CREDIT SUISSE

CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED

DISCLOSURE DOCUMENT FOR PORTFOLIO MANAGEMENT SERVICES

10th September 2018

DISCLOSURE DOCUMENT FOR PORTFOLIO MANAGEMENT SERVICES

UNDER REGULATION 14 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (PORTFOLIO MANAGERS) REGULATIONS, 1993

(1) This Disclosure Document ("Document") has been filed with the Securities and Exchange Board of India ("SEBI") along with the certificate in the prescribed format pursuant to regulation 14 of the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 as amended till date ("Regulations").

(2) The purpose of this document is to provide essential information about CSSIPL (as hereinafter defined), its portfolio management division and the Portfolio Management Services (as hereinafter defined) in a manner to assist and enable the clients in making an informed and considered decision in relation to engaging the Portfolio Manager (as hereinafter defined).

(3) Information about the CSSIPL is provided on page 7 of this document.

(4) Clients should carefully read this entire Document prior to making a decision to avail of the Portfolio Management Services. Clients are advised to retain this Document for future reference. Any other relevant information may be provided upon request. Clients may also wish to seek further clarifications after the date of this Document from the Portfolio Manager. The latest Disclosure Document is also placed on the below link -

https://www.credit-suisse.com/in/privatebanking/services/en/index.jsp

(5) CSSIPL is permitted to provide Portfolio Management Services pursuant to its permanent registration as a portfolio manager with SEBI vide Registration No. INP000002478 dated 16 February 2017, under the Regulations.

(6) The details of the Principal Officer of the Portfolio Manager are as follows:

Name:	Partha Pratim Basu
Address:	9th Floor, Ceejay House, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai 400018, India.
Phone:	+91 22 6777 3870
Email:	partha.basu.2@credit-suisse.com

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SECTION I
DISCLAIMER

THE PARTICULARS CONTAINED IN THIS DOCUMENT ARE IN ACCORDANCE WITH THE REGULATIONS AND HAVE BEEN FILED WITH SEBI. THIS DOCUMENT HAS NEITHER BEEN APPROVED OR DISAPPROVED BY SEBI NOR HAS SEBI CERTIFIED THE ACCURACY OR ADEQUACY OF THE CONTENTS OF THIS DOCUMENT.

SECTION II
DEFINITIONS AND INTERPRETATION

1. Unless the context or meaning thereof requires otherwise, the following expressions shall have the meaning assigned to them hereunder respectively:-

1.1. **“Agreement”** means the Discretionary Portfolio Management Services Agreement, or the Non-Discretionary Portfolio Management Services Agreement, or the Investment Advisory Services Agreement, or the Portfolio Management Services Agreement, as the case may be, entered into between the Portfolio Manager and the Client, and shall include all schedules and annexures attached thereto and shall also include all modifications, alterations, additions or deletions made thereto in accordance with the terms thereof.

1.2. **“Application”** means the application made by the Client to the Portfolio Manager to avail of the Portfolio Management Services from the Portfolio Manager. Upon execution of an Agreement between the Portfolio Manager and the Client, the Application shall be deemed to form an integral part of the Agreement. Provided that, in case of any conflict between the contents of the Application and the provisions of the Agreement, the provisions of the Agreement shall prevail.

1.3. **“Assets”** means (i) the Portfolio and/or (ii) the Funds, details of which are set forth in the respective Agreements.

1.4. **“Client”** means any body corporate, partnership firm, individual, Hindu undivided family, association of persons, body of individuals, statutory authority, or any other person who enters into an Agreement with the Portfolio Manager for the purpose of availing of the Portfolio Management Services.

1.5. **“CSSIPL”** means Credit Suisse Securities (India) Private Limited, a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 9th Floor, Ceejay House, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

1.6. “**Disclosure Document**”, or “**Document**” means this document *inter-alia* disclosing the following in accordance with Schedule V of the Regulations: (i) performance of the Portfolio Manager; (ii) portfolio risks; (iii) the quantum and manner of payment of fees payable by a Client for each activity comprising the Portfolio Management Services rendered by the Portfolio Manager directly or indirectly; (iv) complete disclosures in respect of transactions with related parties as per the accounting standards specified by the Institute of Chartered Accountants of India in this regard; (v) disclosures in relation to the business and disciplinary history of the Portfolio Manager as well as the terms and conditions on which any advisory services are being offered and affiliations with other intermediaries; (vi) audited financial statements of the Portfolio Manager for the immediately preceding three financial years.

1.7. **“Discretionary Portfolio Management Services Agreement”** means an agreement entered into between a Client and the Portfolio Manager pursuant to which the Portfolio Manager has agreed to provide Discretionary Portfolio Management Services to the Client.

1.8. **“Discretionary Portfolio Management Services”** means the discretionary portfolio management services rendered to a Client by the Portfolio Manager pursuant to the terms and conditions contained in the Discretionary Portfolio Management Services Agreement, where under the Portfolio Manager exercises absolute and unfettered discretion, with regards to the investments and management of the Assets of a Client.

1.9. **“Funds”** means the monies managed by the Portfolio Manager for and on behalf of the Client pursuant to the Agreement and includes any further monies placed by the Client with the Portfolio Manager to be managed pursuant to the Agreement, the proceeds of the sale or realization of the Portfolio and any interest, dividend or other monies arising from the Assets, so long as the same is being managed by the Portfolio Manager.

1.10. **“Investment Advisory Services Agreement”** means an agreement entered into between a Client and the Portfolio Manager pursuant to which the Portfolio Manager has agreed to provide Investment Advisory Services to the Client.

1.11. **Investment Advisory Services"** means the non-exclusive, non-binding investment advice to be rendered to a Client by the Portfolio Manager on the terms and conditions pursuant to the Investment Advisory Services Agreement. Investment advisory services include services pertaining to advising clients on any or all of the following types of assets: "securities" as defined under the Securities Contracts (Regulation) Act, 1956; (ii) shares, scrips, stocks, bonds, warrants, convertible and non-convertible debentures, fixed return investments, equity linked instruments, negotiable instruments, deposits including Fixed Deposits with scheduled commercial banks, money market instruments, commercial papers, certificates of deposit, units issued by the Unit Trust of India and/or by mutual funds, mortgage backed or other asset backed securities, derivatives, derivative instruments, options, futures, currency future, foreign currency commitments, hedges, swaps or netting off arrangements, venture capital funds, private equity fund and art funds, any other securities issued by any company or other body corporate, any trust, any entity, the Central Government, any State Government or any local or statutory authority and all rights or properties that may at any time be offered or accrue (whether by rights, bonus, redemption, preference, option or otherwise) and any other instrument of similar nature listed on a stock exchange regulated by SEBI or unlisted security of like nature and whether in physical or dematerialized form in respect of any of the foregoing or evidencing or representing rights or interest therein; (iii) precious metals, non-precious metals, commodities, structured products, alternative investments, time deposits, futures, traded options; and (iv) any other instruments or investments (including borrowing or lending of securities, subject to the terms and conditions of the Agreement) as may be permitted by applicable law/regulations from time to time.

1.12. **"Investment Profiles"** means the investment profiles as offered by the Portfolio Manager from time to time as described in the Agreement.

1.13. **"Net Asset Value"** or **"NAV"** means the market value of the Assets managed by the Portfolio Manager, as calculated by the Portfolio Manager from time to time, depending on the Investment Profiles chosen by the Client.

1.14. **"Non-Discretionary Portfolio Management Services Agreement"** means an agreement entered into between a Client and the Portfolio Manager pursuant to which the Portfolio Manager has agreed to provide Non-Discretionary Portfolio Management Services to the Client.

1.15. **"Non-Discretionary Portfolio Management Services"** means the non-discretionary portfolio management services to be rendered to a Client by the Portfolio Manager on the terms and conditions pursuant to the Agreement, where under the Portfolio Manager renders investment advise to the Client in relation to the investment and management of the Assets of the Client, and based on the instructions of the Client, the Portfolio Manager invests and manages the Assets of the Client.

1.16. **“Portfolio Manager”** means a segregated division of CSSIPL engaged in the business of providing Portfolio Management Services to its clients in terms of the license granted by SEBI under the Regulations.

1.17. **“Portfolio Management Services”** means the Discretionary Portfolio Management Services, and/or the Non-Discretionary Portfolio Management Services, and/or the Investment Advisory Services, as the case may be.

1.18. **“Portfolio”** means the Securities managed by the Portfolio Manager for and on behalf of the Client, pursuant to an Agreement, and includes any further Securities placed by the Client with the Portfolio Manager to be managed pursuant to an Agreement, including Securities acquired by the Portfolio Manager through investment of Funds and/or pursuant to the issue of any bonus and rights shares in respect of the Securities forming a part of the Portfolio, so long as the same are being managed by the Portfolio Manager.

1.19. **“Regulations”** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, including any circulars, directions or clarifications issued by SEBI and/or any government authority and as applicable to the Portfolio Manager.

1.20. “**SEBI**” means Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992.

1.21. “**Securities”** means and includes (i) “securities” as defined under the Securities Contracts (Regulation) Act, 1956; (ii) shares, scrips, stocks, bonds, warrants, convertible and non-convertible debentures, fixed return investments, equity linked instruments, negotiable instruments, deposits including Fixed Deposits with scheduled commercial banks, money market instruments, commercial papers, certificates of deposit, units issued by the Unit Trust of India and/or by mutual funds, mortgage backed or other asset backed securities, derivatives, derivative instruments, options, futures, currency future, foreign currency commitments, hedges, swaps or netting off arrangements, units issued by venture capital funds, private equity fund and any other securities issued by any company or other body corporate, any trust, any entity, the Central Government, any State Government or any local or statutory authority and all rights or properties that may at any time be offered or accrue (whether by rights, bonus, redemption, preference, option or otherwise) and any other instrument of similar nature listed on a stock exchange regulated by SEBI or unlisted security of like nature and whether in physical or dematerialized form in respect of any of the foregoing or evidencing or representing rights or interest therein; (iii) precious metals, non-precious metals, commodities, structured products, alternative investments, time deposits, futures, traded options; and (iv) any other instruments or investments (including borrowing or lending of securities, subject to the terms and conditions of the Agreement) as may be permitted by applicable law/regulations from time to time.

2. Any references to laws and regulations in this Document shall be deemed to include such laws and regulations as may be amended, revised, updated and/or supplemented from time to time.

3. Words importing the singular include the plural and vice-versa. Words importing a gender include the other gender.

SECTION III
DESCRIPTION

1. HISTORY, PRESENT BUSINESS & BACKGROUND OF CSSIPL

a) CSSIPL was incorporated in Mumbai, India on 10 December 1996.

b) CSSIPL is registered with SEBI as a Portfolio Manager under the portfolio management services license (INP000002478).

c) A segregated division of CSSIPL is engaged in the broker dealer activities and is a member of the National Stock Exchange of India Limited (**"NSE"**) bearing SEBI Registration No. INB230970637 and INF230970637 for the capital market (equity) and futures and options segment, respectively and the BSE Limited (**"BSE"**) bearing SEBI Registration No. INB010970631 and INF 010970631 for the capital market (equity) and futures and options segment, respectively. CSSIPL is also registered as a clearing member of the futures & options / derivative segment of NSE vide membership no. INF230970637.

d) A segregated division of CSSIPL is also registered with the SEBI as a merchant banker permitted to undertake merchant banking and underwriting activities. The merchant banking registration number of CSSIPL is INM 000011161.

e) A segregated division (**"MFD"**) of CSSIPL is engaged in the activities of distribution of units of mutual funds and is registered with the Association of Mutual Funds in India (AMFI) vide registration number ARN-53956.

f) A segregated division (**"OPD"**) of CSSIPL is engaged in the activities of distribution of financial products other than units of mutual fund(s).

g) CSSIPL is registered with SEBI as a Research Analyst and is permitted to undertake research related activities. The research analyst registration number of CSSIPL is INH000001030.

CSSIPL is an indirect subsidiary of Credit Suisse AG.

Credit Suisse AG

Credit Suisse AG is one of the world's leading financial services providers and is part of the Credit Suisse group of companies (referred to here as "**Credit Suisse**"). The registered shares of Credit Suisse's parent company, Credit Suisse Group AG, are listed in Switzerland and, in the form of American Depositary Shares (CS), in New York. Further information about Credit Suisse can be found at www.credit-suisse.com.

As one of the world's leading financial services providers, Credit Suisse is committed to delivering combined financial experience and expertise to corporate, institutional and government clients and to high-net-worth individuals worldwide, as well as to private clients in Switzerland.

Founded in 1856, Credit Suisse has a global reach with operations in over 50 countries and 48,200 employees from approximately 150 different nations. Credit Suisse's broad footprint helps it to generate a geographically diverse stream of revenues and net new assets and allows it to capture growth opportunities around the world.

Credit Suisse serves its clients through three regionally focused divisions:

Swiss Universal Bank, International Wealth Management and Asia Pacific. These regional businesses are supported by two other divisions specializing in investment banking capabilities: Global Markets and Investment Banking & Capital Markets. The Strategic Resolution Unit consolidates the remaining portfolios from the former non-strategic units plus additional businesses and positions that do not fit with our strategic direction. Our business divisions cooperate closely to provide holistic financial solutions, including innovative products and specially tailored advice.

Swiss Universal Bank

The Swiss Universal Bank division offers comprehensive advice and a wide range of financial solutions to private, corporate and institutional clients primarily domiciled in our home market of Switzerland, which offers attractive growth opportunities and where we can build on a strong market position across our key businesses. Our private banking business has a leading franchise in our Swiss home market and serves ultra-high-net-worth individuals, high-net-worth individuals and retail clients. Our corporate and institutional banking business serves large corporate clients, small and medium-sized enterprises, institutional clients and financial institutions.

Asia Pacific

The Asia Pacific division offers integrated private banking and investment banking financial solutions to wealthy individuals, institutional investors and corporate clients in the Asia Pacific region, drawing on Credit Suisse's global resources. The division is well positioned to capture market opportunities in Asia Pacific, which is experiencing rapid wealth creation and where the number of ultra-high-net-worth individuals is growing. We offer institutional investors access to broader financial markets and differentiated product offerings.

Investment Banking & Capital Markets

The Investment Banking & Capital Markets division offers a broad range of investment banking services to corporations, financial institutions, financial sponsors and ultra-high-networth individuals and sovereign clients. Our range of products and services includes advisory services related to mergers and acquisitions, divestitures, takeover defense mandates, business restructurings and spin-offs. The division also engages in debt and equity underwriting of public securities offerings and private placements.

