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1) Disclaimer

This document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and has been filed with SEBI. However, SEBI has neither approved nor disapproved the contents of this document. SEBI has also not certified the accuracy or adequacy of the information provided herein. The distribution of this Document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this Document are required to inform themselves about and to observe any such restrictions.

2) Definitions

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

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

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

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

   (ii) in case of a body corporate, has net worth of at least fifty crore rupees;

   (iii) in case of a trust other than family trust, has net worth of at least fifty crore rupees;

   (iv) in case of a partnership firm set up under the Indian Partnership Act, 1932, each partner independently meets the eligibility criteria for accreditation:

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

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

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

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

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

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

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

10) "**Board**" or "**SEBI**" means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.

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

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

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

14) **"Cash Account**" the account in which the funds handed over by the client shall be held by the portfolio manager on behalf of client

15) "**Client**" means anybody corporate, partnership firm, individual, HUF, association of person, body of individuals, trust, statutory authority or any other persons who enters into agreement with the portfolio manager for the management of his/its portfolio

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

17) "**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.

18) "**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.

19) **"Disclosure Document" or "Document"** means the disclosure document for offering portfolio management services prepared in accordance with the Regulations.

20) **"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).

21) **"Discretionary Portfolio Management Services"** means the services provided by the Portfolio Manager exercising its sole and absolute discretion to invest the Clients' funds in any type of security as per the agreement relating to portfolio management and to ensure that all benefits accrue to the Clients' Portfolio, for an agreed fee, entirely at the Clients' risk

22) **"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.

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

24) **"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.

25) **"Financial Year"** means the year starting from April 1 and ending on March 31 in the following year.

26) **"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.

27) **"Fund Manager"** the individual(s) appointed by the Portfolio Manager who manages, advises or directs or undertakes on behalf of the client (whether as a Discretionary Portfolio Manager or otherwise) the management or administration of a portfolio of securities or the funds of the client, as the case may be.

28) **"Group Company"** shall mean an entity which is a holding, subsidiary, associate, subsidiary of a holding company to which it is also a subsidiary.[i]

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

30) **"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.

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

32) **"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.

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

34) "**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.

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

36) "**Non-Discretionary Portfolio Management Services**" mean the services provided by the Portfolio Manager, who manages the funds in accordance with the discretion of the Client for an agreed fee and invests on behalf of the Client in their account in any type of securities entirely at the Client's risk and to ensure that all the benefits accrue to the Clients' Portfolio.

37) "**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.

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

39) "**Portfolio Manager**" means Systematix Wealth & Asset Services Private Limited, [a company incorporated under [the Companies Act, [1956], registered with SEBI as a portfolio manager bearing registration number INP000009728 and having its registered office at The Capital, A-Wing, No.603-606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

40) "**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

41) "**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.

42) "**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;

43) **"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.

44) **"Securities Lending Scheme"** means the securities lending as per the Securities Lending Scheme, 1997 specified by the Board.

45) **"Systematix"** means Systematix Wealth & Asset Services Private Limited .

Words and expressions used in this Disclosure Document have been included only for the purpose of clarity and shall in addition be interpreted according to their general meaning and usage and shall also carry the meanings assigned to them in the Regulations governing Portfolio Management Services.

3) Description

History, Present Business and Background of the Portfolio Manager:

Systematix Wealth & Asset Services Private Limited is a next-generation investment and advisory platform committed to empowering individual and institutional investors with tailored financial solutions across various products like: equities, real estate, unlisted equities, commodities and fixed income schemes. As part of the Systematix Group, we leverage over two decades of market expertise, deep research capabilities, and robust risk management practices to deliver superior, long-term outcomes across asset classes.

With a client-first philosophy, we offer a broad suite of services, including Portfolio Management Services (PMS), Alternate Investment Funds (AIF), and Wealth management, combining traditional investing discipline with innovative, data-driven insights. Our dedicated team of experienced professionals brings together domain knowledge and agility to navigate evolving market dynamics and deliver consistent value.

At Systematix, we pride ourselves on transparency, performance, process, compliance and trust — pillars that guide every strategy we craft and every relationship we build. Whether you are looking to preserve capital, grow your wealth, or explore emerging opportunities, Systematix Wealth & Asset Services Private Limited is your trusted partner in your financial journey.

Promoters of the Portfolio Manager, its Directors, core team and their background:

Promoters: Systematix Group was founded in 1985 by Mr. Chandra Prakash Khandelwal, with a vision to build one of India's premier financial institutions, grounded in strong ethics and trust. Over the years, it has evolved into a diversified conglomerate comprising multiple strategic business entities. Over decades, we have diligently pursued this vision, evolving into a leading name in the financial services sector. Today, Systematix offers a comprehensive suite of financial products and services

The Group's investment and merchant banking services are operated through its listed flagship company, Systematix Corporate Services Limited. In addition to this, Group through its various business entities is engaged Stock broking, Depositary Participant services, Portfolio Management Services {PMS}, Research and Distribution of IPO and Mutual Fund products, NBFC (Non-Banking Financial Company) and Alternative Investment Funds (AIFs).

With a commitment to innovation, integrity, and client-centric services, Systematix continues to strengthen its position in India's dynamic financial ecosystem.

Directors / Chief Executive Officer/ Chief Operating Officer and their background:

1) Shri Nikhil Khandelwal holds a degree in management studies (MBA) from the ISB, Hyderabad and Bachelor in Engineering (BE) from Manipal Institute of Technology (MIT) and responsible for overseeing the group's expansion in Institutional Broking, Investment Banking, Equity Capital Markets (ECM) and Asset Management. Shri Khandelwal has previously worked as a Consumer sector analyst with IDFC Research. While leading the entire firm as MD, Shri Khandelwal' particularly oversees the Investment Banking business of Systematix encompassing M&A, Private Equity and Strategic Advisory for a wide variety of industries and clients in India and internationally. He has been instrumental in building Systematix's advisory business into an Industry Focused Cross Border M&A platform – with strong engagements with several mid to large India, US, Japan and Europe based companies.

2) Shri. Rahul Khandelwal holds a bachelor's degree in science from Rutgers, the State University of New Jersey, USA. He has 7 years of rich experience in the capital market, where he has catered to esteemed

clients through the Institutional Equities team, translating research findings into actionable advice based on clients' specific needs. Additionally, he has been instrumental in exploring digital marketing and online trading platforms, recognizing their pivotal role in the capital market for both clients and stockbrokers.

3) Shri. Rakesh Mehta is a qualified Chartered Accountant and Cost Accountant, having passed with merit and boasting over three decades of experience in top multinational companies. He has extensive expertise in handling commercial functions for large-scale projects. Shri. Mehta has worked as Vice President in the Reliance group of companies, where he managed various high-profile projects, including the world's largest grassroots refinery at Jamnagar, telecommunication projects, and ventures in retail petroleum, retail, and petrochemical businesses. Additionally, he pioneered the establishment of a shared services concept within the organization, which facilitated centralized control of various functions and reduced operating costs.

4) Mr. Vijay Sarda, Principals officer holds a degree in management studies (MBA) from the SIBM, Pune and Bachelor in Technology (BTech) from Shri Guru Govind Singh collage of Engineering and Technology , Nanded. He is responsible for overseeing the investment and business development activity in asset management business of the group. Mr Sarda has previously worked as a Senior Fund manager in Canara HSBC Life insurance, IDBI Fedral insurance as a head of equity, ICICI prudential mutual fund as a fund manager, UTI AMC as a co-fund manager and a senior research analyst. He has also been a founder and principal office for Crescita Investment management (PMS). He has an exceptional knack in picking "Winners" early and currently leads the investment decision making process. Under Mr. Sarda leadership, the investment team at IDBI Federal Life Insurance handled a corpus of $250mn, with its flagship fund consistently outperforming benchmark and peers. He enjoys long distance running and travelling.

