SAMVITTI CAPITAL PRIVATE LIMITED

DISCLOSURE DOCUMENT DATED APRIL 25, 2024

As required under Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020

I. Declaration:

a) The Disclosure Document (hereinafter referred as the **“Document”**) has been filed with Securities and Exchange Board of India (**“SEBI”**) along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020 (**“Regulations”**).

b) The purpose of this Document is to provide essential information about the portfolio management services in a manner to assist and enable the investors in making informed decision for engaging Samvitti Capital Private Limited (hereinafter referred as the **“Portfolio Manager”)** as the portfolio manager.

c) The Document contains the 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.

d) The name, phone number, e-mail address of the principal officer as designated by the Portfolio Manager along with the address of the Portfolio Manager are as follows:

PRINCIPAL OFFICER
Name : M Prabhakar Kudva
Phone : +91 9886274272
E-Mail : pkudva@samvitticapital.com

PORTFOLIO MANAGER
Samvitti Capital Private Limited
Address: Kalasha Nivasa,
D. No. 16/100(2), Harihara Nagara,
Karnad, Mulki – 574154
SEBI registration number: INP000004847

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III. Contents:

1) Disclaimer

a) Particulars of this Document have been prepared in accordance with the Regulations, as amended till date and filed with SEBI.
b) This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the Document. Performance related information provided herein is not verified by SEBI.

2) Abbreviations & Definitions

In this Document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

(a) Agreement
Means the portfolio management services agreement entered between the Portfolio Manager and the Client/Investor, as amended, modified, supplemented or restated from time to time together with all annexures, schedules and exhibits, if any.

(b) Applicable Laws
Means any applicable Indian statute, law, ordinance, regulation including the Regulations, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument which has a force of law in India, as is in force from time to time.

(c) Capital Contribution
Means the sum of money or Securities or combination thereof, contributed by the Client upon execution of an Agreement, subject to a minimum of INR 50,00,000 (Indian Rupees Fifty Lakhs only) or such other higher amount as may be specified by the Portfolio Manager in accordance with the Regulations.

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

(e) Client / Investor
Means such person(s) whose money or Portfolio is advised or directed or managed by Portfolio Manager and is specified in Schedule I of the Agreement.

(f) Disclosure Document
This Document filed by the Portfolio Manager with SEBI as required under the Regulations and as may be amended by the Portfolio Manager from time to time.

(g) Financial Year:
A financial year shall be the period of 12 months commencing on 1st of April and ending on the 31st March of the succeeding year.

(h) Management Fee
Means the management fee payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document.

(i) Performance Fee
Means the performance-linked fee payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document.

(j) Portfolio Manager
Means Samvitti Capital Private Limited, which pursuant to a contract or arrangement with a Client / Investor, advises or directs or undertakes on behalf of the Client / Investor (whether as a discretionary Portfolio Manager or otherwise) the management or administration of a portfolio of securities or the funds of the Client / Investor, as the case may be.

(k) Portfolio Entity
Means companies, enterprises, entities, bodies corporate or any other entities in the Securities in which the monies of the Portfolio are invested subject to Applicable Laws.

(l) Portfolio *or* **Client Portfolio**
Means the total holding of Securities, goods and funds belonging to the Client in accordance with the Agreement.

(m) Portfolio Commencement Date
Means the date when the payment of the Capital Contribution shall be made to the Portfolio Manager.

(n) PMS
Means the portfolio management services provided by the Portfolio Manager in accordance with the terms and conditions set out in the Agreement and in accordance with the terms of this Document.

(o) PML Laws
Means the Prevention of Money Laundering Act, 2002, Prevention of Money-laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005, the guidelines/circulars issued by SEBI thereto as amended and modified from time to time.

(p) Product / Option
Means the investment products/options with the respective investment strategy/ features, introduced by the Portfolio Manager from time to time.

(q) Regulations
Means the SEBI (Portfolio Managers) Regulations, 2020 as amended and modified from time to time and including any circulars/notifications issued pursuant thereto.

(r) Securities
For the purpose of this Document shall mean and include securities/instruments of Portfolio Entities, all marketable securities including equity shares, quasi equity shares, preference shares, debentures (whether convertible or non-convertible and whether secured or unsecured and whether listed or unlisted), convertible securities, depository receipts, bonds, secured premium notes, government securities, pass-through certificates, treasury bills, units, derivatives, equity linked products, debt, hybrid debt products, mortgage-backed securities, commercial debt papers, notes, units of a trust, units of a domestic venture capital fund and any other instrument falling within the definition of 'security' under section 2(h) of the Securities Contract (Regulation) Act, 1956.

(s) SEBI
Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992.

(t) Term
The term of the Agreement as reflected in the respective Agreement entered with the Client by the Portfolio Manager.

(u) Termination Fee
Means the termination fee payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document.

Any term used in this Document but not defined herein (but defined in the Regulations) shall have the same meaning as assigned to them in the Regulations.

3) Description

(i) History, Present Business and Background of Samvitti Capital Private Limited, the Portfolio Manager

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

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

(ii) Promoters of the Portfolio Manager, directors and their background

Following are the promoters of the Portfolio Manager:

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

Following are the directors of the Portfolio Manager:

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

Brief profile of the promoters of the Portfolio Manager:

(a) Mr. V Shivaram Kamath

Chartered Accountant by qualification, Mr. Kamath is a veteran of the capital markets and has been associated with investment world for past 30 years. He has also been an active member of the erstwhile Mangalore Stock Exchange. Shivaram, in his capacity as the founder director of Samvitti, heads our trading desk managing short and medium term opportunistic investments. His team also manages execution and overall risk management across all our funds.

(b) Mr. M Prabhakar Kudva

Mr. Prabhakar Kudva is a successful long only growth investor. He has been selected as one among 40 under 40 Investment managers by AIWMI (Association of International Wealth Management of India). He has been generating market beating returns across multiple years by cherry picking a number of high growth businesses which have turned out to be big winners. He has been authoring a popular blog (Investment Insight India) on investment ideas for the past several years. He has also worked in the financial technology product space designing products for the capital markets.

(c) Mr. Vasudeva R Kudva

Mr. Vasudeva Kudva has been an authorized dealer for well-known brands like ACC, Asian Paints, V-Guard, Crompton Greaves for more than three decades in the Mangalore area. He brings with him a versatile business experience spanning more than 30 years.

Brief profile of the directors of the Portfolio Manager:

(a) Athul Vasudeva Kudva

Mr. Athul, an engineer from the National Institute of Technology, Karnataka, worked briefly at Tata Motors before starting his own company, Disha Software Solutions, providing back-office support for small and medium stock brokers. He subsequently merged Disha with the Bangalore based firm Omnesys. He led the product development team at Omnesys to develop highly scalable order and risk management software for traders and brokers across the country. Omnesys was the leader in the Indian institutional broking software market. They were also one of the early players to introduce algorithmic trading products to the Indian capital markets. Omnesys was acquired by media and information giant Thomson Reuters in 2013. An entrepreneur at heart with a passion for capital markets, he now leads Samvitti Capital as its Chief Executive Officer.

(b) Mr. Vasudeva R Kudva

[*Profile provided above.*]

(c) Mr. V Shivaram Kamath

[*Profile provided above.*]

(d) Mr. M Prabhakar Kudva

[*Profile provided above.*]

(e) Mr. Jagdish Pandurang Nayak

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

(f) Mr. Subraya M Pai

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

(g) Mrs. Shambhavi A Kudva

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

(h) Mrs. Geeta Shivaram Kamath

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

(i) Mrs. Avni Prabhakar Kudva

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

(iii) Top 10 Group companies/firms of the Portfolio Manager on turnover basis.

