PORTFOLIO MANAGEMENT SERVICES

DISCLOSURE DOCUMENT
OF
CAPGROW CAPITAL ADVISORS LLP
(SEBI Registration No. INP000006147)

(As per the requirement of the Fifth Schedule under Regulation 22(3) of SEBI (Portfolio Managers) Regulations, 2020)

(i) The Document has been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended from time to time and filed with SEBI.

(ii) The Document has been filed with the Board (SEBI) along with the certificate in the prescribed format in terms of regulation 22 (3) of SEBI (Portfolio Managers) Regulation 2020.

(iii) The purpose of the Document is to provide essential information about the Portfolio Management Services (PMS) in a manner to assist and enable the investors in making an informed decision for engaging a Portfolio Manager.

(iv) The document contains necessary information about the Portfolio Manager required by an investor before investing, and the investor may also be advised to retain the document for future reference.

(v) This Disclosure Document is dated **25th May 2023 (financial data considered up to 31st March 2022).**

Details of the Portfolio Manager

Name of Portfolio Manager	:	CapGrow Capital Advisors LLP
SEBI Registration Number	:	INP000006147
Registered Office Address	:	203-A, Gitanjali Arcade, 2nd Floor, Above SVC Bank & INDIAN Bank, Nehru Road, Vile Parle (E), Mumbai – 400057.
Phone No(s)	:	022 610 2002
E-mail address	:	arun@capgrowcapital.com

Details of Principal Officer

Name of Principal Officer	:	Mr. Arun Malhotra
Corporate Office Address	:	203-A, Gitanjali Arcade, 2nd Floor, Above SVC Bank & INDIAN Bank, Nehru Road, Vile Parle (E), Mumbai – 400057.
Phone No(s)	:	022 610 2002
E-mail address	:	arun@capgrowcapital.com

I N D E X

Contents of Disclosure Document

1) Disclaimer clause:

The particulars given in this document have 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 the document. You are requested to retain the document for future reference. This document is not for public distribution and has been furnished to you solely for your information and may not be reproduced or redistributed to any other person.

Notwithstanding anything contained in the Disclosure Document, the provisions of SEBI (Portfolio Managers) Regulations, 2020 and as amended from time to time and the circulars/guidelines issued from time to time thereunder shall be applicable.

This Disclosure Document along with a certificate in Form C is required to be provided to the Client, at least prior to entering into an agreement with the Client.

2) Definitions:

Unless the context or meaning thereof otherwise requires, the following expressions shall have the meaning assigned to them hereunder respectively: -

(a) **"Act"** means the Securities and Exchange Board of India, Act 1992 (15 of 1992) as amended from time to time.

(b) **"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 the Board from time to time.

(c) **"Accredited Investor"** means any person who has been granted a certificate by the accreditation agency who:

a) in the case of an individual, HUF, family trust, or sole proprietorship has:
   i. the annual income of at least two crore rupees; or
   ii. the net worth of at least seven crore fifty lakh rupees, out of which not less than three crores seventy-five lakh rupees are in the form of financial assets or
   iii. the annual income of at least one crore rupees and minimum net worth of five crore rupees, out of which not less than two crores fifty lakh rupees are in the form of financial assets.

b) in case of a body corporate, has a net worth of at least fifty crore rupees.

c) in case of a trust other than family trust, has a net worth of at least fifty crore rupees.

d) in the 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 be deemed to be an accredited investor and may not be required to obtain a certificate of accreditation.

(d) **"Advisory"** services include the services provided by the portfolio manager but are not limited to advising clients on purchase or sale of securities and/or review, evaluating, structure, monitor the portfolio of a client at an agreed fee to achieve Client's objectives

(e) "**Agreement**" means the agreement between Portfolio Manager and its Clients in terms of Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020 issued by Securities and Exchange Board of India and shall include all recitals, schedules, exhibits and Annexure attached thereto, and any amendments made to this Agreement by the Parties in writing.

(f) **"Assets"** means (i) the Portfolio and/or (ii) the Funds and includes all accruals, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and/or replacements or any other beneficial interest, including dividend, interest, rights, bonus as well as residual cash balances, if any (represented both by quantity and in monitory value), in relation to or arising out of Assets.

(g) **"Bank Account"** means one or more accounts opened, maintained, and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in the name of the Client or a pool account in the name of Portfolio Manager to keep the Funds of all clients.

(h) **"Benchmark"** means the Benchmark selected by the Portfolio Manager pursuant to the SEBI circular dated 16th December 2022, to indicate performance of the portfolio vis a vis markets, which enables investors to evaluate relative performance of portfolio managers.

(i) **"Board" or "SEBI"** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992 as amended from time to time.

(j) **"Body corporate"** shall have the meaning assigned to it under clause (11) of section 2 of the Companies Act, 2013 (18 of 2013) as amended from time to time;

(k) **"Business Day"** means days other than:
- Saturday and Sunday,
- a day on which the Banks in Mumbai and/or RBI are closed for business/clearing,
- a day on which the Bombay Stock Exchange and the National Stock Exchange are closed,
- a day on which normal business could not be transacted due to storms, floods, bands, strikes, etc.

(l) **"Certificate"** means a certificate of registration issued by the Board;

(m) **"Chartered Accountant"** means a Chartered Accountant as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949 (38 to 1949) and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act.

(n) **"Client/Investor"** means the person who enters into an Agreement with the Portfolio Manager for managing its portfolio/funds.

(o) "**Custodian**" means a custodian registered under the SEBI (Custodian of Securities) Regulations, 1996 appointed by the Portfolio Manager for maintaining custody of funds and securities of the client.

(p) **"Depository"** means Depository defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

(q) **"Depository Account"** means one or more accounts or accounts opened, maintained, and operated by the Portfolio Manager in the name of the Client, with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations 1996.

(r) **"Direct onboarding"** means an option provided to clients to be on-boarded directly with the Portfolio Manager without the intermediation of persons engaged in distribution services.

(s) **"Discretionary Portfolio Management Services"** means the portfolio management services rendered to the Client, by the portfolio Manager on the terms and conditions contained in this Agreement, where under the Portfolio Manager exercises any degree of discretion in investments or management of assets of the Client.

(t) **"Document"** means Disclosure Document.

(u) **"Disclosure Document"** shall mean the Disclosure Document issued by the Portfolio Manager and as specified in Regulations 22(3) of the Regulations and Schedule V of the Regulations and made available to the Client in accordance with the Regulations.

(v) **"Financial year"** means the year starting from 1st April and ending on 31st March of the following year

(w) **"Funds"** means the monies placed by the Client with the Portfolio Manager and any accretions thereto.

(x) **"Goods"** means the goods notified by the Central Government under clause (bc) of section 2 of the Securities Contracts (Regulation) Act, 1956 and forming the underlying of any commodity derivative.

(y) **"High Water Mark"** means the value of the highest Closing NAV achieved by the Portfolio in any year during the subsistence of this Agreement (adjusted for any additional funds/withdrawals by the Client in that year) and net of Portfolio Management Fees, for that year.

(z) **"Investment Advice"** means advice relating to investing in, purchasing, selling, or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral, or through any other means of communication for the benefit of the client and shall include financial planning.

(aa) **"Investment Approach"** shall mean a broad outlay of the type of securities and permissible instruments to be invested in by the portfolio manager for the customer, taking into account factors specific to clients and securities.

(bb) **"Investment Management Fees"** shall have the meaning attributed thereto in Clause [10] of this Document under the head Fees & Services Charged (To be charged on Actuals) (cc) **"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.

(dd) **"Net Asset Value" (NAV):** Net Asset Value is the market value of assets in a portfolio consisting of equity, derivatives, debt, mutual funds units, cash, cash equivalents, accrued interest or benefits, receivables, if any, etc. less payable if any.

(ee) **"Non-Discretionary Portfolio Management Services"** means the portfolio management services rendered to the client, by the Portfolio Manager on the terms and conditions contained in the Agreement with respect to the Assets (including the Portfolio and Funds) of the Client, where the Portfolio Manager shall provide advice in relation to assets but does not exercise any discretion with respect to investments or management of the Assets of the Client, and invests and manage the Assets only after seeking and taking approval from the Client, entirely at the Client's risk.

(ff) **"NRI"** means a Non-Resident Indian as defined under the Foreign Exchange Management Act, 1999.

(gg) **"NRO"** means Non-Resident Ordinary Account

(hh) **"Parties"** means the Portfolio Manager and the Client, and **"Party"** shall be construed accordingly.

(ii) **"Person"** includes any individual, partners in the partnership, limited liability partnership, central or state government, company, body corporate, cooperative society, corporation, trust, society, Hindu Undivided Family, or any other body of persons, whether incorporated or not.

