

TAMARIND CAPITAL INVESTMENTS INDIA IFSC PRIVATE LIMITED

DISCLOSURE DOCUMENT

I. Declaration:

- a) The purpose of this Disclosure Document (hereinafter referred as the “**Document**”) is to provide essential information about the portfolio management services in a manner to assist and enable the investors in making informed decisions for engaging “**Tamarind Capital Investments India IFSC Private Limited**” (hereinafter referred as the “**Portfolio Manager**”) as the portfolio manager.
- b) The Document contains the necessary information about the Portfolio Manager required by an investor before investing, and the investor may also be advised to retain the Document for future reference.
- c) The name, phone number, e-mail address of the principal officer as designated by the Portfolio Manager along with the address of the Portfolio Manager is as follows:

<p>KEY MANAGEMENT PERSON</p> <p>Name : Mr. Ashmeet Singh</p> <p>Phone : +91 8802067013</p> <p>E-Mail : ashmeet@tamcap.investments</p> <p>PRINCIPAL OFFICER</p> <p>Name : Mr. Rahul Agarwal</p> <p>Phone : +91 9205192106</p> <p>E-Mail : RA@tamcap.investments</p>	<p>PORTFOLIO MANAGER</p> <p>Tamarind Capital Investments India IFSC Private Limited</p> <p>Registered Office Address: Unit No. 50, The Platform, 11T2, Block-11, GIFT City, Gandhinagar - 382355, Gujarat, India</p>
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III. Contents:

1. Disclaimer

- a) Particulars of this Document have been prepared in accordance with the Regulations as amended till date.
- b) This Document has neither been approved nor disapproved by IFSCA nor has IFSCA certified the accuracy or adequacy of the contents of the Document.

2. Definitions

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

- (a) **Accredited Investor:** means any person who fulfils the eligibility criteria as specified by IFSCA.
- (b) **Agreement:** means the portfolio management services agreement and/or advisory services agreement entered into between the Portfolio Manager and the Client/Investor, as amended, modified, supplemented or restated from time to time together with all annexures, schedules and exhibits, if any.
- (c) **Applicable Laws:** means any applicable Indian statute, law, ordinance, regulation including the Regulations, circular, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument which has a force of law in India, as is in force from time to time.
- (d) **Capital Contribution:** means the sum of money or Securities or combination thereof, contributed by the Client for investments in accordance with the terms of the Agreement from time to time during the Term.
- (e) **Client / Investor:** means such person(s) including Accredited Investors whose money or Portfolio is advised or directed or managed by the Portfolio Manager and is specified in Schedule I of the Agreement.
- (f) **Exit Load:** means the withdrawal charge/s payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document.
- (g) **IFSC:** means the International Financial Services Centre set up in GIFT City, Gandhinagar.

- (h) **IFSCA:** shall mean the International Financial Services Centres Authority established under sub-section (1) of Section 4 of the of the International Financial Services Centres Authority Act, 2019.
- (i) **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 by the Portfolio Manager, from time to time.
- (j) **Management Fee:** means the management fees payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document.
- (k) **Performance Fee:** means the performance-linked fee payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document.
- (l) **Portfolio or Client Portfolio:** means the total holdings of Securities and goods belonging to the Client in accordance with the Agreement.
- (m) **Portfolio Entity:** means companies, enterprises, bodies corporate, or any other entities in the Securities of which the monies from the Client Portfolio are invested subject to Applicable Laws.
- (n) **Portfolio Investments:** means investments in Securities of one or more Portfolio Entity/ies made by the Portfolio Manager on behalf of the Client under the PMS from time to time.
- (o) **Portfolio Manager:** means Tamarind Capital Investments India IFSC Private Limited, registered with IFSCA as a fund management entity under the Regulations bearing registration no. IFSCA/FME/II/2024-25/134 and having its registered office and principal place of business at Unit No. 50, The Platform, 11T2, Block-11, GIFT City, Gandhinagar - 382355, Gujarat, India, which pursuant to a contract or arrangement with a Client/Investor, advises or directs or undertakes on behalf of the Client/Investor (whether as a discretionary Portfolio Manager or otherwise) the management or administration of a portfolio of Securities or the funds of the Client/Investor, as the case may be.
- (p) **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.

- (q) **PMS:** means the portfolio management services provided by the Portfolio Manager in accordance with the terms and conditions set out in the Agreement, this Document and subject to Applicable Laws.
- (r) **Regulations:** means International Financial Services Centres Authority (Fund Management) Regulations, 2022 as amended and modified from time to time and including any circulars/notifications issued pursuant thereto.
- (s) **Securities:** shall mean and include securities listed or traded on a recognized stock exchange, money market instruments, units of investment scheme, units of mutual funds or other securities as specified by IFSCA from time to time. It is clarified herein that the Portfolio Manager shall be permitted to invest in securities and financial products in an IFSC, India or foreign jurisdiction.
- (t) **Term:** means the term of the Agreement as reflected in the respective Agreement entered with the Client by the Portfolio Manager.

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

3. Description

(i) History, Present Business and Background of the Portfolio Manager

The Portfolio Manager is a company incorporated under the provisions of the Companies Act, 2013 on May 06, 2024 at Gandhinagar, Gujarat. The Portfolio Manager is registered with the IFSCA as the Registered Fund Management Entity (Non-Retail) under the Regulations bearing registration number IFSCA/FME/II/2024-25/134 to offer discretionary portfolio management services, non-discretionary portfolio management services, and advisory services to various clients *inter alia* including ultra-high net-worth individuals, high net-worth individuals, affluents, institutional clients, corporates, Accredited Investors and other permissible class of investors.

(ii) Directors, key management person, principal officer and compliance officer of the Portfolio Manager and their background

a) Mr. Ashmeet Singh, Key Management Person

Name and place of the Organisation	Details of registration of the organization with any Financial Regulator	Position Held	Period From-To (DD-MMYYYY)	Description of Job in detail

Tamarind Capital Investments India IFSC Private Limited <u>Place of Organisation:</u> Gandhinagar	NA	Senior Manager – Investments & Portfolio Management	October 2024 – Till Date	<ul style="list-style-type: none"> Initiated portfolio construction and day-to-day optimization for investors, conducting credit analysis, valuation of mutual funds, and preparing investment documents.
MASH Impact Advisory Private Limited <u>Place of Organisation:</u> Gurgaon, India	NA	Senior Manager – Community Development & Engagement	July 2024 – September 2024	<ul style="list-style-type: none"> Stakeholder engagement, community building, develop and nurture partnerships with grant making foundations, philanthropic trusts and corporates
The World Bank (IBRD) <u>Place of Organisation:</u> New Delhi		Research Analyst	May 2019 – September 2022	<ul style="list-style-type: none"> Led a team on the Public Financial Management Knowledge Innovation Network (PFM-Kin) for 100 bureaucrats and conducted a financial assessment for an \$82M state roads project. Also managed international conferences and monitored a \$21M Public Financial Management project in Rajasthan.
KPMG (BSR & Co. LLP) <u>Place of Organisation:</u> Gurugram, India	NA	Analyst	September 2017 – April 2019	<ul style="list-style-type: none"> Developed consolidation, divestment, and post-merger strategies for clients (\$5M–\$1B), designed tax-efficient structures, analyzed FDI/ECB/ODI regulations, and prepared legal documents, while driving business development initiatives.