Samvitti Technologies Pvt Ltd.
Samvitti Wealth Pvt Ltd.

(iv) Details of the services being offered: Discretionary, Non- Discretionary and Advisory

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

1. **Discretionary Services:**

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

2. **Non - Discretionary Services:**

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

3. **Advisory Services**

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

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

(i) All cases of penalties imposed by SEBI or the directions issued by SEBI under the SEBI Act, 1992 or rules or regulations made thereunder.

None.

(ii) The nature of the penalty/direction.

None.

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

None.

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

None.

(v) Any deficiency in the systems and operations of the Portfolio Manager observed by the SEBI or any regulatory agency.

None.

(vi) Any enquiry/ adjudication proceedings initiated by SEBI 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 SEBI Act, 1992 or rules or regulations made thereunder.

None.

5) Services Offered

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

All of our portfolios reflect our basic investment philosophy, that is, we identify potential sources of return/opportunities through our applied research, which combine theory and intuition, and are formed by decades of experience ranging different kinds of markets.

Product / Option: **Long Term Growth**

Long Term Growth Option will seek to build a portfolio of known, high quality and proven businesses with a focus on absolute returns in excess of inflation over a longer period of time. This is a moderate risk investment strategy.

Product / Option: **Aggressive Growth**

Aggressive Growth Option will seek to build a portfolio using multi-style strategies focusing on all capitalizations (large, mid and small) with a bias towards fast growing and promising businesses. This is a high-risk investment strategy.

Product / Option: Active Alpha

This investment approach will seek to create a portfolio by making investments in listed securities on basis of a systematic selection model. The investment approach will entail an active investment strategy and resultantly can lead to a diversified portfolio. The investment approach can lead to churn and hence may have an impact on the overall tax liability of the portfolio.

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

(a) The investment objective of the Portfolio Manager is to provide superior and consistent risk adjusted returns for the Client. The Portfolio Manager may invest in listed, unlisted equity and debt securities/products, fixed income products/instruments, mutual fund units, exchange traded fund/s, structured product/s, units/shares of a private equity fund/venture capital fund/alternative investment fund and any other permissible Securities/instruments/products in which the Portfolio Manager can invest in as per Applicable Laws. The Portfolio Manager would seek to generate capital appreciation as well as returns on Client's capital by such investments.

(b) The Portfolio Manager shall have the sole and absolute discretion to invest the Capital Contribution in accordance with the Agreement and make changes to the investment pattern and/or invest all or some of the Capital Contribution in a manner that it deems fit.

(c) The Portfolio Manager may exercise voting rights, if any, and such other rights in relation to any Securities held on behalf of or invested with the Capital Contribution, in its absolute discretion, but subject to Applicable Laws.

(d) The Portfolio Manager, in its absolute discretion, may conduct operations and transactions including sale and purchase transactions from the Client Portfolio through agencies, entities, brokers or a panel of brokers at prevalent market prices.

(e) In the management of the Client Portfolio, the Portfolio Manager may, in its sole discretion apply for, subscribe, obtain, buy, accept, acquire, endorse, transfer, redeem, renew, exchange, dispose, sell or otherwise deal in the Securities and generally manage, convert, transpose and vary the investments of the Client's Portfolio. The powers exercised by the Portfolio Manager as above shall be final, binding and irrevocable on the Client and the Client shall be deemed to have approved/ratified any such investment and related activities or deeds that the Portfolio Manager may undertake from time to time.

(f) Accruals, accretions, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and / or replacements or any other beneficial interest including dividend, interest, premium, discounts and other rights, benefits and accruals that accrue to the investments in respect of the Client's Portfolio shall be received by the Portfolio Manager in the name of the Client and would in any event belong to Client Portfolio.

(g) The Portfolio Manager shall buy and sell Securities on the basis of delivery and shall in all cases of purchases, take delivery of the relevant Securities and in all cases of sale, deliver the relevant Securities and shall in no case put itself in a position whereby it has made a short sale or needs to carry forward a transaction or engage in badla finance, bill discounting or lending or placement with corporate or non-corporate bodies except where it is permitted to trade in derivatives in accordance with the Regulations. The Portfolio Manager may, subject to authorization by the Client in writing, participate in securities lending as per the Securities Lending Scheme, 1997 specified by SEBI.

(h) Subject to the fees charged by the Portfolio Manager, and other deductible expenses, all variations in the value including capital appreciation or depreciation, trading profits or losses, dividends, interest, premium, discounts and other rights and accruals on the Securities of the Client's Portfolio, would be to the account of and belong solely to the Client. Subject to the aforesaid, the Portfolio Manager, may from time to time:

i. purchase or sell Securities inter se among its Clients;
ii. have business relationship with Portfolio Entity/ies whose Securities are held, purchased or sold for the Client's account and may be separately compensated for carrying on such other business activity by the Portfolio Entity/ies; and
iii. purchase, hold and sell for the Client's account any Securities that may have been held or acquired by it or by its Clients with whom it is has business relationships subject to the provisions of Clause (ii) hereinabove.

(i) The Portfolio Manager shall keep the funds of the Client in a separate bank account maintained with a scheduled commercial bank segregated from the accounts of Portfolio Manager's other clients or, at its discretion, along with the funds of other clients in the

PMS subject to the requirements laid down under Regulations and use the same for the purpose of the purchase and sale of Securities allowed in the Agreement and for payment of allowable expenses/fees and for the purposes set out in the Agreement. The Portfolio Manager shall not use funds of the Client for the benefit of any other clients. Accounts of the Client shall be segregated from the accounts of all the other clients of the Portfolio Manager and shall be maintained separately.

(j) The Portfolio Manager shall be free to deploy idle cash balances of the Client, which may arise from time to time, in bank deposits, liquid or money market or other direct plan of mutual fund schemes, money market instruments including, commercial paper, trade bill, treasury bill, certificate of deposit and usance bill or such other Securities as per the Applicable Laws. In no case shall the Portfolio Manager deploy the Capital Contribution in unregulated financing mechanism such as badla or discounting of bills of exchange or for the purpose of lending or placement with corporate or non-corporate bodies unless otherwise permitted by SEBI.

(ii) Investment Approach of the Portfolio Manager

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

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

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

(iv) Distributors: The Portfolio Manager may (i) appoint channel partners/distributors to on-board Clients; or (ii) On-board the Clients directly without intermediation of any channel partners/distributors.

6) Risk factors

<u>General Risk:</u>

- Securities investments are subject to market risk and there is no assurance or guarantee that the objectives of the PMS will be achieved.
- The past performance of the Portfolio Manager will not indicate its future performance.
- Any act, omission or commission of the Portfolio Manager under the Agreement would be solely at the risk of the Client and the Portfolio Manager will not be liable for any act, omission or commission or failure to act save and except in cases of gross negligence, willful default and/or fraud of the Portfolio Manager.
- The Client Portfolio may be affected by settlement periods and transfer procedures.
- The portfolio management service is subject to risk arising out of non-diversification as the Portfolio Manager under its PMS may invest in a particular sector, industry, few/single Portfolio Entity/ies. The performance of the Portfolios would depend on the performance of such companies/industries/sectors of the economy.
- If there will be any transactions of purchase and/or sale of securities by Portfolio Manager and employees who are directly involved in investment operations that conflicts with transactions in any of the Client Portfolio, the same shall be disclosed to the Client.
- The group companies of Portfolio Manager may offer services in nature of consultancy, sponsorship etc., which may be in conflict with the activities of portfolio management services.

