from date of Agreement with the Client
Payments	Legitimate Payments (Under PMLA Regulations)
Validity	Good until mutually agreed for revised terms

C. Depository Charges:

Particulars	Charges
A/c Opening Charges	NIL
Agreement & Stamp Paper charges	At Actuals
Annual Maintenance Charges	INR 1000 P.A
Transaction Charges Market/ Off Market instructions	INR 10 Per debit transaction
All statutory charges levied by regulators, including Service Tax	At Actuals
Out of Pocket (viz stamp papers, courier Charges, etc.)	At Actuals
Validity	Good until mutually agreed for revised terms

12. Tax Implication

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

i) Income Tax:

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

Domestic company	30%. + surcharge &
Resident individual & HUF	30%+surcharge & cess
Partnership Firms (other than specified companies below)	30% + surcharge & cess
Indian Companies having turnover less than 250 crores during the previous year 2016-17	25% + surcharge & cess
Non-resident Indians	30% + surcharge & cess
Foreign companies	40% + surcharge & cess

ii) W.e.f.1st April 2018 Health & Education Cess is 4%.

Assesses	Rate of surcharge & Cess applicable
Individuals (including NRIs/PIOs), HUFs, Non-Corporate FIIIs	A surcharge of 10% on income tax if income is above Rs. 50 lakh but below Rs. 1 crore. For income above Rs. 1 crore surcharge shall be 15 % on income tax (on income above 1 crore). Health & Education cess of 4% is payable on the total amount of tax including surcharge.
Companies where the taxable income more than Rs. 1 crores and upto Rs. 10 crore	A surcharge of 7% on income tax and Health & Education cess of 4% is payable on the total amount of tax including surcharge. (A surcharge of 2% in case of foreign companies).
Companies where the taxable income is more than Rs. 10 Crore	A surcharge of 12% on income tax (on income above 10 crores) and Health & Education cess of 4% is payable on the total amount of tax including surcharge.(a surcharge of 5% in case of foreign companies).
Partnership firm (including LLP) is taxable at 30%	Surcharge: The amount of income-tax shall be increased by a surcharge at the rate of 12% of such tax, where total income exceeds one crore rupees. However, the surcharge shall be subject to marginal relief (where income exceeds one crore rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of one crore rupees by more than the amount of income that exceeds one crore rupees). Health and Education Cess: The amount of income-tax and the applicable surcharge, shall be further increased by health and education cess calculated at the rate of four percent of such income-tax and surcharge.

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

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

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

	Rate of Tax (%) #		
	Type of Payer		
	Mutual Fund		
	Money Market Liquid Fund	Debt Scheme	Infrastructure Debt Fund
Individuals / H.U.F.	25%	25%	25 %
NRI	25%	25%	5%
Others	30%	30%	30%

Long Term

For Individuals, HUF, Partnerships Firm and Indian Companies From October 1, 2004 in case of listed equity shares and securities and units of equity oriented schemes sold on a recognized stock exchange, which are subject to Securities Transaction Tax (currently 0.001% for units of equity oriented scheme and 0.1% on equity shares), the tax on Long Term Capital Gain would be 10% if Capital gain is more than Rs.1Lac with a grandfathering clause. Long term capital gains in respect of other listed securities or units would be subject to tax at the lower of 20% (plus surcharge and education cess) of the gains computed after cost indexation, or 10% (plus surcharge and education cess) of the gains computed without cost indexation.

(v) Short Term

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

(vi) Provisions regarding Dividend income and Bonus

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

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

vii) Securities Transaction Tax

Nature of Transaction	Payable by	Rate
Purchase and sale of equity shares on a recognised stock exchange on delivery basis	Both purchaser as well as seller	0.10
Sale of units of equity oriented mutual funds on a recognised stock exchange on delivery basis	Seller	0.001%
Purchase of units of equity oriented mutual funds on a recognised stock exchange on delivery basis	purchaser	Nil
Sale on stock exchange of equity shares on non-delivery basis	Seller	0.025%
When option is exercised (in case where the option is exercised the levy will be on the settlement price)	Purchaser	0.125%
When the option is not exercised (in case where the option is not exercised the levy will be on the Option Premium)	Seller	0.017%
Sale of a Future in securities in a derivatives segment of recognised stock exchange.	Seller	0.01%

viii) Foreign Institutional Investors (FIIs)

