

## FORM C

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

Name of Portfolio Manager : Mittal Analytics Private Limited  
Registered Office Address : 1<sup>st</sup> Floor, Nikhilesh Palace,  
Ashok Marg,  
Lucknow – 226001  
Telephone No: 0522 4002900  
Email: [mittalanalytics@gmail.com](mailto:mittalanalytics@gmail.com)

SEBI Registration Number: : INP000006730

We confirm that,

- i. the Disclosure Document forwarded to the 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 document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio Manager;
- iii. the Disclosure Document has been duly certified (copy attached) by an independent chartered accountant M/s Seth & Associates on 22<sup>nd</sup> Oct 2022:  
Address: 90, Pirpur Square, Narahi, Lucknow 226001  
Phone: 0522 – 4002161  
Membership Number: 404028  
Firm Reg No: 001167C

Place: Lucknow  
Date: 22<sup>nd</sup> Oct 2022

Ayush Mittal  
Principal Officer

**Seth & Associates**  
**Chartered Accountants**

Office – 90, Pirpur Square, Narahi | Telephone :- (+91) (522) 4002161  
Lucknow-226001 | Email: [dhruv@sethspro.com](mailto:dhruv@sethspro.com)

**CERTIFICATE**

Based on your request to provide you with a certificate on the disclosure document for Portfolio Management Services (“the disclosure document”) if M/s Mittal Analytics Private Limited. We understand that the desired document is required to be submitted to the Securities and Exchange Board of India (“the SEBI”).

1. The Perpetration of Disclosure Document and compliance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 ("the SEBI Regulation") and the Guidelines issued by SEBI dated February 13, 2020 is the responsibility of the management of the company. Our responsibility is to report in accordance with the Guidance note on Audit Reports and Certificates for special purposes issued by the Institute of Chartered Accountants of India. Further, our scope of work did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statement taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statement, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.
2. In respect of the information given in the Disclosure document, we state that:
  - a. The list of persons classified as Associates or group companies and list of related parties are relied upon as provided by the company.
  - b. The Promoters and director's qualification, experience, ownership details are as declared by them and have been accepted without further verification.
  - c. We have relied on the representations given by the management of the company about the penalties or litigations against the Portfolio Manager mentioned in the Disclosure document.
  - d. We have relied on the representation made by the management regarding the Assets under management of Rs. 95.62 crores as on March 31, 2022.
3. Read with above and on the basis of the examination of books of accounts, records, statements produced before us and to the best of our knowledge and according to the information, explanations and representations given to us, we certify that the disclosure made in the disclosure document dated 22<sup>nd</sup> October, 2022 are true and fair in accordance with the disclosure requirements laid down in regulation 22 read with Sch V to the SEBI regulations. A management certified copy of the disclosure document is enclosed herewith.

This certificate is intended solely for the use of the management of the company for the purpose specified in paragraph 1.

**Seth & Associates**  
Chartered Accountants  
FR No. 001167C

  
Dhruv Seth

(M. No. 404028)  
Partner



Place: Lucknow  
Date: 22/10/2022  
UDIN: 22404028BASGOZ4637

# MITTAL ANALYTICS PRIVATE LIMITED

CIN: U74120UP2015PTC070197

Regd. Off: 17/4, First Floor, Nikhilesh Palace, Ashok Marg, Lucknow – 226001

Email: [mittalanalytics@gmail.com](mailto:mittalanalytics@gmail.com) Phone: 0522-4002900

---

## DISCLOSURE DOCUMENT

[As required under Regulation 22 of SEBI (Portfolio Managers) Regulations 2020]

The Disclosure Document (hereinafter referred to as “the 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.

The purpose of the document is to provide essential information about the portfolio services in a manner to assist and enable the investor in making informed decisions for engaging a 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 documents for future reference.