Core team members for Portfolio Management Services and their background:

5) Mr. Vijay Sarda, Principals officer holds a degree in management studies (MBA) from the SIBM, Pune and Bachelor in Technology (BTech) from Shri Guru Govind Singh collage of Engineering and Technology , Nanded. He is responsible for overseeing the investment and business development activity in asset management business of the group. Mr Sarda has previously worked as a Senior Fund manager in Canara HSBC Life insurance, IDBI Fedral insurance as a head of equity, ICICI prudential mutual fund as a fund manager, UTI AMC as a co-fund manager and a senior research analyst. He has also been a founder and principal office for Crescita Investment management (PMS). He has an exceptional knack in picking "Winners" early and currently leads the investment decision making process. Under Mr. Sarda leadership, the investment team at IDBI Federal Life Insurance handled a corpus of $250mn, with its flagship fund consistently outperforming benchmark and peers. He enjoys long distance running and travelling.

6) Vikram Thanvi is a qualified Chartered Financial Analyst and holds a Postgraduate degree in Commerce, with over 25 years of experience in the capital markets. His career spans across diverse roles in stock broking firms, wealth management houses, family offices, and fintech product companies. He has extensive experience across operations, compliance, finance, and accounts, and has successfully managed the operations of family offices comprising over 40+ entities, with multiple family groups with a substantial AUM. Vikram has also played a pivotal role in the development and enhancement of fintech products tailored for family offices, PMS, and wealth management firms. His contributions at Ebix Cash, Wealth Spectrum, and Asset Vantage include domain expertise, product functionality design, SDLC testing, UI/UX evaluation, and feature assessment. He currently oversees operations for Portfolio Management Services (PMS), ensuring seamless execution and delivering quality client servicing

Top 10Group/firms of Systematix Shares and Stocks (India) Limited, on turnover basis

[illegible]	[illegible]
1	Systematix Corporate Services Limited.
2	Systematix Shares and Stocks (India) Limited
3	Systematix Fincorp India Limited.
4	Systematix Finvest Private Limited

Details of the services being offered: Discretionary/ Non-discretionary / Advisory

Discretionary Portfolio Management: Under this service, the Portfolio Manager has full discretion and autonomy to make investment decisions on behalf of the client. The client entrusts the Portfolio Manager with the authority to manage their portfolio without requiring explicit approval for each transaction. The Portfolio Manager exercises professional judgment and expertise to make investment decisions aligned with the client's stated investment objectives, risk tolerance, and financial situation. 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 time during the currency of the agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence

Non-Discretionary Portfolio Management: In this service, the Portfolio Manager manages the client's portfolio based on discussions and explicit permissions obtained from the client. Unlike discretionary management, where the Portfolio Manager has full discretion, here, the Portfolio Manager advises the client on investment strategies and recommendations, but the final decision to execute transactions rests with the client. The Portfolio Manager provides insights and expertise to assist the client in making informed investment decisions while respecting the client's ultimate control over their portfolio.

Advisory: The Portfolio Manager also provides advisory services, in terms of the Regulations, which will entail advising on portfolio strategy and investment/ divestment of individual securities on the Client's Portfolio, for an agreed fee structure, entirely at Client's risk. The Portfolio Manager shall be solely acting as an advisor for the Client's portfolio and shall not be responsible for the investment/divestment of securities and/or administrative activities on the Client's Portfolio. The Portfolio Manager shall, provide advisory services in accordance with such guidelines and/ or directives issued by the regulatory authorities and/or the Client; from time to time, in this regard. There is no conflict of interest related to services offered by group companies or associates of the portfolio manager. 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.

These types of services cater to clients with different preferences regarding the level of control and involvement they desire in the management of their investment portfolios. Whether clients prefer to delegate investment decisions entirely to the Portfolio Manager or actively participate in the decision-making process, the Portfolio Manager offers tailored solutions to meet their individual needs and objectives.

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

1) All cases of penalties imposed by the Board or the directions issued by the Board under the Act or rules or regulations made thereunder : Nil

2) The nature of the penalty/direction: Nil

3) Penalties/fines imposed for any economic offence and/ or for violation of any securities laws: Nil

4) Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any: Nil

5) Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency: Nil

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

5) Details of the services offered

The Portfolio Manager provides the following distinct types of services:

Discretionary Portfolio Management: Under this service, the Portfolio Manager has full discretion and autonomy to make investment decisions on behalf of the client. The client entrusts the Portfolio Manager with the authority to manage their portfolio without requiring explicit approval for each transaction. The Portfolio Manager exercises professional judgment and expertise to make investment decisions aligned with the client's stated investment objectives, risk tolerance, and financial situation. 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 time during the currency of the agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence

Non-Discretionary Portfolio Management: In this service, the Portfolio Manager manages the client's portfolio based on discussions and explicit permissions obtained from the client. Unlike discretionary management, where the Portfolio Manager has full discretion, here, the Portfolio Manager advises the client on investment strategies and recommendations, but the final decision to execute transactions rests with the client. The Portfolio Manager provides insights and expertise to assist the client in making informed investment decisions while respecting the client's ultimate control over their portfolio.

Advisory: The Portfolio Manager also provides advisory services, in terms of the Regulations, which will entail advising on portfolio strategy and investment/ divestment of individual securities on the Client's Portfolio, for an agreed fee structure, entirely at Client's risk. The Portfolio Manager shall be solely acting as an advisor for the Client's portfolio and shall not be responsible for the investment/divestment of securities and/or administrative activities on the Client's Portfolio. The Portfolio Manager shall, provide advisory services in accordance with such guidelines and/ or directives issued by the regulatory authorities and/or the Client, from time to time, in this regard. There is no conflict of interest related to services offered by group companies or associates of the portfolio manager. 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.

These types of services cater to clients with different preferences regarding the level of control and involvement they desire in the management of their investment portfolios. Whether clients prefer to delegate investment decisions entirely to the Portfolio Manager or actively participate in the decision-making process, the Portfolio Manager offers tailored solutions to meet their individual needs and objectives.

Investment Objective

The **investment objective** outlined is focused on seeking capital appreciation over the long term with the aim of wealth creation through the power of compounding. Here's a breakdown of what this objective entails:

1. Capital Appreciation: The primary goal of the investment strategy is to achieve growth in the value of the portfolio over an extended period. This can be accomplished through various means, such as investing in assets that have the potential for growth, including stocks of companies with strong growth prospects, growth-oriented mutual funds, or other vehicles that offer the potential for increasing returns.
2. Long-Term Focus: The investment approach is geared towards the long term, indicating that the investor is willing to hold onto investments for an extended period, typically measured in years rather than months. This long-term perspective allows for the benefits of compounding to accrue over time, as investment returns are reinvested to generate further growth.
3. Wealth Creation: The overarching aim is to generate wealth for the investor. Wealth creation involves building financial assets and net worth over time, often with the objective of achieving specific financial

goals, such as retirement planning, funding education expenses, or creating a legacy for future generations.

