HSBC
Global Asset Management

DISCRETIONARY PORTFOLIO MANAGEMENT AGREEMENT

Between

HSBC ASSET MANAGEMENT (INDIA) PRIVATE LIMITED

(PORTFOLIO MANAGER)

And

Mr./Ms./Messrs. ____

____

(Client)

DATED THIS { } DAY OF { } 200___

DISCRETIONARY PORTFOLIO MANAGEMENT AGREEMENT

This Discretionary Portfolio Management Agreement (hereinafter referred to as "this Agreement") is made _____ day of ______________ month of 200__ between:

HSBC Asset Management (India) Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at **314 D N Road, Fort, Mumbai 400 001** (hereinafter referred to as "the Portfolio Manager" which expression shall include, unless repugnant to or inconsistent with the subject or context thereof, its successors and assigns) of the one part; and Mr./Ms./Messrs.______________________________________, Mr./Ms./Messrs______________________________________ and Mr./Ms./Messrs ____________ _____________________ resident/Non Resident Indian/Karta of HUF/a (registered) partnership/ residing at/having its registered office at/having its principal place of business at ___ ____or ____ a company incorporated under the Companies Act, 1956 having its registered office at __________________or _________a trust constituted under the Indian Trust Act, 1882/Bombay Public Trust Act, 1950 having its office at ______________________ (hereinafter referred to as "the Client" which expression shall include, unless repugnant to or inconsistent with the subject or context thereof, be deemed to include, where the Client is a company, its successors, where the Client is a partnership firm, the partners for the time being of the firm, the survivors or survivor of them and the heirs, executors, administrators of the last survivor, where the Client is a Hindu Undivided Family (HUF), the members/ co-parceners of the HUF, their respective survivors/heirs, executors, administrators, where the Client is a Trust, the trustee or the trustees for the time being of the Trust, the survivors or survivor of them and the heirs, executors, administrators of the last survivor; where the Client is a sole proprietor or an individual his/her heirs, administrators, executors of the other part.

The Portfolio Manager and the Client shall hereinafter collectively be referred to as the "Parties" and individually as the "Party".

WHEREAS

(a) The Portfolio Manager undertakes and is duly authorised by the Securities and Exchange Board of India to provide Portfolio Management Services vide Registration No.INP000001322 dated 23 September 2008. The registration is valid from 16 September 2008 up to 15 September 2011.

(b) The Portfolio Manager intends to provide Discretionary Portfolio Management Services under the various Portfolios of the Account as more particularly described in Schedule 1 forming part of the Agreement (Portfolio Details) hereunder and the Client is desirous of appointing and retaining the Portfolio Manager for Discretionary Portfolio Management Services subject to applicable laws and the Act, the Rules and the Regulations as may be amended from time to time and conditions hereinafter provided.

(c) The Portfolio Manager has provided the Client with a Disclosure Document as specified in Schedule V of the Regulations, along with a certificate in Form C as specified in the Regulations.

NOW THEREOF IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:-

1.0 Definitions

"Act" shall mean the Securities and Exchange Board of India Act, 1992 as amended from time to time.

"Agreement" shall mean this Agreement and any Schedule forming part of the Agreement, Appendix or Annexure attached thereto.

"Account" or "Assets of the Account" shall mean the Securities and other investments and funds entrusted by the Client to the Portfolio Manager, as have been described in the Schedule 1 forming part of the Agreement and shall be described therein, relating to the Securities/investments/funds handed over from time to time and held by the Portfolio Manager for and on behalf of the Client.

"Custodian" shall mean Custodian of securities, duly holding a Certificate of Registration under the SEBI (Custodian of Securities) Regulations, 1996 and presently The Hongkong and Shanghai Banking Corporation Limited (HSBC).

"Disclosure Document" shall mean the Disclosure Document issued by the Portfolio Manager and as specified in Regulations 14 (2) (b) of the Regulations and Schedule V of the Regulations and made available to the Client in accordance with the Regulations.

"Discretionary Portfolio Management Services" shall mean the management, including investment or sale, purchase etc. of the portfolio of funds and / or securities of the client, as the case may be, by the Portfolio Manager at its complete and unfettered discretion subject to any specific restrictions mentioned in the Schedule 2 forming part of the Agreement or given by the client in the prescribed format, at a later date(s).

"Effective Date" shall mean the date of execution of this Agreement.

"Minimum Participation Amount" shall have the meaning ascribed to it in Clause 10.

"Portfolio Manager" means HSBC Asset Management (India) Pvt. Ltd. (AMIN), who has obtained certificate of registration from SEBI to act as a Portfolio Manager under Securities and Exchange Board of India (Portfolio Managers) Rules and Regulations, 1993, vide Registration no. INP000001322 dated 23 September 2005, valid from 16 September 2008 up to 15 September 2011.

"Regulations" shall mean Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 as amended from time to time.

"Rules" shall mean Securities and Exchange Board of India (Portfolio Managers) Rules, 1993 as amended from time to time.

"Schedule(s)" shall mean the schedules forming part of this Agreement, describing the Assets of the Account and the Portfolio opted in respect thereof, signed and delivered by the Client.

"Portfolios" shall mean the Portfolio(s) as particularly described in the Disclosure Document in respect of which the Portfolio Manager has agreed to render the Services ;

"SEBI" shall mean the Securities and Exchange Board of India.

"**Securities**" shall mean bonds, notes, shares, units of mutual funds including units of the Unit Trust of India, certificates of deposit, futures, foreign exchange contracts, derivatives or mortgage backed or other asset backed securities issued by an institution or body corporate, cumulative convertible preference shares issued by any incorporated company and securities issued by the central government or state government for the purpose of raising public loan, relief bonds, saving bonds or any other new form of capital or money market instruments that may be issued in future by any incorporated company/firm/institution or government or the Reserve Bank of India, any other securities and instruments including foreign securities as permitted by law, and rights or property which may at any time accrue or be offered (whether by way of bonus, redemption, dividends, conversion, option or otherwise) in respect of any of the foregoing, and any certificates, options, receipts, warrants or other instruments (whether in registered or unregistered form) representing rights to receive, purchase or subscribe for any of the foregoing or evidencing or representing any other rights or interests therein (including, without limitation, any of the foregoing constituted, evidenced or represented by an entry in the records of the issuer or a depository) which may from time to time be held by the Portfolio Manager under the terms of this Agreement.

"Services" shall mean the Discretionary Portfolio Management Services, administrative and other allied services provided by the Portfolio Manager;

"We/us/our" shall mean HSBC Asset Management (India) Private Limited and any person entitled at any future date to exercise all or any of our rights under this Agreement.

"You" shall mean all and any person party to this Agreement in their capacity as our client.

"Your Portfolio" shall mean all the assets managed or advised by us under this Agreement.

Interpretation

Unless otherwise provided or unless the subject or context otherwise requires, in this Agreement.

(a) Clause and paragraph headings are inserted for ease of reference only and shall not affect the interpretation of this Agreement. References to Clauses and Recitals shall be construed as references to Clauses or Recitals of this Agreement, unless specified otherwise.
(b) Words denoting one gender include all genders; words denoting company include body corporate, corporations and trusts and vice versa; words denoting the singular include the plural; and words denoting the whole include a reference to any part thereof.
(c) Reference in this Agreement to any document, security or agreement includes reference to such documents, security or agreement as amended, novated, supplemented, varied or replaced from time to time.
(d) References to "this Agreement" mean this Agreement together with its recitals and the forms annexed hereto along with any schedules executed by the parties which would form part of the Agreement and any/or alteration made by executing an addendum.
(e) The words "including", "include" and "in particular" shall be construed as being by way of illustration only and shall not be construed as limiting the generality of the preceding words.
(f) Heading, sub-heading and bold typeface are only for convenience and shall be ignored for the purposes of interpretation.
(g) Capitalized terms used herein but not specifically defined shall have the respective meanings assigned to them in the relevant Disclosure Document.
(h) Reference to any legislation or law or to any provision thereof shall include references to any such law as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.
(i) Any term or expression used but not defined herein shall have the same meaning attributable to it under applicable law.

