



# Ohm Portfolio Equi Research Pvt. Ltd.

A SEBI REGISTERED PORTFOLIO MANAGER, SEBI REGN. NO. INP000001389

CIN No.: U67120MH2003PTC140019

## **INVESTOR CHARTER – PMS**

### ❖ **PREFACE:**

SEBI vide its circular No. SEBI/HO/IMD/IMD-II\_DO7/P/CIR/2021/681 dated December 10, 2021 on the subject Publishing of Investor Charter and disclosure of Investor Complaints by Portfolio Managers on their websites issued guidelines for enhancing Investor awareness, about the various activities which an investor deals with while availing the services provided by portfolio managers.

As part of the circular every Portfolio Manager needs to publish the Investor Charter providing different aspects of investments and grievance redressal mechanism at one single place for easy reference

### ❖ **The Charter:**

#### **A. Vision and Mission Statements for investors**

- i. Vision: To implement diligently researched customised investment strategies which help investors meet their long-term financial goals in a risk appropriate manner
- ii. Mission: To ensure that the PMS industry provides a viable investment avenue for wealth creation by adopting high levels of skill, integrity, transparency and accountability

#### **B. Details of business transacted by the organization with respect to the investors.** Ohm

Portfolio Equi Research Pvt. Ltd. is in the business of providing Portfolio Management services to the client and provides non-discretionary portfolio services which means the investment decisions are taken at the discretion of the Investor. The company also provides advisory regarding investment decisions as sought by the clients from time to time. Before on-boarding any prospective client the company conducts and appropriate risk profiling of the investor, in terms of his educational background, knowledge of the markets, source of income, the appetite for losses considering the volatility of the markets, political background, in-person verification and aspects of fit and proper person in accordance with the SEBI Regulations which are as under:

For the purpose of determining as to whether any person is a 'fit and proper person', the Board may take into account any criteria as it deems fit, including but not limited to the following:

- (a) integrity, honesty, ethical behaviour, reputation, fairness and character of the person;
- (b) the person not incurring any of the following disqualifications:
  - (i) criminal complaint or information under section 154 of the Code of Criminal Procedure, 1973 (2 of 1974) has been filed against such person by the Board and which is pending;
  - (ii) charge sheet has been filed against such person by any enforcement agency in matters concerning economic offences and is pending;
  - (iii) an order of restraint, prohibition or debarment has been passed against such person by the Board or any other regulatory authority or enforcement agency in any matter concerning securities laws or financial markets and such order is in force;



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- (iv) recovery proceedings have been initiated by the Board against such person and are pending;
- (v) an order of conviction has been passed against such person by a court for any offence involving moral turpitude; (vi) any winding up proceedings have been initiated or an order for winding up has been passed against such person;
- (vii) such person has been declared insolvent and not discharged;
- (viii) such person has been found to be of unsound mind by a court of competent jurisdiction and the finding is in force; (ix) such person has been categorized as a wilful defaulter;
- (x) such person has been declared a fugitive economic offender; or
- (xi) any other disqualification as may be specified by the Board from time to time

## C. Details of services provided to investors and estimated timelines:-

- i. Discretionary & Non-Discretionary Portfolio Management Services (PMS):- Under these services, all an investor has to do, is to give his portfolio in any form i.e. in stocks or cash or a combination of both. The minimum size of the portfolio under the Discretionary and/ or Non-Discretionary Funds Management Service should be Rs.50 lakhs as per the current SEBI Regulations. However, the PMS provider reserves the right to prescribe a higher threshold product-wise or in any other manner at its sole discretion. The PMS provider will ascertain the investor's investment objectives to achieve optimal returns based on his risk profile as mentioned above. Under the Discretionary Portfolio Management service, investment decisions are at the sole discretion of the PMS provider if they are in sync with the investor's investment objectives. Under the Non-Discretionary Portfolio Management service, investment decisions taken at the discretion of the Investor.
  
- i. Investment Advisory Services:  
Under these services, the Client is advised on buy/sell decision within the overall profile without any back-office responsibility for trade execution, custody of securities or accounting functions. The PMS provider shall be solely acting as an Advisor to the Client and shall not be responsible for the investment/divestment of securities and/or administrative activities on the client's portfolio. The PMS provider shall act in a fiduciary capacity towards its Client and shall maintain arm's length relationship with its other activities. The PMS provider shall provide advisory services in accordance with guidelines and/or directives issued by the regulatory authorities and/or the Client from time to time in this regard.
  
