

**Date: 11 Oct 2023**

Investment Management Department  
Securities & Exchange Board of India  
SEBI Bhavan,  
Plot No C -4A, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai -400051

Dear Sir,

**Ref: SEBI Registration No: INP000004961 - Portfolio Manager**

**Sub: Disclosure Document**

Please find attached copy of Disclosure Document dated 10 Oct 2023 along with the following documents.

- 1) Form C
- 2) Net worth certificate certified copy as on 31/03/2023
- 3) Certificate issued by chartered Accountants M/S Aman Bansal & Co

Kindly acknowledge the receipt of the same.

Sincerely,

**Solidarity Advisors Private Limited**

**Sd/-**

**Naarah Pereira**  
**VP – Operations & Compliance**  
**Mumbai**

## Form C

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

#### [Regulation 22]

**Name of the Portfolio Manager:**

**Solidarity Advisors Private Limited**

101, Buena Vista, St Alexius Road, Off Turner Road,

Bandra (West), Mumbai - 400050

Tel: 91 9819 517614

**Ref: SEBI Registration No: INP000004961 - Portfolio Manager**

**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 documents are true, fair and adequate to enable the investors to make a well-informed decision regarding entrusting the management of the portfolio to us /investment in the Portfolio Management.
- III) The Disclosure Document has been duly certified by an independent chartered accountant M/S. Aman Bansal & Co, Chartered Accountants. Registered Office: Plot No 112, 2<sup>nd</sup> Floor, Udyog Vihar Phase 1, Udyog Vihar, Gurugram, Haryana, 122016 Phone +91 87088 33735; Membership No: 555807

**Sd/-**

**Manish Gupta**

**Principal Officer**

**Solidarity Advisors Private Limited**

**Mumbai**

**Date: 11 Oct 2023**

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**SOLIDARITY ADVISORS PRIVATE LIMITED**

Regd. Office: 101, Buena Vista, St. Alexius Road, Bandra West, Mumbai 400050

Corporate Office: 702, 704 & 205, Balarama, E-Block, Bandra Kurla Complex, Bandra East, Mumbai 400051 t +91 22 49714275

www.solidarity.in SEBI Registration No: INP000004961 CIN U67190MH2011PTC224651

# AMAN BANSAL & CO

## Chartered Accountants

Plot No. 112, 2nd Floor, Udyog Vihar Phase 1,  
Udyog Vihar, Gurugram, Haryana 122016  
Mob: 8708838735 E-mail ID: aman.bansal@caaman.in

To,

Board of Directors,  
Solidarity Advisors Private Limited  
101, Buena Vista, St. Alexius Road,  
Off. Turner Road, Bandra(W), Mumbai-400050

### NET WORTH CERTIFICATE

This is to certify that **M/s Solidarity Advisors Private Limited**, having registered office address at 101, Buena Vista, ST. Alexius Road, Off Turner Road, Bandra (W), Mumbai – 400050, has a Net worth of Rs 266,656,190 /- (Rupees Twenty-six crores, sixty-six lakhs, fifty six thousand, one hundred and ninety only) as on March 31, 2023, based on the audited financial statements provided to us by the company.

The above certificate is based on the specific request of M/s Solidarity Advisors Private Limited and is based on documents and records produced before us.

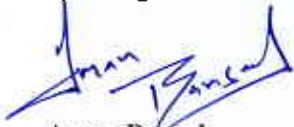
Statement of the net worth of Solidarity Advisors Pvt Ltd. based on audited accounts as on March 31, 2023

Particulars	Amount in Rs.
Paid up Equity Capital	14,500,000
Add: Free reserves (excluding reserves created out of revaluation)	252,156,190
Less: Accumulated Losses	-
Less: Deferred expenditure not written off (including miscellaneous expenses not written off)	-
Less: Minimum Capital Adequacy/Net worth requirement for any other activity undertaken under other SEBI Regulations	-
<b>Net worth as on March 31, 2023</b>	<b>266,656,190</b>

**For Aman Bansal & Co.**

*Chartered Accountants*

Firm Registration Number: 036885N



**Aman Bansal**

*Proprietor*

Membership No.: 555807

Place: Gurgaon, Haryana

Date: September 23, 2023

UDIN: 23555807BGYEZH8244



### **Explanatory Note:**

*The above certificate is based upon recorded transactions in the financial statements provided to us by the company. Any unrecorded transactions/accrued income/accrued expenses, if any, up to the date of this certificate have not been considered for the purpose of this certificate.*

# AMAN BANSAL & CO

## Chartered Accountants

Plot No. 112, 2nd Floor, Udyog Vihar Phase 1,  
Udyog Vihar, Gurugram, Haryana 122016  
Mob: 8708833735 E-mail ID: aman.bansal@caaman.in

**Date: 10<sup>th</sup> October 2023**

To

The Board of Directors  
Solidarity Advisors Pvt. Ltd.  
702, 704 & 705, Balarama, E-Block,  
Bandra Kurla Complex,  
Bandra East, Mumbai 400051

Dear Sir,

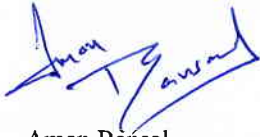
We have examined the Disclosure Document dated 10th October 2023 for Portfolio Management Services prepared in accordance with Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020 by Solidarity Advisors Pvt. Ltd., having its corporate office at 702, 704 & 705, Balarama, E-Block, Bandra Kurla Complex, Bandra East, Mumbai 400051

Based on our examination of the attached Disclosure Document, audited annual accounts of Solidarity Advisors Pvt. Ltd. and other relevant records and information furnished by the Management, we certify that the disclosures made in the attached Disclosure Document for Portfolio Management Services are true, fair and adequate to enable the investors to make a well-informed decision.

We have relied on the representations given by the Management about the penalties or litigations against the Portfolio Manager mentioned in the Disclosure Document and are unable to comment on the same.

This certificate has been issued for submission to the Securities and Exchange Board of India for the sole purpose of certifying the contents of the Disclosure Document for Portfolio Management and should not be used or referred to for any other purpose without our prior written consent.

