# PORTFOLIO MANAGEMENT SERVICES

## DISCLOSURE DOCUMENT

i) This Document has been filed with the Securities & 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 and any amendment thereof.

ii) The purpose of this Document is to provide essential Information about the portfolio service in a manner to assist and enable the investor in making informed decisions in engaging a portfolio Manager.

iii) This Document contains necessary information about Narnolia Financial Services Ltd. (Portfolio Managers) required by investor before investing. The investor is advised to retain this document for future reference.

iv) The following are the details of the Portfolio Manager:-

| | |
|---|---|
| Name of the Portfolio Manager | Narnolia Financial Services Ltd. |
| SEBI registration Number | INP000006420 |
| Registered Office Address | Marble Arch, office 201, 2nd Floor, 236B, AJC BoseRoad, Kolkata 700020, West Bengal |
| Correspondence Office Address | Marble Arch, office 201, 2nd Floor, 236B, AJC Bose Road, Kolkata 700020, West Bengal |
| Phone No. | 033 4050 1500 |
| Website | www.narnolia.com |

iv) The name, Phone number, e-mail id of the Principal Officer is given below:-

| | |
|---|---|
| Name of the Principal Officer | Mr. Atul Kumar Mishra |
| Contact No. | 033 4050 1500 |
| E-mail address | atul.mishra@narnolia.com |

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1. DISCLAIMER :

The particulars have been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and any amendment thereof 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 this Document. This document is not for public distribution and has been furnished to you solely for your information and may not be reproduced or redistributed to any other person.

2. DEFINITIONS :

(i) "Act" means the Securities and Exchange Board of India Act, 1992.

(ii) "Portfolio" means the total holdings of Securities & goods belonging to any person;

(iii) "Portfolio Manager" means a body corporate, which pursuant to a contract with a client, advises or directs or undertakes on behalf of the client (whether as a discretionary portfolio manager or otherwise) the management or administration of a portfolio of Securities or goods or funds of the client as the case may be.
Provided that the Portfolio Manager may deal in goods received in delivery against physical settlement of commodity derivatives.

(iv) "Discretionary Portfolio manager" means a portfolio manager who under a contract relating to portfolio management, exercise or may exercise any degree of discretion as to the investment of funds or management of portfolio of securities or the funds of the client, as the case may be.

(v) "Principal Officer" means an employee of the portfolio manager who has been designated as such by the portfolio manager and is responsible for:-

(a) 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

(b) All other operations of the portfolio manager

Words and expressions used and not defined in these regulations but defined in the Act shall have the meaning respectively assigned to them in Act.

3. HISTORY, PRESENT BUSINESS AND BACKGROUND OF PORTFOLIO MANAGER:

The company was incorporated on 14th July 1995 in the name of Lokpriya Mercantile Pvt. Ltd. There after the name of the Company was changed to Microsec India Ltd. and Microsec Capital Ltd subsequently. In 2004 the company became Trading member of NSE. In 2005 the company got membership of BSE and Depository Participant with NSDL. In the year 2007 the Company was registered as SEBI registered Portfolio Manager.
In 2017-18, there was change in control of the Company whereby Mr. Krishnanand Narnolia, Promoter of Narnolia Securities Ltd. acquired control of the Company and name of the Company was changed to Narnolia Financial Services Ltd. Post change of control the Company applied for fresh registration and was granted certificate as Portfolio Manager in the year 2019.
In October 2020, the company transferred it's Broking and Depository business to Motilal Oswal Financial Services Limited and surrendered it's Broking and Depository license.
Besides Portfolio Management Services, the Narnolia Group provides a gamut of financial services in the arena of SEBI registered Merchant Banker, Investment Advisors, Research Analyst, PFRDA registered NPS POP, AMFI registered Mutual Fund Distributor, RBI registered NBFC.

The Company has been named as most consistent Portfolio Manager of the Country 2018 by BSE Tefla's. Further, Narnolia has been rewarded as India's most promising Brand 2017 by WCRC.

