

**Are you seeking a reliable and professional firm to fulfill your financial needs?
If so, our company may be the ideal fit for you.**

You may significantly increase your personal wealth through stock market investing, giving you more power over your future. However, researching and investing in the stock market requires a commitment that may be overwhelming and occasionally emotionally charged for some. At SGMPL, we work hard to develop a financial roadmap and portfolio that will increase your likelihood of meeting your long-term financial goals.

It is tough to correctly foresee market moves and schedule trades. Instead of attempting to time the market, we at SGMPL focus on creating a well-diversified, balanced portfolio that matches with our customers' risk appetite and their needs. We constantly examine and tune the portfolio to react to the changing market conditions and assist our clients in navigating through the good and bad times.

1. Can the share price of your recommended companies go down?

Yes, our stock holdings can unquestionably become negative during a market correction, in a bear market, due to sudden change in market trends or due to the management outlook. That is why it is important to be on track with the stocks in which we invest our money. There is perpetual anxiety in the market, so we advise you to adopt a long-term perspective because over the long run, the likelihood of losing money decreases if the stock is supported by strong fundamentals, charts and a sound management.

2. Do you give any guaranteed returns?

We do not offer any guarantees regarding the performance of our portfolio advisory services. However, we have established a hurdle rate of 9% as a benchmark for our performance, which means that our team will be working diligently to deliver returns above this level for our clients. It is important to note that investing in equities carries inherent risks, particularly for short-term investments and our clients should be aware of these risks to make informed decisions about their investments. Despite this, we are committed to maximizing returns for our clients and our growth is directly tied to their wealth creation through the stock market.

3. Who should buy our services?

Our services are most suitable for investors who have an initial investment appetite of Rs.15 lakhs and should be able to this increase the portfolio investment amount to Rs. 1 cr and above over the course of 12-18 months.

4. Can I exit after I subscribe to your services?

In our long-term portfolio strategy, a fee of 0.5% of the total portfolio value will be assessed if the client decides to exit within the first year of their investment. After the first year, clients may unsubscribe without incurring this charge. This fee structure is designed to encourage long-term investments and aligns our interests with our clients by incentivizing us to deliver strong, sustained performance over the long term.

5. How will our relationship be documented? Will there be an agreement? What documents do I need to submit to register for your services?

We will draft an IPS (investment policy statement) that will describe how our services will work and what documents should be submitted.

All the policies of the company including the objective of your portfolio and information related to achieve those objectives will be shared.

6. What are the services offered by SGMPL equity desk?

There are three major services that are provided by SGMPL equity desk

6.1 Assist the clients in the development of a long-term investment portfolio

6.2 Research services

6.3 One time portfolio review

6.1. Assist you in the development of a long term investment portfolio

6.1.1. What Does SGMPL portfolio services do?

SGMPL's Portfolio Services team is focused on providing non-discretionary portfolio construction services, with the aim of generating absolute returns through the identification of direct equity investment opportunities and the implementation of various market-driven strategies utilizing futures and options instruments.

6.1.2. How it is done?

SGMPL has a well experienced research desk, the purpose of the desk is to continuously research companies, come out with best investment ideas and build a portfolio of stocks which will have a sole objective to generate better than market returns and outperform all market indices over a longer period. (Minimum 3-5 years)

6.1.3. How is an investment idea generated?

The stocks are selected on the basis of fundamental analysis. There is a “5 step process” we follow in construction of long-term portfolio.

- Stock Investment Idea generation (Company Specific/Theme Specific)
- Quantitative Analysis of Stock (Valuation Analysis)
- Qualitative Analysis of Stock (Management Analysis)
- Sentiment Analysis (Technical Parameter Analysis)

6.1.4. What are the risks involved?

Investing in the stock market carries inherent risks. It is not possible to make a completely risk-free investment in the stock market. At SGMPL, we strive to mitigate these risks through our investment philosophy, which emphasizes the importance of managing risk.

“An investment business has certain risks, and your job as an investor is not to eliminate all risks but to manage and minimize them.”

6.1.5. How is the risk for SGMPL portfolio managed?

At SGMPL, we believe that ongoing review of individual stocks and portfolios is essential in minimizing risk. We carefully review and track all investment ideas, taking into account corporate news, price movements and any other fundamental changes. This continuous monitoring of portfolios and markets helps us to reduce market-specific and stock-specific risks. Additionally, we strive to diversify portfolios by investing in a range of 20-25 companies from diverse sectors and industries, which helps to further minimize risk.

6.1.6. Is continuous tracking and diversification the sole method of risk management employed by SGMPL's Portfolio Services team?

The risk management techniques described above are just few examples to mitigate risks in portfolio services. There are also other strategies such as utilizing futures and options that can be deployed to reduce portfolio-specific and stock-specific risks.