International Wealth Management

The International Wealth Management division offers tailored financial solutions to wealthy private clients and external asset managers in Europe, the Middle East, Africa and Latin America through its private banking business. The division's footprint spans emerging economies as well as mature European markets and it has access to the broad spectrum of Credit Suisse's global resources and capabilities. Our asset management business offers investment solutions and services globally to our private banking businesses and a wide range of other clients, including pension funds, governments, foundations and endowment funds, corporations and individuals.

Global Markets

The Global Markets division offers a broad range of equities and fixed income products and services and focuses on client-driven businesses and on supporting Credit Suisse's private banking businesses and their clients. Our suite of products and services includes global securities sales, trading and execution services, prime brokerage, underwriting and comprehensive investment research. Our clients include financial institutions, corporations, governments, institutional investors – including pension funds and hedge funds – and private individuals around the world.

Strategic Resolution Unit

The Strategic Resolution Unit was created to facilitate the immediate right-sizing of our business divisions from a capital perspective and includes remaining portfolios from former non-strategic units plus transfers of additional exposures from the business divisions. The unit's primary focus is on facilitating the rapid wind-down of capital usage and costs to reduce the negative impact on the Group's performance. Repositioned as a separate division, this provides clearer accountability, governance and reporting.

2. AFFILIATIONS OF CSSIPL

1. CSSIPL has appointed The Hong Kong and Shanghai Banking Corporation Limited (HSBC) as a Custodian for administration and custody of assets of its Discretionary and Non-Discretionary Portfolio Management clients, in compliance with Clause 16B of the SEBI (Portfolio Managers) Regulation, 1993.

2. CSSIPL is empaneled for distribution of schemes of various mutual funds, through its MFD division. For more details on the mutual funds / schemes available please contact your relationship manager.

3. CSSIPL, through its OPD division, is affiliated with other intermediaries for distribution of their products (other than mutual funds). For more details on the products available please contact your relationship manager.

4. CSSIPL has empaneled Icap India Private Limited, LKP Securities Limited A. K. Stockmart Private Limited, Trust Financial Services Ltd., SPA Securities Ltd. and Taurus Corporate Advisory Securities Ltd. for execution of transactions in Fixed Income securities.

5. **PROMOTERS OF THE PORTFOLIO MANAGER**

Credit Suisse Investment Holdings (Mauritius) Limited (**"Promoter"**) is incorporated in Mauritius having its registered office at c/o Rogers Capital Corporate Services Limited, St. Louis Business Centre, Cnr Desroches & St. Louis Streets, Port Louis, Mauritius and is a wholly owned subsidiary of Credit Suisse AG, a joint corporation registered in the Canton of Zurich, Switzerland.

The Promoter is ultimately owned by Credit Suisse Group AG, a corporation with its registered office in Switzerland and a leading global financial services provider with operations, subsidiaries and affiliates in the European, the Americas and the Asia Pacific regions.

SHARE HOLDING PATTERN OF CSSIPL - As on 30 June 2018:
EQUITY:

Sr. No.	Name	Number of shares held	Face value per share (Rs.)	Amt Paid up (Rs. In lakh)	% of total
1	Credit Suisse Investment Holdings (Mauritius) Limited	221,476,244	10	22147.6244	100.00
2	Credit Suisse (Holdings) Hong Kong Limited^ (^(as nominee for and on behalf Credit Suisse Investment Holdings (Mauritius) Limited)	1	10	0.0001	0.00
TOTAL		**221,476,245**		**22147.6245**	**100%**

PARTICULARS OF THE BOARD OF DIRECTORS OF CSSIPL

Sr. No.	Name	Designation	Date of Birth	Experience details	Qualification
1	Mihir Jagdish Doshi	Managing Director	6-Oct-61	April 2006 to date : Managing Director and Country Head of Credit Suisse Securities (India) Private Ltd. Prior to April 2006 : With Morgan Stanley group for the 22 years in various capacities. Last assignment was as MD & CEO of JM Morgan Stanley Securities Private Limited at Mumbai. Prior to Morgan Stanley group; he was with Deloitte, Haskins and Sells, New York.	Bachelor of Science (Hons), The New York University and Certified Public Accountant , New York State
2	Rajat Sabharwal	Managing Director	27-Dec-68	Credit Suisse Securities (India) Private Ltd. (November 2006 to date): Head of Equities India. Kotak Securities (March 1997 to Oct 2006) : Jan-04 to October 2006 – Head Asia Sales Nov-01 to Dec-03 : Vice President- Institutional Sales Mar-97 to Oct-01 : Senior Analyst – Consumer Products. Apple Asset Management (Jun-94 to Feb-97) : Senior Manager (Jul-96 to Feb-97) Manager-Research (Jun-94 to Jun-96) Reckitt & Colman of India (May-92 to May-94) : Executive Finance (May-93 to May-94) and Management Trainee (May-92 to Apr-93)	Post Graduate Diploma in Management (PGDM)
3	Rasik Joshi	Whole Time Director	4-Feb-68	(1) February 2007 to date : Credit Suisse Securities (India) Private Ltd (2) August 2003 to February 2007 : Deutsche Equities India Private Ltd.- Vice President. Managing a team of trades for best execution. (3) April 2002 to June 2003 : Kotak Securities - Associate Vice President - Part of equities team for client trades execution. (4) August 1999 to October 2001: Credit Suisse First Boston (India) Securities Pvt. Ltd. - Handling execution of client trades. (5) January 1995 to June 1999 : Initially part of Investment Banking division of UTI Securities Ltd. and subsequently moved to secondary market operations	M. B. A. (Finance), University of Poona
4	Sumit Jalan	Whole Time Director	10-Nov-77	Credit Suisse Securities (India) Private Ltd. (2010 to date)- Managing Director, Co-Head of Investment Banking and Capital Markets, Head of Equity Capital Markets Bank of America Merrill Lynch (2008-2010)- Director- Equity Capital Markets CLSA Asia Pacific Markets (2003-2008)- Associate Director of Investment Banking CRISIL (2002-2003)- Valuation and Financial Modeling Goldman Sachs International Equity (2001) –Internship S.N Sureka & Co. Calcutta (1996-2000) – Equity Sales	Post Graduate Diploma in Management (PGDM), IIM - A
5	Iñigo Mendoza	Whole Time Director	4-July-73	Credit Suisse Securities (India) Private Ltd. (2016 to date)-Head of Private Banking, India Credit Suisse/ Emerging Asia and Japan Business Management - Head (2015) Credit Suisse/ Private Banking Strategy Development Unit in APAC - Deputy Head Credit Suisse Switzerland (2011-2013)- Credit Suisse/ CFO COO Strategy Consulting Unit – VP of Strategy Banco Santander/ Internal Consulting Unit (2009-2011) – Engagement Manager McKinsey & Company (2006-2009) – Junior Engagement Manager	MBA from Institut Européen d'Administration des Affaires (INSEAD), Master in International Humanitarian Aid from University of Deusto, Degree in Political Science Universidad Del Pais

Sr. No.	Name	Designation	Date of Birth	Experience details	Qualification
				International Organisation for Migrations/United Nations (2004)- Senior Operations Officer Organisation for Security and Co-operation in Europe (2001-2004)– Rule of Law Field Coordinator Spanish Red Cross (1999-2001) – Head of Delegation	Vasco/Euskal Herriko Unibertsitatea

GROUP COMPANIES - The Credit Suisse AG has a significant number of group/subsidiary and associate companies domiciled in numerous overseas jurisdictions. Disclosure on group companies of CSSIPL is limited to the companies domiciled in India as listed below and which are part of Credit Suisse Group AG.

1 Credit Suisse Services (India) Private Limited
2 Credit Suisse Consulting (India) Private Limited
3 Credit Suisse Finance (India) Private Limited.
4 Credit Suisse Business Analytics (India) Private Limited.
5 Credit Suisse AG, Mumbai Branch
6 Credit Suisse Business Management (India) Private Limited
7 Credit Suisse Services AG, Pune Branch

3. DETAILS OF THE SERVICES BEING OFFERED

At present the Portfolio Manager is offering the following services:

(a) Discretionary Portfolio Management Services;

(b) Non-Discretionary Portfolio Management Services; and

(c) Investment Advisory Services.

SECTION IV
DETAILS OF PENALTIES/PENDING LITIGATION

SEBI has taken the following action against CSSIPL in the capacity of a stock broker:

- Interim order dated April 18, 2001 debarring the CSSIPL from undertaking any new business as a stock broker until further orders were passed by SEBI.

- Order dated June 13, 2002 bearing reference IES/ID2/RKK/10780/2002 suspending CSSIPL's broking operations for a period of two years.

- Order dated December 11, 2003 bearing reference IVD/ID2/CSFB/KR/23686/2003 issuing a warning to CSSIPL with regard to its proprietary transactions in a variety of stocks.

- Order dated March 5, 2004 bearing reference ISD-2/RM/4617/2004 with regard to transactions in the shares of Ranbaxy Laboratories suspending CSSIPL's broking operations for a period of one month from March 26, 2004.

- Order dated September 10, 2004 bearing reference No. ISD1/SR/SS/GTB/20633/2004 with regard to transactions in the shares of Global Trust Bank suspending CSSIPL's broking operations for a period of three months from October 1, 2004.

- Order dated August 10, 2006 bearing reference No. IVD/ID-4/PKN/JKA/74158/2006 with regard to of dealings in the shares of South East Asia Marine Engineering and Constructions Limited suspending CSSIPL's broking operations for a period of one month from September 1, 2006.

- Order dated November 27, 2006 bearing reference No. IVD/ID3/PKB/AA/DSQBL/80938/06 with regard to transactions in the shares of DSQ Biotech Limited (now known as Origin Agrostar Limited) issuing a warning to CSSIPL to be "careful in future".

SECTION V
SERVICES OFFERED

1. SERVICES OFFERED

(a) Discretionary portfolio management services to be rendered to a Client by the Portfolio Manager pursuant to the terms and conditions contained in the Discretionary Portfolio Management Services Agreement, where under the Portfolio Manager exercises absolute and unfettered discretion, with regards to the investment and management of the Assets of a Client.

(b) Non-discretionary portfolio management services to be rendered to a Client by the Portfolio Manager pursuant to the terms and conditions contained in the Non-Discretionary Portfolio Management Services Agreement, where under the Portfolio Manager renders investment advise to a Client in relation to the investment and management of the Assets of such Client, and based on the instructions of the Client, the Portfolio Manager invests and manages the Assets of the Client.

The Portfolio Manager may from time to time, at a Client's instruction, refer a Client over to external portfolio managers. For the avoidance of doubt, all such referrals by the Portfolio Manager to external portfolio managers and any subsequent investments into the financial products and services by a Client with the external portfolio managers are conducted solely at the Client's absolute discretion. Such referrals by the Portfolio Manager are not to be construed as a solicitation and/or an offer to buy or sell any security or other financial instrument and is not based on any legal, accounting and/or tax advice offered by the Portfolio Manager. The Client would also consult with such advisor(s) as the Client considers necessary before making any investment decisions with any referred external portfolio managers.

(c) The Portfolio Manager shall purchase, sell or otherwise deal in Securities for and on behalf of the Client through its broker dealer division (details of registration of the same are as mentioned in Section III above), which shall be entitled to charge brokerage in respect of such transactions. The Portfolio Manager may also purchase Securities from time to time for and on behalf of the Client, which Securities may also be sold by the clients of the broker dealer division of the Portfolio Manager (as mentioned in Section III above).

(d) The Portfolio Manager may execute orders and/or enter into transactions for investment in Securities for the issue of which the merchant banker division of CSSIPL may be acting as the lead manager, underwriter, merchant banker, advisor or other intermediary. The merchant banker division shall be entitled to receive commission, fees, or other consideration, from the issuer of Securities, for the services provided by it.

(e) The Portfolio Manager may execute orders and/or enter into transactions in the units of mutual funds for and on behalf of the Client through its MFD division (details of registration of the same are as mentioned in Section III above), which shall be entitled to receive fees, commission or other consideration from the mutual funds for the services provided by it.

(f) The Portfolio Manager may execute orders and/or enter into transactions in the financial products other than units of mutual funds for and on behalf of the Client through its OPD division (details of the same are as mentioned in Section III above), which shall be entitled to receive fees, commission or other consideration from the issuer / manufacturer of such financial products for the services provided by it.

(g) Non-exclusive, non-binding investment advisory services to be rendered to a Client by the Portfolio Manager pursuant to the terms and conditions contained in the Investment Advisory Services Agreement.

2. INVESTMENT PROFILES AND INVESTMENT OBJECTIVES

(a) India Classic Equities: This is an actively managed equities based discretionary mandate investing primarily in the Indian equities markets. The asset allocation is composed of liquidity and money market instruments, equities, and derivatives. Derivatives are used only for the purpose of hedging and portfolio rebalancing through the use of index futures.

The Portfolio Manager may also invest the funds under the mandate in other securities as defined as "Securities" in Section II of this document, subject to such investments being in conformance with the mandate.

Investment objective: The aim of the India Classic Equities discretionary mandate is to offer long-term capital growth through greater emphasis on capital gains. The portfolio is expected to have a high risk tolerance and greater fluctuations of asset value.

(b) India Classic Balanced: This is an actively managed discretionary mandate which offers a mix of both Indian equities and fixed income securities. The asset allocation is composed of liquidity and money market instruments, fixed income securities, equities, and derivatives. Derivatives are used only for the purpose of hedging and portfolio rebalancing through the use of index futures.

The Portfolio Manager may also invest the funds under the mandate in other securities as defined as "Securities" in Section II of this document, subject to such investments being in conformance with the mandate.

Investment objective: The aim of the India Classic Balanced discretionary mandate is to offer real-term capital preservation and long-term capital growth though steady income and capital gains. The portfolio is expected to have average risk tolerance and fluctuation of asset value.

(c) India Funds Equities: This is an actively managed discretionary mandate composed of various Indian mutual funds and alternative investment funds. The asset allocation is composed of liquidity and money market funds, fixed income funds, and equities funds, with a greater emphasis on equities funds.

The Portfolio Manager may also invest the funds under the mandate in other securities as defined as "Securities" in Section II of this document subject to such investments being in conformance with the mandate.

Investment objective: The aim of the India Funds Equities discretionary mandate is to offer long-term capital growth through investments in line with client expectations. The portfolio is expected to have a higher risk tolerance and greater fluctuations of asset value.

(d) India Funds Balanced: This is an actively managed discretionary mandate composed of various Indian mutual funds and alternative investment funds. The asset allocation is composed of liquidity and money market funds, fixed income funds, and equities funds, with a greater emphasis on a balanced mix of fixed income and equities funds.

