

SAMVITTI CAPITAL PRIVATE LIMITED

SEBI Registration Number: INP000004847

DISCLOSURE DOCUMENT

PORTFOLIO MANAGEMENT SERVICES

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PART-I- Static Section

1. Disclaimer Clause

This Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and filed with SEBI. This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of this Document.

The distribution of this Document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this Document are required to inform themselves about and to observe any such restrictions.

2. Definitions

In this Disclosure Document, unless the context otherwise requires, the following words and expressions shall have the meaning assigned to them:

1. “**Act**” means the Securities and Exchange Board of India Act, 1992.
2. “**Accreditation Agency**” means a subsidiary of a recognized stock exchange or a subsidiary of a depository or any other entity as may be specified by SEBI from time to time.
3. “**Accredited Investor**” means any person who is granted a certificate of accreditation by an accreditation agency who:
 - (i) in case of an individual, HUF, family trust or sole proprietorship has:
 - (a) annual income of at least two crore rupees; or
 - (b) net worth of at least seven crore fifty lakh rupees, out of which not less than three crores seventy-five lakh rupees is in the form of financial assets; or
 - (c) annual income of at least one crore rupees and minimum net worth of five crore rupees, out of which not less than two crore fifty lakh rupees is in the form of financial assets.
 - (ii) in case of a body corporate, has net worth of at least fifty crore rupees;
 - (iii) in case of a trust other than family trust, has net worth of at least fifty crore rupees;
 - (iv) in case of a partnership firm set up under the Indian Partnership Act, 1932, each partner independently meets the eligibility criteria for accreditation:

Provided that the Central Government and the State Governments, developmental agencies set up under the aegis of the Central Government or the State Governments, funds set up by the Central Government or the State Governments, qualified institutional buyers as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Category I foreign portfolio investors, sovereign wealth funds and multilateral agencies and any other entity as may be specified by the Board from time to time, shall deemed to be an accredited investor and may not be required to obtain a certificate of accreditation.

4. “**Advisory Services**” means advising on the portfolio approach, investment and divestment of individual Securities in the Client’s Portfolio, entirely at the Client’s risk, in terms of the Regulations and the Agreement.
5. “**Agreement**” or “**Portfolio Management Services Agreement**” or “**PMS Agreement**” means agreement executed between the Portfolio Manager and its Client for providing portfolio management services and shall include all schedules and annexures attached thereto and any amendments made to this agreement by the parties in writing, in terms of Regulation 22 and Schedule IV of the Regulations.

6. “**Applicable Law/s**” means any applicable statute, law, ordinance, regulation, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument including the Regulations which has a force of law, as is in force from time to time.
7. “**Assets Under Management**” or “**AUM**” means aggregate net asset value of the Portfolio managed by the Portfolio Manager on behalf of the Clients.
8. “**Associate**” means (i) a body corporate in which a director or partner of the Portfolio Manager holds either individually or collectively, more than twenty percent of its paid-up equity share capital or partnership interest, as the case may be; or (ii) a body corporate which holds, either individually or collectively, more than twenty percent of the paid-up equity share capital or partnership interest, as the case may be of the Portfolio Manager.
9. “**Benchmark**” means an index selected by the Portfolio Manager in accordance with the Regulations, in respect of each Investment Approach to enable the Clients to evaluate the relative performance of the Portfolio Manager.
10. “**Board**” or “**SEBI**” means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.
11. “**Business Day**” means any day, which is not a Saturday, Sunday, or a day on which the banks or stock exchanges in India are authorized or required by Applicable Laws to remain closed or such other events as the Portfolio Manager may specify from time to time.
12. “**Client(s)**” / “**Investor(s)**” means any person who enters into an Agreement with the Portfolio Manager for availing the services of portfolio management as provided by the Portfolio Manager.
13. “**Custodian(s)**” means an entity registered with the SEBI as a custodian under the Applicable Laws and appointed by the Portfolio Manager, from time to time, primarily for custody of Securities of the Client.
14. “**Depository**” means the depository as defined in the Depositories Act, 1996 (22 of 1996).
15. “**Depository Account**” means an account of the Client or for the Client with an entity registered as a depository participant under the SEBI (Depositories and Participants) Regulations, 1996.
16. “**Direct on-boarding**” means an option provided to clients to be on-boarded directly with the Portfolio Manager without intermediation of persons engaged in distribution services.
17. “**Disclosure Document**” or “**Document**” means the disclosure document for offering portfolio management services prepared in accordance with the Regulations.

18. **“Distributor”** means a person/entity who may refer a Client to avail services of Portfolio Manager in lieu of commission/charges (whether known as channel partners, agents, referral interfaces or by any other name).
19. **“Eligible Investors”** means a Person who: (i) complies with the Applicable Laws, and (ii) is willing to execute necessary documentation as stipulated by the Portfolio Manager.
20. **“Fair Market Value”** means the price that the Security would ordinarily fetch on sale in the open market on the particular date.
21. **“Foreign Portfolio Investors”** or **“FPI”** means a person registered with SEBI as a foreign portfolio investor under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 as amended from time to time.
22. **“Financial Year”** means the year starting from April 1 and ending on March 31 in the following year.
23. **“Funds”** or **“Capital Contribution”** means the monies managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes the monies mentioned in the account opening form, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to the Agreement, the proceeds of sale or other realization of the portfolio and interest, dividend or other monies arising from the assets, so long as the same is managed by the Portfolio Manager.
24. **“Group Company”** shall mean an entity which is a holding, subsidiary, associate, subsidiary of a holding company to which it is also a subsidiary.
25. **“HUF”** means the Hindu Undivided Family as defined in Section 2(31) of the IT Act.
26. **“Investment Approach”** is a broad outlay of the type of Securities and permissible instruments to be invested in by the Portfolio Manager for the Client, taking into account factors specific to Clients and Securities and includes any of the current Investment Approach or such Investment Approach that may be introduced at any time in future by the Portfolio Manager.
27. **“IT Act”** means the Income Tax Act, 1961, as amended and restated from time to time along with the rules prescribed thereunder.
28. **“Large Value Accredited Investor”** means an Accredited Investor who has entered into an Agreement with the Portfolio Manager for a minimum investment amount of ten crore rupees.
29. **“Non-resident Investors”** or **“NRI(s)”** shall mean non-resident Indian as defined in Section 2 (30) of the IT Act.

30. “**NAV**” shall mean Net Asset Value, which is the price; that the investment would ordinarily fetch on sale in the open market on the relevant date, less any receivables and fees due.
31. “**NISM**” means the National Institute of Securities Markets, established by the Board.
32. “**Person**” includes an individual, a HUF, a corporation, a partnership (whether limited or unlimited), a limited liability company, a body of individuals, an association, a proprietorship, a trust, an institutional investor and any other entity or organization whether incorporated or not, whether Indian or foreign, including a government or an agency or instrumentality thereof.
33. “**Portfolio**” means the total holdings of all investments, Securities and Funds belonging to the Client.
34. “**Portfolio Manager**” means Samvitti Capital Pvt Ltd, a company incorporated under [the Companies Act, 2013, registered with SEBI as a portfolio manager bearing registration number INP000004847 and having its registered office at Kalasha Nivasa, D. No. 16/100(2), Harihara Nagara, Karnad, Mulki – 574154 Karnataka
35. “**Principal Officer**” means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager and is responsible for:
- (i) the decisions made by the Portfolio Manager for the management or administration of Portfolio of Securities or the Funds of the Client, as the case may be; and
 - (ii) all other operations of the Portfolio Manager
36. “**Regulations**” or “**SEBI Regulations**” means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended/modified and reinstated from time to time and including the circulars/notifications issued pursuant thereto.
37. “**Related Party**” means –
- (i) a director, partner or his relative;
 - (ii) key managerial personnel or his relative;
 - (iii) a firm, in which a director, partner, manager or his relative is a partner;
 - (iv) a private company in which a director, partner or manager or his relative is a member or director;
 - (v) a public company in which a director, partner or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;
 - (vi) any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director, partner or manager;

(vii) any person on whose advice, directions or instructions a director, partner or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

(viii) any body corporate which is— (A) a holding, subsidiary or an associate company of the Portfolio Manager; or (B) a subsidiary of a holding company to which the Portfolio Manager is also a subsidiary; (C) an investing company or the venturer of the Portfolio Manager— The investing company or the venturer of the Portfolio Manager means a body corporate whose investment in the Portfolio Manager would result in the Portfolio Manager becoming an associate of the body corporate;

(ix) a related party as defined under the applicable accounting standards;

(x) such other person as may be specified by the Board:

Provided that,

(a) any person or entity forming a part of the promoter or promoter group of the listed entity; or

(b) any person or any entity, holding equity shares:

(i) of twenty per cent or more; or

(ii) of ten per cent or more, with effect from April 1, 2023; in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding Financial Year; shall be deemed to be a related party;

38. “**Securities**” means security as defined in Section 2(h) of the Securities Contract (Regulation) Act, 1956, provided that securities shall not include any securities which the Portfolio Manager is prohibited from investing in or advising on under the Regulations or any other law for the time being in force.

3. Description

- (i) History, Present Business and Background of the portfolio manager.

Samvitti Capital Private Limited is a private limited company incorporated on 24th December, 2014, under the provisions of the Companies Act, 2013. Samvitti Capital Private Limited has been established with the objective of offering investment management, portfolio management services and advisory services.

Samvitti Capital Private Limited acts as the sponsor and investment manager to Samvitti Capital Alpha Fund which is set up as a contributory determinate trust under a deed of indenture dated July 31, 2015. Samvitti Capital Alpha Fund is registered with SEBI as open-ended Category III Alternative Investment Fund with registration number IN/AIF3/15-16/0182

- (ii) Promoters of the portfolio manager, directors and their background.

Following are the promoters of the Portfolio Manager:

- (i) Mr. V Shivaram Kamath
- (ii) Mr. M Prabhakar Kudva
- (iii) Mr. M Vasudeva R Kudva

Following are the directors of the Portfolio Manager:

- (i) Mr. Athul Vasudeva Kudva
- (ii) Mr. M Vasudeva R Kudva
- (iii) Mr. V Shivaram Kamath
- (iv) Mr. M Prabhakar Kudva
- (v) Mr. Jagdish Pandurang Nayak
- (vi) Mr. Subraya M Pai
- (vii) Mrs. Shambhavi A Kudva
- (viii) Mrs. Geeta Shivaram Kamath
- (ix) Mrs. Avni Prabhakar Kudva

Brief profile of the promoters of the Portfolio Manager:

(a) Mr. V Shivaram Kamath

Mr. Shivaram Kamath, a Chartered Accountant by qualification, Mr. Kamath is a veteran of the capital markets and has been associated with investment world for past 35 years. He has also

been an active member of the erstwhile Mangalore Stock Exchange. Shivaram brings with him years of broking as well as market experience having gone through multiple bull and bear market cycles since the 1980s. Shivaram's vast experience is used for analyzing stocks, sectors and management track records.

