

**Date: 19<sup>th</sup> April, 2023**

**To,**

**National Stock Exchange of India Limited**  
Listing Dept.  
Exchange Plaza, Bandra Kurla Complex  
Bandra(East), Mumbai-400051

**BSE Limited**  
Listing Dept.  
P.J.Tower, Dalal Street  
Fort, Mumbai-400001

**NSE Symbol:EMKAY**

**BSE Scrip Code : 532737**

Dear Sirs,

**Sub: Receipt of SEBI in-principle approval for sponsoring a Mutual Fund under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.**

We wish to inform you that the Company has received In-principle approval from Securities and Exchange Board of India, Investment Management Department for sponsoring a Mutual Fund under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as per attached copy of SEBI letter.

Thanking you,

Yours faithfully,

**For Emkay Global Financial Services Limited**

**B. M. Raul**  
**Company Secretary & Compliance Officer**





INVESTMENT MANAGEMENT DEPARTMENT

SEBI/HO/IMD/IMD RAC2/P/OW/2023/13249 /1

March 31, 2023

Emkay Global Financial Services Limited  
Paragon Centre, C-06, Ground Floor,  
Pandurang Budhkar Marg, Worli, Mumbai-400013

Dear Sir / Madam,

**Sub: Your application for sponsoring a Mutual Fund**

This has reference to your application dated March 03, 2022 and further correspondences on the captioned subject.

The competent authority has accorded in-principle approval to your application for sponsoring a mutual fund. Accordingly, you are advised to complete the following requirements for registration of the proposed mutual fund as prescribed in Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 within a period of 6 months from the date of this communication, failing which you will be required to submit a fresh application for registration:

1. Submit the latest Annual Report of your company and the condensed financial information as per Form A as on the fulfillment of the aforesaid requirements. You shall also confirm compliance with Regulation 7(a) (ii)-(iv) of SEBI (Mutual Funds) Regulations, 1996.
2. Incorporate the Asset Management Company and the Trustee Company. For this purpose you may submit two copies of completed Memorandum and Articles of Association of the Asset Management Company and the Trustee Company for

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सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बान्द्रा कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई - 400 051.  
दूरभाष : 2644 9950 / 4045 9950 (आई.वी.आर. एस.), 2644 9000 / 4045 9000 फैक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in



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onward transmission by SEBI to the Registrar of Companies. You are advised to suitably include a para in both Memorandum and Articles of Association of the Asset Management Company and Trustee Company stating that "notwithstanding the clauses contained in this document, the provisions of SEBI (Mutual Funds) Regulations, 1996 shall be strictly applicable".

Please also indicate the address of the ROC where these companies would be incorporated.

3. Submit completed Form C and Form D, providing details of Trustee Company and AMC, as given in First Schedule of SEBI (Mutual Funds) Regulations, 1996
4. File executed copies of Trust Deed and Investment Management Agreement.

Submit a certificate that:

- a. The trust deed contains no clause, which has the effect of:
  - i. Limiting or extinguishing the obligations and liabilities of the trust in relation to any mutual fund or the unitholders.
  - ii. Indemnifying the trustees or the asset management company for loss or damage caused to the unitholders by their acts of negligence or acts of commissions or omissions.
- b. Ensure that, there is no clause in the Trust Deed in violation of either SEBI Act, 1992 or the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.
- c. Incorporate all clauses as mentioned in third schedule and such other clauses, which are necessary for safeguarding the interest of the unitholders.
- d. Incorporate the following clause in the trust deed:

*"Notwithstanding anything contained in the clause of the trust deed, the provisions of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and guidelines issued there under from time to time shall be applicable and would automatically override the provisions of trust deed."*



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5. After incorporation of the AMC and the Trustee Co., please submit a certificate from a Chartered Accountant certifying that:
- The sponsor has contributed at least 40% to the networth of the AMC [Regulation 7 (c ) of SEBI (Mutual Funds) Regulations, 1996 ].
  - The AMC has a networth of not less than Rupees Fifty Crore only as required under Clause (f) of sub regulation 1 of regulation 21 of SEBI (Mutual Funds) Regulations, 1996.

The networth should be furnished in the following format:

Particulars	INR in Crores
Paid-up capital	xxx
Plus: free reserves of the company	xxx
Less: miscellaneous expenditure to the extent not written-off and accumulated losses and intangible assets, if any	xxx
Less: Loans and advances given by asset management company to either sponsor, associates or group company of asset management company	xxx
<b>TOTAL NETWORTH</b>	<b>xxx</b>

6. Submit bio - data of the proposed directors of the Trustee Company and the AMC in the prescribed format. Further, the declaration to be given by the directors, mentioned in point VII of the format, shall be by way of duly notarised affidavit on a non-judicial stamp paper of appropriate amount, signed by him/her.
7. Submit explanation to the effect that the directors of the AMC are persons having adequate experience in finance and financial services related field [Regulation 21(1) (b)] of SEBI (Mutual Funds) Regulations, 1996].
8. Submit the details of your key personnel in the prescribed format. Further, the declaration to be given by the key personnel, mentioned in point VII of the format, shall be by way of duly notarised affidavit on a non-judicial stamp paper of appropriate amount, signed by him/her.



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9. Provide declarations to the effect that:
- The trustees and the directors of the AMC have not been found guilty of moral turpitude or convicted of any economic offence or violation of any securities laws;
  - The key personnel of the AMC have not been found guilty of moral turpitude or convicted of any economic offence or violation of any securities laws or worked for any AMC or mutual fund or any intermediary during the period which its registration has been suspended or cancelled at any time by SEBI.
  - The Chairman/Director of the proposed AMC is not a Trustee of any Mutual Fund.

The above declarations shall be given by way of duly notarised affidavit on a non-judicial stamp paper of appropriate amount.

10. Submit detailed note on the infrastructure facilities available with the Asset Management Company, specifically stating details regarding
- Details of the office premises and address,
  - Organization chart of the AMC, clearly specifying the responsibilities of various personnel,
  - Justification of adequacy of personnel in fund management and other operational areas considering the expected size of mutual fund. At what stage, the number of key personnel will be reviewed, should be indicated.
  - Systems support in terms of hardware and software
  - A business plan enumerating the proposed activities of the mutual fund
  - Establishing the financial viability of sponsoring a Mutual Fund giving details of expected size of mutual fund over a period of time
  - The size of funds which the AMC feels competent to manage and the expertise available with the sponsor/AMC etc.
  - Arrangements made for investor services
  - Internal systems and control procedures developed to check insider trading and front running



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- j. Whether the compliance manual has been prepared to ensure that all provisions of SEBI (Mutual Funds) Regulations and Guidelines are complied with. (All guidelines issued to mutual funds are available on SEBI web site).
- k. Any other information relevant for application for registration.

The said approval should not be construed as one leading to grant of certificate of registration. You may also note that this approval is granted on the basis of information available with SEBI at this point of time and does not preclude SEBI from taking such actions as may be deemed fit including cancelling the registration later, if anything adverse is found against you or you are convicted.

Yours faithfully,

  
**Vishakha More**  
**Deputy General Manager**