2.0 Appointment of the Portfolio Manager

Pursuant to valid and proper authority and in accordance with applicable law, the Client hereby appoints, entirely at his/her/its own risk, the Portfolio Manager to provide Services for and in respect of the Assets of the Account in accordance with the provisions of this Agreement and the Regulations (as may be applicable and in force from time to time). The Portfolio Manager shall have absolute and unfettered discretion and authority, (without reference to the Client) to manage, invest and reinvest the Client's Account.

3.0 Scope

3.1 The Portfolio Manager agrees to provide the Services which shall include investment management, the responsibility of managing, renewing and reshuffling the Assets of the Account, buying and selling the Securities, keeping safe custody of the Securities and monitoring book closures, dividend, bonus, rights etc. and other corporate actions so as to ensure that all benefits accrue to the Client's Account as also to take day to day decisions in respect of the Account in accordance with this Agreement and may include consultancy services.
3.2 The Portfolio Manager shall individually, independently and at its sole, entire and absolute discretion manage the Assets of the Account of the Client.
3.3 The Portfolio Manager shall, in discharging its duties as such, act as an agent/trustee of the Client and in a fiduciary capacity with regard to the Client's Account consisting of investments, accruals, benefits, allotments, calls refunds, returns privileges, entitlements, substitutions and/or replacements or any other beneficial interest including dividend, interest, rights, bonus as well as residual cash balances, if any (represented both by quantity and in monetary value).
3.4 This Agreement is without prejudice to any other terms issued to the Client by the Portfolio Manager or agreements entered into between the Client and the Portfolio Manager and which may relate to specific products ("specific product terms"), including, without limitation, any master agreements relating to futures, options and contracts for differences. If any provision in this Agreement conflicts with a provision in such specific product terms the latter provision shall prevail insofar as it does not conflict with any of the Portfolio Manager's duties or obligations under this Agreement or other relevant legislation.
3.5 All actions undertaken by the Portfolio Manager, under this Agreement, shall be in accordance with the stated investment objectives and restrictions, as may be stipulated hereunder and further detailed in writing by the Client in the relevant Schedules forming part of the Agreement. All transactions in investments shall be subject to the constitutions, by-laws, rules, regulations, customs, usages, rulings and interpretations of the relevant exchange or other markets where the transactions are executed, to the codes and to all other applicable laws, including the regulations of any governmental or quasi-governmental agency ("market requirements") so that:
(i) in the event of any conflict between the terms and conditions of this Agreement and any market requirements, the market requirements shall prevail;
(ii) the Portfolio Manager shall be entitled to take such action or steps or omit to take any action or steps as it shall in its absolute discretion consider necessary to ensure compliance with the market requirements, including taking of any action to avoid or mitigate any loss arising as a result of a change in the market requirements; and
(iii) all of the market requirements and any such action or step so taken by the Portfolio Manager as a consequence of such requirement shall be binding upon the Client as if expressly set out herein or authorised hereby.

4.0 Functions of the Portfolio Manager

The main function of the Portfolio Manager as under this Agreement is as follows:-
4.1 to carry on the activity of a portfolio manager for the Client, by providing the Services in general and by exercising its discretion in respect of the investments to be made with respect to the Assets of the Account as per the Investment Guidelines interalia provided for in clause 7;
4.2 to deploy funds, contributed with an objective to enable the Client to earn reasonable returns on his/her/its contribution;
4.3 to take such steps as may be necessary, incidental, ancillary or conducive to the fulfillment of the objective of this Agreement and necessary from time to time to realise the objectives, without any limitation. Provided, however, that the Portfolio Manager shall not deploy the Clients' funds in bill discounting, badla financing or for the purpose of lending or placement with corporate or non- corporate bodies or investment in such instruments as may be expressly prohibited by SEBI or the Reserve Bank of India ("RBI") or other regulatory bodies from time to time.
4.4 The Portfolio Manager has as on the date hereof launched certain Portfolios and may launch more Portfolios for the above purpose and the Client may invest in such Portfolios at his/her/its discretion as may be indicated under the relevant Schedule forming part of the Agreement.

5. 0 Fees and Charges

5.1 Notwithstanding anything contained herein or elsewhere, a Portfolio Management Fee as is more particularly described in the Appendix 1 shall be paid by the Client to the Portfolio Manager.
5.2 The fees will be charged upon activation of the Client's account i.e., from the date on which the account activation formalities have been completed and the participation amount(s) is / are realized in the account of the Client, or in case of securities, the date on which the last of the securities with respect to the corresponding Minimum Participation Amount is credited in the depository account of the Client. For all purposes of this Agreement, including without limitation to the computation of the Portfolio Manager's fees hereunder, the Assets of the Account shall be valued in accordance with the Portfolio Manager's standard valuation policies and procedures.
5.3 The Client will pay all of his/her/its own expenses, including without limitation: governmental fees; interest charges; taxes; fees and expenses of the Client's independent auditors and legal counsel; brokerage and other expenses connected with the execution, recording and settlement of portfolio security transactions; insurance premiums; and fees and expenses of the Custodian for all services to the Client, including safekeeping of funds and securities and maintaining required books and accounts. The Client hereby undertakes to pay the Portfolio Manager the fees for the Services rendered by the Portfolio Manager. The Client hereby authorizes the Portfolio Manager to debit the Account for all the costs, expenses, charges referred to in this clause 5 and the Appendix 1 and for any other services rendered by the Portfolio Manager or outsourced by the Portfolio Manager in relation to the Account as mentioned in the Disclosure Document furnished by the Portfolio Manager to the Client and as agreed by the Client from time to time.
5.4 In the event of non-payment of fees and / or other charges due and payable by the Client as stipulated under this Agreement, the Portfolio Manager shall be authorized to sell any Securities forming part of the Client's portfolio, at its absolute discretion and debit the Client's Account to the extent of such outstanding fees / charges.

6.0 Portfolio Manager's Powers, Duties and Obligations

6.1 The Client hereby authorises the Portfolio Manager to do in its sole, entire and absolute discretion all such acts, deeds, matters and things on behalf of the Client as may be incidental or consequential to the discharge of its responsibilities under this Agreement, the Act, the Regulations, the Rules and any other applicable law in force.
6.2 The Portfolio Manager shall provide a report to the Client of the actual details and the calculations in respect of the purchase price and the sale price of the various investments made on a monthly basis.
6.3 The Portfolio Manager shall maintain books and records relating to its transactions for the Client to ensure compliance with the Regulations.
6.4 The Portfolio Manager may at its discretion, constitute, nominate, appoint and substitute agents/ custodians/ auditors, determine their duties, fix their emoluments and acquire security in such instances and of such amount, as the Portfolio Manager may think fit.
6.5 The Portfolio Manager may enter into any contract with any corporation or body corporate or any other organisation for the purpose of securing such insurance cover or such other benefits for the Client as may be given by the corporation or body corporate or other organisation.
6.6 The Portfolio Manager may open one or more bank accounts for and on behalf of the Client to deposit and withdraw the funds entrusted by the Client and fully operate the same.
6.7 The Portfolio Manager may constitute committees consisting of such persons as it thinks fit to guide and advice the operations of the Portfolio Manager and delegate suitable power to them and impose appropriate regulations on them; and generally, to do all acts, deeds, matters and things which are necessary for any object, purpose of or in relation to the Client's Account in any manner or in relation thereto.

6.8 The Portfolio Manager may manage the funds raised, collected or brought from outside of India in accordance with the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, and any other law for the time being in force.

6.9 The Portfolio Manager may open and operate bank account(s) under the Power of Attorney, for and on behalf of the Client, to deposit and withdraw monies and fully operate the same for the purpose of this Agreement and such bank account may be opened with any bank as per the discretion of the Portfolio Manager.

6.10 The Portfolio Manager may open and operate Depository account under the Power of Attorney, with any Depository Participant of National Securities Depository Limited (NSDL) and/or Central Depository Services (India) Ltd. (CDSL) for and on behalf of the Client, for crediting the securities in electronic mode and fully operate the same for the purpose of this Agreement and such depository account may be opened with The Hongkong and Shanghai Banking Corporation Limited, Depository Participant of NSDL and CDSL or with any other Depository Participant at the discretion of the Portfolio Manager.