### Details of the Principal Officer:

Name : Mr. Ayush Mittal  
Phone : 0522-4001800, 0522-4002900  
E-mail : [ayush@mittalanalytics.com](mailto:ayush@mittalanalytics.com)  
Address : Mittal Analytics Private Limited  
1<sup>st</sup> Floor, Nikhilesh Palace,  
Ashok Marg,  
Lucknow – 226001

Date : 22<sup>nd</sup> October, 2022

# CONTENT

<b>CONTENT</b>	<b>1</b>
DISCLAIMER	3
DEFINITIONS	3
DESCRIPTION	4
i. History, present business and background	4
ii. Promoters, directors and their background	5
iii. Group companies	5
iv. Services being offered	5
PENALTIES, PROCEEDINGS & LITIGATIONS	5
SERVICES OFFERED	6
Investment Approach: MAPL Value Investing Fund	6
i. Investment objective	6
ii. Description of types of securities	6
iii. Basis of selection of such types of securities	6
iv. Allocation of portfolio across types of securities	6
v. Appropriate benchmark to compare performance	7
vi. Indicative tenure or investment horizon	7
vii. Risk associated with the investment approach	7
viii. Policies for Investments	7
RISK FACTORS	7
CLIENT REPRESENTATION	8
ii. Related Party Transactions	9
FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER	9
PERFORMANCE OF PORTFOLIO MANAGER FOR LAST 3 YEARS	9
AUDIT OBSERVATIONS	10
NATURE OF EXPENSES	10
Management Fees	10
Custodian / Depository Fees	10
Registrar and transfer agent fees	11
Brokerage and transaction costs	11
Securities Lending and Borrowing charges	11
Certification and professional charges	11
Incidental Expenses	11
TAXATION	11
General	11

GST	11
Tax Deduction at Source	12
Advance tax instalment obligations	12
Dividend	12
STT	12
Corporate Actions	12
Capital Gains	12
Long term Capital Gains	13
Short term Capital Gains	13
Tax on income from business in securities	13
ACCOUNTING POLICIES	13
INVESTOR SERVICES	15
For Mittal Analytics Private Limited	15

## 1. DISCLAIMER

The Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 amended till date and filed with SEBI. This document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the Document.

## 2. DEFINITIONS

i.	<b>Act</b>	The Securities and Exchange Board of India Act, 1992.
ii.	<b>Bank Account</b>	Means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in the name of the Client or pool accounts opened in the name of portfolio manager to keep the funds of all the clients, where the funds of all the client will be separately identified as a sub-account for the purpose of portfolio management services to be provided by the portfolio manager.
iii.	<b>Client</b>	Client means the person who enters into an agreement with the Portfolio Manager for managing its portfolio and/or funds.
iv.	<b>Compliance Officer</b>	Compliance Officer means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager.
v.	<b>Custodian</b>	Custodian means any person who carries on or proposes to carry on the business of providing custodial services in accordance with the regulations issued by SEBI from time to time.
vi.	<b>Discretionary Portfolio Manager</b>	A Portfolio Manager who exercises or may, under a contract relating to portfolio management, exercises 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.
vii.	<b>Mittal Analytics</b>	Shall mean Mittal Analytics Private Limited.
viii.	<b>Fund Manager</b>	The individual(s) appointed by the Portfolio Manager who manages, 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 the funds of the client, as the case may be.
ix.	<b>NAV</b>	NAV shall mean Net Asset Value, which is the price that the investment would ordinarily fetch on sale, in the open market on the relevant date, less any receivables and fees due.
x.	<b>PMS Agreement</b>	Includes a contract entered between the Portfolio Manager and the client for the management of funds or securities of the client.
xi.	<b>Portfolio</b>	Total holdings of securities and/or funds belonging to the client.
xii.	<b>Portfolio Manager</b>	Mittal Analytics Private Limited, who has obtained certificate of registration from SEBI to act as a Portfolio Manager under Securities and Exchange Board of India (Portfolio Managers) Rules and Regulations, 2020, vide Registration no:INP000006730 and valid from 7th May, 2019 to 6th May 2022.
xiii.	<b>Principal Officer</b>	Principal Officer means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager.

