MULTI-ACT EQUITY CONSULTANCY PRIVATE LIMITED
SEBI REGISTRATION NO.: INP000002965

DISCLOSURE DOCUMENT
FOR
PORTFOLIO MANAGEMENT SERVICES

The Board of Directors,
Multi -Act Equity Consultancy Pvt. Ltd.,
10th Floor SC, The Ruby Tower,
29, Senapati Bapat Marg,
Dadar (West), Mumbai 400028.

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

1. We have been requested by management of Multi-Act Equity Consultancy Private Limited ('the Company'/'the Portfolio Manager') to certify the contents of Disclosure Document dated November 24, 2025 for portfolio management services of the Company which is prepared by the Company in accordance with the Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 ('the SEBI Regulations'). We understand that the Disclosure Document is required to be submitted to the Securities and Exchange Board of India ("the SEBI") and to the clients of the Company.

Management's responsibility

2. The management of the Company is responsible for the maintenance of the books of account and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation and presentation of Disclosure Document.

3. The Disclosure Document and compliance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 is the responsibility of the management of the Company.

Auditor's responsibility

4. We have not performed an audit, the objective of which would be expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such an opinion.

5. For the purpose of this certificate, we have planned and performed the following procedures to determine whether anything has come to our attention that causes us to believe that the aforementioned Disclosure Document is not in compliance with the SEBI Regulations.

a) The list of persons classified as group companies and list of related parties are as per audited financial statements provided by the Company;
b) The promoters and directors' qualifications, experience, ownership details are as confirmed by the directors and have been accepted without further verification;
c) We have relied solely on representations provided by the management of the Company and not performed any procedures in relation to penalties or litigations against the Portfolio Manager, as mentioned in the Disclosure Document;
d) We have reviewed the figures for performance disclosed in the Disclosure Document on the basis of performance data report spooled from Wealth Spectrum;
e) We have reviewed the transactions with the related parties during the quarter as per the list of related parties and transactions data provided by the Portfolio Manager.
f) We have relied solely on representations provided by the management of the Company and not performed any procedures in relation to the investment objectives and policies / investment philosophy;
g) We have reviewed nature of fees and expenses as per the agreements and representations provided by the Company; and
h) We have verified the financial figures disclosed in the Disclosure Document with the audited financial statements for the respective years.

Conclusion

6. Based on the procedures performed as stated above, evidence obtained and information and explanations provided by the Company, nothing has come to our attention that causes us to believe that the Disclosure Document is not, in all material aspects, in compliance with the SEBI Regulations.

Based on our review of attached Disclosure Document, audited annual accounts of the Portfolio Manager and its other group companies and its other relevant records and information furnished by the Portfolio Manager along with representation provided, we certify that the disclosures made in the attached Disclosure Document for Portfolio Management are true, fair and adequate to enable the investors to make a well informed decision.

7. This certificate is issued solely to comply with Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 (as amended from time to time) and may not be suitable for any other purpose. Accordingly, our certificate should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior written consent.

For M.P. Chitale & Associates LLP
Chartered Accountants
Firm Reg. No. 101851W

Vidya Barje
Partner
M. No. 104994
Mumbai, November 24, 2025
UDIN: 25104994BMJHFF9486

PORTFOLIO MANAGEMENT SERVICES
DISCLOSURE DOCUMENT
OF
MULTI-ACT EQUITY CONSULTANCY PRIVATE LIMITED
(SEBI REGISTRATION No.: INP000002965)
(As per the requirement of the Fifth Schedule under Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020

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

This Disclosure Document has been filed with the 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.

The purpose of the Disclosure 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 Multi-Act Equity Consultancy Private Limited as a Portfolio Manager.

This Disclosure Document sets forth concisely the necessary information about the Portfolio Manager that is required by a prospective investor before investing.

Investors should carefully read the Disclosure Document prior to making a decision to avail of Portfolio Management Services and are advised to retain this Disclosure Document for future reference.

This Disclosure Document remains effective until a 'material change' occurs. Material changes will be filed with SEBI and notified to the investors, subject to the applicable regulations.

No person has been authorized to give any information or to make any representations not confirmed in this Disclosure Document in connection with the services provided or proposed to be provided by the Portfolio Manager, and any information or representations not contained herein must not be relied upon as having been authorized by the Portfolio Manager, Multi-Act Equity Consultancy Private Limited.

This Disclosure Document is dated November 24, 2025. (Audited Financial data of the Portfolio Manager considered up to 31st March 2025).

PRINCIPAL OFFICER	PORTFOLIO MANAGER
Mr. Rohan Samant Corporate Office: 10th Floor, The Ruby Tower, SC, 29, Senapati Bapat Marg, Dadar (West), Mumbai, Maharashtra – 400 028 Registered Office: Ground Floor, ICC Chambers I, Saki Vihar Road, Opp. Santogen Mills, Powai, Mumbai – 400 072. Tel no. +91 98198 51044 Email: rohan.samant@multi-act.com	**Multi-Act Equity Consultancy Private Limited** SEBI Registration No.: INP000002965 Registered Office: Ground Floor, ICC Chambers I, Saki Vihar Road, Opp. Santogen Mills, Powai, Mumbai – 400 072. Corporate Office: 10th Floor, The Ruby Tower, SC, 29, Senapati Bapat Marg, Dadar (West), Mumbai, Maharashtra – 400 028 Tel no. +91(22) 6140 8989 / 8980

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PART – I : STATIC SECTION

1. Disclaimer:

The particulars given in this Disclosure Document have been prepared in accordance with the SEBI (Portfolio Managers) Regulations 2020 and this Document has been filed with SEBI. This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of this Document. You are requested to retain the document for future reference. This document is not for public distribution and has been furnished to you solely for your information and may not be reproduced or redistributed to any other person.

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

This Disclosure Document along with a certificate in Form C is required to be provided to the Client, prior to entering into an agreement with the Client, as per Regulation 22 (3).

2. Definitions:

For the purposes of this Disclosure Document, except as otherwise expressly provided or as the context or meaning thereof otherwise requires, the following words and expressions shall have the meanings assigned to them respectively hereinafter:

"**Act**" means the Securities and Exchange Board of India Act, 1992.

"**Accreditation Agency**" means a subsidiary of a recognized stock exchange or a subsidiary of a depository or any other entity as may be specified by SEBI from time to time.

"**Accredited Investor**" means any person who is granted a certificate of accreditation by an accreditation agency who:

(i) in case of an individual, HUF, family trust or sole proprietorship has:

- (a) annual income of at least two crore rupees; or
- (b) net worth of at least seven crore fifty lakh rupees, out of which not less than three crores seventy-five lakh rupees is in the form of financial assets; or
- (c) annual income of at least one crore rupees and minimum net worth of five crore rupees, out of which not less than two crore fifty lakh rupees is in the form of financial assets.

(ii) in case of a body corporate, has net worth of at least fifty crore rupees;
(iii) in case of a trust other than family trust, has net worth of at least fifty crore rupees;
(iv) in case of a partnership firm set up under the Indian Partnership Act, 1932, each partner independently meets the eligibility criteria for accreditation:

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

"**Advisory Services**" means advising on the portfolio approach, investment and divestment of individual Securities in the Client's Portfolio, entirely at the Client's risk, in terms of the Regulations and the Agreement.

"**Agreement**" or "**Portfolio Management Services Agreement**" or "**PMS Agreement**" means agreement executed between the Portfolio Manager and its Client for providing portfolio management services and shall include all schedules and annexures attached thereto and any amendments made to this agreement by the parties in writing, in terms of Regulation 22 and Schedule IV of the Regulations.

"**Applicable Law/s**" means any applicable statute, law, ordinance, regulation, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument including the Regulations which has a force of law, as is in force from time to time.

“**Assets Under Management**” or “**AUM**” means aggregate net asset value of the Portfolio managed by the Portfolio Manager on behalf of the Clients.

“**Associate**” means (i) a body corporate in which a director or partner of the Portfolio Manager holds either individually or collectively, more than twenty percent of its paid-up equity share capital or partnership interest, as the case may be; or (ii) a body corporate which holds, either individually or collectively, more than twenty percent of the paid-up equity share capital or partnership interest, as the case may be of the Portfolio Manager.

“**Benchmark**” means an index selected by the Portfolio Manager in accordance with the Regulations, in respect of each Investment Approach to enable the Clients to evaluate the relative performance of the Portfolio Manager.

“**Board**” or “**SEBI**” means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.

“**Business Day**” means any day, which is not a Saturday, Sunday, or a day on which the banks or stock exchanges in India are authorized or required by Applicable Laws to remain closed or such other events as the Portfolio Manager may specify from time to time.

“**Client(s)**” **/** “**Investor(s)**” means any person who enters into an Agreement with the Portfolio Manager for availing the services of portfolio management as provided by the Portfolio Manager.

“**Custodian(s)**” means an entity registered with the SEBI as a custodian under the Applicable Laws and appointed by the Portfolio Manager, from time to time, primarily for custody of Securities of the Client.

“**Depository**” means the depository as defined in the Depositories Act, 1996 (22 of 1996).

“**Depository Account**” means an account of the Client or for the Client with an entity registered as a depository participant under the SEBI (Depositories and Participants) Regulations, 1996.

“**Direct on-boarding**” means an option provided to clients to be on-boarded directly with the Portfolio Manager without intermediation of persons engaged in distribution services.

“**Disclosure Document**” **or** “**Document**” means the disclosure document for offering portfolio management services prepared in accordance with the Regulations.

“Discretionary Portfolio Manager” means a portfolio manager who under a contract relating to portfolio management, exercises or may exercise, any degree of discretion as to the investment of funds or management of the portfolio of securities of the client, as the case may be;

“**Distributor**” means a person/entity who may refer a Client to avail services of Portfolio Manager in lieu of commission/charges (whether known as channel partners, agents, referral interfaces or by any other name).

“**Eligible Investors**” means a Person who: (i) complies with the Applicable Laws, and (ii) is willing to execute necessary documentation as stipulated by the Portfolio Manager.

“**Fair Market Value**” means the price that the Security would ordinarily fetch on sale in the open market on the particular date.

“**Foreign Portfolio Investors**” or “**FPI**” means a person registered with SEBI as a foreign portfolio investor under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 as amended from time to time.

“**Financial Year**” means the year starting from April 1 and ending on March 31 in the following year.

“**Funds”** or **“Capital Contribution**” means the monies managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes the monies mentioned in the account opening form, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to the Agreement, the proceeds of sale or other realization of the portfolio and interest, dividend or other monies arising from the assets, so long as the same is managed by the Portfolio Manager.

“Foreign Account Tax Compliance Act (FATCA)” seeks to identify U.S. taxpayers having accounts at Foreign Financial Institutions (FFIs) and attempts to enforce reporting of those accounts through withholding.

“**Group Company**” shall mean an entity which is a holding, subsidiary, associate, subsidiary of a holding company to which it is also a subsidiary.

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

“**HUF**” means the Hindu Undivided Family as defined in Section 2(31) of the IT Act.

“Initial Corpus” means the value of the funds and the market value of readily realizable securities brought in by the client at the time of registering as a client with the Portfolio Manager and accepted by the Portfolio Manager.

“**Investment Approach**” is a broad outlay of the type of Securities and permissible instruments to be invested in by the Portfolio Manager for the Client, taking into account factors specific to Clients and Securities and includes any of the current Investment Approach or such Investment Approach that may be introduced at any time in future by the Portfolio Manager.

“**IT Act**” means the Income Tax Act, 1961, as amended and restated from time to time along with the rules prescribed thereunder.

“**Large Value Accredited Investor**” means an Accredited Investor who has entered into an Agreement with the Portfolio Manager for a minimum investment amount of ten crore rupees.

“Mandate” means the document completed by the Client from time to time setting out the Investment Objectives, portfolio allocation guidelines, fees payable and such other matters as agreed between the Client and the Portfolio Manager in relation to the management of the Assets under this Agreement.

“Non-Discretionary Portfolio Management Services” means the portfolio management services where a Portfolio Manager under a contract relating to portfolio management, acts on the instructions received from the Client with regard to investment or management of the portfolio of securities or the funds of the Client, as the case may be.

"**Non-resident Investors**" or "**NRI(s)**" shall mean non-resident Indian as defined in Section 2 (30) of the IT Act.

"**NAV**" shall mean Net Asset Value, which is the price; that the investment would ordinarily fetch on sale in the open market on the relevant date, less any receivables and fees due.

"**NISM**" means the National Institute of Securities Markets, established by the Board.

"Parties" means the Portfolio Manager and the Client; and " Party" shall be construed accordingly.

"**Person**" includes an individual, a HUF, a corporation, a partnership (whether limited or unlimited), a limited liability company, a body of individuals, an association, a proprietorship, a trust, an institutional investor and any other entity or organization whether incorporated or not, whether Indian or foreign, including a government or an agency or instrumentality thereof.

"**Portfolio**" means the total holdings of all investments, Securities and Funds belonging to the Client.

"**Portfolio Manager**" means Multi-Act Equity Consultancy Private Limited (MAECL), a private limited company incorporated under the Companies Act, 1956 (CIN: U67120MH1993PTC422244) and registered with SEBI to act as a Portfolio Manager in terms of SEBI (Portfolio Managers) Regulations, 2020 bearing registration number INP000002965 and having its registered office at Ground Floor, ICC Chambers I, Saki Vihar Road, Opp. Santogen Mills, Powai, Mumbai – 400 072.