Mr. Ashmeet Singh has completed his Master of Public Administration (Economic Policy) from The London School of Economics & Political Science, United Kingdom. He has also completed the Integrated Professional Competence (IPC) from the Institute of Chartered Accountants of India.

b) **Mr. Rahul Agarwal**, *Principal Officer & Director*

Name and place of the Organisation	Details of registration of the organization with any Financial Regulator	Position Held	Period From-To (DD-MMYYYY)	Description of Job in detail
Tamarind Capital Investments India IFSC Private Limited <u>Place of Organisation:</u> Gandhinagar	NA	CEO	September 2023 – Till Date	<ul style="list-style-type: none"> • Management of investment portfolios of founders and advisors of Tamcap worth over \$50 Mn.
Invest India <u>Place of Organisation:</u> New Delhi	NA	Vice President	February 2016 – September 2023	<ul style="list-style-type: none"> • Created & lead global financial investors initiative to bring in SWFs, Pension, PE capital, which translated into India's largest source of FDI. • Driven \$15 Bn worth of investment deals ranging from Real Estate, Hospitality, Roads, Metros, E-commerce etc. and created significant value both for the country and investors.
Yes Bank <u>Place of Organisation:</u> New Delhi	Yes Bank is a Scheduled commercial bank registered with RBI	Assistant Vice President	October 2015- February 2016	<ul style="list-style-type: none"> • Created strategic inroads for bank to acquire key largescale relationships through out of box ideas and strategic consulting initiatives. • Led various initiatives to build partnerships with infrastructure and education sectors for bank.
Shiv Nadar University	NA	Head of Strategy – Program Manager	July 2014 – September 2015	<ul style="list-style-type: none"> • Led strategic investments for driving the Growth of University (new schools &

<p><u>Place of Organisation:</u> Dadri, Greater Noida</p>				<p>programs, partnerships, data intelligence).</p> <ul style="list-style-type: none"> • Developed self-sustainability strategy, business & financial plans for long term strategy building.
<p>High Level Committee on Financing Infrastructure</p> <p><u>Place of Organisation:</u> New Delhi</p>	NA	Consultant	June 2013 – June 2014	<ul style="list-style-type: none"> • Identified impediments to financing infrastructure target of \$1 trillion. • Worked with infrastructure ministries, developers, and funding agencies for creating policy roadmap for infrastructure development. • Created Investment models for attracting global institutional capital into infrastructure projects in India.
<p>Evalueserve – For a Latin American Hedge fund</p> <p><u>Place of Organisation:</u> Gurugram</p>	NA	Investment Strategy Lead	October 2011 – June 2011	<ul style="list-style-type: none"> • Ideated, created HFT investment strategies and execution in Global Equity and Derivatives markets for the hedge fund. • Closely tracking of trading results and regular updating the execution for achieving best returns. • The fund generated over 100% returns on an annualized basis.
<p>Bank of America Merrill Lynch, BACI</p> <p><u>Place of Organisation:</u> Mumbai</p>	Bank of America is registered across various countries with primary registration in USA	Global Equity Derivatives Strategy Manager	May 2009 – October 2011	<ul style="list-style-type: none"> • Ideated, created investment strategies and undertaken investments for US, EMEA, Latin American and Asian Markets (across asset classes) for Institutional clients.

				<ul style="list-style-type: none"> • Closely tracked and researched Global Equities, Derivatives, Currency, Commodity and Fixed Income markets to generate profit for the client.
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Mr. Rahul Agarwal is a Chartered Financial Analyst from CFA Institute - Charlottesville, Virginia, United States and has completed his Post Graduate Diploma in Business Management from LBSIM, New Delhi, India. He holds Master Certificate in Sustainable Infrastructure Development & Finance from Schulich School of Business, York University.

c) **Mr. Martin Schaffer, Director**

Name and place of the Organisation	Details of registration of the organization with any Financial Regulator	Position Held	Period From-To (DD-MMYYYY)	Description of Job in detail
VFN Praha <u>Place of Organisation:</u> Prague	-	Doctor, medical practise	01.08.1996-01.09.997	<ul style="list-style-type: none"> • ENT surgery
FN MOTOL <u>Place of Organisation:</u> Prague Ceska produkni 2000, a.s. <u>Place of Organisation:</u> Prague PPF Investments Ltd <u>Place of Organisation:</u> Prague PPF, a.s. <u>Place of Organisation:</u> Prague Home Credit & Finance Bank	Central Bank of Russia	Doctor, medical practise Manager, board member General secretary Investment director Deputy to the chairman of the board Executive director	01.09.1997-01.04.2000 01.08.1999-30.06.2004 01.07.2004-31.12.2005 01.01.2006-31.07.2006 01.08.2006-30.09.2022 2013- 2020 2020-2024	<ul style="list-style-type: none"> • ENT surgery • Responsible for legal matters, compliance, TV NOVA investments • Responsible for the fund management (equity value 1 bln USD) • Investments (Galaxie – established sports TV channel, successfully sold) • Responsible for legal, security and compliance, investments, M&A • Equity value 4-8 bln USD under management

<u>Place of Organisation:</u> Moscow PPF Real Estate <u>Place of Organisation:</u> Moscow		Chairman of the supervisory board		<ul style="list-style-type: none"> Responsible for daily operations and management
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Mr. Martin Schaffer has completed his High Potential Leadership Program from Harvard Business School, LLB from Law Faculty Charles University and Medical Faculty from Medical Faculty Charles University.

d) **Vishal Sondagar, Compliance Officer**

Name and place of the Organisation	Details of registration of the organization with any Financial Regulator	Position Held	Period From-To (DD-MMY YY)	Description of Job in detail
Tamarind Capital Investments India IFSC Private Limited <u>Place of Organisation:</u> Gandhinagar	NA	Compliance Officer	June 2024 – Till date	<ul style="list-style-type: none"> Handling all compliance related filings of Tamarind Capital Investments
IDBI Trusteeship Services Limited <u>Place of Organisation:</u> Gift City, Gandhinagar	Registered under Ancillary Services and Debenture Trustee under Capital Market Regulations of IFSCA)	Senior Manager – Legal	11 th August 2022 to 31 st May, 2024	<ul style="list-style-type: none"> Handling work related to Alternative Investment Funds, Security Agent work routed from International Financial Service Centre (IFSC). Conceptualizing for registering FMEs in Gift for various clients like LICHFAMC, UTI, Investcorp, Evermore, etc. Handling FIU Compliance as Principal Officer for Gift City.

