

Date: 26-07-2023

From

Guardian Asset Management Private Limited

Registration No. **INP000006563**

4B 4th Floor Saha Building, 8-2-616/1,

Road No.11 Banjara Hills

Hyderabad - 500034

Telangana, India

Email - aseem.gupta@gcia.in

To

The General Manager

Investment Management Department (IMD)

Securities and Exchange Board of India

Plot No. C4-A, 'G' Block

Bandra- Kurla Complex, Bandra (East),

Mumbai - 400051, Maharashtra

Sub: Request for Informal Guidance by way of an Interpretive Letter under the SEBI (Informal Guidance) Scheme, 2003.

We Guardian Asset Management Private Limited, Company registered as Portfolio Managers with SEBI(Registration No. INP000006563).

SEBI Provision:

Referring to the master Circular **SEBI/HO/IMD/ IMD POD-1/P/CIR/2023/38** dt: 20-03-2023 issued by SEBI.

"Investment Advisory Services:

Under these services, the Client is advised on buy/sell decisions within the overall profile without any back office responsibility for trade execution, custody of securities or accounting functions. The PMS provider shall be solely acting as an Advisor to the Client and shall not be responsible for the investment/divestment of securities and/or administrative activities on the client's Portfolio. The PMS provider shall act in a fiduciary capacity towards Client and shall maintain arm's length relationship with its other activities. The PMS provider shall provide

advisory services in accordance with guidelines and/or directives issued by the regulatory authorities and/or the Client from time to time in this regard.”

Query 1:

Can a Non-Individual Portfolio Manager perform Investment advisory services for his existing Portfolio Management Services client?

Illustration:

Client Mr. X invested an amount of Rs.50 lakhs in an Investment approach under Discretionary Portfolio Management Services (DPMS) with the portfolio manager A and Mr. X wants to invest another 50 lakhs in some other DPMS managed by another Portfolio Manager B. Can portfolio manager A advise Mr. X to identify & invest in the other PMS under the “Investment Advisory services” clause?

Query 2:

Can Mr. X be charged for such advisory services as provided in Query 1 with respect to the amount invested in another PMS with a different portfolio manager?

Illustration:

Client Mr X invested an amount of 50L in the PMS with portfolio manager A. At the same time, he was advised by portfolio manager A to invest in another PMS with portfolio manager B. Can portfolio manager charge a fee for the investment advisory service along with the fee for the discretionary portfolio management service provided to the client?

Payment of Fees

We have remitted an amount of Rs. 25,000/- the details are provided below.

Name of the Remitter	Date of Remittance	Amount Remitted	Name of the Orgin Bank	UTR/Transaction Ref NO	Purpose of which remittance is made
Guardian Asset Management Private Limited	26-07-2023	25000	HDFC Bank	N207232564183070	Informal Guidance-SEBI

Yours Faithfully,

For Guardian Asset Management Private Limited

Guardian Asset Management Pvt. Ltd.


Director

Aseem Sen Gupta
Director