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

(i) the decisions made by the Portfolio Manager for the management or administration of Portfolio of Securities or the Funds of the Client, as the case may be; and
(ii) all other operations of the Portfolio Manager

"**Regulations**" or "**SEBI Regulations**" means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended/modified and reinstated from time to time and including the circulars/notifications issued pursuant thereto.

"**Related Party**" means –

(i) a director, partner or his relative;
(ii) a key managerial personnel or his relative;
(iii) a firm, in which a director, partner, manager or his relative is a partner;
(iv) a private company in which a director, partner or manager or his relative is a member or director;
(v) a public company in which a director, partner or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;

(vi) any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director, partner or manager;

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

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

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

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

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

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

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

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

The terms that are used herein and not defined herein, except where the context otherwise so requires, shall have the same meanings as are assigned to them under the Act or the Regulations.

3. Description:

i. History, Present Business and Background of the Portfolio Manager:

MAECL, a private limited company incorporated under the Companies Act, 1956, has been registered with SEBI as a Portfolio Manager under SEBI (Portfolio Managers) Regulations, 2020 vide registration no. INP000002965, to render portfolio management services to high- net worth clients.

MAECL is a wholly owned subsidiary of Multi-Act Trade and Investments Private Limited.

Apart from this, MAECL has managed its owned corpus of funds since the year of incorporation upto March 31, 2011. Its audited track record upto March 31, 2011 is mentioned below:

Objective	**Appreciation Plus focus on "Preservation"**				**Appreciation**			
MAECL PROPRIETARY CAPITAL PERFORMANCE								
			% of Equity Holding in Portfolio				Benchmarks	
Financial Year	Overall Portfolio Return(s) Yearly	Overall Portfolio Returns since inception	Beginning of Period	End of Period	Only Equity Return(s) Yearly#	Only Equity Returns Since Inception #	BSE-500*	BSE-MidCap*
2004 – 05	**27.23%**	**27.23%**	93.36%	95.66%	**29.67%**	**29.67%**	21.89%	47.91%
2005 – 06	**79.14%**	**51.01%**	95.66%	67.14%	**99.07%**	**60.72%**	65.17%	73.60%
2006 – 07	**0.60%**	**31.89%**	67.14%	67.43%	**2.66%**	**38.41%**	9.71%	0.66%
2007 – 08	**11.20%**	**26.36%**	67.43%	75.86%	**11.74%**	**31.18%**	24.25%	19.38%
2008 – 09	**-10.66%**	**17.90%**	75.86%	45.54%	**-14.67%**	**20.37%**	-42.77%	-54.01%
2009 – 10	**49.72%**	**22.69%**	45.54%	37.68%	**145.18%**	**35.53%**	96.38%	130.23%
2010 – 11	**9.73%**	**20.75%**	37.68%	26.86%	**21.75%**	**33.47%**	7.48%	0.99%
Since Inception (From 1 April 2004)**	**NA**	**20.75%**	93.36%	26.86%	**NA**	**33.47%**	18.68%	18.60%
	Compounded Annual Returns for period							
FY 2004-05 to FY 2008-09	**NA**	**17.90%**	93.36%	45.54%	**-**	**20.37%**	9.45%	7.25%
Last 3 years (FY 2008-09 to FY 2010-11)	**NA**	**13.66%**	75.86%	26.86%	**-**	**36.60%**	6.50%	2.26%
Last 5 years (FY 2006-07 to FY 2010-11)	**NA**	**10.43%**	67.14%	26.86%	**-**	**23.92%**	10.49%	5.15%

Source: - Equity closing rate
From April 1, 2004 till August 31, 2009 - Capital Line
From September 1, 2009 till March 31, 2011 – Bilav
Mutual Fund Closing Rate from amfiindia.com
* Benchmark closing has been taken from bseindia.com
@Yearly returns include dividend, profit/loss on sale of investments and appreciation/ depreciation in the value of assets (including equity, debt, cash and cash equivalent) on mark to market basis on balance sheet date).
Cost for the purpose of computing Gain / Loss on sale of investments cost is arrived at by using First-In First-Out (FIFO) method
** Compounded Annual Growth Rate for the period

The historical performance numbers of the owned corpus are disclosed till the financial year 2010-11.

ii. Promoters of the Portfolio Manager, Directors and their Background

- **Promoters:**

Multi-Act Trade & Investments Private Limited, the holding company of Multi-Act Equity Consultancy Private Limited was incorporated on July 21, 1997.

Since inception, the holding company has been engaged in creating a process for stock-selection and valuation in order to help clients construct a portfolio of investments in Indian and foreign markets**.** This process uses tools from fundamental, technical and quantitative analysis, and is set against backdrops of behavioral finance and Austrian economics. The fundamental analysis seeks to separate the universe of stocks into two pools based on the characteristics of the businesses that underlie them. It uses appropriate valuation tools to arrive at an expected business valuation for the stock. This valuation is an interval valuation defining a range within which the "true" value of the business is estimated to reside. Technical analysis uses stock price patterns in an attempt to harness tailwinds in market momentum - and avoid headwinds. All technical analysis is done in the context of the valuation arrived at through fundamental analysis. Quantitative techniques use statistical tools for assessing trends that obtain in certain asset classes. All analysis is done keeping in mind behavioral biases that are attendant to the investment profession. The accent is therefore on a process driven approach that defines entry and exit points as well as position sizing before any investment is made.

The holding company was providing research-based investment advisory services to its international institutional clients till the financial year 2007-08. Thereafter, the activities of the holding company were reorganized through its wholly owned subsidiary. Currently the holding company, a SEBI registered Investment Adviser provides investment advisory and research services.

- **Directors:**

Sr. No.	**Name**	**Qualification**	**Experience**	**Other Directorships / Designated Partner**
1	Mr. Prashant K. Trivedi *Founder Director (Non-Executive)*	Summa cum laude with a B.Sc (Eco) from the Wharton School, CFA (AIMR)	Overall 39 years of experience in investment management	1. The Indian Card Clothing Co. Ltd. 2. Multi-Act Trade & Investments Pvt. Ltd. 3. Multi Act Realty Enterprises Pvt Ltd 4. Multi-Act Family Office Advisors LLP.
2	Mr. Sanjeevkumar W. Karkamkar *Director (Non-Executive)*	B.Com	Over 41 years of experience in Finance, Company Law, Taxation, Administration, etc.	1. Multi-Act Realty Enterprises Pvt. Ltd. 2. Multi-Act Trade and Investments Pvt. Ltd. 3. The Indian Card Clothing Co. Ltd. 4. ICC International Agencies Ltd. 5. Multi-Act Family Office Advisors LLP.

3	Mr. Sekar Iyer - *Executive Director*	B.Com, ACS, CA (Inter), Dip.ITM	Overall 18 years of experience in Venture Capital and Private Equity investment management and Company Law, Securities Law, Legal, Accounts and Finance, RBI Regulations and Administration etc.	1. Multi-Act Realty Enterprises Pvt. Ltd. 2. Midcap Construction Enterprises Pvt. Ltd.

- **Top 10 group companies/firms of the portfolio manager on the basis of turnover:**

  Based on audited financial statements for the year ended March 31, 2025, the top group companies of the Portfolio Manager, on turnover basis, are as under:

Sr. No.	Name of the Company	Turnover (In Rs. Lakh)
1	The Indian Card Clothing Company Limited	7,995.38
2	Multi-Act Trade & Investments Private Limited	2,405.20
3	Multi-Act Realty Enterprises Private Limited	442.11
4	Multi-Act Family Office Advisors LLP	39.56

- **Services being offered:**

  Multi-Act Equity Consultancy Private Limited provides Discretionary and Non-Discretionary Portfolio Management and Investment Advisory services. Kindly refer to Point 5 for more details.

4. Penalties, Pending Litigation or Proceedings, Findings of Inspection or Investigations for which action may have been taken or initiated by any regulatory authority:

There have been no instances of penalties imposed by SEBI or directions issued by SEBI under the Act or Rules or Regulations made thereunder nor have any penalties been imposed for any economic offence and/or for violation of any securities laws. There are no pending material litigations /legal proceedings /criminal cases against the Portfolio Manager or its key personnel. No deficiency in the systems and operations has been observed by SEBI or any regulatory authority. There have been no 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 Act or Rules or Regulations made thereunder.

5. Services Offered:

The Portfolio Manager offers services under the following categories:

I. Discretionary Services

Under these services, the Portfolio Manager will accept funds from Clients and would manage the Client's Portfolio at its complete discretion, for a mutually agreed-upon terms and fees. The Portfolio Manager manages each client's portfolio independently in a way:

(a) that the risk tolerance is factored and restrictions, if any, as per mandate issued by client are observed; and
(b) that such personalization of portfolio is not in conflict with the discretionary call of the Portfolio Manager.

Subject to above, the Portfolio Manager shall have the sole and absolute discretion to invest in respect of the Client's account in any type of security as per the Portfolio Management Agreement and make such changes in the investments and invest some or all of the amounts in the Client's account in such manner and in such markets as it deems fit. The Portfolio Managers' decision (taken in good faith) in deployment of the Clients' account 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 grounds of malafide intention, fraud, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant Acts, Rules, and Regulations, guidelines and notifications in force from time to time.

Under Discretionary Services, the Portfolio Manager offers the following broad categories of Portfolio Investment Approaches:

Moats and Special Situations Portfolio (MSSP) – Investment Approach 1: (Equity Strategy)

S. N.	Particulars	Description
i.	Investment objective	Moat is the sustainable competitive advantage that one company has over other companies in the same industry. Moat for a company can come from four sources – Network effect, switching cost, Cost advantage / economies of scale or Intangibles. Generally the first 2 sources of Moat are the strongest and the remaining 2 sources are weak / narrow moats, what we term as limited Moats. The primary objective of this Portfolio is to generate capital appreciation by investing in companies that in the opinion of the Portfolio Manager are of high quality Moat or Limited Moat businesses at fair value or discount to fair value OR in Non moat businesses at deep discount to fair value as special situations. Investing in such businesses at discount/deep discount to fair value provides margin of safety to the investor.
ii.	Description of types of securities e.g. equity or debt, listed or unlisted,	Depending on the events in the markets the Portfolio Manager would have the flexibility to alter the above allocations. Consistent with the investment objective and subject to the SEBI Regulations, the Client's funds may be invested in such securities, capital and money

	convertible instruments, etc.	market instruments or in fixed income securities or variable securities of any description, by whatever name called including - a. Equity and equity related securities, convertible stock and preference shares of Indian companies, warrants; b. Debentures (convertible and non-convertible), bonds, secured premium notes, corporate debt (of both public and private sector undertakings), securities issued by banks (both public and private sector) and development financial institutions like certificate of deposits (CDs), coupon bearing bonds, zero coupon bonds and tax exempt bonds of Indian companies and corporations; c. Units of mutual funds (including exchange traded funds (ETFs); d. Commercial paper, trade bills, treasury bills and certificate of deposit and other similar money market instruments; e. Securitised debt, pass through certificates and quasi debt instruments and such other eligible modes of investment within the meaning of the SEBI Act / Regulations as amended from time to time. The investment allocation pattern may change from time to time, keeping in view market conditions, opportunities and political & economic factors. It must be clearly understood that the investment patterns are only indicative and not absolute and that they can vary substantially depending upon the perception of the Portfolio Manager, the intention being at all times to seek to protect the interests of the Clients.
iii.	Basis of selection of such types of securities as part of the investment approach;	Portfolio manager believes that there are three types of identifiable investment related risks which could lead to permanent loss of capital – i) Business risk ii) Balance Sheet risk iii) Valuation risk. In order to provide superior risk adjusted returns, the portfolio is invested in those companies which in opinion of the portfolio manager have limited exposure to above risks. Business risk is essentially the risk that a business would not be able to maintain profitability in the long run on account of competition or any other reason. A Moat business has a strong barrier to entry which allows it to maintain profitability in the long run and generate high returns on capital employed. By investing in Moat businesses the investor mitigates the Business risk. Balance sheet risk is the risk of high financial leverage on the balance sheet affecting the profitability or in some cases solvency of the business in a adverse business cycle or on account of adverse interest rate cycle. This risk can be mitigated by avoiding companies that have high financial leverage on their balance sheet. Valuation risk is the risk of buying a company above its intrinsic value. In a risk averse market, valuation of such company could revert back to its intrinsic value or even lower which could lead to loss of capital for the investor. This risk can be mitigated by investing in a company at discount to the intrinsic value which provides margin of safety to the investor. Keeping these risks in mind, the portfolio manager would construct a portfolio by investing in Moat, Limited moat and special situation

		businesses which provide the best reward as compared to the risk being taken. The portfolio manager would also try to optimize the timing of his investment decision through technical analysis. The portfolio manager also follows an internal risk control process which puts a cap on weights that can be assigned to a stock based on the quality of business and strength of the Moat. If the portfolio manager is not able to find opportunities in the market that fit the above bottom up criteria, he would maintain cash in the portfolio. The portfolio manager would also do a top down analysis of the broader market to arrive at an indicative equity allocation. This makes the asset allocation process and investment decisions more proactive rather than being reactive to market conditions. The portfolio Manager may from time to time use an asset allocation & position sizing policy which could be revised based on market conditions over time.
iv.	Allocation of portfolio across types of securities	Consistent with the investment objective and subject to the SEBI Regulations, the Client's funds may be invested in such securities, capital and money market instruments or in fixed income securities or variable securities of any description. Cash that is not invested would be deployed in debt and fixed income securities including money market instruments and units of mutual fund schemes (debt-oriented / income, gilt and liquid/ money market mutual fund schemes), liquid funds or arbitrage funds run by well-established and reputed fund houses and deployed in the market as and when opportunities arise
v.	Appropriate benchmark to compare performance and basis for choice of benchmark	The appropriate Benchmark for Moats and Special Situations strategy is BSE 500 TRI. We have chosen this Benchmark, as it best represents our Investable Universe.
vi.	Indicative tenure or investment horizon	The indicative tenure is 39 Months. Investor should have investment horizon between 3-5 years. It is perceived by the Portfolio Manager that it takes at least 39 months for a full cycle between under and over valuation in the Indian market. This term is required to execute the portfolio's well thought out investment strategy to reach its full return potential while at the same time it discourages the investor to exit the equities in a despaired market environment. The Portfolio Manager will be scaling out of the positions in the portfolio gradually in order not to disturb the market price. Depending on market conditions, it may decide to scale out of positions well before the upper end of our estimate of fair value has been reached. The Portfolio Manager believes that on average it would take 2 - 3 years for its ideas to reach their price potential. It therefore envisages a turnover of approximately 50% every year. However, it is cautioned that these numbers are indicative only, and actual results may vary significantly from these 'rules of thumb' depending on the market conditions prevalent during the tenure of the investment.