Long-term capital gains of notified FIIs (specified as FIIs by the government) arising on sale/repurchase of equity shares and units, held for a period of more than twelve months, would be taxed at the rate of 10% under Section 115AD of the Act (subject to the exemption of tax on long-term capital gains provided for in Sec. 10(38) of the Act, discussed elsewhere in this document). The said tax rate would be increased by an applicable Surcharge, Education Cess and Secondary & Higher Education Cess.

Such gains would be calculated without inflation index and currency fluctuations. Short-term capital gains arising on sale/repurchase of units would be taxed at 30% (15% if such short term capital gains are of the nature referred in section 111A of the Act, discussed elsewhere in this document). The said tax rate would be increased by an applicable Surcharge, Education Cess and Secondary & Higher Education Cess.

ix) Deduction of Tax at source

Foreign Institutional Investors: Under Section 196D of the Act, no deduction shall be made from any income by way of capital gains, in respect of transfer of securities referred to in Section 115AD of the Act.

Specified overseas financial organizations: As per section 196B of the Act, income tax is deductible on long-term capital gains (other than long-term capital gain on units of equity oriented mutual funds on which exemption under Sec. 10(38) is applicable) arising on repurchase of units purchased in foreign currency, at the rate of 10%. The said tax rate would be increased by an applicable Surcharge, Education Cess and Secondary & Higher Education Cess. Income tax is deductible on short-term capital gains arising on sale / repurchase of units at the rate of 40% plus applicable Surcharge, Education Cess and Secondary & Higher Education Cess.

Other Non-resident Unit holders

In the case of a non-resident other than a company:

Income tax is deductible on long-term capital gains (other than long-term capital gain on which exemption under Sec. 10(38) is applicable) arising on sale of equity shares or repurchase of units at the rate of 20% with indexation benefits.

However, the Finance Act, 2012 provides for tax on long-term capital gains in case of non-residents @ 10% on transfer of capital assets, being unlisted securities, computed without giving effect to first & second proviso to section 48 i.e. without taking benefit of foreign currency fluctuation and indexation benefit.

Income tax is deductible on short-term capital gains arising on sale of equity shares or repurchase units at the rate of 30%.

The above tax rates would be increased by an applicable Surcharge, Education Cess and Secondary & Higher Education Cess.

In the case of a foreign company:

Income tax is deductible on long-term capital gains (other than long-term capital gain on which exemption under Sec. 10(38) is applicable) arising on sale of equity shares or repurchase of units at the rate of 20%.

Income tax is deductible on short-term capital gains arising on sale of equity shares or repurchase of units at the rate of 40%.

The above tax rates would be increased by an applicable Surcharge, Education Cess and Secondary & Higher Education Cess.

Tax Treaty

Income-tax is required to be deducted at source from the capital gains chargeable to tax under section 195 of the Act at the applicable rates. In the case of an assessee resident of a country with which a DTAA (Double Taxation Avoidance Agreement) is in force, the tax should be withheld as per provisions in the Act or as per the provisions in the DTAA whichever is more beneficial to the non-resident holder. However, such a non-resident unit holder will be required to provide appropriate documents to the Fund, to be entitled to a beneficial rate under such DTAA.

Default in furnishing the PAN

Section 206AA of the Act inserted by the Finance (No.2) Act, 2009, operative with effect from April 1, 2010, states that the deductee is required to mandatorily furnish his PAN to the deductor failing which the deductor shall deduct tax at source at higher of the following rates:

1. the rate prescribed in the Act;
2. at the rate in force i.e., the rate mentioned in the Finance Act; or
3. at the rate of 20%

The Portfolio Manager shall not be responsible for assisting in or completing the fulfillment of the client's tax obligations.