The Portfolio Manager may also invest the funds under the mandate in other securities as defined as "Securities" in Section II of this document, subject to such investments being in conformance with the mandate.

Investment objective: The aim of the India Funds Balanced discretionary mandate is to offer capital preservation with recurring interest income and long-term capital growth through steady income. This portfolio is expected to have average risk tolerance and fluctuation of asset value.

(e) India Funds Fixed Income: This is an actively managed discretionary mandate composed of various Indian mutual funds and alternative investment funds. The asset allocation is composed of liquidity, money market funds, short term and long term corporate debt and Government Securities Funds and alternative investment funds.

The Portfolio Manager may also invest the funds under the mandate in other securities as defined as "Securities" in Section II of this document, subject to such investments being in conformance with the mandate.

Investment objective: The aim of India Funds Fixed Income discretionary mandate is to offer capital preservation with recurring interest income. The portfolio is expected to have low to moderate risk tolerance and fluctuation of asset value.

(f) India Opportunities Equities: This is an actively managed equities based discretionary mandate investing primarily in the Indian equities markets. The portfolio will take an exposure to equities across the capitalization range, including mid and small cap stocks. The asset allocation is composed of liquidity and money market instruments, equities, and derivatives. Derivatives are used only for the purpose of hedging and portfolio rebalancing through the use of index futures.

The Portfolio Manager may also invest the funds under the mandate in other securities as defined as “Securities” in Section II of this document, subject to such investments being in conformance with the mandate.

Investment objective: The aim of the India Opportunities Equities discretionary mandate is to offer long-term capital growth through greater emphasis on capital gains. The portfolio is expected to have a high risk tolerance and greater fluctuations of asset value. Furthermore, given the greater allocation to mid and small cap stocks the portfolio is likely to carry a higher degree of risk as compared to investments in "India Classic Equities".

(g) India Classic Focused Equities: This is an actively managed equities based discretionary mandate investing primarily in the Indian equities markets. The asset allocation is composed of liquidity and money market instruments, equities, and derivatives. Derivatives are used only for the purpose of hedging and portfolio rebalancing through the use of index futures.

The Portfolio Manager may also invest the funds under the mandate in other securities as defined as “Securities” in Section II of this document, subject to such investments being in conformance with the mandate.

Investment objective: The aim of the India Classic Equities discretionary mandate is to offer long-term capital growth through greater emphasis on capital gains. The portfolio is expected to have comparatively lower volatility and higher focus and weightages in individual securities than the India Classic Equities mandate.

(h) India Opportunities Funds: This is an actively managed discretionary mandate composed of various Indian mutual funds. The asset allocation is composed of liquidity and money market funds, and equities funds, with a greater emphasis on equities funds. The portfolio will take an exposure to equity funds across the capitalization range, including mid and small cap funds.

The Portfolio Manager may also invest the funds under the mandate in other securities as defined as “Securities” in Section II of this document, subject to such investments being in conformance with the mandate.

Investment objective: The aim of the India Opportunities Funds discretionary mandate is to offer long-term capital growth through investments in line with client expectations. The portfolio is expected to have a higher risk tolerance and greater fluctuations of asset value. Furthermore, given the greater allocation to mid and small cap funds, the portfolio is likely to carry a higher degree of risk as compared to investments in "India Funds Equities".

(i) Premium Mandate: This is an actively managed, tailor made discretionary mandate customized to the client's requests. The investments in equities, fixed income, mutual funds, exchange traded products, alternative investment funds and such other securities defined as “Securities” in Section II of this document will be based on the asset allocation as mandated by client. Asset allocation provision and client restrictions can be incorporated to such a mandate.

Investment objective: The aim of the premium mandate is to offer returns in line with client expectations.

As the investment mandates are customized as per client's requirements, investments in certain securities may result in the client taking more risk than the client's stated risk profile.

(j) India Debt Portfolio – Structured Products

Investment Objective: The objective of this product is to deploy funds in various debt securities i.e. Debentures, Non convertible debentures, Bonds, Government Securities, Mutual Funds, etc. The Portfolio Manager may launch different series under this product.

Asset Allocation

Debt allocation will be between 80% - 100% of the Portfolio. The products launched may have a combination of various kinds of Debt securities i.e. Debentures, Non convertible debentures, Bonds, Government Securities, Mutual Funds, etc. The balance idle cash will be invested either in debt, liquid mutual funds or short term instruments. Investment in such securities can be between 0% to -20% of the portfolio.

Investment Style

For this discretionary mandate, Portfolio Manager would undertake investment in various debt securities. These investments will be reviewed on a periodic basis. Allocation to various debt securities including liquid will be upto 100%.

Working of Debt Portfolios - Structured products

This mandate will invest in various debt and liquid securities, i.e. call money instruments, MIBOR linked securities, government securities, corporate debentures, Non convertible debentures, bonds, etc. Debt Portfolio - Structured Products will invest in Non convertible debentures that may be linked to performance of Equity markets (such as Index, Basket of stocks) or Interest rates or commodities. This in turn imply that payments to investors will not be fixed, and could be linked to one or more external variables such as commodity prices, equity indices, basket of stocks or interest rates. This could result in variability in payments—including possible material loss of principal—because of adverse movement in value of the external variables.

Funds may be invested in liquid schemes or short term paper, till deployment is pending in various debt securities.

Other Features

The Portfolio Manager will provide periodical reports as required under the Regulations.

The Client may withdraw whole or part of the funds or securities from the Portfolio Account by giving advance notice and the Portfolio Manager will endeavor to liquidate the securities and return the funds to the Client within reasonable time. In case the Portfolio Manager is not able to sell the securities, the Portfolio Manager has the discretion to return the securities to the Client.

(k) Indian Consumer- Megatrend

This is an actively managed equities based discretionary mandate investing primarily in the Indian equities markets. The portfolio will take an exposure to equities across the capitalization range, including mid and small cap stocks. The asset allocation is composed of liquidity and money market instruments, equities, and derivatives. Derivatives are used only for the purpose of hedging and portfolio rebalancing through the use of index futures.

The Portfolio Manager may also invest the funds under the mandate in other securities as defined as “Securities” in Section II of this document, subject to such investments being in conformance with the mandate.

Investment objective: the aim of the India Consumer Megatrend discretionary mandate is to offer long-term capital growth through greater emphasis on capital gains. The portfolio will invest primarily in sectors which are direct or indirect beneficiaries of the rising demographic dividend being experienced by the Indian economy in its growth trajectory. The demographic dividend is a set of certain factors like increasing participation of younger workforce, increasing urbanization and increasing discretionary spend to name a few.

The portfolio is expected to have a high risk tolerance and greater fluctuations of asset value. Furthermore, given the greater allocation to mid and small cap stocks the portfolio is likely to carry a higher degree of risk as compared to investments in "India Classic Equities"/ other equity mandate offered by the Portfolio Manager as detailed above.

(l) India Fixed Income Portfolios

Investment Objective and Benchmarks: The objective of this product is to generate total return through coupon inflows and Capital Gains by deploying funds in a range of debt instruments comprising but not limited to Commercial papers, Certificates of deposits, Debentures, Bonds, Government Securities, Money market/ Bond /Gilt Mutual Funds, etc. The portfolio benchmarks will be decided based on the risk profile of the specific portfolios spread across the risk-return spectrum. The Portfolio Manager may launch different portfolios across the risk-return spectrum under this product.

The Portfolio Manager may also invest the funds under the mandate in other securities as defined as “Securities” in Section II of this document, subject to such investments being in conformance with the mandate.

Asset Allocation

Allocation to debt and debt related instruments will be upto 100% of the Portfolio. No exposure will be taken in equity and equity linked securities. The products launched may invest in a range of debt instruments comprising but not limited to Commercial paper, Certificates of deposits, Debentures, Bonds, Government Securities, Money market/ Bond /Gilt Mutual Funds, etc.

Investment Style

For this discretionary mandate, Portfolio Manager would actively manage the investment in various debt securities based on yield, credit spreads, term structure, duration etc. These investments will be reviewed on a periodic basis and changes will be made based on the fundamental variables like Macro economic indicators, Fiscal Policy, Monetary Policy and technical variables like Demand / Supply of Bonds, Positioning of market participants etc.

The Portfolio Manager will provide periodical reports as required under the Regulations.

The Client may withdraw whole or part of the funds or securities from the Portfolio Account by giving advance notice and the Portfolio Manager will endeavor to liquidate the securities and return the funds to the Client within reasonable time. In case the Portfolio Manager is not able to sell the securities, the Portfolio Manager has the discretion to return the securities to the Client.

3. MINIMUM INVESTMENT AMOUNT

The minimum investment amount is INR 2'500'000 or such higher amount as specified by the Portfolio Manager / SEBI from time to time. The investment amount of INR 2'500'000 is computed at client level aggregating investments across different mandates and including the client's non-discretionary investments.

4. TYPES OF SECURITIES

The Portfolio Manager shall invest in all types of Securities as defined herein (please refer to the definition).

5. INVESTMENT IN GROUP/ASSOCIATE COMPANIES

At present, the Portfolio Manager is not proposing to have any equity investments in any associates / group companies. However, the portfolio manager may invest in Debentures / Structured Products issued by group/associate companies in consultation with the client.
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SECTION VI
RISK FACTORS

1. No Assurance of Guarantee: Investments are subject to market and other risks and therefore the Portfolio Manager does not give any guarantee regarding profit of its investments and/or the avoidance of losses.

2. No Reliance on Past Performance: Any past performance of the Portfolio Manager does not indicate and/or guarantee the future performance of the Portfolio Manager and/or the Investment Profiles offered by the Portfolio Manager. The Portfolio Manager has started its activities by mid 2008. A track record for discretionary portfolio clients is from January, 2009 onwards.

3. Risk arising from the investment objective/investment strategy and asset allocation:

a. The liquidity of the Portfolio may be restricted by trading volumes and settlement periods. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays and/or other problems in settlement of transactions could result in temporary periods when the Securities comprising the Portfolio are un-invested and no return is earned thereon. The inability of the Portfolio Manager to make intended Securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. Similarly, 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.

b. Certain investment vehicles, in particular alternative investments instruments, can include Securities with a long-term investment horizon. The Securities comprising the Portfolio may therefore be subject to lock-up periods or be redeemable only periodically or on certain dates, i.e. not be liquid at all times. In such cases, early redemption can result in a lower price and additional charges.

c. The value of the Portfolio, to the extent invested in fixed income securities, will be affected by changes in the general level of interest rates. When interest rates decline, the value of a Portfolio containing fixed income securities can be expected to rise. Conversely, when interest rates rise, the value of a Portfolio containing fixed income securities can be expected to decline.

d. As with any investment in Securities, the value of the Portfolio could fluctuate depending on various factors that may affect the value of the Securities comprising the Portfolio. In addition to the factors that affect the value of individual Securities, the value of the Portfolio can be expected to fluctuate with movements in the broader equity and bond markets and may be influenced by factors affecting capital markets in general, such as, but not limited to, changes in interest rates, currency exchange rates, changes in governmental policies, taxation, political, economic or other developments and increased volatility in the stock and bond markets.

4. Risk Arising out of Non Diversification: The investment objectives of one or more of the Investment Profiles could result in concentration of a specific asset/asset class/sector/issuer etc., which could expose the Assets to improper and/or undesired concentration of investment risks.

5. Risk of Loss in Value of Investments: The investment of the Assets and resultant investments are subject to a very wide range of risks which include, amongst others, and by way of illustration, loss in value of the investments due to, inter alia, overall economic slowdown, unanticipated bad corporate performance, environmental or political problems, changes in monetary or fiscal policies (including changes in tax laws and rates), changes in government policies and regulations with regards to industry and exports, acts of state, sovereign action, acts of God, acts of war, civil disturbance etc.

6. Market Risk: The value of the Portfolio may increase or decrease depending upon varying market forces and factors affecting the capital markets such as the de-listing of Securities, market closure, relatively small number of scrips accounting for large proportion of trading volume etc. The Clients could lose money over short periods due to the fluctuations in the value of the Portfolio in response to factors such as economic and political developments, changes in interest rates and perceived trends in stock market movements and over longer periods due to market downturns. Consequently, the Portfolio Manager makes no assurance of any guaranteed returns on the Assets.

7. Asset Class Risk: The returns from the types of Securities in which the Portfolio Manager invests may underperform when compared with returns in the general Securities market or different asset classes. Different types of Securities tend to go through different cycles of out-performance and under-performance in comparison to the general Securities market.

8. Risks Associated with Overseas Investments: Subject to necessary approvals as may be required, and within the Investment Profiles identified by the Client, the Portfolio Manager may invest in overseas markets in which investments therein are subject to a very wide range of risks, which include amongst others and by way of illustration, risks on account of fluctuations in foreign exchange rates, nature of the Securities market of the country concerned, repatriation of capital due to exchange controls, political circumstances etc. Further, before entering into any Agreement and/or making an investment, the Client should enquire about any rules and/or regulations relevant to the Client's Agreement and/or investment. It may be noted that the Client's local regulatory authority will be unable to compel the enforcement of rules of the regulatory authorities or markets in other jurisdictions where the Client's investments have been effected. The Client should enquire about the type of redress available in both the Client's home jurisdiction and other relevant jurisdictions before the Client enters into any Agreement.

9. Risk of Insolvency: Assets deposited by the Clients shall be subject to insolvency risks in relation to the Portfolio Manager, issuers, custodians, and other intermediaries. The extent to which a Client will be able to recover its/his/her Assets will depend upon local law, rules and regulations.

10. No Liability: The Portfolio Manager shall not be responsible or liable for any losses resulting from the operations of the Investment Profiles.

11. Risks Associated with investments in Mutual Funds: In the event that the Portfolio Manager invests the Assets of the Client in mutual funds registered with SEBI, scheme specific risk factors of such underlying schemes would be applicable to the Portfolio. All risks associated with such underlying schemes, including but not limited to performance of their underlying stocks, derivative instruments, stock-lending, off-shore investments etc., would therefore be applicable to the Assets. Clients are required to and deemed to have received, read and understood the risk factors of the underlying schemes. Risk factors inherent to equities and debt securities are also applicable to investments in mutual fund units. In addition, events like change in the fund manager of a scheme, takeovers and mergers of mutual funds, foreclosure of schemes or plans, change in government policies etc. could affect the performance of investments in mutual fund units.