(jj) **"Portfolio"** means the Securities and/or fund managed by the Portfolio Manager on behalf of the Client pursuant to this Agreement and includes any Securities mentioned in the Application, any further Securities placed by the Client with the Portfolio Manager for being managed pursuant to the Agreement, Securities acquired by the Portfolio Manager through the investment of Funds and bonus and rights shares in respect of Securities forming part of the Portfolio, so long as the same is managed by the Portfolio Manager.

(kk) **"Portfolio Manager"** means **CapGrow Capital Advisors LLP** who has obtained a certificate of registration from SEBI to act as a Portfolio Manager under Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, vide Registration No. **INP000006147**.

(ll) **"Principal Officer"** means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager and is responsible for: -

- The decisions made by the portfolio manager for the management or administration of a portfolio of securities or the funds of the client, as the case may be;
- All the other operations of the portfolio managers.

(mm) **"Related party"** in relation to a portfolio manager, means –

a) a director, partner or his relative;
b) key managerial personnel or his relative;
c) a firm, in which a director, partner, manager or his relative is a partner;
d) a private company in which a director, partner or manager or his relative is a member or director;

e) 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;
f) anybody 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;
g) 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;
h) anybody corporate which is—
   ⇒ a holding, subsidiary or an associate company of the portfolio manager; or
   ⇒ a subsidiary of a holding company to which the portfolio manager is also a subsidiary;
   ⇒ an investing company or the venturer of the portfolio manager;
   Explanation. —For the purpose of this clause, "investing company or the venturer of a 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.
i) a related party as defined under the applicable accounting standards;
j) such other person as may be specified by the Board.
Provided that,
   ⇒ any person or entity forming a part of the promoter or promoter group of the listed entity; or
   ⇒ any person or any entity, holding equity shares:
      o of twenty per cent or more; or
      o 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 immediately preceding financial year; shall be deemed to be a related party.

(nn) **Regulations"** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended from time to time.

(oo) "**Scheduled Commercial Bank**" means any bank included in the Second Schedule to the Reserve Bank of India Act, 1934(2 of 1934).

(pp) **"Securities"** shall mean and include "Securities" as defined under the Securities Contracts (Regulation) Act, 1956; Shares, scripts, stocks, bonds, warrants, convertible and non-convertible debentures, fixed return investments, equity linked instruments, negotiable instruments, deposits, money market instruments, commercial paper, certificates of deposit, units issued by the Unit Trust of India and/or by any mutual funds, exchange traded funds, mortgage backed or other asset backed securities, derivatives, derivative instruments, options, futures, foreign currency commitments, hedges, swaps or netting off and any other securities issued by any company or other body corporate, any trust, any entity, the Central Government, any State Government or any local or statutory authority and all money rights or property that may at any time be offered or accrue (whether by rights, bonus, redemption, preference, option or otherwise) and whether in physical or dematerialized form in respect of any of the foregoing or evidencing or representing rights or interest therein; and any other instruments or investments (including borrowing or lending of securities) as may be permitted by applicable law from time to time.

(qq) **"Strategy"** means an additional layer of broadly defined investment themes adopted by the Portfolio Managers in addition to Investment Approach pursuant to SEBI Circular dated 16th December 2022.

INTERPRETATION:

- Words and expressions used in this disclosure document and not expressly defined shall be interpreted according to their general meaning and usage. The definitions are not exhaustive.
- They have been included only for clarity and shall, in addition, be interpreted according to their general meaning and usage and shall also carry meanings assigned to them in regulations governing Portfolio Management Services.
- All references to the masculine shall include the feminine and all references, to the singular shall include the plural and vice-versa.
- All references "Rs." refer to Indian Rupees. A "crore" means "ten million" and a "lakh" means a "hundred thousand".

3) Description About Portfolio Manager:

i) History, Present business, and Background of the Portfolio Manager:

a) History of the Portfolio Manager:

CapGrow Capital Advisors LLP is a Limited Liability Partnership firm incorporated on 11th April 2018, registered under Registrar of Companies, Mumbai. Mr. Arun Malhotra and Mr. Rajesh Shah are the designated partners of the LLP.

Mr. Arun Malhotra has pursued MBA in Finance & Accounting from Simon Graduate School of Business, University of Rochester, New York, and also from FMS, Delhi. He has more than 30 years of experience in equity markets. He started his career on the sell-side with BLB Limited in 1992 and then worked with DBS Securities from 1997 to 2001. He was Director-Investments at an India dedicated hedge fund (Indian book of Alden global LLP) from 2005 to 2013 and had generated returns across economic and business cycles. Since March 2013, he has been managing a family office with its own proprietary research database and trading strategies. He has also acted as an advisor in ISM Capital LLC, London, for their India dedicated investment banking business during the period March 2013 to December 2017.

b) Present Business and Background:

CapGrow Capital Advisors LLP has obtained a Certificate to act as Portfolio Manager from SEBI under SEBI (Portfolio Managers) Regulations, 1993 vide **Registration No. INP000006147** effective from 05th October 2018, the certificate shall be valid till it is suspended for catering to HNIs, Corporates, and FII Clients.

The LLP's main objective is to provide value-added services to its clients which align with the client's long-term goals of wealth creation. The LLP also leverages its research capabilities to the fullest extent to generate long term returns for its clients.

ii) Designated Partner and Promoters of the Portfolio Manager:

Mr. Arun Malhotra and Mr. Rajesh Shah are the Promoters of CapGrow Capital Advisors LLP.

a. Designated Partner:

The Designated Partner of LLP is as below:

- Mr. Arun Malhotra
- Mr. Rajesh Shah

Partner's Background

➢ **Mr. Arun Malhotra**

Mr. Arun Malhotra has pursued MBA in Finance & Accounting from Simon Graduate School of Business, University of Rochester, New York, and FMS Delhi. Since March 2013, he has been managing a family office with its own proprietary research database and trading strategies. He has also acted as an advisor in ISM Capital LLC, London, for their India dedicated investment banking business during the period March 2013 to December 2017.

He had joined Smith Management Advisory Services Pvt. Ltd. (sole advisory to U.S hedge fund Alden Global, a $2.0 billion fund) from 2005 in Mumbai as Director/Senior Investment Analyst. This fund was promoted by Randal Smith, a pioneer in distressed investing. He managed this fund along with a colleague for eight years, where the peak corpus size was $300 million and was invested across the capital structure of the firm. He had joined Manning & Napier Advisors, Inc., a value-based fund with client assets of $ 25 billion as an Associate Analyst in Rochester, New York, USA where he conducted equity research of US Pharmaceuticals and biotech sector stocks. Mr. Arun has been in equity markets since years 1992 and has experience in dealing, trading, and equity research, Investment Management, Operations, and Compliance.

➢ **Mr. Rajesh Shah**

Mr. Rajesh Mafatlal Shah had joined M/s Pankaj Karani, Stockbroker (SEBI Regn No. INB010560312) as Vice President from March 1994 to October 1999 where he was responsible for dealing/equity trading, client relationship management, internal process, and adherence to the best practices for a stockbroking firm. He was responsible for stock trading, maintaining existing broking client relationships, acquiring new retail clients, and ensuring various Compliances to the regulatory authorities including daily reporting requirements to the Bombay Stock Exchange. He was appointed from August 2004 till May 2018 as a Director in Shah & Shah Finsol Private Limited which is a Mutual Fund Distributor and Financial Advisor. He was majorly involved in various investment activities across various asset classes including real estate and equity-oriented mutual funds.

Under his leadership. the mutual fund business has grown to more than 300 crores in the span of 4 years (FY13-FY18).

iii) Top 10 Group Companies/Firms of the Portfolio Manager on Turnover Basis:

There are no group companies under the same management as explained in the SEBI Circular No. RPM Circular No. 1 (2002-03).

iv) Details of the Services offered:

The Portfolio Manager offers Portfolio Management services under Discretionary, Non-Discretionary, and Advisory categories to its prospective clients.

a. Discretionary Portfolio Management –

Under the Discretionary Portfolio Management Services, the Portfolio Manager will have the sole and absolute discretion with regard to the selection of the type of securities traded on behalf of the Client and held in the portfolio, based on the executed agreement. The Portfolio Manager has the discretion as regards the choice and timing of the investment decisions, to make changes in the investment, and to invest some or all of the funds of the Client in such manner and such industries/sectors/securities as the Portfolio manager discretion. 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 the deployment of the Clients' funds is absolute and final and cannot be called in question or be open for review at any time during the course of the Agreement or any time thereafter except on the ground of malafide intent, fraud, conflict of interest or gross negligence. This right of the Portfolio Manager will be exercised strictly in accordance with the relevant acts, rules, regulations, guidelines, and notifications in force from time to time.

In the case of client(s) falling under the category of Large Value Accredited Investors, the portfolio manager may invest up to 100% of the assets under management in unlisted securities.

b. Non-discretionary Portfolio Management –

In the case of non-discretionary services, the investment objectives and the securities to be invested would be entirely decided by the Client. The same could vary widely from client to client. However, the execution would be carried out only after getting approval from the Client.