4. Long-Term Compounding: The strategy emphasizes the power of compounding, where investment returns generate additional returns over time. By reinvesting earnings and allowing them to compound, the investor can potentially accelerate the growth of their investment portfolio exponentially over the long term.

In summary, the investment objective is centered around achieving capital appreciation over the long term through a strategy focused on wealth creation via the compounding effect. This objective sets the foundation for designing an investment portfolio aligned with the investor's goals and risk tolerance, with a focus on maximizing growth opportunities while managing associated risks.

Investment approach

The ***Investment approach*** outlined is designed to align with the investment objective of seeking capital appreciation over the long term. Here's how the investment approach aims to achieve this objective:

1. Equity Shares of Companies: The primary focus of the investment approach is on equity shares of companies, both listed and unlisted. Investing in equity shares provides exposure to the ownership of businesses, allowing for potential capital appreciation as the companies grow and generate profits. Equity investments offer the potential for higher returns over the long term compared to other asset classes, albeit with higher volatility and risk.
2. Units of Mutual Funds: Alongside direct investments in equity shares, the investment approach also includes deploying funds into units of mutual funds. Mutual funds pool money from multiple investors to invest in a diversified portfolio of securities, including equities, bonds, and other assets. By investing in mutual funds, the Portfolio Manager can access professional fund management expertise and achieve diversification across a broader range of securities, helping to mitigate risk while potentially capturing upside opportunities in the market.
3. Flexibility in Instrument and Asset Class Selection: The investment approach allows for flexibility in deploying funds across various instruments and asset classes, provided they fall within the definitions set by the Regulator. This flexibility enables the Portfolio Manager to adapt to changing market conditions and opportunities, allocating capital to different asset classes or investment strategies as deemed appropriate to achieve the investment objective while adhering to regulatory guidelines.

By focusing primarily on equity shares of companies and units of mutual funds, while also maintaining flexibility to explore other instruments and asset classes, the investment approach aims to capitalize on growth opportunities in the market while managing risk effectively. This approach reflects a balanced strategy that leverages the potential for higher returns from equities while diversifying risk through exposure to mutual funds and other permissible assets.

The policies for investments in associates/ group companies of the Portfolio Manager and the maximum percentage of such investments therein would be subject to the applicable laws / regulations/ guidelines. As per Securities and Exchange Board Of India (Portfolio Managers) (Amendment) Regulations, 2020, minimum investment amount of Rs. 50 Lakhs per client shall be applicable for new clients and fresh investments by existing clients.

PMS Portfolios Schemes along with Investment approach

1) Systematix Emerging Leaders

The main objective of the Emerging Leaders Investment Approach is to generate long-term capital appreciation through Investment in Indian listed companies with a focus on investing out of large, mid and small cap companies which are available at a discount to their fair value based on their long term growth prospects. The portfolio is agnostic to market capitalisation and is designed to look for under-valued businesses. Some of the criterions we look at for identifying businesses are:

- Companies with significant growth potential not fully recognised by the market
- Undervaluation based on their replacement cost / asset values
- Companies going through a temporary crisis but their underlying business structure and outlook appear to be robust
- Changes in management, restructuring and shifts in business and economic conditions
- Potential for value enhancements from strategic sale, de-regulation, economic legislation, reform thrusts, industry shakeouts, etc.
- Quality of management
- Special Opportunities – Corporate actions

Suitability: Portfolios suitable for clients with high risk profile

Ideal tenure: Appx. 36+ Months

Stock Limits: Not more than 25 stocks and generally not more than 10% in an individual security at the time of investment.

Allocation:

- Large, Mid and Small Cap - 0% - 100%;
- Cash & Liquid Funds – 0% to 35%

Benchmark : S&P BSE 500 {TRI}
BSE 500 TRI captures the performance of a broad cross-section of Indian equities across market capitalizations, consistent with the portfolio's flexible, market-cap agnostic investment mandate.

Risk Factors:

- Equity Market Risk: Market movements arising from economic, political, regulatory, or sentiment changes may adversely affect portfolio returns.
- Value & Valuation Risk: Securities identified as undervalued may remain undervalued, while assessments of intrinsic value may prove inaccurate.
- Mid & Small-Cap Risk: Investments in mid- and small-cap companies may be subject to higher volatility, lower liquidity, and greater business risks.
- Concentration Risk: Focused exposure to specific sectors, themes, or companies may increase portfolio volatility and downside risk.
- Liquidity Risk: Certain investments, particularly in special situations or smaller companies, may be difficult to buy or sell at desired prices.
- Turnaround & Special Situation Risk: Investments based on corporate actions, restructuring, management changes, distress, or recovery situations may not generate the anticipated outcomes.
- Management & Governance Risk: Poor management execution, governance lapses, or adverse business decisions may negatively impact company performance.

- Economic, Regulatory & Sector Risk: Changes in economic conditions, industry dynamics, government policies, taxation, regulations, or thematic trends may adversely affect investments.
- Market Timing, Event & Volatility Risk: Value realization may take longer than expected, while unforeseen events and market fluctuations may result in heightened volatility and losses.
- No Assurance of Returns: There is no guarantee that the investment objective will be achieved, and investors may lose part or all of their invested capital.

Note: Fund Manager on his discretion may deviate from this allocation depending on Market expectation and Client's Portfolio Objective Statement and may invest in companies of any sector

The Portfolio Manager may invest in derivatives or any other instrument as may be permitted by SEBI / RBI / such other Regulatory Authority from time to time including Units of Schemes of Mutual Funds and as may be decided by the Portfolio Manager. The Portfolio Manager may also participate in the Securities Lending Scheme provided by the Stock Exchanges, as permissible within the regulatory ambit.

2) All Wealther Portfolio

The All Wealther Portfolio will have min 60% exposure to large caps and remaining exposure to mid and small cap been created on our DPMS platform and is a tailor made portfolio created and operated with the involvement and concurrence of the investor in every investment decision. The Portfolio Strategy and objective is to generate long term capital appreciation for investors from a portfolio of predominantly Large cap up to 60% and mid and Small cap stocks. The Portfolio Manager will apply a Bottom-Up Approach to identify companies with quality management, strong business model, consistent growth reasonable valuation.

Allocation

- Consists of Predominantly Large cap min 60%, mid and Small cap stocks
- Portfolio structured on the basis on the client's specification
- Cash & Liquid Funds – 0% to 100%

Suitability: Portfolio to be formed in accordance to Risk Return expectation of client

Ideal tenure: Approx. 24+ Months.

Benchmark: S&P BSE 200 {TRI}
BSE 200 TRI broadly represents the large- and mid-cap segments of the Indian equity market, consistent with the portfolio's predominantly large-cap investment mandate.

Risks

- Equity Market Risk: The portfolio is exposed to market fluctuations arising from economic, political, regulatory, and business developments that may adversely impact returns.
- Large-Cap Allocation Risk: A predominant large-cap allocation may limit participation in periods when mid- and small-cap stocks outperform.
- Mid & Small-Cap Risk: While the portfolio maintains a predominant allocation to large-cap stocks, exposure to mid- and small-cap companies may increase volatility, liquidity risk, and downside potential.
- Stock Selection Risk: The bottom-up investment approach may not always identify companies that outperform the broader market, resulting in underperformance.
- Valuation Risk: Companies selected based on growth prospects and reasonable valuations may not achieve expected earnings growth or market re-rating.
- Sector Concentration Risk: At certain times, the portfolio may have higher exposure to specific sectors or themes, which could increase volatility if those sectors underperform.