- iii. Client On-boarding:
  - a. Ensuring compliance with KYC and AML guidelines.
  - b. Franking & signing the Power of Attorney to make investment decisions on behalf of the investor



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- c. Opening demat account and funding of the same from the investor's verified bank account and/or transfer of securities from verified demat account of the investor and
  - d. Mapping the said demat account with Custodian
- iv. Ongoing activities:
- a. To provide periodic statements to investors as provided under the PMS Regulations 2020 and other SEBI notifications and circulars ("PMS Regulations") ie. as agreed in the contract, but not exceeding a period of three months and as and when required by the client and containing various details as mentioned in the Regulations thereby, and
  - b. Providing each client an audited account statement on an annual basis which includes all the details as required under the PMS Regulations.
- v. Fees and Expenses:
- The Portfolio Managers needs to enter into an agreement with the Client and thereby provide details of Charging and disclosure of appropriate fees & expenses in accordance with the PMS Regulations. It would provide details of the quantum and manner of payment of fees and charges for each activity for which services are rendered by the portfolio manager directly or indirectly (where such service is outsourced) such as investment management, advisory and transfer, and transaction costs with specific references to brokerage costs, custody charges, cost related to furnishing regular communication, account statement, miscellaneous expenses (individual expenses in excess of 5% to be indicated separately) etc. The provision that the portfolio manager shall take prior permission from the client in this respect.
- vi. Closure and Termination:
- Upon termination of PMS Agreement by either party, the securities and the funds lying in the account of the investor shall be transferred to the verified bank account/ demat account of the investor and the account to be settled. On termination of the contract, the portfolio manager shall give a detailed statement of accounts to the client and settle the account with the client as agreed in the contract.
- vii. Grievance Redressal:
- Addressing in a time bound manner investor's queries, service requests and grievances, if any, on an ongoing basis. Timelines of the services provided to investors are as follows:

Sr. No.	Service / Activity	Timeline
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1.	Opening of PMS account (including demat account) for residents.	7 days from receipt of all requisite documents from the client, subject to review of the documents for accuracy and completeness by portfolio manager and allied third party service providers as may be applicable.
2.	Opening of PMS account (including demat account) for non-individual clients.	14 days from receipt of all requisite documents from the client, subject to review of the documents for accuracy and completeness by portfolio manager and allied third party service providers as may be applicable.
3.	Opening of PMS account (including demat account, bank account and trading account) for non-resident clients.	14 days from receipt of all requisite documents from the client, subject to review of the documents for accuracy and completeness by portfolio manager and allied third party service providers as may be applicable.
4.	Registration of nominee in PMS account and demat account.	Registration of nominee should happen along with account opening, therefore turnaround time should be same as account opening turnaround time.
5.	Modification of nominee in PMS account and demat account.	10 days from receipt of requisite nominee modification form, subject to review of the documents for accuracy and completeness by portfolio manager and allied third party service providers as may be applicable.
6.	Uploading of PMS account in KRA and CKYC database.	10 days from date of account opening (Portfolio Manager may rely on the custodian for updating the same).
7.	Whether portfolio manager is registered With SEBI, then SEBI registration number.	At the time of client signing the agreement; this information should be a part of the account opening form and disclosure document.
8.	Disclosure about latest networth of portfolio manager and total AUM.	Disclosure of portfolio manager's total AUM - monthly to SEBI Disclosure of latest networth should be done in the disclosure document whenever there are any material changes.
9.	Intimation of type of PMS account – discretionary.	At the time of client signing the agreement; this information should be a part of the account opening form.
10.	Intimation of type of PMS account-non discretionary.	At the time of client signing the agreement; this information should be a part of the account opening form.
11.	Intimation to client what discretionary account entails and powers that can be exercised by portfolio manager.	At the time of client signing the agreement; this information should be a part of the account opening form.



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CIN No.: U67120MH2003PTC140019