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4. DETAILS OF PROMOTER & DIRECTORS OF PORTFOLIO MANAGER AND THEIR BACKGROUND

| Name | Status / Designation | Qualification | Background |
|---|---|---|---|
| Mr. Krishnanand Narnolia | Promoter & Director | Graduate | Mr. Krishnanand Narnolia is the Promoter & Chairman of Narnolia Group. He is having more than 24 years of vast experience in Capital Market. |
| Mr. Shailendra Kumar | Promoter & Director | Graduate, Master of Technology in Management & Systems from IIT, Delhi | Mr. Shailendra Kumar is having more than 21 years of vast experience in Securities Market Research & Analysis. |
| Miss. Anchal Narnolia | Promoter & Director | Bachelors' in Economics & Finance from Singapore Institute of Management and a Diploma in Management Studies | Miss. Anchal Narnolia is having more than 8 years of experience in Digital Finance Market. |
| Mr. Rohit Narang | Additional Director | Graduate | Mr. Rohit Narang is having more than 25 years of International experience in Fund Management and financial Markets. |
| Mr. Ankit Gupta | Additional Director | C.A. | Mr. Ankit Gupta is having more than 20 years of vast experience in fixed income, equity, portfolio management, and finance in general |

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5. GROUP COMPANIES/FIRMS OF THE PORTFOLIO MANAGER ON TURNOVER BASIS:

i) Narnolia Securities Limited ii) Narnolia Capital Advisors Private Limited iii) Narnolia Velox Advisory Ltd
iv) Narnolia Investment Advisors Private Limited v) Narnolia Commerze Limited
vi) Narnolia Financial Consultancy Services Ltd. (Formerly Narnolia Insurance Brokers Ltd.)

6. SERVICES OFFERED BY THE PORTFOLIO MANAGER:

i) The investment objective and Policy of the Portfolio Manager shall be to undertake, on behalf of the Client, the Management & administration of the Funds and Portfolio of the Client with the aim of generating a reasonable return on the client's investment, while at the same time endeavoring to reduce the risk of capital loss.

The approach to investment is based purely on fundamental analysis.

I) Macro factors like state of the economy, interest rates, global trends are studied, and based on these industries that are likely to perform well are chosen.

II) We are using the research softwares to analyze the data and get instant access to the live data.

III) Diversification is achieved by adopting a judicious mixture of investment in different sectors. Within the sectors companies are carefully chosen keeping in mind the quality of management, past track record, future growth plans, investor relations & liquidity of the stock.

IV) For Discretionary services, investment shall be made in securities listed or traded on a recognized stock exchange, money market instruments, units of Mutual Funds (through Direct Plan) and other securities as specified by SEBI from time to time. For Non- Discretionary, in addition to securities permitted for discretionary services, investment may be made in unlisted securities upto 25% of assets under management of the client.

ii) Company may invest in the Shares, mutual funds, debt, deposit and other financial instrument of group Companies not exceeding 5% subject to applicable laws/regulations/guidelines.

The Portfolio Manager broadly offers services under the following categories: -

Discretionary Services: In these schemes, the choice as well as the timings of the investment decision rest solely with the Portfolio Manager. The Portfolio Manager at times and at its own discretion, adheres to the views of the Client pertaining to the investment decisions of the Client's Portfolio. The Portfolio Manager will exercise any degree of discretion as to the investment or management of the portfolio of securities or the funds of the client.

Non- Discretionary Services: The Portfolio Manager will not exercise any degree of discretion as to the investment or management of the portfolio of securities or the funds of the client. The Portfolio Manager will be taking care of execution, payment, settlement and custody. Portfolio Manager will be offering the investment advice while the final decision rests with the client.

Advisory Services: Under this arrangement, funds are not taken by the Portfolio Manager but they remain with the client. The client gives authority to the company to make investment on his behalf. The client opens broking account with a recognized stock broker. When securities are bought or sold, the client receives contract notes in his name from the broker. Payments are made by the client directly to the broker. The securities that are purchased get credited to the depository account of the client. The company receives a fee for providing these services.

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There is facility to on board the client directly without intermediation of persons engaged in distribution services and the client can opt the same.

7. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTION OR INVESTIGATION FORWHICH ACTION MAY HAVE BEEN TAKEN OR INTIATED BY ANY REGULATORY AUTHORITY.:

No penalty has been imposed by the Board or the directions issued by the Board under the Act or rules or regulations made thereunder against the Company.

No penalty has been imposed for any economic offence and/or violation of any securities laws.

- There is no pending material litigation/legal proceeding against the portfolio manager/key personnel. No deficiency in the systems and operations of the portfolio manager has been observed either by the Board or any regulatory agency.
- No enquiry/adjudication proceedings have been initiated by the Board against the portfolio manager or itsdirectors, principal officer or employee or any other person directly or indirectly connected with Portfolio Manager or its
- Directors, Principal Officer or Employee, under the act or rules or regulation made there under.