6.11 The Portfolio Manager may not act upon the instructions given by the Client, in case after the receipt of instruction but before implementation thereof, the Portfolio Manager believes that the implementation or compliance may not be practicable or might be in contravention of any law, the Regulations and the Rules.

6.12 The Portfolio Manager shall at its complete discretion determine the manner in which any voting rights, right to consent to corporate actions, conversion rights, subscription rights, tender rights, appraisal rights and any other rights pertaining to any portfolio of Securities held in the Account shall be exercised. For the purpose, the Portfolio Manager may require the Client to execute any such certificate, proxy, consent and/or any other document necessary or appropriate to effectuate its powers under this Agreement.

6.13 The Portfolio Manager shall not derive any direct or indirect benefit out of the Client's funds or securities, in violation of the Regulations.

6.14 The Portfolio Manager shall take such steps from time to time as may be necessary, incidental, ancillary or conducive to the fulfillment of the objectives of this Agreement without any limitation. Provided that the funds shall not be invested in any instruments as may be expressly prohibited under this Agreement, by SEBI or by any other authority from time to time.

6.15 The Client hereby authorizes the Portfolio Manager to participate in securities lending.

7.0 Investment Guidelines

7.1 Subject to SEBI Regulations, the Portfolio Manager shall have the sole and absolute discretion to invest the Client's funds in such securities, capital and money market instruments or in fixed income securities or variable securities of any description, by whatever name called including.

(a) Equity and Equity related securities, Convertible Stock and Preference Shares of Indian Companies;

(b) Debentures (Convertible and Non-convertible), Bonds and Secured Premium Notes, Swaps, Futures and Options, Securitised Debt, Structured Products, Pass Through Certificates and Instruments which are quasi-debt instruments, Tax-exempt Bonds of Indian Companies and Corporations;

(c) Government and Trustee Securities;

(d) Units, Magnums and other instruments of Mutual Funds;

(e) Bank Deposits;

(f) Treasury Bills;

(g) Commercial Papers, Certificates of Deposit and other similar Money Market instruments; and Derivatives. The Portfolio Manager may use derivative instruments like Stock Index Futures, Futures on Individual Stocks, Options on Stock Indices and Options on individual stocks, Interest rate swaps, Forward Rate Agreements or such other derivative instruments as may be introduced from time to time, as permitted by SEBI. However, in respect of investments in derivatives, the Portfolio Manager shall not leverage the Portfolio

(h) Tradable or any other warrants;

(i) The Portfolio Manager may invest in private equity investment proposals (unlisted companies) considering their attractive fundamentals and possibility of unlocking significant gains in future on listing, subject to applicable regulations.

(j) Such other instrument(s) offered in private placements, arrangements, treaties, contracts or agreements for facilitating acquisition and/or disposing of investments as the case may be;

(k) Any other eligible mode of investment within the meaning of the Regulations issued by SEBI and amended thereto from time to time.

Provided, the Portfolio Manager shall invest the Client's funds subject to the restriction, if any, specified by the Client under the Schedule 2 forming part of the Agreement.

7.2 Provided, however, that the Portfolio Manager shall not deploy the Clients' funds in bill discounting, badla financing or for the purpose of lending or placement with corporate or non-corporate bodies or investment in such instruments as may be expressly prohibited by SEBI or the Reserve Bank of India ("RBI") or other regulatory bodies from time to time The Portfolio Manager, while dealing with the Client's funds shall not indulge in speculative transactions, that is, transactions for the purchase or sale of any Security which is periodically or ultimately settled otherwise than by actual delivery or transfer of the Securities. The Portfolio Manager may however, enter into futures contracts, options in securities, options on indices and other similar types of investment, which may result in the Client having to provide initial margin payments and which would be deemed to constitute part of the normal course of investing the Assets of the Account and also transactions which will have the possibility of creating a hedge against the existing structure of the portfolio and such transactions could include derivative products as may be permissible under law from time to time.

7.3 The powers exercised by the Portfolio Manager as above shall be final, binding and irrevocable on the Client and the Client shall be deemed to have approved / ratified any such investment and related activities or deeds that the Portfolio Manager may take from time to time.

7.4 Market operations and/or sale and purchase transactions will be done through brokers empanelled by the Portfolio Manager and/or dealers of good reputation at prevalent market prices usually netted for brokerage and/or commission. The Portfolio Manager, in its absolute discretion but subject to the provisions of clause 4.3 herein, may resort to transactions through private placement, arrangements, treaties and/or contracts for facilitating acquisition and/or disposals, as the case may be.

7.5 In the management of the Client's Account, the Portfolio Manager may, exercise complete discretion on the proportion of exposure on each security and apply for, subscribe, obtain, buy, accept, acquire, endorse, transfer, redeem, renew, exchange, dispose, sell or otherwise deal in the Securities specified in clause 7.1 and generally manage, convert, transpose and vary the investments in respect of the Client's Account in such manner as the Portfolio Manager in its absolute discretion thinks fit and proper.

7.6 Accruals, accretions, benefits, allotments, calls refunds, returns, privileges, entitlements, substitutions and/or replacements or any other beneficial interest including dividend, interest, rights, bonus that accrue to the investments in respect of the Client's Account shall be received by the Portfolio Manager either in its own name or in the name of the Client but in either case it shall be placed in the Client's Account on relevant date(s). The Portfolio Manager shall take necessary steps for conversion of Securities when necessary. The subscription/ renunciation of rights and options in respect of the Securities shall be at the sole discretion of the Portfolio Manager.

7.7 In the event of aggregation of purchase or sales transaction in order to achieve economy of scale, and the investments in Securities will be made in the name of the Portfolio Manager and the Client shall be the beneficial owner. In such an event the inter-se allocation shall be done on a pro-rata basis and at weighted average price of the day's transactions. The Portfolio Manager shall not keep any open position with respect to allocation of sales and/or purchase transactions effected in a day.

7.8 The Portfolio Manager shall observe a high standard of integrity and fair dealing in all transactions involving the Client's Account.

7.9 The Portfolio Manager shall maintain appropriate records for every transaction undertaken in respect of the Client's Account. The records so maintained shall indicate the data, facts and opinion leading to the decision to conduct the transaction.

7.10 Subject to the aforesaid, the Portfolio Manager may, from time to time

(a) Purchase or sell Securities inter-se among its Clients at the prevailing market price;

(b) Have business relationships with issuing companies or corporations whose securities are privately placed and to hold, purchase or sell to the Client's Account from such stock of securities;

(c) Deal with a broker and/or dealer who is not on the pre-approved list should the situation so warrant, as long as the terms are favorable to the Client and/or as would be obtained from a broker and/or dealer who are on the pre-approved list.

7.11 The Portfolio Manager shall ensure that any transaction of purchase or sale including that between the Portfolio Manager's own accounts and client's accounts or between two clients' accounts shall be at the prevailing market price

7.12 The performance of the Portfolios will be benchmarked against the benchmark index specified in Schedule 1 forming part of this Agreement. However, the Client understands and acknowledges that the benchmark index may not be truly representative of the Portfolio Management Services offering due to the unique nature of the Portfolio Management Services wherein, (a) the number of stocks may be lower in comparison to the benchmark index and (b) the weightages of individual stocks may vary from weightages in the benchmark index.

The Portfolio Manager may from time to time, review the benchmark selection process and make suitable changes as to use of the benchmark, or related to composition of the benchmark, whenever it deems necessary.

8.0 Delegation and use of Agents

8.1 To the extent permissible by law, the Portfolio Manager may delegate any of its functions under this Agreement to an agent and may provide information about the Client and the Account to any such agent. The Portfolio Manager will act in good faith and with due diligence in its choice and use of such agents.

8.2 The Portfolio Manager shall however not be liable to the Client for any acts of such agent. Without prejudice to the generality of the above clause(s), the Portfolio Manager may employ agents to perform any administrative, accounting, dealing, custodial and ancillary services required for performing its services under this Agreement.