(b) Mr. M Prabhakar Kudva

Mr. Prabhakar Kudva is one of the co-founders of Samvitti and has been passionately involved in the market for more than 20 years. His investment philosophy is driven by identifying high growth businesses that have the potential to scaleup significantly. Prabhakar has been selected as one among 40 under 40 Investment managers by AIWMI (Association of International Wealth Management of India). He is also a computer science engineer and a business management graduate – a good mix of technology, business management and practical market experience. He has been one of the top performing portfolio managers in the country for the past many years consistently outperforming the indices over long periods.

(c) Sri Shakthi Vinayaka Kripa Mulki Vasudeva Raghavendra Kudva Family Trust

The Family Trust of Mr. Vasudeva R. Kudva holds a significant beneficial interest in the company.

Brief profile of the directors of the Portfolio Manager:

(a) Athul Vasudeva Kudva

Mr. Athul Kudva, an engineer from the National Institute of Technology, Karnataka, worked briefly at Tata Motors before cofounding Omnesys which developed highly scalable order and risk management software for traders and brokers across the country. Omnesys was acquired by media and information giant Thomson Reuters in 2013. Athul has been a very astute active investor and trader operating in the markets for multiple decades and brings with them more than 25 years of market experience. This market experience combined with technology insights has allowed him to work on building quant systems and tools which are used extensively by Samvitti in its fund management.

(b) Mr. Vasudeva R Kudva

Mr. Vasudeva Kudva has been a very successful businessman working with well-known brands like ACC, Asian Paints, V-Guard, Crompton Greaves for more than three decades in the Mangalore area. He brings with him a versatile business experience spanning more than 30 years. He is also a very astute long term investor spanning multiple market cycles.

(c) Mr. V Shivaram Kamath

[Profile provided above.]

(d) Mr. M Prabhakar Kudva

[Profile provided above.]

(e) Mr. Jagdish Pandurang Nayak

Mr. J P Nayak is a Mechanical Engg Graduate with Post Graduate Degree in Production Engg from UK. He joined Larsen & Toubro Ltd in 1965 and has been a significant contributor in the exciting journey of the organization to reach its pre-eminent position today. After handling diverse roles that gave him invaluable experience in infrastructure, construction, mining & manufacturing sectors, he joined the board of directors in 1995 as Executive Director and retired in 2011. Thereafter he was the advisor to the Group Chairman for 3 years. During his professional career spanning almost 5 decades, he has developed extensive business relationships in varied fields in India as well as internationally.

(f) Mr. Subraya M Pai

Mr. Subraya M Pai is Executive Director at Bharath Beedi Works Pvt. Ltd. The company was incorporated in 1930 and is engaged in the business of manufacturing of beedis, a tobacco product. It employs more than a lakh people on its rolls. He is in charge of the production department and is a member of strategic planning wing of the group. He is also the Chairman of Bharath Auto Cars Pvt. Ltd. which is a dealer for Maruti Suzuki Ltd in the Mangalore Area.

(g) Mrs. Shambhavi A Kudva

Mrs. Shambhavi Kudva is a commerce graduate and an active member of the Shambhavi Narasimha Kudva charitable trust. She will be involved with the CSR activities of the Portfolio Manager.

(h) Mrs. Geeta Shivaram Kamath

Mrs. Geeta Kamath is a postgraduate in Human Resource Management from Symbiosis, Pune. She has also worked as a resource person for College for Leadership and Human Resource Development for FEEL EMPLOYABLE, learning and development interventions, at various educational institutions in Karnataka, assisting Prof. Sunney Tharappan, Director AIMS INSIGHT, The HRD Group Mangalore. She will be involved with the CSR activities of the Portfolio Manager.

(i) Mrs. Avni Prabhakar Kudva

Mrs. Avni Kudva is a graduate in Fashion and Apparel Design from Mount Carmel College, Bangalore. She is an artist by profession. She will be involved with the CSR activities of the Portfolio Manager.

- (iii) Top 10 Group companies/firms of the portfolio manager on turnover. basis (latest audited financial statements may be used for this purpose)

Samvitti Technologies Pvt Ltd.
Samvitti Wealth Pvt Ltd.

- (iv) Details of the services being offered: Discretionary/ Non-discretionary / Advisory.

The Portfolio Manager is providing discretionary portfolio management services, non-discretionary portfolio management services and advisory services. The key features of all the said services are provided as follows:

1. Discretionary Services:

Under the discretionary PMS, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. The Portfolio Manager's decision (taken in good faith) in deployment of the Client Portfolio is absolute and final and cannot be called in question or be open to review at any time during the currency of the Agreement or any time thereafter except on the ground of fraud, *malafide*, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the Applicable Laws. Periodical statements in respect of the Client's assets under management shall be sent to the respective Clients in accordance with the Agreement and the Regulations.

2. Non - Discretionary Services:

Under the non-discretionary PMS, the assets of the Client are managed in consultation with the Client. Under this service, the assets are managed as per the requirements of the Client after due consultation with the Client. The Client has complete discretion to decide on the investment (quantity and price or amount). The Portfolio Manager *inter alia* manages transaction execution, accounting, recording or corporate benefits, valuation and reporting aspects on behalf of the Client.

3. Advisory Services

The Portfolio Manager may provide investment advisory services, in terms of the Regulations, which shall include the responsibility of advising on the portfolio strategy and investment and divestment of individual securities on the Client Portfolio, for an agreed fee structure and for a defined period, entirely at the Client's risk; to all eligible category of Investors who can invest in Indian market including NRIs, FIIs, etc. The Portfolio Manager shall be solely acting as an advisor to the Client Portfolio and shall not be responsible for the investment / divestment of Securities and / or any administrative activities on the Client's Portfolio. The Portfolio Manager shall provide advisory services in accordance with such guidelines and / or directives issued by the regulatory authorities and / or the Client, from time to time, in this regard.

4. Penalties, pending litigation or proceedings, findings of inspection or investigation for which action may have been taken or initiated by any regulatory authority.

- (i) All cases of penalties imposed by the Board or the directions issued by the Board under the Act or rules or regulations made thereunder.

None

- (ii) The nature of the penalty/direction.

None

- (iii) Penalties/fines imposed for any economic offence and/ or for violation of any securities laws.

None

- (iv) Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any.

None

- (v) Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.

None

- (vi) Any enquiry/ adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or rules or regulations made thereunder.

None

5. Services Offered

- (i) **The details with respect to the present Products offered by the Portfolio Manager are provided hereunder:**

All of our portfolios reflect our core investment philosophy: we identify potential sources of return by seeking businesses with strong earnings growth, supported by durable thematic tailwinds, through applied research that combines data as well as price action, shaped by years of experience across different market cycles.

Product / Option: Long Term Growth

Long Term Growth follows the same underlying investment philosophy as Active Alpha, a portfolio driven by earnings growth and thematic tailwinds but with a focus primarily on mid-cap stocks along with select large-cap stocks. The relatively higher allocation to established mid and large capitalisation businesses is intended to provide a comparatively moderate risk profile relative to Active Alpha. This is a moderate-to-high risk investment strategy and follows a model portfolio approach.

Product / Option: Aggressive Growth

Aggressive Growth is a legacy investment approach that has since been succeeded by Active Alpha. The portfolio is currently managed as per the same selection model as Active Alpha for most clients and is maintained as a custom portfolio only for certain existing clients who have not migrated to Active Alpha owing to taxation or other client-specific considerations. This is a high-risk investment strategy.

Product / Option: Active Alpha

Active Alpha is a multi-cap equity portfolio that can invest across large, mid and small capitalization stocks on the basis of a selection model driven by earnings growth and thematic tailwinds. The split between the market caps is driven by the opportunities as foreseen by the fund manager. The portfolio generally maintains a significant allocation to small-cap stocks. While small-cap investments offer substantial growth potential, they carry inherently higher risks, including greater price volatility, lower liquidity and increased sensitivity to market fluctuations, and this positioning may lead to more pronounced drawdowns during market corrections. The active nature of the strategy can result in portfolio churn, which may have an impact on the overall tax liability of the portfolio. This is a high-risk investment strategy and follows a model portfolio approach. Investors are strongly advised to carefully evaluate their risk tolerance and overall asset allocation before investing.

Product / Option: Samvitti Capital Vault

The investment objective of the Investment Approach is to generate risk-adjusted returns over the medium to long term (recommended horizon of 3 years or more) by investing across a diversified basket of asset

classes spanning equity, precious metals, fixed income and other permitted instruments.

Product / Option: Samvitti Capital YieldPlus

The investment objective of the Investment Approach is to generate regular income and stable risk-adjusted returns over the short to medium term (recommended horizon of 1 year or more) by investing predominantly in fixed income and debt-oriented instruments.

Product / Option: Samvitti Capital – Hallmark

The investment objective of the Investment Approach is to generate long-term capital appreciation and provide a portfolio hedge against inflation and currency depreciation (recommended horizon of 3 years or more) by investing predominantly in gold and silver through exchange-traded and mutual fund routes.

Some of the other policies/features of the PMS are provided hereunder:

- (a) The investment objective of the Portfolio Manager is to provide superior and consistent risk adjusted returns for the Client. The Portfolio Manager may invest in listed, unlisted equity and debt securities/products, fixed income products/instruments, mutual fund units, exchange traded fund/s, structured product/s, units/shares of a private equity fund/venture capital fund/alternative investment fund and any other permissible Securities/instruments/products in which the Portfolio Manager can invest in as per Applicable Laws. The Portfolio Manager would seek to generate capital appreciation as well as returns on Client's capital by such investments.
- (b) The Portfolio Manager shall have the sole and absolute discretion to invest the Capital Contribution in accordance with the Agreement and make changes to the investment pattern and/or invest all or some of the Capital Contribution in a manner that it deems fit.
- (c) The Portfolio Manager may exercise voting rights, if any, and such other rights in relation to any Securities held on behalf of or invested with the Capital Contribution, in its absolute discretion, but subject to Applicable Laws.
- (d) The Portfolio Manager, in its absolute discretion, may conduct operations and transactions including sale and purchase transactions from the Client Portfolio through agencies, entities, brokers or a panel of brokers at prevalent market prices.
- (e) In the management of the Client Portfolio, the Portfolio Manager may, in its sole discretion apply for, subscribe, obtain, buy, accept, acquire, endorse, transfer, redeem, renew, exchange, dispose, sell or otherwise deal in the Securities and generally manage, convert, transpose and vary the investments of the Client's Portfolio. 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 undertake from time to time.