8. RISK FACTORS:

- Investments in Securities are subject to market risks, which include price fluctuation risk. There is noassurance or guarantee that the objectives of any of the investments will be achieved. The investmentsmay not be suited to all categories of investors.
- The past performance of the Portfolio Manager is not indicative of the future performance. There is no assurance that the past performance will be repeated. Investors are not being offered any guarantee or indicative returns about the performance of Portfolio.

The Portfolio Manager has more than 17 years' experience as Portfolio Manager.

- The debt investment and other fixed income securities may be subject to interest rate risk, liquidity risk, credit risk and reinvestment risk. Liquidity in these investments may be affected by trading volumes, settlement periods and transfer procedures. Investment in unlisted securities may lead to liquidity risk.
- Investments in niche sectors run the risk of volatility, high valuation, obsolescence and low liquidity. Derivatives products being highly levered product in itself carry risk.
- The Performance of the Portfolio may be adversely affected by the performance of individual companies, changes in the market place and industry specific, change in Government policies & Macro economic factors. There are inherent risks arising out of investment approach, investment objectives, Investment strategy and assets allocation.
- None of the employees directly involved in Investment operations have any conflict of Interest with the transaction in any of the client's portfolio.

Disclosure of conflict of Interest related to services offered:-

| Name of The Company | Type of Company | Services Offered |
|---|---|---|
| Narnolia Investment Advisors Pvt.Ltd. | Group Company | SEBI registered Investment Advisor. |
| Narnolia Financial Services Ltd. | self | SEBI registered Merchant Banker, Research Analyst, AMFI registered Mutual Fund Distributor. |

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9) **Investment approach opted by clients & Portfolio Construction**

**Investment approach**

We follow proprietary Fundamental & Quantitative Model that processes multiple years of Profit & Loss A/c, Balance Sheets and Cash flow data of companies resulting in portfolio of India Story based Growth. The approach strives for active alpha generation through investing in companies with rising relative growth and valuation. We identify investments within a M (Momentum) C (Carry) Q (Quality) framework which looks at rising momentum in the fundamentals (not necessarily price) of the company.

An investor can invest in our PMS which comprises of equity strategy or any defined Strategies as per the need of the customer. The various approaches from which customer can choose and invest as per their risk through one or more approaches in single account are outlined as:

(i) Narnolia Multi Cap approach- A Multi-Cap equity approach relies on Fundamental & Quantitative Model that processes multiple years of P/L, BS and cash flow data of companies resulting in portfolio of India Story based Growth and MIDCAP BASED stocks

(ii) Narnolia Large Cap approach- This equity aggressive theme identifies companies that are leaders of their respective industry and are showing growth in value characteristics with expected higher return ratio.

(iii) Narnolia 5TX5T approach- This Value migration theme prefers a stock which is next –gen opportunity. The stock has growth in value characteristics and passes the 360-degree deductive reasoning framework.

(iv) Narnolia Mid Cap & Small Cap approach– Active investing in small cap investment universe by identifying companies with improving fundamentals. Tactical weight allocation under the sub-classes to achievepositive return along with managing the risk.

(v) Narnolia Multi- Asset approach- The approach deploys funds through Direct Schemes of Mutual Funds.The portfolio invests judiciously into different asset classes of Mutual Fund Schemes (Equity and Debt), Gold Fund (Listed or ETF) and REIT or Infra (which are listed). The portfolio recommends investing in tactical and thematic schemes alongside multi cycle stable schemes. The aggressive approach also employs ETFs.

(vi) Multi Managers –Fixed Income: The philosophy in managing fixed income portfolios is to generate steady income streams for investors while managing risks in a manner which is consistent with the fund objectives. Our investment process is driven by thorough research of different Securities, Papers & Bonds held by the funds and balances both risk and return to construct portfolios which seek to deliver consistent and superior risk-adjusted returns to investors over the long term. Research is focused on both, interest rates and credit. We thoroughly analyze the macro economic scenario and monetary policy environment to formulate our views on interest rates and our stance on duration.

(vii) Fusion Opportunity approach - The approach is based on identification of stocks for opportunity based investing, based on the unique quant based triggers on top of the core qualitative research framework of the firm. Only such stocks which are in the top quartile in respect of fundamental & sectoral ranking will form part of the investment universe.