9.0 Maintenance of Client's Account

9.1 **Pool Account –**

a) The Portfolio Manager may, whenever economies of scale and circumstances so permit and where it reasonably believes to be best interests of the clients, aggregate the investments made on behalf of the Client with orders of others clients such that the Client's investments may not be separately identifiable. However, the effect of such aggregation may on certain occasions operate to the Client's disadvantage. The allocation of securities shall be in a manner mentioned in Clause 7.7. For avoidance of any doubt, the Portfolio Manager shall aggregate orders of only such other clients who have opted for the same portfolio.

b) The Portfolio Manager may maintain a single bank account, accounts with various mutual funds, broking accounts, depository account (pool account) with the Custodian etc styled as HSBC Asset Management PMS A/C – 'Scheme Name' for all its clients pertaining to the respective Schemes and operate the same, either by itself or through representatives.

c) Any beneficial interest arising under this Agreement shall be handled in the manner referred to in Clause 7.6

d) Notwithstanding anything contained herein, the provisions of this clause 9.1 shall not be applicable in case of (a) investments by the Client in listed securities, and (b) in the event that the Client is a Non-Resident Indian, as defined by SEBI from time to time.

9.2 **Non-Pool Account**

(a) In case of investments by the Client in listed securities and in the event that the Client is a Non-Resident Indian, as defined by SEBI from time to time and further in instances where the Client opts for the Non-Pool Account, the Portfolio Manager shall keep the funds of the Client in a separate designated account to be maintained by it in a scheduled commercial bank and shall also maintain a separate Portfolio record in the name of the Client in its books for accounting the assets and income of the Client.

b) The Portfolio Manager shall also maintain a separate depository account of each client.

9.3 The Securities held under this Agreement and requiring transfer/registration in favour of the Client, for various purposes cited above will be transferred/registered either in his/her/its name or in the name of the Portfolio Manager as the case may be, subject to applicable laws at the sole discretion of the Portfolio Manager, and the Client does hereby expressly give the requisite authority/concurrence/consent to the Portfolio Manager, for transfer/registration of such Securities held in his/her/its account by the Portfolio Manager under this Agreement, as aforesaid. The Portfolio Manager shall arrange for the custody of Securities held on account or such other activities of the Client under this Agreement by keeping them in its actual custody, or by outsourcing such activities to agent(s) for this purpose, at its sole discretion. The Portfolio Manager shall take all reasonable care and precaution for the safe custody of the Securities and extend the same degree of care, as would a man of prudence.

9.4 The Client shall execute and deliver to the Portfolio Manager, a Power of Attorney, in the format specified by the Portfolio Manager authorizing the Portfolio Manager or any person appointed in this behalf, to do all acts on behalf of the Client necessary for rendering the Services. The Portfolio Manager may rely and act on any instruction or communication which purports to have been given (and which is reasonably accepted as having been given) by or on behalf of any person notified by the Client from time to time as being authorized to instruct the Portfolio Manager in respect of the Account and by telephone, facsimile, telex, or in writing, whether or not the authority of any such person has been terminated, unless the Portfolio Manager has received a written notice of the termination.

9.5 The Portfolio Manager shall provide the Client with a statement/report on investments/disinvestments and all credits to the accounts of the Client by way of accruals, accretions, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and / or replacements or any other beneficial interest including dividends, interests, rights, bonus received from time to time including details specified in regulation 21 of the Regulations, on a monthly basis.

9.6 The Portfolio Manager shall furnish a copy of the audit report of all the portfolio accounts of the Portfolio Manager issued by a Chartered Accountant. The Client shall furnish any information required by the Portfolio Manager from time to time and/or for filing the same with any company or institution or with the arrangement stated herein and confirm that the same is true to his/her/its knowledge. The Client shall be entitled to obtain details of his/her/its Account from the Portfolio Manager.

10.0 Minimum Participation Amount

The Client shall maintain the minimum participation amount under each Portfolio as may be stated by the Portfolio Manager from time to time and such minimum amount shall not in any event be less than the minimum amount as stipulated under the SEBI (Portfolio Managers) Rules, 1993 and the amendments thereunder from time to time ("the Minimum Participation Amount"). The Portfolio Manager has the discretion to define an amount higher than the SEBI specified amount as minimum amount acceptable portfolio value. The Client may on one or more occasion(s) or on a continual basis, make further placement of funds/securities under the service with the consent of Portfolio Manager. Provided, the Portfolio Manager shall have the right to accept or reject, at its sole discretion without assigning any reason therefore, any of the securities brought in by the client as the participation amount. In case any of the securities brought in by the Client are rejected by the Portfolio Manager and the value of the securities accepted together with cash, if any, brought in by the client towards Minimum Participation Amount is less than the requisite minimum amount, then the client shall bring in additional cash or the securities (acceptable to the Portfolio Manager) to make up the shortfall in the Minimum Participation Amount. Provided that the Client shall not be required to make up the shortfall to the extent that the shortfall is on account of the mark-to-market value of the Securities contained in the Account being lower than the Minimum Participation Amount.

11.0 Accounts

11.1 The Portfolio Account initially shall consist of cash, stocks, bonds, securities, funds and other investments of the Client plus all investments, reinvestments and proceeds of the sale thereof, and all dividends, interests and earnings thereon, and all appreciation thereof and additions thereto, if any. The Client shall provide the Portfolio Manager with seven days' prior written notice of any withdrawals from the Account.

11.2 The Portfolio Manager is hereby authorized to give instructions to the Custodian with respect to the consummation of transactions on behalf of the Client in the Assets of the Account, and the Custodian is hereby authorized to act in response to instructions given by the Portfolio Manager. Nothing contained herein shall be deemed to authorize or require the Portfolio Manager to take or receive possession of, or otherwise perform any custodial duties with respect to any of the Assets of the Account.

11.3 If the Portfolio Manager invests in Derivatives, it shall ensure that the exposure of the Client as a result of such transactions does not exceed the investment amount.

11.4 The cash accepted by the Portfolio Manager for management under this Agreement shall be credited to a bank account with a scheduled commercial bank. The details of the participation amount received, investments and/or disinvestments made and all credits to the account by way of accruals, accretions, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and/or replacements or any other beneficial interest including dividends, interests, rights, bonus received from time to time as well as debits shall be reflected in the Client's account.

11.5 The books of accounts and other records of the Portfolio Manager shall be audited annually by its independent auditors appointed by the Portfolio Manager who shall ensure that the Portfolio Manager follows proper systems and procedures as well as complies with the relevant SEBI guidelines in this regard. The Client shall at its own cost, be entitled to obtain details of his/her/its Account from the Portfolio Manager. The Client shall also be entitled to get the books of account of the Portfolio Manager relating to transactions in his/her/its Account audited by a chartered accountant appointed by him/her/it. For the purposes of such audit, the Client shall have access to relevant and material documents pertaining to his/her/its transactions and the cost of such audit shall be borne by the Client. The Client shall have right to inspect the books of accounts including the contract notes, trades, trial balance, portfolio of his/her/its account during the business hours on any business day at the address of the Portfolio Manager mentioned above.

11.6 The Client shall have access to books of accounts relating to his/her/its transactions maintained by the Portfolio Manager. As and when the facility is available, the Client shall also be provided with a secret password / code number to enable him/her/it to access information on his/her/its portfolio of investment, valuation etc. which will be on the web site of Portfolio Manager exclusively for the Client. It shall be the sole responsibility of the Client to keep his/her/its password confidential and any misuse thereof would be on the Clients' account and at his/her/its sole risks as to costs and consequences.

11.7 The Portfolio Manager shall furnish a statement of account on a monthly basis and a valuation report to the Client, at monthly resets as defined.