12. Liquidity Risk: Liquidity of investments in equity and equity related Securities are often restricted by factors such as trading volumes, settlement periods and transfer procedures. If a particular Security does not have a market at the time of sale, then the Client may have to bear the impact depending on its/his/her exposure to that particular Security. While Securities that are listed on a stock exchange generally carry a lower liquidity risk, the ability to sell these Securities is limited by overall trading volume on the stock exchange. Money market Securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of such Securities thereby resulting in a loss to the Assets until such Securities are sold. Further, the liquidity and valuation of the Portfolio may be affected by the value of unlisted Securities which are a part of the Portfolio, and specifically, by the sale of such Securities prior to the target date of their disinvestment.

13. Equity and Equity Related Risks: Equity related Securities carry both company specific and market risks and hence no assurance of returns can be made for investments made in such Securities. While the Portfolio Manager shall take all reasonable steps to invest the Funds in a prudent manner in such instruments, such decisions may not always prove to be profitable and/or correct. Consequently, the Client shall bear any loss arising from such decisions.

14. Reinvestment Risk: This risk arises from the uncertainty in the rate at which cash flows from an investment may be reinvested. This is because the returns from reinvestment would depend upon prevailing market rates at the time that the proceeds from an existing investment are received by the Portfolio Manager.

15. Risk of Arbitrage Strategies: The success of an Investment Profile depends on the Portfolio Manager's ability to identify investment opportunities and to exploit price discrepancies in the capital and derivative markets. Identification and exploitation of the strategies to be pursued by the Portfolio Manager involves uncertainties. No assurance can be given that the Portfolio Manager will be able to locate investment opportunities, or correctly exploit price discrepancies in the capital markets. A reduction in the pricing inefficiency of the markets in which the Portfolio Manager seeks to invest will reduce the scope for the Portfolio Manager's investment strategies. Also in the event that the perceived mis-pricing underlying the Investment Profile's position were to fail to converge towards or diverges further from relationships expected by the Portfolio Manager, the Investment Profile may incur a loss. Further, the Portfolio Manager's investment strategies may result in high portfolio turnover and consequently, high transaction cost.

16. Stock Exchange Related Risks: Indian stock exchanges have in the past experienced substantial fluctuations in the prices of their listed securities. They have also experienced problems such as temporary exchange closures, broker defaults, settlement delays and broker strikes that, if they occur again in the future, could affect the market price and liquidity of the Securities in which the Funds are invested. In addition, the governing bodies of the various Indian stock exchanges have from time to time imposed restrictions on trading in certain Securities, limitations on price movements and margin requirements. Disputes have also occurred from time to time among listed companies, the stock exchanges and other regulatory bodies, and in some cases those disputes have had a negative effect on overall market sentiment. Recently, there have been delays and errors in share allotments relating to initial public offerings. In addition, SEBI has recently imposed heavy fines on market intermediaries in relation to manipulations by some investors of the allotment process in several recent initial public offerings with a view to cornering large allotments of shares in the "retail investor" category. Such events in turn may affect overall market sentiment and lead to fluctuations in the market prices of the Securities in which the Funds have been invested.

17. Credit Risk: Debt securities are subject to the risk of the issuer's inability to meet the principal and interest payments on the obligations and may also be subject to price volatility due to factors such as interest sensitivity, market perception, or the credit worthiness of the issuer and general market risk. The Portfolio Manager will endeavour to manage credit risk through in-house credit analysis. The Portfolio Manager may also use various hedging products from time to time to reduce the impact of undue market volatility on the Portfolio.

18. Risk of Indirect Investments: The Client agrees and acknowledges that in implementing specific Investment Profiles, and if it considers this to be appropriate, the Portfolio Manager may replace direct investments almost completely by indirect investment instruments derived from direct investments and combinations thereof (e.g. certificates, structured products, managed investment schemes, alternative investment funds and similar products, etc.). These indirect investment instruments are largely issued by financial institutions/ corporates, which could lead to a concentration of the Client's Assets on these issuers and the financial sector in general.

Structured product portfolio may have a fixed tenor. If investors seek liquidity before maturity, the portfolio manager will attempt to sell the security. However, there is no certainty that the security can be sold and in such cases, the Portfolio Manager will transfer the security to the investor. Any sale prior to maturity may result in capital loss. In case the Security is not listed/ listed but illiquid, the buyer including the issuer may offer an unwind price which may be lower than the Face Value/ Valuation Price of the Security. The Portfolio Manager although will attempt to assist the client to sale the security before maturity; but is not bound to interact with Issuer to offer an unwind price at all times or for all amounts.

19. Transfer and Price Risk: The Client stands a risk of loss due to lack of adequate external systems for transferring, pricing, accounting and safekeeping or record keeping of Securities. Transfer risk may arise due to the process involved in registering Securities, physical and demat, in the Portfolio Manager's name, while price risk may arise on account of the availability of the price of such Securities from the relevant stock exchanges during the day and at the close of the day.

20. Risks Associated with Derivatives: Derivative products are specialized instruments that require investment technique and risk analysis different from those associated with stocks. The use of derivatives requires an understanding not only of the underlying instrument but also of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the Assets and the ability to forecast price. There is a possibility that loss may be sustained by the Client as a result of the failure of another party (usually referred as the counterparty) to comply with the terms of the derivative contract. Other risks in using derivatives include but are not limited to (a) credit risk - this occurs when a counterparty defaults on a transaction before settlement and therefore, the Portfolio Manager is compelled to negotiate with another counterparty, at the then prevailing (possibly unfavorable) market price, in order to maintain the validity of a hedge. For exchange traded derivatives, the risk is mitigated as the stock exchange provides the guaranteed settlement but the Client would still be subject to the performance risk on the relevant stock exchange; (b) market liquidity risk - where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices; (c) model risk - the risk of mis-pricing or improper valuation of derivatives; (d) basis risk - arises when the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risks may also be inter-related. For instance, interest rate movements can affect equity prices, which could influence specific issuer/industry assets. The risk of loss associated with futures contracts is potentially unlimited due to the low margin deposits required and the extremely high degree of leverage involved in futures pricing. As a result, a relatively small price movement in a derivative contract may result in an immediate and substantial loss or gain. There may be a cost attached to buying derivative instrument. Further there could be an element of settlement risk, which could be different from the risk in settling physical shares. The possible lack of a liquid secondary market for a derivatives contract may result in inability to close the derivatives positions prior to their maturity date. The cost of hedge can be higher than adverse impact of market movements. An exposure to derivatives can also limit the profits from a genuine investment transaction. Efficiency of the derivatives market depends on the development of a liquid and efficient market for underlying securities and also on the suitable and acceptable benchmarks. It may be noted that the Portfolio Manager will not use derivative instruments, options or swap agreements for speculative purposes or to leverage its net assets and will comply with the Regulations with regard to investments in derivatives.

21. Macro Economic Risks: Overall economic slowdown, unanticipated corporate performance, environmental or political problems, changes to monitory or fiscal policies, changes in government policies and regulations with regard to industry and exports may have direct or indirect impact on the investments, and consequently on the value of the Assets.

22. Tax Risks: Before deciding to avail of the Portfolio Management Services, the Client should understand the tax implications (including the implications of any applicable income tax, goods and service or value added taxes, stamp duties and other taxes) of acquiring entering into, holding and disposing of the relevant Assets. Different investments made by the Portfolio Manager may have different tax implications. The tax implications of any investment are dependent upon the nature of the Client's business activities and the investment in question. The Client should, therefore, consult an independent tax advisor to understand the relevant tax considerations of availing of the Portfolio Management Services.

23. Risk of Conflicts: The Portfolio Manager is part of a large international financial group and acts simultaneously for a large number of Clients, as well as for its own account. Accordingly, conflicts of interest cannot be completely avoided. Accordingly, the Client acknowledges that the Portfolio Manager and its affiliates may (subject to applicable laws and regulations): (a) be the issuer of any investments; (b) combine the Client's orders with its/their own orders or the orders of other Clients; (c) make investments or effect transactions for the Client through the agency of and/or with a counterparty which is a related organization or a person otherwise associated with it/them; (d) have a position or a direct or indirect interest in any investments or transaction even if the position is opposite to that taken by the Client; (e) have bought or sold any investments or entered into any transactions as principal or for its/their other Clients; or (f) have other banking, advisory or any other corporate relationships with companies whose investments are held for Client's account or are purchased and sold for the Client and its/their officers and directors may be officers and directors of such companies. The Portfolio Manager and its affiliates shall not be liable to account or specifically disclose to the Client any profit, charge or remuneration made or received from any such transaction or other connected transactions. The Portfolio Management Services provided by the Portfolio Manager to the Client are non-exclusive and the Portfolio Manager shall be under no obligation to account to the Client for any benefit received for providing services to others or to disclose to the Client any fact or thing which may come to the notice of the Portfolio Manager in the course of providing services to others or in any other capacity or in any manner whatsoever otherwise than in the course of providing the Portfolio Management Services to the Client pursuant to any Agreement.

24. Transaction Cost: Before entering into an Agreement and/or making any transaction or investment, the Client should obtain a clear explanation of all commissions, fees and other charges for which the Client will be liable. The Client's net returns from any investment would also be affected by the transaction costs (i.e. commission, fees and other charges) charged by the Portfolio Manager and/or third parties and any relevant tax liabilities. These costs must be considered in any risk assessment made by the Client. In some cases, managed accounts may be subject to substantial charges for management and advisory fees. It may be necessary for those accounts that are subject to these charges to make substantial trading profits to avoid depletion or exhaustion of their Assets.

25. Risk of Emerging Markets Investments: Emerging Markets are located in countries that possess one or more of the following characteristics: A certain degree of political instability, relatively unpredictable financial markets and economic growth patterns, a financial market that is still at the development stage or a weak economy. Emerging markets investments usually result in higher risks such as: political risks, economical risks, credit risks, exchange rate risks, market liquidity risks, legal risks, settlement risks, market risks, shareholder risk and creditor risk.

26. General Risk: The Client understands and accepts the risk of total loss of value of its Assets or recovery thereof only through an expensive legal process due to factors which by way of illustration include default or non performance of a third party, a company's refusal to register a Security due to legal stay or otherwise, disputes raised by third parties etc.

27. Specific Risk Factors pertaining to structured products:

Debt Portfolio - Structured Products will invest in Non Convertible debentures that may be linked to performance of equity markets or Interest rates or commodities. In case of equity linked debentures, such debentures are subject to risks applicable to debt and equity securities. The value of these debentures would vary depending on the volatility of stock prices / indices; interest rates and the credit risk profile of the issuer(s). In addition, the liquidity of these securities could be limited as there is currently no well-developed secondary market in India for hybrid instruments. This in turn imply that payments to investors will not be fixed, and could be linked to one or more external variables such as commodity prices, equity indices, or interest rates. This could result in variability in payments—including possible material loss of principal—because of adverse movement in value of the external variables.

28. Specific Risk Factors pertaining to small and mid-cap stocks:

Small and mid cap stocks could be more volatile as compared to large cap stocks. Thus the risks associated with investing in such stocks could be relatively higher. The reasons for the greater price volatility in case of small cap stocks are the less certain growth prospects of small cap companies, the lower degree of liquidity in the markets for such securities, and the greater sensitivity of small cap stocks to changing economic conditions. Further, the small and mid cap stocks also carry relatively higher liquidity risk compared to the large cap stocks, as the ability to sell is limited by overall trading volume in the securities.

The volatility of medium / small – capitalization stocks may be higher in comparison to liquid large capitalisation stocks. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances.

The inability to make intended securities' purchases due to settlement problems could cause this mandate to miss certain investment opportunities. The mid and small cap stocks carries higher liquidity risk as they are less extensively researched compared to large cap stocks. This may lead to abnormal illiquidity and consequent higher impact cost.

Small cap stocks are generally illiquid in terms of trading volumes on stock markets. Investors therefore should assume that illiquidity risks are higher in these securities than in a normally blue chip stocks. This may result in higher impact costs. Impact costs are those costs that are incurred for acquiring and disposing off the stocks. These are different from brokerage and custodian charges. While smaller size companies may offer substantial opportunities for capital appreciation, they also involve substantial risks. Historically, these companies have been more volatile in price than larger company securities, especially over the short term. Among the reasons for the greater price volatility are the less certain growth prospects of smaller companies, the lower degree of liquidity in the markets for such securities, and the greater sensitivity of smaller companies to changing economic conditions. Smaller Companies carries large amount of liquidity risk compared to the Large Cap companies, as the ability to sell is limited by overall trading volume in the securities, which it invests. In addition, smaller companies may lack depth of management, be unable to generate funds necessary for growth or development, or be developing or marketing new products or services for which markets are not yet established and may never become established. They could also suffer from disadvantages such as – outdated technologies, lack of bargaining power with suppliers, low entry barriers and inadequate management depth. Overall, the risks of investing in small companies are (a) transparency/liquidity levels may not be on par with established, large companies; (b) corporate governance may be an issue with some companies; and (c) they may not be resilient enough to withstand shocks of business/economic cycles.

29. Specific risk arising due to investment in Alternative Investment Funds ("AIF").

AIF investments can be in investments in the form of Private Equity investments, investments in Real Estate Investment Trusts or non-traditional funds such as hedge funds / offshore funds. Risks generally associated with AIFs are listed below although they may not cover all the risks involved.

Private Equity Funds/ Real Estate Funds: Private equity funds or "PE" are participations into private companies and/or funds. Real Estate Funds ("RE") essentially invest primarily in real estate sector. The purpose of such participations (either PE or RE) is to provide such companies with capital in order to finance projects that are expected to generate higher returns involving higher risks ("Projects"). The PE / RE participations are made either by a single payment or in other cases, by several payments over a certain period of time, known generally as "capital calls" by the private companies involved. PE / RE are less liquid than other securities and in certain cases, fund holdings of PE / RE cannot be sold and/or transferred freely. PE / RE are could be locked-in products with limited / no exit options available. If transferred, this might take place at a discount. Returns on such funds generally occur in several ways such as: (i) a sale of the participations through eventual public listings on stock exchanges; (ii) mergers with other companies, sale to another interested party; or (iii) a recapitalization amongst others. Considerable losses, or even a total loss over the investments into PE / RE might take place, when such private companies and/or funds are either wound up or declared insolvent, should the Projects fail and/or should commercial interest in the business of the private companies or Projects cease to exist. PE / RE investments are suited for sophisticated high risk investors who would like to deploy funds for longer tenure with high yield expectations.