xiv.	<b>PMS</b>	Portfolio Management Services offered by Portfolio Manager.
xv.	<b>Regulations</b>	The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, and as may be amended by SEBI from time to time.
xvi.	<b>Rules</b>	The Securities and Exchange Board of India (Portfolio Managers) Rules, 2020.
xvii.	<b>SEBI/Board</b>	SEBI/Board shall mean the Securities and Exchange Board of India.
xviii.	<b>Securities</b>	<p>'Securities' as per Securities Contracts (Regulation) Act, 1956 include:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Derivatives (contracts which derive their value from the prices, or index of prices, of underlying securities)</li> <li>• Units or any other instrument issued by any collective investment scheme to the investors in such schemes</li> <li>• Security receipts as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002</li> <li>• Units or any other such instrument issued to the investors under any mutual fund scheme</li> <li>• Government securities</li> <li>• Such other instruments as may be declared by the Central Government to be securities</li> <li>• Rights or interests in securities.</li> </ul>

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 meaning assigned to them in regulations governing Portfolio Management Services.

### 3. DESCRIPTION

#### i. History, present business and background

Mittal Analytics Private Limited was incorporated in 2015 by Mr. Ayush Mittal and Mr. Pratyush Mittal. Their family has been into investing since 1980. Their father, Mr Satya Prakash Mittal, started as a broker in 1984 and became a member of UP Stock Exchange in 1989. Ayush and Pratyush Mittal joined their father after completing their Chartered Accountancy. They helped their father in doing research on companies.

Mittal Analytics was born out of their passion for investing. It provides softwares and services to investors. Company's flagship website [www.screener.in](http://www.screener.in) is used by thousands of investors. Website provides financial data of listed companies and tools for finding new stock ideas.

The company applied for a PMS licence and obtained it on 7th May 2019. The service is focused on creating portfolios for clients based on their investing experience of 40 years.

## ii. Promoters, directors and their background

Mr. Ayush Mittal and Mr. Pratyush Mittal are promoters and directors of the company.

Ayush Mittal developed interest in investing during his school times. He has been researching companies since early 2000. He completed his Chartered Accountancy in 2008 and ventured full time into investing after that. He likes to invest in mid and small sized companies and follows a bottoms-up research process. He loves to read annual reports, attend AGMs, visit factories and interact with people.

Ayush is the Principal Officer and leads the stock research process. He manages the portfolios of clients.

Pratyush Mittal completed his Chartered Accountancy in 2011 and ventured full time into investing. He likes to read financial statements and has been an auditor at many companies. He also has a keen interest in technology and has developed popular investing platforms like Screener.in and Valuepickr.com.

## iii. Group companies

There are no group companies of Mittal Analytics Private Limited.

## iv. Services being offered

Mittal Analytics Private Limited currently offers discretionary portfolio management services. Under the discretionary portfolio management services the portfolio account of the client is managed at the full discretion and liberty of the Portfolio Manager. The choice as well as the timings of the investment decisions rest solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. More details of the offered services are provided in point no. 5.

## 4. PENALTIES, PROCEEDINGS & LITIGATIONS

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

All cases of penalties imposed by SEBI or the Directions issued by SEBI under the SEBI Act or Rules or Regulations made thereunder.	None
The nature of the penalty/direction	Not Applicable
Penalties/Fines imposed for any economic offence and/or for violation of any securities laws.	None
Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any.	None
Any deficiency in the systems and operations of the portfolio managers observed by the Board or any regulatory agency.	None
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.	None



## **5. SERVICES OFFERED**

The Portfolio Manager offers Discretionary Portfolio Management Services. Under the discretionary PMS, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager. The portfolio manager has full discretion and liberty to manage the portfolio of the client.

### **Investment Approach: MAPL Value Investing Fund**

#### **i. Investment objective**

Create a diversified portfolio of listed equity shares with a long term investing horizon. Invest into companies with good growth and / or attractive valuations.

#### **ii. Description of types of securities**

We primarily invest into listed equity shares. However, based on market conditions and opportunities we may invest into other securities. Other securities include debt securities, products, fixed income products, mutual fund units, exchange traded funds or other instruments and products.

