



InCred!Premier

Rise. With Confidence.

UNDERSTANDING

PORTFOLIO MANAGEMENT SERVICES

A COMPREHENSIVE GUIDE



What is PMS?

Portfolio Management Services (PMS) are professional services provided by financial institutions or wealth managers to manage investments on behalf of clients.

They invest in stocks, fixed income, debt, cash, structured products, and other individual securities, and are managed by professional money manager that can potentially be tailored to meet specific investment objectives. The minimum capital required to invest in PMS is ₹50 lakh.



Types of PMS:

1 Discretionary PMS:

In discretionary PMS, the portfolio manager has the authority to make investment decisions on behalf of the client without seeking prior approval for each transaction.

2 Non-Discretionary PMS

In non-discretionary PMS, the portfolio manager provides investment advice to the client, but the final investment decisions are made by the client.



Why should you invest in PMS?

Professional Expertise:

PMS provides access to professional portfolio managers who have extensive knowledge and expertise in managing investments.

Customized Approach:

PMS offers a personalized and customized investment approach based on your risk appetite, and investment horizon.

Diversification:

PMS enables you to diversify your portfolios across various asset classes, such as equities, bonds, mutual funds, real estate, and alternative investments.

Active Monitoring:

Portfolio managers actively monitor the investments in the portfolio and make necessary adjustments as market conditions change.



Exclusive Investment Opportunities:

PMS often provides access to exclusive investment opportunities that may not be available to individual retail investors like initial public offerings (IPOs), Non-convertible debentures and other alternative investments that offer potentially higher returns.

Transparency and Reporting:

PMS offers transparency in terms of tracking the investments and portfolio performance. Investors receive regular reports and statements, detailing the performance of their portfolio, allocation of assets, transaction history, and any fees or charges incurred.

Tax Efficiency:

Portfolio managers prioritize tax efficiency while managing the portfolio. This approach may help you optimize after-tax returns.

Flexibility and Liquidity:

PMS offers flexibility in terms of investment minimums, lock-in periods, and redemption options.



Taxation:

In PMS the investments are made in the name of the investor and hence taxed at the investor level

1 Listed Equity:

Short-term capital gains (STCG): Taxed at 15% if the units are held for less than one year.

Long-term capital gains (LTCG): Taxed at 10% without indexation if the gains exceed ₹1 lakh in a financial year.

2 Debentures and Bonds :

Interest income is charged as per tax slabs of investor.

STCG: Taxed at the individual's applicable income tax slab rate if the Bonds are held for less than three years.

LTCG: Taxed at 20% with indexation if the bonds are held for more than three years.



To bring it to a close

At InCred Premier, we acknowledge that your hard-earned wealth deserves nothing less than the utmost care and attention.

Rest assured, we are committed to providing you with unparalleled investment services.

If you need help or have any questions as you progress, our dedicated team is here for you. You may reach out to us at care@incredpremier.com.



www.incredpremier.com

SWIPE



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