				<ul style="list-style-type: none"> • Handling AML/ CFL Guidelines of IFSCA Compliance. • Handling FATF Compliance as per guidelines of IFSCA. • Handling loan documentation, security creation, registration, and filling of applicable charges for Companies, Banks and other Financial Institutions. • Understand foreign laws / formalities in relation to creation of security (in offshore / onshore jurisdiction) in consultation with respective foreign / Indian legal counsels and negotiate the terms related to trusteeship /Agency.
<p>Gujarat Industrial Investment Corporation Limited</p> <p><u>Place of Organisation:</u> Udhyog Bhawan, Gandhinagar</p>	<p>This is NBFC registered under RBI – PSU Company of Gujarat Government</p>	<p>Company Secretary & Compliance Officer</p>	<p>01st February 2021 to 31st August 2022</p>	<ul style="list-style-type: none"> • Interacted with the Board of Directors and Senior Management with respect to conducting Board / Committee meetings and other Board related matters. • Standardization of legal & secretarial processes in line with industry practices • Preparation and filing / publication of various disclosures, returns, filings and submissions with stock exchange / SEBI, ROC / MCA and shareholders under the Companies Act and SEBI Regulations
<p>Axis Trusteeship Services Limited</p> <p><u>Place of Organisation:</u> Gift City, Gandhinagar</p>	<p>Branch was regulated by SEBI before IFSCA came in Gift</p>	<p>Deputy Manager – Operations & Legal</p>	<p>15th May 2019 to 30th January 2021</p>	<ul style="list-style-type: none"> • Handling work related to Alternative Investment Funds, Security Agent work routed from International Financial Service Centre (IFSC). • Handling loan documentation, security creation, registration, and filling of applicable charges

				<p>for Companies, Banks and other Financial Institutions</p> <ul style="list-style-type: none"> • Understand foreign laws / formalities in relation to creation of security (in offshore / onshore jurisdiction) in consultation with respective foreign / Indian legal counsels and negotiate the terms related to trusteeship /Agency
<p>Steelcast Limited</p> <p><u>Place of Organisation:</u> Bhavnagar, Gujarat</p>	<p>This company has listed their securities in Bombay Stock Exchange & National Stock Exchange</p>	<p>Company Secretary & Compliance Officer</p>	<p>01st Decem ber 2016 to 13th May 2019</p>	<ul style="list-style-type: none"> • Preparation of various reports like directors - report, preparation of annual report, corporate governance report, shareholding patter etc. • Handled matters related to shareholder grievances / relations and dealing with Company's RTA • Handled legal matters such as client & vendor agreements, legal disputes, co-ordination with legal counsels / consultants and advising various departments regarding various legal aspects applicable to the company. • Drafting of various policy and process documents as required under the Companies Act, SEBI LODR Regulations and other applicable corporate laws

Mr. Vishal Sondagar is a Company Secretary from the Institute of Company Secretaries of India (ICSI) and has completed his LLB (Spl) from Saurashtra University.

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

The Portfolio Manager proposes to carry on discretionary portfolio management services, non-discretionary portfolio management services and advisory services.

The key features of all the said services are provided as follows:

(a) Discretionary Services:

Under the discretionary PMS, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Portfolio Manager shall have the sole and absolute discretion to invest in respect of the Client Portfolio in any type of security as per the Agreement and make such changes in the Portfolio and invest some or all of the Client Portfolio in such manner as it deems fit in accordance with the Agreement. This right of the Portfolio Manager shall be exercised strictly in accordance with the Applicable Laws.

(b) Non - Discretionary Services:

Under the non-discretionary PMS, the assets of the Client are managed in consultation with the Client. The investments made on behalf of the Client by the Portfolio Manager shall be subject to express prior instructions/ directions or consent issued by the Client from time to time in writing. The Portfolio Manager shall provide recommendation to the Client based on the research it has carried out, the transaction will be executed based on instruction or consent received from the Client as per the agreed fee structure.

(c) Advisory Services:

The Portfolio Manager shall provide investment advice, in terms of the Regulations, IFSCA (Capital Market Intermediaries) Regulations, 2021 and/or guidelines and/or directives issued by the regulatory authorities and/or the Client, from time to time, in this regard, and which shall include the responsibility of advising on investment and divestment of individual Securities, for an agreed fee structure and for a defined period, entirely at the Client's risk; to all eligible category of Clients. The Portfolio Manager shall be solely acting as an advisor to the assets under advice and shall not be responsible for the investment/divestment of Securities and/or any administrative activities/decisions of the assets under advice.

Details relating to services as stated above:

i. Investment Approach of the Portfolio Manager

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

ii. Type of securities in which Portfolio Manager will invest

The Portfolio Manager may invest Capital Contributions in Securities and any other permissible securities/instruments/products as per the Applicable Laws, in such manner and through such markets as it may deem fit in the interest of the Client.

4. Services Offered

iii. Investment Objective

The investment objective of the Portfolio Manager is to offer portfolio management services and advisory services to ultra-high net-worth individuals, high net-worth individuals, affluents, institutional clients, corporates, Accredited Investors and any other permissible class of investors in respect of investment in Indian and global markets. The Portfolio Manager proposes to employ data driven investment strategies to make investments with the objective of delivering superior risk-adjusted returns to the Clients. The Client understands and agrees that the Portfolio Manager may use derivative instruments like stock index futures, futures on individual stocks, options on stock indices and options on individual stocks, interest rate swaps, forward rate agreements or such other derivative instruments as may be introduced from time to time, as permitted by the IFSCA Regulations and Applicable Laws

iv. Investment Approach of the Portfolio Manager

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

v. Type of securities in which Portfolio Manager will invest

The Portfolio Manager may invest Capital Contributions in Securities and any other permissible securities/instruments/products/bonds as per the Applicable Laws, in such manner and through such markets as it may deem fit in the interest of the Client.

5. Risk factors

General Risk:

- Securities investments are subject to market risk and there is no assurance or guarantee that the objectives of the PMS will be achieved.
- Without prejudice to the above, the past performance of the Portfolio Manager does not indicate its future performance.
- Any act, omission or commission of the Portfolio Manager under the Agreement would be solely at the risk of the Client and the Portfolio Manager will not be liable for any act, omission or commission or failure to act save and except in cases of gross negligence, willful default and/or fraud of the Portfolio Manager.