Under the Non-Discretionary category, the investment decisions of the Portfolio Manager are guided by the instructions received from the client. The deployment of funds is the sole discretion of the client and is to be exercised by the portfolio manager in a manner that strictly complies with the client’s instruction. The decision of the client in the deployment of funds and the handling of his / her / its portfolio is absolute and final. The role of the Portfolio Manager apart from adhering to investments or divestments upon instructions of the client is restricted to providing market intelligence, research reports, trading strategies, trade statistics, and such other material which will enable the client to take appropriate investment decisions. For the purpose of acting on the client’s instructions, the Portfolio Manager shall take instructions in writing or through any other media mutually agreed such as email, fax, telephone, or suitable and secured message and may include managing, renewing, and reshuffling the portfolio, buying and selling of securities, keeping safe custody of the securities and monitoring book closures, dividend, bonus, rights, etc. so that all benefits accrue to the client’s portfolio, for an agreed fee structure and a definite described period, entirely at the client’s risk.

However, for the client(s) other than those falling under the category of Large Value Accredited Investors, the portfolio manager may advise investing only up to 25% of the assets under management in unlisted securities in addition to the securities for discretionary portfolio management services. In case of client(s) falling under the category of Large Value Accredited Investors, the portfolio manager may advise investing up to 100% of the assets under management in unlisted securities.

c. Advisory Services –

The Portfolio client is to be given purely advisory services as stipulated under SEBI PMS Regulations and in accordance with the requirement of the client. The portfolio Manager gives advice to the client regarding investment/disinvestment in Securities. However, discretion lies with the client whether to act upon it or to ignore the advice. The Portfolio Manager will provide advisory portfolio management services, in terms of the SEBI (Portfolio Manager) Regulations, 2020 and SEBI (Investment Advisers) Regulations, 2013, which shall be in the nature of Investment advice and may include advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral or through any other means of communication for the benefit of the client. Investment advice shall be for an agreed fee structure and a period agreed and entirely at the client's risk. The Portfolio Manager shall act in a fiduciary capacity towards its client.

However, for Client(s) other than those falling under the category of Large Value Accredited Investors, the portfolio manager may advise investing only up to 25% of the assets under management in unlisted securities in addition to the securities for discretionary portfolio management services. In case of client(s) falling under the category of Large Value Accredited Investors, the portfolio manager may advise investing up to 100% of the assets under management in unlisted securities.

Direct Onboarding:
The Portfolio Manager provides the facility to the Client for Direct onboarding with us without any involvement of a broker/distributor/agent engaged in distributor services. The Client can onboard by directly contacting us or sign up for our services by writing to us at **pms@capgrowcapital.com.**

4) Penalties, pending litigation or proceedings, findings of the inspection, or investigations for which action may have been taken or initiated by any regulatory authority:

Sr. No.	Particulars	Remarks
1	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
2	The nature of the penalty/direction	None
3	Any pending material litigation / legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any:	None
4	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency:	None
5	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
6	Penalties imposed for any economic offence and/or violation of any securities laws	None

5) Services Offered

1. Investment objective

The funds of the Clients shall be invested in such capital and money market instruments, including securities as defined under the Securities Contract (Regulation) Act, 1956, and shall include any securities, derivatives and other instruments which are tradable on any of Exchanges as wells such units of Unit Trust of India and/or other mutual funds, government securities, debt instruments, negotiable instruments, , certificates of deposit, participation certificates, commercial paper, securitized debt instruments, investments in company deposits, bank -deposits, treasury bills and such other eligible modes of investment and/or forms of deployment within the meaning of the Regulation issued by SEBI as amended from time to time.

The Portfolio Manager may, however, enter into futures contracts, options in securities, options on indices, and other similar types of investment, which may result in the Client having to provide initial margin payments and which would be deemed. The Portfolio Manager shall observe a high standard of integrity and fair dealing in all transactions involving the Client's Account. The investment in the securities mentioned in the above point will be in accordance with the objectives as given in the agreement and also any of the investment approaches accepted by the client.

The investment objectives would be one or more of the following or a combination thereof:

a. We look at investments from 3 to 5 years' perspective
b. To generate meaningful alpha over benchmark indexes
c. To generate long term capital appreciation

The Portfolio Manager offers various investment strategies, and related portfolios to allow for standardized customization that is in sync with investor profile and also customized portfolio as per suitability and specific requirements of the client. The general objective is to formulate and devise the investment philosophy to achieve long-term growth of capital that fits the client's risk profile.

<u>The objective of the Derivative Exposure:</u> The objective of using derivatives is to protect the portfolio in case of a severe market correction. We seek to use derivatives purely to protect the client's portfolio in case of sharp drawdowns of the aggregate market. The Derivatives will only be used for hedging and/or portfolio rebalancing.

2. Types of Securities:

The portfolio manager/fund manager shall invest in all such types of securities as defined above (Please refer to definitions) and in all such securities as permissible from time to time.

Consistent with the investment objective and subject to Regulations, the corpus will be invested in any of (but not exclusively) the following securities:

i. Equity and equity-related securities including convertible bonds (including equity-linked debentures) and debentures and warrants carrying the right to obtain equity shares;
ii. Securities issued/guaranteed by the Central, State Governments, and local governments (including but not limited to coupon-bearing bonds, zero-coupon bonds, and treasury bills);

iii. Obligations of Banks (both public and private sector) and Development Financial Institutions like Certificate of Deposits (CDs), Coupon bearing Bonds, Zero Coupon Bonds;
iv. Money Market instruments permitted by SEBI/RBI;
v. Certificate of Deposits (CDs);
vi. Commercial Paper (CPs);
vii. Mutual Fund units, Fixed deposits, Bonds, debentures, etc.;
viii. Units of venture funds;
ix. Securitization instruments;
x. Foreign securities as permissible by Regulations from time to time;
xi. Any other securities and instruments as permitted by the Regulations from time to time.

The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, rights offer, or negotiated deals.

3. <u>Minimum Investment Amount</u>

The Portfolio Manager will not accept an initial corpus of less than **<u>Rs. 50.00</u>** lacs or such minimum amount as specified by SEBI from time to time. The client may on one or more instances or a continual basis, make further placements of funds/securities under the services. However, the said minimum investment amount shall not be applicable to Accredited Investors.

4. <u>Investment Approaches: -</u>

a. <u>Growth Investment Approach:</u>

i. **<u>Strategy – Equity</u>**

ii. **<u>Investment Objective:</u>** The aim of the strategy is to generate returns by investing in companies that could offer sustainable long-term capital appreciation and are available at reasonable valuations. The Portfolio Manager believes that there are various reasons that could help to achieve the “Delta” (change) by a particular company in their financial performance. The focus is on Growth in both revenue and profitability, and cash flows. A lot of weight is attached to the Management, their past track record, execution capability, and corporate governance.

iii. **<u>Type of Securities:</u>** Please refer above point no. 5.2 for the same.

iv. ***<u>Basis of Selection of Securities</u>*:** The investment approach and stock selection for the strategy will have the following core principles:

- In-depth research along with proper documentation on the company and the key monitor able.
- Focus on good quality businesses with excellent corporate governance.
- Adequate margin of safety.
- Concentration leading to 20-30 Stocks
- Diversification to ensure uncorrelated stocks form part of the portfolio.

The endeavor is to ensure that adequate layers of protection are built in to withstand the market volatility and any unexpected negative returns.

The selected portfolio companies in this strategy will have the following characteristics in one form or other: Moats – as analyzed under the

- Strong entry barriers
- Top quality management
- High capital efficiency
- Reasonable valuations.

v. **Portfolio Allocation across the types of Securities:** The investment approach will ensure that the portfolio is well diversified to minimize risk. Sectoral concentrations and stock concentrations will also be monitored and will be ensured that single stock doesn't exceed 25% of the portfolio in normal circumstances. Any deviations will be closely monitored by the Portfolio Manager.

vi. **Appropriate Benchmark to compare performance and basis for the choice of Benchmark**: **"S&P BSE 500 Index" TRI based** will be used as the benchmark with effect from 01st April 2023 as the same has been mandated by APMI & SEBI under the Equity Strategy. S&P BSE 500 TRI based will be more appropriate as it includes a wide range of companies providing better results for performance comparison and hence is used for the choice of benchmark.

vii. **Indicative Investment horizon (tenure):** There is no fixed tenure of this Growth portfolio. The investment horizon of the securities is also not fixed, though the intent is to hold them for longer tenures, 2 years, 3 years, 5 years as they are also growth stocks. As long as the visibility of growth is there, the stocks will be held in the portfolio. However, the situations change dynamically, and the portfolio manager will also be opportunistic and quick to sell in case the outlook of the stock changes or the prices rise faster than anticipated and exceed the intrinsic value.

viii. **Risk associated with the Investment Approach:** Both systematic and stock-specific risks are associated with the selection of stocks and the portfolio. However, with the research process, we try to mitigate the stock-specific risk, buy systematic risks that are external are inherent in the equity markets and also in this investment strategy. Please refer to below point 6 for further risk associated with the approaches. The portfolio is subjected to any external shocks like geopolitical war, political instability or the financial crisis, or the Coved 19.

ix. **Other Salient features, if any:** This strategy is common to owning a well-diversified portfolio of stocks that will be listed on the bourses. The stocks will all be liquid such that more than 80% of the stock can be liquidated in one or two maximum trading days without much impacting the price.

b. Special Situation Investment Approach:

i. **Strategy – Equity**

ii. **Investment Objective:** The main objective of the strategy is to utilize the special situations of the Company, the corporate events that could be either Buyback, Spin-offs, Demerger, Delisting or Broken IPOs, or maybe distressing situations.