We invest mostly into small and mid sized companies which typically have a market cap of less than 25,000 crores. Many of the portfolio companies may have a market cap of around 100 to 5000 crores.

#### **iii. Basis of selection of such types of securities**

We follow a bottom-up approach to investing. We focus on financial numbers and fundamentals of individual companies. We try to understand their business and invest in businesses which look attractive over a long term period.

We focus on small and mid-sized companies which are in the early growth stage or look attractive on valuations. We study their financial statements, statutory filings and history. We try to get insights about their business by looking at their products, talking to their suppliers, customers & competitors and attending their concalls & meetings when possible.

The fund manager and his family pursue lots of such companies in their personal accounts and follow them over a period. This helps in understanding the companies better. Companies with better prospects are added in client portfolios as the fund manager gets more clarity and comfort.

#### **iv. Allocation of portfolio across types of securities**

We try to diversify the portfolio into 15 to 25 stocks. The number of stocks could be higher for a larger portfolio given the illiquidity challenges in some companies.

Though we allocate the portfolio primarily in listed equity shares, we may increase allocation in liquid funds and other instruments based on market conditions and opportunities available in the equity market.

#### **v. Appropriate benchmark to compare performance**

As many of the portfolio companies will be small and mid-cap in size, the S&P BSE Small-Cap Index would be an appropriate benchmark for performance comparison.

#### **vi. Indicative tenure or investment horizon**

We look for opportunities where the value of a company can unlock over the next 2-3 years. Clients should have an investment horizon of at-least 3 to 5 years.

#### **vii. Risk associated with the investment approach**

The Securities investments are subject to high volatility and liquidity risks as the invested companies might be small in market capitalization.

There can be large drawdowns during the years of bad performance.

Small and mid-cap companies are more prone to disruptions and risks. Disruptions and risks can cause permanent loss of capital.

Other risk factors are covered in detail in point 6.

#### **viii. Policies for Investments**

The Portfolio Manager currently does not intend to invest in any of its associate or group companies. Policies applicable to investments are:

- The portfolio of each client may differ from that of the fund manager or other clients in the same product as per discretion of the Fund/ Portfolio Manager depending on the investment horizon, investment objective, timing of investment and illiquidity in the stocks.
- The un-invested amounts in the schemes may be deployed by the Fund Manager/Portfolio Manager in any other short term investments.
- The Portfolio Manager shall appoint SEBI registered Custodians and Depository Participants from time to time based on their services/offerings, for the purpose of operating the clients' demat and / or bank accounts.
- The Portfolio Manager may have investments in the same companies as the clients.

### **6. RISK FACTORS**

- i. Securities investments are subject to market risks and there is no assurance or guarantee that the objective of the investments will be achieved.
- ii. Past performance of the Portfolio Manager does not indicate its future Performance.
- iii. The investments made by the Portfolio Manager are subject to risks arising from the investment approach, investment objective, investment strategy and asset allocation.
- iv. The investments made by the Portfolio Manager are subject to risks arising out of non-diversification if any.
- v. The Portfolio Manager has no previous experience in Portfolio Management Services.
- vi. The Securities investments are subject to high volatility and liquidity risks as the invested companies might be small in market capitalization.
- vii. The Securities investments are subject to various external risks such as war, natural calamities, policy changes of local and international markets.

- viii. The individual investments in the portfolio are subject to risks such as technology changes, business model changes, disruptions.
- ix. The investments might go wrong, not perform as expected or fail even after the due-diligence of the portfolio manager.
- x. There might be risks related to illiquidity and / or changing circumstances in the stocks which may result in different entry, exit prices and allocations between different portfolios.
- xi. The fund manager and his family invests in stocks in their family accounts. The family accounts are managed independently by family members. They may buy or sell their investments before /after the clients and this may result in different entry, exit price and allocations. There can also be a timing difference in the transactions in family accounts and that of the clients.
- xii. The fund manager and their family invest in lots of stocks to get a better understanding. The transactions are made in the client accounts after they develop a better understanding and comfort about the company. Thus the stocks bought in the family account may or may not be bought for the clients too.
- xiii. The portfolio manager has defined internal guidelines to protect the interest of its clients. These guidelines are applicable to the company's fund-managers and employees. These guidelines define the protocols and procedures for identifying conflicting trades and ensuring their fair treatment.