- The Client Portfolio may be affected by settlement periods and transfer procedures.
- The PMS is subject to risk arising out of non-diversification as the Portfolio Manager under its PMS may invest in a particular sector, industry, few/single Portfolio Entity/ies. The performance of the Client Portfolio would depend on the performance of such companies/industries/sectors of the economy.
- If there will be any transactions of purchase and/or sale of securities by Portfolio Manager and employees who are directly involved in investment operations that conflicts with transactions in any of the Client Portfolio, the same shall be disclosed to the Client.
- The group companies of Portfolio Manager may offer services in the nature of consultancy, sponsorship etc., which may be in conflict with the activities of portfolio management services.
- The provisions of the services as agreed under the Agreement and the principal and returns on the Securities subscribed by the Portfolio Manager may be subject to force majeure and external risks such as war, natural calamities, pandemics, policy changes of local / international markets and such events which are beyond the reasonable control of the Portfolio Manager. Any policy change / technology updates / obsolescence of technology would affect the investments made by the Portfolio Manager

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

Risks associated with investments in equity and equity linked securities

- Equity and equity related securities by nature are volatile and prone to price fluctuations due to both macro and micro factors.
- In domestic markets, there may be risks associated with trading volumes, settlement periods and transfer procedures that may restrict liquidity of investments in equity and equity related securities.
- In the event of inordinately low volumes, there may be delays with respect to unwinding the Portfolio and transferring the redemption proceeds.
- The value of the Client Portfolio, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the government, taxation laws or policies of any appropriate authority and other political and economic developments

and closure of stock exchanges which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the Portfolio valuation may fluctuate and can go up or down.

- Client may note that Portfolio Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.

Risk factors associated with investments in derivatives

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

- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.

Risks associated with investments in fixed income securities/products

Some of the common risks associated with investments in fixed income and money market securities are mentioned below. These risks include but are not restricted to:

- **Interest Rate Risk:** As with all debt securities, changes in interest rates affects the valuation of the portfolios, as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of longer-term securities generally fluctuate more in response to interest rate changes than do shorter-term securities. Interest rate movements in the Indian debt markets can be volatile leading to the possibility of large price movements up or down in debt and money market securities and thereby to possibly large movements in the valuation of portfolios.
- **Liquidity or Marketability Risk:** This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market.
- **Credit Risk:** Credit risk or default risk refers to the risk which may arise due to default on the part of the issuer of the fixed income security (i.e. risk that the issuer will be unable to make timely principal and interest payments on the security). Due to this risk, debentures are sold at a yield spread above those offered on treasury securities, which are sovereign obligations and generally considered to be free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the actual changes in the perceived level of credit risk as well as the actual event of default.
- **Reinvestment Risk:** Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.
- **Rating Risk:** Different types of debt securities in which the Client invests, may carry different levels and types of risk. Accordingly, the risk may increase or decrease depending upon its investment pattern, for instance corporate bonds carry a higher

amount of risk than government securities. Further even among corporate bonds, bonds, which are AA rated, are comparatively riskier than bonds, which are AAA rated.

- **Price Volatility Risk:** Debt securities may also be subject to price volatility due to factors such as changes in interest rates, general level of market liquidity and market perception of the creditworthiness of the issuer, among others (market risk). The market for these Securities may be less liquid than that for other higher rated or more widely followed Securities.

Investment and Liquidity Risks: There may be no active secondary market for investments of the kind the Portfolio Manager may make for the Client Portfolio. There are a variety of methods by which unlisted investments may be realized, such as the sale of investments on or after listing, or the sale or assignment of investments to joint-venture partners or to third parties subject to relevant approvals. However, there can be no guarantee that such realizations shall be achieved, and the Portfolio's investments may remain illiquid.

Since the Portfolio Manager may only make a limited number of investments, poor performance by one or a few of the investments could severely adversely affect the total returns of the PMS.

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

Management and Operational risks

Reliance on the Portfolio Manager

- The success of the PMS will depend to a large extent upon the ability of the Portfolio Manager to source, select, complete and realize appropriate investments and also reviewing the appropriate investment proposals. The Portfolio Manager shall have considerable latitude in its choice of portfolio entities and the structuring of investments. Furthermore, the team members of the Portfolio Manager may change from time to time. The Portfolio Manager relies on one or more key personnel and any change/removal of such key personnel may have a material adverse effect on the returns of the Client.
- The investment decisions made by the Portfolio Manager may not always be profitable.

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

Exit Load: Client may have to pay an Exit Load to withdraw the funds/Portfolio (as stipulated in the Agreement with the Client). In addition, they may be restricted / prohibited from transferring any of the interests, rights or obligations with regard to the Portfolio except as may be provided in the Agreement and in the Regulations. In case of investments made in AIFs and mutual funds, any redemption shall be subject to exit load / exit charge of such investments.

Non-diversification risks: This risk arises when the Portfolio is not sufficiently diversified by investing in a wide variety of instruments.

No Guarantee: Investments in Securities are subject to market risks and the Portfolio Manager does not in any manner whatsoever assure or guarantee that the objectives will be achieved. Further, the value of the Portfolio may increase or decrease depending upon various market forces and factors affecting the capital markets such as delisting of Securities, market closure, relatively small number of scrips accounting for large proportion of trading volume. Consequently, the Portfolio Manager provides no assurance of any guaranteed returns on the Portfolio.

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

India-related Risks

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

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

effect on the Indian economy, which could adversely affect private sector companies, market conditions, prices and yields of the Portfolio Entity/ies.

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

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

Securities market risks: The Client Portfolio shall be invested in Portfolio Entities which are listed or eventually have their securities listed on an Indian or overseas stock exchange. However, even if these securities are in fact listed, there can be no assurance that the listing of these securities will provide a viable exit mechanism, as these securities may suffer from low trading volumes and low market capitalisation at the time of the intended disposal.

Stock markets are volatile and may decline significantly in response to adverse issuer, political, regulatory, market or economic developments. There may be instances wherein there is rapid and volatile fall in security prices occurring within an extremely short period, like in the nature of flash crash, etc. Different parts of the market and different types of equity securities may react differently to these developments. For example, small cap stocks may react differently than large cap stocks. Issuer, political or economic developments may affect a single issuer, issuers within an industry, sector or geographic region, or the market as a whole.

Securities listed on Indian stock exchanges may have low market capitalization and trading volume. Further, such volatility could also create liability on the Portfolio Manager

to bring in additional margin. There can be no assurance that sales on the Indian stock exchanges will provide a viable exit mechanism for the Portfolio Investments.

Indian stock exchanges utilize 'circuit breaker' systems under which trading in particular stocks or entire trading could potentially be suspended on account of excessive volatility in a stock or on the market. Such disruptions could significantly impact the ability of the Portfolio Manager to sell Portfolio Investments. Factors like these could adversely affect the Client Portfolio.