This is a strategy that will be market neutral to a large extent and will depend upon the events likely to happen in the future. These are corporate events that create shareholder value and are also a function of the behavioral finance of the business owners. The distressed situations are an interesting piece that happens every 6-8 years in cyclical industries and offer decent upside. These strategies are not linked to the market movements but are dependent on the likelihood of corporate events happening in the future.

iii. **<u>Type of Securities:</u>** Please refer above point no. 5.2 for the same.

iv. **<u>Basis of Selection of Securities:</u>** This strategy is close to behavioral finance, basically the behavioral aspect of businesses and their owners. The investment approach and stock selection for the strategy will have the following core principles:

- In-depth research across with proper documentation on the company and the key monitor able.
- Focus on corporate events that have been announced by the Company
- Adequate margin of safety.
- Concentrated portfolio leading to 15-20 Stocks
- Key catalysts in the near term that should help the company create value.

v. **<u>Portfolio Allocation across the types of Securities:</u>** The investment approach will have a concentrated portfolio that will have less correlation to the market movement. This investment approach may have high concentrations, maybe up to 50% in one stock in exceptional circumstances depending upon the probability of the expected event and the expected return.

vi. **<u>Appropriate Benchmark to compare performance and basis for the choice of Benchmark:</u>** **"S&P BSE 500 Index" TRI based** will be used as the benchmark with effect from 01st April 2023 as the same has been mandated by APMI & SEBI under the Equity Strategy. S&P BSE 500 TRI based will be more appropriate as it includes a wide range of companies providing better results for performance comparison and hence is used for the choice of benchmark.

vii. **<u>Indicative Investment horizon (tenure):</u>** There is no fixed tenure of this Special Situation portfolio. The investment horizon of the securities is also not fixed as they are dependent on the happening of the event that requires a lot of regulatory and legal approvals. As long as the certainty of the event is there, the stocks will be held in the portfolio. However, the situations change dynamically, and the portfolio manager will also be opportunistic and quick to sell in case the outlook of the stock changes or the prices rise faster than anticipated and exceed the intrinsic value/value anticipated through the event.

viii. **<u>Risk associated with the Investment Approach:</u>** This strategy is volatile and expected returns will be lumpy in nature. The delay in getting approvals for the corporate event, due to procedural and regulatory process delays, is the single biggest risk in this strategy. The delay in the timeline also delays the expected returns. This investment objective of special situations is less correlated to the markets (systematic risk). Please refer to below point 6 for further risk associated with the approaches. The portfolio is subjected to any external shocks like geopolitical war, political instability or the financial crisis, or the Covid 19.

ix. **<u>Other Salient features, if any:</u>** This strategy is volatile, may consist of small caps, midcaps, and large caps. This investment approach also has a concentrated portfolio and hence may have a higher risk. The liquidity risk may also be there in some stocks and the unwinding of position in a few stocks may take up to a maximum of one week to sell the complete position in exceptional circumstances, without impacting the price.

5. Investments in Associate/Group Companies of the Portfolio Manager:

CapGrow does not intend to invest in any of its associates or group companies.

6) Risk Factors:

The Portfolio Manager is not responsible for the loss if any, incurred or suffered by the Client. The risk factors, as perceived by management, in respect of the portfolio management services offered are enlisted below:

1) Investments in securities are subject to market risks and include price fluctuation risks. There are no assurances or guarantees that the objectives of investments in securities will be achieved. These investments may not be suited to all categories of investors.

2) The value of the Portfolio may increase or decrease depending upon various market forces and factors affecting the capital markets such as de-listing of Securities, market closure, a relatively small number of scrips accounting for a large proportion of trading volume. Consequently, the Portfolio Manager provides no assurance of any guaranteed returns on the Portfolio.

3) The past performance of the Portfolio Manager is not indicative of future performance. Investors are not being offered any guaranteed or indicative returns.

4) The Client stands a risk of loss due to lack of adequate external systems for transferring, pricing, accounting, and safekeeping or record keeping of Securities. Transfer risk may arise due to the process involved in registering the shares, physical and Demat, in the Portfolio Manager's name, while price risk may arise on account of availability of share price from stock exchanges during the day and at the close of the day.

5) Investment decisions made by the Portfolio Manager may not always be profitable.

6) Investments made by the Portfolio Manager are subject to risks arising from the investment objective, investment strategy, and asset allocation.

7) Not meeting the obligation to make Capital Contributions in terms of the Agreement may have implications as set out in the Agreement and may also impact the profitability of the Portfolio.

8) The Portfolio Manager and/or its Key Personnel Management may have its own investments in listed securities.

9) Equity and Equity Related Risks: Equity instruments carry both company-specific and market risks and hence no assurance of returns can be made for these investments. While the Portfolio Manager shall take all reasonable steps to invest the Funds prudently in such instruments, such decisions may not always prove to be profitable or correct. Consequently, the Client shall assume any loss arising from such decisions made by the Portfolio Manager.

10) Macro-Economic risks: Overall economic slowdown, unanticipated corporate performance, environmental or political problems, changes to monitory or fiscal policies, changes in government policies and regulations with regard to industry and exports may have a direct or indirect impact on the investments, and consequently the growth of the Portfolio.

11) Liquidity Risk: The liquidity of investments in equity and equity-related securities is often restricted by factors such as trading volumes, settlement periods, and transfer procedures. If particular security does not have a market at the time of sale, then the Portfolio may have to bear an impact depending on its exposure to that particular security. While Securities that are listed on a stock exchange generally carry a lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchange. In the case of demergers or restructurings, one part of the company gets listed separately and may take longer than the regular time. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of such securities thereby resulting in a loss to the Portfolio until such securities are finally sold. Even upon the termination of the Agreement, the Client may receive illiquid securities, and finding a buyer for such Securities may be difficult. Further, different segments of the Indian financial markets have different settlement periods, and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in the settlement of transactions could result in temporary periods when the assets of the plan are un-invested, and no return is earned thereon. The inability of the Portfolio Manager to make intended securities purchases, due to settlement problems, could cause the Portfolio to miss certain investment opportunities.

12) Credit Risk: Debt securities are subject to the risk of the issuer's inability to meet the principal and interest payments on the obligations and may also be subject to price volatility due to such factors as interest sensitivity, market perception, or creditworthiness of the issuer and general market risk.

13) Interest Rate Risk: Is associated with movements in interest rates, which depend on various factors such as government borrowing, inflation, economic performance, etc. The value of investments will appreciate/ depreciate if the interest rates fall/rise. Fixed income investments are subject to the risk of interest rate fluctuations, which may accordingly increase or decrease the rate of return thereon. When interest rates decline, the value of a portfolio of fixed income securities can be expected to rise. Conversely, when the interest rate rises, the value of a portfolio of fixed-income securities can be expected to decline. Changes in interest rates may also impact equity prices and their values.

14) Acts of State, or sovereign action, acts of nature, acts of war, civil disturbance are extraneous factors that can impact the Portfolio.

15) The Client stands the risk of the total loss of value of an asset which forms part of the Portfolio or its recovery only through an expensive legal process due to various factors which by way of illustration include default or non-performance of a third party, investee company's refusal to register a Security due to legal stay or otherwise, disputes raised by third parties.

16) Reinvestment Risk: This risk arises from the uncertainty in the rate at which cash flows from an investment may be reinvested. This is because the bond will pay coupons, which will have to be reinvested. The rate at which the coupons will be reinvested will depend upon prevailing market rates at the time the coupons are received.

17) Non-Diversification Risk: This risk arises when the Portfolio is not sufficiently diversified by investing in a wide variety of instruments. As mentioned above, the Portfolio Manager will attempt to maintain a diversified portfolio in order to minimize this risk.