- The provisions of the Agreement and the principal and returns on the Securities subscribed by the Portfolio Manager may be subject to force majeure and external risks such as war, natural calamities, pandemics, policy changes of local / international markets and such events which are beyond the reasonable control of the Portfolio Manager. Any policy change / technology updates / obsolescence of technology would affect the investments made by the Portfolio Manager.

Other risks arising from the investment objectives, investment strategy, investment approach and asset allocation are stated as under:

Risks factors associated with investments in equity and equity linked securities

- Equity and equity related securities by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors.
- Execution of investment strategies depends upon the ability of the Portfolio Manager to identify opportunities which may not be available at all times and that the decisions made by the Portfolio Manager may not always be profitable.
- In domestic markets, there may be risks associated with trading volumes, settlement periods and transfer procedures that may restrict liquidity of investments in equity and equity related securities.
- In the event of inordinately low volumes, there may be delays with respect to unwinding the Portfolio and transferring the redemption proceeds.
- The value of the Portfolio, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the government, taxation laws or policies of any appropriate authority and other political and economic developments and closure of stock exchanges which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the Portfolio valuation may fluctuate and can go up or down.
- Investors may note that Portfolio Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.

Risk factors associated with investments in derivatives

- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Portfolio Manager to identify such opportunities. Identification and execution of such strategies to be persuaded by the Portfolio Manager involve uncertainty and decision of the Portfolio Manager may not always be profitable. No assurance can be given that the Portfolio Manager shall be able to identify or execute such strategies.
- The risks associated with the use of derivatives are different from or possibly greater than, the risk associated with investing directly in securities and other traditional investments.
- As and when the Portfolio Manager on behalf of Clients would trade in the derivatives market there are risk factors and issues concerning the use of derivatives that investors should understand. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is a possibility that loss may be sustained by the Portfolio as a result of the failure of another party (usually referred as the “counter party”) to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Thus, derivatives are highly leveraged

instruments. Even a small price movement in the underlying security could have a large impact on their value.

- The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However, the gains of an options writer are limited to the premiums earned.
- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.

Management and Operational risks

Reliance on the Portfolio Manager

- The success of the PMS will depend to a large extent upon the ability of the Portfolio Manager to source, select, complete and realize appropriate investments and also reviewing the appropriate investment proposals. The Portfolio Manager shall have considerable latitude in its choice of Portfolio Entities and the structuring of investments. Furthermore, the team members of the Portfolio Manager may change from time to time. The Portfolio Manager relies on one or more key personnel and any change/removal of such key personnel may have material adverse effect on the returns of the Client.

- The investment decisions made by the Portfolio Manager may not always be profitable.

- Investments made by the Portfolio Manager are subject to risks arising from the investment objectives, investment approach, investment strategy and asset allocation.

Other risks factors in relation to investment in Securities/Instruments

- The Client would be subject to ongoing risk profiling in accordance with the Regulation. If in case during such ongoing risk profiling, it is found that the Client is not suitable for the investments in Securities or doesn't have risk appetite, the Portfolio Manager may terminate the Agreement with the Client.

- In case of in-specie distribution of the Securities by the Portfolio Manager upon termination or liquidation of the Client Portfolio could consist of such Securities for which there may not be a readily available public market. Further, in such cases the Portfolio Manager may not be able transfer any of the interests, rights or obligations with respect to such Securities except as may be specifically provided in the Agreement with Portfolio Entities. If an in-specie distribution is received by the Clients from the Portfolio Manager, the Clients may have restrictions on disposal of assets so distributed and consequently may not be able to realize full value of these assets.

- Some of the Portfolio Entities in which the Portfolio Manager will invest may get their Securities listed with the stock exchange after the investment by the Portfolio Manager. In connection with such listing, the Portfolio Manager may be required to agree not to dispose of its securities in the Portfolio Entity for such period as may be prescribed under the Applicable Law, or there may be certain investments made by the Portfolio Manager which are subject to a statutory period of non-disposal or there may not be enough market liquidity in the security to effect a sale and hence Portfolio Manager may not be able to dispose of such investments prior to completion of such prescribed regulatory tenures and hence may result in illiquidity.

- A part of the Client Portfolio may be invested in listed securities and as such may be subject to the market risk associated with the vagaries of the capital market.

- The Portfolio Manager may also invest in Portfolio Entity/ies which are new or recently established or are investment vehicles like mutual funds/trusts/venture capital funds. Such investments may present greater opportunities for growth but also carry a greater risk than is usually associated with investments in listed securities or in the securities of established companies, which often have a historical record of performance.

<u>Portfolio-related risks</u>

Identification of Appropriate Investments

The success of the PMS as a whole depends on the identification and availability of suitable investment opportunities and terms. The availability and terms of investment opportunities will be subject to market conditions, prevailing regulatory conditions in India where the Portfolio Manager may invest, and other factors outside the control of the Portfolio Manager. Therefore, there can be no assurance that appropriate investments will be available to, or identified or selected by, the Portfolio Manager.

Change in Regulation

Any change in the Regulations and/or other Applicable Laws or any new direction of SEBI may adversely impact the operation of the PMS.

Bankruptcy of Portfolio Entity:

Various laws enacted for the protection of creditors may operate to the detriment of the PMS if it is a creditor of a Portfolio Entity that experience financial difficulty. For example, if a Portfolio Entity becomes insolvent or files for bankruptcy protection, there is a risk that a court may subordinate the Client's claim to other creditors. If the PMS/Client holds equity securities in any Portfolio Entity that becomes insolvent or bankrupt, the risk of subordination of the PMS's/Client's claim increases.

Political, economic and social risks

Political instability or changes in the government could adversely affect economic conditions in India generally and the Portfolio Manager's business in particular. The Portfolio Entity's business may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. Nevertheless, the government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Moreover, there can be no assurance that such policies will be continued and a change in the government's economic liberalization and deregulation policies in the future could affect business and economic conditions in India and could also adversely affect the Portfolio Manager's financial condition and operations. Future actions of the Indian central government or the respective Indian state governments could have a significant effect on the Indian economy, which could adversely affect private and public-sector companies, market conditions, prices and yields of the Portfolio Entity/ies.

Many countries have experienced outbreaks of infectious illnesses in recent decades, including severe acute respiratory syndrome and the COVID-19. The COVID-19 outbreak has resulted in numerous deaths and the imposition of both local and more widespread "work from home" and other quarantine measures, border closures and other travel restrictions, causing social unrest and commercial disruption on a global scale. The ongoing spread of the COVID-19 has, had, and will continue to have a material adverse impact on portfolio entities, local economies and also the global economy, as cross border commercial activity and market sentiment are increasingly impacted by the outbreak and government and other measures seeking to contain its spread. Additionally, the Portfolio Manager's operations could be disrupted if any of its member or any of its key personnel contracts the COVID-19 and/or any other infectious disease. Any of the foregoing events could materially and adversely affect the Portfolio Manager's ability to source, manage and divest its investments and its ability to fulfil its investment objectives. Similar consequences may arise with respect to other comparable infectious diseases.

Inflation risk

Inflation and rapid fluctuations in inflation rates have had, and may have, negative effects on the economies and securities markets of the Indian economy. International crude oil prices and interest rates will have an important influence on whether economic growth targets in India will be met. Any sharp increases in interest rates and commodity prices, such as crude oil prices, could reactivate inflationary pressures on the local economy and negatively affect the medium-term economic outlook of India.

Tax risks

Changes in state and central taxes and other levies in India may have an adverse effect on the cost of operating activities of the Portfolio Entities***.*** The government of India, State governments and other local authorities in India impose various taxes, duties and other levies that could affect the performance of the Portfolio Entities. An increase in these taxes, duties or levies, or the imposition of new taxes, duties or levies in the future may have a material adverse effect on the Client Portfolio's profitability. Furthermore, the tax laws in relation to the Client Portfolio are subject to change, and tax liabilities could be incurred by Clients as a result of such changes.