12.0 Potential Conflicts of Interest and Disclosures

The Client recognizes that the Portfolio Manager may have direct or indirect interest or a relationship with another party, which may involve a potential conflict with the Portfolio Manager's duty to the Client. The Portfolio Manager shall not be liable to account to the Client for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions and the Portfolio Manager's fees shall not, unless otherwise provided, be abated thereby. For example, such potential conflicting interests and duties may arise because:

12.1 The Portfolio Manager undertakes investment business for other clients;

12.2 Any of the Portfolio Manager's directors or employees, is a director of, holds or deals in securities of, or is otherwise interested in any company whose securities are held or dealt in on behalf of the Client;

12.3 The transaction is in securities issued by another client of the Portfolio Manager;

12.4 The transaction is in relation to an investment in respect of which the Portfolio Manager may benefit from a commission, fee payable otherwise than by the Client, and/or the Portfolio Manager may also be remunerated by the counterparty to any such transaction;

12.5 The Portfolio Manager may act as an agent for the Client in relation to transactions in which it is also acting as an agent for the account of other clients;

12.6 The transaction is in units or shares of in house funds or any company of which the Portfolio Manager is the manager, operator, adviser or trustee;

12.7 The Portfolio Manager may have regard, in exercising its management discretion, to the relative performance or other funds under its management;

12.8 The transaction is in the securities of a company for which the Portfolio Manager or any other member of the HSBC Group has underwritten, managed or arranged an issue or offer for sale before the date of the transaction;

12.9 The Portfolio Manager may receive remuneration or other benefits by reason of acting in corporate finance or similar transactions involving companies whose securities are held by the Client;

12.10 The transaction is in securities in respect of which the Portfolio Manager, or a director or employee of the Portfolio Manager, is contemporaneously trading or has traded on its own account or has either a long or short position;

12.11 The Portfolio Manager may facilitate transactions with or through the agency of another person with whom it has an arrangement under which that person will from time to time provide to, or procure for the Portfolio Manager, services or other benefits the nature of which are such that their provision results, or is designed to result, in an improvement of the Portfolio Manager's performance in providing services for its clients.

The Client hereby takes note of the potential conflict situations and confirms that notwithstanding this, the Portfolio Manager is authorised to make investments/disinvestments on behalf of the Client and manage its portfolio in accordance with the Investment Guidelines, whether or not such investment/disinvestments involves a conflict as aforesaid.

13.0 Indemnity to Portfolio Manager

13.1 Without prejudice to the right of indemnity, the Portfolio Manager and every person employed or appointed by the Portfolio Manager shall be entitled to be indemnified out of the Assets of the Account deployed in respect of all liabilities, losses and expenses incurred by them in the execution of the services under the Agreement or any of the powers, authorities and discretions vested in them pursuant to these presents including liabilities, losses and expenses consequent on any mistake, oversight or error of judgment on the part of the Portfolio Manager or any such appointee and against all actions, proceedings, costs, claims and demands in respect of any matter, acts, deeds, or thing done or omitted in any way in relation to these presents. The Portfolio Manager shall have a lien and may retain and pay out of the Assets of the Account in its hands all sums or other amounts necessary to affect such indemnity.

13.2 The Portfolio Manager and every person employed or appointed by the Portfolio Manager shall not be responsible to any other person including an employee or officer of the Client, or to the Client for any loss or expenses resulting to such other person, or to the Client due to insufficiency or deficiency of value of or title to any property or security acquired or the exercise of any discretion including voting rights and corporate actions on behalf of the Client or the insolvency or wrongful act of any debtor or any person under obligation to the Client or for anything done in good faith in the execution of the duties of its office or in relation thereto.

13.3 The Client shall indemnify and keep indemnified the Portfolio Manager from and against any charges arising out of payment of stamp duties or any taxes, including income tax and any other direct taxes and from and against all costs, penalty, interests, demands, charges and expenses incurred by or levied on the Portfolio Manager acting as an agent of the Client. The Portfolio Manager shall have a lien on the Assets of the Account of the Client and the return thereon for the purpose of indemnifying itself as aforesaid.

13.4 The Portfolio Manager shall not be liable to the Client for and the Client shall indemnify and keep indemnified the Portfolio Manager or its agents against all losses, costs, damages, claims, demands and expenses (including claims or other demands whatsoever taken or made by any internet service provider) that may be suffered, incurred or sustained as a result of any communication including Internet Communications effected between the Portfolio Manager and the Client and any other person whose authority has previously been notified to the Portfolio Manager in writing pursuant to this Agreement, whether or not such instructions were made with the Client's authority;

13.5 Without prejudice to the generality contained in Clause 13.1, all expenses/losses incurred by the Custodian for the safe custody of, keeping track of corporate benefits associated with the Securities, settlement of and handling the Securities from time to time shall be borne wholly by the Client and the Portfolio Manager shall not in any manner be liable for such expenses / losses.

13.6 The provisions of Clauses 13 shall not have the effect of limiting or extinguishing the obligations and liabilities of the Portfolio Manager in relation to the Client arising out of the Portfolio Manager's act of gross negligence or willful acts of omission or commission or fraud.

13.7 The Portfolio Manager will be indemnified with the Assets of the Account deployed against any liability incurred by it for defending any proceedings, whether civil or criminal for which judgment order or decree is given in its favour or in which it has been acquitted or discharged by the Court.

13.8 The Client is aware that the investments/disinvestments of the funds shall be at his/her/its entire risk and the Portfolio Manager will not be responsible for loss, damage or diminishing value of the Account and the Securities held therein, save and except where such loss/damage is occasioned directly due to any willful default, gross negligence or fraud on the part of the Portfolio Manager.

13.9 The provisions of clause 13 shall survive termination or expiry of this Agreement.

14.0 Period & Termination

14.1 This Agreement shall commence from the date of execution of this Agreement.

14.2 This Agreement shall be perpetual in duration unless terminated in accordance with the terms herein.

14.3 The Portfolio Manager has right to terminate the agreement if it has reason to believe that the conditions specified in this Agreement are not complied with.

14.4 The client has the right to terminate the Agreement after giving a minimum notice of thirty days to the Portfolio Manager, in the prescribed form, subject to the minimum period, if any, as may be stipulated by SEBI from time to time.

14.5 The Portfolio Manager can also terminate this Agreement without assigning any reason therefore but after giving minimum 30 days notice to the Client. Provided, such notice shall not be required if the termination is for prevention of money laundering or such other illegal activities that the Portfolio Manager may reasonably suspect.

14.6 Except in the event of termination as provided under clause 14.3, the Assets of Account can be withdrawn or taken back by the Client at his/her/its sole risk before expiry of the Agreement under the following circumstances:
(a) Voluntary or compulsory termination of the Services by the Portfolio Manager;
(b) Suspension or termination of the registration granted to the Portfolio Manager by SEBI and/or any other competent authority;
(c) Liquidation of the Portfolio Manager;

14.7 Where no person has been nominated by the Client under this Agreement and in the event of death, insolvency, dissolution or winding up of a Client during the currency of the Agreement, and on receipt of notice from the Client or successors/heirs, in writing of such an event, the Agreement shall enure to the benefit of the successors/heirs. However, the Portfolio Manager shall be entitled to terminate this agreement and cease operations of the Client's Account.

14.8 The termination of this Agreement, in any manner whatsoever, shall not, in any manner whatsoever, affect or preclude the consummation of any transaction initiated by the Portfolio Manager prior to its receipt or transmission of the notice of termination (or, if the Portfolio Manager continues to act until selection of the successor by the Client, any transaction initiated during the period during which the Portfolio Manager so continues to act), in which case all of the terms and conditions of this Agreement shall apply to such transaction.

15.0 Assignment

The Client hereby agrees that he/she/it shall not assign or transfer any of his/her/its assets, rights and / or obligations hereunder without the prior written consent of the Portfolio Manager. The Portfolio Manager hereby agrees that it shall not assign or transfer any of its obligations hereunder without the consent of the Client.