**For Aman Bansal & Co  
Chartered Accountants**



Aman Bansal  
Proprietor  
Membership No: 555807  
Firm Registration No. 036885N  
UDIN - 23555807BGYEZM7613





DISCLOSURE DOCUMENT  
**PORTFOLIO MANAGEMENT SERVICES**

OFFERED BY

**SOLIDARITY**  
INVESTMENT MANAGERS

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## SOLIDARITY ADVISORS PRIVATE LIMITED

### DISCLOSURE DOCUMENT TO PMS CLIENTS

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

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#### I. Declaration:

- a) The Disclosure Document (hereinafter referred as the “**Document**”) has been filed with the Securities and Exchange Board of India (“**SEBI**”) along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020 (“**Regulations**”).
- b) The purpose of this document is to provide essential information about the PMS services offered by Solidarity Advisors Private Limited, in a manner to assist and enable investors and/or their nominees in making informed decisions for engaging Solidarity Advisors Private Limited as a Portfolio Manager.
- c) The document provides the necessary information about Solidarity Advisors Private Limited required by an investor before investing and the investor may also be advised to retain the Document for future reference.
- d) The name, phone number, e-mail address of the principal officer as designated by the Portfolio Manager along with the address of the Portfolio Manager is as follows:

<b>PRINCIPAL OFFICER</b>	<b>PORTFOLIO MANAGER</b>
<b>Name:</b> Mr. Manish Gupta	Solidarity Advisors Private Limited
<b>Phone No:</b> + 91 22 4971 4275	<b>Registered Address:</b> 101, Buena Vista St. Alexius Road, Off Turner Road, Bandra West, Mumbai 400050
<b>E-mail:</b> <a href="mailto:mg@solidarity.in">mg@solidarity.in</a>	<b>Correspondence Address:</b> 704 & 705, Balarama, E-Block, Bandra Kurla Complex, Bandra East, Mumbai 400051

## 1. DISCLAIMER CLAUSE

- a. Particulars of this document have been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020
- b. This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the Document.

## 2. DEFINITIONS

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

- (a) Act:** means the Securities and Exchange Board of India Act, 1992 as amended from time to time.
- (b) Advisory Portfolio Management Services:** means the portfolio management services rendered to the Client, by the Portfolio Manager on the terms and conditions contained in the Agreement with respect to the Assets (including the Portfolio and Funds) of the Client, where the Portfolio Manager shall provide advice in relation to the Assets. The Portfolio Manager shall be solely acting as an advisor to the client without full discretion to make investment decisions. Final decision will be the absolute discretion of the Client and entirely at the Client's risk.
- (c) Agreement:** means Portfolio Management Services Agreement entered between the Portfolio Manager and the Client/ investor, as amended, modified, supplemented or restated from time to time together with all annexures, schedules and exhibits, if any.
- (d) Applicable Laws:** means any applicable Indian statute, law, ordinance, regulation including the Regulations, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument which has a force of law in India, as is in force from time to time.
- (e) Assets:** means (i) the Portfolio and / or (ii) the Funds and includes all accruals, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and /or replacements or any other beneficial interest including dividend, interest, rights, bonus as well as residual cash balances, if any (represented both by quantity and in monetary value), in relation to or arising out of the Assets.
- (f) Capital Contribution:** means the sum of money or Securities or combination thereof, contributed by the Client simultaneously upon execution of the Agreement or any time thereafter, subject to a minimum of INR 50,00,000 (Indian Rupees Fifty Lakhs) or such other higher amount as may be specified by the Portfolio Manager in compliance with Applicable Laws.
- (g) Cash Account or Bank Account:** shall mean one or more bank accounts opened, maintained and operated by the Portfolio Manager in the name of the Client or a pool account in the name of the Portfolio Manager to keep the Funds of all clients.



- (h) Chartered Accountant:** means a Chartered Accountant as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949) and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act.
- (i) Client(s) / Investor(s):** means any person / entity that enter into an agreement/ arrangement for availing the Portfolio Management Services with the Portfolio Manager by executing the Agreement.
- (j) Custodian:** means one or more custodian appointed by the Portfolio Manager, from time to time, for maintaining custody of funds and/or Securities of the Client.
- (k) Depository Account or DP Account:** means one or more Demat accounts opened, maintained, and operated by the Portfolio Manager in the name of the Client or a pool demat account in the name of the Portfolio Manager to keep the securities of all clients before they are transferred to individual client DP accounts.
- (l) Disclosure Document or Document:** means this document filed by the Portfolio Manager with SEBI as required under the Regulations and as may be amended by the Portfolio Manager from time to time.
- (m) Discretionary Portfolio Management Services:** means the portfolio management services rendered to the Client, by the Portfolio Manager on the terms and conditions contained in the Agreement with respect to the Assets (including the Portfolio and Funds) of the Client, where the Portfolio Manager exercises its sole and absolute discretion with respect to investments or management of the Assets of the Client, entirely at the Client's risk, in such manner as the Portfolio Manager may deem fit.
- (n) Distributor:** means a person/entity empanelled by the Portfolio Manager which refers clients to the Portfolio Manager in lieu of commission/charges.
- (o) Eligible Investor:** means individuals, company, body corporate, partnership firm, association of persons, limited liability partnership, trust, Hindu undivided family including Non-Resident Indian and person of India Origin and such other persons as may be deemed by the Portfolio Manager, to be eligible to avail of the services of the Portfolio Manager from time to time under the SEBI (Portfolio Managers) Regulations.
- (p) Financial Planning:** shall include analysis of clients' current financial situation, identification of their financial goals, and developing and recommending financial strategies to realise such goals.
- (q) Investment Advice:** means advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral or through any other means of communication for the benefit of the client and may include financial planning.