- Liquidity Risk: Certain investments, particularly in mid- and small-cap stocks, may be difficult to liquidate at desired prices during periods of market stress.
- Management & Governance Risk: Deterioration in management quality, corporate governance standards, or business execution may adversely affect portfolio companies.
- Economic & Regulatory Risk: Changes in macroeconomic conditions, interest rates, taxation, government policies, or regulations may negatively impact portfolio performance.
- No Assurance of Returns: There is no guarantee that the portfolio will achieve its investment objective, outperform the benchmark, or generate positive returns over any investment horizon.

3) The Opportunity Portfolio

The Opportunity Portfolio is offered through our DPMS platform and aims to generate long-term capital appreciation through an actively managed and opportunistic investment strategy. The portfolio follows a sector rotation approach, dynamically allocating capital to sectors and themes that are expected to benefit from evolving economic, business, regulatory, and market trends.

The investment process combines top-down sector allocation with bottom-up stock selection to identify high-conviction opportunities. At any point in time, the portfolio may maintain concentrated exposure to up to four sectors where the Portfolio Manager identifies the most attractive risk-reward potential, earnings growth prospects, and valuation opportunities.

The portfolio invests across large-cap, mid-cap, and small-cap companies and actively repositions sector exposures in response to changing market conditions. This concentrated and flexible approach seeks to capitalize on emerging opportunities while aligning portfolio construction with the investor's risk-return objectives.
Allocation

- Consists of Multi cap stocks
- Concentrated portfolio of high-conviction investment ideas.
- Cash & Liquid Funds – 0% to 100%

Suitability: Portfolio to be formed in accordance to Risk Return expectation of client

Ideal tenure: Approx. 24+ Months.

Benchmark: S&P BSE 500 {TRI}
The BSE 500 TRI captures the performance of a broad cross-section of the Indian equity market, consistent with the portfolio's unconstrained multi-cap investment universe and opportunistic sector allocation approach.

Risk Factors

- Equity Market Risk: Market fluctuations arising from economic, political, regulatory, or business developments may adversely affect portfolio performance.
- Sector Rotation Risk: The portfolio's active sector allocation decisions may not perform as anticipated, resulting in underperformance relative to broader markets.
- Sector Concentration Risk: The portfolio may maintain concentrated exposure to a limited number of sectors, increasing vulnerability to sector-specific downturns.
- Multi-Cap Risk: Exposure to large-, mid-, and small-cap stocks may subject the portfolio to varying levels of volatility, liquidity, and business risks.
- Stock Selection Risk: The Portfolio Manager's investment decisions and security selection may not generate the expected returns.
- Liquidity Risk: Investments, particularly in mid- and small-cap companies, may be difficult to liquidate at desired prices during adverse market conditions.

- Valuation Risk: Sectors or companies identified as attractive may remain undervalued or fail to achieve the anticipated earnings growth and re-rating.
- Economic & Regulatory Risk: Changes in economic conditions, government policies, taxation, regulations, or industry dynamics may adversely impact portfolio holdings.
- Volatility Risk: The concentrated and opportunistic nature of the strategy may result in higher volatility compared to diversified equity portfolios or benchmark indices.
- No Assurance of Returns: There is no guarantee that the investment objective will be achieved, and investors may lose part or all of their invested capital.

4) Million to Billion Investment Approach

Million to Billion Investment Approach is a Discretionary PMS strategy designed to generate long-term capital appreciation by identifying high-growth opportunities in the Mid, Small, and Micro Cap segments of the market. The portfolio follows a bottom-up, growth-oriented approach, focusing on scalable businesses with strong potential and emerging sectoral themes. It aims to capture alpha by investing in companies at an early stage of their growth cycle while maintaining prudent risk management. The portfolio is sector-agnostic, though it may lean towards new-age and innovation-driven industries based on market dynamics.

Allocation

- Equity - 0% to 100% of which upto 60% in less than 10,000 crs of market cap at the time of investment
- Cash & Liquid Funds – 0% to 35%

Suitability : This strategy is suitable for investors with a high-risk appetite seeking aggressive capital appreciation from emerging opportunities.

Ideal tenure : Approx 30 to 36+ months.

Benchmark:Nifty MidSmallcap 400 Index. {TRI}
Nifty MidSmallcap 400 TRI captures the performance of the mid- and small-cap segments that form the core investment universe of the strategy, reflecting its growth-oriented approach and emphasis on emerging businesses.

Risk Factors

- Equity Market Risk: Market fluctuations arising from economic, political, regulatory, or business developments may adversely affect portfolio performance.
- Emerging Business Risk: The portfolio may invest in companies at an early stage of their growth cycle, where business models, earnings visibility, and scalability may be unproven or uncertain.
- Mid, Small & Micro-Cap Risk: Investments in mid-, small-, and micro-cap companies are subject to higher volatility, lower liquidity, and greater business risk than large-cap companies.
- Growth Investing Risk: Companies selected for their growth potential may fail to achieve expected growth rates, resulting in lower returns and valuation corrections.
- Innovation & New-Age Sector Risk: Exposure to innovation-driven and emerging industries may involve higher uncertainty, rapid technological changes, and evolving competitive dynamics.
- Liquidity Risk: Investments, particularly in small- and micro-cap companies, may be difficult to liquidate at desired prices during periods of market stress.
- Valuation Risk: High-growth companies may trade at elevated valuations, making them vulnerable to sharp corrections if growth expectations are not met.
- Stock Selection Risk: The Portfolio Manager's investment decisions and security selection may not generate the anticipated returns.
- Volatility Risk: The portfolio may experience significantly higher volatility than broader market indices due to its focus on emerging growth opportunities and smaller companies.
- No Assurance of Returns: There is no guarantee that the investment objective will be achieved, and investors may lose part or all of their invested capital.

5) Value Fund

The **Value Fund** is a Discretionary PMS offering focused on long-term wealth creation through investments in fundamentally strong businesses that are available at a discount to their intrinsic value. Adopting a traditional value investing framework, the strategy emphasizes the principles of intrinsic worth, margin of safety, and long-term compounding. It seeks to identify companies with robust financials, durable business models, and stable cash flows that are temporarily undervalued due to market inefficiencies or cyclical downturns. The stock universe includes opportunities across Large, Mid, Small and Micro Cap segments, with a multi-sector allocation driven by valuation comfort rather than thematic positioning.

Suitability : It is best suited for investors with a conservative-to-moderate risk profile who prioritize capital preservation along with long-term growth.

Allocation

- Equity - 0% to 100%
- Cash & Liquid Funds – 0% to 35%

Ideal tenure: 36+ months

Benchmark: S&P BSE 500. {TRI}
The BSE 500 TRI reflects the performance of a broad cross-section of Indian equities across market capitalizations, consistent with the strategy's mandate to identify undervalued opportunities across sectors and market-cap segments.