(viii) Narnolia Ethical-S1 approach - This approach provides a unique theme-based investing opportunity in the Indian market. This portfolio invests in those companies which conducts business in socio-responsible ways. This portfolio refrains from investing in those companies which may be against moral, social, religious or environmental beliefs of investors

(ix) Narnolia FixIn Plus- The philosophy in managing fixed income portfolios is to generate steady income streams for investors while managing risks in a manner which is consistent with the fund objectives. Our investment process is driven by thorough research of different Securities, Papers & Bonds held by the funds and balances both risk and return to construct portfolios which seek to deliver consistent and superior risk-adjusted returns to investors over the long term while preserving capital. Research is focused on both, interest rates and credit. We thoroughly analyze the macro economic scenario and monetary policy environment to formulate our views on interest rates and our stance on duration. Types of Securities will include, Bonds, NCDs, MLDs, Debt Mutual Funds or any other Debt or Debt related Instruments, Fixed Deposits, ETFs, Cash or Cash Equivalent.



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10) Portfolio Construction

a) Equity: Nature of equity- Growth in value philosophy will be followed for all listed equity stocks with –large, mid, small cap. The detail steps followed in this regard is mentioned below.

b) Balanced- Currently no such strategy

c) Debt- Investments done through Bonds, NCDs, MLDs, Debt Mutual Funds or any other Debt or Debt related Instruments, Fixed Deposits, ETFs, Cash or Cash Equivalent.

d) Mutual Funds-Investment in Equity and Debt Mutual Funds is done through Direct schemes of MutualFunds.

Investment Universe Creation & Classification

- Data analytics on over 1600 stocks (99.5% of total market cap).
- Grouping of stocks into 4 Cap, 10 Sectors, 44 Industries, 76 Sub-Industries, style basedand theme based classification
- Stocks Quantitative Parameters: Earning Score (ES) and Price Score (PS) using detailedfinancial accounting data.

Approved 'Buy' List Preparation

- Analyzing each company's valuation, growth and financial history for last 10 years.
- Identifying valuation multiple for each Industry through extensive testing on over80 financial parameters.
- Stocks analyzed using three fundamental attributes based on earnings momentum(M), capital allocation & payout ratio (C) and quality of return ratios (Q).
- Identifying companies with appropriate growth and value characteristics

Focused 'Buy' List Preparation

- Rigorous bottom up fundamental analysis of companies in approved 'buy list' to ascertain stocks with sustainable high/rising return ratios.
- Identify trends for stocks in approved 'buy list' on peer relative basis by usingfinancial mapping technique.
- Sensitivity analysis to ascertain margin of safety in terms of financials, valuation,liquidity and predictability.
- Identifying top 70 stocks for Portfolio recommendations.

Risk Management

- Proprietary model to allocate optimal weights to various industries. Portfolio weighting is revised based on industry index performance & adaptable sniffing model using fundamental parameters to decipher 'themes in force' in the market.
- Optimal portfolio weightings to avoid risk concentration.

10. CLIENT REPRESENTATION

A) Details of Client's account activated

| Category of Clients | No. of Clients | Assets under Management (Rs. Cr.) | Discretionary / Non-Discretionary /Advisory |
|---|---|---|---|
| Associates/Group | | | |
| As on 31/03/2025 | Nil | Nil | Nil |
| As on 31/03/2024 | Nil | Nil | Nil |
| As on 31/03/2023 | Nil | Nil | Nil |
| Others | | | |
| As on 31/03/2025 | 183 | 633.25 | Discretionary |
| | 6 | 379.34 | Advisory |
| As on 31/03/2024 | 190 | 495.37 | Discretionary |
| | 4 | 334.56 | Advisory |
| As on 31/03/2023 | 188 | 285.11 | Discretionary |
| | 3 | 55.00 | Advisory |

B) Transaction with Related Parties are as under:

Name of the related parties and description of relationship:.

Related Parties where control exist

i. Holding Company- Narnolia Securities Limited

ii. Subsidiary Company- Narnolia Commerze Limited

iii. Co Subsidiary Companies

Narnolia Investment Advisors Pvt. Ltd.

Narnolia Capital Advisors Pvt. Ltd.

Narnolia Financial Consultancy Services Ltd. (Formerly Narnolia Insurance Brokers Ltd.)