## 7. CLIENT REPRESENTATION

Category of clients	No. of clients	Funds managed (Rs. Cr.)	Discretionary / Non-Discretionary
<b>As on 31 March 2020</b>			
Individual Resident	13	18.82	Discretionary
Corporate Resident	0	0	NA
Total	13	18.82	Discretionary

Category of clients	No. of clients	Funds managed (Rs. Cr.)	Discretionary / Non-Discretionary
<b>As on 31 March 2021</b>			
Individual Resident	15	46.08	Discretionary
Corporate Resident	1	0.75	Discretionary
Total	16	46.83	Discretionary

Category of clients	No. of clients	Funds managed (Rs. Cr.)	Discretionary / Non-Discretionary
<b>As on 31 March 2022</b>			
Individual Resident	24	94.11	Discretionary
Corporate Resident	1	1.51	Discretionary
Total	25	95.62	Discretionary

## ii. Related Party Transactions

**Key Managerial Personnel:** Ayush Mittal and Pratyush Mittal

**Relatives of Key Managerial Personnel:** S.P. Mittal - HUF

Nature of Transactions	Year	Key Managerial Personnel	Relatives of Key Managerial Personnel
Salary	2019-20	21,60,000	0
	2020-21	21,60,000	0
	2021-22	24,00,000	0
<b>Balances at year end</b>			
Borrowings	2019-20	30,28,229	0
	2020-21	18,94,289	0
	2021-22	92,058	0

## 8. FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER

Particulars (in lacs)	FY 2019-20	2020-21	2021-22
Total Income	112.20	400.88	1176.87
Net Profit	36.29	224.12	748.42
Paid-up Capital	30.00	30.00	30.00
Free Reserves	213.38	437.51	1188.43
Total	243.38	467.51	1218.43

The Portfolio Manager is paying a fixed fee of Rs. 1,80,000 per year and/or a variable fee of upto 5 bps of the fund size for outsourcing custodian activities.

## 9. PERFORMANCE OF PORTFOLIO MANAGER FOR LAST 3 YEARS

Mittal Analytics Private Limited has obtained PMS Licence from SEBI on 7<sup>th</sup> May 2019. It has not provided portfolio management services in the past.

Period	MAPL Value Investing Fund	BSE SMALLCAP	SENSEX
<b>FY 2020</b> (22/05/2019 to 31/03/2020)	-37.75%	-32.77%	-24.38%
<b>FY 2021</b>	137.25%	114.90%	68.01%
<b>FY 2022</b>	93.29%	36.64%	18.30%

## 10. AUDIT OBSERVATIONS

There have been no audit observations in the last 3 annual audits of the company.

## 11. NATURE OF EXPENSES

The following are indicative types of costs and expenses for clients availing the Portfolio Management services. The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Agreement or the agreements for each of the services availed by the client 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 funds or linked to portfolio returns achieved or a combination of any of these, as mutually agreed with the Client in the PMS Agreement.

Fixed fees: The fixed charge or a percentage of the quantum of funds managed shall not exceed 2% p.a. or at such other rate, agreed and calculated in the matter prescribed in the agreement executed with the client.

Performance fees: in addition to the fixed fee, the performance fees shall be charged and linked to the portfolio returns/outperformance achieved. The fee structure will be mutually decided as per the client agreement and shall not exceed 30% of profits.

Goods and Service tax at the applicable rate as amended from time to time will be charged separately.

**Other Charges included the following expenses charged on an actual basis.**

### ii. Custodian / Depository Fees

The Portfolio Manager shall outsource the custodian and depository activities to SEBI registered Custodians and Depository Participants from time to time based on their services / offerings for the purpose of operating clients' demat and/or bank accounts. The fees and other charges levied to the clients are subject to actuals as charged by the respective Custodian and DPs.