Non-Traditional Funds (Hedge Funds and Offshore Funds): Non-traditional funds are investment companies which differ from traditional equity and bond investments on account of their investment style. The most common form of a non-traditional fund is the hedge fund. Many hedge funds aim to make a profit and sometimes take on very high levels of risk. Hedge funds include all types of investment funds, investment companies, partnerships and limited liability partnerships which use derivatives for investment rather than hedging purposes, which can carry out short sales or which can attain significant leverage from the investment of borrowed capital. Additional features of hedge funds are their free choice of investment categories, markets (including emerging markets) and trading methods. AIF investments could be thematic or have high exposure to only a particular sector thereby increasing the risk on investments. AIF fund managers have greater freedom in their investment decisions than managers of traditional investment funds. The development of the investment capital is therefore substantially dependent on the skills and experience of the fund managers and their teams. There are significant differences in the performance of individual managers.

Hedge funds generally demand high minimum capital investments. Portfolio managers of hedge funds receive performance-linked bonuses and often have a personal stake in the fund. The fund may levy a performance fees in relation to investment in a non-traditional fund. Investment strategies are often high-risk. Due to leverage, a small movement in the market can lead to a major gain, but any losses will also be magnified sharply resulting in loss of the entire amount of the investment. It is not uncommon for there to be little information available concerning non-traditional funds. Moreover, many investment strategies are highly complex and very difficult to understand. There could be changes in strategies that may get overlooked, accorded too little attention or noticed too late, leading to a substantial increase in the level of risk. The liquidity and tradability of non-traditional funds can vary a great deal. Hedge fund issues and redemptions are often only monthly, quarterly or annually. They offer no more than limited subscription and redemption rights with lengthy notice periods.

The net asset value (NAV) of an AIF is usually calculated each monthly, quarterly or annually. The net asset value could also be disclosed about 30 days after it has been calculated. Some of the non-traditional funds only provide very limited information about the individual underlying, their types, and performance. This can make it impossible to understand or verify the valuation. As a result, the investor is faced with the risk that the purchase or sale price calculated for the client might not correspond to the actual value of the fund's net assets.

Alternative investments generally cannot be assigned or transferred. The Portfolio Manager is not obliged to repurchase or redeem or transfer investments in alternative investments at the client's request. Provisions regarding trading frequency and holding periods may change frequently and rapidly. Liquidations can stretch over many years. Many funds in this category have an offshore domicile which earns them the name offshore funds. They are subject to less stringent legislation and supervision, which in turn offers poorer investor protection. Problems or delays may also arise in the settlement of buy and sell orders for units in such funds. There is no guarantee that an investor's legal rights will be enforceable. Also, absence of a "market" or "common" reference price or a valuation model may make it impossible for the Portfolio Manager to provide the precise value of the transaction or AIF. Therefore, price indications by the Portfolio Manager are always based on the latest available market prices of the underlying instrument, latest available net asset values or have arrived from sources believed to be reliable. Consequently, price indications might only reflect historical prices and may not reflect market value of the investments, if this is possible at all. The is no assurance as to the accuracy or completeness of price indications for transactions in alternative investments and the Portfolio Manager does not accept liability for any loss arising from the use thereof.

SECTION VII
CLIENT REPRESENTATION & FINANCIAL PERFORMANCE

Category of clients	No. of clients (As of Mar 31, 2016)	Funds managed (As of March 31, 2016) (In Rs. Crores)	No. of clients (As of March 31, 2017	Funds managed (As of March 31, 2017) (In Rs. Crores)	No. of clients (As of March 31, 2018	Funds managed (As of March 31, 2018) (In Rs. Crores)	No. of clients (As of June 30, 2018	Funds managed (As of June 30, 2018) (In Rs. Crores)
Associates /group companies (Last 3 years) Discretionary Non-discretionary	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil
Others *(last 3 years)* Discretionary Non-discretionary	 116 405	 987.74 7409.01	 117 416	 984.93 7910.73	 123 420	 1667.67 8069.06	 123 420	 1529.66 8446.31
Total	521	8396.75	533	8895.66	543	9736.73	543	9975.97

(a) **TRANSACTIONS WITH RELATED PARTIES -** Ultimate Holding Company : Credit Suisse Group AG-
(b) Holding Company: Credit Suisse Investment Holdings (Mauritius) Limited (CIHM)
(c) Other related parties with whom transactions have taken place:
Fellow Subsidiary companies:

1	Credit Suisse Finance (India) Private Limited (CSFIPL)	15	CS Mgmt. (Aust) Pty Ltd (CSMAPL)
2	Credit Suisse Business Analytics (India) Private Limited (CSBA)	16	Credit Suisse International (CSIUK)
3	Credit Suisse (Singapore) Limited (CSSL)	17	Credit Suisse AG, Mumbai branch (CSMB)
4	Credit Suisse Securities (USA) LLC	18	Credit Suisse Business Management (India)

	(CSSUSA)		Private Limited (CSBM)
5	Credit Suisse Consulting (India) Private Limited (CSCIPL)	19	Credit Suisse AG, Dubai branch (CSDB)
6	Credit Suisse Funds AG, Zurich (CSFAG)	20	Credit Suisse AG Private Banking (CSPB)
7	Credit Suisse AG, Zurich (CSZ)	21	Credit Suisse Securities (Singapore) Pvt Ltd (CSSPL)
8	Credit Suisse Holdings (Australia) ltd (CSAL)	22	Credit Suisse Securities (Japan) Ltd (CSSJL)
9	Credit Suisse Securities (Europe) Limited (CSSEL)	23	Credit Suisse (Qatar) LLC (CSQL)
10	Credit Suisse (Hongkong) Limited (CSHL)	24	Credit Suisse Holdings (USA), Inc. (CSAM)
11	Credit Suisse AG, Singapore (CSAG)	25	Credit Suisse Securities (Europe) Limited, Paris Branch (CSSELPB)
12	Credit Suisse Services (India) Private Limited (CSSI)	26	Credit Suisse AG Hong Kong Br. (CSAHKB)
13	Credit Suisse (UK) Limited (CSUK)	27	JSC "Bank Credit Suisse (Moscow)" (CSMoscow)
14	Credit Suisse (Luxembourg) S.A. (CSLUX)		

Details of transactions :

Details of transactions as on 31st March 2017	**CSIHML**	**CSSL**	**CSSUSA**	**CSCIPL**	**CSIUK**	**CSSEL**	**CSSJL**
Broking commission income	-	**937,157,065**	-	-	-	-	-
	-	*(974,564,524)*	-	-	-	-	-
Reimbursement of expenses	-	**14,289**	**111,717,788**	**1,944,296**	**393,269**	**2,783,321**	**19,503**
	-	-	*(71,546,251)*	*(19,349,460)*	-	*(1,898,586)*	*(23,285)*
Reimbursement of Liability		-	-	**53,432**	-	-	-
		-	-	-	-	-	-
Recoveries of expenses	-	**8,296,630**	**72,110,967**	**5,450**	**36,324**	-	-
	-	-	*(61,461,429)*	*(645,793)*	-	*(250,828)*	-
Fees for service rendered	-	**101,724,938**	**233,230,705**	-	-	-	-
	-	*(187,941,813)*	*(129,850,559)*	-	-	*(8,641,912)*	-
Dividend paid	-	-	-	-	-	-	-
	(1,749,662,336)	-	-	-	-	-	-
Referral Expense	-	-	-	-	**64,845,000**	-	-

	-	-	-	-	-	-	-

	CSHL	CSSI	CSAG	CSFIPL	CSBA	CSAGMB	CSBM	CSAM, LLC
Broking commission income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,735,580**
	-	-	-	-	-	-	-	*(229,270)*
Reimbursement of expenses	**2,669,349**	**66,656**	**191,870,735**	**-**	**10,384,868**	**2,775,572**	**-**	**-**
	(984,247)	-	*(367,032,780)*	-	*(12,621,444)*	*(402,662)*	-	*(13,810)*
Reimbursement for Asset	**-**	**231,001**	**-**	**-**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Reimbursement for Deposit	**-**	**-**	**-**	**500,000**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Reimbursement of Liability	**-**	**-**	**-**	**387,000**	**-**	**480,858**	**38,239**	**-**
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Recoveries of expenses	**1,318,779**	**16,149,826**	**3,977,598**	**20,077,160**	**12,467,483**	**62,124,398**	**8,056,897**	**-**
	(1,903,150)	*(20,329,716)*	-	*(24,831,467)*	*(29,543,611)*	*(35,710,697)*	*(10,876,962)*	-
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Fees for service rendered	**83,571,981**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	(198,705,000)	-	-	-	-	-	-	-
Interest on fixed deposits	**-**	**-**	**-**	**-**	**-**	**375,794,192**	**-**	**-**
	-	-	-	-	-	*(412,385,442)*	-	-
Fixed deposit placed	**-**	**-**	**-**	**-**	**-**	**14,400,000,000**	**-**	**-**
	-	-	-	-	-	*(16,220,000,000)*	-	-
Fixed deposit redeemed / matured	**-**	**-**	**-**	**-**	**-**	**16,680,000,000**	**-**	**-**
	-	-	-	-	-	*(19,090,000,000)*	-	-
Purchase of asset	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
				-	-			

	-	*(1,080,650)*	*(2,253,221)*			-	-	-
Sale of asset	-	-	-	-	25,500	-	-	-
	-	-	-	-	-	-	-	-
Referral Expense	-	-	3,873,967	-	-	-	-	-
	(1,560,404)	-	*(2,983,644)*	-	-	-	-	-

Details of transactions as on 31st March 2017	CSMAPL	CSPB	CSFAG	CSQL	CSSELPB	CSAHKB	CSUK	CSMoscow	CSLUX
Broking commission income	-	-	3,691,937	-	-	-	-	-	1,338,992
	-	-	*(1,413,891)*	-	-	-	-	-	-
Reimbursement of expenses	130,439	-	-	-	4,756	-	-	895,632	-
	(1,593)	-	-	*(21,490)*	-	-	-	-	-
Recoveries of expenses	1,300	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Referral Income	-	-	-	-	-	-	801,495	-	-
	-	-	-	-	-	-	-	-	-
Referral Expense	-	5,060,953	-	-	-	1,946,395	997,394	-	1,167,346
	-	-	-	-	-	-	-	-	-

	CSSL	CSSUSA	CSCIPL	CSIUK	CSSEL	CSSJL	CSHL	CSSI	CSAG
Outstanding									
Deposit balance receivable (placed)	-	-	-	-	-	-	-	-	-
	-	-	*(15,101,856)*	-	-	-	-	-	-
Receivable	322,704,335	25,682,859	2,235	-	-	-	83,772,160	7,810,930	1,352,789
	(1,013,264,978)	*(1,069,057)*	*(676)*	-	-	-	*(200,529,923)*	*(2,913,620)*	*(3,208,971)*
Payable*	257,933,912	64,220,926	-	65,185,348	2,539,799	19,022	2,263,483	-	75,508,434

(14,621,755,098)	*(53,045,407)*	*(50,760)*	-	*(245,199)*	*(741)*	*(903,168)*	-	*(16,745,423)*

Details of Transactions as 31st March 2017	CSFIPL	CSBA	CSAGMB	CSBM	CSAM, LLC	CSMAPL	CSPB
Outstanding							
Accrued interest	**-**	**-**	**91,694,959**	**-**	**-**	**-**	**-**
	-	-	*(26,948,071)*	-	-	-	-
Fixed deposit balance receivable	**-**	**-**	**2,500,000,000**	**-**	**-**	**-**	**-**
	-	-	*(4,780,000,000)*	-	-	-	-
Current account balance receivable	**-**	**-**	**3,780,442,477**	**-**	**-**	**-**	**-**
	-	-	*(2,797,387)*	-	-	-	-
Receivable	**3,365,069**	**124,381**	**8,353,831**	**748,481**	**-**	**-**	**-**
	(4,570,739)	*(4,722,642)*	*(4,472,956)*	*(1,181,550)*	-	-	-
Payable*	**-**	**-**	**-**	**-**	**13,810**	**86,571**	**4,828,625**
	-	-	-	-	*(13,810)*	*(1,593)*	-

Details of Transactions as 31st March 2017	CSFAG	CSQL	CSSELPB	CSAHKB	CSUK	CSMoscow	CSLUX
Outstanding							
Receivable	**92,169,901**	**-**	**-**	**-**	**801,495**	**-**	**-**
	-	-	-	-	-	-	-
Payable*	**97,439,177**	**12**	**4,530**	**1,857,043**	**997,394**	**895,632**	**164,091,687**
	-	-	-	-	-	-	-

Details of transactions as on 31st March 2016	CSIHML	CSSL	CSSUSA	CSCIPL	CSSEL	CSJL	CSZ
Broking commision income	**-**	**974,564,524**	**-**	**-**	**-**	**-**	**-**
	-	*(945,019,391)*	**-**	**-**	**-**	**-**	**-**

		)					
Reimbursment of expenses	**-**	**-**	**71,546,251**	**19,349,460**	**1,898,586**	**23,285**	**-**
	-	-	*(77,817,622)*	*(19,321,487)*	*(1,872,432)*	*(-)*	-
Recoveries of expenses	**-**	**-**	**61,461,429**	**645,793**	**250,828**	**-**	**-**
	-	*(518,589)*	*(76,178,575)*	*(975,341)*	-	-	-
Fees for service rendered	**-**	**187,941,813**	**129,850,559**	**-**	**8,641,912**	**-**	**-**
	-	-	*(234,672,003)*	-	*(162,869,200)*	-	-
Interest on fixed deposits	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-	-
Fixed deposit placed	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-	-
Fixed deposit redeemed / matured	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-	-
Purchase of asset	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-	-
Dividend paid	**1,749,662,336**	**-**	**-**	**-**	**-**	**-**	**-**
	(1,594,628,964)	-	-	-	-	-	-
Referral Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-	*(20,891,150)*
Referral Expense	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-	-

	CSIHML	CSSL	CSSUSA	CSCIPL	CSSEL	CSJL	CSZ
Outstandings							
Accrued interest	-	**-**	-	-	-	-	-
	-	**-**	-	-	-	-	-

Fixed deposit balance receivable	-	**-**	**-**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**-**	**-**	**-**	**-**
Deposit balance receivable (placed)	-	**-**	**-**	**15,101,856**	-	**-**	-
	-	**-**	**-**	*(15,101,856)*	-	**-**	-
Current account balance receivable	-	**-**	**-**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**-**	**-**	**-**	**-**
Receivable	-	**1,013,264,978**	**1,069,057**	**676**	**-**	**-**	**-**
	-	*(687,308,101)*	*(153,575,968)*	*(243,454)*	*(17,422)*	-	*(20,891,149)*
Payable*	-	**14,621,755,098**	**53,045,407**	**50,760**	**245,199**	**741**	**-**
	-	*(8,766,134,743)*	*(28,084,983)*	-	*(720,894)*	-	-