Technology risks

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

The Portfolio Manager may be not successful in detecting and preventing such theft and attacks which could disrupt its business and adversely affect the reputation and competitive position leading the Portfolio Manager to bear loss on its investments.

7) Client Representation:

(i) Details of client's accounts activated

a. Discretionary

As on 31st March, 2024

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

*Includes Directors

As on 31st March, 2023

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	10	283.20
Others	144	121.13
Total	**154**	**404.33**

*Includes Directors

As on 31st March, 2022

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	10	197.51
Others	142	111.73
Total	**152**	**309.24**

*Includes Directors

b. Non-Discretionary

As on 31st March, 2024

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

***Includes Directors**

As on 31st March, 2023

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	0	0.00
Others	2	57.66
Total	2	57.66

***Includes Directors**

As on 31st March, 2022

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	0	0.00
Others	2	58.10
Total	2	58.10

***Includes Directors**

c. Advisory

As on 31st March, 2024

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

*Includes Directors

As on 31st March, 2023

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	7	42.86
Others	23	127.51
Total	**30**	**170.37**

*Includes Directors

As on 31st March, 2022

Category of clients	No of Clients	Funds Managed (Rs.in Crs)
Associates/ Group Companies*	4	50.22
Others	14	98.99
Total	**18**	**149.21**

*Includes Directors

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

Rent Paid : 14.00 Lakhs

Remuneration paid to Key Management Personnel : 270.12 Lakhs

8) The Financial Performance of the Portfolio Manager for the last 3 years. (based on audited financial statements)

				(In Rs.)
	SUMMMARY OF ASSETS AND LIABILITES	**As on 31 March 2023**	**As on 31 March 2022**	**As on 31 March 2021**
I.	**EQUITY AND LIABILITIES**			
1	**Shareholder's funds**			
	(a) Equity Share Capital	3,00,00,000.00	3,00,00,000.00	3,00,00,000.00
	(b) Preference Share Capital	1,35,00,000.00	2,70,00,000.00	4,05,00,000.00
	(c) Reserves and Surplus	12,71,28,724.61	12,36,61,511.30	3,87,60,896.34
	(d) Pref. Share Application Money pending allotment			-

	TOTAL (A)	**17,06,28,724.61**	**18,06,61,511.30**	**10,92,60,896.34**
2	**Non- current liabilities**			
	(a) Long-term borrowings	-		-
	(b) Deferred Tax liabilities (Net)	-		-
	TOTAL (B)			
3	**Current Liabilities**			
	(a) Short term borrowings		-	-
	(b) Trade payables	1,05,391.38	1,09,564.00	-
	(c) Other current liabilities	2,67,89,238.33	3,72,12,489.81	39,04,073.63
	(d) Short term provisions	2,91,83,481.45	1,99,67,174.00	1,58,96,959.26
	TOTAL (C)	**5,60,78,111.16**	**5,72,89,227.81**	**1,98,01,032.89**
	TOTAL (A+B+C)	**22,67,06,835.77**	**23,79,50,739.11**	**12,90,61,929.23**
II	**<u>ASSETS</u>**		-	-
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Tangible assets	13,25,569.72	19,35,630.09	14,51,517.07
	(ii) Intangible assets	1,63,702.98	2,51,917.98	1,38,297.07
	(iii) Capital work-in-progress	72,29,413.74	-	-
	(iv) Intangible assets under development		-	-
	(b) Non-current investments	10,61,23,690.92	10,61,23,690.92	6,20,54,513.62
	(c) Deferred tax assets (net)	29,85,373.11	31,16,189.11	6,86,852.11
	(d) Long-term loans and advances	52,61,287.00	9,30,000	7,30,000.00
	(e) Other non-current assets (Preliminary)			
	TOTAL (D)	**12,30,89,037.47**	**11,23,57,428.10**	**6,60,61,169.88**
2	**Current assets**			
	(a) Current investments	1,45,92,835.96	2,80,55,333.26	46,50,044.12
	(b) Inventories	2,92,43,953.34	3,12,97,374.21	1,92,68,992.13
	(c) Trade receivables	1,80,33,924.06	1,74,70,165.81	1,65,45,343.96
	(d) Cash and Cash equivalents	11,05,554.31	64,20,856,94	6,19,294.49

	(e) Short-term loans and advances		-	-
	(f) Other current assets	4,06,41,530.63	4,23,49,580.79	2,19,17,084.65
	TOTAL (E)	**10,36,17,798.30**	**12,55,93,311.01**	**6,30,00,759.35**
	TOTAL (D+E)	**22,67,06,835.77**	**23,79,50,739.11**	**12,90,61,929.23**

				(In Rs)
	SUMMARY OF PROFIT AND LOSS INFORMATION	**For the Financial Year ended 31 March 2023**	**For the Financial Year ended 31 March 2022**	**For the Financial Year ended 31 March 2021**
I.	Revenue from operations	10,61,10,507.12	23,56,90,423.30	16,22,34,966.18
II.	Other income	1,34,29,148.81	2,28,57,011.55	68,72,441.85
III.	**Total Revenue (I + II)**	**11,95,39,655.93**	**25,85,47,434.85**	**16,91,07,408.03**
IV.	**Expenses:**			
	Direct Expenses	3,19,61,610.85	5,84,25,874.17	11,57,66,449.84
	Changes in Inventories of Shares held as stock	20,53,420.87	(1,20,28,382.08)	(1,78,28,115.28)
	Employee benefits expense	3,17,12,706.76	5,89,23,837.03	2,36,98,407.00
	Finance costs	34,741.82	44,227.00	86,268.44
	Depreciation and amortization expense	11,33,404.02	6,01,233.32	6,27,968.87
	Other expenses	3,82,09,434.85	4,77,47,573.11	2,52,19,988.43
	Total expenses	10,51,05,319.17	15,37,14,363.54	14,75,70,967.30
V.	**Profit before Tax**	1,44,34,336.76	10,48,33,072.31	2,15,36,440.73
VI	**Tax expense:**			
	Current tax	34,07,961.13	1,99,67,174.00	55,41,470.26

	(1) Short/(Excess) Provision for tax of earlier years	58,08,346.32	(35,379.65)	(5,34,956.00)
	(2) Deferred tax Liability/(Asset)	1,30,816.00	(24,29,337.00)	(78,331.89)
	Profit (Loss) for the period	50,87,213.31	8,73,30,614.96	1,53,81,682.58

9) Portfolio Management performance of the Portfolio Manager for the last three years, and in case of discretionary Portfolio disclosure of performance indicators calculated using 'Time Weighted Rate of Return' method in terms of Regulation 22 of the Regulations.

Return on Investment
Product: Discretionary

Particulars	2023 - 2024 (in %)	2022 - 2023 (in%)	2021-2022 (in%)
Portfolio Return	59.81	5.71	18.04
S&P BSE 500	38.36	-2.26	20.88

Product: Non-Discretionary

Particulars	2023 - 2024 (in %)	2022-2023 (in%)	2021-2022 (in%)
Portfolio Return	35.03	-2.08	17.23
S&P BSE 500	38.36	-2.26	20.88

Product: Advisory

Particulars	2023 – 2024 (in %)	2022-2023 (in %)	2021-2022 (in%)
Portfolio Return	44.30	0.14	18.67
S&P BSE 500	38.36	-2.26	20.88

10) Audit Observations of preceding three years

Financial Year	Audit Observations
2022-2023	NIL
2021-2022	NIL
2020-2021	NIL

11) Nature of expenses

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

I. Management Fee:

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

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

II. Performance Fee:

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

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

III. Advisory fees:

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

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

IV. Termination Fee/Exit charges:

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

The Portfolio Manager proposes to charge a Termination Fee of upto 3% for redemptions within 12 (twelve) months of investment, upto 2% for redemptions within 24 (twenty-four) months of investment and upto 1% redemptions within 36 (thirty-six) months of investment. The Termination Fee is exclusive of applicable taxes and the Client shall bear such taxes over and above the amount of Termination Fee.