- List of Persons having significant control / influence over the company

  Mr. Krishnanand Narnolia and Mr. Shailendra Kumar

  List of Director: 1. Ms. Anchal Narnolia 2. Mr. Krishnanand Narnolia 3. Shailendra Kumar 4. Mr. Rohit Narang 5. Mr. Ankit Gupta

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| Sl. No | Particulars | Holding Company | Subsidiaries & Fellow Subsidiaries Companies | Key Management Personal | Relatives of Key Management Personal | Enterprises in which Key Management Personnel Exercise Significant Influence | Total | Outstanding / (Receivable) as on 31.03.2024 |
|---|---|---|---|---|---|---|---|---|
| 1 | Unsecured Loan (All amount in Hundred) | | | | | | | |
| | Narnolia Commerze Ltd. | | (1,86,094) | | | | (1,86,094) | (1,86,094) |
| | Narnolia Financial Consultancy Services Ltd. | | | | | (74,124) | (74,124) | (74,124) |
| | Narnolia Investment Advisors Pvt Ltd. | | - | - | - | (155,365) | (155,365) | (155,365) |
| | Narnolia Capital Advisors Pvt Ltd | | - | - | - | 26,92,938 | 26,92,938 | 26,92,938 |
| 2 | Managerial Remuneration (All amount in Hundred) | | | | | | | |
| | Shailendra Kumar | - | - | 61,154 | - | - | - | - |
| | Krishnanand Narnolia | - | - | - | - | - | - | - |
| | Anchal Narnolia | - | - | - | - | - | - | - |
| | Total | | | 61,154 | - | | - | - |
| 3 | Investment in Limited Company (All amount in Hundred) | | | | | | | |
| | Narnolia Commerze Limited | - | 77,353 | - | - | - | 77,353 | 77,353 |
| | | - | 77,353 | - | - | - | 77,353 | 77,353 |

Details of investments in the securities of related parties of the Portfolio Manager

| Sr. No | Investment Approach | Name of Associate/Related Parties | 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 | Nil | Nil | Nil | Nil | Nil |

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## 11. FINANCIAL PERFORMANCE OF PORTFOLIO MANAGER:

Audited Financial Results (in hundred):

| Balance Sheet | 31.03.2024 | 31.03.2023 | 31.03.2022 |
|---|---|---|---|
| Share Capital | 4,94,356 | 4,94,356 | 4,94,356 |
| Reserves & Surplus | 19,80,774 | 19,77,526 | 19,71,482 |
| Non-Current Liabilities | 6,28,643 | 5,34,695 | 4,62,736 |
| Current Liabilities | 46,71,907 | 12,04,599 | 9,16,334 |
| TOTAL | 77,75,681 | 42,11,176 | 38,44,908 |
| Non-Current Assets | 4,95,924 | 6,07,484 | 7,46,880 |
| Current Assets | 72,79,756 | 36,03,692 | 30,98,028 |
| TOTAL | 77,75,681 | 42,11,176 | 38,44,908 |

| Income Statement | 31.03.2024 | 31.03.2023 | 31.03.2022 |
|---|---|---|---|
| Income | 26,08,842 | 17,98,697 | 18,52,976 |
| Expenditure | 25,38,121 | 17,75,810 | 18,45,072 |
| Profit Before Tax | 70,721 | 22,887 | 7,904 |
| Profit on sale of Property | -- | -- | -- |
| Tax Adjustments | 67,472 | 16,843 | 195 |
| Net Profit / Loss | 3,249 | 6,044 | 7,709 |

## 12. The Performance of Portfolios of the Portfolio Manager calculated using-Time Weighted Rate of Return are as follows: -

| Particulars | 2024-25 | 2023-24 | 2022-23 |
|---|---|---|---|
| Portfolio Performance (%) Net of fees & charges | | | |
| - Multi Cap | 4.23 | 27.12 | (8.15) |
| - Multi Assets | 3.07 | 35.46 | 1.11 |
| - 5TX5T | 2.18 | 37.98 | (0.45) |
| - Large Cap | 13.98 | 33.26 | (4.35) |
| - Mid and Small Cap | 13.37 | 49.19 | (6.70) |
| - Fusion Opportunity | 0.80 | 74.97 | (6.64) |
| - Ethical-S1 | - | - | - |
| - FixedIn Plus | - | - | - |
| Benchmark Performance | | | |
| NIFTY 50TRI | 6.65 | 30.08 | - |
| BSE S&P 500 TRI | 5.96 | - | - |
| BSE Sensex 30 | - | - | - |
| Nifty 100 | - | - | (2.69) |
| Nifty Mid & Small 400 | - | - | (0.88) |
| Nifty 500 | - | - | (2.26) |
| S&P BSE Shariah 500 | - | - | - |
| Crisil Composite Bond Fund Index | - | - | - |

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13. AUDIT OBSERVATIONS:

There were no Audit observations of the auditor for the preceding 3 years.