Risk Factors

- Equity Market Risk: Market fluctuations arising from economic, political, regulatory, or business developments may adversely affect portfolio performance.
- Value Investing Risk (Strategy-Specific): Stocks identified as undervalued may remain undervalued for extended periods or may never realize their estimated intrinsic value.
- Valuation Risk: The assessment of a company's intrinsic value, financial strength, or margin of safety may prove inaccurate due to changing business or market conditions.
- Large, Mid, Small & Micro-Cap Risk: Exposure across market capitalizations may subject the portfolio to varying levels of volatility, liquidity, and business risks.
- Liquidity Risk: Investments, particularly in small- and micro-cap companies, may be difficult to buy or sell at desired prices during adverse market conditions.
- Cyclical Recovery Risk: Companies impacted by temporary business or economic downturns may take longer than expected to recover, or may fail to recover altogether.
- Stock Selection Risk: The Portfolio Manager's assessment of business quality, financial strength, and long-term prospects may not translate into superior investment returns.
- Management & Governance Risk: Weak management execution, governance concerns, or adverse strategic decisions may negatively affect portfolio companies.
- Opportunity Cost Risk: A valuation-driven approach may underperform growth-oriented or momentum-driven strategies during periods when expensive stocks continue to outperform.
- No Assurance of Returns: There is no guarantee that the investment objective will be achieved, and investors may lose part or all of their invested capital.

6) Customize Portfolio

Customize Portfolio is a tailor made portfolio to address the investor's unique objectives. Investment objectives may vary from client to client and therefore, depending on the individual client requirements, the portfolio can be structured / customized based on the client's specifications. Fund Manager in consultation with the client, documents the specific objectives and based on those objectives construct and manage the portfolio.

Features

- Structured / Customized portfolio based on the client's specification
- Combination of Assets under which investment are allowed to Portfolio Managers

Allocation

- Equity - 0% to 100%
- Cash & Liquid Funds – 0% to 50%

Suitability: Portfolio to be formed in accordance to Risk Return expectation of client

Ideal Tenure :Appx. 24+ months

Benchmark: S&P BSE 500. {TRI}
Given the flexible and customized nature of the strategy, the BSE 500 TRI serves as a broad-based benchmark reflecting the performance of the Indian equity market and facilitating performance comparison of the portfolio's equity exposure.

Notes: The portfolio of each client may differ from that of the other client in the given portfolios, at the Portfolio Manager's discretion. The funds temporarily remaining to be invested in any of the above portfolios at any given point of time may be deployed by the Portfolio Manager in any other short-term investments.

The performance of the Portfolios may not be strictly comparable with the performance of the Indices, due to the inherent differences in the construction of the portfolios. The Portfolio Manager may from time to time, review the benchmark selection process and make suitable changes as to use of the benchmark, or related to composition of the benchmark, whenever it deems necessary.

Risk Factors

- Market Risk: Investments across asset classes may be affected by changes in market conditions, economic developments, interest rates, and investor sentiment.
- Asset Allocation Risk: The portfolio's performance is dependent on asset allocation decisions, which may not deliver the expected risk-adjusted returns.
- Customization Risk: Portfolio construction based on client-specific requirements, constraints, or preferences may result in performance that differs from model portfolios, benchmarks, or broader market returns.
- Benchmark Comparison Risk: Due to the customized nature of the portfolio, performance may not be directly comparable to any benchmark or standard market index.
- Concentration Risk: Client-driven portfolio preferences may lead to higher exposure to specific asset classes, sectors, themes, or securities, increasing portfolio risk.
- Security Selection Risk: Investments selected by the Portfolio Manager may underperform expectations due to adverse business, market, or economic developments.
- Liquidity Risk: Certain investments may be difficult to liquidate at desired prices, particularly during periods of market stress.
- Cash Deployment Risk: Temporary deployment of uninvested funds into short-term investments may impact overall portfolio returns and cause performance deviations from the intended strategy.

- Regulatory & Economic Risk: Changes in taxation, regulations, government policies, interest rates, or macroeconomic conditions may adversely affect portfolio performance.
- No Assurance of Returns: There is no guarantee that the investment objectives agreed with the client will be achieved, and investors may lose part or all of their invested capital.

7) Multi Asset NDPMS

The Multi Asset NDPMS is designed to provide investors with a diversified investment solution by allocating capital across multiple asset classes, including equities, fixed income securities, gold, REITs/InvITs, and other permissible investment avenues. The objective is to generate superior risk-adjusted returns over the medium to long term while managing portfolio volatility through strategic asset allocation and diversification.

The portfolio follows a dynamic asset allocation approach, wherein exposures to various asset classes are actively reviewed and adjusted based on market valuations, economic conditions, interest rate outlook, liquidity trends, and investment opportunities. The strategy seeks to balance growth, income generation, and capital preservation by combining assets that exhibit differing risk-return characteristics.

Portfolio construction is tailored to the investor's risk profile, investment objectives, and liquidity requirements, with all investment decisions **undertaken in consultation with and concurrence of the investor under the NDPMS framework.**

Allocation

- Structured / Customized portfolio based on the client's specification and all investment decision approved by investors.
- Combination of Assets under which investment are allowed to Portfolio Managers
- Equity 0%-100%, Debt 0%-100%, Gold 0%-100% and REIT & Invit 0%-100%

Suitability: Portfolio to be formed in accordance to Risk Return expectation of client

Ideal Tenure :Appx. 24+ months

Benchmark: NSE Multi Asset Index 2
NSE Multi Asset Index 2 is a benchmark for an Indian diversified multi-asset strategy that broadly allocates around 50% equity, 20% debt, 20% arbitrage, and 10% REIT/InvITs. Composition of NSE Multi Asset Index 2 is 50% in NIFTY 500 20% in NIFTY Medium Duration Index, 20% in NIFTY Arbitrage index and 10% in INVIT/REIT)

Risk Factors

- Market Risk: Investments across asset classes may be affected by changes in market conditions, economic developments, interest rates, and investor sentiment.
- Asset Allocation Risk: The portfolio's performance is dependent on asset allocation decisions, which may not deliver the expected risk-adjusted returns.
- Customization Risk (Strategy-Specific): Portfolio construction based on client-specific requirements, constraints, or preferences may result in performance that differs from model portfolios, benchmarks, or broader market returns.
- Concentration Risk: Client-driven portfolio preferences may lead to higher exposure to specific asset classes, sectors, themes, or securities, increasing portfolio risk.
- Security Selection Risk: Investments selected by the Portfolio Manager may underperform expectations due to adverse business, market, or economic developments.
- Liquidity Risk: Certain investments may be difficult to liquidate at desired prices, particularly during periods of market stress.
- Cash Deployment Risk: Temporary deployment of uninvested funds into short-term investments may impact overall portfolio returns and cause performance deviations from the intended strategy.

- Regulatory & Economic Risk: Changes in taxation, regulations, government policies, interest rates, or macroeconomic conditions may adversely affect portfolio performance.
- Benchmark Comparison Risk: Due to the customized nature of the portfolio, performance may not be directly comparable to any benchmark or standard market index.
- No Assurance of Returns: There is no guarantee that the investment objectives agreed with the client will be achieved, and investors may lose part or all of their invested capital.

8) Debt NDPMS

The Debt NDPMS is designed to provide investors with a diversified investment solution by allocating capital across various fixed income securities & REITs/InvITs. Portfolio construction is tailored to the investor's risk profile, investment objectives, and liquidity requirements, with all investment decisions **undertaken in consultation with and concurrence of the investor under the NDPMS framework.**

The strategy seeks to provide income generation, and capital preservation by combining assets that exhibit differing risk-return characteristics across fixed income securities, Gold, REITs & Invits.

Allocation

- Structured / Customized portfolio based on the client's specification and all investment decision approved by investors.
- Combination of fixed income securities, Gold, REITs & Invits. under which investment are allowed to Portfolio Managers
- Debt - 0% to 100% REIT & Invit – 0%-100%

Suitability: Portfolio to be formed in accordance to Risk Return expectation of client

Benchmark: Nifty Medium to Long Duration Debt Index
Nifty Medium to Long Duration Debt Index is an benchmark for a debt PMS that invests in high-quality medium- to long-duration fixed-income securities.