13. Accounting Policies

The following Accounting policy will be applied for the portfolio investments of Clients:

- i)** 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 cutoff date or the market value of the debt instrument at the cutoff date.
Alternatively, the last available prices on the exchange or the most recent NAV will be reckoned. In case of structured products, the portfolio will be valued at the face value of the product until the expiry of the tenure.
- ii)** Realized gains/ losses will be calculated by applying the first in / first out principle (FIFO). 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.
- iii)** For derivatives and futures and options, unrealised gains and losses will be calculated by marking to market the open positions.
- iv)** Unrealized gains/losses are the differences in between the current market values/NAV and the historical cost of the securities.
- v)** Dividend on equity shares and interest on debt instruments shall be accounted on accrual basis. Further Mutual Fund dividend shall be accounted on receipt basis. Other income like bank interest, interest on FD etc shall also be accounted on receipt basis.
- vi)** Bonus shares shall be recognised only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.
- vii)** Right entitlement shall be recognised only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.

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

ix) All Expenses will be accounted on due basis whichever

The Accounting Policies and Standards as outlined above are subject to changes made from time to time by Portfolio Manager. However, such changes would be in conformity with the Regulations.

14. Client / Investor Services

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

Name of Person	Shruti Dilip Indule
Designation	Manager Compliance
Address	A C Choksi Share Brokers Private Limited 2nd Floor, I.T.T.S House, 33 Shree SaiBaba Marg, Kalaghoda, Fort. Mumbai 400 001 (India).
E-mail	compliance@acchoksi.com
Telephone No.	022- 6159 5100 / 022-6159 5150

ii) Reports available to the Clients

Following are various reports will be available to the clients:

- Monthly reporting of holding (Includes transaction, holding value, AUM up/down)
- Quarterly reporting of portfolio holdings/transactions, Net-worth, ledgers etc.
- KYC kit including agreement & RDD will be available on website for easy access to Clients.

iii) Grievance redressal and dispute settlement mechanism.

a) Name, Address and telephone no. of investor relation officer who shall attend to investor queries and complaints:

Ms. Shruti Dilip Indule

2nd Floor, I.T.T.S House, 33 Shree SaiBaba Marg, Kalaghoda, Fort. Mumbai 400 001

Tel.: + 91 22 6159 5150

Fax: + 91 22 6159 5199

Email: acchoksi@acchoksi.com

b) Lodging Complaints against Intermediaries.

SEBI has launched an internet based utility called SCORES (SEBI COMPLAINTS REDRESS SYSTEM) portal to facilitate investors to lodge their complaints/grievances with SEBI against SEBI registered intermediaries.

Link to access the SCORES utility is given below.

<http://scores.gov.in/Complaint.aspx?flag=n>

INVESTOR GRIEVANCE REDRESSAL MACHANISM

- i) The compliant received shall be recorded in the complaint register and the same shall be forwarded to the compliance officer with comment thereof.
- ii) The compliance officer and/ or Principle officer shall study / investigate the complaint and offer the reply to the compliant. This process shall be completed in one week.
- iii) Unresolved complaint for more than one week shall be forwarded to the whole time directors. The said complaint shall be resolved in one week of time. Hence the Complaint shall be resolved within 15 days from the date of the receipt of the compliant.
- iv) Resolved compliant shall be recorded as resolved in the complaint register.
- v) The investor shall be advised to adopt appropriate remedy in case complaint is not resolved to his satisfaction.
- vi) The complaint registered shall be placed before the monthly meeting of the PMS department with the Whole time Director to see whether all the complaints received are resolved or the complaints are advised to adopt appropriate remedy.

The Agreement and this Document shall be governed by the laws and regulations of India. All disputes, differences, claims and questions whatsoever in relation to an agreement between a Client and the Portfolio Manager, with regards to the terms and conditions thereof, or otherwise arising in connection thereto, shall in the first place be sought to be settled by mutual discussions, failing which the same shall be referred to arbitration to be held in accordance with and subject to the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof for the time to time. Such arbitration proceedings shall be held at Mumbai in the English language.