V. Other fees and expenses:

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

ii. Depository/custodian fee:

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

iii. Registrars and Transfer Agents' fees:

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

iv. Brokerage, Transaction Costs and other Services:

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

VI. Any other incidental or ancillary expenses:

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

12) Taxation

(i) General

The information furnished below outlines briefly the key tax implications applicable to the Clients investing through the Portfolio Manager. The tax implications are based on the relevant provisions of the Income-tax Act, 1961, (‘**the Act**’), as amended by the Finance Act, 2019 (collectively referred to as ‘the relevant provisions’). Since the information below is based on the relevant provisions as on the date of this document, any subsequent changes in the said provisions could impact the overall tax considerations for the Client.

The following information is provided for general information purposes only. The following summary of the anticipated tax treatment does not constitute legal or tax advice and is based on the taxation law and practice in force at the date of this document. While this summary is considered to be a correct interpretation of existing laws and practice in force on the date of this document, no assurance can be given that courts or other authorities responsible for the administration of such laws will agree with this interpretation, or that changes in such laws or practice will not occur. This summary does not purport to be a complete analysis of all relevant tax considerations, nor does it purport to be a complete description of all potential risks inherent in investing in the Securities through the Portfolio Manager. Clients should make their own investigation of the tax consequences of such investment and each Client is advised to consult its own tax advisor with respect to the specific tax consequences. The Portfolio Manager is not making any representation or warranty to any Client regarding any legal interpretations and tax consequences to the Client.

(ii) Tax Implications to investors

Income arising from purchase and sale of equity shares or preference shares or debentures (hereinafter referred to as ‘securities’) under PMS can give rise to business income or capital gains in the hands of the client. The issue of characterization of income is relevant as the tax computation and rates differ in either of the two situations.

The characterization of income arising from transfer of securities as business income or as capital gains is dependent on whether the securities are held as business / trading assets or on capital account.

Based on various judicial precedents and CBDT Circulars / Instructions, certain tests are laid down to distinguish between shares held as stock in trade and shares held as investment. However, many of the tests laid down in CBDT Circular / Instruction and by Courts are subjective and prone to individual interpretation. In light thereof, each investor will have to independently determine whether income from transfer of securities will be characterized as ‘business income’ or ‘capital gains’.

In the following paragraphs, we have considered the broad implications under the IT Act arising in the hands of the resident clients for investments made in listed and unlisted securities under both the scenarios, viz:

- PMS securities held as Business Asset; and

- PMS securities held on Capital Account.

(iii) Securities Transaction Tax ('STT')

The purchase and sale of listed equity shares of a listed company on delivery basis on the stock exchange attracts STT @ 0.1% of the transaction value. In case of purchase of equity oriented mutual fund units (delivery based), the STT payable is NIL, but the sale (delivery based) of equity oriented mutual fund units attracts STT of 0.001% which is payable by seller. On sale of equity or equity oriented mutual fund units (non-delivery based) attracts STT of 0.025% payable by seller. For sale of options in securities STT is 0.017% payable by seller. On sale of option in securities where it is exercised, it is 0.125% payable by purchaser and for sale of futures in securities, STT is 0.01% payable by seller.

The above STT is payable, irrespective of whether the securities are characterized as Business Assets or as Capital Assets.

(iv) Tax Implications where securities are Business Assets

(a) *Profits and Gains of Business or Profession*

The following are the various income streams that can arise from securities held under the PMS:

- Gains on sale of securities;
- Dividend income on shares; and
- Interest income on debentures.

If the securities under the PMS is regarded as a "Business/Trading asset, then any gain / loss arising from sale of the shares would be taxed under the head "Profits and Gains of Business or Profession" under section 28 of the Act. The gain / loss is to be computed under the head "Profits and Gains of Business or Profession" after allowing normal business expenses (inclusive of the expenses incurred on transfer).

As per the Finance Act 2020, with effect from 1-04-2020, Dividend will be taxable in the hands of the assessee and the concept of Dividend Distribution Tax is no more in vogue.

Introduction of New Section 194 K mandates the requirement of deducting at source 10 percent of the income being paid to a resident in respect of the units of Mutual Funds specified in section 10(23D) or Administrator of specified undertaking or units from specified company, which are not in nature of capital gains and exceeds Rs. 5,000.

Interest income arising on securities may be categorized as 'Business Income' or 'Income from Other Sources'. Expenses incurred to earn such interest income would be available as deduction.

STT paid on securities held on Business Account is allowed as a deductible expenditure while computing taxable income under the head 'Profit and Gains from Business & Profession'.

The tax rates applicable to different categories of assessee on the income computed under the head 'Profits and Gains of Business & Profession' are as under for the financial year 2022-2023

- Individuals / HUF – applicable tax slab rates (Maximum being 30%)
- Partnership Firm– (Maximum being 30%)
- Domestic Companies – (Maximum Being 30%)

The income tax rates specified above and elsewhere in this document are exclusive of the applicable surcharge & cess.
For the financial year 2022-2023, the applicable rates for surcharge are given below:

Nature of Income	Range of Total Income					
	Up to Rs. 50 lakh	More than Rs. 50 lakh but up to Rs. 1 crore	More than Rs. 1 crore but up to Rs. 2 crore	More than Rs. 2 crore but up to Rs. 5 crore	More than Rs. 5 crore but up to Rs. 10 crore	More than Rs. 10 crore
Individual, HUF or Artificial Judicial Person						
Short-term capital gain covered under Section 111A	*Nil*	10%	15%	15%	15%	15%
Long-term capital gain covered under Section 112A	*Nil*	10%	15%	15%	15%	15%
Any other income*	*Nil*	10%	15%	25%	37%	37%
* The Finance (No. 2) Act, 2019 has been amended to withdraw the enhanced surcharge, i.e., 25% or 37%, as the case may be, from income chargeable to tax under section 111A and 112A. Hence, the maximum rate of surcharge on tax payable on such incomes shall be 15%. However, where other income of a person does not exceed Rs. 2 crores but after including the incomes as referred to in section 111A and 112A, the total income exceeds Rs. 2 crores then irrespective of the amount of other income, surcharge shall be levied at the rate of 15% on the amount of tax payable on both normal income as well as income referred to in section 111A and 112A.						
AOP or BOI						
Short-term capital gain covered under Section 111A	*Nil*	10%	15%	15%	15%	15%
Long-term capital gain covered under Section 112A	*Nil*	10%	15%	15%	15%	15%
Short term or Long term capital gains on transfer of certain securities under section 115AD(1)(b)	*Nil*	10%	15%	15%	15%	15%
Any other Income*	*Nil*	10%	15%	25%	37%	37%

* The Finance (No. 2) Act, 2019 has been amended to withdraw the enhanced surcharge, i.e., 25% or 37%, as the case may be, from income chargeable to tax under section 111A, 112A and 115AD. Hence, the maximum rate of surcharge on tax payable on such incomes shall be 15%. However, where other income of a person does not exceed Rs. 2 crores but after including the incomes as referred to in section 111A, 112A and 115AD, the total income exceeds Rs. 2 crores then irrespective of the amount of other income, surcharge shall be levied at the rate of 15% on the amount of tax payable on both normal income as well as income referred to in section 111A, 112A and 115AD.