12.	Intimation to client what nondiscretionary account entails and powers that can be exercised by portfolio manager	Intimation to client what nondiscretionary account entails and powers that can be exercised by portfolio
13.	Copy of executed PMS agreement sent to client.	Within 3 days of client request.
14.	Frequency of disclosures of available eligible funds	All details regarding client portfolios should be shared quarterly (point 26).
15.	Issuance of funds and securities balance statements held by client.	This data should be shared on a quarterly basis or upon client request.
16.	Intimation of name and demat account number of custodian for PMS account.	Within 3 days of PMS and demat account opening
17.	Conditions of termination of contract.	At the time of client signing the agreement; this information should be a part of the account opening form.
18.	Intimation regarding PMS fees and modes of Payment or frequency of deduction.	At the time of client signing the agreement; this information should be a part of the account opening form.
19.	POA taken copy providing to client.	Within 3 days of client request.
20.	Intimation to client about what all transactions can portfolio manager do using PoA.	At the time of client signing the agreement; this information should be a part of the account opening form.
21.	Frequency of providing audited reports to clients	Annual
22.	Explanation of risks involved in investment.	At the time of client signing the agreement; this information should be a part of the account opening form
23.	Intimation of tenure of portfolio investments.	Indicative tenure should be disclosed at the time of client signing the agreement; this information should be a part of the account opening form
24.	Intimation clearly providing restrictions imposed by the investor on portfolio manager.	Negative list of securities should be taken from the client at the time of client signing the agreement; this information should be a part of the account opening form.
25.	Intimation regarding settling of client funds and securities.	Settlement of funds and securities is done by the Custodian. The details of clients' funds and securities should be sent to the clients in the prescribed format



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CIN No.: U67120MH2003PTC140019

		not later than on a quarterly basis.
26.	Frequency of intimation of transactions undertaken in portfolio account.	Not later than on a quarterly basis or upon clients' request.
27.	Intimation regarding conflict of interest in any transaction.	The portfolio manager should provide details of related party transactions and conflict of interest in the Disclosure Document which should be available on website of portfolio manager at all times.
28.	Timeline for providing disclosure document to investor.	The latest disclosure document should be provided to investors prior to account opening and the latest disclosure documents should be available on website of portfolio manager at all times.
29.	Intimation to investor about details of bank accounts where client funds are kept.	Within 3 days of PMS and demat account opening
30.	Redressal of investor grievances.	Within 30 days, subject to all the information required to redress the complaint is provided by the complainant to the portfolio manager

Notes:

1. The number of days in the above timelines indicate clear working day

#### **D. Details of grievance redressal mechanism and how to access it**

1. It is mandatory for every PMS provider to register itself on SEBI SCORES (SEBI Complaint Redress System). SCORES is a centralised online complaint resolution system through which the complainant can take up his grievance against the PMS provider and subsequently view its status. (<https://scores.gov.in/scores/Welcome.html>)
2. The details such as the name, address and telephone number of the investor relations officer of the PMS provider who attends to the investor queries and complaint should be provided in the PMS Disclosure document.
3. The grievance redressal and dispute mechanism should be mentioned in the Disclosure Document.
4. Investors can approach SEBI for redressal of their complaints. On receipt of complaints, SEBI takes up the matter with the concerned PMS provider and follows up with them.
5. Investors may send their complaints to: Office of Investor Assistance and Education, Securities and Exchange Board of India, SEBI Bhavan. Plot No. C4- A, 'G' Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051

#### **E. Expectations from the investors (Responsibilities of investors)**

1. Check registration status of the intermediary from SEBI website before availing services.





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2. Submission of KYC documents and application form in a timely manner with signatures in appropriate places and with requisite supporting documents
3. Read carefully terms and conditions of the agreement before signing the same.
4. Thorough study of the Disclosure Documents of the PMS to accurately understand the risks entailed by the said investment in PMS.
5. Accurate and sincere answers given to the questions asked in the 'Risk Questionnaire' shall help the PMS provider properly assess the risk profile of the investor.
6. Thorough study of the quarterly statements sent by the PMS provider to the investor intimating him about the portfolio's absolute and relative performance, its constituents and its risk profile.
7. Ensure providing complete details of negative list of securities as part of freeze instructions at the time of entering into PMS agreement and every time thereafter for changes, if any, in a timely manner.
8. To update the PMS provider in case of any change in the KYC documents and personal details and to provide the updated KYC along with the required proof

## ❖ Complaint data

The Complaint data as required to be displayed by the SEBI regulations have been uploaded on the Company's Website [www.ohmgrp.com](http://www.ohmgrp.com) for ready accessibility of the current and prospective investors.

## Contact Information

The detail of the investor relation officer who shall attend to the investor queries and complaints is mentioned here below:

*Name of the Person:* Mr. Hiren Vasant Sheth

*Designation:* Compliance Officer

*Address:* Ohm Portfolio Equi Research Pvt. Ltd. 504/504A, 5th Floor, Plot No. 268, F Block, Ceejay House, Shivsagar Estate, Dr. Annie Basant Road, Worli, Mumbai-400018.

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