Details of transactions as on 31st March 2016	**CSFAG**	**CSHL**	**CSSI**	**CSAG**	**CSFIPL**	**CSBA**	**CSAGMB**
Broking commision income	**1,200,533**	**-**	**-**	**-**	**-**	**-**	**-**
	(2,936,011)	**-**	**-**	**-**	*(65,823)*	-	-
Reimbursment of expenses	**-**	**984,247**	**-**	**367,032,780**	**-**	**12,621,444**	**402,662**
	-	*(1,817,140)*	-	*(403,677,645)*	*(4,417,656)*	*(16,218,359)*	-
Recoveries of expenses	**-**	**1,903,150**	**20,329,716**	**-**	**24,831,467**	**29,543,611**	**35,710,697**
	-	*(151,847)*	*(14,617,798)*	*(4,736,928)*	*(28,153,267)*	*(33,193,121)*	*(32,342,672)*
Fees for service rendered	**-**	**198,705,000**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-	-

Interest on fixed deposits	-	-	-	-	-	-	**1,193,412,444**
	-	-	-	-	-	-	*(588,524,918)*
Fixed deposit placed	-	-	-	-	-	-	**20,340,000,000**
	-	-	-	-	-	-	*(21,430,000,000)*
Fixed deposit redeemed / matured	-	-	-	-	-	-	**19,090,000,000**
	-	-	-	-	-	-	*(19,580,000,000)*
Purchase of asset	-	-	**1,080,650**	**2,253,221**	-	-	-
	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Referral Income	-	-	-	-	-	-	-
	-	-	-	*(22,650,356)*	-	-	-
Referral Expense	-	**1,560,404**	-	**2,983,644**	-	-	-
	-	-	-	*(10,889,406)*	-	-	-

	CSFAG	**CSHL**	**CSSI**	**CSAG**	**CSFIPL**	**CSBA**	**CSAGMB**
Outstandings							
Accrued interest	-	-	-	-	-	-	**26,948,071**
	-	-	-	-	-	-	*(84,248,679)*
Fixed deposit balance receivable	-	-	-	-	-	-	**4,780,000,000**
	-	-	-	-	-	-	*(7,650,000,000)*
Deposit balance receivable (placed)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Current account balance receivable	-	-	-	-	-	-	**2,797,387**
	-	-	-	-	-	-	*(375,691,792)*

Receivable	-	200,529,923	2,913,620	3,208,971	4,570,739	4,722,642	4,472,956
	-	-	(6,508,120)	(119,628)	(3,816,996)	(4,803,917)	(5,657,858)
Payable*	-	903,168	-	16,745,423	-	-	-
	-	(914,517)	-	(18,399,167)	-	-	-
	-						

Details of transactions as on 31st March 2016	CSBM	CSAM	CSDB	CSAL	CSPB	CSQ	CSSPL
Broking commision income	-	229,270	-	-	213,359	-	-
	-	-	-	-	-	-	-
Reimbursment of expenses	-	13,810	-	1,593	-	21,490	-
	-	-	(109,867)	-	-	-	-
Recoveries of expenses	10,876,982	-	-	-	-	-	-
	(10,054,500)	-	-	-	(519,048)	-	(1,196)
Fees for service rendered	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Interest on fixed deposits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Fixed deposit placed	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Fixed deposit redeemed / matured	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Purchase of asset	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Referral Income	-	-	-	-	-	-	-

	-	-	-	-	-	-	-
Referral Expense	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

	CSBM	CSAM	CSDB	CSAL	CSPB	CSQ	CSSPL
Outstandings							
Accrued interest	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Fixed deposit balance receivable	-	-	-	-		-	-
	-	-	-	-	-	-	-
Deposit balance receivable (placed)	-	-				-	-
	-	-			-	-	-
Current account balance receivable	-	-	-	-		-	-
	-	-	-	-	-	-	-
Receivable	**1,181,550**	-	-	-	-	-	-
	(1,070,613)	-	-	-	-	-	-
Payable*	-	**13,810**	-	**1,593**	-	-	-
	-	-	-	-	-	-	-

Numbers in brackets indicate previous year balances.
* Includes amounts earmarked towards Initial margin under lien with exchange

Details of transactions as on 31st March 2015	**HOLDING COMPANY / FELLOW SUBSIDIARY COMPANIES**					
	CSIHML	**CSSL**	**CSSUSA**	**CSCIPL**	**CSS**	**CSSEL**
Broking commision income	-	**903,664,742**	-	-	-	-

	-	*(984,226,998)*	-	-	-	-
Reimbursment of expenses	**-**	**-**	**77,817,622**	**19,321,487**	**-**	**1,872,432**
	-	-	*(81,662,940)*	*(20,085,764)*	-	*(1,407,568)*
Recoveries of expenses	**-**	**518,589**	**76,178,575**	**975,341**	**-**	**-**
	-	-	*(2,172,128)*	*(2,898,654)*	-	*(1,082,424)*
Fees for service rendered	**-**	**-**	**234,672,003**	**-**	**-**	**162,869,200**
	-	*(13,812,088)*	*(72,065,734)*	-	*(39,593,709)*	*(152,548,995)*
Interest on fixed deposits	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Fixed deposit placed	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Fixed deposit redeemed / matured	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Sale of asset	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Dividend paid	**1,594,628,964**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Referral Income	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Referral Expense	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-

Numbers in brackets indicate previous year balances.

	CSIHML	CSSL	CSSUSA	CSCIPL	CSS	CSSEL
Outstandings						
Accrued interest	-	-	-	-	-	-
	-	-	-	-	-	-

	-	-	-	-	-	-
Fixed deposit balance receivable	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Current account balance receivable	-	-	-	-	-	-
	-	-	-	-	-	-
Receivable	-	**1,840,034,421**	**153,575,968**	**243,454**	-	**17,422**
	-	*(687,308,101)*	*(4,933,603)*	*(15,791,133)*	-	*(807,338)*
		-	-	-	-	-
Payable*	-	**23,888,761,014**	**28,084,983**	-	-	**720,894**
	-	*(8,766,134,743)*	*(46,681,064)*	-	-	*(7,280,330)*

* Includes amounts earmarked towards Initial margin under lien with exchange

Numbers in brackets indicate previous year balances.

Details of transactions as on 31st March 2015	**HOLDING COMPANY / FELLOW SUBSIDIARY COMPANIES**					
	CSZ	**CSFAG**	**CSHL**	**CSSI**	**CSAG**	**CSFIPL**
Broking commision income	**-**	**2,936,011**	**-**	**-**	**-**	**65,823**
	-	*(2,700,687)*	-	-	-	*(1,109,194)*
Reimbursment of expenses	**-**	**-**	**1,817,140**	**-**	**403,677,645**	**4,417,656**
	-	-	*(3,960,778)*	-	*(81,498,032)*	-
Recoveries of expenses	**-**	**-**	**151,847**	**14,617,798**	**4,736,928**	**28,153,267**
	-	-	-	*(19,151,028)*	*(190,101)*	*(27,423,294)*
Fees for service rendered	**-**	**-**	**-**	**-**	**-**	**-**
	(8,888,954)	-	-	-	*(51,972,619)*	-
Interest on fixed deposits	**-**	**-**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**-**	**-**	**-**
Fixed deposit placed	**-**	**-**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**-**	**-**	**-**

	CSZ	CSFAG	CSHL	CSSI	CSAG	CSFIPL
Fixed deposit redeemed / matured	-	-	-	-	-	-
	-	-	-	-	-	-
Sale of asset	-	-	-	-	-	-
	-	-	-	*(45,000)*	-	-
Dividend paid	-	-	-	-	-	-
	-	-	-	-	-	-
Referral Income	**20,891,150**	-	-	-	**22,650,356**	-
	-	-	-	-	-	*(4,771,765)*
Referral Expense	-	-	-	-	**10,889,406**	-
	-	-	-	-	*(5,739,727)*	-

Numbers in brackets indicate previous year balances.

	CSZ	CSFAG	CSHL	CSSI	CSAG	CSFIPL
Outstandings						
Accrued interest	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Fixed deposit balance receivable	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Current account balance receivable	-	-	-	-	-	-
	-	-	-	-	-	-
	-					
Receivable	-	-	-	**6,508,120**	**119,628**	**3,816,996**
	-	-	-	*(2,799,652)*	*(16,303,660)*	*(4,907,284)*
	-	-	-	-	-	-
Payable*	-	-	**914,517**	-	**18,462,773**	-
	-	-	*(3,195,858)*	-	*(34,034,615)*	*(33,648,424)*

* Includes amounts earmarked towards Initial margin under lien with exchange
Numbers in brackets indicate previous year balances.

Details of transactions as on 31st March 2015	HOLDING COMPANY / FELLOW SUBSIDIARY COMPANIES					
	CSBA	CSAGMB	CSBM	CSDB	CSPB	CSSPL
Broking commision income	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Reimbursment of expenses	**16,218,359**	**-**	**-**	**109,867**	**-**	**-**
	(20,070,951)	-	-	-	-	-
Recoveries of expenses	**33,193,121**	**32,342,672**	**10,054,500**	**-**	**519,048**	**1,196**
	(14,835,046)	*(34,128,247)*	*(9,670,482)*	-	-	-
Fees for service rendered	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Interest on fixed deposits	**-**	**588,524,918**	**-**	**-**	**-**	**-**
	-	*(308,232,657)*	-	-	-	-
Fixed deposit placed	**-**	**21,430,000,000**	**-**	**-**	**-**	**-**
	-	*(20,850,000,000)*	-	-	-	-
Fixed deposit redeemed / matured	**-**	**19,580,000,000**	**-**	**-**	**-**	**-**
	-	*(17,880,000,000)*	-	-	-	-
Sale of asset	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Dividend paid	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Referral Income	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Referral Expense	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	*(3,829,022)*	-	-

Numbers in brackets indicate previous year balances.

	CSBA	CSAGMB	CSBM	CSDB	CSPB	CSSPL
Outstandings						

Accrued interest				-	-	-
	-	**84,248,679**	-			
				-	-	-
	-	*(47,366,137)*	-			
				-	-	-
	-	-	-			
Fixed deposit balance receivable				-	-	-
	-	**7,650,000,000**	-			
				-	-	-
	-	*(5,800,000,000)*	-			
	-			-	-	-
		-	-			
Current account balance receivable				-	-	-
	-	**375,691,792**	-			
				-	-	-
	-	*(19,383,093)*	-			
Receivable						
	4,803,917	**5,657,858**	**1,070,613**			
	(4,832,972)	*(4,778,855)*	*(1,308,013)*			
				-	-	-
	-	-	-			
Payable*				-	-	-
	-	-	-			
	(4,171,540)		-	-	-	-
		-				

* Includes amounts earmarked towards Initial margin under lien with exchange
Numbers in brackets indicate previous year balances

Name of Directors of the Company with whom transactions have taken place during the financial year 2017

Managing Directors

Mihir Doshi
Rajat Sabharwal
Vedika Bhandarkar* (upto 7-January-2015)

Whole Time Directors

Rasik Joshi

Particulars of Managerial Remuneration -**
Audited financials as per 31st March, 2017

Employee costs include payments to directors on account of:

	2017	2016	2015
Salaries and bonus	**310,588,144**	**226,139,793**	**333,193,382**

Contribution to Provident and other funds	**4,099,500**	**4,027,500**	**5,425,433**
Total	**314,687,644**	**230,167,293**	**338,618,815**

** Amount specified pertains to directors remuneration (i.e does not include remuneration of Key Managerial Personnel)

*Ms. Vedika Bhandarkar resigned as Managing Director of CSSIPL w.e.f. 07, January 2015. Her name has been retained above as she was a Managing Director in the previous financial years 2015 and 2014 for which managerial remuneration is given above.

1. FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER

Financial Details as of March 31, 2017 as per the audited financial statements of the portfolio manager

Credit Suisse Securities (India) Private Limited (formerly known as Credit Suisse First Boston (India) Securities Private Limited)

(Currency: Indian rupees)

Information required under Part IV of Schedule VI of the Companies Act, 1956.

Balance sheet abstract and Company's general business profile

I. Position of Mobilisation and Deployment of Funds

Total Liabilities	**32,423,552,060**	Total Assets	**32,423,552,060**

Source of Funds

Paid-up Capital	**2,214,762,450**	Reserves & Surplus	**7,390,586,515**
Secured Loans	0	Unsecured Loans	0

Application of Funds

Net Fixed Assets	**98,655,278**	Investments	**945,681**
Net Current Assets#	**9,505,748,006**	Miscellaneous Expenditure	0
Accumulated losses	0		

Includes Non- Current Assets and Liabilities and net deferred tax asset.

Performance of Company

Turnover	**6,881,785,199**	Total Expenditure	**2,859,764,955**
Profit/(Loss) before tax	**4,023,187,351**	Profit/(Loss) after tax	**2,626,423,583**
Accumulated Profit/(Loss)	**7,390,586,515**		
Earnings per share	11.86	Dividend rate (%)	0

Financial Details as of March 31, 2016 as per the audited financial statements of the portfolio manager

Credit Suisse Securities (India) Private Limited (formerly known as Credit Suisse First Boston (India) Securities Private Limited)

(Currency: Indian rupees)

Information required under Part IV of Schedule VI of the Companies Act, 1956.

Balance sheet abstract and Company's general business profile

I. Position of Mobilisation and Deployment of Funds

Total Liabilities	**37,454,993,720**	Total Assets	**37,454,993,720**

Source of Funds

Paid-up Capital	**2,214,762,450**	Reserves & Surplus	**4,764,162,932**
Secured Loans	0	Unsecured Loans	0

Application of Funds

Net Fixed Assets	**101,943,966**	Investments	**945,681**

Net Current Assets#	**6,876,035,735**	Miscellaneous Expenditure	0
Accumulated losses	0		

Includes Non- Current Assets and Liabilities and net deferred tax asset.

Performance of Company

Turnover	**6,424,245,883**	Total Expenditure	**2,695,189,300**
Profit/(Loss) before tax	**3,730,235,583**	Profit/(Loss) after tax	**2,422,880,375**
Accumulated Profit/(Loss)	**4,764,162,932**		
Earnings per share	10.94	Dividend rate (%)	0

Financial Details as of March 31, 2015 as per the audited financial statements of the portfolio manager

Credit Suisse Securities (India) Private Limited (formerly known as Credit Suisse First Boston (India) Securities Private Limited)

(Currency: Indian rupees)

Information required under Part IV of Schedule VI of the Companies Act, 1956.