Ideal Tenure :Appx. 12+ months

Notes: The portfolio of each client may differ from that of the other client in the given portfolios, at the Portfolio Manager's discretion. The funds temporarily remaining to be invested in any of the above portfolios at any given point of time may be deployed by the Portfolio Manager in any other short-term investments.

The performance of the Portfolios may not be strictly comparable with the performance of the Indices, due to the inherent differences in the construction of the portfolios. The Portfolio Manager may from time to time, review the benchmark selection process and make suitable changes as to use of the benchmark, or related to composition of the benchmark, whenever it deems necessary.

Risk Factors

- Interest Rate Risk: Changes in interest rates may adversely affect the value of fixed income securities, particularly those with longer maturities.
- Credit Risk: Issuers of debt securities may fail to meet their interest or principal repayment obligations, resulting in potential losses.
- Liquidity Risk: Certain debt securities, REITs, InvITs, or gold-related investments may be difficult to liquidate at desired prices, particularly during stressed market conditions.
- Asset Allocation Risk: Portfolio performance depends on the allocation across fixed income securities, gold, REITs, and InvITs. Allocation decisions may not generate the anticipated risk-adjusted returns.

- Client Concurrence Risk: As investment decisions are implemented with investor consultation and approval under the NDPMS framework, delays or deviations from recommended allocations may adversely affect portfolio performance.
- Credit Spread Risk: Changes in market perception of issuer creditworthiness may lead to widening credit spreads and a decline in the value of debt investments.
- REIT & InvIT Risk: Investments in REITs and InvITs are subject to real estate, infrastructure, regulatory, operational, and distribution and price-related risks that may impact returns.
- Gold Price Risk: Gold investments may experience price volatility due to changes in global economic conditions, currency movements, inflation expectations, and investor sentiment.
- Benchmark & Customization Risk: Due to the customized nature of the portfolio and differing client mandates, portfolio performance may not be directly comparable to any benchmark or other client portfolios.
- No Assurance of Returns or Capital Protection: While the strategy seeks income generation and capital preservation, there is no guarantee that these objectives will be achieved, and investors may incur losses.

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

There are no investments in associates/ group companies of the Portfolio Manager

6)Risk factors

1) 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) [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. [OR] The Portfolio Manager has no previous experience/track record in the field of portfolio management services. However, the Principal Officer, directors and other key management personnel of the Portfolio Manager have rich individual experience.]

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 endeavour to mitigate any potential conflict of interest that could arise while dealing in a manner which is not detrimental to the Client.

2) Risk associated with equity and equity related instruments

1) Equity and equity related instruments by nature are volatile and prone to price fluctuations on a daily basis due to macro and micro economic factors. The value of equity and equity related instruments may fluctuate due to factors affecting the securities markets such as volume and

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

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

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

3) Risk associated with debt and money market securities

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

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

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

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

proceeds may get invested at a lower rate.

4) Risk associated with derivatives instruments

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

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

5) Risk associated with investments in mutual fund schemes

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

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

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

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

5) The Portfolio Manager shall not responsible, if the AMC/ fund does not comply with the provisions of SEBI (Mutual Funds) Regulations, 1996 or any other circular or acts as amended from time to time. The Portfolio Manager shall also not be liable for any changes in the offer document(s)/scheme information document(s) of the scheme(s), which may vary substantially depending on the market risks, general economic and political conditions in India and other countries globally, the 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.

6) The Portfolio Manager shall not be liable for any default, negligence, lapse error or fraud on the

part of the AMC/the fund.

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

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

6) Risk arising out of Non-diversification

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

7) Risk arising out of investment in Associate and Related Party transactions

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

2) The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the Portfolio Manager shall endeavor to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm's length basis.

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

7) Nature of expenses

The following are indicative types of expenses. The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Services Agreement and the agreements in respect of each of the services availed at the time of execution of such agreements.

1) Annual Management Fees: This fee relates to the portfolio management services offered by Portfolio Manager where the clients are charged percentage based annual management fees ranging from Nil to 2 % per annum on average daily assets under management charged annually and billed quarterly. Taxes including GST are charged on the fees as applicable.
2) Performance Fee: The Portfolio Manager shall charge performance based fees annually ranging from Nil to 25% on increase in portfolio value in excess of the previously achieved highest value (high watermark principle) and hurdle rate. Taxes including GST are charged on the fees as applicable.
3) Exit Fees / Load: If the redemption is done prematurely (within 2 years of account opening) at the option of the client, the Portfolio Manager may levy Exit Charges ranging from Nil to 2% of the client corpus.
4) Custodian/Depository Participant fee: The charges relating to opening and operation of demat accounts, custody and transfer charges of shares, bonds and units, custodian charges, etc. will not be exceeding 10 basis points (0.10%) annually of the average daily assets under management of the client. These charges are charged on monthly basis as specified in the Portfolio Management Services Agreement. Taxes including GST are charged on the fees as applicable.
5) Brokerage and transaction cost: The Brokerage and other charges like Service tax, Stamp Duty, Security Transaction Tax, SEBI fees, Exchange fees, Settlement charges, Bank charges, Turnover Tax, Foreign Tax, GST and other charges (if any), as per the rates existing from time to time, will be charged on actual. The investment by Portfolio Manager will be done by any SEBI Registered stock broker only and would be as per the rates negotiated between Portfolio Manager and the broker. The charges relating to brokerage will be recovered on actual by Portfolio Manager.
6) Registrar and transfer agent fee: Charges payable to the Registrar and Share Transfer Agents in connection with effecting transfer of securities and bonds, units, etc. including stamp charges, cost of affidavit, notary charges, postage and courier charges and other related charges will be recovered on actual.
7) Certification charges and Professional fees: Any charges payable for outsourced professional services like taxation, auditing, and any legal services, franking charges and notarizations, etc. incurred on behalf of the client by the Portfolio Manager, will be charged to the client on actual.
8) Out of Pocket and Other Incidental Expenses: Charges in connection with day to day operations like courier expenses, stamp duty, document franking charges, notary charges, service tax, other statutory levies, opening of bank, trading and demat accounts and any other out of pocket expenses incurred by the Portfolio Manager, on behalf of the client, may be recovered from the client. Any other charges and levies by the Government or other regulatory authorities, such as GST and other charges levied by third parties in connection with transactions executed by the Portfolio Manager on behalf of the client maybe recovered from the client. All aforementioned expenses would be to the account of the client on the basis of actual expenses

8) Taxation

1) 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.

Under the provisions of the Income Tax Act, 1961, clients are responsible and liable for taxes on any income generated from investments made in the portfolio management Investment Approach. Systematix Shares and Stocks (India) Limited will not deduct tax on capital gains generated from these investments. However, this is subject to the provisions of the Income Tax Act, 1961 or any relevant amendments outlined in the Finance Bill. "Income-tax Act" shall mean the Indian Income-tax Act, 1961, as amended, re-enacted or replaced from time to time together with all applicable bye-laws, rules, regulations, orders, ordinances, policies, directions and the like issued thereunder

Systematix Shares and Stocks (India) Limited will provide clients with adequate statements for accounting purposes, facilitating compliance with tax regulations and assisting clients in fulfilling their tax obligations

2) 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.