18) Mutual Fund Risk: This risk arises from investing in units of Mutual funds. Risk factors inherent to equities and debt securities are also applicable to investments in mutual fund units. Further, scheme-specific risk factors of each such underlying scheme, including the

performance of their underlying stocks, derivatives instruments, stock lending, off-shore investments, etc., will be applicable in the case of investments in mutual fund units. In addition, events like change in fund manager of the scheme, take over, mergers and other changes in status and constitution of mutual funds, foreclosure of schemes or plans, change in government policies could affect the performance of the investment in mutual fund units.

19) The Portfolio Manager is neither responsible nor liable for any losses resulting from the Services.

20) Clients are not being offered any guarantee / assured returns.

21) The investments under the Portfolio may be concentrated towards equity/equity-related instruments of companies primarily belonging to a single or few sectors and hence shall be affected by risks associated with those sectors.

22) The Clients may not be able to avail of securities transaction tax credit benefit and/or tax deduction at source (TDS) credit and this may result in an increased incidence of tax on the Clients. The Client may incur a higher rate of TDS/ Dividend Distribution Tax in case the investments are aggregated in the name of the Portfolio Management Portfolio/Product.

23) The arrangement of pooling of funds from various Clients and investing them in Securities could be construed as an 'Association of Persons (AOP) in India under the provisions of the Income-tax Act, 1961and taxed accordingly.

24) In case of investments in Mutual Fund units, the Client shall bear the recurring expenses of the Portfolio Management Services in addition to the expenses of the underlying mutual fund schemes. Hence, the Client may receive lower pre-tax returns compared to what he may receive had he invested directly in the underlying mutual fund schemes in the same proportions.

25) After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be a delay in deployment. In such a situation, the Clients may suffer opportunity loss.

26) Clients will not be permitted to withdraw the funds/Portfolio (unless in accordance with the terms agreed with the Client). In addition, they are not allowed to transfer any of the interests, rights, or obligations with regard to the Portfolio except as may be provided in the Agreement and the Regulations.

27) In case of early termination of the Agreement, where Client Securities are reverted to the Client, additional rights available while the Securities were held as part of the Portfolio that was negotiated by the Portfolio Manager with an investee company or its shareholders may no longer be available to the Client.

28) Changes in Applicable Law may impact the performance of the Portfolio.

29) Risks pertaining to stock lending: In the case of stock lending, risks relate to the defaults from counterparties with regard to securities lent and the corporate benefits accruing thereon the inadequacy of the collateral, and settlement risks.

30) Risk arising out of non-diversification, if any.

31) Specific Risk Disclosures associated with investments in Securitized Debt Instruments
    a) Presently, the secondary market for such securitized papers is not very liquid. This could limit the ability of the portfolio manager to resell them. Even if sales were to

take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

b) Securitized transactions are normally backed by a pool of receivables and credit enhancement as stipulated by the rating agency, which differs from issue to issue. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall.

32) Specific risk and disclosures associated with an investment in Structured Products like Index Linked Debentures

- The Structured Products like Index-linked - Non-Convertible Debentures may lead to a portion of the funds being deployed in the derivatives markets including in the purchase of options. These investments are high risk, high return as they may be highly leveraged. A small movement in the underlying index could have a large impact on their value and may result in a loss.
- The Issuer of equity index linked debentures or any of its agents, from time to time may have long or short positions or make markets including in indices, futures, and options. The value of these Debentures invested on behalf of clients could be adversely impacted by a price movement in the above securities.
- The Structured Products, even after being listed, may not have a market at all;
- The returns on the Structured Products, including those linked to the may be lower than prevailing market interest rates or even zero or negative depending entirely on the movement in the underlying index and futures values as also that over the life of the Debentures. Consequently, the Debenture holder may receive no income/return at all or negative income/return on the Debentures or less income/return than the Debenture holder may have expected or obtained by investing elsewhere or in similar investments.
- In the case of Equity Index-Linked Debentures, in the event of any discretions that need to be exercised, in relation to method and manner of any of the computations including due to any disruptions in any of the financial markets or for any other reason, the calculations cannot be made as per the method and manner originally stipulated or referred to or implied, such alternative methods or approach may be at the discretion of the by the issuer and may include the use of estimates and approximations.
- At any time during the life of such Structured Products, the value of the Debentures may be substantially less than its redemption value. Further, the price of the Debentures may go down in case the credit rating of the Issuer goes down;
- The return and/or maturity proceeds hereon may not be guaranteed or insured in any manner by The Issuer of Structured Products.

7) Client Representation:

The Portfolio Management Services performances are as follows:

a) Details of client's accounts active:

Category of Clients	**No. of clients**	**Funds Managed (Rs. Crores)**	**Discretionary / Non – Discretionary / Advisory**
Growth Investment Approach			
Associates/Group Companies:			
Individuals			
As of 31st March 2023,	5	7.44	Discretionary
As of 31st March 2022,	5	8.44	Discretionary

As of 31st March 2021,	8	10.6	Discretionary
Corporate			
As of 31st March 2023,	1	2.72	Discretionary
As of 31st March 2022,	1	2.45	Discretionary
As of 31st March 2021,	1	1.32	Discretionary
Others			
Individuals			
As of 31st March 2023,	131	83.34	Discretionary
As of 31st March 2022,	126	82.54	Discretionary
As of 31st March 2021,	111	61.16	Discretionary
Corporate			
As of 31st March 2023,	5	8.33	Discretionary
As of 31st March 2022,	5	7.72	Discretionary
As of 31st March 2021,	3	3.42	Discretionary

Category of Clients	**No. of clients**	**Funds Managed (Rs. Crores)**	**Discretionary / Non – Discretionary / Advisory**
Special Situation Investment Approach			
Associates/Group Companies:			
Individuals			
As of 31st March 2023,	5	5.24	Discretionary
As of 31st March 2022,	4	4.72	Discretionary
As of 31st March 2021,	6	4.18	Discretionary
Corporate			
As of 31st March 2023,	1	1.65	Discretionary
As of 31st March 2022,	1	1.27	Discretionary
As of 31st March 2021,	1	0.89	Discretionary
Others			
Individuals			
As of 31st March 2023,	94	32.2	Discretionary
As of 31st March 2022,	74	22.78	Discretionary
As of 31st March 2021,	37	10.02	Discretionary
Corporate			
As of 31st March 2023,	6	4.58	Discretionary
As of 31st March 2022,	5	3.16	Discretionary
As of 31st March 2021,	2	1.05	Discretionary

b) **Complete Disclosure in respect of transactions with related parties as per the accounting standards specified by the Institute of Chartered Accountants of India:**
There have been no transactions with related parties as per the Accounting Standards specified by the Institute of Chartered Accountants of India.

8) The financial Performance of Portfolio Manager

8.1 Capital Structure (Rs. in lakhs):

Particulars	As on 31-Mar-2020 (Audited)	As on 31-Mar-2021 (Audited)	As on 31-Mar-2022 (Audited)
a) Paid-up capital	250.00	250.00	250.00
b) Free reserves (excluding revaluation reserves)	13.46	65.20	148.85
c) Total (a) + (b)	**263.46**	**315.20**	**398.8**

8.2 Deployment of Resources (Rs. in lakhs):

Particulars	As on 31-Mar-2020 (Audited)	As on 31-Mar -2021 (Audited)	As on 31-Mar-2022 (Audited)
(a)Fixed Assets (net of depreciation)	1.23	1.11	3.85
(b) Plant & Machinery & other Equipment's (net of depreciation)	3.01	2.03	2.01
(c) Investments	236.64	284.63	352.64
(d)Others	42.03	57.72	101.33
Total	**282.91**	**345.49**	**459.83**

8.3 Major Sources of Income: (Rs. in lakhs):

Particulars	As on 31-Mar-2020 (Audited)	As on 31-Mar -2021 (Audited)	As on 31-Mar-2022 (Audited)
• Income	81.02	111.91	202.66
• Other Income	26.59	34.70	86.04
Total	**107.61**	**146.61**	**288.07**

8.4 Net Profit (Rs. In lakhs):

Particulars	As on 31-Mar-2020 (Audited)	As on 31-Mar -2021 (Audited)	As on 31-Mar -2022 (Audited)
Profit/ (Loss) before Tax	29.08	62.51	120.93
Profit/ (Loss) after Tax	26.36	51.84	94.16

9) Performance of the Portfolio Manager for the last 3 years:

Particulars	Year Ended (2022-2023)	Year Ended (2021-2022)	Year Ended (2020-2021)
Portfolio Performance (%), Net of all fees and Charges levied by the Portfolio Manager			
Growth Investment Approach	-3.27%	20.08%	79.02%
Special Situations Investment Approach	-6.83%	36.08%	103.42%
Benchmark Performance - NIFTY 500 (%)	-2.26%	20.96%	75.99%

Note:

- Performance/returns are calculated using the "Time Weighted Rate of Return" method in terms of Regulation 22 of SEBI (Portfolio Managers) Regulations 2020.
- Returns are net off all fees and expenses.
- Performance related information is not verified by SEBI.
- Past performance may or may not sustain in future.
- Past performance is not a guarantee of future return.
- Please note that actual performance for a client portfolio may vary due to factors such as expenses charged, timing of additional flows and redemption, individual client mandate, specific portfolio construction characteristics or other structural parameters. These factors may have an impact on client portfolio performance and hence may vary significantly from the performance data depicted above.