FPI Registration: The Client Portfolio shall be invested by the Portfolio Manager in India only through the foreign portfolio investors ("FPI") route in accordance with Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019. The value of the Client Portfolio may be affected by changes or developments in the legal and regulatory climate in India. Securities and Exchange Board of India ("SEBI") regulates the securities market in India and legislates from time to time on matters affecting the stock market. SEBI has issued regulations that affect investment in India, including regulations on takeovers, raising funds and insider dealing. The regulations affect the pricing, cost of a transaction and the ability to conduct due diligence. SEBI and/or the Government of India may make changes to regulations which may affect the ability of the Portfolio Manager to make, or exit, investments.

Loss of FPI Registration: The Portfolio Manager shall hold a valid FPI registration for investing in India. The investments by the Portfolio Manager are dependent upon the continued registration as FPI. If the registration as an FPI is terminated, the Portfolio Manager shall redeem its investments, and such forced redemption could adversely affect the returns to the Client.

Any investigations of, or actions against, the Portfolio Manager or any of its investors initiated by the SEBI or any other Indian regulatory authority may impose a ban on the investment and trading activities by the Portfolio Manager.

Legal and Tax risks:

Tax risks: Clients/ Investors are subject to a number of risks related to tax matters. In particular, the tax laws relevant to the Client Portfolio are subject to change, and tax liabilities could be incurred by the Clients/ Investors as a result of such change. The government of India, state governments and other local authorities in India impose various taxes, duties and other levies that could affect the performance of the Portfolio Entities. The tax consequences of an investment in the Portfolio Entities are complex, and the full tax impact of an investment in the Portfolio Entities will depend on circumstances particular to each Client/ Investor. Furthermore, the tax laws in relation to the Client Portfolio are subject to change, and tax liabilities could be incurred by Client as a result of such changes. Alternative tax positions adopted by the income tax authorities could also give rise to incremental tax liabilities in addition to the tax amounts already paid by the Client/Investors. An increase in these taxes, duties or levies, or the

imposition of new taxes, duties or levies in the future may have a material adverse effect on the Client Portfolio's profitability.

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

Change in Regulation: Any change in the Regulation and/or other Applicable Laws or any new direction of IFSCA may adversely impact the operation of the PMS.

Risk pertaining to Investments

Investment in Securities/Instruments

- The Client Portfolio may comprise of investment in unlisted securities, fixed income securities, debt securities/products and in case of such securities, the Portfolio Manager's ability to protect the investment or seek returns or liquidity may be limited.
- In case of *in-specie* distribution of the Securities by the Portfolio Manager upon termination or liquidation of the Client Portfolio, the same could consist of such Securities for which there may not be a readily available public market. Further, in such cases the Portfolio Manager may not be able to transfer any of the interests, rights or obligations with respect to such Securities except as may be specifically provided in the agreement with Portfolio Entities. If an *in-specie* distribution is received by the Client from the Portfolio Manager, the Client may have restrictions on disposal of assets so distributed and consequently may not be able to realize full value of these assets.
- Some of the Portfolio Entities in which the Portfolio Manager will invest may get their Securities listed with the stock exchange after the investment by the Portfolio Manager. In connection with such listing, the Portfolio Manager may be required to agree not to dispose of its securities in the Portfolio Entity for such period as may be prescribed under the Applicable Law, or there may be certain investments made by the Portfolio Manager which are subject to a statutory period of non-disposal or there may not be enough market liquidity in the security to effect a sale and hence Portfolio Manager may not be able to dispose of such investments prior to completion of such prescribed regulatory tenures and hence may result in illiquidity.

- The Client Portfolio may be invested in listed securities and as such may be subject to the market risk associated with the vagaries of the capital market.
- The Portfolio Manager may also invest in portfolio entity/ies which are investment vehicles like mutual funds/trusts. Such investments may present greater opportunities for growth but also carry a greater risk than is usually associated with investments in listed securities or in the securities of established companies, which often have a historical record of performance.

Investment in Securities/Instruments outside India

Emerging Market Risk:

- Investment in emerging market securities and securities with emerging markets exposure involves a greater degree of risk than investment in securities of issuers based in developed countries.
- Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, more accounting or financial fraud, less favourable tax provisions, and a greater likelihood of severe inflation and economic instability, political risks, unstable currency, war and/or expropriation of personal property than investments in securities of issuers based in developed countries. In addition, investment opportunities in certain emerging markets/frontier markets may be restricted by legal limits on foreign investment in local securities.
- Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for a security may not exist locally, and transactions will need to be made on a neighbouring exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for such securities.
- In addition, issuers based in emerging markets/ are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the governments or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.
- The issuers of some emerging market securities, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and, therefore, potentially carry greater risks.

Investments outside India:

- The Portfolio Manager shall invest in financial instruments of other countries and governments.
- Investing in the financial instruments of issuers (and, from time to time, governments) outside of the India involves certain considerations not usually associated with investing in financial instruments of India, including political and economic considerations, such as greater risks of expropriation, nationalisation, confiscatory taxation, limitations on the removal of assets and general social, political and economic instability; the relatively small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; the evolving and unsophisticated laws and regulations applicable to the securities and financial services industries of certain countries; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict the Portfolio Manager's investment opportunities.
- In addition, accounting and financial reporting standards that prevail outside India may be different and, consequently, less information is typically available concerning issuers located outside India. As a result, the Portfolio Manager may be unable to structure its transactions to achieve the intended results or to mitigate all risks associated with such markets. It may also be difficult to enforce the Client's and Portfolio Manager's rights in such markets. Accordingly, the protections accorded to the Portfolio Manager and the Client under such laws and regulations are unavailable for transactions on foreign exchanges and with foreign counterparties.

Cyber security risks:

The Portfolio Manager and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks also may be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make services unavailable to intended users). Cyber security incidents affecting the Portfolio Manager, administrator or depositary or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including inability to calculate portfolio value; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which a Portfolio invests, counterparties with which a Portfolio engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties.

6. Client Representation:

The Portfolio Manager has been recently set-up and has no previous experience/track record in the field of portfolio management services and advisory services in IFSC and therefore has no record of representing any persons/entities in the capacity of a portfolio manager.

7. The Financial Performance of Portfolio Manager (based on audited financial statements)

Since the Portfolio Manager is a newly incorporated company, there is no record of financial performance. Accordingly, the same is not applicable.

8. Performance of the Portfolio Manager

The Portfolio Manager has no previous experience/track record in the field of portfolio management services. Accordingly, the same is not applicable.