**iii. Registrar and transfer agent fees**

Charges payable to 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 transaction related charges like service charge, securities transaction tax (STT), 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.

**v. Securities Lending and Borrowing charges**

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

**vi. Certification and professional charges**

Charges payable for outsourced professional services like accounting, audit, taxation and legal services, notarizations etc. for certifications, attestations required by bankers or regulatory authorities.

**vii. Incidental Expenses**

Charges in connection with the courier expenses, postal, telegraphic, opening and operation of bank accounts etc.

**12. TAXATION**

**i. General**

In view of the individual nature of tax consequences on the income, capital gains or otherwise, arising from investments, 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 portfolio management services.

The Portfolio Manager shall not be responsible for assisting in or completing the fulfilment of the client's tax obligations. The income tax rates listed below are based on the tax provisions prevailing on the date of the document and can be subject to change. The information set out below is not tax advice and furnished for information purposes only and its accuracy is not guaranteed.

**ii. GST**

GST and other indirect taxes are in addition to the amount of management and other fees.

**iii. Tax Deduction at Source**

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

Dividends are taxable in the hands of the receiver. The taxability of dividends might change based on circulars and changes in the Finance bill.

TDS is deductible on interest income as well as dividend income and would be deducted by the issuer of such security.

**iv. Advance tax instalment obligations**

It shall be the Client's responsibility to meet the obligation on account of advance tax instalments payable on the due dates under the Act.

**v. Dividend**

As per the proposed changes in Finance Bill 2020, income by way of dividends is taxable in the hands of the investors at the applicable slab rates. Companies might be required to deduct TDS on the same.

**vi. STT**

STT is charged on delivery based transactions at the time of purchase and sale of listed equity shares on recognised stock exchanges in India.

**vii. Corporate Actions**

**a. Bonus**

As per Income Tax Act, the cost of acquisition of bonus shares is considered as 0. The date of acquisition is the date on which bonus shares are received. Capital Gains are applicable on sale of these shares as per the rules of Capital Gains.

**b. Split**

In case of stock splits, the cost of acquisition of old shares in hand is adjusted on the split ratio. The date of acquisition remains the same.

**c. Mergers and demergers**

In case of mergers and demergers, the shares of the new company are received. Their cost of acquisition and the adjustment ratio for the shares of the old company are provided by the company for Income Tax purposes.

**viii. Capital Gains**

The client has the option of treating the income from securities either as capital gains or as the business income. These choices are to be made at the client's end. The major tax provisions related to the income from capital gains is provided below. The capital losses might not be set-off against the business incomes.

**a. Long term Capital Gains**

In case the securities are sold after one year from the date of purchase/acquisition, the resultant gains are termed as Long term capital gain. Long term capital gains over Rs. 1 lac are taxed at 10% income tax if the gain is arising out of transfer of equity shares which are sold on a recognized stock exchange in India and on which Securities Transaction Tax has been paid, failing which, they would be taxed at 10% (as increased by surcharge and cess) in case of listed securities where indexation benefit is not taken otherwise 20% with indexation benefit.

There are provisions around “grandfathering” for the securities bought by the client before 31st January 2018. These will be applicable when computing long term capital gains.

In case of unlisted securities, tax would be charged at 20% with indexation benefit (as increased by surcharge plus education cess and secondary education cess and higher education cess).

**b. Short term Capital Gains**

In case the securities are sold within a year from the date of purchase/acquisition, the resultant gains are termed as Short term capital gain.

Short term Capital gain arising out of transfer of equity shares or units of Mutual Fund are taxed at a concessional rates of 15% (as increased by surcharge and cess), if the securities are sold on a recognized stock exchange in India (in case of equity shares) and on which Securities Transaction Tax has been paid.

The securities such as liquid funds or debt instruments on which the concessional rates are not applicable are taxed at the rate applicable depending upon the status (i.e. individual, HUF, Firm, Corporates etc.) and Income level of client.