Partnership Firm

Total Income Exceeds Rs. 1 Crore	12%

Domestic Company

Domestic Company	*Assessment Year 2023-24*
- Total Income exceeds 1 Crores but does not exceed 10 Crores	7%
- Total Income exceeds 10 Crores	12%

The rate of surcharge in case of a company opting for taxability under Section 115BAA or Section 115BAB shall be 10% irrespective of amount of total income.

Further, Health and Education Cess is leviable at 4% on the income tax and surcharge as computed above.

Accordingly, the Gross Tax Rates for financial year 2022-2023 are as follows (Surcharge as per new enactment is considered):

Assessee	**% of Income Tax**
Individual, HUF, Association of Persons, Body of Individuals:	
(A) If total income is upto Rs 50 Lakhs	Maximum 31.20%
(B) If total income exceeds Rs 50 Lakhs upto 1 Crore	Maximum 34.32%
(C) If total income exceeds Rs 1 Crore upto 2.5 Crore	Maximum 35.88%
(D) If total income exceeds Rs 2.5 Crore upto 5 Crore	Maximum 39.00%
(E) If total income exceeds Rs 5 Crore	Maximum 42.74%
Partnership Firms	
(A) If total income is upto Rs. 1 crore	Maximum 31.20%
(B) If total income exceeds Rs. 1 crore	Maximum 34.94%
Domestic Companies - @ 25%	
(A) If total income is upto Rs 1 Crore	Maximum 26.00%

(B) If total income > Rs 1 crore but < Rs.10 Cr. (C) If total income exceeds Rs.10 Crore	Maximum 27.82% Maximum 29.12%
Domestic Companies: @ 30% (B) If total income is upto Rs 1 Crore (B) If total income > Rs 1 crore but < Rs.10 Cr. (C) If total income exceeds Rs.10 Crore	 Maximum 31.20% Maximum 33.38% Maximum 34.94%

Note:-

- Individuals Opting for Section 115BAC are having varied Tax rate applicable asper their Total Income
- Domestic Companies opting for Section 115BAA have a Tax Liability of 25.168% irrespective of their Total Income.

(b) Losses under the head Profits and Gains of Business or Profession

In the case of loss under the head 'Profits and Gains of Business or Profession' (other than speculative loss), it can be set off against the income from any other source under the same head or income under any other head (Business loss can't be set off against salary income) in the same assessment year. If such loss cannot be set off against any other head in the same assessment year, then it will be carried forward and shall be set off against the profits and gains of the business (other than speculative loss), within the period of 8 subsequent assessment years.

In case the loss is in the nature of speculation loss, set-off would be available in the same assessment year only against speculation gain. Such loss can be carried forward for set-off against speculative gains within a period of 4 subsequent assessment years.

Derivatives transactions traded on a stock exchange are excluded from being treated as a speculative transaction.

(v) Tax Implications where securities are Capital Assets

The following are the various income streams that can arise from securities held under the PMS:

- Gains on sale of securities;
- Dividend income on shares; and
- Interest income on debentures.

As per the Finance Act 2020, with effect from 1-04-2020, Dividend will be taxable in the hands of a Specified Assessee* and the concept of Dividend Distribution Tax is no more in vogue.

Interest income arising on securities would be categorized as 'Income from Other Sources' at the rate mentioned above. Expenses incurred wholly and exclusively for earning such interest would be available as deduction.

Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. Shares held in a Company and any other securities listed on a recognized stock exchange in India (including listed debentures) are considered as long-term capital assets if these are held for a period exceeding 1 year. Other securities (including unlisted debentures) would be considered as long-term capital asset if held for a period exceeding 3 years.

The mode of computation of capital gains would be as follows:

Sale Consideration	xxx
Less: Cost of Acquisition (Note 1)	(xxx)
Expenses on such transfer (Note 2)	(xxx)
Capital Gains	**xxx**

Note 1: In case of the computation of long-term capital gains, option of indexation of cost is available on all securities (other than bonds and debentures).

Note 2: This would include only expenses relating to transfer of securities such as brokerage, stamp duty, etc. Normal business expenses would not be allowable. Further, STT is not allowable as a deduction in computing taxable capital gains.

The provisions of the Act, in relation to taxation of long term and short-term capital gains are provided in the following paragraphs.

Long Term Capital Gains

Long-term capital gains are taxable in the hands of domestic investors as under:

(a) Listed equity shares on which STT has been paid

As per new proposed Section 112A, long term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% of such capital gains. The tax shall be levied on capital gains in excess of Rs. 1 lakh. This concessional rate of 10% will be applicable if STT has been paid on both acquisition and transfer of such capital asset, in case of equity shares, and paid at the time of transfer in case of unit of equity-oriented fund or a unit of a business trust. The cost of acquisitions of a listed equity share acquired by the taxpayer before February 1, 2018, shall be deemed to be higher of the following:

a) The actual cost of acquisition or
b) Lower of:
    i. Sale consideration
    ii. Highest Price Quoted on the stock exchange on January 31, 2018

Long term capital gains arising from transfer of equity shares on a stock exchange would be considered in computing the book profit and tax payable as per the Minimum Alternate Tax provisions (section 115JB of the Act).

(b) Securities other than listed equity shares referred in Para (a) above

Under the provisions of Section 112 of the Act, long-term capital gains (other than those referred in (a) above) are subject to tax @ 20% (plus applicable surcharge and Cess as mentioned above) with indexation benefit. In case of long-term capital gains derived on sale of listed securities (other than those referred in (a) above), there is an option to apply income tax @ 10% (plus applicable surcharge and Cess as mentioned above) on gains computed without giving effect to indexation benefit[1].
In case of resident individuals and HUF, where taxable income (as reduced by long-term capital gains) is below the basic exemption limit, only the excess of the aggregate income over the maximum amount not chargeable to tax will be subjected to income-tax and surcharge.

[1] In case of listed debentures, based on judicial precedents, it is possible to take a view that concessional tax rate of 10% (without indexation) per proviso to section 112 should be available.

(c) Deductions from Long-term Capital Gains

Exemption under section 54EC, which was available to all types of Capital Gains earlier has been amended. As per the Finance Act 2018, only Long Term Capital Gain arising on the sale of Land or Building is eligible for the exemption. Moreover, the holding period of bond has been raised to 5 years from earlier 3 years.

Further, according to the provisions of section 54F of the Act and subject to the conditions specified therein, in the case of an individual or a HUF, gains arising on transfer of a long term capital asset (not being a residential house), other than gains exempt under section 10(38) of the Act, are not chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period in a residential house. If part of such net consideration is invested within the prescribed period in a residential house, then such gains would not be chargeable to tax on a proportionate basis. For this purpose, net consideration means full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.

<u>Short term Capital Gains</u>

(a) Listed equity shares on which STT has been paid

Under Section 111A of the Act, income from Short term Capital Gains arising from transfer of equity shares (on which STT is paid) are taxable @ 15% for the financial year 2022-2023 (plus applicable Surcharge and Cess as mentioned above).

In case of resident individuals and HUF, where taxable income (as reduced by short-term capital gains) is below the basic exemption limit, only the excess of the aggregate income over the maximum amount not chargeable to tax will be subjected to income-tax and surcharge.