Name and Signature of Directors

Sr. No.	Name of Director	Signature
1.	Ashvin Chimanlal Choksi	
2.	Dipika Ashvin Choksi	

Date :

Place:

“I HAVE READ AND UNDERSTOOD FEE STRUCTURE”

(To be written by the client in his own handwriting)

Signature of the Client: _____

Client Agreement & Confirmation

I/we hereby acknowledge the receipt of Disclosure Document 2 days prior to entering into an agreement with the Portfolio Manager. I also confirm my/our full understanding of Disclosure Document and Portfolio Manager – Client Agreement hereto pertaining to A C Choksi Share Brokers Private Limited.

Client Name: _____

Date: _____ Client Signature _____

CLIENT RISK PROFILE QUESTIONNAIRE

Investment Risk Profile Levels:

Investment risk refers to the level of volatility or fluctuation that a person is prepared to accept in investment returns – including the potential risk of loss of some capital in the short-term, and the potential risk that retirement goals may not be met in the longer term. Volatility refers to the unpredictable upward and downward movements in investment values over a period of time.

Please answer all the questions below by ticking (✓) only ONE of the options for each question. Choose the option that BEST indicates how you feel about each question.

1. What is your Investment horizon? How long can you keep your money invested in the market before needing access to it?

- Up to two years
- Two and three years
- Three and five years
- Five years and Ten years
- Ten years and more

2. The age group you belong to:

- 51 years & above
- 36-50 years
- 25-35 years
- Less than 25 years

3. How well do you understand investing in the markets?

- I am a novice. I don't understand the markets at all.
- I have basic understanding of investing. I understand the risks and basic investment concepts like diversification.
- I have an amateur interest in investing. I have invested earlier on my own. I understand how markets fluctuate and the pros and cons of different investment classes.
- I am an experienced investor. I have invested in different markets and understand different investment strategies. I have my own investment philosophy.

4. My current and future income sources (example: salary, business income, investment income etc) are:

- Very unstable
- Unstable
- Somewhat stable
- Stable
- Very Stable

5. From the following 5 possible investment scenario, please select the option which defines your investment objective?

- I cannot consider any Loss
- I can consider Loss of 4% if the possible Gains are of 10%
- I can consider Loss of 8% if the possible Gains are of 22%
- I can consider Loss of 14% if the possible Gains are of 30%
- I can consider Loss of 25% if the possible Gains are of 50%

6. If your investment outlook is long-term (more than five years), how long will you hold on to a poorly performing portfolio before cashing in?

- Not hold & cash in immediately if there is an erosion of my capital
- I'd hold for 3 months
- I'd hold for 6 months
- I'd hold for one year
- I'd hold for up to two years
- I'd hold for more than two years.

7. Volatile investments usually provide higher returns and tax efficiency. What is your desired balance?

- Preferably guaranteed returns, before tax efficiency
- Stable, reliable returns, minimal tax efficiency
- Some variability in returns, some tax efficiency
- Moderate variability in returns, reasonable tax efficiency.
- Unstable, but potentially higher returns, maximizing tax efficiency

8. If a few months after investing, the value of your investments declines by 20%, what would you do?

- Cut losses immediately and liquidate all investments. Capital preservation is paramount.
- Cut your losses and transfer investments to safer asset classes.
- You would be worried, but would give your investments a little more time.
- You are ok with volatility and accept decline in portfolio value as a part of investing. You would keep your investments as they are.
- You would add to your investments to bring the average buying price lower. You are confident about your investments and are not perturbed by notional losses.

INVESTMENT RISK PROFILE ACCEPTANCE DECLARATION

I/We confirm that the details recorded in the "Risk Profile Determination Questionnaire" are correct and reflect my/our true financial position and understanding and investment risk profile.

I/we have read and understood our agreed Risk Profile selection and would like this profile applied to my/our funds available for investment.

Client Name: _____

Client Signature: _____

Date: _____

For Office Use Only

Client Categorized as: HIGH RISK MEDIUM RISK LOW RISK

Name of Official: _____ Signature: _____