9. Nature of expenses

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

i. Management Fee:

The Management Fee relates to the portfolio management services offered to the Clients. The Management Fee shall be upto 2% (two percent) p.a. of the quantum of the funds being managed as agreed in the Agreement. The Management Fee excludes all indirect taxes as applicable.

ii. Set Up Fee:

The Set up fee relates to set up the portfolio management services offered to the Clients. Set up Fee shall be upto 2% (two percent) of the quantum of the funds being set up as agreed in the Agreement. The Set Up Fee excludes all indirect taxes as applicable. The Set Up Fee will include the cost of onboarding investor if any and other ancillary charges for transfer of investment amount, if any.

iii. Advisory fees:

The advisory fees relates to the advisory services offered by the Portfolio Manager to

the client. The advisory fee shall be upto 1% (one percent) p.a. of the quantum of the funds being advised as agreed in the Agreement. The advisory fees shall be exclusive of indirect taxes, if any.

iv. Performance Fee:

The Performance Fee relates to the share of profits charged by the Portfolio Manager in accordance with the Agreement. The Performance Fee shall be upto 20% (twenty percent) p.a. as prescribed for in the Agreement which shall be charged annually and/or upon withdrawal of funds by the Client whichever is higher. The Portfolio Manager, at its discretion, may charge the Performance Fee subject to hurdle rate of return and high watermark.

v. Exit Load:

The Portfolio Manager may charge early withdrawal fee upto 2% (two percent) of the value of the Portfolio redeemed as per the terms and conditions of a particular Investment Approach as agreed in the Agreement.

vi. Certification and professional charges:

Charges payable for outsourced professional services like accounting, taxation and legal services, notarizations etc. for certifications, attestations required by bankers or regulatory authorities, at actuals.

vii. Other fees and expenses:

The Portfolio Manager may incur the following expenses which shall be charged on actuals to by the Client:

- (a) Transaction expenses including, but not limited to, statutory fees, documentation charges, statutory levies, stamp duty, registration charges, commissions, charges for transactions in Securities, custodial fees, fees for fund accounting, valuation charges, audit and verification fees, depository charges, and other similar or associated fees, charges and levies, legal fees, incidental expenses etc.;
- (b) Brokerage shall be charged at actuals;
- (c) Legal and statutory expenses including litigation expenses, if any, in relation to the Portfolio;
- (d) Statutory taxes and levies, if any, payable in connection with the Portfolio;
- (e) Valuation expenses, valuer fees, audit fees, levies and charges;
- (f) All other costs, expenses, charges, levies, duties, administrative, statutory, revenue levies and other incidental costs, fees, expenses not specifically covered

above, whether agreed upon in the Agreement or not, arising out of or in the course of managing or operating the Portfolio.

The Portfolio Manager may charge any up-front fees, costs and expenses attributable to the Client in terms of the Agreement.

10. Taxation

The general information stated below is based on the general understanding of the provisions of the Income tax Act, 1961, in force in India as of the date of the Disclosure Document and is provided only for general information to the Investor only vis-à-vis the investments made through the Portfolio Management Services of the Portfolio Manager. This information gives the direct tax implications on the footing that the securities are/will be held for the purpose of investments. In case the securities are held as stock-in-trade, the tax treatment will substantially vary and the issue whether the investments are held as capital assets or stock-in-trade needs to be examined on a case to case basis. There is no guarantee that the tax position prevailing as on the date of the Disclosure Document/the date of making investment shall endure indefinitely.

Further, the statements with regard to benefits mentioned herein are expressions of views and not representations of the Portfolio Manager to induce any client, prospective or existing, to invest in the portfolio management schemes. Implications of any judicial decisions/ double tax avoidance treaties etc. are not explained herein. The Investor should not treat the contents of this section of the Disclosure Document as advice relating to legal, taxation, investment, or any other matter. In view of individual nature of the tax benefits, interpretation of circulars for distinguishing between capital asset and trading asset, etc., the Investor is advised to best consult its or his or her own tax consultant, with respect to specific tax implications arising out of its or his or her portfolio managed by the Portfolio Manager.

It is the responsibility of all prospective clients to inform themselves as to any income tax or other tax consequences arising in the jurisdictions in which they are resident or domiciled or have any other presence for tax purposes, which are relevant to their particular circumstances in connection with the acquisition, holding or disposal of the units. The Portfolio Manager accepts no responsibility for any loss suffered by any client as a result of current taxation law and practice or any changes thereto. Clients should not treat the contents of this section of the Disclosure Document as advice relating to legal, taxation, investment or any other matter. In view of nature of the tax benefits, interpretation of circulars for distinguishing between capital asset and trading asset, etc., the client is advised to best consult their own tax consultant, with respect to specific tax implications arising out of their portfolio managed by the Portfolio Manager.

The following summary is based on the law and practice of the Income-tax Act, 1961 (the "IT Act"), the Income-tax Rules, 1962 (the "IT Rules") and various circulars and notifications issued thereunder from time to time. The IT Act is amended every year by the Finance Act of the relevant year, and this summary reflects the amendments enacted in the Finance Act, 2020 and the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020.

The Tax Rates for different entities for the Financial Year 24-25 (Assessment Year 2025-26) are as follows. The tax provisions mentioned below are prior to budgetary changes of 23rd July 2024. You are required to consult your tax advisor for calculation of taxes:

Taxation for Non-Resident Investors

Section 115A to 115AD prescribes tax rates for various types of investment income of different NonResident Entities. However, if the non-resident is covered by a particular DTAA, he may apply the rates prescribed under that DTAA, if beneficial, without considering any surcharge and education cess

A non-resident investor would be subject to taxation in India only if:

- it is regarded a tax resident of India; or
- being a non-resident in India, it derives (a) Indian-sourced income; or (b) if any income is received / deemed to be received in India; or (c) if any income has accrued / deemed to have accrued in India in terms of the provisions of the IT Act

Section 6 of the IT Act was amended by the Finance Act, 2015 to provide that a foreign company should be treated as a tax resident in India if its place of effective management ("POEM") is in India in that year. The Finance Act, 2016 provided that the said amended provisions are effective from April 1, 2017. POEM has been defined to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance made.

The CBDT had vide its circular dated January 24, 2017 issued guiding principles for determination of POEM of a company ("POEM Guidelines"). The POEM Guidelines lays down emphasis on POEM concept being 'substance over form' and further provides that place where the management decisions are taken would be more important than the place where the decisions are implemented for determining POEM. The CBDT had vide circular dated February 23, 2017 clarified that provisions of Sec 6(3)(ii) relating to POEM would not apply to companies having turnover or gross receipts less than Rs 500 million during the Financial Year.

Tax Residency Certificate (TRC)

Section 90(4) of the IT Act provides that in order to claim Tax Treaty benefits, the offshore investor has to obtain a TRC as issued by the foreign tax authorities. Further, the offshore investor should be required to furnish such other information or document as prescribed. In this connection, the CBDT vide its notification dated August 1, 2013 amended Rule 21AB of the IT Rules prescribing certain information in Form No 10F to be produced along with the TRC, if the same does not form part of the TRC.