- (f) Accruals, accretions, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and / or replacements or any other beneficial interest including dividend, interest, premium, discounts and other rights, benefits and accruals that accrue to the investments in respect of the Client's Portfolio shall be received by the Portfolio Manager in the name of the Client and would in any event belong to Client Portfolio.
- (g) The Portfolio Manager shall buy and sell Securities on the basis of delivery and shall in all cases of purchases, take delivery of the relevant Securities and in all cases of sale, deliver the relevant Securities and shall in no case put itself in a position whereby it has made a short sale or needs to carry forward a transaction or engage in badla finance, bill discounting or lending or placement with corporate or non-corporate bodies except where it is permitted to trade in derivatives in accordance with the Regulations. The Portfolio Manager may, subject to authorization by the Client in writing, participate in securities lending as per the Securities Lending Scheme, 1997 specified by SEBI.
- (h) Subject to the fees charged by the Portfolio Manager, and other deductible expenses, all variations in the value including capital appreciation or depreciation, trading profits or losses, dividends, interest, premium, discounts and other rights and accruals on the Securities of the Client's Portfolio, would be to the account of and belong solely to the Client. Subject to the aforesaid, the Portfolio Manager, may from time to time:
 - i. purchase or sell Securities inter se among its clients;
 - ii. have business relationship with Portfolio Entity/ies whose Securities are held, purchased or sold for the Client's account and may be separately compensated for carrying on such other business activity by the Portfolio Entity/ies; and
 - iii. purchase, hold and sell for the Client's account any Securities that may have been held or acquired by it or by its clients with whom it has business relationships subject to the provisions of Clause (ii) hereinabove.
- (i) The Portfolio Manager shall keep the funds of the Client in a separate bank account maintained with a scheduled commercial bank segregated from the accounts of Portfolio Manager's other clients or, at its discretion, along with the funds of other clients in the PMS subject to the requirements laid down under Regulations and use the same for the purpose of the purchase and sale of Securities allowed in the Agreement and for payment of allowable expenses/fees and for the purposes set out in the Agreement. The Portfolio Manager shall not use funds of the Client for the benefit of any other clients. Accounts of the Client shall be segregated from the accounts of all the other clients of the Portfolio Manager and shall be maintained separately.
- (j) The Portfolio Manager shall be free to deploy idle cash balances of the Client, which may arise from time to time, in bank deposits, liquid or money market or other direct plan of mutual fund schemes, money market instruments including, commercial paper, trade bill, treasury bill, certificate of deposit and usance bill or such other Securities as per the Applicable Laws. In no

case shall the Portfolio Manager deploy the Capital Contribution in unregulated financing mechanism such as badla or discounting of bills of exchange or for the purpose of lending or placement with corporate or non-corporate bodies unless otherwise permitted by SEBI.

(ii) Investment Approaches of the Portfolio Manager

Please refer to **Annexure I** for more details

(iii) The policies for investments in associates/group companies of the portfolio manager and the maximum percentage of such investments therein subject to the applicable laws/regulations/guidelines.

The Portfolio Manager shall not invest the funds of the Clients in any security of an associate/group companies of the Portfolio Manager.

(iv) Distributors: The Portfolio Manager shall have the right, in its sole discretion to

- (i) Appoint and engage channel partners and/or distributors to solicit and/or on-board Clients subject to applicable law and the terms of such appointment and/or
- (ii) On-board the Clients directly without intermediation of any channel Partners or distributors.

6. Risk factors

A. General Risks Factors

- (1) Investment in Securities, whether on the basis of fundamental or technical analysis or otherwise, is subject to market risks which include price fluctuations, impact cost, basis risk etc.
- (2) The Portfolio Manager does not assure that the objectives of any of the Investment Approach will be achieved and investors are not being offered any guaranteed returns. The investments may not be suitable to all the investors.
- (3) The names of the Investment Approach do not in any manner indicate their prospects or returns.
- (4) Appreciation in any of the Investment Approach can be restricted in the event of a high asset allocation to cash, when stock appreciates. The performance of any Investment Approach may also be affected due to any other asset allocation factors.
- (5) When investments are restricted to a particular or few sector(s) under any Investment Approach; there arises a risk called non-diversification or concentration risk. If the sector(s), for any reason, fails to perform, the Portfolio value will be adversely affected.
- (6) Each Portfolio will be exposed to various risks depending on the investment objective, Investment Approach and the asset allocation. The investment objective, Investment Approach and the asset allocation may differ from Client to Client. However, generally, highly concentrated Portfolios with lesser number of stocks will be more volatile than a Portfolio with a larger number of stocks.
- (7) The values of the Portfolio may be affected by changes in the general market conditions and 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.
- (8) The Portfolio Manager shall act in fiduciary capacity in relation to the Client's Funds and shall endeavor to mitigate any potential conflict of interest that could arise while dealing in a manner which is not detrimental to the Client.

B. Risk associated with equity and equity related instruments

- (1) Equity and equity related instruments by nature are volatile and prone to price fluctuations on a daily basis due to macro and micro economic factors. The value of equity and equity related instruments may fluctuate due to factors affecting the securities markets such as volume and volatility in the capital markets, interest rates, currency exchange rates, changes

in law/policies of the government, taxation laws, political, economic or other developments, which may have an adverse impact on individual Securities, a specific sector or all sectors. Consequently, the value of the Client's Portfolio may be adversely affected.

- (2) Equity and equity related instruments listed on the stock exchange carry lower liquidity risk, however the Portfolio Manager's ability to sell these investments is limited by the overall trading volume on the stock exchanges. In certain cases, settlement 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 Client to miss certain investment opportunities. Similarly, the inability to sell Securities held in the Portfolio may result, at times, in potential losses to the Portfolio, should there be a subsequent decline in the value of Securities held in the Client's Portfolio.
- (3) Risk may also arise due to an inherent nature/risk in the stock markets such as, volatility, market scams, circular trading, price rigging, liquidity changes, de-listing of Securities or market closure, relatively small number of scrip's accounting for a large proportion of trading volume among others.

C. Risk associated with debt and money market securities

- (1) Interest Rate Risk

Fixed income and money market Securities run interest-rate risk. Generally, when interest rates rise, prices of existing fixed income Securities fall and when interest rate falls, the prices increase. In case of floating rate Securities, an additional risk could arise because of the changes in the spreads of floating rate Securities. With the increase in the spread of floating rate Securities, the price can fall and with decrease in spread of floating rate Securities, the prices can rise.

- (2) Liquidity or Marketability Risk

The ability of the Portfolio Manager to execute sale/purchase order is dependent on the liquidity or marketability. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. The Securities that are listed on the stock exchange carry lower liquidity risk, but the ability to sell these Securities is limited by the overall trading volumes. Further, different segments of Indian financial markets have different settlement cycles and may be extended significantly by unforeseen circumstances.

- (3) Credit Risk

Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security).

Because of this risk corporate debentures are sold at a higher yield above those offered on government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

(4) Reinvestment Risk

This refers to the interest rate risk at which the intermediate cash flows received from the Securities in the Portfolio including maturity proceeds are reinvested. Investments in fixed income Securities may carry re-investment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the debt security. Consequently, the proceeds may get invested at a lower rate.

D. Risk associated with derivatives instruments

1. The use of derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Portfolio Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Portfolio Manager involve uncertainty and decision of Portfolio Manager may not always be profitable. No assurance can be given that the Portfolio Manager will be able to identify or execute such strategies.
2. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price of interest rate movements correctly. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Other risks include settlement risk, risk of mispricing or improper valuation and the inability of the derivative to correlate perfectly with underlying assets, rates and indices, illiquidity risk whereby the Portfolio Manager may not be able to sell or purchase derivative quickly enough at a fair price.

E. Risk associated with investments in mutual fund schemes

1. Mutual funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the schemes will be achieved. The various factors which impact the value of the scheme's investments include, but are not limited to, fluctuations in markets, interest rates, prevailing political and economic environment, changes in government policy, tax laws in various countries, liquidity of the underlying instruments, settlement periods, trading volumes, etc.
2. As with any securities investment, the NAV of the units issued under the schemes can go up or down, depending on the factors and forces affecting the capital markets.

3. Past performance of the sponsors, asset management company (AMC)/fund does not indicate the future performance of the schemes of the fund.
4. The Portfolio Manager shall not be responsible for liquidity of the scheme's investments which at times, be restricted by trading volumes and settlement periods. The time taken by the scheme for redemption of units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the schemes.
5. The Portfolio Manager shall not responsible, if the AMC/ fund does not comply with the provisions of SEBI (Mutual Funds) Regulations, 1996 or any other circular or acts as amended from time to time. The Portfolio Manager shall also not be liable for any changes in the offer document(s)/scheme information document(s) of the scheme(s), which may vary substantially depending on the market risks, general economic and political conditions in India and other countries globally, the monetary and interest policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally.
6. The Portfolio Manager shall not be liable for any default, negligence, lapse error or fraud on the part of the AMC/the fund.
7. While it would be the endeavor of the Portfolio Manager to invest in the schemes in a manner, which will seek to maximize returns, the performance of the underlying schemes may vary which may lead to the returns of this portfolio being adversely impacted.
8. The scheme specific risk factors of each of the underlying schemes become applicable where the Portfolio Manager invests in any underlying scheme. Investors who intend to invest in this portfolio are required to and are deemed to have read and understood the risk factors of the underlying schemes.

F. Risk arising out of non-diversification

1. The investment according to investment objective of a Portfolio may result in concentration of investments in a specific security / sector/ issuer, which may expose the Portfolio to risk arising out of non-diversification. Further, the portfolio with investment objective to invest in a specific sector / industry would be exposed to risk associated with such sector / industry and its performance will be dependent on performance of such sector / industry. Similarly, the portfolios with investment objective to have larger exposure to certain market capitalization buckets, would be exposed to risk associated with underperformance of those relevant market capitalization buckets. Moreover, from the style orientation perspective, concentrated exposure to value or growth stocks based on the requirement of the mandate/strategy may also result in risk associated with this factor.

G. Risk arising out of investment in Associate and Related Party transactions

1. All transactions of purchase and sale of securities by portfolio manager and its employees who are directly involved in investment operations shall be disclosed if found having conflict of

interest with the transactions in any of the client's portfolio.

2. The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the Portfolio Manager shall endeavor to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm's length basis.
3. The Portfolios may invest in its Associates/ Related Parties relating to portfolio management services and thus conflict of interest may arise while investing in securities of the Associates/Related Parties of the Portfolio Manager. Portfolio Manager shall ensure that such transactions shall be purely on arms' length basis and to the extent and limits permitted under the Regulations. Accordingly, all market risk and investment risk as applicable to securities may also be applicable while investing in securities of the Associates/Related Parties of the Portfolio Manager.