**ix. Tax on income from business in securities**

For those opting to treat the income from investment in securities as business income, such profit or loss is taxable as their applicable rates. The STT paid on transactions is deductible while computing business income.

**13. ACCOUNTING POLICIES**

The following policies will be applied for the investments of Clients:

- i. Investments introduced by the client in his portfolio are booked at the market value as of the date of introduction to the scheme.
- ii. Investments in listed equity and debt instruments will be valued at the closing market prices on the National Stock Exchange (“NSE”). If the Securities are not traded on the NSE on the valuation day, the closing price of the Security on the Bombay Stock Exchange will be used for valuation of Securities. In case of the



securities that are not traded on the valuation date, the last available traded price shall be used for the valuation of securities. Investments in units of mutual funds shall be valued at the repurchase price of the previous day or at the last available repurchase price declared for the relevant Scheme on the date of the report.

- iii. Profit or loss on sale of investments is calculated by using the 'first in first out method'. Mittal Analytics does comply with the accounting standards to the extent applicable to it issued by the Institute of Chartered Accountants of India.
- iv. For charging performance / profit sharing fee, the profit / performance shall be computed on the basis of high water mark principle over the life of the investment.
- v. Hurdle Rate, if any, means the minimum rate or return required on the capital invested by the client for charging the performance fees.
- vi. For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.
- vii. Unrealized gains/losses are the differences between the current market values/ NAVs and the historical cost of the securities.
- viii. Dividends on shares and units in mutual funds, interest, stock lending fees earned etc. shall be accounted for on receipt basis. The interest on debt instruments shall be accounted on accrual basis.
- ix. The Portfolio Manager and the Client can adopt any specific norm or methodology for valuation of investments or accounting the same as may be mutually agreed between them on a case specific basis.
- x. All investment income and expenses will be accounted for on an accrual basis.

Dividend will be accrued on the Ex-date of the securities and the same will be reflected in the clients' books on the ex-date. Similarly, bonus shares will be accrued on the ex-date of the securities and the same will be reflected in the clients' books on ex-date. In case of Fixed Income instruments, purchased/sold at Cum-Interest rates, the interest component upto the date of purchase/sale will be taken to interest receivable/payable account and net of interest will be cost/sale for the purpose of calculating realised gains/losses.

- xi. The costs of investments acquired or purchased would include brokerage, transaction charges, accrued interest, stamp charges and any charge customarily included in the broker's contract note trade confirmation or levied by any statutory.

## 14. INVESTOR SERVICES

- i. The investor relation officer shall attend the investor queries and complaints.

Name of investor relation officer: Pratyush Mittal  
Address: 1<sup>st</sup> Floor, Nikhilesh Palace, Ashok Marg  
Lucknow – 226001  
Telephone: 0522 4001800 / 2900  
Email: [mittalanalytics@gmail.com](mailto:mittalanalytics@gmail.com)

ii. **Investor Grievance Redressal Procedure**

Mittal Analytics will ensure timely and prompt redressal of the grievances and disputes of its clients. Any grievance shall be reported to the compliance officer. The compliance officer will understand the grievance, gather relevant facts and take quick action.

Name of compliance officer: Pratyush Mittal  
Address: 1<sup>st</sup> Floor, Nikhilesh Palace, Ashok Marg  
Lucknow – 226001  
Telephone: 0522 4001800 / 2900  
Email: [office@mittalanalytics.com](mailto:office@mittalanalytics.com)

In case the investor is unsatisfied with the redressal procedure, then they may also approach the independent third-party arbitrators such as “M/s R M Lall” or “M/s Seth & Associates”.

In addition to above, the clients can also login to SEBI Scores - <http://scores.gov.in> to register their grievances and complaints.

**Date:** 28th March 2022

**Place:** Lucknow, Uttar Pradesh

**For Mittal Analytics Private Limited**

**Pratyush Mittal**  
Director  
DIN: 07079734

**Ayush Mittal**  
Director  
DIN: 07106808