(b) Securities other than listed equity shares referred in (a) above

The tax rates applicable to different categories of assesses on Short term Capital Gains are as follows:

- Individual / HUF / Partnership Firms – Applicable tax slab rates; maximum being 30% (plus applicable surcharge and cess as mentioned above)

- Domestic Companies* –

    a. 30% : If Turnover of Gross Receipts exceeds Rs 400 Crores in the Previous year 2017-18
    b. 25% or 22% : As the case may be.
    (plus applicable Surcharge and Cess as mentioned above)

<u>Capital Loss</u>

Losses under the head 'Capital Gains', cannot be set-off against income under any other head. Further, within the head 'Capital Gains', long-term capital losses cannot be adjusted against short-term capital gains. However, short-term capital losses can be adjusted against any capital gains.

Unabsorbed long-term capital loss can be carried forward and set off against the long-term capital gains arising in subsequent eight assessment years.

Unabsorbed short-term capital loss can be carried forward and set off against the income under the head Capital Gains in subsequent eight assessment years.

(vi) Special Provisions relating to Avoidance of Tax

Loss to be disallowed under certain circumstances:

According to section 94(7) of the Act, if any person buys or acquires securities within a period of three months prior to the record date fixed for declaration of dividend or distribution of income and sells or transfers the same within a period of three months from such record date, then losses arising from such sale to the extent dividend or income received or receivable on such securities, which are exempt under the Act, will be ignored for the purpose of computing his income chargeable to tax.

Disclaimer: The tax information provided above is generic in nature and the actual tax implications for each client could vary substantially from what is mentioned above, depending on residential status, the facts and circumstances of each case. The Client would therefore be best advised to consult his or her tax advisor/consultant for appropriate advice on the tax treatment of his income or loss and the expenses incurred by him as a result of his investment as offered by the Portfolio Manager.

13) Accounting policies

Following key accounting policies shall be followed:

- All investments will be marked to market.
- In determining the holding cost of investments and the gains or loss on sale of investments, the 'first in first out' method shall be followed.
- The cost of investments acquired or purchased would include brokerage, stamp charges and any charge customarily included in the broker's contract note.
- Accounting norms prevalent in the portfolio management services industry and as may be prescribed/applicable from time to time.

14) Investors services

The Portfolio Manager seeks to provide the Clients a high standard of service. The Portfolio Manager is committed to put in place and upgrade on a continuous basis the systems and procedures that will enable effective servicing through the use of technology. The Client servicing essentially involves: -

(a) Reporting portfolio actions and Client statement of accounts at pre-defined frequency;
(b) Attending to and addressing any Client query with least lead time;
(c) Ensuring portfolio reviews at predefined frequency.

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

Name	Nithesh V Bhat
Address	16/100 (2), Kalasha Nivasa, Hari Hara Nagara, Karnad, Mulki-574154
Contact No	+91 824 2983541
Email id	nbhat@samvitticapital.com

Grievance redressal and dispute settlement mechanism:

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

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

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

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

Name	K Sathish Bhandary
Address	16/100 (2), Kalasha Nivasa, Hari Hara Nagara, Karnad, Mulki-574154
Contact No	+91 824 2983541
Email id	sbhandary@samvitticapital.com

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

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

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

After exhausting the aforesaid mentioned options for resolution of the grievance, if the
Client is still not satisfied with the outcome they can initiate dispute resolution mechanism that includes mediation and / or conciliation and / or arbitration, through the Online Dispute Resolution Portal (ODR Portal) at https://smartodr.in/login in accordance with the procedure specified by SEBI vide SEBI circular no.SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on Aug 04,2023 & Dec

20,2023) on Online Resolution of Disputes in the Indian Securities Market. A copy of the said SEBI circular is available at https://www.sebi.gov.in/legal/master-circulars/dec-2023/master-circular-for-online-resolution-of-disputes-in-the-indian-securities-market_80236.html and also available on https://samvitticapital.com/investments/

15) Details of investments in the securities of related parties of the Portfolio Manager

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

16) Details of diversification policy for Portfolio Manager

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

17) General

Prevention of Money Laundering

Prevention of Money Laundering Act, 2002 ("**PML Act**") came into effect from July 1, 2005. Further, SEBI *vide* its master circular no. SEBI/ HO/ MIRSD/ DOP/ CIR/ P/ 2019/113 dated October 15, 2019 has mandated that all intermediaries should formulate and implement a proper policy framework as per the guidelines on anti-money laundering measures, policy for acceptance of clients and also to adopt a Know Your Customer ("**KYC**") policy. The intermediaries may, according to their requirements specify additional disclosures to be made by clients for the purpose of identifying, monitoring and reporting incidents of money laundering and suspicious transactions undertaken by clients. SEBI has further issued circular no. ISD/CIR/RR/AML/2/06 dated March 20, 2006 advising all intermediaries to take necessary steps to ensure compliance with the requirement of section 12 of the PML Act requiring, i*nter alia*, maintenance and preservation of records and reporting of information relating to cash and suspicious transactions to Financial Intelligence Unit-India (FIU-IND). The PML Act, Prevention of Money-laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 as amended and modified from time to time, the guidelines/circulars issued by SEBI thereto, as amended from time to time, are hereinafter collectively referred to as 'PML Laws'.

The Client(s), including guardian(s) where Client is a minor, should ensure that the amount invested through the services offered by the Portfolio Manager is through legitimate sources only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the Income Tax Act, 1961, PML Laws, Prevention of Corruption Act, 1988 and/or any other applicable law in force and also any laws enacted by the Government of India from time to time or any rules, regulations, notifications or directions issued there under.

To ensure appropriate identification of the Client(s) under its KYC policy and with a view to monitor transactions in order to prevent money laundering, the Portfolio Manager (itself or through its nominated agency as permissible under Applicable Laws) reserves the right to seek information, record investor's telephonic calls and/or obtain and retain documentation for establishing the identity of the investor, proof of residence, source of funds, etc. The Client agrees to provide all information and submit to the Portfolio Manager, or its agent, all documents as may be required to verify the Clients identity and comply with its KYC and PML policies. The Portfolio Manager may re-verify identity and obtain any incomplete or additional information for this purpose, including through the use of third party databases, personal visits, or any other means as may be required for the Portfolio Manager to satisfy themselves of the investor(s) identity, address and other personal information.

The Client(s) and their attorney(ies), if any, shall produce reliable, independent source documents such as photographs, certified copies of ration card/passport/driving license/PAN card, etc. and/or such other documents or produce such information as may be required from time to time for verification of the personal details of the Client(s) including *inter alia* identity, residential address(es), occupation and financial information by the Portfolio Manager. The Portfolio Manager shall also, after application of appropriate due diligence measures, have absolute discretion to report any transactions to FIU-IND (and any other competent authorities and self-regulating bodies) that it believes are suspicious in nature within the purview of the PML Laws and/or on account of deficiencies in the documentation provided by the Client(s) and the Portfolio Manager shall have no obligation to advise investors or distributors of such reporting. The KYC documentation requirements shall also be complied with by the persons becoming the Client by virtue of operation of law e.g. transmission, etc.

The Portfolio Manager will not seek fresh KYC from the Clients who are already KRA compliant and the ones who are not KRA compliant, the information will be procured by the Portfolio Manager and uploaded.

The KYC requirements shall also be applicable for all joint holders, legal representatives, legal heirs, estates, nominees of the Client. The KYC documentation requirements shall also be complied with by the person(s) becoming beneficial owner of the account by virtue of operation of law for e.g. transmission cases and nominees/legal heirs on the death of the Client. In case of minor Client, KYC documentation requirements shall be complied by the Client on attaining the "major" status.

The Portfolio Manager, and its directors, employees, agents and service providers shall not be liable in any manner for any claims arising whatsoever on account of freezing the client account/rejection of any application or mandatory repayment/returning of funds due to non-compliance with the provisions of the PML Laws and KYC policy and/or where the Portfolio Manager believes that transaction is suspicious in nature within the purview of the PML Laws and/or for reporting the same to FIU-IND.