The details required to be furnished are as follows:

- Status (individual, company, firm, etc.) of the assessee;
- Nationality (in case of an individual) or country or specified territory of incorporation or registration (in case of others);
- Assessee's tax identification number in the country or specified territory of residence and in case there is no such number, then, a unique number on the basis of which the person is identified by the Government of the country or the specified territory of which the assessee claims to be a resident;
- Period for which the residential status, as mentioned in the TRC, is applicable; and
- Address of the assessee in the country or specified territory outside India, during the period for which the certificate is applicable

The additional information prescribed above may not be required to be provided if it already forms a part of the TRC.

The taxability of income of the offshore investor, in the absence of Tax Treaty benefits or from a country with which India has no Tax Treaty, would be as per the provisions of IT Act as discussed below:

Dividend Income:

Before April 1, 2020, Indian companies were required to pay Dividend Distribution Tax at an effective rate of 20.56 percent on dividends declared and distributed by them. Consequently, the dividend was exempt in the hands of the shareholder—residents as well as non-residents. From a compliance perspective, the government was able to collect dividend tax from one source i.e. companies and even for companies it was not a compliance burden at all.

However, Indian Finance Act 2020 has abolished Dividend Distribution Tax and, with effect from April 1, 2020, dividends declared by Indian companies would be taxable in the hands of shareholders. For nonresident shareholders—foreign shareholders, portfolio and institutional investors and even individuals (including NRIs)—the said dividend would be taxable in India either at the rates prescribed under the Indian tax laws or relevant tax treaties, whichever is beneficial to the taxpayer.

As per the current law, a tax rate of 20 percent (plus applicable surcharge and cess) is provided under the Indian local laws for dividends paid to non-residents or foreign companies. However, the tax treaties provide for lower rates, depending on the shareholding percentage and country of the investor.

The Indian Companies declaring dividend would be required to deduct tax at rates in force (in case of payment to non-resident).

Further, it is inserted that the taxpayer can claim a deduction of interest expenditure under section 57 of the IT Act if such income is offered to tax under the head 'income from Other sources' against such dividend income upto 20% of the dividend income

Section 80M was introduced by the Finance Bill, 2020. As per Section 80M, in case any Indian company receives dividend from another Indian company and the dividend is distributed by the first mentioned Indian company before the specific due date (i.e. one month prior to the date of filing tax return under section 139 of the IT Act), then deduction can be claimed by such Indian company of so much of dividend received from such another Indian company

Accordingly, as per the amended provisions, the dividend income (net of deductions, if any) will be taxable at the rates mentioned above.

Interest Income:

Interest income would be subject to tax at the rate of 40% (plus applicable surcharge and cess) for beneficiaries who are non-resident companies. For beneficiaries being non-resident firms / company, interest income would be subject to tax at the rate of 30% (plus applicable surcharge and cess). For other non-resident beneficiaries, interest income would be subject to tax at the rate of 30% (plus applicable surcharge and cess). The above rates would be subject to availability of Tax Treaty benefits, if any.

Non-resident Indian ("NRI") Investors are entitled to be governed by the special tax provisions under Chapter XII-A of the IT Act and if the NRI investors opt to be governed by these provisions under the IT Act, the interest income from specified assets (which includes debentures issued by public companies) should be taxable at the rate of 20% (plus applicable surcharge and cess) on gross basis.

As per the IT Act, interest on rupee denominated corporate bonds and government securities payable to Foreign Portfolio Investor ("FPI") would be subject to tax at the rate of 5% (plus applicable surcharge and cess) if following conditions are satisfied:

1. Such interest is payable on or after 1 June 2013 and 1 July 2020; and
2. Rate of interest does not exceed the rate notified by Central Government

If the above concessional tax rate is not available, then then the interest income would be subject to tax rate at the rate of 20% (plus applicable surcharge and cess) for FPI investors.

CAPITAL GAIN

Period of Holding

Capital assets are classified as long-term assets (“LTCA”) or short-term assets (“STCA”), based on the period of holding of these assets. The period of holding of the asset is computed from the date of acquisition to the date of transfer. Depending on the period of holding for which the shares and securities are held, the gains would be taxable as short-term capital gains (“STCG”) or long-term capital gains (“LTCG”). This is discussed below:

Nature of Assets	STCA	LTCA
For assets being shares in a company or any other security listed on a recognised stock exchange in India (i.e. equity shares, preference shares or debentures), or a unit of the Unit Trust of India or a Zero Coupon Bonds	Held for not more than 12 months	Held for more than 12 months
Unit of an equity oriented mutual fund or zero-coupon bonds	Held for not more than 12 months	Held for more than 12 months
For assets being shares of a company (other than shares listed on a recognised stock exchange in India)	Held for not more than 24 months	Held for more than 24 months
For assets other than those specified above	Held for not more than 36 months	Held for more than 36 months

Depending on the classification of capital gains, the non-resident investors would be chargeable to tax as per the IT Act as under:

Nature of Income	Tax Rate* for offshore investors being Foreign Company	Tax rate* for offshore investors being Firms/LLPs/FPI	Tax rate* for any other offshore investors
	%	%	%
Short-term capital gains on transfer of (i) listed equity shares through the recognised stock exchange, (ii) to be listed equity shares sold through offer for sale	20	20	20

or (iii) units of equity oriented mutual fund, and on which STT has been paid			
STCG on transfer of specified mutual funds	12.5% (without Indexation)	12.5% (without Indexation)	12.5% (without Indexation)
Other short-term capital gains	40	30	30
Long-term capital gains on transfer of (i) listed equity shares through the recognised stock exchange, (ii) to be listed equity shares sold through offer for sale or (iii) units of equity oriented mutual fund and on which STT has been paid (Refer Note 1)	10 (without indexation)	10 (without indexation)	10 (without indexation)
Long-term capital gains on transfer of listed bonds / listed debentures or other listed securities (other than units of mutual fund) on which STT has not been paid (Refer Note 2 & 3)	12.5%(without indexation)	12.5% (without indexation)	12.5% (without indexation)
LTCG on transfer of units of mutual fund (listed or Unlisted) other than Equity Oriented Fund (with 35%-65% equity allocation)	12.5% (without Indexation)	12.5% (without Indexation)	12.5% (without Indexation)
LTCG on transfer of units of mutual fund (listed or Unlisted) other than Equity Oriented Fund (with < 35% equity allocation)	12.5% (without Indexation)	12.5% (without Indexation)	12.5% (without Indexation)
Long-term capital gains on transfer of unlisted securities	12.5 (without indexation)	12.5 (without indexation)	12.5 (without indexation)
Any other income (includes income not specifically covered elsewhere. Subject to applicable surcharge and cess	40	40	40

*Plus, applicable surcharge and cess

Note 1: The Finance Act, 2018 has withdrawn exemption from tax on long-term capital gains arising on transfer of listed equity shares, units of equity oriented mutual fund and units of business trust, with effect from April 1, 2018. As per section 112A of the IT Act, the long-term Capital Gains above INR 0.1 million on following transfers shall be taxable at 10%:

- listed equity shares (STT paid on acquisition* and transfer); and
- units of equity oriented mutual fund (STT paid on transfer)

Note 2: Based on judicial precedents, non-residents may avail the concessional tax rate (as mentioned above). However, the possibility of Indian Revenue Authorities disregarding the said position and applying a tax rate of 20% (plus applicable surcharge and cess) cannot be ruled out.