6.1.7. Isn't “Futures & Options” is very risky?

“Future & Options” are risky when they are used as leveraged instruments to generate higher returns on portfolio, but if they are used only as a hedging instrument to reduce portfolio risk, then they not only give adequate protection to the portfolio in case of high volatility but also generate returns in case of a prolonged sideways move in markets.

6.1.8. What is the expected return from SGMPL Portfolio services?

SGMPL's portfolio services team aims to achieve expected returns of 15-18% p.a. These returns may be further enhanced through the implementation of various portfolio hedging strategies which are employed as needed based on market conditions.

6.1.9. How can I increase my portfolio returns?

It is important to note that higher returns on a portfolio often come with increased risk. At SGMPL, we have developed price action strategies specifically for investors with a high risk appetite who are seeking to increase their returns. These strategies, which are both index and stock-specific, involve taking leveraged positions with carefully placed stop losses in order to minimize risk.

6.1.10. What are the different of types portfolio services offered by SGMPL?

Based on the risk Appetite of investors at SGMPL we offer three different products

i. Core portfolio (Investment portfolio of stocks)

Our primary objective is to achieve long-term appreciation through the strategic investment in a diversified portfolio of high-growth company equities. We aim to maximize the impact of compound growth through this approach.

ii. Trend folio (Trading portfolio of Nifty/ stocks)

The goal of our Trend Folio strategy is to identify the short and medium-term trend of Nifty and individual stocks in both Cash and FNO segment and to align our portfolio with this trend in order to maximize returns and minimize risk. This involves continuous monitoring of the market and implementing stop loss or exit strategies as needed to protect against potential losses. In Trend Folio we take Cash as well as FNO trades in stocks and Nifty, both on long and short side depending on the trend. The Nifty Long and Short side trade are system generated, which is a **“trend following system”** based on price.

iii. Long-Short portfolio (Core portfolio+ Trading portfolio)

The Long-Short portfolio of SGMPL is a combination of Core portfolio and Trend portfolio that aims to generate higher returns through the use of various hedging and leveraged strategies based on market conditions. The primary objective is to build a long-term portfolio while also seeks to maximize returns through the implementation of dynamic strategies that take into account market sentiments.

6.1.11. What are the expected returns from these three different portfolio services?

i. Core portfolio (Investment portfolio stock)

The investment folio managed by SGMPL equity is expected to generate returns of **12% - 15% p.a.** However, these returns are not guaranteed and may vary based on market conditions. At SGMPL Equity, we strive to achieve these returns over the specified time frame and aim to outperform them over longer periods of three years or more. Our team at the Equity service desk is committed to maximize returns for our clients through careful analysis and portfolio construction.

ii. Trend folio (Trading portfolio of Nifty/ stocks - A leveraged strategy)

The trend portfolio is expected to generate returns in the range of **24% - 30% p.a.** However, the risk associated with leveraged portfolio is also high. Thus, in leveraged portfolio, the most important aspect is maintaining a proper stop-loss for all the leveraged positions. At any given point of time these stop losses are maintained as per the system for all leveraged positions and trailed as and when required.

iii. Long-Short portfolio (Core portfolio + Trading portfolio)

Hedged portfolio is a combination of Investment and Leveraged portfolio and therefore, the return will vary between the returns of Investment Portfolio and Leveraged portfolio. The Hedged portfolio is expected to generate absolute returns of **15% - 18% p.a.**

6.1.12. What are the risks associated with these three different SGMPL portfolio services?

At SGMPL, we recognize that equity investments carry inherent risks that cannot be completely eliminated. However, we deploy various risk management tools and strategies to minimize the potential impact of these risks on our clients' portfolios. Our risk management approach is centered on limiting the erosion of portfolio value and therefore we have established a threshold of 15% - 18% contraction in portfolio value as a stop-loss trigger. If the overall portfolio value drops below this level, we will exit all positions and undergo a rebalancing process that takes a stock-specific approach to portfolio construction. By adhering to this risk management framework, we aim to mitigate potential losses and protect the long-term value of our clients' investments.

6.1.13. How can one associate with SGMPL for these services?

To begin receiving services from SGMPL, clients should first decide on the type of portfolio products that best suit their needs. Once this decision has been made, the SGMPL team will provide investment ideas and recommendations that can be implemented through our firm or executed independently by the client. This process allows clients to customize their experience and choose the level of involvement that is most comfortable for them.

6.1.14. Do I need to open a trading account with SGMPL to opt for these services?

No. SGMPL does not provide broking services; we only offer the above services to our clients. Once you opt for any of these services with us we will start sharing our ideas/strategies with you that can be executed at your brokers end. Please note that there is a minimum commitment of funds required for our portfolio services. This requirement is in place to ensure that our clients are committed to their investment goals and have the necessary resources to implement the strategies and ideas recommended by our team. This minimum commitment helps to ensure that our clients have a sufficient level of capital to take advantage of opportunities and navigate market fluctuations over the long term.