vii.	Risks associated with the investment approach	This is a conservative strategy with focus more on avoiding risk. During periods when market is expensive and continues to move up, this strategy could underperform its Benchmarks, due to probable increase in Cash allocation in the portfolio.
viii.	Other salient features, if any	-

All Seasons Portfolio (ASP) – Investment Approach 2:
(Multi-Asset Strategy)

S. N.	Particulars	Description
i.	Investment objective	**Investment Objective** The key risks facing a portfolio include, but are not limited to price inflation, price deflation, credit inflation, credit deflation, and more recently a global or emerging market contagion that could stem from a reversal of the global "carry trade". The portfolio manager believes that the best form of offense in investment is good defense and the All Seasons Portfolio (ASP) has been designed with that objective in mind; the ability to maintain the purchasing power of a portfolio through any economic and investment environment with minimal drawdowns and no "permanent loss" of capital at the portfolio level. The key attribute of the ASP is its ability to protect the purchasing power of a corpus, keep drawdowns low, and grow the corpus at reasonable inflation-adjusted growth rates, over the long-term. **Investment Philosophy** To achieve the objective discussed above, the portfolio will allocate money to assets that represent claims on real assets (gold/commodity equities/ high quality growth stocks) and assets that represent claims on financial assets (fixed income/cash/stocks) that often behave counter cyclically during different economic environments. The Portfolio Manager believes that a portfolio that allocates its corpus amongst these three assets classes; namely equities, fixed income, cash (including gold Exchange Traded Funds), will effectively mitigate the risks discussed above and will deliver satisfactory returns per unit of risk taken. Equity provides "real" capital appreciation along with protecting against inflation in the long run. But there could be bouts of short to medium term drawdown on the corpus on account of stock specific, domestic factors or global factors that affect the indices and therefore the asset class. Gold & equivalents as an asset class has been found to protect the purchasing power of money in the long term and provides a true hedge against price inflation. Secondly, gold protects the purchasing power from a global perspective as well and not only in terms of domestic currency. The portfolio manager believes that Gold may

		also serve as an ideal asset class in a severe credit deflation (as a form of money) as it does not carry any counterparty financial risk. But gold as an asset does not generate "income" per se in the long run and only derives value from the depreciation of the currency unit in which it is measured against. Fixed income securities & such equivalents protect capital from any serious drawdown from the other two asset classes mentioned above and generate nominal returns over the holding period of the fixed income instrument. But fixed income instruments & equivalents don't protect the purchasing power of money in the long run, especially in a high price inflation country such as India and often carry negative real rates of interest. Thus a combination of all three asset classes which counterbalances the negatives of the others, would serve the objective of constructing a defensive portfolio that would be well suited to protect the portfolio in any unanticipated market turmoil in the long run and protect the purchasing power of the investor along with providing a reasonable and satisfactory risk adjusted return.
ii.	Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.	a. Fixed Income, Debt MFs, Debt ETFs & Equivalents b. Gold ETFs, Sovereign Gold Bonds, Cash & Commodity stocks c. Equity
iii.	Basis of selection of such types of securities as part of the investment approach;	**Equity Investment Strategy** The Portfolio manager believes that there are three types of identifiable equity investment related risks which could lead to a "permanent loss" of capital – i) Business risk ii) Balance Sheet risk iii) Valuation risk. In order to provide superior risk adjusted returns, the portfolio would be invested in those companies which in the opinion of the portfolio manager have limited exposure to the above risks. Business risk is the risk that a business would not be able to maintain profitability in the long run on account of competition or any other reason. The portfolio manager limits this risk by primarily investing in businesses that in the opinion of the portfolio manager possess sustainable competitive advantages (business with moat). Balance sheet risk refers to the solvency risk related to the financial strength of the balance sheet. The portfolio manager limits this risk by avoiding companies that have high financial leverage on their balance sheet. Valuation risk emanates from the possibility of paying more than the "intrinsic" value of the business. The portfolio manager manages this risk by avoiding investments in businesses at prices that do not offer a reasonable expected rate of return. Keeping these risks in mind, the portfolio manager would construct a portfolio by investing in Moat & Limited moat businesses which provide the best reward as compared to the risk being taken. The portfolio manager would also try to optimize the timing of his investment decision through technical analysis. The portfolio

		manager also follows an internal risk control process which puts a cap on weights that can be assigned to a stock based on the quality of business and strength of the Moat. If the portfolio manager is not able to find opportunities in the market that fit the above bottom up criteria in a situation where markets are expensive, the Portfolio Manager would endeavor to add primarily high quality, low beta defensive stocks such as FMCG, Pharmaceutical to the equity portion of the portfolio in order to minimize the drawdown or keep balance in cash. **Gold, Cash & Commodity stocks Investment Strategy** The portfolio manager believes that as far as gold and other commodities are concerned, there are two ways of investing in them: i) through physical ownership of the commodity or through the ownership of financial instruments (ETFs, Futures, etc) that represent “direct” claims on such commodities; and ii) through the ownership of equity of businesses that are engaged in mining/production of such commodities broaden iii) through Sovereign Gold Bonds issued by Government of India under various tranches. Presently, regulations allow the Portfolio Manager to invest in gold through Gold ETFs or Gold Bonds only. Whenever the regulations permit investment in other gold related securities, the Portfolio Manager will consider widening its gold allocation in such allowable securities. The portfolio manager has access to long term historical inflation adjusted price of commodities, based on which the Portfolio manager tries to arrive at the statistical long term mean of the commodity. The portfolio manager would look at investing in equity of a commodity company at prices where the valuation of the company is factoring the long term historical mean of the underlying commodity or lower. By doing this, the portfolio manager is essentially indirectly buying the underlying commodity at or below the long term historical mean of the commodity price which the portfolio manager believes would hold in the long term. The portfolio manager believes that the investment processes followed allows him to add value by ownership of the equity of businesses engaged in mining/production of the commodity. The cash component could be represented by short-term bank deposits, ownership of short-term government paper, or ownership of liquid funds. **Fixed Income & Equivalents Investment Strategy** The portfolio manager will directly invest in fixed income securities and/or in funds that invest in long-duration fixed income securities. The securities would be selected on the basis of limited credit risk at relatively attractive yield. The portfolio manager could also invest in equity of regulated utilities as a proxy for fixed income instruments.

		The portfolio manager believes that regulated utilities, considering the nature of their business have very stable business models, profitability and cash flows along with reasonable predictability of their future returns. Thus profits that a regulated utility earns, can be equated/ likened to a fixed stream of coupons that one gets over a long duration fixed income instrument. Thus if the earnings yield that these stocks quote at, reasonably compensates for the equity risk premium, one could invest in these securities as a proxy of long duration fixed income instrument. The portfolio manager would assign an equity risk premium over and above the risk free rate that he is comfortable with, to assess whether a particular equity of a regulated utility is worth investing in as a proxy of fixed income instrument. Investments in Gold, commodities and Fixed income instruments for Non-resident Indians and Foreign Portfolio Investors will be subject to applicable laws, regulations, rules and statutes applicable for each such category of investor.
iv.	Allocation of portfolio across types of securities	The portfolio will be constructed by following a simple asset allocation strategy of – upto 50% in growth Equity, upto 20% in Gold ETFs (& equity of natural resource extraction companies), and upto 30% in fixed income & equivalents (including the equity of regulated utility companies). The asset allocation at any point in time may vary from the above indicated allocation, based on opportunities in each asset class. But over time, average asset allocation across cycles should be in the above indicated range. The portfolio will be re-balanced over the medium term to reflect the relatively fixed proportions in the three asset classes as above. At no point in time will the portfolio be invested more than 67% in equities, including Regulated Utility companies under fixed income allocation and Natural Resources Extraction/Mining companies under cash/gold allocation. No more than 15% in gold related instruments, gold bonds, etc., (presently SEBI authorizes investment in gold through gold ETFs only). And no more than 30% of the portfolio would be invested in long-term bonds.
v.	Appropriate benchmark to compare performance and basis for choice of benchmark	Applicable Benchmark: NSE Multi Asset Index 2 Composition: 50%: NIFTY 500 20%: NIFTY Medium Duration Index 20%: NIFTY Arbitrage index 10%: INVIT/REIT. Basis for selecting benchmark: We have chosen this benchmark as it closely represents our desired long term asset allocation for this strategy to achieve our objective.
vi.	Indicative tenure or investment horizon	The Portfolio Manager would broadly maintain the suggested asset allocation over the medium term (defined as 18 to 24 months) through periodic rebalancing at the discretion of the manager. The Portfolio Manager, will however, regularly monitor and evaluate the portfolio and may consider rebalancing at a period shorter than the defined medium term.
vii.	Risks associated with the	a. Risks associated with investment in Gold ETF: The portfolio manager may invest in instruments which have gold as an

	investment approach	underlying, under the "All Seasons Portfolio". Gold being an international commodity is affected by both the international price movement of gold and foreign exchange volatility. The domestic gold ETF price is also affected by government tax levies (customs). b. Investment in equity of Regulated utilities as a proxy for fixed income may not generate returns in line with fixed income instruments in the short to medium term as market would price such securities as equity instruments with fluctuating equity risk premiums. Thus, there could be a deviation which could impact the short to medium term performance of the All Seasons Portfolio. c. In case of All Seasons Portfolio as the investments would be in different asset classes, the taxability of each asset class could be different. Any change in the tax structure could have an impact on the post-tax returns of the Client.
viii.	Other salient features, if any	-

Emerging Corporates India Portfolio (ECIP) – Investment Approach 3: (Equity Strategy)

S. N.	Particulars	Description
i.	Investment objective	The primary objective of this Portfolio is to generate capital appreciation by investing in Companies that currently benefit from "Growth Advantage Period" and "Competitive Advantage Period".
ii.	Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity with surplus cash being parked into short-term debt instruments.
iii.	Basis of selection of such types of securities as part of the investment approach;	Emerging Corporates India Portfolio will endeavour to have an exposure to Companies that currently benefit from "growth runways" and "competitive advantage" Though growth is a sub-set of value, the Portfolio will be more focused on "growth stocks" over "value stocks" as are commonly understood in market parlance. Within these "growth stocks", weights will be added when they also have "value attributes" and weights will be reduced as they start lacking "value attributes" If the Portfolio Manager believes that the Company continues to be a "growth Company" over the next 3 to 5 years but is facing a temporary solvable issue, ECIP Portfolio will be "willing to suffer" near term pain in such stocks. Exits will be done at "valuation extremes".
iv.	Allocation of portfolio across types of securities	Allocation will be to equity across market cap spectrum. This is a market cap agnostic strategy. We are constantly evaluating attributes of quality, growth and value and we will allocate where we see the right balance. The strategy intends to have the ability to allocate into stocks ranging from small-caps to giant-caps. *Historically, this strategy has had a small and mid-cap tilt. However, few years back (calendar year 2020), our large cap allocation has increased owing to us finding more opportunities there. Our investing philosophy is to invest into Companies with a "growth advantage" and*

		"competitive advantage" period, irrespective of market cap category that the Company may lie into.
v.	Appropriate benchmark to compare performance and basis for choice of benchmark	The appropriate Benchmark for Emerging Corporates India Portfolio strategy is BSE 500 TRI. We have chosen this Benchmark, as it best represents our Investable Universe.
vi.	Indicative tenure or investment horizon	3 years at the minimum but an ideal investment horizon is 5 years.
vii.	Risks associated with the investment approach	Paying up for growth that does not materialize is the key risk in this strategy. Other risks include - error in understanding competitive advantage wherein the advantage turns out to be absent or present for a period far shorter than envisaged; management doing actions unfriendly towards minority shareholders; balance sheet risks, especially with respect to financial companies where recoverability of advances if far lesser than the business model can sustain; general market conditions; global macro-economic risks, etc.
viii.	Other salient features, if any	The scheme will take active cash calls at times where it does not see opportunities for equity investment.