Balance sheet abstract and Company's general business profile

I. Position of Mobilisation and Deployment of Funds

Total Liabilities	47,247,764,303	Total Assets	47,247,764,303

Source of Funds

Paid-up Capital	2,214,762,450	Reserves & Surplus	2,341,282,557
Secured Loans	0	Unsecured Loans	0

Application of Funds

Net Fixed Assets	105,702,544	Investments	945,681
Net Current Assets#	4,449,396,782	Miscellaneous Expenditure	
Accumulated losses	0		

Includes Non- Current Assets and Liabilities and net deferred tax asset.

Performance of Company

Turnover	6,477,936,131	Total Expenditure	2,604,141,085
Profit/(Loss) before tax	3,874,407,596	Profit/(Loss) after tax	2,549,332,785
Accumulated Profit/(Loss)	2,341,282,557		
Earnings per share	11.51	Dividend rate (%)	79%

PERFORMANCE OF THE PORTFOLIO MANAGER

#Portfolio Performances, net of all fees & charges levied by the Portfolio Manager

Particulars		Year 1 (01-Apr-2018 – 30-June-2018	Year 2 (01-Apr-2017– 31-Mar-2018)	Year 3 (01-Apr-2016 – 31-Mar-2017)	Year 4 (01-Apr-2015 – 31-Mar-2016)
Portfolio Name	**India Classic Equities**	2.52%	10.49%	28.88%	-8.32%
Benchmark for this portfolio	*Nifty*	5.94%	10.25%	18.55%	-8.86%
Portfolio Name	**India Opportunities Equities**	-2.23%	14.17%	22.56%	-11.43%
Benchmark for this portfolio	*BSE 200*	3.96%	11.04%	22.47%	-7.86%
Portfolio Name	**India Funds Equities**	-0.88%	7.40%	22.17%	-5.87%
Benchmark for this portfolio	*Nifty*	5.94%	10.25%	18.55%	-8.86%
Portfolio Name	**India Funds - Fixed Income**	0.47%	6.10%	10.77%	6.95%
Benchmark for this portfolio	*Crisil Liquid Fund Index*	1.77%	6.84%	7.11%	8.06%
Portfolio Name	**India Classic Focused**	6.96%	12.59%	15.91%	1.07%@
Benchmark for this portfolio	*Nifty*	5.94%	10.25%	18.55%	-8.24%

@ Returns for this scheme is since its inception on 01.06.2015

SECTION VIII
PRODUCT FEATURES AND SCHEDULE OF FEES

1. DISCRETIONARY PMS

The following are indicative types of costs and expenses for clients availing the discretionary Portfolio Management services of Credit Suisse. The exact basis of charge relating to each of the services shall be received by your Portfolio Manager.

Management fees relate to the Portfolio Management Services offered to clients.

The fee can be in the form of a recurring charge based on the asset size held within the Portfolio or in the nature of a variable charge that is linked to portfolio returns achieved (based on the High Watermark principle issued in SEBI circular dated October 05, 2010) or on the transaction value or a combination of all or any of these subject to minimum fees as agreed with client. Management fees shall be in the range of 0% to 4% each year of the Client's Portfolio except where the management fees are in the nature of a variable charge (performance-based). Where the management fees is a percentage of the quantum of funds managed, the Portfolio Manager may charge management fees based on the average value of portfolio (calculated on a daily/ weekly/ monthly or quarterly basis). Management fees can vary from client to client.

Management fees includes investment performance computation related charges, portfolio management fee, new issue charges, administration fee, safekeeping and custodian handling fee, audit fee and fund accounting fee. Additionally, Goods and Services tax ("GST") and other statutory levies will be charged as applicable.

Brokerage is charged in the range of 0.02 to 2% of the transaction value. The brokerage does not include statutory charges/levies like Goods and Services Tax, stamp duty, securities transaction tax ("STT") and turnover tax which will be charged separately to the client.

2. NON-DISCRETIONARY BUSINESS

The following are indicative types of costs and expenses for clients availing the non-discretionary services of Credit Suisse. The exact basis of charge relating to each of the services shall be received by your Portfolio Manager.

Management fees relate to the Portfolio Management Services offered to clients.

The fee can be in the form of a recurring charge based on the asset size held within the Portfolio or in the nature of a variable charge that is linked to portfolio returns achieved (based on the High Watermark principle issued in SEBI circular dated October 05, 2010) or on the transaction value or a combination of all or any of these subject to minimum fees as agreed with client. Management fees in the range of 0% - 4% each year of the Client's Portfolio except where the management fees are in the nature of a variable charge (performance-based). Where the management fees is a percentage of the quantum of funds managed, the Portfolio Manager may charge management fees based on the average value of portfolio (calculated on a daily/ weekly/ monthly or quarterly basis). Management fees can vary from client to client. Upfront fee in the range of 0% to 1.25% of transaction may be charged on purchase of equity mutual funds where applicable.

Management Fee is inclusive of fund administration & custody fee and exclusive of brokerage and any additional external fees & charges, Goods and Services Tax and other statutory levies.

Brokerage is charged in the range of 0.02 to 2% of the transaction value. The brokerage does not include statutory charges/levies like Goods and Services Tax, stamp duty, securities transaction tax ("STT") and turnover tax which will be charged separately to the client.

Referral/ Distribution Fees

The following referral/distribution fees are in addition to the above mentioned costs, expenses, fees and charges.

From time to time, your Portfolio Manager may at your instruction, refer you over to external portfolio managers/ banks/financial intermediaries/any other entity including but not limited to its associates / affiliates (referred to hereafter as External Agents) for availing their services or subscribing to products issued by them.

In such cases, your Portfolio Manager may enter into intermediary/referral agreements with such External Agents for which it may be entitled to receive referral fees/commissions and/or other monetary benefits, which may be equal to or less than 4% per annum of the aggregate investment amounts / transaction value or the net asset value of the aggregate investments made by you (i.e. for trailer fees model).

The referral fees/commissions could be charged by way of upfront fees or trail fees format or a combination of upfront fees or trail fees format and shall be exclusive of any other additional fees, costs, charges levied by the External Agents. For certain investment products, trailer fees may be charged by the External Agents in advance, at the start of every calendar quarter instead. In all cases, Goods and Services Tax, security transaction tax and other statutory levies are charged as applicable.

In the event where you choose profit sharing plans for your investments with external portfolio managers, the above fee arrangements may no longer be applicable and you will have to independently review your detailed profit sharing plans with the relevant external portfolio manager. In such cases, as a general guide, your Portfolio Manager may be entitled in the range of 0% to 40% of the aggregate profit shared by you with the external agents.

In the event you choose fixed plus profit sharing plan for your investments with external agents, then you could be charged by way of upfront fees, trailer fees and profit sharing fees. The fixed fees component entitlement in favor of your Portfolio Manager may be in the range of 0% to 4% per annum of the aggregate investment amounts or the net asset value of the aggregate investments made by you (i.e. for trailer fees model). The profit sharing component entitlement in favor of your Portfolio Manager may be in the range of 0% to 40% of the aggregate profit shared by you with the relevant external agents.

All referrals by your Portfolio Manager to external agents and any subsequent investments into the financial products and services by you with the external portfolio managers/ External Agents / banks/financial intermediaries are conducted solely at your absolute discretion. Such referrals are not to be construed as a solicitation and/or an offer to buy or sell any security or other financial instrument and is not based on any legal, accounting and/or tax advice offered by your Portfolio Manager. You should consult with such advisor(s) as you consider necessary before making any investment decisions with any referred external agents.

In respect of referrals for investments in mutual fund schemes, your portfolio manager may be entitled to receive distribution/referral fees in the range of 0% to 6% per annum.

SECTION IX
TAXATION

The information furnished below outlines briefly the key tax implications applicable to the Clients investing in the Securities based on advice received from the Portfolio Manager. The tax implications are based on the relevant provisions of the Income-tax Act, 1961 ('the Act'). Since the information below is based on the relevant provisions of the Finance Act, 2016, any subsequent changes in the said provisions could impact the overall tax considerations for the client.

The following information is provided for general information purposes only. The following summary of the anticipated tax treatment in India does not constitute legal or tax advice and is based on the taxation law and practice in force at the date of this document. While this summary is considered to be a correct interpretation of existing laws and practice in force on the date of this document, no assurance can be given that courts or other authorities responsible for the administration of such laws will agree with this interpretation, or that changes in such laws or practice will not occur. This summary does not purport to be a complete analysis of all relevant tax considerations, nor does it purport to be a complete description of all potential risks inherent in investing in the Securities based on advice received from the Portfolio Manager. Clients should make their own investigation of the tax consequences of such investment and each Client is advised to consult its own tax advisor with respect to the specific tax consequences. The Portfolio Manager is not making any representation or warranty to any Client regarding any legal interpretations and tax consequences to the Client.

1. TAXATION ON INCOME FROM SECURITIES HOLDING

1.1 Income from units of equity oriented mutual funds

As per Section 10(35) of the Act, any distribution of income made by a registered equity oriented mutual fund to its unit holders is exempt from tax in the hands of such unit holders.

Under Chapter XII-E of the Act, any income distributed by an equity oriented mutual fund to any person shall be subject to distribution tax of 10% (plus applicable surcharge and education cess) in the hands of the mutual fund:

1.2 Dividend income on shares of the domestic company

As per Section 10(34) of the Act, any distribution of income made by a domestic company, to its shareholders is exempt from tax in the hands of such shareholders.

However, as per section 115BBDA, in the case of a "specified assessee"* dividend shall be chargeable to tax at the rate of 10% if aggregate amount of dividend received from a domestic company during the year exceeds Rs. 10,00,000.
"specified assessee" means a person other than,—
(i) a domestic company; or
(ii) a fund or institution or trust or any university or other educational institution or
any hospital or other medical institution referred to in sub-clause (iv) or subclause
(v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10; or

(iii)a trust or institution registered under section 12A or section 12AA.

Under Chapter XII-D of the Act, any income distributed by an Indian company by way of dividends shall be subject to additional distribution tax at the rate of 15% (plus applicable surcharge of 12% and education cess of 4%).

1.3 Income from units of non-equity oriented mutual funds

As per Section 10(35) of the Act, any distribution of income made by a registered non-equity oriented mutual fund to its unit holders is exempt from tax in the hands of such unit holders.

Under Chapter XII-E of the Act, any income distributed by a liquid fund or a money market mutual fund to the Clients shall be subject to additional distribution tax at the rate of 25% to any person being an individual or Hindu Undivided family (HUF) and 30 % to any other person (plus applicable surcharge and education cess).

Under Chapter XII-E of the Act, any income distributed by a mutual fund (other than a liquid fund or a money market mutual fund), to the Clients shall be subject to distribution tax at the rate of:

(i) 25% (plus applicable surcharge and education cess) on income distributed by the mutual fund to the unit holders who are individuals or HUFs; or

(ii) 30% (plus applicable surcharge and education cess) on income distributed by the mutual fund to all other categories of unit holders.

1.4 Interest income from other Securities

Income by way of interest on other Securities (such as bonds and debentures) is taxable and will be charged to tax at normal rates, (plus applicable surcharge and education cess) as applicable to the Clients. However, interest income from certain securities as prescribed under Section 10(15) of the Act such as certain bonds issued by the government will be exempt from tax.

2 TAXATION ON INCOME FROM SECURITIES TRANSFER

2.1 Capital gains

Clients may realize a gain or a loss on transfer of Securities. Redemption of units of a mutual fund would be regarded as a transfer.

Under the Act, the gain or loss realized on transfer of Securities may be characterized, based on facts and circumstances applicable to each Client, as either being in the nature of capital gains or as business profits.

Capital gains are liable to tax based on:

(i) the duration for which the Securities are held prior to transfer; and

(ii) the manner in which the transfer is effected

Capital gains realised on: (i) transfer of shares held in a domestic company, securities listed in a recognized stock exchange in India, unit of a registered mutual fund or a zero coupon bond, held for a period in excess of 12 months; (ii) transfer of any other Securities held for a period in excess of 36 months (24 months for unlisted shares) are classified as long term capital gains; in any other case, the gains from such Securities are classified as short term capital gains. The period of holding for additional units issued by a registered mutual fund under the 'Reinvest Dividend Option' available in various schemes would commence from the date of allotment of additional units under such option. The period of holding for bonus shares would commence from the date of allotment of such bonus shares.

2.1.1 Long term capital gains

(i) Transfer of shares in a listed company and units of an equity oriented mutual fund

As per section 112A of the Act, long-term capital gains (exceeding Rs. One lakh) arising upon the transfer of shares of a listed company, and units of an equity oriented mutual fund, for which STT has been paid, are taxable at 10% (plus applicable surcharge and education cess).

Such concessional long-term capital gains tax in case of transfer of listed shares is restricted to only those sale transactions, where the corresponding purchase transaction (other than acquisitions notified by Central Government), undertaken post October 1, 2004, has been subject to securities transaction tax ('STT')

(ii) Redemption / Transfer of unit of a mutual fund or equity shares

As per Sections 48 and 112 of the Act, long term capital gains realized on the transfer of units of a non-equity oriented mutual fund or equity shares except falling in (i) above are taxable at the rate of 20% (plus applicable surcharge and education cess) after claiming indexation benefit.

Alternatively, the Client earning such long term capital gains may elect to be taxed at the rate of 10% (plus applicable surcharge and education cess), without claiming any indexation benefit.

As per Section 115AD of the Act, long term capital gains realized by foreign institutional portfolio ("FPIs") /sub-accounts on transfer of units of a non-equity oriented mutual fund are taxable at the rate of 10% (plus applicable surcharge and education cess), and the FIIs/sub-accounts will not be permitted to claim indexation benefit.

2.1.2 Short term capital gains

(i) Transfer of shares in a listed company

As per Section 111A of the Act, short term capital gains realized on transfer of shares of a listed company, on which STT has been paid, are taxable at the rate of 15% (plus applicable surcharge and education cess).

(ii) Redemption / Transfer of unit of a mutual fund

As per Section 111A of the Act, short term capital gains realized on redemption of units of an equity oriented mutual fund, on which STT has been paid, are taxable at the rate of 15% (plus applicable surcharge and education cess).

Short term capital gains realized on transfer of units of a non-equity oriented mutual fund or equity shares except falling in (i) above are taxable at the normal rates applicable to the Clients. Surcharge and education cess would apply separately.
As per Section 115AD of the Act, short-term capital gains realised by FIIs/sub-accounts on transfer of units of a non-equity oriented mutual fund are taxable at the rate of 30% (plus applicable surcharge and education cess).