The table above outlines the returns of the Specific Investment Approach versus the respective benchmark (benchmark up to 31st March 2023) and the revised Benchmark as S&P BSE 500 TRI based (benchmark effective with effect from 1st April 2023) will be used as required by SEBI and APMI for all Clients.

10) Audit Observation:

There are no observations made by the Statutory Auditor of the Portfolio Manager for the preceding three financial years FY 2019 - 20, 2020 – 21 and 2021 - 22.

11) Fees and Services Charged (To be based on actuals):

1. **Investment Management Fee** i.e., Fixed Fees charged as agreed with the client vide terms and conditions mentioned in the agreement relating to the Portfolio Management Services offered to the Clients.

2. **Performance Management Fee** i.e., performance fees based on profit slabs provided in the portfolio agreement are charged as agreed with the client vide terms and conditions mentioned in the agreement. Performance fees will be charged on the performance over the hurdle rate, management fee, and any costs of trading. It shall be computed on the basis of the high-water mark principle over the life of the investment for charging of performance/profit sharing fees.

High Water Mark Principle: High Water Mark shall be the highest value that the portfolio/account has reached. Value of the portfolio for computation of high watermark shall be taken to be the value on the date when performance fees are charged. For the purpose of charging a performance fee, the frequency shall not be less than quarterly.

The portfolio manager shall charge a performance-based fee only on the increase in portfolio value in excess of the previously achieved high water mark.

3. **Exit Load:**
Exit Load will be charged to the Client as per the below-mentioned slabs:
    - In the first year of investment, a maximum of 3% of the amount redeemed.
    - In the second year of investment, a maximum of 2% of the amount redeemed.
    - In the third year of investment, a maximum of 1% of the amount redeemed.

    After a period of three years from the date of the investment, no exit load will be charged to the Clients.

4. The fees charged to the client for PMS Service comes under "Fees for technical services" under Sec 194J of the Income Tax Act 1961. This section calls for withholding tax on the fees that the client pays to the portfolio manager if he or she falls under

    - An Individual / HUF whose total sales / gross receipt or turnover from business or profession carried on by him exceed the monetary limit specified under clause (a) or clause (b) of Sec. 44AB during the previous year immediately preceding the financial year.
    - Corporates.

5. **Custodian fee / Depository Charges & Fund Accounting Charges:**
Charges relating to custody and transfer of shares, bonds, and units, opening and operation of Demat account, dematerialization and dematerialization, and/or any other charges in respect of the investment, etc. The actual fees levied by the custodian for custody, demat charges and fund accounting shall be charged to the client as mentioned in the agreement with the client and as agreed between the Portfolio Manager and the Custodian from time to time.

6. **Registration and transfer agents' fees:**
Fees are payable for 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.

7. **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 upon from time to time.

8. **Fees and charges in respect of investment in mutual funds:**
Mutual Funds shall be recovering expenses or management fees and other incidental expenses, and such fees and charges shall be paid to the Asset Management Company of the Mutual Funds on behalf of the Client. Such fees and charges are in addition to the portfolio Management fees described above.

9. **Certification charges or professional charges:**
The charges are payable to professional services like accounting, taxation, certification, any other legal services, etc.

10. **Securities lending and borrowing charges:**
The charges pertaining to the lending of securities, cost of borrowings, and costs associated with the transfer of securities connected with the lending and borrowing transfer operations.

11. **Any incidental and ancillary out of pocket expenses:**
All incidental and ancillary expenses not recovered above but incurred by the Portfolio Manager on behalf of the client shall be charged to the Client.

12. The portfolio manager shall deduct directly from the cash account of the client all the fees/costs specified above. Other expenses, which could be attributable to the Portfolio Management, would also be directly deducted and the client would be sent a statement about the same.

13. The fee so charged may be a fixed fee or performance-based fee or a combination of both as agreed in the agreement.

14. The portfolio manager shall ensure that any charges to self/associate shall not be at rates more than that paid to the non-associates providing the same service and a capped at 20% by value per associate (including self) per service shall be maintained by the portfolio manager in a financial year.

Note: All the Operating expenses excluding brokerage, over and above the fees charged for Portfolio Management Service, shall not exceed 0.50% per annum of the client's average daily Assets under Management (AUM). It shall include charges payable for outsourced professional services like accounting, auditing, taxation, legal services, etc. for documentation, notarizations, certifications, attestations required by Bankers or regulatory authorities including legal fees and day-to-day operations charges, etc.

12) Taxation:

The following information is based on the law in force in India at the date hereof. This information is neither a complete disclosure of every material fact of the Income-tax Act, 1961 nor does constitute tax or legal advice. This information is based on the Portfolio Manager's understanding of the Tax Laws as of this date of Disclosure Document. Investors/clients should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely. Given the individual nature of the tax consequences, each investor/client is advised to consult his/ her/its own professional tax advisor. The information/data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy and should not be construed as investment advice.

Income on Investment in Securities is subject to tax in the following manner:

a) **Dividend**
All Dividends received are taxable in the hands of Investor/Shareholder at a rate applicable to the respective PMS client type.

b) Interests on Investment are taxable except in certain cases where it is exempted from tax under Income Tax Act 1961.

c) In case the securities are sold within one year (for listed securities except for units other than units of equity-oriented mutual funds) or within three years (for unlisted securities) from the date of purchase, the resultant gains or losses are termed as short-term capital gains or losses. Short term gains arising out of transfer of equity shares if the securities are sold on a recognized stock exchange in India and on which securities transaction tax has been paid are taxed at a concessional rate of 15% (as increased by surcharge plus education cess), in other cases, they would be taxed at the slab rate applicable to the respective PMS client type.

In case the securities are sold after one year (for listed securities) or two years (for unlisted securities) and three years for units other than units of equity-oriented mutual funds from the date of purchase, the resultant gains or losses are termed as long term capital gains or losses and the gain is arising out of transfer of equity shares which are sold on a recognized stock exchange in India and on which securities transaction tax has been paid would be taxed at 10% (as increased by surcharge plus education cess) in case of listed securities and 20% (as increased by surcharge plus education cess) in case of unlisted securities and units other than units of equity-oriented mutual funds.

Note: "Listed Securities" as defined under the explanation to section 112(1) of Income Tax Act, means the securities as defined in clause 2(h) of Securities Contract (Regulations) Act, 1956 and listed on any recognized stock exchange in India.

"Unlisted Securities" means securities other than listed securities.

"Units" shall have the meaning assigned to it in clause (b) of Explanation to section 115AB of Income Tax Act, 1961.

The following are the tax provisions presently applicable to clients investing in the Portfolio Management Products under the Income Tax Act, 1961.

<u>Tax on Long Term Capital Gain:</u>

If the capital asset, which is transferred, is equity share or units of equity-oriented mutual funds and the transaction is subject to Securities Transaction Tax, the Long-Term Capital Gain in excess of Rs. 1 Lakh is chargeable to tax @ 10%. In other cases, the tax will be calculated as non-Listed

Capital Asset	If it is not subject to Securities Transaction Tax		
	Long Term		Short Term
	Without Indexation	With Indexation	
1. Debenture Listed	10 %	Not Applicable	Normal
2.Debenture Non-Listed	20 %	Not Applicable	Normal
3.Government Securities	10 %	20 %	Normal
4. Bonds Listed	10%	Not Applicable	Normal
5. Bonds Non-Listed	20%	Not Applicable	Normal

TDS

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. Interest would be subject to tax as per prevailing provisions of the Income Tax Act, 1961.

Advance Tax Obligations

It shall be the client's responsibility to meet the advance tax obligations payable on the due dates as per the Income Tax Act, 1961.

Provisions of Income Tax Act 1961 undergoes change frequently and is also based on the status of the client, thus the client is advised to consult his/her tax consultant for appropriate advice on the tax treatment of income indicated herein.

The fees charged to the client for PMS come under the ambit of "fees for technical services" under Section 194J of the Income Tax Act, 1961("the Act"). As the section calls for withholding tax, the client is required to withhold tax @ 10 % excluding Goods & Service Tax, on the fees that the client pays to the Portfolio Manager if he/she falls under the following two categories:

a) An Individual / HUF whose total sales / gross receipt or turnover from business or profession carried on by him exceed the monetary limit specified under clause (a) or clause (b) of Sec. 44AB during the previous year immediately preceding the financial year.