3) 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 (12) twelve months	More than (12) twelve 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 or after 1 April 2023	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:**

  <u>Before 1st April 2025:</u>

  *"**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.*

  <u>On and after 1st April 2025:</u>

  *"**Specified Mutual Fund**" means, —*

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

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

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

Board of India.

- **Definition of Market Linked Debenture:**

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

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

  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 assessees. 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 sfer, 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.

4) **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. Lastly for non-resident clients, the bank may deduct short-term Capital Gains tax at the source.

5) **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.

6) **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.

7) **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:

1) The arrangement creates rights or obligations which are ordinarily not created between parties dealing at arm's length;
2) It results in directly / indirectly misuse or abuse of the IT Act;
3) It lacks commercial substance or is deemed to lack commercial substance in whole or in part; or
4) 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:

1) Disregarding or combining or recharacterising any step in, or a part or whole of the arrangement;
2) Ignoring the arrangement for the purpose of taxation law;
3) 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;
4) Looking through the arrangement by disregarding any corporate structure; or
5) Recharacterising 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:

1) Where tax avoidance is sufficiently addressed by the Limitation of Benefit Clause (LOB) in a tax treaty, GAAR should not be invoked.
2) GAAR should not be invoked merely on the ground that the entity is located in a tax efficient jurisdiction.
3) 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.

8) **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).

Applicants, including joint holders, guardians, and POA holders, must refer to and complete/sign a separate "FATCA declaration form" as a mandatory requirement. Applications lacking this information or declaration will be considered incomplete and may be rejected.

9) **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

1) 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 recognised 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.

7) Fixed Deposits with banks: Fixed Deposits with banks will be valued at the amount deployed in the Fixed Deposit. Additionally, the interest accrued by the respective banks on these Fixed Deposits will be considered in the valuation when credited by the banks.TDS (Tax Deducted at Source) on interest on Fixed Deposits will be treated as a withdrawal from the Portfolio and will be excluded accordingly from the valuation.

8) Securities Transaction Tax paid on purchase/sale of securities including derivatives, during the financial year is recognized as an expense in the books of accounts.

9) Interest on Debt instruments/ Fixed Deposit with banks is accounted on accrual basis.

2) Recognition of portfolio investments and accrual of income

1) 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.

2) 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.

3) 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.

4) 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.

5) 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.

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

7) 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.

3) **Valuation of portfolio investments**

1) 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 recognised 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.

2) 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.

3) 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.

(7) 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.

(8) 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) Investor Services:

1. Name, address and contact details of the investor relation officer who shall attend to the investor queries and complaints:

   Investor Relation Officer: Mr. Pradeep Gotecha

   Systematix Wealth & Asset Services Private Limited

   The Capital, A-wing, No. 603 – 606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Board: +91 (22) 66198000/40358000 Direct: +91 (22) 67048680/40874080

   Email: compliance_pms@systematixgroup.in Scores Login id: pmn00117 { https://scores.sebi.gov.in/}

2. **Grievance Redressal and Dispute Settlement mechanism:**

   a. Grievance Redressal:

   If any queries / grievances / issues received from clients, Investor Relation Officer (IRO) shall attend and address it and will resolve the same within 3 working days. In case IRO is unable to resolve clients query, in that case issue will be escalated to Manager and he will try to resolve the issue in next 4 working days. If still the grievance is not been resolved then it will be escalated to Principal Officer (PO) who shall respond to clients grievances in next 8 working days with the appropriate solution.

   b. Dispute Settlement Mechanism is outlined as follows:

      i. Mutual Discussion: Initially, all disputes, differences, claims, or questions arising from the agreement with the Client or related to its terms shall be settled through mutual discussion between the parties.
      ii. Arbitration: If mutual discussion fails to resolve the dispute, it shall be referred to and settled by arbitration. The arbitration process will be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996, or any statutory modification thereof.
      iii. Location and Language: The arbitration proceedings shall take place in Mumbai or any other place decided by the regulators. The proceedings will be conducted in English.
      iv. This mechanism ensures that any disputes between the Portfolio Manager and the Client are resolved through a structured and legally binding process, providing a fair and impartial means of settling disagreements.

11) Details of the diversification policy of the portfolio manager

1) Portfolio diversification is a strategy of risk management used in investing, which allows to mitigate risks by allocating the funds in multiple asset types. It helps to mitigate associated risks on the overall investment portfolio.

2) We shall invest in equity and equity related securities and shall obtain a one-time prior positive consent with an option to indicate dissent, in case client does not want to undertake any investment in the securities of associates/related parties of respective Portfolio Manager. The client shall also have an option to specify a limit on investments in the securities of associates/related parties of respective Portfolio Manager, below the ceiling as specified below. However, from time to time on opportunistically basis, may also choose to invest in money market instruments, units of mutual funds, ETFs or other permissible securities/products in accordance with the Applicable Laws

3) For investments in securities of Associates/ Related Parties, the Portfolio Manager shall comply with the following:

4) Invest up to a maximum of 30% of the Client's AUM in the securities of its associates/related parties and ensure compliance with the following limits:

Security	Limit for investment in single associate/related party (as percentage of Client's AUM)	Limit for investment across multiple associates/related parties (as percentage of Client's AUM)
Equity	15%	25%
Debt and hybrid securities	15%	25%
Equity + Debt + Hybrid securities*	30%	

*Hybrid securities includes units of Real Estate Investment Trusts (REITs), units of Infrastructure Investment Trusts (InvITs), convertible debt securities and other securities of like nature.

The aforementioned limits shall be applicable only to direct investments by us in equity and debt/hybrid securities of its associates/related parties and not to any investments in the Mutual Funds. We shall not make any investment in unrated and below investment grade securities

Part-II- Dynamic Section

12)

a. Client Representation

Category of Clients	No. of Clients	Funds Managed (Rs. in Crore)	Discretionary / Non-Discretionary
Associates / Group companies			
2024-2025	Client Servicing Not Commenced since registration	NA	NA
Others Discretionary			
2024-2025	Client Servicing Not Commenced since registration	NA	NA
Others Non-Discretionary			
2024-2025	Client Servicing Not Commenced since registration	NA	NA

b. Disclosure in respect of transactions with related parties

Related party transactions	
(i) Details of related parties	
Description of relationship	**Names of related party**
Ultimate Holding Company	Systematix Holdings Private Limited
Holding Company	Systematix Corporate Services Limited
Presumption of significance influence	Systematix Shares and Stocks (India) Limited
	Systematix Commodities Services Private Limited
	Systematix Finvest Private Limited
	Systematix Fincorp India Limited
	Ceepeek Real Estate Private Limited (Striked off w.e.f 17th June, 2025)
	First Lady Housing Private Limited (Striked off w.e.f October 21, 2025)
	Funsign Real Estate Private Limited (Striked off w.e.f 17th June, 2025)
	Goldflag Exports Private Limited
	Goldlife Trading Company Private Limited
	Magicline Trading Company Private Limited
	Nikunj Mercantile Private Limited
	Perspire Builders & Developers Private Limited
	Rangsharda Properties Private Limited
	Riteplaza Trading Company Private Limited
	Shiv Shakti Real Estate Private Limited
	Shubham Mangalam Real Estate Private Limited
	Snehvardhini Properties Private Limited
	Swaraj Appartments P Ltd