7. Nature of expenses

The following are the general costs and expenses to be borne by the Clients availing the services of the Portfolio Manager. However, the exact nature of expenses relating to each of the following services is annexed to the Agreement in respect of each of the services provided.

I. Management Fee:

The Management Fees relates to the portfolio management services offered to the Clients. The fee may be a fixed charge or a percentage of the quantum of the funds being managed as agreed in the Agreement.

[The Portfolio Manager charges a Fixed Management Fee of up to 2.50% p.a. (exclusive of applicable taxes) of the value of Client's Portfolio.]

II. Performance Fee:

The Performance Fee relates to the share of profits charged by the Portfolio Manager, subject to hurdle rate and high-water mark principle as agreed in the Agreement.

[The Portfolio Manager charges a Performance Fee of up to 20%p.a. (exclusive of applicable taxes).]

III. Advisory fees:

The advisory fees relates to the advisory services offered by the Portfolio Manager to the Client. The fee may be a fixed charge or a percentage of the quantum of the funds being advised as agreed in the Agreement.

[The Portfolio Manager charges an advisory fee of up to 2.50% p.a. (exclusive of applicable taxes).]

IV. Termination Fee/Exit charges:

The Portfolio Manager may charge early Termination Fee as may be agreed upon between the Portfolio Manager and the Clients as per the terms and conditions of a particular Product.

The Portfolio Manager is allowed to charge a Termination Fee of up to 3% for redemptions within 12 (twelve) months of investment, up to 2% for redemptions within 24 (twenty-four) months of investment and up to 1% redemptions within 36 (thirty-six) months of investment. However, we are not charging any such termination fee to our investors.

V. Other fees and expenses:

- i. Services related to regular communication, documentation expenses, execution charges, account statements, etc. Charges relating to custody, fund accounting and transfer of shares, bonds and units, and/or any other charges in respect of the investment.

- ii. Depository/custodian fee:

Charges relating to opening and operation of demat account, dematerialization and rematerialization, etc.

iii. Registrars and Transfer Agents' fees:

Fees payable to the Registrars and Transfer Agents in connection with effecting transfer of any or all of the securities and bonds including stamp duty, cost of affidavits, notary charges, postage stamps and courier charges.

iv. Brokerage, Transaction Costs and other Services:

The brokerage and other charges like stamp duty, transaction cost and statutory levies such as GST, securities transaction tax, turnover fees and such other levies as may be imposed from time to time.

VI. Any other incidental or ancillary expenses:

All other costs, expenses, charges, levies, duties, administrative, statutory, revenue levies and other incidental costs, fees, expenses not specifically covered above arising out of or in the course of managing or operating the Portfolio incurred by the Portfolio Manager on behalf of the Client shall be charged to the Client.

8. Taxation

A. General

The following information is based on the tax laws in force in India as of the date of this Disclosure Document and reflects the Portfolio Manager's understanding of applicable provisions. The tax implications for each Client may vary significantly based on residential status and individual circumstances. As the information provided is generic in nature, Clients are advised to seek guidance from their own tax advisors or consultants regarding the tax treatment of their income, losses, and expenses related to investments in the portfolio management services. The Client is responsible for meeting advance tax obligations as per applicable laws.

B. Tax deducted at source

In the case of resident clients, the income arising by way of dividend, interest on securities, income from units of mutual fund, etc. from investments made in India are subject to the provisions of tax deduction at source (TDS). Residents without Permanent Account Number (PAN) are subjected to a higher rate of TDS.

In the case of non-residents, any income received or accrues or arises; or deemed to be received or accrue or arise to him in India is subject to the provisions of tax deduction at source under the IT Act. The authorized dealer is obliged and responsible to make sure that all such relevant compliances are made while making any payment or remittances from India to such non-residents. Also, if any tax is required to be withheld on account of any future legislation, the Portfolio Manager shall be obliged to act in accordance with the regulatory requirements in this regard. Non-residents without PAN or tax residency certificate (TRC) of the country of his residence are currently subjected to a higher rate of TDS.

The Finance Act, 2021 introduced a special provision to levy higher rate for TDS for the residents who are not filing income-tax return in time for previous two years and aggregate of TDS is INR 50,000 or more in each of these two previous years. This provision of higher TDS is not applicable to a non-resident who does not have a permanent establishment in India and to a resident who is not required to furnish the return of income.

C. Long Term Capital Gains

Where investments under the portfolio management services are treated as capital assets/investments, any gain or loss arising from the transfer of such Securities shall be chargeable under the head "Capital Gains" in accordance with section 45 and other applicable provisions of the Income-tax Act, 1961 ("IT Act").

Period of Holding

For FY 2025-26, the period of holding for determining whether a capital asset is a long-term or short-term capital asset shall generally be as follows:

Nature of Capital Asset	Short-term Capital Asset	Long-term Capital Asset
A security listed on a recognised stock exchange in India, including a listed unit	Held for not more than 12 months	Held for more than 12 months
Unit of Unit Trust of India, unit of an equity-oriented fund or zero-coupon bond	Held for not more than 12 months	Held for more than 12 months
Other capital assets, including unlisted shares and unlisted units, subject to section 50AA	Held for not more than 24 months	Held for more than 24 months
Unit of a Specified Mutual Fund acquired on or after 1 April 2023 and covered by section 50AA	Deemed short-term irrespective of period of holding	Not applicable
Market Linked Debenture covered by section 50AA	Deemed short-term irrespective of period of holding	Not applicable
Unlisted bond or unlisted debenture transferred, redeemed or maturing on or after 23 July 2024	Deemed short-term irrespective of period of holding	Not applicable

The above period-of-holding provisions are subject to specific provisions of the IT Act, including section 50AA.

• **Definition of Specified Mutual Fund:**

"Specified Mutual Fund" means, —

- (a) a Mutual Fund by whatever name called, which invests more than sixty-five per cent. of its total proceeds in debt and money market instruments; or
- (b) a fund which invests sixty-five per cent. or more of its total proceeds in units of a fund referred to in sub-clause (a).

• **Definition of debt and money market instruments:**

"debt and money market instruments" shall include any securities, by whatever name called, classified or regulated as debt and money market instruments by the Securities and Exchange Board of India.

• **Definition of Market Linked Debenture:**

"**Market Linked Debenture**" means a security by whatever name called, which has an underlying principal component in the form of a debt security and where the returns are linked to the market returns on other underlying securities or indices, and includes any security classified or regulated as a market linked debenture by SEBI.

• **For listed equity shares in a domestic company or units of equity-oriented fund or business trust**

Under section 112A of the IT Act, long-term capital gains arising during FY 2025-26 from the transfer of listed equity shares, units of an equity-oriented fund or units of a business trust are taxable at the rate of 12.5% on the amount of such long-term capital gains exceeding ₹1,25,000, subject to satisfaction of the applicable Securities Transaction Tax ("STT") conditions.

In the case of an equity share in a company, STT is generally required to have been paid on acquisition and transfer, subject to the notified exceptions in relation to acquisition. In the case of a unit of an equity-oriented fund or a unit of a business trust, STT is required to have been paid on transfer.

The STT condition relating to transfer shall not apply to a qualifying transaction undertaken on a recognised stock exchange located in an International Financial Services Centre where the consideration is paid or payable in foreign currency.

Long-term capital gains chargeable under section 112A are computed without the benefit of indexation.

In respect of eligible equity shares, units of equity-oriented funds or units of business trusts acquired before 1 February 2018, the cost of acquisition shall be determined in accordance with section 55(2)(ac). Broadly, the cost of acquisition shall be the higher of (i) the actual cost of acquisition; and (ii) the lower of the fair market value as on 31 January 2018 and the full value of consideration received or accruing on transfer, subject to the detailed provisions of section 55(2)(ac).

Income in respect of units of a Mutual Fund may be subject to tax deduction at source under section 194K, subject to the applicable conditions and threshold. Capital gains arising on redemption of units are not subject to tax deduction under section 194K.

Deduction under Chapter VI-A is not available against such long-term capital gains in terms of section 112A(5). Further, in terms of section 112A(6), rebate under section 87A shall be allowed only against tax on total income as reduced by the tax payable on such long-term capital gains.

• **For other capital assets (securities and units) in the hands of resident of India**

Long-term capital gains arising during FY 2025-26 from the transfer of capital assets not covered by section 112A are generally taxable under section 112 at the rate of 12.5% plus applicable surcharge and Health and Education Cess, without the benefit of indexation, subject to other specific provisions of the IT Act.

Accordingly, in the case of Securities and units forming part of a PMS portfolio and transferred during FY 2025-26, long-term capital gains would generally be taxable at 12.5%, unless a specific provision of the IT Act provides otherwise.

• **For capital assets in the hands of Foreign Portfolio Investors (FPIs)**

In the case of Foreign Portfolio Investors (“FPIs”), capital gains shall be taxable in accordance with section 115AD and other applicable provisions of the IT Act.

Long-term capital gains arising from transfer of Securities other than those covered under section 112A are generally taxable at 12.5% for transfers taking place during FY 2025-26, without the benefit of indexation or foreign currency fluctuation adjustment, as applicable under section 115AD.

Long-term capital gains covered by section 112A are taxable at 12.5% on the amount exceeding ₹1,25,000, subject to the applicable conditions.

• **For other capital asset in the hands of non-resident Indians**

Special provisions contained in Chapter XII-A may apply to a Non-resident Indian in respect of a “foreign exchange asset”. For this purpose, a foreign exchange asset means a specified asset acquired or purchased with, or subscribed to in, convertible foreign exchange.

Specified assets include, inter alia, shares in an Indian company, specified debentures and deposits with an Indian company, Central Government securities and such other assets as may be notified.

Where the provisions of section 115E apply, investment income from a foreign exchange asset is taxable at 20%, while long-term capital gains covered by Chapter XII-A arising from a transfer during FY 2025-26 are taxable at 12.5%, plus applicable surcharge and Health and Education Cess.

The applicability of Chapter XII-A is subject to satisfaction of the conditions prescribed under sections 115C to 115I of the IT Act.

D. Short Term Capital Gains

Under section 111A of the IT Act, short-term capital gains arising during FY 2025-26 from transfer of an equity share in a company, unit of an equity-oriented fund or unit of a business trust, where the applicable STT conditions are satisfied, are taxable at the rate of 20% plus applicable surcharge and Health and Education Cess.

In the case of a qualifying transaction undertaken on a recognised stock exchange located in an International Financial Services Centre where the consideration is paid or payable in foreign currency, the condition relating to chargeability to STT does not apply.

In computing capital gains, no deduction is allowable in respect of STT paid.