Mid & Small cap & Special Situations Portfolio (SMSSP) – Investment Approach 4: (Equity Strategy)

S. N.	Particulars	Description
i.	Investment objective	The primary objective of this Portfolio is to generate capital appreciation by investing mostly in mid and small capitalisation companies that in the opinion of the Portfolio Manager are of high quality, have high underlying value and may not be widely covered by brokerage houses, foreign institutional investors and domestic financial institutions.
ii.	Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity with surplus cash being parked into short-term debt instruments.
iii.	Basis of selection of such types of securities as part of the investment approach;	The Portfolio manager believes that there are three types of identifiable investment related risks which could lead to permanent loss of capital – i) Business risk ii) Balance Sheet risk iii) Valuation risk. In order to provide superior risk adjusted returns, the portfolio is invested in those companies which in opinion of the Portfolio Manager have limited exposure to above risks. Business risk is essentially the risk that a business would not be able to maintain profitability in the long run on account of competition or any other reason. A Moat business has a strong barrier to entry which allows it to maintain profitability in the long run and generate high returns on capital employed. By investing in Moat businesses the investor mitigates the Business risk.

		Balance sheet risk is the risk of high financial leverage on the balance sheet affecting the profitability or in some cases solvency of the business in a adverse business cycle or on account of adverse interest rate cycle. This risk can be mitigated by avoiding companies that have high financial leverage on their balance sheet. Valuation risk is the risk of buying a company above its intrinsic value. In a risk averse market, valuation of such company could revert back to its intrinsic value or even lower which could lead to loss of capital for the investor. This risk can be mitigated by investing in a company at discount to the intrinsic value which provides margin of safety to the investor. Keeping these risks in mind, the Portfolio Manager would construct a portfolio by investing majorly in midcap and small cap businesses that are of high quality. The Portfolio Manager may also invest in large cap and special situation businesses which provide the best reward as compared to the risk being taken. The Portfolio Manager would also try to optimize the timing of his investment decision through technical analysis. The Portfolio If the Portfolio Manager is not able to find opportunities in the market that fit the above bottom up criteria, the Portfolio Manager would consider investing in large cap businesses where valuation criteria is being met and if not then maintain cash in the portfolio. The Portfolio Manager would also do a top down analysis of the broader market to arrive at an indicative equity allocation. This makes the asset allocation process and investment decisions more proactive rather than being reactive to market conditions.
iv.	Allocation of portfolio across types of securities	Portfolio will be allocated across market capitalisation with a tilt towards small and mid caps. However, if the small and mid cap space were to not offer opportunities to allocate capital in the opinion of the portfolio manager, allocation could be made to large caps. The Portfolio Manager will be scaling out of the positions in the portfolio gradually in order not to disturb the market price. Depending on market conditions, it may decide to scale out of positions well before the upper end of our estimate of fair value has been reached. The Portfolio Manager believes that on average it would take 2 - 3 years for its ideas to reach their price potential. It therefore envisages a turnover of approximately 30% to 50% every year. However, it is cautioned that these numbers are indicative only, and actual results may vary significantly from these ‘rules of thumb’ depending on the market conditions prevalent during the tenure of the investment. The Portfolio Manager may from time to time use an asset allocation & position sizing policy which could be revised based on market conditions over time.
v.	Appropriate benchmark to compare performance and basis for choice of benchmark	Benchmark is S&P BSE 500 TRI given the nature of the strategy which endeavors to have a portfolio tilt towards small and mid cap companies.

vi.	Indicative tenure or investment horizon	The Portfolio Manager believes that on average it would take 2 - 3 years for its ideas to reach their price potential.
vii.	Risks associated with the investment approach	This strategy will tend to have higher concentration to stocks (weight per stock). And thus, is subject to concentration risks (a stock having a large weight facing a large drawdown can bring down overall portfolio returns). Given the small and mid cap orientation of this strategy, this strategy has liquidity risks. Liquidity in small caps tends to dry out during weak markets and this could make exiting stocks difficult. The portfolio manager will try to keep higher margin of safety with regards to purchase price to be compensated for this risk (however, this risk cannot be truly mitigated and Investors investing into this strategy should be prepared to take on this risk). Also, if a Portfolio Manager mistakes a structural business stress as temporary or cyclical, it could lead to large drawdowns at the stock level.
viii.	Other salient features, if any	The scheme will take active cash calls at times where it does not see opportunities for equity investment.

Sankhya India Portfolio – Investment Approach 5:
(Equity Strategy)

S. N.	Particulars	Description
i.	Investment objective	The primary objective of this portfolio is to build and operate a portfolio of stocks selected by "Quant Strategy" tested rigorously on back data. The "Quant Strategy" has a strong theoretical reasoning as well as supporting data from historical back tests. The "Quant Strategy" which has given higher returns and lower risks in back testing are selected for forming portfolios. The primary objective of the Portfolio Manager(s) under the "Sankhya India Portfolio" is to invest in the companies that are highly probable to generate good returns based on back testing of the strategy. The selection of stocks will be from Large-cap and Mid-cap universe. Roughly the top 250 stocks based on market cap will be the candidates for the "Sankhya India Portfolio." However on the discretion of the portfolio manager(s), stocks from remaining universe can be considered as well. Thus, the portfolio will be primarily of mid-caps and large-caps, with some exposure to small-caps time to time. The Sankhya India Portfolio will have predefined rebalancing period. The strategy selects best stocks poised to perform best over a defined period, and thus the rebalancing period is fixed. The stocks in the portfolio will have a fixed selling time (with a possible stop loss), and the churn of the portfolio is possibly 100%. The portfolios are generated continuously, that is an investment in Sankhya India Portfolio is possible at any point in time. The time of sell will depend on the time of purchase. This can be considered as the

		'maturity period' as the stocks are sold completely (or rebalanced as per new list). Any subsequent investments made in the fund will be reported under the originating account. At the time of additional corpus, we will purchase the prevailing list of stocks as per the strategy. There will be no separate report for different corpus investments, but a consolidated report showing the extended internal rate of return (XIRR).
ii.	Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.	Consistent with the investment objective and subject to the SEBI Regulations, the Clients' funds may be invested in such securities, capital and money market instruments or in fixed income securities or variable securities of any description, by whatever name called including: a) Equity and equity related securities, b) Government Debt Instruments, overnight funds and liquid funds;
iii.	Basis of selection of such types of securities as part of the investment approach;	From various research reports, most notably the S&P® Index vs Active (SPIVA) reports, it is clear that 1. More than half of the portfolio managers underperform the comparable index, and this proportion tends to worsen as the investment period is lengthened. 2. The sustainability of outperformance is small. It is more likely that the list of top performing funds will change next year than it will be the same as this year. The above observations, seen not just in India but on global markets as well, clearly indicate that active investment is not completely process driven but rather luck driven, as it depends whether the selected Active fund manager performs as well as she has done in past. The quant strategies eliminate this bias of luck, and choose stocks purely on the historical performance of a logic. This way, the win:loss ratio, the expected profits and losses and other statistics are well documented for the portfolio. The Sankhya India Portfolio believes that there is money to be made when a golden combination of quality and value is achieved. **Quality**: Companies that invest their capital efficiently, have good cash flows and use little to no debt to finance their operations are classified as **Quality companies**. **Value**: companies that are available at comparably cheaper valuations than others are said to be **Value companies.** Only 'Value companies' too can have good returns, but in order to remain comfortable about the choices of stocks, the portfolio manager(s) are keen to select from a basket of quality stocks.
iv.	Allocation of portfolio across types of securities	The process to be followed is: 1. Universe of stocks: Stocks with at least 5 years of consistent dividend paying history from top 250 stocks with some possible additions from remaining universe

		2. Filtering for quality: The above 250 stocks will be scanned for ensuring only quality companies are taken for consideration. The quality of company depends on its efficiency of investing capital, cash flows and use of very little to no debt. 3. Finding value: Out of these quality companies, a list of stocks not exceeding 30 which are good value as per "Quant Strategy" will be generated. After the portfolio manager agrees with the stocks, an *equal weighted* portfolio is formed and will be held for defined period of time. 4. Holding period: The *maximum* holding period will be defined at the start of the portfolio. The portfolio manager(s) will have discretion of selling part or all of portfolio before the defined holding period. 5. Rebalancing: At the end of this holding period, the portfolio will be liquidated, and the proceeds will be invested in the stocks suggested by the "Quant Strategy" at that point in time. The portfolio Manager(s) may decide to maintain cash in the portfolio if the prospective returns are deemed to be low as compared to the risk. The level of cash will not exceed 30% of the investment value. The maximum duration of cash holding will depend on the percent of cash held, as below. Percent of investment as cash — Maximum Duration 30% — 6 months 20% — 9 months 10% and below — 12 months The Portfolio Manager(s) may from time to time use an asset allocation & position sizing policy which could be revised based on market conditions over time. The investment allocation pattern may change from time to time, keeping in view market conditions, opportunities and political & economic factors. It must be clearly understood that the investment patterns are only indicative and not absolute and that they can vary substantially depending upon the perception of the Portfolio Manager(s), the intention being at all times to seek to protect the interests of the Clients.
v.	Appropriate benchmark to compare performance and basis for choice of benchmark	The BSE 500 TRI index is designed to be a broad representation of the Indian market. Consisting of the top 500 companies listed at BSE Ltd., the index covers all major industries in the Indian economy. As the Sankhya India Portfolio focuses primarily on Large + Mid stocks, the BSE 500 TRI is the appropriate index to evaluate its performance.
vi.	Indicative tenure or investment horizon	While the strategy will have a fixed holding period, the Portfolio Manager(s) believes that it would take anywhere between 3 years to 5 years for a quantitative investment strategy to play out. This term is required to execute the portfolio's well thought out investment strategy to reach its full return potential. The investment of corpus can be done at one go or can be spread out to ensure a smooth entry as well as to make sure that the market price is not disturbed. The Portfolio Manager(s) believes in making time limited bets as suggested by the strategy, and hence envisages a turnover of at most 100% every year, that is all stocks in the portfolio

		are sold once either their defined holding period gets over or stop loss is triggered. A stop loss may be triggered in scenarios where 1. The company's reported numbers are suspect, 2. The past becomes irrelevant for a company because of structural shift in its business or external risks. 3. A stock falls more than 40% from its purchase price. The amount received after selling such stocks with a loss will either be kept as cash and invested in liquid assets as described below, or can be invested in new stocks as per suggestion of "Quant strategy" at the time of sale.
vii.	Risks associated with the investment approach	1. The draw downs (the returns from peak to trough of price) of Sankhya India Portfolio may be higher than the market. 2. In case of a structural shift due to secular regime change or government intervention or change of regulations or change of industrial policy with respect to specific sectors, by its very nature of using quantitative processes, the corresponding portfolio corrective action may be slower than in other active managed portfolios. 3. Due to the nature of the strategy to buy stocks with good combination of value and profitability that are likely to perform well, a stock falling or rising in price may keep on appearing in subsequent portfolios.
viii.	Other salient features, if any	-

II. Non-Discretionary Services:

Under these services, the Portfolio Manager shall manage the funds in accordance with the directions of the Client under an agreement executed by the Client and the Portfolio Manager. The Portfolio Manager's role would include but not be limited to providing research, structuring or rebalancing of clients' portfolios, investment advice and guidance, trade execution and keeping safe custody of the securities. The Portfolio Manager shall execute orders as per the mandate received from Client and the decision of the Client with respect to the deployment of the funds and managing the Portfolio shall be final and absolute and binding upon the Portfolio Manager. The Clients shall also have the option to select the Investment Approaches as per Discretionary PMS services offered by the Portfolio Manager under Non-Discretionary Services also.

The rights and obligations of the Portfolio Manager shall be exercised strictly in accordance with the Act, Rules and/or Regulations, guidelines and notifications in force from time to time.

The instructions from the clients shall be taken in writing or through any media as may be mutually agreed between the Client and the Portfolio Manager i.e., e-mail, fax, telephones and other secured messages which can provide as a proof of the communication. The portfolio management services on Non-Discretionary basis are offered under the following portfolio strategies:

Long Horizon Portfolio (LHP) (Non-Discretionary):
(Equity Strategy)

S. N.	Particulars	Description
i.	Investment objective	For a client who is more oriented towards preservation of capital and its long-term growth, a Long Horizon Portfolio (LHP) strategy is deployed, where selected stocks that have sustainable Moats around their businesses are invested from long term perspective. The Portfolio Manager shall recommend domestic equity securities / stocks for investment that will fit into the investment objective of Long Horizon Portfolio. The investor shall have the sole discretion to analyse the investment recommendations and instruct the Portfolio Manager for necessary trade execution in the portfolio. Fitment: Suitable for investors with: a) Low to medium risk appetite b) Steady and moderate real return expectations.
ii.	Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.	Equity Securities / Stocks. Based on allocation call, uninvested capital can be parked in liquid and similar funds for temporary purposes.
iii.	Basis of selection of such types of securities as part of the investment approach;	Portfolio Formation Strategy: Pre-screened list of high quality, moat businesses which have sustainable competitive advantages and would serve the purpose of long term investing without concerns on permanent loss of capital are considered. Exposure norms not driven by any sector per se but determined mainly by the strength of moat of the underlying business. Stronger the moat, higher the target exposure in the stock. Strong belief in school of thought of buying high quality businesses at an appropriate Margin of Safety. Application of proprietary 'Global Rational Analysis Framework' (GRAF) developed over the years at Multi-Act. Filters: No red flags on quality of earnings, including corporate governance malpractices. Absolute emphasis on avoiding permanent losses of capital by focusing on: a) Ability to define the quality of a business in definite terms and select & invest in HQ businesses. b) Valuation range on each stock instead of single target price approach which allows assessment of reward as well risk in an objective fashion. c) Buying companies at appropriate margin of safety. d) Ideal diversification with 12-15 stocks in portfolio (not too diversified, nor too concentrated). Buy and Sell Discipline: Positions are build-up over a time and in a disciplined manner in pre-stated list of high quality moat businesses, subject to following catalysts/factors: a) Valuation and Margin of Safety. b) Favorable Earnings Momentum.

		c) Favorable Technical Momentum
iv.	Allocation of portfolio across types of securities	Go anywhere approach. Can invest in stocks across different type/sector/market cap etc. Based on allocation call, uninvested capital can be parked in liquid and similar funds for temporary purposes.
v.	Appropriate benchmark to compare performance and basis for choice of benchmark	No specific benchmark but objective is to target an absolute return over the long term with go-anywhere approach. Nevertheless, with large cap tilt, Nifty Index is relevant for compliance and comparison purposes.
vi.	Indicative tenure or investment horizon	Stocks/Equity securities in this strategy are generally advised from a 5-10 years' holdings perspective.
vii.	Risks associated with the investment approach	a) General market risk associated with equity securities. b) Risk of incorrect assessment of competitive advantage of a business and its longevity. Risk Monitoring/Management/Control: a) Pre-determined stock universe to achieve the stated investment objective based on detailed discussion with the client. Any changes therein need to get vetted by the client. b) Only High Quality stocks considered for Long Horizon Portfolio. These businesses have demonstrated empirical evidence of surviving and thriving (low downside volatility) and thus creating significant shareholder value over time. c) Valuation and buying with appropriate margin of safety, to be well compensated for taking equity risk. d) Upper limits to single stock exposure. e) Yearly update of valuation, fundamentals, and moat strength assessment; rationalization of portfolio positions upon early detection of structural shifts in the competitive advantages. f) Price to Fair Value analysis. Reward to Risk ratio. Deviation from 40 Weekly Moving Average.
viii.	Other salient features, if any	<u>Portfolio Turnover, Trading and Taxes:</u> a) Much lower trading. Very low portfolio turnover. b) Mostly long-term gains (being a Long Horizon Portfolio strategy).