16.0 Repayment & Transfer of Securities

16.1 The Portfolio Manager shall on a best effort basis liquidate the securities in the Client's Portfolio within 30 days from the date of notice of termination and arrange to deposit the net realizable value (i.e. gross market value net of cost of realization) of Securities held in the Client's Account together with all accruals, accretions, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and/or replacements or any other beneficial interest including dividend, interest, bonus as well as residual cash balance, if any on such date, subject to the Client fulfilling all his/her/its obligations under this Agreement, in the designated account. The amount so realized, and/or the Securities together with residual cash balances, if any, due and belonging to the Client, shall be paid / transferred over to the Client, subject to the following deductions:
(a) payments, if any, already made to the Client;
(b) Portfolio Manager's fee, custody fee, accounting fee, transaction fees and other expenses as described herein the Agreement;
(c) All taxes, rates, fees, duties, commissions, costs, charges, penalties, deductions, recoveries and/or appropriations, etc., to be made in accordance with applicable law or Rules or Regulations or Bye-laws or otherwise on account of the Client; and
(d) Any other dues, liabilities, obligations, etc. owed by/due on account of the Client under this Agreement.

16.2 The Portfolio Manager also reserves the right to settle the Client's account , in whole or in part, by transferring the securities to his/her/its depository account in case:
(a) the Securities in his/her/its account cannot be liquidated by the Portfolio Manager within the stipulated time as aforesaid; and/or
(b) a written request is received from the client to effect the termination by transfer of the client's Securities to his/her/its depository account.

16.3 The Portfolio Manager, by disbursement through payment and/or transfer of securities, subject to all the above recoveries, deductions and appropriations, shall be validly discharged of all its obligations owed to the Client or his/her/its legal heir or nominee, as the case may be, in respect of this Agreement.

16.4 Any accruals, accretions, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and/or replacements or any other beneficial interest including dividends, interests, rights, bonus, voting rights arising out of the amount, shall accrue to or vest in the Client and which, if received by the Portfolio Manager shall be returned/made over to the Client in full.

16.5 At any point of time if the Client's portfolio is valued in excess of the Minimum Participation Amount, the Client shall be entitled to withdraw such surplus amounts . Where the Client requires the amount in cash, the payment shall be to the extent and subject to the amounts realised by the Portfolio Manager on the relevant exchange or other markets where the transactions are executed, within a period of 30 days. Where the Client requires a withdrawal in Securities, such withdrawal shall be prorated to the portfolio of Securities held on behalf of the Client and the closing price on the date of receipt of the instruction for such withdrawal by the Portfolio Manager shall be taken into account for the purpose of valuation thereof. However, any such withdrawal shall be subject to applicable law and the Portfolio Manager may, in its sole discretion in response to unforeseen circumstances or unusual market conditions, limit the withdrawal of the funds / Securities.

17.0 Confidential Relationship

The terms and conditions of this Agreement, and all information and recommendations furnished by the Portfolio Manager to the Client, shall be treated as confidential by the parties, and shall not be disclosed to third parties except as provided for in herein and except as required by applicable laws, Rules or Regulations, and in response to appropriate requests of regulatory authorities, or as otherwise expressly agreed to in writing by the parties.

18.0 Personal and Third Party Data, Confidentiality and Credit Reference and Fraud Prevention Agencies

18.1 The Portfolio Manager will treat all information of the Client as private and confidential (even when he/she/it is no longer a client).

Nothing about the Portfolio Manager, Client relationship or the Client's name and address will be disclosed to anyone, including other members of the HSBC Group without the Client's permission, unless: the Portfolio Manager is legally compelled or it is the public interest to do so; or it is in the Portfolio Manager's interests to do so (e.g. to protect the Portfolio Manager from or to recover loss); or it is for any of the purposes specified in sub-clauses 18.3, 18.4, 18.5 and 18.6 of this paragraph or otherwise in connection with this Agreement.

18.2 Members of the HSBC Group and other companies may use the record of credit searches and any other information held by the agencies if credit decisions are made about the Client, or other members of his/her household or any associate. Any of this information may also be used for identification purposes, debt tracing and the prevention of money laundering as well as the management of the Client's account.

18.3 To prevent or detect fraud and to assist in verifying the Client's identity, the Portfolio Manager may exchange information with other members of the HSBC Group and make searches of records held at fraud prevention agencies who will supply such information. The Portfolio Manager may also pass information to financial and other organisations involved in fraud prevention to protect itself and its customers from theft and fraud. If false or inaccurate information is provided and the Portfolio Manager suspects fraud, the Portfolio Manager will record this.

18.4 Members of the HSBC Group may record, use, exchange, analyze and assess relevant information held about the Client and his/her/its relationships with other members of the HSBC Group, including nature of the transactions, for credit assessment, market research, insurance claims and underwriting purposes and in servicing the Client's relationships with the HSBC Group. This may include any information provided by the Client or someone acting on his/her/its behalf about the Client which is relevant to the relationship with the Portfolio Manager or other members of the HSBC Group. Relevant information may be used or disclosed as part of the disposal or reorganization or the granting of security interests or encumbrances over the whole or any part of the Portfolio Manager's/an associate's business or assets or the transfer or securitisation of any rights or obligations. Relevant information may also be exchanged with members of the HSBC Group if required by appropriate governmental and nongovernmental regulators or ombudsmen. The Portfolio Manager may also be obliged to disclose information to other third parties outside the HSBC Group where any part of the HSBC Group is required to disclose to any governmental or judicial bodies or agencies or regulators in any jurisdiction throughout the world including the SEBI to which such part of the HSBC Group is subject from time to time. The Portfolio Manager aims to keep the Client's information up-to-date. Wherever it is processed, the Client's information will be protected by a strict code of secrecy and security which all members of the HSBC Group, their staff and any third parties are subject to and will only be used in accordance with the Portfolio Manager's instructions.

18.5 To ensure that the Client's instructions are carried out accurately, to help the Portfolio Manager improve its services continually and in the interests of security, the Portfolio Manager may monitor and/or record telephone calls and e-mail communications between the Parties.

18.6 To ensure compliance with the guidelines in respect of prevention of money laundering and in furtherance of the Know Your Customer policy the Portfolio Manager may require the Client to submit appropriate proofs of identification, provide other information relating to the Client's funds and may also need to make and retain photocopies of such proofs including of passports, driving licenses, other identification evidence or any information provided by the Client.

18.7 If the Portfolio Manager receives a request from another financial services institution to verify the Client's identity for money laundering prevention purposes, such information may be provided without reference to the Client.

18.8 The Client confirms that he/she/it has read and understands and agrees to the processing of information as described above. Subject to applicable law, individuals may have the right to request access to personal data and require personal data to be corrected if inaccurate in certain circumstances. The Client acknowledges and agrees (on his/her/its own behalf and duly authorised on behalf on any third party whose details have been supplied) that the processing (including disclosure) of information described above is necessary or desirable for the provision of relevant services and the operation of the Portfolio Manager's or HSBC Group's business or performance of its rights and obligations owed to the Client or a third party.

19.0 Risks and Losses

19.1 The Client acknowledges that he/she/it has received, read and understood the Disclosure Document provided by the Portfolio Manager along with the certificate in Form C, as specified in the Regulations.

19.2 The Client acknowledges that he/she/it has read the Disclosure Document in respect of investing the funds in derivatives and is aware and has understood the risks associated with investing the funds in the capital and money market instruments including derivatives but not limited to equities and other securities.

19.3 The Client hereby agrees to undertake the risks pertaining to the portfolio investments as stated herein:

(a) Securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the investments will be achieved.

(b) As with any Securities investment, the value of the portfolio can go up or down depending on the factors and forces affecting the capital market and the Portfolio Manager is not responsible or liable for losses resulting from the operations of the portfolios.

(c) The values of the portfolios offered may be affected by changes in the general market conditions, factors and forces affecting the capital markets, in particular, level of interest rates, various market related factors, trading volumes, settlement periods, transfer procedures, currency exchange rates, foreign investments, changes in government policies, taxation, political, economic and other developments, closure of stock exchanges, etc.

(d) The liquidity of the portfolio investments are inherently restricted by trading volumes in the securities in which the investment is made.

19.4 The Client shall not question any act, deed, omission or commission of the Portfolio Manager under this Agreement, taken in good faith except on grounds of malafide, negligence, conflict of interest and/or fraud.