Short-term capital gains arising from other capital assets are generally taxable at the rates applicable to the relevant assessee, unless a specific provision of the IT Act provides for a special rate.

In accordance with section 50AA, the following shall be deemed to give rise to capital gains from transfer of a short-term capital asset, irrespective of the period of holding:

- (a) a unit of a Specified Mutual Fund acquired on or after 1 April 2023;
- (b) a Market Linked Debenture; and
- (c) an unlisted bond or unlisted debenture which is transferred or redeemed or matures on or after 23 July 2024.

For AY 2026-27, in the case of a resident individual whose total income is chargeable under section 115BAC(1A), the rebate available under the first proviso to section 87A is restricted to the income-tax payable at the rates specified under section 115BAC(1A). Accordingly, such rebate is not available against tax payable on income chargeable at special rates under Chapter XII, including short-term capital gains taxable under section 111A.

Deduction under Chapter VI-A is not available against short-term capital gains chargeable under section 111A to the extent provided under the applicable provisions of the IT Act.

E. Profits and Gains of Business or Profession

Where Securities held under the portfolio management services are regarded as stock-in-trade or trading assets, any gain or loss arising from the transfer of such Securities may be chargeable under the head “Profits and Gains of Business or Profession” in accordance with section 28 and other applicable provisions of the IT Act.

Such income shall be computed after allowing expenses that are deductible under the applicable provisions of the IT Act.

Interest income arising from Securities may, depending upon the facts and circumstances of the Client, be taxable either as “Income from Other Sources” or as “Profits and Gains of Business or Profession”. Expenses incurred in relation to such income may be allowable as deduction subject to the conditions, restrictions and limitations contained in the IT Act.

F. Losses under the Head Capital Gains / Business Income

Short-term capital loss arising during a year may be set off against both short-term and long-term capital gains. Long-term capital loss may be set off only against long-term capital gains.

Any unabsorbed short-term or long-term capital loss may, subject to the applicable provisions of the IT Act, be carried forward for eight assessment years immediately succeeding the assessment year in which the loss was first computed. A short-term capital loss carried forward may be set off against any capital gains, whereas a long-term capital loss carried forward may be set off only against long-term capital gains.

Non-speculation business loss may generally be carried forward for eight assessment years and set off against profits and gains of business or profession in accordance with section 72.

Loss from a speculation business is governed separately by section 73 and may generally be carried forward for four assessment years and set off only against profits of a speculation business.

Carry-forward of business losses and capital losses is subject to the return of loss being furnished in accordance with section 139(3) read with section 80 of the IT Act.

H. General Anti Avoidance Rules (GAAR)

GAAR may be invoked by the Indian income-tax authorities in case arrangements are found to be impermissible avoidance arrangements. A transaction can be declared as an impermissible avoidance arrangement, if the main purpose of the arrangement is to obtain a tax benefit and which satisfies one of the 4 (four) below mentioned tainted elements:

- The arrangement creates rights or obligations which are ordinarily not created between parties dealing at arm's length;
- It results in directly / indirectly misuse or abuse of the IT Act;
- It lacks commercial substance or is deemed to lack commercial substance in whole or in part; or
- It is entered into, or carried out, by means, or in a manner, which is not normally employed for bona fide purposes.

In such cases, the tax authorities are empowered to reallocate the income from such arrangement, or recharacterize or disregard the arrangement. Some of the illustrative powers are:

- Disregarding or combining or recharacterizing any step in, or a part or whole of the arrangement;
- Ignoring the arrangement for the purpose of taxation law;
- Relocating place of residence of a party, or location of a transaction or situation of an asset to a place other than provided in the arrangement;
- Looking through the arrangement by disregarding any corporate structure; or
- Recharacterizing equity into debt, capital into revenue, etc.

The GAAR provisions would override the provisions of a treaty in cases where GAAR is invoked. The necessary procedures for application of GAAR and conditions under which it should not apply, have been enumerated in Rules 10U to 10UC of the Income-tax Rules, 1962. The Income-tax Rules, 1962 provide that GAAR should not be invoked unless the tax benefit in the relevant year does not exceed INR 3 crores.

On 27 January 2017, the CBDT has issued clarifications on implementation of GAAR provisions in response to various queries received from the stakeholders and industry associations. Some of the important clarifications issued are as under:

- Where tax avoidance is sufficiently addressed by the Limitation of Benefit Clause (LOB) in a tax treaty, GAAR should not be invoked.

- GAAR should not be invoked merely on the ground that the entity is located in a tax efficient jurisdiction.
- GAAR is with respect to an arrangement or part of the arrangement and limit of INR 3 crores cannot be read in respect of a single taxpayer only.

I. FATCA Guidelines

According to the Inter-Governmental Agreement read with the Foreign Account Tax Compliance Act (FATCA) provisions and the Common Reporting Standards (CRS), foreign financial institutions in India are required to report tax information about US account holders and other account holders to the Indian Government. The Indian Government has enacted rules relating to FATCA and CRS reporting in India. A statement is required to be provided online in Form 61B for every calendar year by 31 May. The reporting financial institution is expected to maintain and report the following information with respect to each reportable account:

- a. the name, address, taxpayer identification number and date and place of birth;
- b. where an entity has one or more controlling persons that are reportable persons:
 - i. the name and address of the entity, TIN assigned to the entity by the country of its residence; and
 - ii. the name, address, date of birth, place of birth of each such controlling person and TIN assigned to such controlling person by the country of his residence.
- c. account number (or functional equivalent in the absence of an account number);
- d. account balance or value (including, in the case of a cash value insurance contract or annuity contract, the cash value or surrender value) at the end of the relevant calendar year; and
- e. the total gross amount paid or credited to the account holder with respect to the account during the relevant calendar year.

Further, it also provides for specific guidelines for conducting due diligence of reportable accounts, viz. US reportable accounts and other reportable accounts (i.e. under CRS).

J. Goods and Services Tax on Services Provided by the Portfolio Manager

Goods and Services Tax (GST) will be applicable on services provided by the Portfolio Manager to its Clients. Accordingly, GST at the rate of 18% would be levied on fees if any, payable towards portfolio management fee.

9. Accounting policies

Following accounting policies are followed for the portfolio investments of the Client:

A. Client Accounting

- (1) The Portfolio Manager shall maintain a separate Portfolio record in the name of the Client in its book for accounting the assets of the Client and any receipt, income in connection therewith as provided under Regulations. Proper books of accounts, records, and documents shall be maintained to explain transactions and disclose the financial position of the Client's Portfolio at any time.
- (2) The books of account of the Client shall be maintained on an historical cost basis.
- (3) Transactions for purchase or sale of investments shall be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during a Financial Year are recorded and reflected in the financial statements for that year.
- (4) All expenses will be accounted on due or payment basis, whichever is earlier.
- (5) The cost of investments acquired or purchased shall include brokerage, stamp charges and any charges customarily included in the broker's contract note. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment. Sales are accounted based on proceeds net of brokerage, stamp duty, transaction charges and exit loads in case of units of mutual fund. Securities transaction tax, demat charges and Custodian fees on purchase/ sale transaction would be accounted as expense on receipt of bills. Transaction fees on unsettled trades are accounted for as and when debited by the Custodian.
- (6) Tax deducted at source (TDS) shall be considered as withdrawal of portfolio and debited accordingly.

B. Recognition of portfolio investments and accrual of income

- (7) In determining the holding cost of investments and the gains or loss on sale of investments, the "first in first out" (FIFO) method will be followed.
- (8) Unrealized gains/losses are the differences, between the current market value/NAV and the historical cost of the Securities. For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.
- (9) Dividend on equity shares and interest on debt instruments shall be accounted on accrual basis. Further, mutual fund dividend shall be accounted on receipt basis.
- (10) Bonus shares/units to which the security/scrip in the portfolio becomes entitled will be

recognized only when the original share/scrip on which bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.

- (11) Similarly, right entitlements will be recognized only when the original shares/security on which the right entitlement accrues is traded on the stock exchange on the ex-right basis.
- (12) In respect of all interest-bearing Securities, income shall be accrued on a day-to-day basis as it is earned.
- (13) Where investment transactions take place outside the stock exchange, for example, acquisitions through private placement or purchases or sales through private treaty, the transactions shall be recorded, in the event of a purchase, as of the date on which the scheme obtains an enforceable obligation to pay the price or, in the event of a sale, when the scheme obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.

C. Valuation of portfolio investments

- (14) Investments in listed equity shall be valued at the last quoted closing price on the stock exchange. When the Securities are traded on more than one recognized stock exchange, the Securities shall be valued at the last quoted closing price on the stock exchange where the security is principally traded. It would be left to the portfolio manager to select the appropriate stock exchange, but the reasons for the selection should be recorded in writing. There should, however, be no objection for all scrips being valued at the prices quoted on the stock exchange where a majority in value of the investments are principally traded. When on a particular valuation day, a security has not been traded on the selected stock exchange, the value at which it is traded on another stock exchange may be used. When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the selected stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than thirty days prior to the valuation date.
- (15) Investments in units of a mutual fund are valued at NAV of the relevant scheme. Provided investments in mutual funds shall be through direct plans only.
- (16) Debt Securities and money market Securities shall be valued as per the prices given by third party valuation agencies or in accordance with guidelines prescribed by Association of Portfolio Managers in India (APMI) from time to time.
- (17) Unlisted equities are valued at prices provided by independent valuer appointed by the Portfolio Manager basis the International Private Equity and Venture Capital Valuation (IPEV) Guidelines on a semi-annual basis.
- (18) In case of any other Securities, the same are valued as per the standard valuation norms applicable to the mutual funds.

The Investor may contact the customer services official of the Portfolio Manager for the purpose of clarifying or elaborating on any of the above policy issues.

The Portfolio Manager may change the valuation policy for any particular type of security consequent to any regulatory changes or change in the market practice followed for valuation of similar Securities. However, such changes would be in conformity with the Regulations.

10. Investors services

- i. Name, address and telephone number of the investor relation officer who shall attend to the investor queries and complaints.

Name	Nithesh V Bhat
Address	16/100 (2), Kalasha Nivasa, Hari Hara Nagara, Karnad, Mulki-574154
Contact No	0824 3578936, 0824 2983541
Email id	nbhat@samvitticapital.com

- ii. Grievance redressal and dispute settlement mechanism.

The aforesaid personnel of the Portfolio Manager shall attend to and address any Client query/concern/grievance at the earliest. The Portfolio Manager will ensure that this personnel is vested with the necessary authority and independence to handle Client complaints.