Moats and Special Situations Portfolio (Non-Discretionary):
(Equity Strategy)

S. N.	Particulars	Description
i.	Investment objective	Moat is the sustainable competitive advantage that one company has over other companies in the same industry. Moat for a company can come from four sources – Network effect, switching cost, Cost advantage / economies of scale or Intangibles. Generally, the first 2 sources of Moat are the strongest and the remaining 2 sources are weak / narrow moats, what we term as limited Moats. The primary objective of this Non-Discretionary Portfolio is to recommend stocks which can generate capital appreciation by investing in companies that in the opinion of the Portfolio Manager are of high quality Moat or Limited Moat businesses at fair value or discount to fair value OR in Non moat businesses at deep discount to fair value as special situations. Investing in such businesses at discount/deep discount to fair value provides margin of safety to the investor.

		The Portfolio Manager shall recommend stocks for investment that will fit into the investment objective of Moats and Special Situations. The investor shall have the sole discretion to analyze the investment recommendations and instruct the Portfolio Manager for necessary trade execution in the portfolio.
ii.	Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.	Depending on the events in the markets the Portfolio Manager would have the flexibility to alter the above allocations. Consistent with the investment objective and subject to the SEBI Regulations, the Client's funds may be invested in such securities, capital and money market instruments or in fixed income securities or variable securities of any description, by whatever name called including - a. Equity and equity related securities, convertible stock and preference shares of Indian companies, warrants; b. Debentures (convertible and non-convertible), bonds, secured premium notes, corporate debt (of both public and private sector undertakings), securities issued by banks (both public and private sector) and development financial institutions like certificate of deposits (CDs), coupon bearing bonds, zero coupon bonds and tax exempt bonds of Indian companies and corporations; c. Units of mutual funds (including exchange traded funds (ETFs); d. Commercial paper, trade bills, treasury bills and certificate of deposit and other similar money market instruments; e. Securitised debt, pass through certificates and quasi debt instruments and such other eligible modes of investment within the meaning of the SEBI Act / Regulations as amended from time to time. The investment allocation pattern may change from time to time, keeping in view market conditions, opportunities and political & economic factors. It must be clearly understood that the investment patterns are only indicative and not absolute and that they can vary substantially depending upon the perception of the Portfolio Manager, the intention being at all times to seek to protect the interests of the Clients.
iii.	Basis of selection of such types of securities as part of the investment approach;	<u>Investment Strategy</u> Portfolio manager believes that there are three types of identifiable investment related risks which could lead to permanent loss of capital – i) Business risk ii) Balance Sheet risk iii) Valuation risk. In order to provide superior risk adjusted returns, the portfolio is invested in those companies which in opinion of the portfolio manager have limited exposure to above risks. Accordingly, the investment recommendations will be sent to the Client for necessary approval and trade execution thereof. Business risk is essentially the risk that a business would not be able to maintain profitability in the long run on account of competition or any other reason. A Moat business has a strong barrier to entry which allows it to maintain profitability in the long run and generate high returns on capital employed. By investing in Moat businesses, the investor mitigates the Business risk. Balance sheet risk is the risk of high financial leverage on the balance sheet affecting the profitability or in some cases solvency of the business in an adverse business cycle or on account of adverse

		interest rate cycle. This risk can be mitigated by avoiding companies that have high financial leverage on their balance sheet. Valuation risk is the risk of buying a company above its intrinsic value. In a risk averse market, valuation of such company could revert back to its intrinsic value or even lower which could lead to loss of capital for the investor. This risk can be mitigated by investing in a company at discount to the intrinsic value which provides margin of safety to the investor. Keeping these risks in mind, the portfolio manager would recommend investments in Moat, Limited moat and special situation businesses which provide the best reward as compared to the risk being taken. The portfolio manager would also try to optimize the timing of his investment recommendations through technical analysis. The portfolio manager also follows an internal risk control process which puts a cap on weights that can be assigned to a stock based on the quality of business and strength of the Moat. The client would give operational authority to manage the balance cash in the portfolio to park the same in liquid funds, arbitrage funds or Money market mutual funds.
iv.	Allocation of portfolio across types of securities	Consistent with the investment objective and subject to the SEBI Regulations, the Client's funds may be invested in such securities, capital and money market instruments or in fixed income securities or variable securities of any description. Cash that is not invested would be deployed in debt and fixed income securities including money market instruments and units of mutual fund schemes (debt-oriented / income, gilt and liquid/ money market mutual fund schemes), liquid funds or arbitrage funds run by well-established and reputed fund houses and deployed in the market as and when opportunities arise.
v.	Appropriate benchmark to compare performance and basis for choice of benchmark	The appropriate Benchmark for Moats and Special Situations strategy is BSE 500 TRI. We have chosen this Benchmark, as it best represents our Investable Universe.
vi.	Indicative tenure or investment horizon	The indicative tenure is 39 Months. Investor should have investment horizon between 3-5 years. It is perceived by the Portfolio Manager that it takes at least 39 months for a full cycle between under and over valuation in the Indian market. This term is required to execute the portfolio's well thought out investment strategy to reach its full return potential while at the same time it discourages the investor to exit the equities in a despaired market environment. The Portfolio Manager will be scaling out of the positions in the portfolio gradually in order not to disturb the market price. Depending on market conditions, it may decide to scale out of positions well before the upper end of our estimate of fair value has been reached. The Portfolio Manager believes that on average it would take 2 - 3 years for its ideas to reach their price potential. It therefore envisages a turnover of approximately 50% every year. However, it is cautioned that these

		numbers are indicative only, and actual results may vary significantly from these 'rules of thumb' depending on the market conditions prevalent during the tenure of the investment.
vii.	Risks associated with the investment approach	This is a conservative strategy with focus more on avoiding risk. During periods when market is expensive and continues to move up, this strategy could underperform its Benchmarks, due to probable increase in Cash allocation in the portfolio.
viii.	Other salient features, if any	

III. Investment Advisory Services:

Under these services/offerings, the Portfolio Manager offers advisory and research services on investment portfolios and other securities. The Portfolio Manager advises Clients on portfolio strategy, investment and divestment of securities and any specific advice required by the Clients and agreed upon in the Agreement. The services rendered are purely advisory and non-binding in nature and the Client shall exercise their independent judgement for decision making. For such services, the Portfolio Manager charges the Client a fee for services rendered as spelt out in the Agreement. The advice may either be general or specific in nature and will be provided to various categories of eligible Clients including but not limited to, NRIs, Foreign Portfolio Investors (FPI), etc.

The terms of engagement, services to be rendered and fees to be charged are set forth in the advisory services Agreement.

The Portfolio Manager generally offers following services under its coverage of advisory services:

(i) Overall Asset Allocation views, discussions and guidelines.
(ii) Listed Equity Research/Review, Investing ideas and other related analytics.
(iii) Review of other asset classes/securities to the extent it falls within the competency set of Multi-Act, and based on relevance, requirement and as per mutual agreement.
(iv) Presentations and Sessions covering Macro/Market Advisory.
(v) Sharing of Investment Insights by way of modules for enhancement and incisiveness of thinking related to stocks and/or markets'.

An inclusive list of deliverables, not limited to the following, is offered by the Portfolio Manager:

(a) Portfolio Diagnostic Report (PDR) : PDR is diagnosis of an existing portfolio using Multi-Act analytics;
(b) Whiteboards/ Stock Filter and Analytics: Bird's eye view of key MA analytics on equity securities using its 'GRAF' approach. This can be done on companies under coverage of Multi-Act and/or companies covered for clients.
(c) Client Track List / Holdings Analytics: The Portfolio Manager will track stocks listed by Clients using MA Research analytics.
(d) Company Notes: This gives a birds' eye view of how the Portfolio Manager would see a stock idea. They answer 3 key questions in a measurable manner (i) How good is the quality of the company and business; (ii) How good is the valuation; and (iii) How good is the time to enter or exit.
(e) Company Presentations: Presentations done on select companies are given when it is required to understand the business and valuation within the Multi-Act's framework in greater detail.

(f) Company Screens and Valuation Models: These are detailed spreadsheets encompassing financial statements and business models on companies and their valuations. This is the source, based on which some of the other deliverables are prepared. The Client may be taken through the data analysis and conclusions in detail in respect of selected companies.
(g) Initiating New Company Ideas/Research: This is for companies beyond the regular active coverage of Multi-Act, based on Client's specific request and can be in the form of a Company Screen, Note or a Presentation or a Snapshot.
(h) Investment Decision Tables: This takes form of a summary presentation covering investment thesis/rationale on a particular security using Multi-Act's investment philosophy.
(i) MF Research: This covers detailed research reports and related analytics, primarily on Indian Equity Mutual Funds.
(j) Sectoral Presentations: Presentations on sectors, in which the framework is relevant for aiding decision-making on sectoral basis, such as some capital cycle related sectors or banks etc.
(k) Market View and Macro Indicators: A macro presentation covering how the Portfolio Manager reads markets and macro/economic enviroment (top-down) and that can be taken as the basis for asset allocation decisions, including stock specific ideas as per Rational Analysis/Rational Investing (RA/RI) framework in that context.
(l) Newsletters/In-house articles, etc are provided to the Client.
(m) Power Modules: These are insights with theoretical and practical underpinnings, which the Portfolio Manager has gained/developed over its developmental period. They are designed to widen and deepen a Client's knowledge and perspectives which will enable Clients to achieve objectives of their investment program.
(n) Others: Any other document prepared in the course of providing investment related analytics to the clients.

The Portfolio Manager also offers a 'premium priced' service whereby, in addition to above, Clients are offered services in:

(a) Active role in Portfolio Formation and Construction;
(b) Monitoring and Review of Portfolio;
(c) Co-ordination/interaction with the service provider, as and when mandated by the Client.

Policy for investments in and availing services of group/associate companies:

(i) The Portfolio Manager may utilize the services of the promoter, group companies and / or any other subsidiary or associate company of the promoter established or to be established at a later date, in case such a company is in a position to provide requisite services to the Portfolio Manager. Such services may include distribution services, research and investment advisory services rendered by the associate / group companies to the Portfolio Manager. The Portfolio Manager will conduct its business with the aforesaid companies (including their employees or relatives) on commercial terms and on arm's length basis and at mutually agreed terms and conditions and to the extent permitted under SEBI Regulations after evaluation of the competitiveness of the pricing offered and the services to be provided by them.

(ii) The Portfolio Manager shall not invest any part of the Client's Portfolio in securities of its associates / group companies.

6. Risk Factors

A. General Risks Factors

1. Investment in Securities, whether on the basis of fundamental or technical analysis or otherwise, is subject to market risks which include price fluctuations, impact cost, basis risk etc.

2. The Portfolio Manager does not assure that the objectives of any of the Investment Approach will be achieved and investors are not being offered any guaranteed returns. The investments may not be suitable to all the investors.

3. The Portfolio Manager has commenced its portfolio management activities with effect from January 2011. However, past performance of the Portfolio Manager does not indicate the future performance of the same or any other Investment Approach in future or any other future Investment Approach of the Portfolio Manager.

4. The names of the Investment Approach do not in any manner indicate their prospects or returns.

5. Appreciation in any of the Investment Approach can be restricted in the event of a high asset allocation to cash, when stock appreciates. The performance of any Investment Approach may also be affected due to any other asset allocation factors.

6. When investments are restricted to a particular or few sector(s) under any Investment Approach; there arises a risk called non-diversification or concentration risk. If the sector(s), for any reason, fails to perform, the Portfolio value will be adversely affected.