- (r) Investment Approach:** is a broad outlay of the type of securities and permissible instruments to be invested in by the Portfolio Manager for the Client, taking into account factors specific to Clients and securities and includes any of the current investment approach or such investment approach that may be introduced by the Portfolio Manager, from time to time.
- (s) 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.
- (t) Portfolio Manager:** means Solidarity Advisors Private Limited a company incorporated under companies Act, 1956 and having registered office at 101, Buena Vista St. Alexius Road, Off Turner Road, Bandra West, Mumbai 400050, who pursuant to a contract or arrangement or agreement with a Client/Investor, advises or directs or undertakes on behalf of the Client/Investor (whether as a discretionary Portfolio Manager or otherwise) the management or administration of a portfolio of securities or the funds of the Client/Investor, as the case may be.
- (u) Portfolio Management Fees:** means fees payable by the Client to the Portfolio Manager as specified in the Agreement, for the Portfolio Management Services.
- (v) Portfolio Management Services:** means the portfolio management services rendered to the Client by the Portfolio Manager, on the terms and conditions contained in the Agreement and in accordance with the Rules and Regulations (whether as a discretionary portfolio manager or otherwise), with respect to investments or management of the Portfolio of Securities and the Funds of the Client.
- (w) Principal Officer:** means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager and is responsible for:
- (i) 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
  - (ii) all other operations of the portfolio manager.
- (x) Product:** means the investment products with the respective Investment Approach/features, introduced by the Portfolio Manager from time to time.
- (y) Regulations:** means the SEBI (Portfolio Managers) Regulations, 2020 as amended and modified from time to time and including any circulars/notifications issued pursuant thereto.
- (z) SEBI:** means the Securities & Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992.

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

**(bb) Securities Valuation Policy** means the policy of the Portfolio Manager, from time to time, for valuation of the Securities forming part of the Assets.

### **3. DESCRIPTION**

#### **(i) History, present Business and Background of the Portfolio Manager**

We commenced our operations in 2014. We are an independent, partner-centric Investment management firm investing in Indian public equities.

Solidarity Advisors Private Limited formally obtained its “Portfolio Managers” License from SEBI bearing Registration No. INP000004961 from 17/12/2015

#### **(ii) Promoters of the Portfolio Manager, Directors and their background**

Promoters of Solidarity Advisors Private Limited are Manish Gupta and Kanika Gupta.

##### **A. Manish Gupta Director, Principal Officer and Chief Investment Officer**

###### **Qualification:**

MBA IIM Ahmedabad, 1997

B.Eng. (Chem.) Birla Institute of Technology and Science, Pilani, India (1995)

###### **Experience:**

Manish graduated in Chemical Engineering from BITS Pilani in 1995. He completed his MBA from IIM Ahmedabad in 1997 with a focus on Finance. He then joined The Boston Consulting Group where he worked from 1997 – 2004 on various strategic, financial and operating issues across many companies. He worked briefly with Steelcase and Honeywell International between 2004 – 2006, before joining Rakesh Jhunjhunwala’s family office, RARE Enterprises, in 2006.

He worked at RARE Enterprises for eight years, the last 4 of which he was MD of Private Equity. At RARE Enterprises, Manish got the opportunity to learn investing from one of the masters in the investing business. He invested across various product classes

including listed equities, venture capital and Private Equity. He also worked closely with many investee companies and learned first-hand the challenges in scaling a business.

Manish is on the Board of Directors of the following companies:

1. Pegasus Assets Reconstruction Private Limited
2. Solidarity Advisors Private Limited

He is also a Designated partner of Gutz Feel Film Productions LLP.

**B. Kanika Gupta  
Director**

**Qualification:**

Bachelor of Arts, Lady Shriram College, New Delhi  
Masters in Fashion Technology, Pearl Academy of Fashion  
MA in Psychology

Kanika Gupta is a promoter director, her involvement in Solidarity Advisors Private Limited is limited to Administration and HR.

**C. Dr Aniruddha Malpani  
Director**

Dr. Aniruddha Malpani along with his wife Dr. Anjali Malpani run one of India's leading IVF clinics. Dr Malpani is a MD from Bombay University and has won over 20 gold medals in his academic career.

They have also founded HELP, the Health Education Library for People, which is India's first Consumer Health Education Resource Center and the world's largest consumer library.

Dr Aniruddha Malpani is on the Board of Directors of the following companies:

1. Solidarity Advisors Private Limited
2. Malpani Infertility Clinic Private Limited

He is also a designated partner of Frugality Ventures LLP

**(iii) Top 10 Group companies/firms of the portfolio manager on turnover basis (latest audited financial statements may be used for this purpose)**

We do not have any group companies.

**(iv) Details of the services being offered: Discretionary/ Non-discretionary / Advisory.**

We have two business activities at present:

- a) **PMS:** under “Discretionary”- Customized investment solutions for High Networth Individuals
- b) **Consulting:** Advice to HNI’s who have invested in start-ups or early-stage companies and provide business building support to them.

**4. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTION OR INVESTIGATION FOR WHICH ACTION MAY HAVE BEEN TAKEN OR INITIATED BY ANY REGULATORY AUTHORITY.**

a)	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made thereunder.	None
b)	The nature of penalty/direction	None
c)	Penalties imposed for any economic offence and/or for violation of any securities laws.	None
d)	Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any.	None
d)	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency	None
e)	Any enquiry/adjudication proceedings initiated by the Board against the Portfolio Manager or its Directors, Principal Officer or employee or any person directly or indirectly connected with the Portfolio Manager or its Directors, Principal Officer or employee, under the Act or Rules or Regulations made thereunder.	None

## **5. SERVICES OFFERED BY THE PORTFOLIO MANAGER (under the ambit of PMS License)**

### **I. Investment objectives and policies**

#### **a) Discretionary Portfolio Management Services**

Under the Discretionary Portfolio Management Services, the Portfolio Manager shall deploy Assets brought in by a Client by investing or divesting suitably in the capital markets as per the Act and Regulations. The Portfolio Manager shall be acting in a fiduciary capacity, as a trustee, with regard to the Client's account consisting of investments, accruals, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and / or replacements or any other beneficial interest including dividend, interest, rights, bonus as well as residual cash balances, if any (represented both by quantity and in monetary value).