	Systematix Assets Management Company Private Limited
	Systematix Capital Services Private Limited
	Systematix Distributions Services Private Limited
	Tekpoint Properties Private Limited
	Thirdwave Mercantile Company Private Limited
	Topcity Trading Company Private Limited
	Urban Affordable Housing LLP
	Wonderdream Realtors Private Limited
	Divisha Alternate Investments Manager LLP
	Divisha Alternative Investments LLP
	Divisha Developers LLP
	Divisha Lifestyle LLP
	Divisha Real Estate Advisors LLP
	Divisha Realty LLP
	NHI Developers LLP
	Rasik Products Private Limited
	India SME Growth Fund
	India Media and Entertainment Fund (Surrendered w.e.f 08th December, 2025)
	Systematix Equity & Credit Investment Trust
	KPA Welfare Foundation
Key managerial personnel	Nikhil Khandelwal
	Rakesh Mehta
	Rahul Khandelwal
	Vijay Narayandasji Sarda
	Rupali Anjani Kumar Tiwari

(ii) Compensation (remuneration to KMP)

			(₹ in Lakhs)
Name	**Nature of Transaction**	**Short-term employee benefits**	**Total**
Nikhil Khandelwal	Director	-	-
Rahul Khandelwal	Director	-	-
Rakesh Mehta	Director	-	-
Vijay Sarda	Whole Time Director	108.41	108.41
Rupali Tiwari	Company Secretary	4.33	4.33

(iii) Transactions with related parties

			(₹ in Lakhs)
Nature of Transaction	**Name**	**Year ended 31st March 2026**	**Year ended 31st March 2025**
Equity Capital intoduce	Systematix Corporate Services Limited	1,450.00	-
AMC Fees	India SME Growth Fund	8.87	-
Loan repaid	Systematix Corporate Services Limited	15.00	-

Loan taken	Systematix Corporate Services Limited	15.00	-
Expense reimbursement	Systematix Equity Opportunity Fund Cat II	15.06	-
Joining fees	Systematix India Equity Oppounity Fund	0.25	-
Director Sitting Fees	Rakesh Mehta	0.50	0.40
(iv) Outstanding balances			
			(₹ in Lakhs)
Nature of transactions	**Name**	**Year ended 31st March 2026**	**Year ended 31st March 2025**
Expense reimbursement receivable	Systematix India Equity Oppounity Fund	0.25	-
Expense reimbursement receivable	Systematix Equity Opportunity Fund Cat II	15.06	-

Notwithstanding the above, it may be noted that the Portfolio Manager provides/will provide inter-alia, the following services:

1. Service as a distributor of Mutual Fund Schemes (AMFI Certified) and other financial products
2. Acting as Investment Advisor to SEBI registered Alternate Investment Fund (AIF)

13) The Financial Performance of the Portfolio Manager

The audited financial statements shall be made available on request.

Figures in Lakhs

Financial Statement – Balance Sheet	As at 31-Mar-26	As at 31-Mar-25	As at 31-Mar-24
ASSETS			
I. Financial assets			
Cash and cash equivalents	51.97	0.89	1.23
Bank balances other than above			
Receivables			
(i) Trade receivables	0.25	-	-
Investments	607.11	2.74	3.98
Other financial assets	145.67	-	-
III. Non-financial assets			
Current tax assets (net)	1.61	-	-
Deferred tax assets (net)			
Property, plant and equipment	863.64	-	-
Capital Work-in-progress	72.22	-	-
Intangible asset under development	0.33	-	-
Other non-financial assets	71.80	2.76	2.77
Total Assets	**1814.59**	**6.39**	**7.98**
LIABILITIES AND EQUITY			
I. LIABILITIES			
Financial Liabilities			
Payable			
(i) Trade payable			
- total outstanding dues of micro enterprises and small enterprises	3.63	-	-
- total outstanding dues of other than micro enterprises and small enterprises	25.70	0.25	0.25
Borrowings (other than debt securities)			
Other financial liabilities	816.21	-	
Non-financial Liabilities			
Current tax liabilities (net)	-	-	0.06
Deferred tax liabilities (net)	8.44	0.21	0.23
Provisions	11.37	-	-
Other non-financial liabilities	31.04	0.04	-

II. EQUITY			
Equity Share Capital	1,480.00	30.00	30.00
Other equity	(561.81)	(24.11)	(22.56)
Total Liabilities and Equity	**1814.59**	**6.39**	**7.98**
Financial Statement – P&L	**As at 31-Mar-26**	**As at 31-Mar-25**	**As at 31-Mar-24**
Total Income			
Total Income	200.73	0.34	0.77
Total Expenses	730.21	1.96	1.51
PBIDT	(501.94)	(1.62)	(0.74)
Depreciation	21.04	-	-
Interest & finance charges	6.49	-	-
Profit/(Loss) before Tax	(529.47)	(1.62)	(0.74)
Provision for Tax	-	-	0.06
Deferred Tax	8.23	(0.07)	(0.01)
Income Tax relating to earlier year	-	-	-
Profit After Tax	(537.70)	(1.55)	(0.79)
Other Comprehensive Income	-	-	-
Total comprehensive income for the year	(537.70)	(1.55)	(0.79)

Net worth of the Portfolio Manager under Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 is Rs 918.19 lakh based on audited financial statements as on March 31 2026. While calculating the networth of portfolio manager, Minimum networth /capital adequacy of nil as required by other exchanges (if applicable) has been reduced from the total networth which is in accordance with Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 regulation.

14) Performance of Portfolio Manager

Portfolio Management performance of the portfolio manager for the last three years, and in case of discretionary portfolio manager disclosure of performance indicators calculated using 'Time Weighted Rate of Return' method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.

Portfolio	% Returns	% Returns	% Returns	% Returns	% Returns
	01.04.2026 to 31 May 2026	FY 2025-2026	FY 2024-2025	FY 2023-2024	FY 2022-2023
NA	NA	NA	NA	NA	NA

*Disclaimer: Performance data for Portfolio Manager and Investment approach provided hereunder is not verified by any regulatory authority.

15) Audit Observations

There are no Audit observations of the preceding 3 years

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

No investment of client's funds by the portfolio manager in the securities of its related parties or associates.

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*					

Approved by the Directors of Systematix Shares and Stocks (India) Ltd.

Sr. No.	Name of the Director	Signature
1	Mr. Nikhil Khandelwal	
2	Mr. Vijay Sarda	

Place: Mumbai

Date: 13-07-2026

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

(Regulation 22)

Systematix Shares and Stocks (India) Ltd.
Registered Office & Corporate Office: The Capital, A-wing, No. 603 – 606,
6th Floor, Plot No. C-70, G Block, BandraKurla Complex, Bandra (East), Mumbai – 400 051
Tel: + 91 (22) 66198000/40358000 Email: -pms@systematixgroup.in

We confirm that:

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

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

3. The Disclosure Document has been duly certified by an independent Chartered Accountant "KamleshP Mehta Associates " office at 5th Floor, Vatsal -Rishabh Raj -A wing, S.V. Road, opp.Raghuvanshi dairy,Next to BOB,Kandivali West, Mumbai - 400067., as on (enclosed is a copy of the chartered accountants' certificate to the effect that the disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision)

Sarda

Signature of the Principal Officer
Mr. Vijay Sarda
Principal Officer

Date: 13-07-2026
Place: Mumbai

The Capital, A-wing, No. 603 – 606,
6th Floor, Plot No. C-70 G Block, Bandra
Kurla Complex,
Bandra (East), Mumbai – 400 051