2.1.3 Special Provisions for low income earning individual or Hindu Undivided Family (“HUF”)

In case of an individual or HUF, being a resident of India, where the total income as reduced by such long term capital gains or short term capital gains is below the maximum amount, which is not chargeable to income tax, then such long term capital gains or short term capital gains shall be reduced by such shortfall amount and only the remaining balance of such long term capital gains or short term capital gains shall be subject to tax at the applicable tax rates.

2.2 Business profits

Business profits are liable to tax at the normal rates applicable to the Clients. Surcharge and education cess would apply separately. In case of business profits, the Client is not entitled to claim the concessional long-term capital gains tax exemption as discussed above.

3 SPECIAL PROVISIONS FOR SHORT-TERM REDEMPTION OR BONUS OF SECURITIES

As per Section 94(7) of the Act, where a person acquires any stock, shares or units of a registered mutual fund within a period of 3 months prior to the dividends record date and redeems such stock or shares within 3 months after such date and such units within 9 months after the record date, respectively, and the income distributed on such securities within this period, is exempt from income tax, then the loss suffered on transfer of such securities, to the extent of such income distributed thereunder, shall be ignored while computing income chargeable to tax.

Section 94(8) of the Act provides that where any person who acquires any units of a registered mutual fund within a period of 3 months prior to the record date is allotted additional units without consideration (i.e. bonus units) based on the original holding, any subsequent loss on sale of the original units within a period of 9 months from the record date shall be ignored for computing income chargeable to tax. The loss so ignored will be deemed to be the cost of acquisition of bonus units (held at such time) when these bonus units are subsequently sold.

4 TAXATION FOR NON-RESIDENTS

4.1 Exchange rate fluctuations

On transfer of any capital asset, being shares or debentures of an Indian company, the capital gains that accrues to non-resident Indians would be taxable in accordance with the first proviso to Section 48 of the Act read with Rule 115A, which provides that capital gains shall be computed by converting the: (i) cost of acquisition; (ii) expenses incurred wholly and exclusively in connection with such a transfer; and (iii) full value of consideration from transfer of such shares and debentures into the same foreign currency, at the prescribed conversion rates, as was initially utilized for purchase of such shares or debentures. The capital gains so computed shall then be reconverted into Indian currency. The benefit of adjusting the cost of acquisition of the shares and debentures with cost inflation index is not available in this case.

4.2 Other specified benefits

Under Chapter XIIA of the Act, the investment income earned by the non-resident Indians from specified assets will be taxed at a beneficial rate. The specified assets inter-alia include:-

(i) Shares in an Indian company; and

(ii) Debentures issued by an Indian company (other than a private company)

The income from these investments (other than dividends declared by an Indian company) is chargeable to tax at 20% (plus applicable surcharge and education cess) and long-term capital gains on these investments are chargeable to tax at 10% (plus applicable surcharge and education cess).

Non-resident Indians have an option to be governed either by the provisions of Chapter XIIA of the Act or by the normal provisions of the Act.

4.3 Tax treaty benefits

Section 90 of the Act provides that taxation of non-resident Clients would be governed by the provisions of the Act, or those of a Double Taxation Avoidance Agreement ("DTAA") that the Government of India has entered into with the Government of any other country of which the non-resident investors are tax resident. The provisions of the DTAA prevail over those of the Act if they are more beneficial to the taxpayer. Hence, the above rates are subject to applicable DTAA benefits, if applicable. In order for the non-resident Client to obtain the benefit of a lower rate or nil rate available under a DTAA, the Client will be required to provide with a certificate (of his residency from the government of the other country) and such other documents / information as prescribed to claim the eligibility for such DTAA benefits.

4.3 General Anti Avoidance Regulations ("GAAR")

The Government of India has introduced the General Anti Avoidance Rules (GAAR), effective from April 1, 2017, which provides that if the main purpose of a structure / arrangement is to obtain tax benefit, then such exemption could be denied. The provisions of GAAR would override the tax treaty provisions in case the treaties are abused. However, investments made before April 1, 2017 have been grandfathered.

5. SECURITIES TRANSACTION TAX ("STT")

As and when the Securities are purchased or sold, applicable STT is required to be paid to the concerned Regional Stock Exchanges at the following rates:

Sr. No.	Taxable securities transaction	Tax Rates	Payable by
1	Purchase of an equity share in a company, where such contract is settled by the actual delivery or transfer of such share or unit.	0.10%	Purchaser- on the value of taxable securities transaction based on the volume weighted average price.
2	Purchase of a unit of an equity oriented fund, where such contract is settled by the actual delivery or transfer of such share or unit.	NIL	NA
3	Sale of a equity share in a company, where such contract is settled by the actual delivery or transfer of such share or unit	0.10%	Seller - on the value of taxable securities transaction based on the volume weighted average price.
4	Sale of a unit of an equity oriented fund, where such contract is settled by the actual delivery or transfer of such share or unit	0.001%	Seller - on the value of taxable securities transaction based on the volume weighted average price.
5	Sale of an equity share in a company or a unit of an equity oriented fund, where such contract is settled otherwise than by the actual delivery or transfer of such share or unit.	0.025%	Seller - on the value of taxable securities transaction based on the volume weighted average price.
6	Sale of an option in securities	0.05%	Seller - on the option premium..
7	Sale of an option in securities, where option is exercised	0.125%	Purchaser - on the settlement price.
8	Sale of a futures in securities	0.01%	Seller - on the price at which such futures is traded.

6. TAX RATES, SURCHARGE AND EDUCATION CESS FOR THE A.Y. 2019-2020

6.1 Tax rates applicable under the Act *

Tax rates applicable to individuals, HUFs, body of individuals, association of persons and artificial juridical persons.

Resident of the age of 80 years or more	Resident tax payers of the age of 60 years or more but less than 80 years	Others	Tax rates
Upto Rs. 5,00,000	Up to Rs 300,000	Up to Rs 250,000	**Nil**
	Rs 300,001 to Rs 500,000	Rs 250001 to Rs 500,000	**5%**
Rs. 5,00,001 to Rs. 10,00,000	Rs 500,001 to 10,00,000	Rs 500,001 to Rs 10,00,000	**20%**

Rs. 10,00,001 and above	Rs 10,00,001 and above	Rs 10,00,001 and above	**30%**

Note :

1. Tax rebate u/s 87A upto amount Rs. 2,500 for Individual having income equal to or below Rs. 3,50,000.

2. Alternate Minimum Tax (AMT) payable by Persons other than Companies under section 115JEE [Chapter XII – BA] of the Income Tax Act 1961.

Tax rates applicable to other tax payers

Nature of person	Tax rates
Firms, Limited Liability Partnerships and resident corporate taxpayers	**30%***
Non-resident corporate tax payers	**40%**

*25%for a corporate taxpayer, if the total turnover / gross receipt in the previous year 2016-17 does not exceed Rs. 250 crore

6.2 Surcharge and education cess applicable under the Act

Nature of person	Surcharge (applicable on the total income)
Individuals & HUFs	10% surcharge on tax payable if the total income is between Rs. 50,00,001 to Rs. 1,00,00,000 15% surcharge on tax payable if total income exceeds Rs. 1,00,00,000
Firms	12% surcharge on tax payable if the total income exceeds Rs. 1,00,00,000
Resident Corporate taxpayers	7% surcharge on tax payable if the total income is between Rs.10000001 to Rs. 10,00,00,000 12% surcharge on tax payable if the total income exceeds Rs. 10,00,00,000
Non-resident corporate tax payers	2% surcharge on tax payable if the total income is between Rs.10000001 to Rs. 10,00,00,000 5% surcharge on tax payable if the total income exceeds Rs 10,00,00,000

An education cess of 4% is levied for all taxpayers, on the sum of tax payable plus surcharge, if applicable.

Accordingly, the rates of tax and TDS rates will be increased by the applicable surcharge and education cess.

7. TAX DEDUCTED AT SOURCE ("TDS")

7.1 On income from Securities

7.1.1 Resident Clients

No tax is required to be deducted from any dividend income/distributions earned by resident Indian Clients on equity shares in a company / units of a registered mutual fund.

The tax will be deducted at source on the interest income from Securities earned by resident Clients under Section 193 of the Act, unless it is specifically excluded, at the rate of 10%

7.1.2 Non-resident Clients

No tax is required to be deducted from any dividend income/distributions earned by non-resident Indian Clients on equity shares in a company / units of a registered mutual fund.

The tax will be deducted at source on the interest income from Securities earned by non-resident Indian Clients under Section 195 of the Act at the normal tax rates applicable to the Client. However, FIIs/sub-accounts will be subject to tax deduction at source at the rate of 20 per cent (plus applicable surcharge and education cess) under Section 196D(1) of the Act.

7.2 On transfer of Securities

7.2.1 Resident Clients

No tax is required to be deducted at source from capital gains / business profits arising at the time of transfer of the Securities for resident Clients.

7.2.2 Non-resident Clients

Unless tax is exempt or reduced by applicable DTAA, the tax will be deducted at source on the taxable income earned by the non-resident Clients from the transfer of the Securities under Section 195 of the Act, at the rate at which such income is otherwise liable to tax in India (as discussed in section 2 above – i.e., for gains that are tax exempt, no tax will be deducted at source). However, no tax is deductible at source from capital gains realised by FPIs / sub-accounts on transfer of the Securities in accordance with the provisions of Section 196D(2) of the Act.

PLEASE NOTE THE FOLLOWING

1. The tax incidence to investors could vary materially based on characterization of income (i.e. capital gains versus business profits) accruing to them.

2. In the context of international investors, there can be no assurance that tax treaty provisions, even if more favorable, will apply in determining their liability to tax in India.

3. Tax rates in India may change from time to time. Any such changes may adversely affect the taxation of the Investors.

4. In view of the particularized nature of tax consequences, each investor is advised to consult its own tax advisor with respect to specific tax consequences of investing in the Securities.

SECTION X
ACCOUNTING POLICIES

Valuations of client portfolios:

1. Principle

   As a principle, for Risk Management and P/L purposes, all risk positions must at all times be valued at market, whereby in general any position must be marked to market at the last paid or the closing price of the relevant exchange.

   For the purpose of the financial statements, the portfolio manager shall mark all investments to cost and carry investments in the balance sheet at cost price.

2. Listed Equity

   The closing prices from the National Stock Exchange ("**NSE**") will be used for the purposes of the valuation. If the price is not available on NSE, the BSE Ltd closing price will be used.

3. Mutual Funds

   The previous day's scheme NAVs declared by Mutual Funds (as per The Association of Mutual Funds in India (AMFI) website) will be used to value Mutual Fund investments.

4. Corporate Actions

   Dividends on units in mutual funds, interest, shall be accounted on accrual basis. Dividends on shares shall be accounted on accrual basis. The interest on debt instruments shall be accounted on accrual basis. All Corporate actions for Equity, MF's are accounted on Ex Date basis and for Debentures as per product specifications.

5. Fixed Income

   Valuation of fixed income instruments is on the basis of security level prices received from valuation agencies. New securities purchased for which valuation price is not provided by the external agencies on the date of purchase (e.g due to cut-off timings), shall be valued based on the Weighted Average Yield of trades done through the Portfolio Manager.

   Primary market issuances will be valued at cost until allotment.

   Deposits will be valued on the basis of straight line amortization cost based last valued price, which includes discounts / premium accrued over the period to maturity.

6. Others

   Valuations for Structured Debentures / Alternative Investment Funds will be done as per the latest available valuation provided by the Issuer.

   If valuations are not provided by the issuer, such structured debentures / Alternative Investment Funds will be valued at cost / face value.

   As for valuation of unlisted, de-listed securities prices are not available and hence valuation will be done as per the last available rate that may be provided by the Issuer and if the same is not available, valuation will be done at cost.

For more details on the valuation policy please contact your Relationship Manager.

SECTION XI
CLIENT SERVICES & GRIEVANCE REDRESSAL

1. **DETAILS OF CLIENT COMPLAINTS OFFICER:**

Name:	Sudha Gurnani
Address:	9th floor, Ceejay House, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai 400 018, India
Phone:	+91 22 6777 3749
Email:	list.ig-cell-portfolio-management@credit-suisse.com

2. **CLIENT GRIEVANCE REDRESSAL MECHANISM**

The Portfolio Manager shall attend to and address any Client query and/or concern as soon as possible to mutual satisfaction. The above mentioned officer(s) shall attend to the grievances of the Client.

The complaints of the Client should be sent to the above mentioned address.

3. **DISPUTE SETTLEMENT MECHANISM**

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

4. **LODGING COMPLAINTS AGAINST INTERMEDIARIES.**

SEBI has launched an internet-based utility called SCORES to facilitate investors to lodge their complaints/grievances with SEBI against SEBI registered intermediaries.

Link to access the SCORES utility is given below.

https://scores.gov.in/admin/Welcome.html

NAME AND SIGNATURE OF ANY TWO DIRECTORS OF THE PORTFOLIO MANAGER

Sr. No.	Name	Signatures
1.	Rasik Joshi	---------sd--------
2.	Iñigo Mendoza	---------sd--------

Place: Mumbai

Date: 12th September, 2018

FORM C

SECURITIES AND EXCHANGE BOARD OF INDIA (PORTFOLIO MANAGERS) REGULATIONS, 1993
(REGULATION 14)

CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED

9th Floor, Ceejay House, Plot F, Shivsagar Estate, Dr. Annie Besant Road,
Worli, Mumbai 400 018, India
Phone: +91 22 6777 3777 *Fax:* +91 22 6777 3710

We confirm that:-

1. This Document, as forwarded to SEBI, is in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 and the guidelines and directives issued by SEBI from time to time.

2. The disclosures made in this Document are true, fair and adequate to enable Clients to make a well informed decision regarding entrusting the investment and management of their Assets to us pursuant to the relevant and applicable Investment Profiles.

This Document has been duly certified by an independent chartered accountant, Mr. Parag Mehta, Aneja Associates, Chartered Accountants, Membership No. 110349, Address: 301, Peninsula Towers, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400013.

For and on behalf of
Credit Suisse Securities (India) Private Limited

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Date: 12th September, 2018
Place: Mumbai

Name of Principal Officer: Partha Pratim Basu
Title of Principal Officer: Director - Wealth Management

Client Agreement and Confirmation

I/We hereby acknowledge and confirm the receipt of and my/our full understanding of and agreement to the Disclosure Document hereto pertaining to Credit Suisse Securities (India) Private Limited.

Client name(s):____

Date: __________________ Client signature: ____

Client signature: ____