The aforesaid personnel will immediately identify the grievance and take appropriate steps to eliminate the causes of such grievances to the satisfaction of the Client. Effective grievance management would be an essential element of the Portfolio Manager's portfolio management services and the aforesaid official may adopt the following approach to manage grievance effectively and expeditiously:

1. **Quick action-** As soon as any grievance arises, it would be identified and resolved. This will lower the detrimental effects of grievance.
2. **Acknowledging grievance-** The aforesaid personnel shall acknowledge the grievance put forward by the Client and look into the complaint impartially and without any bias.
3. **Gathering facts-** The aforesaid personnel shall gather appropriate and sufficient facts explaining the grievance's nature. A record of such facts shall be maintained so that these can be used in later stage of grievance redressal.
4. **Examining the causes of grievance-** The actual cause of grievance would be identified. Accordingly, remedial actions would be taken to prevent repetition of the grievance.
5. **Decision-making** - After identifying the causes of grievance, alternative course of actions would be thought of to manage the grievance. The effect of each course of action on the existing and future management policies and procedure would be analyzed and accordingly decision should be taken by the aforesaid official. The aforesaid official would execute the decision quickly.
6. **Review** - After implementing the decision, a follow-up would be there to ensure that the grievance has been resolved completely and adequately.

Grievances/concerns, if any, which may not be resolved/satisfactorily addressed in aforesaid manner shall be redressed through the administrative mechanism by the designated Compliance Officer, namely Nithesh V Bhat and subject to the Regulations. The Compliance Officer will endeavor to address such grievance in a reasonable manner and time. The coordinates of the Compliance Officer are provided as under:

Name	Nithesh V Bhat
Address	16/100 (2), Kalasha Nivasa, Hari Hara Nagara, Karnad, Mulki-574154
Contact No	0824 3578936, 0824 2983541
Email id	nbhat@samvitticapital.com

If the Client still remains dissatisfied with the remedies offered or the stand taken by the Compliance Officer, the Client and the Portfolio Manager shall abide by the following mechanisms:

Any dispute unresolved by the above internal grievance redressal mechanism of the Portfolio Manager, can be submitted to mediation / conciliation/arbitration under online dispute resolution as specified by SEBI vide its circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023.

Without prejudice to anything stated above, the Client can also register its grievance/complaint through SCORES (Sebi Complaints Redress System), post which the complaint will be either routed to the Portfolio Manager or to SEBI (as applicable), which may then forward the complaint to the Portfolio Manager and the Portfolio Manager will suitably address the same. SCORES is available at <https://scores.sebi.gov.in/> and the SCORES registration number is PFM00336.

After exhausting the aforesaid mentioned options for resolution of the grievance, if the Client is still not satisfied with the outcome they can initiate dispute resolution mechanism that includes mediation and / or conciliation and / or arbitration, through the Online Dispute Resolution Portal (ODR Portal) at <https://smartodr.in/login> in accordance with the procedure specified by SEBI vide SEBI circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on Aug 04,2023 & Dec 20,2023) on Online Resolution of Disputes in the Indian Securities Market. A copy of the said SEBI circular is available at https://www.sebi.gov.in/legal/master-circulars/dec-2023/master-circular-for-online-resolution-of-disputes-in-the-indian-securities-market_80236.html and also available on <https://samvitticapital.in/products/pms>

11. Details of the diversification policy of the portfolio manager

This policy has been laid down to ensure the risk is spread across different asset classes, issuers and time horizon within the framework laid down in the specific Investment Approach. The Portfolio Manager follows a rule-based approach to investments. In this approach, Securities are eliminated by analyzing past data and selected based on rules / bottom-up or top-down research approach. This results in a well-diversified portfolio with broad based caps for weightages on individual stocks as well as sector. The Portfolio Manager shall periodically review the portfolios to maintain appropriate portfolio mix depending upon investment goals, market conditions, risk tolerance and liquidity requirement to ensure diversification and meet long term goals. However, the Clients need to understand that too much diversification require large capital investment and may also lead to losses. Further, portfolio churning for achieving diversification may not be effective on a long-term basis in achievement of investment goals. Accordingly, diversification shall be undertaken while balancing risk and return to achieve desired results in achieving investment goals.

Annexure I

Investment Approaches

1. Samvitti Long Term Growth Approach

- **Investment objective**

Long Term Growth follows the same underlying investment philosophy as Active Alpha, a portfolio driven by earnings growth and thematic tailwinds but with a focus primarily on mid-cap stocks along with select large-cap stocks. The relatively higher allocation to established mid and large capitalisation businesses is intended to provide a comparatively moderate risk profile relative to Active Alpha. This is a moderate-to-high risk investment strategy and follows a model portfolio approach.

- **Appropriate benchmark to compare performance and basis for choice of benchmark**

S&P BSE500TRI

- **Investment objective**

Focus on wealth creation across multiple business and market cycles.

- **Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.**

All listed and SEBI approved instruments.

- **Basis of selection of such types of securities as part of the investment approach:**

Driven by a combination of fundamentals and technical.

- **Allocation of portfolio across types of securities**

As per the Client profile and/or market opportunity typically ranging from 0-100% on an average.

- **Indicative tenure or investment horizon**

At least 3-5 years.

- **Risks associated with the investment approach**

Below are select risks associated with the investment approach apart from those disclosed under Clause 6 of this Document. The risks may affect portfolio performance even though the Portfolio Manager

may take measures to mitigate the same.

Company risk: The performance of the investment approach will depend upon the business performance of the Portfolio Entity and its future prospects. Portfolio Manager's focus on business fundamentals through the approach mentioned above will help the Portfolio Manager in mitigating these sector or company risks.

Valuation risk: The Portfolio Manager will assess the Portfolio Entities from varied valuation number, the Portfolio Manager is definitely wary of overpaying and will consider various parameters in order to establish whether the valuations are reasonable while investing and reassessing the same from time to time.

Liquidity Risk: The Portfolio Manager may make investments in the companies where there may be an issue in market liquidity and hence the impact cost of buying or selling may be substantial.

- **Other salient features, if any.**

Not Applicable.

2. Samvitti Aggressive Growth Approach

- **Investment objective**

Aggressive Growth is a legacy investment approach that has since been succeeded by Active Alpha. The portfolio is currently managed as per the same selection model as Active Alpha for most clients and is maintained as a custom portfolio only for certain existing clients who have not migrated to Active Alpha owing to taxation or other client-specific considerations. This is a high-risk investment strategy.

- **Appropriate benchmark to compare performance and basis for choice of benchmark**

S&P BSE500TRI

- **Investment objective**

Focus on wealth creation across multiple business and market cycles.

- **Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.**

All listed and SEBI approved instruments.

- **Basis of selection of such types of securities as part of the investment approach:**

Driven by a combination of fundamentals and technical.

- **Allocation of portfolio across types of securities**

As per the Client profile and/or market opportunity typically ranging from 0-100% on an average.

- **Indicative tenure or investment horizon**

At least 3-5 years.

- **Risks associated with the investment approach**

Below are select risks associated with the investment approach apart from those disclosed in Clause 6 of this Document. The risks may affect portfolio performance even though the Portfolio Manager may take measures to mitigate the same.

Company risk: The performance of the investment approach will depend upon the business performance of the Portfolio Entity and its future prospects. Portfolio Manager's focus on business fundamentals through the approach mentioned above will help the Portfolio Manager in mitigating these sector or company risks.

Valuation risk: The Portfolio Manager will assess the Portfolio Entities from varied valuation number, the Portfolio Manager is definitely wary of overpaying and will consider various parameters in order to establish whether the valuations are reasonable while investing and reassessing the same from time to time.

Liquidity Risk: The Portfolio Manager may make investments in the companies where there may be an issue in market liquidity and hence the impact cost of buying or selling may be substantial.

- **Other salient features, if any.**

Not Applicable

3. Samvitti Active Alpha Approach

- **Investment objective**

Active Alpha is a multi-cap equity portfolio that can invest across large, mid and small capitalization stocks on the basis of a selection model driven by earnings growth and thematic tailwinds. The split between the market caps is driven by the opportunities as foreseen by the fund manager. The portfolio generally maintains a significant allocation to small-cap stocks. While small-cap investments offer substantial growth potential, they carry inherently higher risks, including greater price volatility, lower liquidity and increased sensitivity to market fluctuations, and this positioning may lead to more pronounced drawdowns during market corrections. The

active nature of the strategy can result in portfolio churn, which may have an impact on the overall tax liability of the portfolio. This is a high-risk investment strategy and follows a model portfolio approach. Investors are strongly advised to carefully evaluate their risk tolerance and overall asset allocation before investing.

- **Appropriate benchmark to compare performance and basis for choice of benchmark**

S&P BSE500TRI

- **Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.**

All permissible securities/instruments.

- **Basis of selection of such types of securities as part of the investment approach:**

The securities shall be selected on quant models/ systematic selection models with or without discretionary overlays.

- **Allocation of portfolio across types of securities**

The Portfolio Manager may allocate between 0 to 100% of the Portfolio value in permissible securities as per the system with or without discretionary overlays.

- **Indicative tenure or investment horizon**

At least 3-5 years.

- **Risks associated with the investment approach**

Quant based strategies are essentially rule-based, driven by algorithms developed basis historical relations of multiple factors with stock price movements. One of the risks in a quant-based model would be the time taken by the algorithm to adapt to new development or change in how certain factors influence market or stock dynamics. The success of the model is based on systematic investment approach and therefore it may not be able to leverage short term opportunities available in the market from time to time. Another risk that can emanate would be a technology outage or malfunction of software. There is no guarantee that the quant model will generate higher returns as compared to the benchmark.

Technology risks

The Portfolio Manager may face attempts for unauthorized access to its information technology systems, which could threaten the security of its information and stability of its systems. These attempts could arise from industrial or other espionage or actions by hackers that may harm the Portfolio Manager or its clients.

The Portfolio Manager may not be successful in detecting and preventing such theft and attacks which could disrupt and adversely affect its business and operations.

- **Other salient features, if any.**

Not applicable.

4. Samvitti Capital Vault – Multi Asset Advantage

- **Investment objective**

The investment objective of the Investment Approach is to generate risk-adjusted returns over the medium to long term by investing across a diversified basket of asset classes spanning equity, precious metals, fixed income and other permitted instruments.

- **Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.**

The portfolio shall invest in listed equity and equity-related instruments, units of equity-oriented mutual fund schemes and equity ETFs (including index and factor-based ETFs), gold and silver ETFs and mutual fund schemes, units of debt-oriented mutual fund schemes and debt ETFs, units of listed REITs and InvITs, arbitrage and other non-directional mutual fund schemes, money market instruments and liquid/overnight schemes, and such other instruments as may be permitted under the SEBI (Portfolio Managers) Regulations, 2020 from time to time. All investments in mutual fund schemes shall be made only through direct plans.