Discretionary Portfolio Management Services shall be in the nature of investment management, and may include the responsibility of managing, renewing and reshuffling the portfolio, buying and selling the securities, keeping safe custody of the securities and monitoring book closures, dividend, bonus, rights etc. so that all benefits accrue to the Client's Portfolio, for an agreed fee structure and for a definite period as described, entirely at the Client's risk.

The Portfolio Manager shall have the sole and absolute discretion to invest on behalf of the client in any type of security as per executed Agreement and make such changes in the investments and invest some or all of the Funds in such manner and in such markets as it deems fit. The Portfolio Manager's decision (taken in good faith) in deployment of the Clients' account is absolute and final and cannot be called in question or be open to review at any time during the tenure of the Agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence.

This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant acts, rules and regulations, guidelines and notifications in force from time to time.

#### **b) Advisory Portfolio Management Services**

The Portfolio Manager will provide advisory portfolio management services, in terms of the SEBI (Portfolio Manager) Regulations, 2020 and SEBI (Investment Advisers) Regulations, 2013, which shall be in the nature of Investment Advice and may include advice relating to financial planning/asset allocation, investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral or through any other means of communication for the benefit of the client.

Investment Advice shall be for an agreed fee structure and for a period hereinafter described, entirely at the Client's risk; to all eligible categories of investors who can invest in Indian market including NRIs, FPIs, etc.

The Portfolio Manager shall be solely acting as an advisor to the client without full discretion to make investment decisions. He shall not be responsible for the execution of decisions or administrative activities on the client's portfolio, unless requested to do so by the client via a Power of Attorney.

The Portfolio Manager shall act in a fiduciary capacity towards its Client and shall maintain arm's length relationship with its other activities. The Portfolio Manager shall provide advisory services in accordance with such guidelines and / or directives issued by the regulatory authorities and / or the Client, from time to time, in this regard.

Under both options, the Portfolio Manager will not be liable for losses incurred based on our advice.

## **II. INVESTMENT APPROACH/ PRODUCTS OFFERED (DISCRETIONARY PMS)**

### **Investment Approach and Investment Objective**

Mr. Manish Gupta will be the dedicated, qualified portfolio manager.

Our investment approach is elucidated below. We look for:

#### **1. Earnings Growth**

- In the long run, stock prices track earnings growth of a company.
- Hence, a business we would look to invest in should be scalable which means there should be a large and growing market opportunity
- We have a bias to look for themes which have structural tailwinds in place which ensures we are buying into compounding stories.

#### **2. Moat/Right to win**

- The industry should have a favorable structure – ideally few players and high barriers to entry
- Companies we invest in have or are investing to develop a competitive advantage which translates into a strong moat
- Focus – do one thing well rather than diversify into multiple, unrelated businesses
- Management team should have a good track record of capital allocation and must be fair to minority interests

It must be noted that most smaller companies will have Moats that are emerging and not well developed.

### 3. Broadly fair Valuation

- We are happy to pay a fair value (if not lower) for the businesses we shortlist using the above aspects because well run companies are seldom cheap
- Fair valuation is a function of
  - Growth outlook, return on capital, cash flow
  - Terminal value: strategic dominance
  - Predictability, consistency of growth
  - Option value in the business model
- In addition to the earnings power of a business, fair valuation is also determined in context a function of the following two things:
  - Where are we in earnings cycle?
  - What is the time horizon for the investment?
- Finally, we strive to pay a valuation where we feel probability of capital loss over 3-5 years is close to zero

### 4. Risks

- While taking an investment decision, we try to be cognizant about all key risks associated with the given business model which could invalidate our investment thesis
- A key source of our edge is to buy positions in smaller companies where our peers who manage larger Assets may not compete.
- We broadly think about risks in following terms e.g., as an illustration (not an exhaustive list)
  - Earnings risk from collapse in volume or margins
  - Multiple risk from reduction in earnings growth
  - Capital allocation and governance risks
  - Political/regulatory risks
  - Risks associated with leverage in the business
- We don't invest in industries/companies that are too complex to understand and that have poor corporate governance
- Smaller companies are relatively illiquid. Hence, these may be more volatile. We mitigate risks by keeping a constant vigil- We track progress of Financial and Operating variables, their Capital allocation decisions of surplus cash flow & their valuations.
- We manage risk by position sizing. We reduce our exposure to a company incase our views change or when we encounter evidence that our analysis is wrong. We exit/trim during euphoria i.e. in cases where the price is at least 30% above our estimate of fair value thus granting us the ability to re-allocate capital to a significantly better opportunity

### Portfolio Construction

While our fundamental bedrock is investing in Quality companies, one must be cognizant of the fact that Quality companies are seldom cheap. Hence, one must be flexible when one



sees companies which are not pristine quality but getting there (Small and Mid-Caps) or companies undergoing transformation because of mistakes being corrected. Hence, we keep some allocations for Special Situations.

**We hence organize the portfolio around 3 buckets to give us maximum flexibility**

Sub Category	Description	Minimum IRR expectation over 5 years
Clear Leaders Secular	<ul style="list-style-type: none"> <li>• Leader in growing market</li> <li>• Robust business model</li> </ul>	12-18%
Emerging Leaders	<ul style="list-style-type: none"> <li>• Small and mid-caps that are on the path to become Clear Leaders</li> </ul>	12-25%
Special Situations	<ul style="list-style-type: none"> <li>• Strong underlying franchise undergoing temporary challenges</li> </ul>	> 25%

**Portfolio construction – difference between the investment approaches “Prudence” and “Emerging Leaders”**

“Prudence”

- Follows a Multicap/Flexicap approach where the corpus is deployed across Large/Mid and Small caps.
- Prudence does not permit us to take very large exposures across Small caps due to the need for risk management as Small caps can be very illiquid.