19.5 All the risks arising out of loss or damage occasioned, including but not limited to market conditions, Force Majeure circumstance, delay or refusal by a Company or Corporation or other authorities including Government authorities to register the transfer of any of the Securities in respect of the Client's account. The Securities which are purchased and refused to be transferred in the name of the Client or the Portfolio Manager, by the Company or Corporation concerned, will be sold by the Portfolio Manager at the best available market price, at the sole risk and responsibility of the Client concerned.

19.6 Subject to applicable taxation laws, in force from time to time, the Portfolio Manager shall not on its own deduct any tax at source while effecting disbursements/payments of amounts, interim or otherwise, to the Client (except NRI clients) under this Agreement, and shall certify the debit of tax at source to the Client's Account, on a pro-rata basis as far as practicable. For Securities, if any, held in the name of the Portfolio Manager on behalf of the Client, and other independent Portfolio Clients, as on date of declaration or record date of any Company's dividend declaration, the Portfolio Manager shall receive the Company's tax deduction at source certificate for any dividend subject to tax. The Portfolio Manager shall only distribute the net dividend to the Client's account. Any tax arising on such disbursements shall be charged to the Client's account and shall be borne by the Client in full. The Portfolio Manager shall not undertake tax planning of the Client under this Agreement. In the event of any demand being made on the Portfolio Manager (by the appropriate revenue/taxation authorities) to pay certain amounts towards purported tax liability in connection with or arising from the transactions carried out by the Portfolio Manager, the Client hereby expressly authorizes the Portfolio Manager to comply with the demand and pay such amount to the revenue/taxation authorities and the Portfolio Manager shall debit the Client's account accordingly. The Portfolio Manager will be at liberty but not obliged or required to resist such demands, if the Portfolio Manager at its discretion thinks fit, and in this event, the Portfolio Manager is hereby authorized to incur any fees, duties, commissions, costs, charges and expenses required to so resist the demand including the costs of appointing any chartered accountant, tax expert, lawyer, solicitor or advocate, but the Portfolio Manager will not be responsible if ultimately the demand is held/upheld to be proper and lawful. Despite the fact that the Portfolio Manager does not undertake tax planning of the Client, if in pursuance of directions issued by the appropriate revenue/taxation authorities, the Portfolio Manager is obliged to represent any Client in respect of any of the aforesaid directions, the Portfolio Manager is hereby empowered by the Client to file, sign, and/or execute such papers and/or documents on behalf of the Client as might be necessary in that behalf. If required, the Client shall have executed a valid, irrevocable Power of Attorney in favour of the Portfolio Manager or any other nominee(s) or agent (s) of the Portfolio Manager conferring, interalia, powers to represent the Client before such revenue/taxation authorities and comply with other requirements as envisaged in this Agreement.

19.7 The Client agrees and undertakes to furnish any information, papers and documents as may be required by the Portfolio Manager in connection with tax incidence or implications and also for the proper operation of the Client's account thereto.

19.8 The Client understands and acknowledges that past performance is not necessarily indicative of likely future performance.

19.9 The Client understands that his/her/its funds will be invested in equity and equity related securities. Equity instruments by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors. 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 of the Portfolio Manager to make intended securities' purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities.

19.10 The investments made are subject to external risks such as war, natural calamities, policy changes of local / international markets etc., beyond the control of the Portfolio Manager which affects stock markets.

20.0 Instructions and Communications

20.1 The Client or any other person, whose authority has previously been notified to the Portfolio Manager in writing, may at any time give instructions concerning the Client portfolio. Any communication between the Parties shall be in writing by post. However, the Portfolio Manager, may at its sole discretion, accept instructions via facsimile, telephone, e-mail or any other medium of communication regarding anything relating to or pursuant to this Agreement. The Portfolio Manager may contact the Client on any matter relating to his/her/its Portfolio, subject to any restriction imposed by the Client, as detailed in the Schedule 2 forming part of this Agreement;

20.2 Any query relating to a contract note or other written communication sent to the Client must be raised immediately upon its receipt. Any statement, notice, document and/or other communication which the Portfolio Manager is required to or may send to the Client under this Agreement will be sent by post to the permanent postal address provided in the application form or to such other address as may have subsequently provided or sent by fax or other electronic means to the last known fax number or e-mail address provided by the Client. If posted, it will be deemed to have been received or served within five business days of posting. If sent by fax or electronic means, it will be deemed to have been in writing and to have been sent or served at the time of transmission. If applicable, service on any one of you is deemed to be service on all of you.

The Client agrees, acknowledges and undertakes:

(a) that it is not possible to completely secure and maintain confidential Internet Communications (whether encrypted or not) and accordingly that the confidentiality, security and integrity of any Internet Communications cannot be assured;

(b) not to send or transmit any Internet Communications which contain a virus or other media damaging to the Portfolio Manager's property or computer systems or which may be defamatory, libelous, slanderous, obscene, abusive, offensive, menacing or immoral and to abide with all relevant laws, regulations and international conventions or treaties governing the content of and the transmission of such Internet Communications.

21.0 Joint Account

If the Client is more than one person the Client's obligations under this Agreement shall be joint and several. It is clarified that in case of the joint client account all dealings with the Client under this Agreement, including but without limitation the payment of Assets of the Account on termination or expiry of the Agreement would be undertaken by Portfolio Manager with the first holder of the Account or the person jointly authorised by all the account holders. In case the Client proposes to disclose the information of its Account to any other person, the Client shall make the written request to the Portfolio Manager in such form as may be specified by the Portfolio Manager from time to time.

22.0 Force Majeure

22.1 The Portfolio Manager shall not be in breach of this Agreement if there is any loss or damage, and shall not be liable or responsible for any loss or damage, incurred by the Client as a result of, any total or partial failure, interruption or delay in performance of its duties and obligations occasioned by any act of God, fire, act of government, state, governmental or supranational body or authority or any investment exchange and/or clearing system, war, civil commotion, terrorism, failure of any computer dealing system, interruptions of power supplied, labour disputes of whatever nature or any other reason (whether or not similar in kind to any of the above) beyond the Portfolio Manager's control.

22.2 The Portfolio Manager shall as soon as reasonably possible intimate the Client of the force majeure, the nature of the damages/breach and the steps taken by the Portfolio Manager to remedy the same.

23.0 Representations and Warranties of the Portfolio Manager

23.1 The Portfolio Manager represents and warrants that it is a Portfolio Manager registered under the SEBI (Portfolio Managers) Regulations, 1993. The Portfolio Manager shall not change any terms of the Agreement without the consent of the Client in writing.

23.2 The Portfolio Manager does not provide any warranty (express or implied) as to the appreciation in the value of the Securities in which the Portfolio Manager invests the Client's funds.

23.3 The Portfolio Manager understands and acknowledges that the liability of the Client shall not exceed the value of his/her/its investment with the Portfolio Manager.

24.0 Representations and Warranties of the Client

24.1 The Client represents and warrants that he/she/it is duly authorized, eligible and competent to enter into this Agreement and appoint the Portfolio Manager to manage the Assets of the Account, and notice of such appointment has been given (or concurrently herewith is being given) to the Custodian. The Client having agreed to avail the services offered by the Portfolio Manager shall be deemed to have satisfied himself with regard to eligibility in this respect. The Client shall at all times be in compliance with all relevant laws, rules and regulations as may apply to his/her/its portfolio, or dealing therein.

24.2 The Client also warrants that the Portfolio Manager shall have full authority to execute in the name and on behalf of the Client, all necessary deeds, documents, writings, forms, applications, as may be necessary to be filed with any company, banks and other financial organizations, institutions, depository participants, government bodies, or departments in any manner relating to the management of the Account and to take all necessary actions to enable the Portfolio Manager to effectively exercise the authority conferred in hereto and for any incidental and consequential actions.

24.3 The Client hereby warrants and represents to the Portfolio Manager that cash corpus/securities handed over to the Portfolio Manager upon execution hereof, absolutely belongs to him/her/it and there is no encumbrance on the same, of whatsoever nature, and he/she/it shall not create any encumbrance on the assets whether by way of pledge, lien, mortgage, hypothecation or any other charge, during the currency of this Agreement and shall also at all times comply with all the relevant laws, rules and regulations as may apply to his/her/its dealings therein.