Client Information

The Portfolio Manager shall presume that the identity of the Client and the information disclosed by the Client is true and correct. It will also be presumed that the funds invested by the Client through the services of the Portfolio Manager come from legitimate sources / manner and the investor is duly entitled to invest the said funds.

Where the funds invested are for the benefit of a person (beneficiary) other than the person in whose name the investments are made and/or registered, the Client shall provide an undertaking that the Client is holding the funds/Securities in his name is legally authorized/entitled to invest the said funds through the services of the Portfolio Manager, for the benefit of the beneficiaries.

Notwithstanding anything contained in this Document, the provisions of the Regulations, PML Laws and the guidelines there under shall be applicable. Clients/Investors are advised to read this Document carefully before entering into the Agreement with the Portfolio Manager.

For and on behalf of Samvitti Capital Private Limited

Mr. V. Shivaram Kamath	For SAMVITTI CAPITAL PVT. LTD. Director
Mr. M Prabhakar Kudva	For SAMVITTI CAPITAL PVT. LTD. Director

Place: Mulki, Karnataka
Dated: 25-04-2024

Annexure I

Investment Approaches

1. Samvitti Long Term Growth Approach

a. Long Term Growth: Long Term Growth option will seek to build a portfolio of known, high quality and proven businesses with a focus on absolute returns in excess of inflation over a longer period of time. This is a moderate risk investment strategy.

Appropriate benchmark to compare performance and basis for choice of benchmark

S&P BSE500

- **Investment objective**

  Focus on wealth creation across multiple business and market cycles.

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

  All listed and SEBI approved instruments.

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

  Driven by a combination of fundamentals and technical.

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

  As per the Client profile and/or market opportunity typically ranging from 0-10% on an average.

- **Indicative tenure or investment horizon**

  At least 3-5 years.

- **Risks associated with the investment approach**

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

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

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

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

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

  Not Applicable.

2. Samvitti Aggressive Growth Approach

a. Aggressive Growth: Aggressive Growth option will seek to build a portfolio using multi-style strategies focusing on all capitalizations (large, mid and small) with a bias towards fast growing and promising businesses. This is a high-risk investment strategy.

Appropriate benchmark to compare performance and basis for choice of benchmark

S&P BSE500

- **Investment objective**

  Focus on wealth creation across multiple business and market cycles.

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

  All listed and SEBI approved instruments.

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

  Driven by a combination of fundamentals and technical.

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

  As per the Client profile and/or market opportunity typically ranging from 0-10% on an average.

- **Indicative tenure or investment horizon**

  At least 3-5 years.

- **Risks associated with the investment approach**

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

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

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

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

- **Other salient features, if any.** Not Applicable

3. Samvitti Active Alpha Approach

- **Investment objective**

  This investment approach will seek to create a portfolio by making investments in listed securities on basis of a systematic selection model. The investment approach will entail an active investment strategy and resultantly can lead to a diversified portfolio. The investment approach can lead to churn and hence may have an impact on the overall tax liability of the portfolio.

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

  All permissible securities/instruments.

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

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

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

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

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

  S&P BSE500

- **Indicative tenure or investment horizon**

  At least 3-5 years.

- **Risks associated with the investment approach**

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

Technology risks

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

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

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

  Not applicable.

FORM C

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

(Regulation 22)

Name	**Samvitti Capital Private Limited**
Address	Registered office address: Kalasha Nivasa, D. No. 16/100(2), Harihara Nagara, Karnad, Mulki, Dakshina Kannada – 574154.
Phone	+91 9886274272
Fax Number	N.A.
Email	pkudva@samvitticapital.com

We confirm that:

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

(ii) 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 through the Portfolio Manager;

(iii) the Disclosure Document has been duly certified by an independent Chartered Accountant, as on 25/04/2024. The details of the Chartered Accountants are as follows:

Name of the Firm	:	Ganesh & Sudhir
Registration Number	:	000866S
Address:	:	1st Floor, Albuquerque Chambers, Pandeshwar Mangalore 575001.
Mobile Number	:	9448357747

(Enclosed is a copy of the Chartered Accountants' certificate to the effect that the disclosures made in the Document are true, fair and adequate to enable the investors to make a well informed decision).

Date: 25th April 2024

Signature of the Principal Officer
Mr. M Prabhakar Kudva

Place: Mulki, Karnataka

SAMVITTI CAPITAL PVT. LTD.
"Kalasha Nivasa", D. No. 16/100 (2)
Harihara Nagar, Karnad
MULKI - 574 154, (D.K.) KARNATAKA

Ganesh & Sudhir
Chartered Accountants
1st Floor, Albuquerque Chambers,
Pandeshwar, Mangaluru-575 001
0824-2426774, 8197426774
mail@gsanda.in
ganeshandsudhir.in

B.N. SURENDRA BHAT, B.COM., F.C.A
GIRIDHAR KAMATH, B.COM., L.L.B., F.C.A
NARAYANA, B.COM., F.C.A
VIKAS SHENOY, B.COM., F.C.A
MALAVIKA KAMATH, B.COM., F.C.A, DIIT(ICAI)
PARTNERS

CHARTERED ACCOUNTANT CERTIFICATE

To,

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

You have requested us to provide a certificate as per the engagement letter dated 24-04-2024 on the Disclosure document for Portfolio Management services ("the Disclosure Document") of Samvitti Capital Private Limited ("the Company") having CIN: U67100KA2014PTC077936 . We understand that the disclosure document is required to be submitted to the Securities and Exchange Board of India ("the SEBI").

1. The Disclosure Document and compliance with the Securities and Exchange Board of India (Portfolio Managers) Regulations,2020 ("the SEBI Regulation") and the Master Circular issued by SEBI dated 20th March,2023 is the responsibility of the Management of the company. Our Responsibility is to report in accordance with the Guidance note on Audit Reports and Certificates for special purposes issued by Institute of Chartered Accountants of India.

2. In respect of the information given in the Disclosure Document, we state that:
   i. The list of persons classified as Associates or group companies and list of related parties are relied upon as provided by the company.
   ii. The Promoters and Director's qualifications, experience, ownership details are as declared by them and have been accepted without further verification.
   iii. We have relied on the representations given by the management of the company about the penalties or litigations against the Portfolio Manager mentioned in the Disclosure document.

GANESH & SUDHIR C.A.'s MANGALORE

iv. With regard to Time weighted rate of return ("TWRR") calculation method, we have been informed by the management that the TWRR has been calculated by their software as per the logic specified by the SEBI.

v. We have relied on the representation made by the management regarding the Assets under management of Rs. 1,054.88 crores as on 31st March 2024.

3. Read with above and on the basis of our examination of the books of accounts, records, statements produced before us and to the best of our knowledge and according to the information, explanations and representations given to us, we certify that the disclosure made in the Disclosure Document dated 25th April 2024, are true and fair in accordance with the disclosure requirements laid down in Regulation 22 read with Schedule V to the SEBI Regulations. A management certified copy of the Disclosure document is enclosed herewith.

Restriction on Use

This certificate is intended solely for the use of the management of the company for the purpose as specified in paragraph 1 above. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

GANESH & SUDHIR
"ALBUQUERQUE CHAMBERS"
PANDESHWAR
MANGALURU-575 001
FIRM REGN. No. 000866S
CHARTERED ACCOUNTANTS

Place: MANGALORE
Date : 25-04-2024

(GIRIDHAR KAMATH) - MM 203199
Partner
UDIN: 24203199BKFSGK4789