“Emerging Leaders”

- Will deploy capital primarily in Small and Micro caps

The key differences between the two investment approaches, is outlined below

Market Cap (In Crs)	Prudence	Market Cap (In Crs)	Emerging Leaders
>100000	40%	>100000	
50000-100000	0%	25000-100000	
25000-50000	10%	25000-50000	20%
10000-25000	8%	10000-25000	
5000-10000	18%	5000-10000	
2500-5000	5%	2500-5000	80%
<2500	18%	<2500	
	100%		100%

	<b>Prudence</b>	<b>Emerging Leaders</b>
Position sizing	Small caps don't exceed 5% per position	Each position could be as much as 20% of the portfolio
Composition	<ol style="list-style-type: none"> <li>1. Clear Leaders</li> <li>2. Emerging Leaders</li> <li>3. Special Situations</li> </ol>	1. Emerging Leaders only
Liquidity risk	A consideration in stock selection and position sizing	Not a consideration as we assume partners will adhere to the 5 years implicit lock-in we are asking for
Number of Scrips/Stocks	15-20	5-10
Minimum family commitment	2.5 Cr	2 Cr per family, 1 Cr minimum per account.
Exit Load	NIL	3% in Year 1, 2% in Year 2, 1% in Year 3 or at such limits as prescribed under SEBI Regulations from time to time
Suitable for	Clients who understand risk of investing in Equity markets and want customized portfolios	<p>Clients who can tolerate higher draw downs.</p> <p>Willing to embrace illiquidity risks</p> <p>We will not recommend this investment approach to clients unless they have invested with us in Prudence</p>
MIS to be shared with clients	<p>Every month</p> <p>Quarterly Letter by Investment team</p>	<p>Every quarter</p> <p>Yearly Letter by Investment team discussing company progress</p>

## **Other considerations**

1. Keep at least a 5 yr. perspective
2. Don't invest in equities if you cannot handle volatility or see mark downs of up to 25% on the portfolio
3. Clients should appreciate that no one approach works all the time and hence Solidarity would need some flexibility to deviate from the above approach.
4. We may choose not to be fully invested and will park surplus funds in Liquid Mutual funds, Liquid ETF's (Exchange Traded Funds) or hold them in cash
5. No fund manager/approach will outperform in every time frame.
6. Choose an approach that works for you, and then give it time
7. Avoid changing an investment approach mid cycle
8. Measure returns, delivered post-advisor/management/performance fees. A good outcome would be returns which are 3% above the BSE500 TRI over 5 years for Prudence & Emerging Leaders.
9. We may sign up families as clients who have a listed business in which we make investments on behalf of other clients.
10. We do not invest in derivative products.

## **Eligibility**

- Initial investment of Rs.2.5 Crores for each account opened with us under Prudence or Rs 2 Crores for each account opened with us under Emerging Leaders or as may be specified by Portfolio Manager in accordance of the Regulations for the eligible investor.
- For Family Accounts – Minimum starting AUM is Rs. 2.5 crores across family accounts subject to a minimum of Rs 50 lakhs per account in accordance with the SEBI PMS Regulations.
- We may make exceptions

## **Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.**

Listed equity and equity related securities of Indian Companies & units of Mutual Funds and other instruments as approved by SEBI from time to time.

## **Basis of selection of such types of securities as part of the investment approach**

The Portfolio Manager aims to adopt an approach of stringent stock selection process and a disciplined investing approach with a long-term focus. Holdings and the sectors will be tracked on a constant basis and rebalancing wherever necessary based on revised prospects and valuations will be undertaken.

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

Underlying asset class will be equity. Securities shall be chosen amongst a wide spectrum of

market capitalizations. Investment in liquid funds/fixed term papers will be made for liquidity purposes. However, from time to time on opportunistically basis, may also choose to invest in units of mutual funds, ETFs or other permissible securities/products in accordance with the Applicable Laws.

### **Benchmark**

Prudence is benchmarked against BSE500TRI index as per the SEBI circular relating to benchmarking.

Emerging Leaders is benchmarked against BSE500TRI index as per the SEBI circular relating to benchmarking.

### **Basis of choice of benchmark**

Prudence invests across the market cap spectrum. BSE500TRI index has been selected as the benchmark for comparing performance in accordance with the SEBI circular relating to benchmarking.

Emerging Leaders will invest primarily in Small and Micro Caps. BSE500TRI index has been selected as the benchmark for comparing performance in accordance with the SEBI circular relating to benchmarking.

### **Indicative tenure or investment horizon**

We do not recommend investing with us unless one has a minimum 5-year time horizon.

### **Risk associated with the Investment approach**

Risk as stated above in the Investment approach.

- III. The policies for investments in associates/group companies of the portfolio manager and the maximum percentage of such investments therein subject to the applicable laws/regulations/guidelines.**

The Portfolio manager does not have any associate or group company.

There have been no investments made by the Portfolio Manager in any securities issued by its related parties or associates.

- IV. Distributors:** The Portfolio Manager may appoint channel partners/distributors to on-board the Client. Further, fees or commission paid to the Distributors shall be only from the fees received by the Portfolio Manager from the client and not added over and above the fees mentioned in clause 10 of Disclosure Document.

**Direct Option Facility:** The Portfolio Manager provides an option to Clients to invest directly with the Portfolio Manager and avail services of the Portfolio Manager. Such investments can be made without any intermediary or distribution agent.

## 6. RISK ASSOCIATED WITH PMS

### GENERAL RISK:

Solidarity Advisors Private Ltd. does not give any assurance or guarantee that the intended investment objectives of capital appreciation will be achieved as investment in Securities (Equities, Gold equivalents, debt) are subject to market or other risks that could result in loss of capital. Clients should invest in Equities through Solidarity Advisors Private Limited only if they have both ability and willingness to take risk (tolerate loss of capital).

We strongly believe that the behaviour of an investor impacts the returns more than anything else as people tend to take wrong decisions at both extremes – optimism and pessimism

- History suggests that the probability of Capital loss is as high as 50% if a client's time horizon is one year or less. Hence, clients should NOT invest with us if their time horizon is lesser than 5 years.
- According to us volatility is a part of long-term investing and anyone who can't see markdowns of 25% on the portfolio is not suited for investing in equities
- **Solidarity Advisors Private Limited does not guarantee or assure any return on investment, either of principal or appreciation on the portfolio or preservation of capital.**

Examples of kind of risks your investments are exposed to, are detailed below.

