



## **VALUATION OF SECURITIES**

### **Procedure for valuation of securities given as an initial/additional corpus for portfolio management**

1. The valuation of the above securities would be as follows:
  - a) The portfolio manager may sell the above securities within 30 days of the activation of the portfolio account of the client or transfer the securities to the portfolio of the client.
  - b) In the event securities are sold by the portfolio manager, the net sale proceeds shall be transferred to the portfolio of the client as and when the securities are sold by the portfolio manager and the proceeds are realized by the portfolio manager.
  - c) In the event the portfolio manager transfers securities to the portfolio of the client, the value of the securities will be taken at the closing market price of that security of the exchange (BSE or NSE as the case may be ) on the date of transfer.
  - d) In the event the portfolio manager is unable to sell the securities within 30 days of the activation of the portfolio account, the portfolio manager may transfer the securities to the portfolio of the client at the closing market price of that security of the exchange (BSE or NSE as the case may be), on the date of transfer.
  - e) In case of illiquid securities' securities which the portfolio manager is unable to liquidate, the portfolio manager may return back the same to the client, and the same will not form part of the portfolio of the client.
2. The portfolio manager has the absolute right to accept or reject the securities without assigning any reason thereof.
3. When securities are handed over as portfolio corpus, the total value of the securities valued at the closing prices of the securities on NSE/BSE on the day they are accepted by the portfolio manager shall not be less than the minimum acceptable portfolio value determined by the portfolio manager from time to time.
4. The calculation of management fees shall start from the date on which the portfolio manager transfers the sale proceeds of the securities or transfers the securities to the portfolio of the client.