In respect to the above TDS provision please note that in Act No 23 of Finance Act, 2019 a new section i.e., 194M has been inserted with effect from 01.09.2019 which specifies that:

Any Person being individual or a Hindu undivided family other than those required to deduct income tax as per the provision of section 194J mentioned in (a) above shall at the time of credit of such sum or at the time of payment of such sum in cash or by the issue of cheque or draft or by any other mode whichever is earlier, deduct an amount equal to five percent of such sum as income-tax thereon if the aggregate of sum, credited or paid to a resident during the financial year exceeds fifty lakh rupees.

b) Corporate
This implies the Client (as mentioned in point 'a' and 'b' above) while making payment of the fees would deduct tax at Source. The taxes payable on any transactions entered into or undertaken by the Portfolio Manager on behalf of the client, whether by way of deduction withholding, payment, or other, shall be fully borne by the client. Payment of the tax shall be the personal responsibility and liability of the client. In case the client deducts and pays the withholding tax, the client shall provide a Tax Deduction Certificate in Form No. 16A as prescribed under the Income Tax Rules, 1962 to the Portfolio Manager within 30 days from the date of filing return or due date of filing TDS Return for the quarter whichever is earlier. The Portfolio Manager is not by law, contract, or otherwise required to discharge any obligation on behalf of the client to pay any taxes payable by the clients.

13) Accounting Policies:

1. Basis of accounting

a. Books and Records for each product are separately maintained in the Back-office software with Kotak Mahindra Bank in the name of the client to account for the assets and any additions, income, receipts, and disbursements in connection therewith, as provided by the SEBI (Portfolio Management) Regulations, 2020, and SEBI (Investment Advisers) Regulations, 2013 as amended from time to time.

b. Accounting under the respective portfolios is done in accordance with Generally Accepted Accounting Principles except with Point (a) of Income/Expenses.

c. Trades will be accounted for on trade date (T) accounting basis. The sale of security can be from only settled stock.

d. The cost of acquisition in the case of listed securities that are introduced as part of the corpus would be accounted at the previous day's closing price on NSE/BSE.

e. Investments acquired or sold by the Portfolio Manager shall include brokerage, Stamp duty. Securities Transaction Tax ('STT') and any other charge customarily shall not be included in the cost of investments and shall be debited to the client's Income & Expenditure Account

f. Bonus shares/units to which the Client becomes entitled shall be recognized only when the original shares/units on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.

g. Rights entitlement shall be recognized only when the original shares on which the rights entitlement accrues are traded on the stock exchange on an ex-rights basis.

h. Other Corporate Action entitlement shall be calculated and accounted for based on the end of the day ('EOD') position prevailing before the ex-date. For other investments, which are not quoted on NSE or BSE, dividend income shall be recognized on the date of receipt.

i. In respect of all interest-bearing investments, income shall be accrued on a day-to-day basis as it is earned. Therefore, when such investments are purchased, interest earned for the period from the last interest due date up to the date of purchase shall not be treated as a cost of purchase but shall be debited to Interest Recoverable Account. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale shall not be treated as an addition to sale value but shall be credited to Interest Recoverable Account.

j. In determining the holding cost of investments and the gains or loss on sale of investments, the First-in-First-out ('FIFO') method shall be followed.

k. Whenever Client specific unit allocation will be provided by the fund Manager (PMS), the same will be used on that day for deal allocation.

l. 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 is recorded and reflected in the financial statements for that year.

m. Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction would be recorded, in the event of a purchase, as of the date on which the portfolio obtains its enforceable obligation to pay the price or, in the event of a sale, when the portfolio obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the securities sold.

n. Management fees if applicable would be booked as per the frequency and data provided by the client/fund manager.

o. Performance fees if applicable would be booked as per the frequency and data provided by the client/fund manager.

p. All other expenses payable by the client shall be accrued as per the frequency and data provided by the client/Investment manager.

q. Financial year-end will be followed as 31st March.

r. The Portfolio Manager can adopt any specific norms or methodology for valuation of investments or accounting the same on a case-specific basis.

2. **Valuation Policy**

The detailed valuation policy for each asset type is listed below: -

I Equity Shares

I.1 Listed / Traded Securities:

Any security which has been traded on any specified stock exchange and has a combined trade value of more than Rs 5,00,000 or has a combined trade volume of more than 50,000 scrips during thirty days is considered as traded security.

Traded securities shall be valued at the day's closing price of the National stock exchange (Principal). When on particular day security has not been traded on the National stock exchange the closing price on BSE shall be used for valuation. When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on National Stock Exchange or Bombay 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. In such cases, confirmation is needed from the client for further pricing.

I.2 Un-Listed / Thinly Traded Securities by way of Corporate Action:

In case the security is not traded on any exchange, in exceptional circumstances such as merger and acquisitions and interim period, restructuring of the company and the interim period of non-trading, and similar other exceptional circumstances, it shall be valued 'in-good faith' by the Portfolio Manager on the basis of appropriate valuation methods.

I.3 Rights Offer:

Until the rights shares are traded, each rights share shall be valued as Ex- Rights price minus Rights Offer price. In case the Offer price is higher than the Ex- Rights price, rights share shall be valued at 'Nil".

Until they are traded, the value of "rights" shares shall be calculated as:

Value of rights = Market closing price of underlying security – Allotment price

If the Rights gets traded, then the traded price will be considered for valuation. Once traded price has been considered and the rights do not trade subsequently, the rights will continue to be valued at the last traded price (not more than 30 days).

The above valuation prices are to be used till the date of allotment. From the date of allotment, the security shall be valued at the exchange closing price.

I.4 Buy-Back of the Securities

If a company offers to buy back a hundred percent of the shares tendered, then shares will be valued at the price of buyback and ignoring the market price. Else, the market price of the security will be considered for valuation till formal confirmation of acceptance of shares tendered under the buy-back scheme. The Quantum of shares accepted under buyback will be accounted as a sale trade.

II Futures & Options

Market values of traded open future/options contracts shall be determined with respect to the exchange on which it is contracted originally, i.e., a future/option contracted on the National Stock Exchange (NSE) would be valued at the Settlement price of future and the Closing price for option on the NSE. In such a case, the price of the same future/option series on the Bombay Stock Exchange (BSE) cannot be considered for the purpose of valuation.

III Debt & Money Market Instruments

Valuation for all debt instruments if any received by way of Corporate Action will be done as per the prices sent by ICRA.

If the same is not available with the agencies, then the valuation will be done as per the terms agreed with KOTAK

Equity Linked Bonds will be valued at cost.

IV Investments in Mutual Fund Units

1. All investments in Mutual Fund Schemes shall be identified Plan wise.
2. Every Mutual Fund declares NAV of all its schemes for the plans/options under that scheme separately.
3. Every Mutual Fund declares NAV on daily basis. This NAV is declared at 8.00 pm every day. It is therefore imperative that the NAV adopted for the purpose of valuation would be the NAV as available on the immediately previous day to summarize the valuation of Mutual Fund Units would be on the T-1 day, i.e., NAV of the immediately preceding NAV date.

3. Books of accounts would be separately maintained in the name of the client as are necessary to account for the assets and any additions, income, receipts, and disbursements in connection therewith as provided under SEBI (Portfolio Managers) Regulations, 2020.

4. **Audit**

a. The Portfolio accounts of the Portfolio Manager shall be audited annually by an independent chartered accountant and a copy of the certificate issued by the chartered accountant shall be given to the client.

b. The client may appoint a chartered accountant to audit the books and accounts of the Portfolio Manager relating to his transactions and the Portfolio Manager shall co-operate with such chartered accountant in course of the audit.

The Accounting Policies and Standards as outlined above are subject to changes made from time to time by Portfolio Manager. However, such changes would be in conformity with the Regulations.

14) Disclaimer by Portfolio Manager:

Prospective investors should review / study this Disclosure Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale or conversion into money) of Portfolio and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their portfolio, acquisition, holding, capitalization, disposal (sale, transfer or conversion into money) of portfolio within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to purchase/gift portfolio of securities are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding portfolio of securities before making an investment.

15) Investor Services:

(i) The details of the investor relation officer who shall attend to the investor queries and complaints are mentioned here below:

Name of the person	**Mr. Rajesh Shah**
Designation	Compliance Officer
Address	203-A, Gitanjali Arcade, 2nd Floor, Above SVC Bank & INDIAN Bank, Nehru Road, Vile Parle (E), Mumbai – 400057.
Email	rajesh@capgrowcapital.com
Investor Grievance Email ID	grievance@capgrowcapital.com
Telephone	+91-9930131490

The official mentioned above will ensure prompt investor services. The portfolio manager will ensure that this official is vested with the necessary authority, independence, and means to handle investor complaints.