- **Allocation of portfolio across types of securities**

The indicative asset allocation of the portfolio shall be as follows:
equity and equity-related instruments (including equity-oriented mutual fund schemes and equity ETFs): 0% to 30%; precious metals (gold and silver ETFs and mutual fund schemes): 0% to 50%; and fixed income and other instruments (including debt-oriented mutual fund schemes, debt ETFs, REITs, InvITs, arbitrage and non-directional schemes, money market instruments and liquid/overnight schemes): 20% to 75%. Allocations shall be rebalanced dynamically within these ranges based on the Portfolio Manager's assessment of the macro-economic environment, equity market valuations and earnings outlook, interest rate and commodity cycles, relative asset class valuations and yields, credit quality, duration positioning, liquidity, and the track record and cost efficiency of underlying schemes, subject at all times to the SEBI (Portfolio Managers) Regulations, 2020.

- **Appropriate benchmark to compare performance and basis for choice of benchmark**

Nifty Multi Asset – Equity: Arbitrage: Debt : REITs/InvITs

- **Indicative tenure or investment horizon**

At least 3-5 years.

- **Risks associated with the investment approach**

The Investment Approach is subject to risks including equity market risk (price volatility, concentration and event risk), precious metals price volatility (including international price and currency linkage), interest rate risk, credit risk, REIT/InvIT-specific risks (asset performance, leverage, liquidity and regulatory changes), liquidity and impact cost risk in underlying ETFs and listed units, dependence on the performance and decisions of underlying mutual fund schemes, asset allocation and market timing risk, and changes in regulation or taxation. The Portfolio Manager does not guarantee or assure any returns, and investments are subject to market risks, including possible loss of principal. Investors should read this Disclosure Document carefully and refer to the general risk factors set out herein before investing.

- **Other salient features, if any.**

Not applicable

5. Samvitti Capital YieldPlus

- **Investment objective**

The investment objective of the Investment Approach is to generate regular income and stable risk-adjusted returns over the short to medium term by investing predominantly in fixed income and debt-oriented instruments.

- **Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.**

The portfolio shall invest in units of debt-oriented mutual fund schemes (including liquid, overnight, money market, short duration, corporate bond, banking & PSU, gilt and target maturity schemes) and debt ETFs, money market instruments, arbitrage and other non-directional mutual fund schemes, and such other debt and debt-related instruments as may be

permitted under the SEBI (Portfolio Managers) Regulations, 2020 from time to time. All investments in mutual fund schemes shall be made only through direct plans.

- **Allocation of portfolio across types of securities**

Selection of instruments and allocation shall be based on the Portfolio Manager's assessment of the interest rate cycle and monetary policy environment, yield curve positioning, term spreads and credit spreads, credit quality of underlying portfolios, duration positioning, liquidity, and the track record and cost efficiency of underlying schemes, with duration and credit exposure managed dynamically within regulatory limits.

- **Appropriate benchmark to compare performance and basis for choice of benchmark**

Nifty Medium to Long Duration Debt Index

- **Indicative tenure or investment horizon**

More than a Year

- **Risks associated with the investment approach**

The Investment Approach is subject to risks including interest rate risk (mark-to-market losses on rising yields), credit and default risk, reinvestment risk, spread risk, liquidity and impact cost risk in underlying debt ETFs and schemes, dependence on the performance and decisions of underlying mutual fund schemes, and changes in regulation or taxation. The Portfolio Manager does not guarantee or assure any returns, and investments are subject to market risks, including possible loss of principal. Investors should read this Disclosure Document carefully and refer to the general risk factors set out herein before investing.

- **Other salient features, if any.**

Not applicable

6. Samvitti Capital Hallmark

- **Investment objective**

The investment objective of the Investment Approach is to generate long-term capital appreciation and provide a portfolio hedge against inflation and currency depreciation (recommended horizon of 3 years or more) by investing predominantly in gold and silver through exchange-traded and mutual fund routes.

- **Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.**

The portfolio shall invest in gold ETFs, silver ETFs, gold and silver fund-of-fund schemes, multi-commodity or precious-metal-oriented mutual fund schemes, and, for liquidity management, money market instruments and liquid/overnight schemes, and such other instruments as may be permitted under the SEBI (Portfolio Managers) Regulations, 2020 from time to time. All investments in mutual fund schemes shall be made only through direct plans.

- **Allocation of portfolio across types of securities**

Allocation between gold and silver shall be managed dynamically based on the Portfolio Manager's assessment of global macro-economic conditions, real interest rates and the US dollar cycle, the gold-silver ratio, industrial and investment demand trends, domestic premiums/discounts, and the tracking efficiency, liquidity and cost structure of underlying ETFs and schemes, within regulatory limits.

- **Appropriate benchmark to compare performance and basis for choice of benchmark**

Nifty 50 Hybrid Composite Debt 50:50 Index

- **Indicative tenure or investment horizon**

At least 3-5 Years

- **Risks associated with the investment approach**

The Investment Approach is subject to risks including high price volatility in precious metals (particularly silver, given its industrial demand linkage), international price and currency risk (domestic prices being linked to global prices and the USD/INR exchange rate), tracking error and expense drag in underlying ETFs and schemes, liquidity and impact cost risk, absence of any income yield from the underlying assets, concentration risk arising from exposure to a narrow set of commodities, changes in import duty or other government policy affecting bullion, and changes in regulation or taxation. The Portfolio Manager does not guarantee or assure any returns, and investments are subject to market risks, including possible loss of principal. Investors should read this Disclosure Document carefully and refer to the general risk factors set out herein before investing.

- **Other salient features, if any.**

Not applicable

Part-II- Dynamic Section

12. Client Representation

(i) Details of client's accounts activated

a. Discretionary

As on 31st March, 2026

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	10	405.82
Others	440	469.55
Total	450	875.37

*Includes Directors

As on 31st March, 2025

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	10	390.85
Others	413	472.24
Total	423	863.09

*Includes Directors

As on 31st March, 2024

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	10	481.19
Others	207	260.75
Total	217	741.94

*Includes Directors

b. Non-Discretionary

As on 31st March, 2026

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	0	0.00
Others	2	75.34
Total	2	75.34

*Includes Directors

As on 31st March, 2025

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	0	0.00
Others	2	79.10
Total	2	79.10

*Includes Directors

As on 31st March, 2024

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	0	0.00
Others	2	79.08
Total	2	79.08

*Includes Directors

c. Advisory

As on 31st March, 2026

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	3	42.70
Others	4	165.25
Total	7	207.95

*Includes Directors

As on 31st March, 2025

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	3	41.07
Others	5	184.32
Total	8	225.39

*Includes Directors

As on 31st March, 2024

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	3	38.72
Others	7	195.14
Total	10	233.86

*Includes Directors

(ii) Complete disclosure in respect of transactions with related parties as per the standards specified by the Institute of Chartered Accountants of India.

A) Related party disclosures for the period ended March 31st, 2026

Nature of Relationship	Name of Related Party
Subsidiary	Samvitti Technologies Private Limited.
	Samvitti Wealth Private Limited.
Associate	Manasija Technologies Private Limited
Director	Mulki Kudva Prabhakar
	Voderbettu Shivaram Kamath
	Athul Vasudeva Kudva
	Jagdish Pandurang Nayak
	Subraya Madhav Pai
	Geetha Shivaram Kamath
	Avni Prabhakar Kudva
	M Vasudeva R Kudva
	Shambhavi Athul Kudva
Other Related Parties	Shraddha S Pai (Director's Spouse)
	Padma V Kudva (Director's Spouse)
	Isha Pai (Directors Daughter)
	Subraya M Pai HUF (HUF in which Director is the Karta)
	M/s Shree Vinayaka (Firm in which Director is a Partner)
	Sampathi Investments (Firm in which Director is a Partner)
	Subraya and Sudhir Investments Pvt Ltd (Companies having Common Directors)
	Sree Pete Vinayaka Shantha Durga Trading Co (Companies having Common Directors)
	Bharath Beedi Works Private Limited (Company in which the director is a Whole time Director)
	Radhakrishna Capital Private Limited (Company in which the director is a Whole time Director)
	Shree Shakthi Vinyaka Kripa Mulki Vasudeva Raghavendra Kudva Family Trust (Trust in which directors are trustees)

B) Transactions with Related Parties

*In accordance with the accounting standards prescribed by ICAI, related party transactions have been presented in the table below on accrual basis.

Sl No.	Name of the Related Party	Nature of Transaction	Amount (₹ in lakhs)
1	Athul Vasudeva Kudva	Rent Paid	7.33
2	M/s Shree Vinayaka	Rent Paid	3.35
3	Voderbettu Shivaram Kamath	Remuneration Paid	83.21
4	Mulki Kudva Prabhakar	Remuneration Paid	83.21
5	Athul Vasudeva Kudva	Remuneration Paid	162.50
6	Voderbettu Shivaram Kamath	PMS Fees Received	2.48
7	Jagdish Pandurang Nayak	PMS Fees Received	165.51
8	Subraya Madhav Pai	PMS Fees Received	26.12
9	M Vasudeva R Kudva	PMS Fees Received	1.04
10	Shraddha S Pai	PMS Fees Received	5.12
11	Subraya M Pai HUF	PMS Fees Received	0.42
12	Isha Pai	PMS Fees Received	0.29
13	Subraya and Sudhir Investments Private Limited	PMS Fees Received	0.67
14	Bharath Beedi Works Private Limited	PMS Fees Received	8.70
15	Radhakrishna Capital Private Limited	PMS Fees Received	0.04
16	Samvitti Technologies Private Limited	Consultancy and Advisory Fees	0.66
17	Samvitti Technologies Private Limited	Investment Advisory Fees Received	0.14
18	Samvitti Wealth Private Limited	Investment Advisory Fees Received	0.03
19	Avni Prabhakar Kudva	Investment Advisory Fees Received	0.18
20	Shambhavi Athul Kudva	Investment Advisory Fees Received	0.08
21	M/s Shree Vinayaka	Investment Advisory Fees Received	0.17
22	Sampathi Investments	Investment Advisory Fees Received	0.46
23	Sree Pete Vinayaka Shantha Durga Trading Co.	Investment Advisory Fees Received	0.68

SI No.	Name of the Related Party	Nature of Transaction	Amount (₹ in lakhs)
24	Sri Shakthi Vinayaka Kripa Mulki Vasudeva Raghavendra Kudva Family Trust represented by Mr. Athul V. Kudva	Investment Advisory Fees Received	0.14
25	Bharath Beedi Works Private Limited	Advisory Fees Received	23.27
26	Samvitti Technologies Private Limited	Software Support Services	4.36
27	Manasija Technologies Private Limited	Software Support Services	9.00
28	Mulki Kudva Prabhakar	Certain international website software subscriptions (primarily used for AI initiatives) accept payments only via credit card. In the absence of a corporate credit card, these subscriptions were paid by Mr. Prabhakar Kudva using his personal credit card and were subsequently reimbursed. Additionally, we have applied for a corporate credit card in his name to avoid such personal card usage going forward.	0.66