- The past performance of the Portfolio Manager does not indicate his/her future performance.
- Risk arising from the investment approach, investment objective, investment strategy and asset allocation
- The PMS is subject to risk arising out of non-diversification at times, portfolios of individual Clients may be concentrated in certain companies / industries. The performance of the portfolios would depend on the performance of such companies / industries / sectors of the economy.
- If there will be any transactions of purchase and/or sale of securities by Portfolio Manager and employees who are directly involved in investment operations that conflicts with transactions in any of the Client Portfolio, the same shall be disclosed to the Client.

- There are no group companies of Portfolio Manager, therefore, disclosure of related services offered by Group companies is not applicable.
- The Portfolio Manager's investment decisions may not be always profitable, as actual market movements may be at variance with anticipated trends. The Portfolio Manager is neither responsible nor liable for any losses resulting from the operations of the portfolio Products.
- We may at times have a conflict of interest where we have invested in companies whose ownership or management control (promoters, key management personnel, related parties, etc) is with a client of Solidarity Advisors Private Limited. In order to protect client confidentiality, we may not be at liberty to disclose this conflict of interest to you.
- The liquidity of the portfolio investment is inherently restricted by trading volumes in the Securities in which it invests.
- Investments in general and in the Product / Services/Investment Approach which the Clients / Investors have opted are subject to wide range of risks. Some of the risks arising from the investment objectives, investment approach and asset allocation are stated as under which inter alia also include:
  - a) Economic slowdown.
  - b) Volatility and illiquidity of the stocks.
  - c) Poor corporate performance, economic policies, change of Government and its policies.
  - d) Acts of God, acts of war, civil disturbance, sovereign action and such other acts
  - e) Geopolitical risks.
- Other risks including cancellation and postponement of settlements, default, legal actions, third party non-performance, misjudgement / incapacitation of the Portfolio Manager.
- The valuation of the Portfolio's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. There will be no prior intimation or prior indication given to the Client when the composition / asset allocation pattern changes.
- Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Portfolio. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio to make

intended securities purchases due to settlement problems could cause the Portfolio to miss 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 for debt securities would result, at times, in potential losses to the Portfolio, in case of a subsequent decline in the value of securities held in the Portfolio.

- Interest Rate Risk: As with all debt securities, changes in interest rates may affect valuation of the Portfolios, as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than prices of short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the valuations of Portfolios.
- Liquidity or Marketability Risk: This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristic of the Indian fixed income market.

## 7. CLIENT REPRESENTATION

<b>FY24*</b>	<b>No of clients</b>	<b>Funds managed (Rs. Crs)</b>	<b>Discretionary/ Non-discretionary</b>
Associate/ Group companies	1	37.36	Discretionary
Others	345	1722.86	Discretionary
<b>Total</b>	<b>346</b>	<b>1760.22</b>	
<b>FY23</b>	<b>No of clients</b>	<b>Funds managed (Rs. Crs)</b>	<b>Discretionary/ Non-discretionary</b>
Associate/ Group companies	1	26.94	Discretionary
Others	334	1421.63	Discretionary
<b>Total</b>	<b>335</b>	<b>1448.57</b>	
<b>FY22</b>	<b>No of clients</b>	<b>Funds managed (Rs. Crs)</b>	<b>Discretionary/ Non-discretionary</b>
Associate/ Group companies	1	26.44	Discretionary
Others	257	1290.54	Discretionary
<b>Total</b>	<b>258</b>	<b>1316.98</b>	
<b>FY21</b>	<b>No of clients</b>	<b>Funds managed (Rs. Crs)</b>	<b>Discretionary/ Non-discretionary</b>
Associate/ Group companies	1	12.57	Discretionary
Others	162	825.17	Discretionary
<b>Total</b>	<b>163</b>	<b>837.74</b>	
<b>FY20</b>	<b>No of clients</b>	<b>Funds managed</b>	<b>Discretionary/ Non-discretionary</b>

		(Rs. Crs)	
Associate/ Group companies	1	6.30	Discretionary
<b>Others</b>	104	355.85	<b>Discretionary</b>
<b>Total</b>	<b>105</b>	<b>362.15</b>	

#### Notes

- Data for FY20, FY21, FY22 & FY23 has been updated upto 31 March of the respective financial year.
- Data for FY24 has been updated upto 30 Sep 2023\*
- The account classified under Associate / Group companies refers to the own investment made by the Portfolio Manager (Solidarity Advisors Private Limited). The Portfolio Manager does not have any associate or group company.

#### Persons/ Companies/ Bodies Corporate considered to be Related Party:

S No	Name	Nature of Relationship
1	Manish Gupta	Director of the Company
2	Kanika Gupta	Director of the Company
3	Manish Gupta HUF	HUF of Director of the Company
4	Solidarity Advisors Private Limited	Company itself
5	Aniruddha Narayan Malpani	Director of the Company
6	Anjali Aniruddha Malpani	Spouse of Director of the Company
7	Aniruddha Malpani HUF	HUF of Director of the Company
8	Manju Gupta	Relative of the Director
9	Gaurav Gupta	Relative of the Director
10	GGA India Private Ltd	Company of relative of Director of the Company

#### RELATED PARTY DISCLOSURES AS PER THE STANDARDS SPECIFIED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

##### (A) Related parties where control exists:

Manish Gupta	Director
Kanika Gupta	Director
Aniruddha Narayan Malpani	Director
Anjali Malpani	Wife of Aniruddha Narayan Malpani

##### (B) Related parties with whom transactions have taken place during the period:

###### Key Management Personnel

Manish Gupta	Director
Kanika Gupta	Director
Aniruddha Narayan Malpani	Director



Anjali Malpani  
Aniruddha Narayan Malpani (HUF)