(ii) **Grievance's redressal and Dispute settlement mechanism.**

Grievances, if any, that may arise pursuant to the Portfolio Management Services Agreement entered into shall as far as possible be redressed through the administrative mechanism by the Portfolio Manager and are subject to SEBI (Portfolio Managers) Regulations 2020 and any amendments made thereto from time to time. However, all the legal actions and proceedings are subject to the jurisdiction of the court in Mumbai only and are governed by Indian laws.

The Portfolio Manager will endeavor to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. If the Investor remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the investor, and the Portfolio Manager shall abide by the following mechanisms: -

All disputes, differences, claims, and questions whatsoever arising between the Client and the Portfolio Manager and/or their respective representatives shall be settled in accordance with the provision of The Arbitration and Conciliation Act, 1996 or any statutory requirement, modification, or re-enactment thereof for the time being in force. Such arbitration proceedings shall be held at Mumbai or such other place as the Portfolio Manager thinks fit.

Alternatively, with effect from September 2011, SEBI has launched a new web-based centralized grievance system called SCORES i.e., SEBI Complaints Redressal System, for online filing, forwarding, and tracking of resolution of investor complaints. The Client may also make use of the SCORES facility for any escalations on redressal of their grievances. Following is the link to visit the website and inform their dispute/complaints against the company. https://scores.gov.in/scores/complaintRegister.html

SEBI vide press release PR No. 80/2012 dated 30th August 2012 has extended its toll-free helpline service for Investors (1800 22 7575 / 1800 266 7575) to Saturday and Sunday from the existing Monday to Friday. The service on Saturday and Sunday would be available initially to investors from all over India in English, Hindi, Marathi, and Gujarati from 9:30 a.m. to 5:30 p.m. For any queries/ feedback or assistance, the Client may also e-mail

Arbitration:

The agreement with the client shall be governed by construed and enforced in accordance with the laws of India. Any dispute with the client shall at first be settled by mutual discussion, failing which the same will be referred to and settled by arbitration in accordance subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification/enactment thereof for the time being in force. A sole arbitrator will be appointed by mutual consent of the portfolio manager and the client. The arbitration shall be held in Mumbai and be conducted in the English language. Any action or suit involving the agreement with a client or the performance of the agreement by either party of its obligations will be exclusively in courts located at any place in India subject to the jurisdiction clause in the portfolio agreement.

16) Details of the Investment in the Securities of Related Parties of the Portfolio Manager:

Investments in the securities of associate / related parties of Portfolio Manager:

Sr.	Investment Approach, if any	Name of the associate/related party	Investment amount (cost of investment) as on last day of the previous calendar quarter (INR in crores)	Value of investment as on last day of the previous calendar quarter (INR in crores)	Percentage of total AUM as on last day of the previous calendar quarter
NOT APPLICABLE					

17) Details of the Diversification Policy of the Portfolio Manager:

The Portfolio Manager follows a diversified approach for investing in its Investment Approach as mentioned in point 5 above and further

18) Anti-Money Laundering Compliances:

The Government of India has put a policy framework to combat money laundering through the Prevention of Money Laundering Act, 2002 (PMLA 2002). PMLA 2002 and the Rules notified thereunder (PMLA Rules) came into effect from July 1, 2005. Director, FIU-IND, and Director (Enforcement) have been conferred with exclusive and concurrent powers under relevant sections of the Act to implement the provisions of the Act. Consequently, SEBI has mandated that all registered intermediaries formulate and implement a comprehensive policy framework on anti-money laundering and adopt 'Know Your Customer's (KYC) norms.

Further, SEBI vides Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/104 dated **February 03, 2023** (which supersedes all the earlier circular) issued a '**Master Circular for Guidelines on Anti Money Laundering (AML) Standards and Combating the Financing of Terrorism**

(CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules frame thereunder' consolidating all the requirements/instructions/obligations of Securities Market Intermediaries.

Accordingly, the investors should ensure that the amount invested by them is through legitimate sources only and does not involve and are not designed for the purpose of any contravention or evasion of any Act, Rules, Regulations, Notifications or Directions of the provisions of Income Tax Act, Prevention of Money Laundering Act, Anti-Corruption Act and or any other applicable laws enacted by the Government of India from time to time. The Portfolio Manager is committed to complying with all applicable anti-money laundering laws and regulations in all of its operations. Accordingly, the Portfolio Manager reserves the right to reject or refund or freeze the account of the client if the client doesn't comply with the internal policies of the Portfolio Manager or any of the Applicable Laws including the KYC requirements.

The Portfolio Manager shall not be held liable in any manner for any claims arising whatsoever on account of freezing the account/rejection or refund of the application etc. due to non-compliance with the provisions of any of the aforesaid Regulations or Applicable Laws.

Investors are requested to note that KYC is mandatory for all investors. SEBI vide circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011, and CIR/MIRSD/ 11/2012 dated September 5, 2012, has mandated that the uniform KYC form and supporting documents shall be used by all SEBI registered intermediaries in respect of all new clients from January 1, 2012. Further, SEBI vides circular no. MIRSD/Cir-23/2011 dated December 2, 2011, has developed a mechanism for centralization of the KYC records in the securities market to bring about uniformity in securities markets.

Accordingly, KYC registration is being centralized through KYC Registration Agencies (KRA) registered with SEBI. Thus, each investor has to undergo a uniform KYC process only once in the securities market and the details would be shared with other intermediaries by the KRA. Applications shall be liable to be rejected if the investors do not comply with the aforesaid KYC requirements.

As per the 2015 amendment to PML (Maintenance of Records) Rules, 2005 (the rules), every reporting entity shall capture the KYC information for sharing with the Central KYC Records Registry in the manner mentioned in the Rules, as per the KYC template for 'Individuals' finalized by CERSAI. Accordingly, the KYC template finalized by CERSAI shall be used by the registered intermediaries as Part I of AOF for individuals.

Further, in terms of Rule 9 (1A) of the PML (Maintenance of Records) Rules, 2005 (the rules) and, as per the circular/guidelines issued by the respective regulator, every reporting entity shall capture the KYC information pertaining to Legal Entities from 01st April 2021.

19) List of Approved Share Brokers involved for Portfolio Management activities:

Sr. No.	Name	SEBI Registration No
1	IIFL Securities	INZ000164132
2	Kotak Securities	INZ000200137
3	Phillip Capital	INZ000169632
4	FRR Shares	INZ000279232
5	JM Financial	INZ000195834

6	Arihant Capital Markets Ltd.	INZ000180939
7	Ambit Wealth Pvt. Ltd.	INZ000259334
8	INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PVT LTD	INZ000294632
9	CHOICE EQUITY BROKING PVT. LTD	INZ000160131
10	BP EQUITIES PVT LTD	INZ000176539
11	Batlivala & Karani Securities India Pvt. Ltd.	INZ000284836
12	Kim - Eng Securities India Pvt. Ltd	INZ000010538
13	Emkay Global Financial Services Ltd	INZ000203933
14	Edelweiss Broking Ltd.	INZ000005231
15	Keynote Capitals Limited	INZ000241530
16	Haitong Securities India Private Limited	INZ000026435

20) <u>General:</u>

The portfolio manager and the client can mutually agree to be bound by specific terms through a written two-way agreement between themselves in addition to the standard agreement.

The Portfolio Manager has outsourced Fund accounting and Custodian activity to Kotak Mahindra Bank Limited. The necessary agreements with Kotak Mahindra Bank are in place.

For CapGrow Capital Advisors LLP

ARUN MALHOTRA Digitally signed by ARUN MALHOTRA Date: 2023.05.25 10:47:38 +05'30'

RAJESH SHAH Digitally signed by RAJESH SHAH Date: 2023.05.25 10:48:11 +05'30'

Mr. Arun Malhotra
Designated Partner
Place: Mumbai
Date: 25th May 2023

Mr. Rajesh Shah
Designated Partner

FORM C

SECURITIES AND EXCHANGE BOARD OF INDIA (PORTFOLIO MANAGERS) REGULATIONS, 2020
(Regulation 22)

We confirm that:

The Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time.

The disclosures made in the document are true, fair, and adequate to enable the investors to make a well-informed decision regarding entrusting the management of the portfolio to us/investment in the Portfolio Management.

The Disclosure Document has been duly certified by an independent Chartered Accountant M/s. B Y & Associates, Chartered Accountants, 8A-2, Chander Mukhi Building, 8th Floor, Opposite Nirmal Building, Nariman Point, Mumbai 400 021, Phone No. 022- 40172000, firm registration number 123423W on 25th May 2023.

Date:25th May 2023
Place: Mumbai

Signature of the Principal Officer

ARUN MALHOTRA Digitally signed by ARUN MALHOTRA
Date: 2023.05.25 10:50:09 +05'30'

Mr. Arun Malhotra
203-A, Gitanjali Arcade, 2nd Floor,
Above SVC & INDIAN Bank,
Nehru Road, Vile Parle (E),
Mumbai – 400057.