14. NATURE OF EXPENSES :

The following are indicative types of costs and expenses for clients availing the Portfolio Management services.

(I) Investment management and Advisory Fee: Professional Charges to the Portfolio Management Services offered to the clients. The fee may be a fixed charge or a percentage of the quantum of funds managed and may be return based on a combination of any of these.

(II) Custodian / Depository Fees: The charges relating to opening and operation of dematerialize accounts, custody and transfer charges for shares, bonds and transfer charges for shares, bonds and units, dematerialisation, rematerialisation and other charges in connection with the operation and management of depository accounts.

(III) Registrar and transfer agent Fee: Charges payable to the registrars and transfer agents in connection with effecting transfer of securities and bonds including stamp charges, cost of affidavits, notary charges, postage, stamp and courier charges.

(IV) Brokerage and transaction costs : The brokerage charges and other charges like service charges, stamp duty, transaction costs, turnover tax, security transaction tax on the purchase and sale of shares, stocks, bonds, debt, deposits, units and other financial instruments.

(V) Certification and professional charges : Charges payable for out sourced professional services like accounting, taxation and legal services, notarization etc. For certifications, attestations required by bankers or regulatory authorities.

(VI) Incidental Expenses : Charges in connection with the courier expenses, stamp duty, service tax, postal, telegraphic, opening and operation of the bank account etc.

The quantum and manner of fee payable by client for each activity shall be as below:-

- Fixed Fees:-Upto 2.5% p.a. based on Average daily Assets under Management (Monthly Basis) Variable Fees:- 12.50% sharing on profit above Hurdle rate (10%)based on High Water mark Basis.(On Average daily Assets under Management as on 31st March or as on date of redemption) Operating expenses:- 0.50% p.a. (Maximum) on Average daily Assets under Management Brokerage, Depository charges and other transaction cost:- At actual
- Exit Load:-Within 1 year:- 1% of AUM on redemption date; 1 year and above:- NIL

15. TAXATION:

General

In view of the individual nature of tax consequences, each Client is advised to consult his/her tax advisor with respect to the specific tax consequences. The Portfolio Manager shall not be responsible for assisting in or completing the fulfillment of the Client's tax obligation.

Tax Deducted at Source

If any tax is required to be deducted on account of any legislation, the Portfolio Manager shall be obliged to act in accordance with the regulatory requirements in this regards.

It shall be the Client's responsibility to meet the advance tax obligation instalment payable on the due dates under the Income - tax Act.

16. ACCOUNTING POLICY :

A) Contribution to Portfolio : Contribution to portfolio by way of securities is recorded at the prevailing closing market value on the date of portfolio manager takes over securities as corpus.

B) Portfolio Investments : Portfolio Investments i.e. Securities are stated at market/fair value prevailing as on year end.

C) Market value/fair value of Portfolio Investment is determined as follows:

i) Investments in listed equity shares are valued at the closing quoted price on National Stock Exchange of India Ltd. (NSE). However, if the equity shares are not listed on NSE then the same are valued at the closing quoted price on Bombay Stock Exchange Ltd. (BSE).

ii) Purchase and Sale of investments are accounted for on trade date basis. Cost of Purchase and Sale includes consideration for scrip, brokerage (including service tax thereon) and securities transaction tax on purchase/sale of securities.

RAMESH KUMAR SINGH

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D) Revenue :

i) Realized Gain: Realized gain/loss on sale of Securities is accounted on Trade date basis by comparing sale consideration with the purchase cost. The cost of investment is calculated by following First-in- First-Out (FIFO) method.

ii) Unrealized Gain: Un realized gain/loss is not accounted for, but same is recognized on trade date basis by comparing Market Value of Securities with purchase cost.

iii) Dividend credited to the clients account directly is accounted for on record date basis in the performance statement.