Once our-team generates investment ideas, we will share these ideas to you. The client has the option to execute the trades independently or through SGMPL, using their own brokerage account or an account opened with our preferred broker for the purpose of implementing our recommendations. In either case, the

client will receive a contract note or trade sheet for each transaction, which should be shared with SGMPL to update the portfolio at our end. This process allows clients to have control over their investments and choose the level of involvement that is most convenient for them, while also ensuring that their portfolio is accurately reflected in our records.

6.1.15. What will be charges of these services?

At SGMPL, we do not charge a fixed fee for our services. Instead, we operate on a profit-sharing model with our clients. Under this arrangement, we receive a percentage of the profits generated above a predetermined hurdle rate, which is currently set at 9%. This means that our clients only pay a fee when their investments achieve a return above this threshold, and our compensation is directly tied to the success of their portfolio. We believe this approach aligns our interests with those of our clients and incentivizes us to work tirelessly to maximize their returns. We follow an 80:20 profit sharing structure over and above the hurdle rate.

If you are interested in accessing the investment ideas and trading strategies of SGMPL Research but do not wish to utilize our portfolio services, you may still be able to benefit from our research and analysis through a variety of other means. One option could be to subscribe to our research reports or alerts, which provide in-depth analysis and recommendations on specific securities or market trends where our analysts and experts share their insights and engage with investors. If you have specific questions or would like more information on the options available to you, we recommend reaching out to our Team.

6.2. What are the research services offered by SGMPL Research Desk and what will be charges?

6.2.1. SGMPL Tech Research - Future and Options (Nifty and Stock Future & Options)

An In-house built flagship product “Trend Folio” is a leveraged strategy where Nifty as well as stock specific calls are given in F&O segment. The idea behind Trend Folio is to capture the short term trends of the stocks/Indices and accordingly build long/short positions in Nifty/stocks futures. Our advice is based on studies done mostly through technical parameters. This is because we believe, in the short run, prices of financial securities change chiefly on technical grounds. However, if you are a real long-term investor, the opposite is followed. Here, our advice is based mostly on technical parameters.

Fee Structure	
6 Month	1 Year
Rs.24999 /-	Rs.44999 /-

Methodology:

- o Maximum open Long/Short positions in a specific stock is 3 lots per stock
- o Maximum 4 lots open on Nifty
- o No. of open calls typically range 4 - 7 (including Nifty)
- o Expected return - 30% +
- o Risk associated - High (18% - 20%).

6.2.2. SGMPL Techno - Funda Research (Long Only Stock Specific)

Our flagship offering is based on our core competency in technical research and seeks to identify fundamentally strong companies for investment based on technical analysis. The primary objective of this scheme is to focus on buying and selling in these companies in order to generate returns. The portfolio will predominantly consist of medium and small cap companies as we have found that investments that are supported by both fundamental and technical factors tend to outperform in the market. By combining our expertise in these areas, we aim to create a portfolio that is well-positioned to capitalize on favorable market conditions and generate attractive returns for our clients.

Fee Structure	
6 Month	1 Year
Rs. 14999 /-	Rs. 24999/-

Methodology:

- o 75% to Mid - cap & Small - cap companies, 25% to Large - cap companies
- o Expected return around 12% - 15%
- o No. of open calls typically range between 15 - 20
- o Risk associated - Market Risk (8% - 10%)

6.2.3. SGMPL Hedged Strategy (Long stock portfolio and Nifty Future/Options strategy)

“SGMPL Quant Research” delivers risk adjusted returns, while staying fully invested at all times. The portfolio is designed to outperform the Bear Markets and Bull Markets in the long term. It aims at investing conservatively through ensuring superior returns to fixed income in a Bear Market and more than the index returns in a Bull Market. The strategy will endeavor to generate absolute returns by trading mainly in Nifty stocks while active use of Nifty Derivatives (Futures & Options) shall be done to hedge the portfolio at different times

Fee Structure	
6 Month	1 Year
Rs. 19,999/-	Rs. 34,999/-

Methodology:

- 60% to Large Cap stocks
- 40% to Mid-Cap companies
- No. of Open Calls typically range between 12 - 15
- Expected return around 15% - 20%
- Maximum 4 Lot open on Nifty

6.3. One time Portfolio Review services

At SGMPL, we offer portfolio review services to help clients optimize their investments and manage risk. To begin the process, clients should send their portfolio to our team for analysis. We will respond to this request within 2-3 days and schedule a consultation with the client to discuss our findings and recommendations. During this consultation, which typically lasts for one hour, our team will provide guidance on portfolio construction and risk management, as well as offer buy, sell or hold recommendations for individual securities based on fundamental and technical analysis. Our team will also consider industry and economic trends when making these recommendations with the goal of helping clients build a diversified and well-balanced portfolio that aligns with their investment objectives.

The fee structure for this service will be based on the size of your portfolio. This allows us to offer personalized and cost-effective solutions to meet the specific needs of your investment portfolio.