7. Each Portfolio will be exposed to various risks depending on the investment objective, Investment Approach and the asset allocation. The investment objective, Investment Approach and the asset allocation may differ from Client to Client. However, generally, highly concentrated Portfolios with lesser number of stocks will be more volatile than a Portfolio with a larger number of stocks.

8. The values of the Portfolio may be affected by changes in the general market conditions and factors and forces affecting the capital markets, in particular, level of interest rates, various market related factors, trading volumes, settlement periods, transfer procedures, currency exchange rates, foreign investments, changes in government policies, taxation, political, economic and other developments, closure of stock exchanges, etc.

9. The Portfolio Manager shall act in fiduciary capacity in relation to the Client's Funds and shall endeavor to mitigate any potential conflict of interest that could arise while dealing in a manner which is not detrimental to the Client.

B. Risk associated with equity and equity related instruments

10. Equity and equity related instruments by nature are volatile and prone to price fluctuations on a daily basis due to macro and micro economic factors. The value of equity and equity related instruments may fluctuate due to

factors affecting the securities markets such as volume and volatility in the capital markets, interest rates, currency exchange rates, changes in law/policies of the government, taxation laws, political, economic or other developments, which may have an adverse impact on individual Securities, a specific sector or all sectors. Consequently, the value of the Client's Portfolio may be adversely affected.

11. Equity and equity related instruments listed on the stock exchange carry lower liquidity risk, however the Portfolio Manager's ability to sell these investments is limited by the overall trading volume on the stock exchanges. In certain cases, settlement periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio Manager to make intended Securities purchases due to settlement problems could cause the Client to miss certain investment opportunities. Similarly, the inability to sell Securities held in the Portfolio may result, at times, in potential losses to the Portfolio, should there be a subsequent decline in the value of Securities held in the Client's Portfolio.

12. Risk may also arise due to an inherent nature/risk in the stock markets such as, volatility, market scams, circular trading, price rigging, liquidity changes, de-listing of Securities or market closure, relatively small number of scrip's accounting for a large proportion of trading volume among others.

C. Risk associated with debt and money market securities

13. Interest Rate Risk

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

14. Liquidity or Marketability Risk

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

15. Credit Risk

    Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

16. Reinvestment Risk

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

D. Risk associated with derivatives instruments

17. The use of derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Portfolio Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Portfolio Manager involve uncertainty and decision of Portfolio Manager may not always be profitable. No assurance can be given that the Portfolio Manager will be able to identify or execute such strategies.

18. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price of interest rate movements correctly. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Other risks include settlement risk, risk of mispricing or improper valuation and the inability of the derivative to correlate perfectly with underlying assets, rates and indices, illiquidity risk whereby the Portfolio Manager may not be able to sell or purchase derivative quickly enough at a fair price.

E. Risk associated with investments in mutual fund schemes

19. Mutual funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the schemes will be achieved. The various factors which impact the value of the scheme's investments include, but are not limited to, fluctuations in markets, interest rates, prevailing political and economic environment, changes in government policy, tax laws in various countries, liquidity of the underlying instruments, settlement periods, trading volumes, etc.

20. As with any securities investment, the NAV of the units issued under the schemes can go up or down, depending on the factors and forces affecting the capital markets.

21. past performance of the sponsors, asset management company (AMC)/fund does not indicate the future performance of the schemes of the fund.

22. The Portfolio Manager shall not be responsible for liquidity of the scheme's investments which at times, be restricted by trading volumes and settlement periods. The time taken by the scheme for redemption of units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the schemes.

23. The Portfolio Manager shall not responsible, if the AMC/ fund does not comply with the provisions of SEBI (Mutual Funds) Regulations, 1996 or any other circular or acts as amended from time to time. The Portfolio Manager shall also not be liable for any changes in the offer document(s)/scheme information document(s) of the scheme(s), which may vary substantially depending on the market risks, general economic and political conditions in India and other countries globally, the monitory and interest policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally.

24. The Portfolio Manager shall not be liable for any default, negligence, lapse error or fraud on the part of the AMC/the fund.

25. While it would be the endeavor of the Portfolio Manager to invest in the schemes in a manner, which will seek to maximize returns, the performance of the underlying schemes may vary which may lead to the returns of this portfolio being adversely impacted.

26. The scheme specific risk factors of each of the underlying schemes become applicable where the Portfolio Manager invests in any underlying scheme. Investors who intend to invest in this portfolio are required to and are deemed to have read and understood the risk factors of the underlying schemes.

F. Risk arising out of Non-diversification

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

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

28. All transactions of purchase and sale of securities by portfolio manager and its employees who are directly involved in investment operations shall be disclosed if found having conflict of interest with the transactions in any of the client's portfolio.

29. The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the

Portfolio Manager shall endeavor to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm's length basis.

30. The Portfolios may invest in its Associates/ Related Parties relating to portfolio management services and thus conflict of interest may arise while investing in securities of the Associates/Related Parties of the Portfolio Manager. Portfolio Manager shall ensure that such transactions shall be purely on arms' length basis and to the extent and limits permitted under the Regulations. Accordingly, all market risk and investment risk as applicable to securities may also be applicable while investing in securities of the Associates/Related Parties of the Portfolio Manager.

7. Nature of Expenses:

The following are indicative types of costs and expenses for Clients availing the portfolio management services. Clients may note that the fees/expenses mentioned below are indicative. The same will vary depending upon the nature of services which would be provided to the Client. The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Agreement in respect of each of the services provided-

a) **Portfolio / Investment Management & Advisory Fees:**

The Portfolio / Investment Management and Advisory fees charged may be a fixed fee (range 0% to 2.50% per annum) or a performance / profit sharing fee (0% to 25% of portfolio returns) or a combination of both as detailed in the Fee Annexure to the Agreement. The Fees may be charged periodically at the end of a specified tenure as agreed between the Client and the Portfolio Manager.

The Portfolio Manager shall comply with SEBI Master Circular SEBI/HO/IMD/IMD-POD-1/P/CIR/2024/80 dated 07th June, 2024 in respect of the matters dealt with by the said circular with respect to fees and charges.

Pursuant to the aforesaid circular, for charging of performance/ profit sharing fee, performance/ profit of the portfolio shall be computed on the basis of highwater mark principle over the life of the investment, as prescribed by the aforesaid circulars.

High Water Mark shall be the highest value that the portfolio/account has reached. Value of the portfolio for computation of high watermark shall be taken to be the value on the date when performance fees are charged. For the purpose of charging performance fee, the frequency shall not be less than quarterly. The Portfolio Manager shall charge performance-based fee only on increase in portfolio value in excess of the previously achieved high water mark.

All fees and charges shall be levied on the actual amount of Clients' assets under management. High Water Mark shall be applicable for discretionary and non-discretionary services and not for advisory services. In case of interim contributions/ withdrawals by Clients, performance fees may be charged after appropriately adjusting the high-water mark on proportionate basis.

Clients availing Investment Advisory services of the Portfolio Manager shall be charged an advisory fee based on mutually agreed terms of the Investment Advisory Services Agreement.

b) **Custodian/Depository Fees:**

The Custody of all Securities of the Clients shall be with the Custodians viz., HDFC Bank Limited, Axis Bank Limited and Kotak Mahindra Bank Limited appointed by the Portfolio Manager. The Custodians shall act on the instructions of the Portfolio Manager. All such custodian fees charged by the Custodian shall be payable by the Client. The Portfolio Manager shall not be liable for any act of the Depository Participant, done with or without the instructions of the Portfolio Manager, which may cause or is likely to cause any loss or damage to the Clients.

Custody Charges – based on the Client's assets under management per year, payable on a monthly/quarterly/annual basis as determined by the portfolio manager. The safe custody charges ranges from 1 bps – 5 bps per annum plus transaction cost which differs from each custodian.

c) Registrar and Transfer Agent's Fees: On Actuals
d) Brokerage and Transaction Cost: On Actuals
e) Demat Charges: On Actuals
f) GST + Securities Transaction Tax (STT) + Exchange Transaction Charges + Stamp Duty + any other statutory levies: On Actuals
g) Bank Charges: On Actuals
h) Fees, Exit Loads and Charges in respect of Investment in Mutual Funds: On Actuals
i) Certification charges or professional Charges: On Actuals
j) Taxes as may be applicable from time to time.
k) Such other cost and expenses incurred by the Portfolio Manager directly in connection with the provision of Portfolio Management Services – On actuals

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

Distributor's Commission: If the Client is on-boarded through a Distributor then the Portfolio Manager shall pay a percentage of management, performance and / or other fees to the Distributor as mutually agreed between the Portfolio Manager and the Distributor. The percentage of Distributor commission shall be disclosed to the Client at the time of signing of Contract with the client and whenever there is any change. The Distributor's commission shall be paid from the total management and performance fees as mutually agreed between the Portfolio Manager and the Client in the PMS Agreement.

8. Taxation:

A. General

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

B. Tax deducted at source

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

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

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

C. Long term capital gains

Where investment under portfolio management services is treated as investment, the gain or loss from transfer of Securities shall be taxed as capital gains under section 45 of the IT Act.

Period of Holding

The details of period of holding for different capital assets for the purpose of determining long term or short-term capital gains are explained hereunder:

Securities	Position upto 22 July 2024 Period of Holding	Position on or after 23 July 2024 Period of Holding	Characterization
Listed Securities (other than unit) and unit of equity oriented mutual funds, unit of UTI, zero coupon bonds	More than twelve (12) months	More than twelve (12) months	Long-term capital asset
	Twelve (12) months or less	Twelve (12) months or less	Short-term capital asset
Unlisted shares of a company	More than twenty-four (24) months	More than twenty-four (24) months	Long-term capital asset
	Twenty-four (24) or less	Twenty-four (24) or less	Short-term capital asset
Other Securities (other than Specified Mutual Fund or Market Linked Debenture acquired on or after 1 April 2023; or unlisted bond or unlisted debenture)	More than Thirty-six (36) months	More than twenty-four (24) months	Long-term capital asset
	Thirty-six (36) months or less	Twenty-four (24) or less	Short-term capital asset
Specified Mutual Fund or Market Linked Debenture acquired on	Any period	Any period	Short-term capital asset
Unlisted bond or unlisted debenture	More than 36 months		Long-term capital asset
	36 months or less	Any period	Short-term capital asset

Definition of Specified Mutual Fund:

Before 1st April 2025:

"Specified Mutual Fund" *means a Mutual Fund by whatever name called, where not more than thirty-five per cent of its total proceeds is invested in the equity shares of domestic companies.*

On and after 1st April 2025:

"Specified Mutual Fund" means, —

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

Definition of debt and money market instruments:

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

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Definition of Market Linked Debenture:

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

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

The Finance Act 2018 changed the method of taxation of long-term capital gains from transfer of listed equity shares and units of equity-oriented fund or business trust.

As per section 112A of the IT Act, long term capital gains exceeding INR 1 lakh arising on transfer of listed equity shares in a company or units of equity-oriented fund or units of a business trust is taxable at 10% , provided such transfer is chargeable to STT. This exemption limit has been increased from INR 1 lakh to INR 1.25 lakh and tax rate has been increased from 10% to 12.5% with effect from 23 July 2024. Further, to avail such concessional rate of tax, STT should also have been paid on acquisition of listed equity shares, unless the listed equity shares have been acquired through any of the notified modes not requiring to fulfil the pre-condition of chargeability to STT.

Long term capital gains arising on transaction undertaken on a recognized stock exchange located in any International Financial Services Centre and consideration is paid or payable in foreign currency, where STT is not chargeable, is also taxed at a rate of 10%. This benefit is available to all assesses. This tax rate is increased from 10% to 12.5%.

The long-term capital gains arising from the transfer of such Securities shall be calculated without indexation. In computing long term capital gains, the cost of acquisition (COA) is an item of deduction from the sale consideration of the shares. To provide relief on gains already accrued upto 31 January 2018, a mechanism has been provided to "step up" the COA of Securities. Under this mechanism, COA is substituted with FMV, where sale consideration is higher than the FMV. Where sale value is higher than the COA but not higher than the FMV, the sale value is deemed as the COA.

Specifically in case of long-term capital gains arising on sale of shares or units acquired originally as unlisted shares/units upto 31 January 2018, COA is substituted with the "indexed COA" (instead of FMV) where sale consideration is higher than the indexed COA. Where sale value is higher than the COA but not higher than the indexed COA, the sale value is deemed as the COA. This benefit is available only in the case where the shares or units, not listed on a recognised stock exchange as on the 31 January 2018, or which became the property of the assessee in consideration of share which is not listed on such exchange as on the 31 January 2018 by way of transaction not regarded as transfer under section 47 (e.g. amalgamation, demerger), but listed on such exchange subsequent to the date of transfer, where such transfer is in respect of sale of unlisted equity shares under an offer for sale to the public included in an initial public offer.

The CBDT has clarified that 10% withholding tax will be applicable only on dividend income distributed by mutual funds and not on gain arising out of redemption of units.

No deduction under Chapter VI-A or rebated under Section 87A will be allowed from the above long term capital gains.

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

Long-term capital gains in respect of capital asset (all securities and units other than listed shares and units of equity oriented mutual funds and business trust) is chargeable to tax at the rate of 20% plus applicable surcharge and education cess, as applicable. The capital gains are computed after taking into account cost of acquisition as adjusted by cost inflation index notified by the Central Government and expenditure incurred wholly and exclusively in connection with such transfer. This tax rate is reduced from 20% to 12.5%; but no indexation benefit will be available with effect from 23 July 2024.