E) Expenses:

Portfolio Manager Fees is recorded in books on accrual basis. Fee may be charged on fixed basis or performance basis or combination of both as agreed between client and Portfolio Manager.

17. INVESTOR'S SERVICE:

(I) Details of the investor relation officer who shall attend to the investor queries and complaints:-

| | |
|---|---|
| Name of the Person | Mr. Ramesh Kumar Singh |
| Designation | Compliance Officer |
| Address | Marble Arch, office 201, 2nd Floor, 236B, AJCBose Road, Kolkata 700020, West Bengal |
| E-mail | pms@narnolia.com |
| Telephone | 033 4050 1500 |

18. GRIEVANCE REDRESSAL AND DISPUTE SETTLEMENT MECHANISM:

- The Grievances, if any that may arise pursuant to Portfolio Management Services shall be solved in the manner detailed below:

- While resolving the Grievance, acts done in good faith, risk or losses arising out of normal business practices, which have been disclosed in the Agreement or have bearing on the normal operations, shall be taken into consideration.
  - At the out-set, the grievance is referred to the Dealing Officer, who shall try to resolve the same within a week
  - In the event of non-redressal of Grievance within the stipulated time, the same is escalated to Investor Relation Officer, who shall resolve the same within 3 days of the reference
  - In case the client is not satisfied with resolution by the Investor Relation Officer, the client can lodge complaint with SEBI through SEBI "SCORES" portal. Process for filing complaints on SEBI SCORES website: a. register on SEBI Scores b. Mandatory details for filing complaints on SCORES –Name, PAN, Address, Mobile Number, Email id C. Benefits: i. Effective Communication ii. Speedy redressal of the grievances.
  - Also as per SEBI circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated July 31, 2023 & August 04, 2023 respectively the client can refer the matter to Arbitration & Reconciliation through Online Dispute resolution (ODR) mechanism.
  - Link of score and ODR is mentioned in our website www.narnolia.com

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19. **MATERIAL CHANGE SINCE LAST SUBMISSION:**
**Appointment of new directors and audited financial data as on 31.03.2024.**

**Approved by 2 Directors:-**

| Name of Directors | Designation | Signature |
|---|---|---|
| **Mr. Krishnanand Narnolia** | **Director** | **Sd/-** |
| **Mr. Shailendra Kumar** | **Director** | **Sd/-** |

**Date: 30th April 2025**
**Place: Kolkata**

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serialNumber=9adf9d59b18e6c744b68183bdf831
a8eb92eb9d8d72d331e2ecf6113b62018cc,
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A. SINGHI & CO.
KOLKATA
Chartered Accountants

## Form C

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

**Dear Investor,**

We confirm that:

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

ii) The disclosures made in the Disclosure Document are true, fair and adequate to enable the investors to make well informed decisions regarding entrusting the management of the portfolio to us / investment in the portfolio Management.

iii) The Disclosure Documents has been duly Certified by an independent Chartered Accountant A Singhi & Co.,1,R.N.Mukherjee Road, 4th Floor, R.No. 37, Kolkata 700001, Tel: 033-40034769.

**For Narnolia Financial Services Limited**

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cn=RAMESH KUMAR SINGH
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**RAMESH KUMAR SINGH**

**Compliance Officer**

Date: 30th April 2025
Place: Kolkata

**For A. Singhi & Co.**
**Chartered Accountants**
**ICAI FRN: 319226E**

A. SINGHI & CO. KOLKATA Chartered Accountants

**(Sunil Singhi)**
**Partner**
**Membership No. 053088**
**UDIN: 25053088BMIMAH1359**
**Kolkata, the 30th day of April, 2025**

A. SINGHI & CO.
CHARTERED ACCOUNTANTS

# TO WHOM IT MAY CONCERN

We hereby certify that all relevant disclosures have been made in the disclosure document of **M/s Narnolia Financial Services Ltd**., having their registered office at Marble Arch, office 201, 2nd Floor, 236B, AJC Bose Road, Kolkata 700020. We also certify that all the relevant disclosures made in the documents are true, fair and adequate to enable the investors to make a well informed decision.

For A. Singhi & Co.
Chartered Accountants
ICAI FRN: 319226E

(Sunil Singhi)
Partner
Membership No. 053088
UDIN: 25053088BMIMAH1359
Kolkata, the 30th day of April, 2025

A. SINGHI & CO. KOLKATA Chartered Accountants