**The transactions are gross of TDS and exclusive of GST.*

13. Financial Performance

	SUMMMARY OF ASSETS AND LIABILITES	As on 31 March 2026	As on 31 March 2025	As on 31 March 2024
I.	<u>EQUITY AND LIABILITIES</u>			
1	Shareholder's funds			
	(a) Equity Share Capital	3,00,00,000.00	3,00,00,000.00	3,00,00,000.00
	(b) Preference Share Capital		-	-
	(c) Reserves and Surplus	53,14,60,801.90	51,25,00,494.68	33,68,24,748.62
	(d) Pref. Share Application Money pending allotment			
	TOTAL (A)	56,14,60,801.90	54,25,00,494.68	36,68,24,748.62
2	Non- current liabilities			
	(a) Long-term borrowings	-	-	-
	(b) Deferred Tax liabilities (Net)	-	-	-
	(c) Other Long term liabilities	11,74,66,991.00	13,31,38,267.00	
	TOTAL (B)	11,74,66,991.00	13,31,38,267.00	
3	Current Liabilities			
	(a) Short term borrowings	-	-	-
	(b) Trade payables	12,16,120.76	19,98,183.75	15,11,792.17
	(c) Other current liabilities	2,66,05,163.64	3,00,15,790.00	15,43,71,151.68
	(d) Short term provisions	52,27,503.82	7,99,48,831.66	10,85,80,784.81
	TOTAL (C)	3,30,48,788.22	11,19,62,807	26,44,63,728.66
	TOTAL (A+B+C)	71,19,76,581.13	78,76,01,570.00	63,12,88,477.28
II	<u>ASSETS</u>			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	3,96,54,258.81	4,36,56,698.44	3,96,49,273.30
	(ii) Intangible assets	1,45,947.07	1,45,947.07	1,45,947.07
	(iii) Capital work-in-progress	7,46,150.00	3,75,000.00	-
	(iv) Intangible assets under development		-	-

	(b) Non-current investments	27,65,99,437.85	27,65,99,437.85	6,66,47,751.58
	(c) Deferred tax assets (net)	3,80,89,877.99	3,98,74,637.11	2,08,84,502.11
	(d) Long-term loans and advances			59,22,798.80
	(e) Other non-current assets (Preliminary)	51,01,164.39	51,15,011.00	-
	TOTAL (D)	36,03,36,836.11	36,57,66,732.00	13,32,50,272.87
2	Current assets			
	(a) Current investments	22,97,60,909.34	23,17,16,538.87	5,13,17,918.46
	(b) Inventories	5,45,35,199.80	5,43,14,735.35	2,52,20,968.84
	(c) Trade receivables	2,92,95,357.61	4,45,77,938.61	30,60,45,515.73
	(d) Cash and Cash equivalents	30,26,367.38	36,94,255.00	2,02,167.00
	(e) Short-term loans and advances		-	-
	(f) Other current assets	3,50,21,910.89	8,75,31,371.00	11,52,51,634.39
	TOTAL (E)	35,16,39,745.02	42,18,34,838.00	49,80,38,204.42
	TOTAL (D+E)	71,19,76,581.13	78,76,01,70.00	63,12,88,477.28

	SUMMARY OF PROFIT AND LOSS INFORMATION	FY ended 31 March 2026	For the Financial Year ended 31 March 2025	For the Financial Year ended 31 March 2024
I.	Revenue from operations	26,78,79,255.87	58,37,18,781.09	60,59,58,073.25
II.	Other income	2,45,16,966.14	7,77,78,295.27	7,22,17,047.01
II I.	Total Revenue (I + II)	29,23,96,222.01	66,14,97,076.36	67,81,75,120.25
I V.	Expenses:			
	Direct Expenses	15,55,10,977.0	20,53,44,468.29	16,14,21,200.04
	Changes in Inventories of Shares held as stock	(2,20,464.45)	(2,90,93,766.51)	40,22,984.50
	Employee benefits expense	4,63,50,430.43	12,08,02,629.83	12,62,49,293.76
	Finance costs	51,713.00	62,736.00	17,927.00

	Depreciation and amortization expense	44,26,365.59	46,40,774.93	23,75,374.20
	Other expenses	6,53,66,628.08	12,49,98,566.40	10,86,76,181.26
	Total expenses	27,14,85,649.73	42,67,55,408.94	40,27,62,960.76
V	Profit before Tax	2,09,10,572.25	23,47,41,667.41	27,54,12,159.50
V	Tax expense:			
I				
	Current tax	50,81,501.07	7,95,25,098.91	8,28,05,264.49
	(1) Short/(Excess) Provision for tax of earlier years	(49,15,994.23)	14,69,042.56	
	(2) Deferred tax Liability/(Asset)	17,84,759.12	1,89,90,135.00	1,78,99,129.00
	Profit (Loss) for the period	1,89,60,306.28	17,56,75,746.06	21,05,06,024.01

	NETWORTH	For the Financial Year ended 31 March 2026	For the Financial Year ended 31 March 2025	For the Financial Year ended 31 March 2024
	Paid Up Capital Equity Shares of Rs. 10/- each fully paid up	3,00,00,000	3,00,00,000	3,00,00,000
	6% Cumulative Compulsorily Redeemable Preference Shares of ₹ 10/- each	-	-	-
	Add: Free Reserves	53,14,60,802	51,25,00,496	33,68,24,749
	Less: Accumulated Loss	NIL	NIL	NIL
	Less: Minimum Capital Adequacy / Network requirement for any other activity undertaken under other SEBI regulations {Net worth of Rs. 5,00,00,000 for PMS vide clause 7(g) of SEBI (Portfolio Managers) Regulation 2020 and Rs. 50,00,000 for RIA Licence}	5,50,00,000	5,50,00,000	5,50,00,000
	Networth	50,64,60,802	48,75,00,496	31,18,24,749

14. Performance of Portfolio Manager

Return of Investment

Product: Discretionary

Particulars	1 st April 2026 to 31 st August 2026	2025-2026 (in%)	2024-2025 (in%)	2023-2024 (in%)
Portfolio Return	44.16	-7.21	-1.50	59.81
S&P BSE 500TRI	14.45	-3.12	5.96	38.36

Product: Non-Discretionary

Particulars	1 st April 2026 to 31 st August 2026	2025-2026 (in%)	2024-2025 (in%)	2023-2024 (in%)
Portfolio Return	26.34	-2.69	6.87	35.03
S&P BSE 500TRI	14.45	-3.12	5.96	38.36

Product: Advisory

Particulars	1 st April 2026 to 31 st August 2026	2025-2026 (in%)	2024- 2025 (in %)	2023-2024 (in%)
Portfolio Return	15.71	1.89	10.17	44.30
S&P BSE 500TRI	14.45	-3.12	5.96	38.36

15. Audit Observations

Financial Year	Audit Observations
2025-2026	NIL
2024-2025	NIL
2023-2024	NIL

16. Details of investments in the securities of related parties of the portfolio manager

Sl No.	Investment Approach	Name of the Associate/Related Party	Cost of Investment	Market value of Investment	Percentage of total AUM
NIL					

For SAMVITTI CAPITAL PVT. LTD.



Director
V Shivaram Kamath
Director

For SAMVITTI CAPITAL PVT. LTD.



Director
M Prabhakar Kudva
Director

Date: 15- 09- 2026

Place: Mulki

To,
The Board of Directors
Samvitti Capital Private Limited
Kalasha Nivas, D No 16/100(2)
Harihara Nagara, Karnad
Mulki – 574154

**Certificate under regulation 22 of Securities and Exchange Board of India
(Portfolio Managers) Regulations, 2020**

Pursuant to the engagement letter dated 11-09-2026, you have requested us to issue a certificate certifying the contents of the Disclosure Document for Portfolio Management Services ('the Disclosure Document') of Samvitti Capital Private Limited ('the Company'), bearing CIN: U66120KA2014PTC077936. We understand that the Disclosure Document is intended for submission to the Securities and Exchange Board of India ('SEBI').

Management's responsibility

1. The management of the Company is responsible for the maintenance of the books of accounts and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation and presentation of the Disclosure Document.
2. The Disclosure Document and compliance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 ("the SEBI Regulation") and the Master Circular issued by SEBI dated 16th July, 2025 is the responsibility of the Management of the company.

Practitioner's Responsibility

Our Responsibility is to express an opinion on the accompanying Statement based on our examination. In this regard:

1. We have conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
2. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and

Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

In respect of the information given in the Disclosure Document, we state that:

- i. The list of persons classified as Associates or group companies and list of related parties are relied upon as provided by the company.
- ii. The Promoters' and Directors' qualifications, experience, ownership details are as declared by them and have been accepted without further verification.
- iii. We have relied solely on representations provided by the management of the Company and not performed any procedures in relation to penalties or litigations against the Portfolio Manager, as mentioned in the Disclosure Document.
- iv. We have verified the details of transactions with related/associate parties up to the date of this certificate with the audited books of accounts and the list of related parties and related party transactions as provided by the Portfolio Manager.
- v. We have reviewed the figures for performance disclosed in the Disclosure Document on the basis of performance data spooled from Wealth Spectrum by the Company.
- vi. With regard to Time weighted rate of return ("TWRR") calculation method, we have been informed by the management that the TWRR has been calculated by their software as per the methodology specified by the SEBI.
- vii. We have relied on the representation made by the management regarding the value of Assets under management of Rs. 1,158.66 crores as on 31st March 2026.
- viii. We have relied solely on representations provided by the management of the Company and not performed any procedures in relation to the investment objectives and policies / investment philosophy.
- ix. We have verified the financial figures disclosed in the Disclosure Document with the audited financial statements for the three preceding financial years.

Opinion

Read with above and on the basis of our examination of the books of accounts, records, statements produced before us and to the best of our knowledge and according to the information, explanations and representations given to us, we certify that the disclosures made in the Disclosure Document dated 15th September 2026, are true and fair in accordance with the disclosure requirements laid down in Regulation 22 read with Schedule V to the SEBI Regulations. A management certified copy of the Disclosure document is enclosed herewith.

Restriction on Use

This certificate has been issued solely for the use of the management of the Company for the purpose of compliance with Regulation 22 of the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended from time to time, and shall not be used, referred to, or relied upon for any purpose other than as expressly stated herein. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **GANESH & SUDHIR,**
Chartered Accountants,
(Firm Registration No. 000866S)



Place: MANGALORE

Date: 16-09-2026

GIRIDHAR KAMATH - M No. 203199

Partner

UDIN: 26203199SDCHBB4300