As per Finance Act, 2017, the base year for indexation purpose has been shifted from 1981 to 2001 to calculate the cost of acquisition or to take Fair Market Value of the asset as on that date. Further, it provides that cost of acquisition of an asset acquired before 1 April 2001 shall be allowed to be taken as Fair Market Value as on 1 April 2001.

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

Long term capital gains, arising on sale of debt Securities, debt-oriented units (other than units purchased in foreign currency and capital gains arising from transfer of such units by offshore funds referred to in section 115AB) are taxable at the rate of 10% under Section 115AD of the IT Act. This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024.Such gains would be calculated without considering benefit of (i) indexation for the COA and (ii) determination for capital gain/loss in foreign currency and reconversion of such gain/loss into the Indian currency.

Long term capital gains, arising on sale of listed shares in the company or units of equity-oriented funds or units of business trust and subject to conditions relating to payment of STT, are taxable at 10% as mentioned in para 12.10.2 above. This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024.

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

Under section 115E of the IT Act, any income from investment or income from long-term capital gains of an asset other than specified asset as defined in Section 115C (specified assets include shares of Indian company, debentures and deposits in an Indian company which is not a private company and Securities issued by Central Government or such other Securities as notified by Central Government) is chargeable at the rate of 20%. Income by way long-term capital gains of the specified asset is, however, chargeable at the rate of 10% plus applicable surcharge and cess (without benefit of indexation and foreign currency fluctuation). This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024.

D. Short term capital gains

Section 111A of the IT Act provides that short-term capital gains arising on sale of listed equity shares of a company or units of equity-oriented fund or units of a business trust are chargeable to income tax at a concessional rate of 15% plus applicable surcharge and cess, provided such transactions are entered on a recognized stock exchange and are chargeable to Securities Transaction Tax (STT). This tax rate has been increased from 15% to 20% with effect from 23 July 2024. However, the above shall not be applicable to transaction undertaken on a recognized stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in foreign currency. Further, Section 48 provides that no deduction shall be allowed in respect of STT paid for the purpose of computing Capital Gains.

Short term capital gains in respect of other capital assets (other than listed equity shares of a company or units of equity-oriented fund or units of a business trust) are chargeable to tax as per the relevant slab rates or fixed rate, as the case may be.

The Specified Mutual Funds or Market Linked Debentures acquired on or after 1 April 2023 will be treated as short term capital asset irrespective of period of holding as per Section 50AA of the IT Act. The unlisted bonds and unlisted debentures have been brought within the ambit of Section 50AA of the IT Act with effect from 23 July 2024.

E. Profits and gains of business or profession

If the Securities under the portfolio management services are regarded as business/trading asset, then any gain/loss arising from sale of such Securities would be taxed under the head "Profits and Gains of Business or Profession" under section 28 of the IT 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) according to the provisions of the IT Act.

Interest income arising on Securities could be characterized as 'Income from other sources' or 'business income' depending on facts of the case. Any expenses incurred to earn such interest income should be available as deduction, subject to the provisions of the IT Act.

F. Losses under the head capital gains/business income

In terms of section 70 read with section 74 of the IT Act, short term capital loss arising during a year can be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during the subsequent 8 assessment years. A long-term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during the subsequent 8 assessment years.

Business loss is allowed to be carried forward for 8 assessment years and the same can be set off against any business income.

G. General Anti Avoidance Rules (GAAR)

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

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

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

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

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

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

- Where tax avoidance is sufficiently addressed by the Limitation of Benefit Clause (LOB) in a tax treaty, GAAR should not be invoked.
- GAAR should not be invoked merely on the ground that the entity is located in a tax efficient jurisdiction.
- GAAR is with respect to an arrangement or part of the arrangement and limit of INR 3 crores cannot be read in respect of a single taxpayer only.

H. FATCA Guidelines

According to the Inter-Governmental Agreement read with the Foreign Account Tax Compliance Act (FATCA) provisions and the Common Reporting Standards (CRS), foreign financial institutions in India are required to report tax information about US account holders and other account holders to the Indian Government.

The Indian Government has enacted rules relating to FATCA and CRS reporting in India. A statement is required to be provided online in Form 61B for every calendar year by 31 May. The reporting financial institution is expected to maintain and report the following information with respect to each reportable account:

a) the name, address, taxpayer identification number and date and place of birth;

b) where an entity has one or more controlling persons that are reportable persons:

    i) the name and address of the entity, TIN assigned to the entity by the country of its residence; and
    ii) the name, address, date of birth, place of birth of each such controlling person and TIN assigned to such controlling person by the country of his residence.

c) account number (or functional equivalent in the absence of an account number);
d) account balance or value (including, in the case of a cash value insurance contract or annuity contract, the cash value or surrender value) at the end of the relevant calendar year; and
e) the total gross amount paid or credited to the account holder with respect to the account during the relevant calendar year.

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

I. Goods and Services Tax on services provided by the portfolio manager

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

9. Accounting Policies:

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

A. Client Accounting

1. The Portfolio Manager shall maintain a separate Portfolio record in the name of the Client in its book for accounting the assets of the Client and any receipt, income in connection therewith as provided under Regulations. Proper books of accounts, records, and documents shall be maintained to explain transactions and disclose the financial position of the Client's Portfolio at any time.

2. The books of account of the Client shall be maintained on an historical cost basis.

3. Transactions for purchase or sale of investments shall be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during a Financial Year are recorded and reflected in the financial statements for that year.

4. All expenses will be accounted on due or payment basis, whichever is earlier.

5. The cost of investments acquired or purchased shall include brokerage, stamp charges and any charges customarily included in the broker's contract note. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment. Sales are accounted based on proceeds net of brokerage, stamp duty, transaction charges and exit loads in case of units of mutual fund. Securities transaction tax, demat charges and Custodian fees on purchase/ sale transaction would be accounted as expense on receipt of bills. Transaction fees on unsettled trades are accounted for as and when debited by the Custodian.

6. Tax deducted at source (TDS) shall be considered as withdrawal of portfolio and debited accordingly.

B. Recognition of portfolio investments and accrual of income

7. In determining the holding cost of investments and the gains or loss on sale of investments, the "first in first out" (FIFO) method will be followed.

8. Unrealized gains/losses are the differences, between the current market value/NAV and the historical cost of the Securities. For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.

9. Dividend on equity shares and interest on debt instruments shall be accounted on accrual basis. Further, mutual fund dividend shall be accounted on receipt basis.

10. Bonus shares/units to which the security/scrip in the portfolio becomes entitled will be recognized only when the original share/scrip on which bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.

11. Similarly, right entitlements will be recognized only when the original shares/security on which the right entitlement accrues is traded on the stock exchange on the ex-right basis.

12. In respect of all interest-bearing Securities, income shall be accrued on a day-to-day basis as it is earned.

13. Where investment transactions take place outside the stock exchange, for example, acquisitions through private placement or purchases or sales through private treaty, the transactions shall be recorded, in the event of a purchase, as of the date on which the scheme obtains an enforceable obligation to pay the price or, in the event of a sale, when the scheme obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.

C. Valuation of portfolio investments

14. Investments in listed equity shall be valued at the last quoted closing price on the stock exchange. When the Securities are traded on more than one recognized stock exchange, the Securities shall be valued at the last quoted closing price on the stock exchange where the security is principally traded. It would be left to the portfolio manager to select the appropriate stock exchange, but the reasons for the selection should be recorded in writing. There should, however, be no objection for all scrips being valued at the prices quoted on the stock exchange where a majority in value of the investments are principally traded. When on a particular valuation day, a security has not been traded on the selected stock exchange, the value at which it is traded on another stock exchange may be used. When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the selected stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than thirty days prior to the valuation date.

15. Investments in units of a mutual fund are valued at NAV of the relevant scheme. Provided investments in mutual funds shall be through direct plans only.

16. Debt Securities and money market Securities shall be valued as per the prices given by third party valuation agencies or in accordance with guidelines prescribed by Association of Portfolio Managers in India (APMI) from time to time.

17. Unlisted equities are valued at prices provided by independent valuer appointed by the Portfolio Manager basis the International Private Equity and Venture Capital Valuation (IPEV) Guidelines on a semi-annual basis.

18. In case of any other Securities, the same are valued as per the standard valuation norms applicable to the mutual funds.

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

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

10. Investors Services:

i) Contact information

Investor queries and complaints can be addressed to the Compliance Officer -

Name : Amol Mahadik
Address : Multi-Act Equity Consultancy Private Limited
10th Floor SC, The Ruby Tower,
29, Senapati Bapat Marg,
Dadar (West), Mumbai – 400 028.
Tel: 022- 022-61408989
Email : amol.mahadik@multi-act.com

ii) SEBI SCORES Platform

SEBI has introduced an online registration of complaints whereby investors can lodge their grievances on the SEBI Complaints Redress System i.e., the SCORES portal https://scores.sebi.gov.in/

SCORES enables online tracking of status of a complaint. Investors who are unable to access the online platform continue to have the option to register their complaints in physical form.

iii) Service levels and Reports

The Portfolio Manager shall furnish to the Client reports/statements/documents atleast once in six months and as and when required by the Client with a reasonable frequency. Such reports/statements/documents shall contain the following details namely:

a) Report on the composition and value of the portfolio, description of securities, number of securities, value of each security held in the portfolio, cash balance and aggregate value of the portfolio on the date of the report;

b) Report on the transaction undertaken during the period of report including date of transaction and details of purchase and sales;

c) Report on beneficial interest received during that period in respect of interest, dividend, bonus shares, rights shares and debentures;

d) Report on expenses incurred in managing the portfolio;

e) Details of risk foreseen by the Portfolio Manager and the risk relating to the securities recommended by the Portfolio Manager for investment or disinvestments.

The Portfolio Manager shall on a best effort basis endeavor to provide reports to the Client within below mentioned timelines after receipt of request from the Client:

Sr. No.	Report	Timeline for providing the report after receipt of the request
1.	Portfolio holding statement	3 working days
2.	Transaction statement	7 working days
3.	Capital gains register	7 working days
4.	Performance report	7 working days

iv) Grievance Redressal and Dispute Settlement Mechanism

In the event the Client has any grievance on the services standards or reporting that the Portfolio Manager has agreed to provide, then the Client shall write to Customer Services Team of the Portfolio Manager at mapmsdesk@multi-act.com or Tel No. 022 - 61408989. The Customer Services Team shall acknowledge the receipt of email within 2 working days. Further, Customer Services Team shall, within a period of 21 (Twenty-one) calendar days from the date of receipt of the complaint and write to the Client in the form of an Action Taken Report (ATR) stating the action taken, and where the grievance is of the nature that can be repetitive, the steps taken so that the grievance does not arise again.

Where the Client is not satisfied with the ATR of the concern, then the client shall write to the Compliance Officer – amol.mahadik@multi-act.com – Tel: 022 – 61408989. The timelines specified for the Customer Services Team relating to acknowledge and the timelines for writing to the Client in the form of an ATR shall be applicable to the Compliance Officer of the Portfolio Manager.

In the event the Client is not satisfied with the resolution provided by the Customer Services Team or the Compliance Officer, the Client can contact Principal Officer rohan.samant@multi-act.com Tel – 022 - 61408989

In case, the investors does not get a response from the Portfolio Manager, or not satisfied with the response provided by the Portfolio Manager, he/she may approach SEBI to address complaints against the Portfolio Managers, registered with it. The complaint has to be filed in SEBI Complaints Redress System (SCORES) at https://scores.sebi.gov.in/

After exhausting all aforementioned options for resolution, if the client is not satisfied, they can initiate dispute resolution through the Online Dispute Resolution Portal (ODR) at https://smartodr.in/login.

Alternatively, the client can directly initiate dispute resolution through the ODR Portal if the grievance lodged with the Portfolio Manager is not satisfactorily resolved or at any stage of the subsequent escalations mentioned above.

The dispute resolution through the ODR Portal can be initiated when the complaint/dispute is not under consideration in SCOREs guidelines or not pending before any arbitral process, court, tribunal or consumer forum or are non-arbitrable in terms of Indian law.

The process on Online Dispute Resolution Mechanism is available at https://multi-act.com/

v) Prevention of Money Laundering Act (PMLA) & Know Your Customer (KYC) Requirements:

The Government of India has put a policy framework to combat money laundering through the Prevention of Money Laundering Act, 2002 (PMLA 2002). PMLA 2002 and the Rules notified there under (PMLA Rules) came into effect from July 1, 2005. Consequently, SEBI has mandated all registered intermediaries to formulate and implement a comprehensive policy framework on anti-money laundering and to adopt 'Know Your Customer' (KYC) norms.

Accordingly, the investors should ensure that the amount invested by them is through legitimate sources only and does not contravene any Act, Rules, Regulations, Notifications or Directions of the provisions of Income Tax Act, Prevention of Money Laundering Act, Anti-Corruption Act and or any other applicable laws enacted by the Government of India from time to time.

Investors are requested to note that KYC is mandatory for all investors. In order to bring about uniformity in the securities market, SEBI has developed a mechanism for centralization of the KYC records in the securities market. Accordingly, KYC registration is being centralised through KYC Registration Agencies (KRA) registered with SEBI. Thus each investor has to undergo a uniform KYC process only once in the securities market and the details would be shared with other intermediaries by the KRA.

The Portfolio Manager is adhering to the requirements of SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023, SEBI Master Circular No. SEBI/HO/MIRSD/MIRSDSECFATF/P/CIR/2024/78 dated June 06, 2024 and other applicable circulars.