24.4 The Client warrants that all information which he/she/it has provided to the Portfolio Manager in relation to his/her/its status, including in particular his/her/its residence and domicile for taxation purpose, is complete and correct and agrees to provide any further information, if required by any competent authority or the Portfolio Manager. The Client hereby agrees and undertakes to notify the Portfolio Manager forthwith if there is any change in any such information provided.

24.5 The Client shall not acquire any rights against the Portfolio Manager except as expressly conferred on such Client hereby, nor shall the Portfolio Manager be bound to make payment to the Client, except out of the funds held by it for the purpose under the provisions of these presents.

24.6 Except the companies/bodies corporate stated in Schedule 2 forming part of this Agreement, the Client is not privy to or does not have access, directly or indirectly to price sensitive information of any other company/body corporate.

24.7 The Portfolio Manager shall deal exclusively with the Client in respect of this Agreement and shall, under no circumstances, recognize or take cognizance of any privity of contract between the Client and any other person, or entity in respect of this Agreement except in cases of duly constituted attorney(s) and/or authorised agent(s) notified in writing to the Portfolio Manager by the Client, who will be recognized strictly for the limited purpose of representing the Client under this Agreement. The decisions and directions of such duly constituted attorney / authorized agent (s) given to the Portfolio Manager and consequent actions/results thereof shall be binding on the Client.

24.8 In the case of further placement of funds in the Account by the same Client on one or more occasion (s) or on a continual basis, each such placement of funds shall be for a minimum period as may be prescribed by SEBI from time to time and shall be subject to the terms herein contained. Availing of the Services provided under this Agreement is not and shall not be, in any manner or for any purpose whatsoever, inter changeable with participation in the service under any other agreement or arrangement.

24.9 The Client understands and agrees that the Services provided by the Portfolio Manager to the Client are not deemed to be exclusive, the Portfolio Manager being free to render investment advisory, portfolio management and/or other services to other clients. Directors, officers and employees of the Portfolio Manager, and the Portfolio Manager and its clients, are or may become interested in the Client as a shareholder or otherwise.

24.10 In the event of any change including in the constitution, identity by change of name and / or residential status of the Client during the currency of this Agreement, it shall be the duty of the Client to keep the Portfolio Manager duly informed of such a change. The Portfolio Manager shall seek advice or appropriate directions where required, from competent authority, under applicable laws, with regard to the continuation of this Agreement and other agreements with the Client, if any affected by such a change under the applicable law.

24.11 The Client undertakes to maintain the Minimum Participation Amount.

25.0 Income Taxes and other Direct Taxes

Any Income tax and other direct tax liability on the investments, funds, and yields therefrom shall be borne and paid by the Client. The Portfolio Manager does not take any responsibility for any matters relating to the income tax filings or assessments of the Client. The Client is advised to consult his/her/its own tax advisor with respect to the specific tax implications arising out of his/her/its investments.

26.0 Arbitration

All disputes, differences, claims and questions whatsoever, which may arise either during the subsistence of this Agreement or afterwards between the parties hereto and/or their respective representatives touching these presents or any clause or anything contained herein or otherwise in any way relating to or arising from these presents or the interpretation of any provision contained herein shall be in the first place settled by mutual discussions between the parties, failing which the same shall be referred to and settled by arbitration in accordance with and subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force. The arbitration shall be held in Mumbai and conducted in English language.

27.0 Governing Law, Jurisdiction and Government Regulations

27.1 This Agreement shall be governed and construed in accordance with the laws of India and subject to the provisions of Clause 26, shall be subject to the exclusive jurisdiction of the courts at Mumbai.

27.2 The Portfolio Manager has formulated this Portfolio in accordance with the Regulations, Rules and other guidelines of SEBI, and other concerned authorities subject to modification to the extent required by any applicable law, regulation, rule or guideline. This Agreement and the rights and liabilities of the parties shall always be subject to the Act, the Regulations, the Rules and guidelines of SEBI and other concerned authorities.

28.0 Grievance Redressal System

Where the Client has any grievances, he/she/it should promptly notify the same to the Portfolio Manager in writing giving sufficient details to enable the Portfolio Manager to take necessary steps. The Portfolio Manager, on receipt of any such grievances, shall take prompt action to redress the same.

29.0 Protection of Act done in good faith

The Portfolio Manager shall not be under any liability on account of anything done or omitted to be done or suffered by the Client in good faith in accordance with or in pursuance of any request or advice of the investments made by the Portfolio Manager or any agents.

30.0 Miscellaneous

This Agreement (including without limitation the Appendices hereto) sets forth the entire and exclusive understanding of the parties and supersedes and cancels any and all prior agreements between the parties, whether written or oral, relating to the investment management of the Account or of any other assets of the Client. Unless otherwise provided for herein, this Agreement may not be modified, amended, rescinded, or waived, in whole or part, except by a written instrument signed by duly authorized representatives of both parties. No provision of this Agreement shall be construed so as to violate, or so as to cause either party to violate the applicable provisions of the SEBI (Portfolio Managers) Rules & Regulations or any other Central or State Securities or other laws, rules, regulations or orders.

30.1 **Reservation of Rights:**
No forbearance, indulgence or relaxation or inaction by the Portfolio Manager at any time, to require performance of any of the provisions of this Agreement shall, in any way, affect, diminish or prejudice the right of the Portfolio Manager to require performance of that provision thereafter and any waiver or acquiescence by the Portfolio Manager of any clause of this Agreement shall not be construed as a waiver or acquiescence of any continuing or succeeding breach of such provision or a waiver of any right under or arising out of such provision, or acquiescence to or recognition of rights and/or position other than as expressly stipulated in this Agreement. No delay or failure on the part of the Portfolio Manager in exercising any rights hereunder and no partial or single exercise thereof will be deemed to constitute a waiver of such right or any other rights hereunder. No waiver shall be valid unless it is in writing and signed by the Portfolio Manager.

30.2 **Cumulative Rights:**
All remedies of either party under this Agreement whether provided herein or conferred by statute, civil law, common law, custom, trade or usage, are cumulative and not alternative and may be enforced successively or concurrently.

30.3 **Partial Invalidity:**
If any provisions of this Agreement, or the application thereof to any person or circumstance, is held to be invalid or unenforceable to any extent by a court of competent jurisdiction, the remainder of this Agreement and the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. Any invalid or unenforceable provision of this Agreement shall be replaced with a provision, which is valid and enforceable and most nearly reflecting the original intent of the unenforceable provision.

30.4 **Relationship:**
None of the provisions of this Agreement shall be deemed to constitute a partnership between the parties hereto and no party shall have any authority to bind the other party or shall be deemed to be the agent of the other in any way, otherwise than under this Agreement.

30.5 **Reasonableness:**
The parties hereby agree that all terms, requirements, or restrictions, and other provisions of this contract are fair and reasonable, and shall be enforceable in a court of law.

30.6 Where the due date for any payment to the Client from the Portfolio Manager under this Agreement falls on a Saturday, Sunday or a holiday under the Negotiable Instruments Act, 1881, if any, the same will be made on the next working day.

30.7 All mail and notice from the Portfolio Manager to the Client shall be sent to the Client's last known address, as in existence in the records of the Portfolio Manager. All mail and notices from the Client to the Portfolio Manager shall be sent to the address stated in the Application Form.

30.8 In order to be effective, the Client's notification to the Portfolio Manager regarding change of address etc. must be lodged at least 30 (thirty) days before the date on which any payment from the Portfolio Manager to the Client falls due.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE SET THEIR HANDS ON THIS AGREEMENT AT THE PLACE ON THE DAY, MONTH AND YEAR FIRST HEREINABOVE WRITTEN.

SIGNED AND DELIVERED

by the within named " Portfolio Manager"
by the hand of

For HSBC Asset Management (India) Private Limited

Authorised Signatories

WITNESSED BY

SIGNED AND DELIVERED
for and on behalf of the within named "Client" by the hand of

S ______________________
Authorised Signatory/Signatories

WITNESSED BY

____

Residing at ________________________________

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