Wife of Aniruddha Narayan Malpani  
HUF entity of Aniruddha Narayan Malpani

**(C) Transactions during the period:**

Particulars	For the period ended 31 March 2023	For the period ended 31 March 2022
<b>Manish Gupta</b>		
Managerial remuneration	2,04,13,837	2,27,67,500
Reimbursement of expenses	2,82,977	2,30,931
<b>Kanika Gupta</b>		
Managerial remuneration	86,22,374	97,57,500
<b>Aniruddha Narayan Malpani</b>		
Receipt for providing portfolio management services (including service tax/ GST)	1,63,39,550	6,67,74,226
<b>Anjali Malpani</b>		
Receipt for providing portfolio management services (including service tax/GST)	1,87,93,794	1,09,84,091
<b>Aniruddha Narayan Malpani (HUF)</b>		
Receipt for providing portfolio management services (including service tax/GST)	1,485	1,56,738

**(D) Outstanding balances as at the period end.**

Particulars	For the period ended 31 March 2023	For the period ended 31 March 2022
Payable to Mr. Manish Gupta for		
Reimbursement of expenses	1,66,110	4,84,663
Receivables from Dr Aniruddha Malpani for		
Portfolio management fees (including service tax/ GST)	25,11,040	22,42,000
Receivables from Dr Anjali Malpani for		
portfolio management fees (including service tax/ GST)	25,11,040	22,42,000

**E) Details of investments in the securities of related parties of the Portfolio Manager**

Investments in the securities of associates/related parties of Portfolio Manager

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

## 8. FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER

PARTICULARS (In Rs.)	As at 31 March 2023 (Audited)	As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
<b>Total Revenue</b>	<b>17,26,43,680</b>	<b>17,63,85,475</b>	<b>21,11,02,420</b>
<b>Total Expenses</b>	<b>10,85,82,116</b>	<b>9,14,72,960</b>	<b>8,76,91,748</b>
<b>Profit before tax</b>	<b>6,40,61,564</b>	<b>8,49,12,514</b>	<b>12,34,10,671</b>
Current tax	1,59,16,423	1,71,82,392	3,11,26,774
Deferred tax	(19,328)	(71,020)	(28,604)
(Excess)/deficit provision created in earlier years (net)	3,340	(9,062)	-
<b>Profit for the period</b>	<b>4,81,61,130</b>	<b>6,78,10,205</b>	<b>9,22,55,294</b>

## 9. PORTFOLIO PERFORMANCE

Performance	Prudence	BSE500 TRI
<b>FY21</b>	98.42%	84.78%
<b>FY22</b>	26.48%	20.63%
<b>FY23</b>	-8.93%	-2.19%
<b>FY24</b>	19.22%	19.39%
<b>Cumulative TWRR</b>	<b>18.26%</b>	<b>15.42%</b>

### Notes:

- Performance for Prudence strategy & BSE500 TRI has been calculated using the TWRR method, Solidarity performance is post-fees & expenses
- BSE500 TRI returns are computed using the index value at the start and end of each accounting period
- Data for FY24 has been calculated from 1 Apr 2023 to 30 Sep 2023
- Data for Cumulative TWRR has been calculated from 11 May 2016 (date of inception of scheme) to 30 Sep 2023

Performance	Emerging Leaders	BSE500 TRI
<b>FY24</b>	14.43%	16.20%
<b>Cumulative TWRR</b>	<b>14.43%</b>	<b>16.20%</b>

**Notes:**

- Performance for Emerging Leaders strategy & BSE500 TRI has been calculated using the TWRR method, Solidarity performance is post-fees & expenses
- Data for FY24 has been calculated from 26 Apr 2023 (date of inception of scheme) to 30 Sep 2023

**Audit Observations for preceding three years:**

- There was no Audit Observation in the preceding 3 years.

**10. NATURE OF EXPENSES**

**Portfolio Management fees for PRUDENCE:**

Principal infused		2.5 to 5 Cr	5 to 10 Cr	10 to 25 Cr	25 to 50 Cr
Fixed	On NAV	2%	1.75%	1.5%	1.25%
Semi Variable (profit share drawn after 3 yrs)	Fixed fee on NAV	1%	1%	1%	1%
	Hurdle rate pre tax	12%	12%	12%	12%
	Profit share above hurdle rate	20%	17.5%	15%	12%
Variable (profit share drawn after 3 yrs)	Fixed fee	0%	0%	0%	0%
	Hurdle rate pre tax	8%	8%	8%	8%
	Profit share above hurdle rate	20%	20%	20%	17%
Brokerage/GST at actuals. Additional 2bps for Custody & Fund accounting					

**Portfolio Management fees for EMERGING LEADERS:**

Principal infused		2 Cr
Semi Variable (profit share drawn after 3 yrs)	Fixed fee on NAV	1%
	Hurdle rate pre tax	12%
	Profit share above hurdle rate	20%
Brokerage/GST at actuals. Additional 2bps for Custody & Fund accounting		

#### Other considerations

- a) Fees will be charged based on the average daily AUM
- b) No lock-in period
- c) Taxes will be extra as per Government rates
- d) Fee structure may vary for specific clients based on their request for alternative options
- e) No exit-load for Prudence
- f) Exit load for Emerging Leaders as per SEBI Regulations is 3% for 1<sup>st</sup> Year, 2% for 2<sup>nd</sup> Year and 1% for 3<sup>rd</sup> Year on the amount redeemed.
- g) For clients who opt for a variable fee plan, we keep hurdles rates of 12% under the semi variable plan and 8% under the variable plan
- h) Our goal is to be measured in risk taking. We will be entitled for a performance share if we beat the hurdles rates -as defined in the above respective investment approaches, irrespective if the BSE500 TRI has performed better than the above hurdle rates. This is linked to our strategy of running a marathon and not focusing on short time horizons.

#### Other Expenses charged by Service providers

**Brokerage:** Upto a maximum of 0.10% brokerage to resident clients and 0.18% brokerage to NRI clients will be charged on every transaction by the broker (Kotak, Ambit, Equirus, Spark Family Office, Spark Capital Advisors, Incred Capital & Systematix) based on then prevailing brokerage rates. For illiquid scrips, the brokerage can be upto 0.22%. The buy/sell price will be shown net of cost. All applicable taxes will be additional.

**Custodian & Fund Accounting:** Custodial services expenses would be charged at 1 bps of month end portfolio value and fund accounting expenses would be charged at 1 bps of average daily AUM. These charges are excluding taxes.