11. Details of the diversification policy of the portfolio manager:

The Board of Directors of the Portfolio Manager has adopted a Diversification Policy for the portfolio of the PMS Clients as mandated under the amendment to the SEBI (Portfolio Managers) Regulations, 2020 and has decided not to invest in the Securities of any of the Associates / Related Parties of the Portfolio Manager.

PART – II : DYNAMIC SECTION

12. Client representation:

Category of Clients	No. of Clients				Funds Managed (Rs. Cr)				Discretionary / Non-Discretionary (if available)
	As on 30.09.2025	As on 31.03.2025	As on 31.03.2024	As on 31.03.2023	As on 30.09.2025	As on 31.03.2025	As on 31.03.2024	As on 31.03.2023	
Associates / Group Companies	0	0	3	3	0	0	21.86	46.04	Discretionary
Directors / Relatives of Directors	1	1	1	3	1.44	1.43	1.37	2.87	Discretionary
Others	228	236	280	347	1,456.91	1,346.23	1,390.85	1,171.75	Discretionary
Others	4	5	5	7	40.26	35.43	19.77	13.77	Non-Discretionary
Total	**233**	**242**	**289**	**360**	**1,498.61**	**1,383.09**	**1,433.85**	**1,234.43**	

Notes: *The Portfolio Manager has introduced non-discretionary portfolio management services as on 26th June, 2019.*

Direct Onboarding of Clients:

Pursuant to SEBI Circular no. SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020 on 'Guidelines for Portfolio Managers', Clients can on-board directly with Multi-Act Equity Consultancy Private Limited, Portfolio Manager, without intermediation of persons engaged in distribution services and no charges except statutory charges shall be levied at the time of on-boarding.

Complete disclosure in respect of transactions with related parties as per the standards specified by the Institute of Chartered Accountants of India:

a. Parties where control exists

Associate, Group entities and holding company:

i. Multi-Act Trade and Investments Private Limited (holding company)
ii. Multi-Act Realty Enterprises Private Limited (Group Company with common Directorship)
iii. The Indian Card Clothing Company Limited (Group Company with common Directorship)
iv. Multi-Act Private Equity Investment Trust (AIF Trust)
v. Multi-Act Select Opportunities Trust (AIF Trust)

Key Management Personnel:

i. Mr. Prashant K. Trivedi – Non-Executive Director
ii. Mr. Sanjeevkumar W. Karkamkar – Non-Executive Director
iii. Mr. Sekar Iyer – Executive Director

Relatives of Key Management Personnel:

i. Mr. M. K. Trivedi
ii. Mrs. S. P. Trivedi

b. Transactions with related parties:

(Amount in Rs.)

	Particulars	2024-25	2023-24	2022-23
(i)	**Associate, Group entities and holding company:**			
	Reimbursement made to Multi-Act Trade and Investments Private Limited (holding company)	6,03,258	4,34,434	4,78,883
	Received portfolio management fees from Multi-Act Trade and Investments Private Limited (holding Company) in terms of Discretionary Portfolio Management Agreement (Excluding GST)	-	12,73,992	16,61,983
	Investment Research & Analytical Services received from, and fees paid to Multi-Act Trade and Investments Private Limited	30,81,000	30,81,000	29,40,753
	Rent paid to The Indian Card Clothing Co. Ltd.	48,740	2,92,440	2,84,760
	Reimbursement made to The Indian Card Clothing Company Limited	6,506	24,929	45,998
(ii)	**Key Management Personnel:**			
	Remuneration to Directors:			
	- Mr. Sanjeevkumar Karkamkar	NIL	NIL	NIL
	- Mr. Sekar Ramasubramanian Iyer	70,56,580	50,90,243	42,85,012
	Reimbursement to Directors:			
	- Mr. Sanjeevkumar Karkamkar	10,428	1,06,828	96,377
	- Mr. Sekar Ramasubramanian Iyer	-	23,128	3,658
(iii)	**Related Parties:**			
	Received portfolio management fees from Mr. Mehul K Trivedi (Relative of Director) in terms of Discretionary Portfolio Management Agreement (Excluding GST)	1,16,692	1,18,288	1,41,966
	Received portfolio management fees from Late. Kunjbihari K Trivedi (Relative of Director) in terms of Discretionary Portfolio Management Agreement (Excluding GST)	NIL	NIL	NIL
	Received portfolio management fees from Mrs. Shveta P Trivedi (Relative of Director) in terms of Discretionary Portfolio Management Agreement (Excluding GST)	NIL	NIL	16,823
	Received portfolio management fees from Multi-Act Realty Enterprises Pvt. Ltd. (Common Director) in terms of Discretionary Portfolio Management Agreement (Excluding GST)	-	5,92,312	5,63,301
	Received portfolio management fees from Mr. Sanjeevkumar Karkamkar (Director) in terms of Discretionary Portfolio Management Agreement (Excluding GST)	-	1,68,525	1,06,275

Investment Management Fee received from Multi-Act Private Equity Investment Trust	94,37,881	61,60,000	61,60,000
Investment Management Fee received from Multi-Act Select Opportunities Trust	56,44,990	1,06,289	NIL

Conflicts of Interest:

The Company has adopted an extensive Conflict of Interest Policy which primarily aims to ensure that the Company's clients are treated fairly and at the highest level of integrity and that their interests are protected at all times. The policy lays down the framework to identify and adequately manage / mitigate such conflict of interest thereby safeguarding the Client's interest.

The portfolio manager, its employees may purchase/ sell securities in ordinary course of business and in that manner, there may arise conflict of interest with transactions in any of the client’s portfolio. Such conflict of interest shall be dealt with in accordance of the Conflict of Interest Policy of the Company.

The Holding Company, Multi-Act Trade and Investments Private limited is registered with SEBI as an Investment Adviser in terms of SEBI (Investment Advisers) Regulations, 2013 vide registration number INA000008589. Business transactions between the Portfolio Manager and Related Parties will be conducted on commercial terms which are on arm’s length basis and at mutually agreed terms and conditions and to the extent permitted under SEBI Regulations.

13. **Financial Performance:**

The Portfolio Manager was incorporated on 22nd October, 1993. The Portfolio Manager commenced Portfolio Management Services on 27th January, 2011. The Portfolio Manager satisfies with the minimum net-worth criteria as mandated by SEBI of INR 5 Crores as per the SEBI (Portfolio Managers) Regulations, 2020. The financial performance of the Portfolio Manager for the previous three Financial Years till 31st March 2025 is presented below based on the Audited Financials:

(Amount in Rs.)

Balance Sheet as at	**March 31, 2025**	**March 31, 2024**	**March 31, 2023**
SOURCE OF FUNDS			
Shareholders' funds			
Share capital	3,92,51,750	3,92,51,750	3,92,51,750
Reserves & Surplus	12,70,73,042	8,15,45,435	5,45,56,031
Total	**16,63,24,792**	**12,07,97,185**	**9,38,07,781**
APPLICATION OF FUNDS			
Fixed assets			
Gross block	2,07,91,604	1,90,96,249	1,83,24,058
Less: Accumulated depreciation	1,37,22,324	1,25,38,576	1,15,61,582
Net block	**70,69,280**	**65,57,673**	**67,62,476**
Investments	**5,84,88,328**	**4,98,80,598**	**7,86,93,444**
Current & Non-Current assets, loans and advances			
Sundry debtors	1,43,57,472	2,02,75,912	87,47,543
Cash and bank balances	9,24,65,163	5,26,25,295	29,44,757
Loans and advances	1,09,21,675	84,95,155	65,21,711
Other current assets	13,74,881	32,93,623	43,63,025
Total Current assets, loans and advances	**11,91,19,191**	**8,46,89,985**	**2,25,77,036**
Less: Current liabilities and provisions			
Current liabilities	88,88,923	1,11,21,786	54,12,041
Provisions	94,63,085	92,09,285	88,13,134
Total current liabilities and provisions	**1,83,52,008**	**2,03,31,071**	**1,42,25,175**
Net Current Assets	**10,07,67,183**	**6,43,58,914**	**83,51,861**
Total	**16,63,24,792**	**12,07,97,185**	**9,38,07,781**

(Amount in Rs.)

Profit and Loss account for year ended	**March 31, 2024**	**March 31, 2024**	**March 31, 2023**
INCOME			
Investment activities and Other Income	50,24,108	55,87,457	1,28,91,288
PMS Management & Performance Fees	14,53,40,236	12,46,23,721	9,64,00,497
Advisory/ Research Fees	NIL	NIL	NIL

Total	**15,03,64,344**	**13,02,11,178**	**10,92,91,785**
EXPENDITURE			
Employee costs	7,06,71,055	6,53,01,593	7,37,53,117
Administration and other expenses	3,26,49,777	3,63,52,602	3,57,21,890
Depreciation & Amortization expenses	15,15,905	15,67,578	14,89,567
Total	**10,48,36,737**	**10,32,21,773**	**11,09,64,574**
Profit/ (Loss) Before Tax	**4,55,27,607**	**2,69,89,404**	**(16,72,789)**
Provision for current tax (including pertaining to earlier years and MAT Credit)	-	-	13,06,074
Profit / (Loss) After Tax	**4,55,27,607**	**2,69,89,404**	**(29,78,863)**

Previous year's figures are regrouped/reclassified, wherever necessary, to make them comparable with current year.

14. Performance of Portfolio Manager:

(all performance data in %)

Strategies	Current Period 01.04.2025 to 30.09.2025	Financial Year Ended 31.03.2025	Financial Year Ended 31.03.2024	Financial Year Ended 31.03.2023	Date of Inception
(1) Moat and Special Situations Portfolio (MSSP)	9.71	14.99	29.57	2.45	January 27, 2011
Benchmark Performance (BSE 500 TRI)	7.19	5.96	40.16	-0.91	
(2) Mid & Small cap & Special Situations Portfolio	15.83	3.09	43.41	14.57	May 21, 2015
Benchmark Performance (BSE 500 TRI)	7.19	5.96	40.16	-0.91	
(3) All Seasons Portfolio	10.74	13.95	18.65	6.93	July 1, 2015
Benchmark Performance (NSE Multi Asset Index 2)	7.33	7.52	23.62	1.13	
(4) Emerging Corporates India Portfolio	9.32	23.72	17.55	-8.85	April 28, 2017
Benchmark Performance (BSE 500 TRI)	7.19	5.96	40.16	-0.91	
(5) Sankhya India Portfolio	5.19	1.88	35.94	-3.46	October 17, 2017
Benchmark Performance (BSE 500 TRI)	7.19	5.96	40.16	-0.91	
(6) Moats and Special Situations Portfolio (MSSP) – Non-Discretionary	8.82	20.66	30.39	1.30	July 18, 2019
Benchmark Performance (BSE 500 TRI)	7.19	5.96	40.16	-0.91	

Notes:

1. Past performance of the Portfolio Manager does not indicate its future performance. Performance / returns are calculated using the 'Time Weighted Rate of Return' method in terms of Regulation 22 of SEBI (Portfolio Managers) Regulations 2020.
2. Returns for the periods provided above are cash flow adjusted and time (Daily) weighted returns after all expenses including Performance Fees.
3. The actual returns of clients may differ from client to client due to different timing of investment.
4. Benchmark returns are absolute returns.
5. The above Portfolio Management Performance numbers from inception till the FY 2019-20 has been prepared as per the Global Investment Performance Standards (GIPS) and has claimed GIPS compliance verification for the Financial Year 2025. The Benchmark returns used for the said GIPS reporting is including the Dividend and other Corporate Actions.
6. The above performance numbers are not verified by the SEBI.

15. Audit Observations:

There are no observations made by the Statutory Auditor of the Portfolio Manager for the three preceding financial years.

16. Details of investments in the securities of related parties of the Portfolio Manager (Regulation 22 (4) (da):

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

Sr. No.	Investment Approach, if any	Name of the associate/related party	Investment amount (cost of investment) as on last day of the previous calendar quarter (INR in crores)	Value of investment as on last day of the previous calendar quarter (INR in crores)	percentage of total AUM as on last day of the previous calendar quarter
	NIL	Not Applicable	NIL	NIL	NIL

17. GENERAL:

The Portfolio Manager and the Client can mutually agree to be bound by specific terms through a written bilateral agreement in addition to the Standard Agreement ("Discretionary Portfolio Management Services Agreement, Non-Discretionary Portfolio Management Services Agreement and Investment Advisory Services Agreement") between themselves.

For Multi-Act Equity Consultancy Private Limited

SD/-	**SD/-**
______________________	______________________
Sanjeevkumar W Karkamkar	**Sekar Ramasubramanian**
Director	Executive Director

Date : November 24, 2025
Place : Mumbai

FORM C

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

Multi-Act Equity Consultancy Private Limited
10th Floor, The Ruby Tower,
29, Senapati Bapat Marg,
Mumbai-400028
Tel No.:022-61408989 / Fax: 022-61408980
rohan.samant@multi-act.com

We confirm that:

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

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 verified by an independent chartered accountant, M. P. Chitale & Co., Chartered Accountants 1/11, 1st Floor, Prabhadevi Industrial Estate, Veer Savarkar Marg, Opposite Siddhi Vinayak Temple, Prabhadevi, Mumbai- 400 025, bearing registration no.101851W dated January 1, 1956, on October 11, 2024. (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 is enclosed).

For **Multi-Act Equity Consultancy Private Limited**

SD/-

Rohan Samant
Principal Officer

Date: 25/11/2025