#### Event Fees:

These charges relate to the charges payable at the time of entering into and/ or exit from the investments of a particular product. E.g. Purchase of Mutual funds (Specific service providers).

#### Depository charges:

These charges relate to opening and maintenance of Depository Accounts (wherever required), dematerialization of scrips and their transfer charges in connection with the operation and management of the Client's Portfolio account. (Specific service providers).

#### Registrar and transfer agent fee:

Fees payable to the Registrar and Transfer Agents for effecting transfer of Securities at actuals wherever applicable.

The Portfolio Manager shall deduct directly from the Cash Account of the Client all the fees/ costs specified above or require the Client to make the payments separately to the Portfolio Manager, at the option of the Portfolio Manager. Other expenses which could be attributable to the Portfolio Management Services would also be directly deducted and the Client would be provided details of the same.

## **11. TAX PROVISIONS**

Clients will be responsible and liable for taxes under the provisions of the Income Tax Act, 1961 for any income generated out of the investment made in the portfolio management scheme. Solidarity Advisors Private Limited will not deduct any tax on the capital gains or dividend or interest or any other income generated out of the investment made/to be made in the portfolio management scheme. However, the investee company/fund/trust/bank may deduct tax at source on income generated out of the investment made/to be made in the portfolio management scheme. Solidarity Advisors Private Limited shall provide adequate statements to the clients for accounting & taxation purpose.

In view of the individual nature of tax benefits, each prospective client/investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their availing Portfolio management services, in terms of the provisions of the Income-tax Act, 1961. The Portfolio Manager shall not be responsible for fulfillment of the client's tax obligations. The provisions of the Income Tax Act, 1961 shall apply to the Client and the Portfolio Manager in respect of their individual income.

### **Details under FATCA/Foreign Tax Laws**

Tax regulations require us to collect information about each investor's tax residency. Foreign Account Tax Compliance provisions (commonly known as FATCA) are contained in the US Hire Act 2010. Applicants (Including joint holders, Guardian, POA holder) are required to refer and mandatorily fill/sign off a separate "FATCA declaration form". Applications without this information /declaration being filled/signed off will be deemed as incomplete and are liable to be rejected.

## **12. ACCOUNTING POLICIES**

Profit or Loss on sale of investment will be calculated by using the FIFO method.

Solidarity Advisors Private Limited will comply with the accounting standards issued to the extent applicable to us by the Institute of Chartered Accountants of India. Revenue arising from interest and dividend are accounted in accordance with Accounting Standard-9 on Revenue Recognition.

Investments will be accounted in accordance with the Accounting Standard-13 on accounting for investments.

## **13. INVESTOR SERVICES**

- **Name, address and telephone number of the investor relation officer who shall attend to the investor queries and complaints.**

Ms. Naarah Pereira  
Operations & Compliance  
Solidarity Advisors Private Limited  
101, Buena Vista, St. Alexius Road, Off Turner Road,  
Bandra West, Mumbai 400 050  
Email: [operations@solidarity.in](mailto:operations@solidarity.in); [np@solidarity.in](mailto:np@solidarity.in)

- **Grievance redressal and dispute settlement mechanism**

The aforesaid personnel of the Portfolio Manager shall attend to and address any Client query/concern/grievance at the earliest. The Portfolio Manager will ensure that this official is vested with the necessary authority and independence to handle client complaints. The aforesaid official will immediately identify the grievance and take appropriate steps to eliminate the causes of such grievances to the satisfaction of the client. Effective grievance management would be an essential element of the Portfolio Manager's portfolio management services and the aforesaid official may adopt the following approach to manage grievance effectively and expeditiously:

1. Quick action- As soon as the grievance arises, it would be identified and resolved. This will lower the detrimental effects of grievance.
2. Acknowledging grievance- The aforesaid officer shall acknowledge the grievance put forward by the Client and look into the complaint impartially and without any bias.
3. Gathering facts- The aforesaid official shall gather appropriate and sufficient facts explaining the grievance's nature. A record of such facts shall be maintained so that these can be used in later stage of grievance redressal.
4. Examining the causes of grievance- The actual cause of grievance would be identified. Accordingly, remedial actions would be taken to prevent repetition of the grievance.
5. Decision-making - After identifying the causes of grievance, alternative course of actions would be thought of to manage the grievance. The effect of each course of action on the existing and future management policies and procedure would be analyzed and accordingly decision should be taken by the aforesaid official. The aforesaid official would execute the decision quickly.
6. Review - After implementing the decision, a follow-up would be there to ensure that the grievance has been resolved completely and adequately.

Any unresolved dispute between Solidarity Advisors Private Limited and the client shall be settled through arbitration using the online dispute resolution mechanism as notified by SEBI from time to time. The number of arbitrators to be appointed, the seat of arbitration and the language to be used for arbitration and the costs and expenses of arbitration would be as prescribed under the notifications and circulars issued in this regard from time to time.

- **SEBI SCORES platform**

SEBI has launched a centralized web-based complaints redress system ([SCORES](#)), which enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. This also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities starting from lodging of a complaint till its disposal by SEBI would be carried online in an automated environment and the status of every complaint can be viewed online at any time. An investor, who is not familiar with SCORES or does not have access to SCORES, can lodge complaints in physical form. However, such complaints would be scanned and uploaded in SCORES for processing.

- **SMART ODR**

The Securities Market Approach for Resolution Through ODR Portal (SMART ODR Portal) harnesses online conciliation and online arbitration for resolution of disputes. The link to register the dispute with the ODR portal is <https://smartodr.in/login> and register as an investor for lodging the dispute.

## **14. GENERAL**

### **Prevention of Money Laundering**

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

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

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

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

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

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

**For Solidarity Advisors Private Limited**

**Sd/-**

**Manish Gupta**  
**Director & Chief Investment Officer**  
**DIN: 00604556**  
**Place: Mumbai**  
**Date: 10 October 2023**

**Sd/-**

**Kanika Gupta**  
**Director**  
**DIN: 03632390**