*The CBDT has issued a notification on October 1, 2018, clarifying that condition of paying STT at the time of acquisition shall not apply for all transactions of acquisition of equity shares other than the following negative list:

- where the acquisition of existing listed equity shares in a company whose equity shares are not frequently traded on a recognised stock exchange of India is made through a preferential issue, other than specified preferential issues;
- where transactions for acquisition of existing listed equity shares in a company is not entered through a recognised stock exchange, except in specified circumstances; and
- acquisition of equity share during the period beginning from the date on which the company is delisted from a recognised stock exchange and ending on the date immediately preceding the date on which the company is again listed on a recognised stock exchange, in accordance with the Securities Contracts (Regulation) Act, 1956 (“SCRA”) read with Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules made thereunder.

Note 3: Benefit of the computation of gains in foreign currency and cost inflation index shall not be available on such gains

Further, the CBDT has clarified by way of FAQs that long-term capital gains in case of FPIs will be determined in the same manner as in the case of resident taxpayers.

NRI Clients/Investors are entitled to be governed by special tax provisions under Chapter XII-A of the ITA and if the NRI investors opt to be governed by these provisions under the ITA, (i) any long-term capital gains should be taxable at the rate of 10% (plus applicable surcharge and cess) and (ii) any investment income should be taxable at 20% (plus applicable surcharge and cess)

Other Provisions

Security Transaction Tax (“STT”)

Delivery based purchases and sales of equity shares traded on recognised Indian stock exchanges are subject to STT at the rate of 0.1% on the transaction value of the purchase or sale. Further, STT at the rate of 0.2% on the transaction value is also leviable on sale of unlisted equity shares under an offer for sale to the public included in an initial public

offer and where such shares are subsequently listed on a stock exchange. STT is levied on the seller at the rate of 0.025% on the sale of equity share in a company or unit of an equity oriented mutual fund - transaction in a recognised stock exchange, settled otherwise than by actual delivery.

General Anti Avoidance Rule (“GAAR”)

GAAR provisions have been introduced in chapter X-A of the IT Act (effective from Financial Year beginning on April 1, 2017), which provides that an arrangement whose main purpose is to obtain a tax benefit and which also satisfies at least one of the four specified test as mentioned below, can be declared as an ‘impermissible avoidance arrangement’

- Arrangement creates rights or obligations, which are not ordinarily created between persons dealing at arm’s length price;
- Arrangement directly or indirectly results in the misuse or abuse of the provisions of the IT Act;
- Arrangement lacks commercial substance or is deemed to lack commercial substance in whole or in part; or
- Arrangement is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bonafide purposes.

The GAAR provisions would override the provisions of a Tax 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 IT Rules. The IT Rules provide that GAAR should not be invoked unless the tax benefit in the relevant year does not exceed INR 30 million.

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

- Where tax avoidance is sufficiently addressed by the Limitation of Benefit Clause (‘LOB’) in a Tax Treaty, GAAR should not be invoked.
- GAAR should not be invoked merely on the ground that the entity is located in a tax efficient jurisdiction.
- GAAR is with respect to an arrangement or part of the arrangement and limit of INR 30 million cannot be read in respect of a single taxpayer only.

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

loss and the expenses incurred by him as a result of his investment as offered by the Portfolio Manager.

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

There are no penalties, pending litigation or proceedings, findings of inspection or investigations against the Portfolio Manager, its principal officers, directors and key managerial personnel.

12. Audit Observations for preceding three years

Since the Portfolio Manager is a newly incorporated company, there are no audit observations for preceding three years.

13. Grievance redressal and dispute settlement mechanism

The Portfolio Manager shall attend to and address any Client query/concern/grievance at the earliest in accordance with policies and procedures as specified under the Applicable Laws, this Document and the Agreement. The Portfolio Manager shall designate a Complaint Redressal Officer (CRO) and a Complaint Redressal Appellate Officer (CRAO) for handling of complaints and appeals respectively. For further details, Investors can refer to complaint redressal policy available at <https://www.tamcap.investments>. The CRO will immediately identify grievance and take appropriate steps to eliminate the causes of such grievances to the satisfaction of the Client. Effective grievance management would be an essential element of the Portfolio Manager's portfolio management services and the aforesaid official may adopt the following approach to manage grievance effectively and expeditiously:

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

analysed and accordingly decision should be taken by the aforesaid official. The aforesaid official would execute the decision quickly.

6. **Review** – After implementing the decision, a follow-up would be there to ensure that the grievance has been resolved completely and adequately.

The coordinates of the CRO/Compliance Officer are provided as under:

Name	Mr. Vishal Sondagar
Address	Unit No. 50, The Platform, 11T2, Block-11, Gift City, Gandhinagar - 382355, Gujarat, India
Telephone No.	+91 9016819619
Email id	vishal@tamcap.investments

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

Any dispute unresolved by the above internal grievance redressal mechanism of the Portfolio Manager within 30 (thirty) days from the date of receipt of such notice, the Parties, shall be submitted to arbitration under the Arbitration and Conciliation Act, 1996. The Portfolio Manager and the Client shall jointly appoint a sole arbitrator mutually acceptable to them. In the event of failure to agree upon a sole arbitrator for a period of 15 (fifteen) days of receipt of notice, the arbitration shall be before 3 (three) arbitrators, where the Portfolio Manager and the Client shall appoint an arbitrator each for themselves and the third arbitrator being the presiding arbitrator appointed by the two arbitrators. Each party will bear the expenses / costs incurred by it in appointing the arbitrator and for the arbitration proceedings. Further, the cost of appointing the presiding arbitrator will be borne equally by both the parties. Such arbitration proceedings shall be held in Gujarat, India and the language of the arbitration shall be English. The courts of India shall have the exclusive jurisdiction to adjudicate upon the claims of the parties.

14. General

Prevention of Money Laundering

International Financial Services Centres Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022 has been notified effective October 28, 2022. These guidelines apply to every regulated entity recognized and registered with IFSCA. In accordance with the abovementioned guidelines, the Portfolio Manager shall adopt Risk-Based Approach (RBA) to identify and assess the Money Laundering (ML) and Terrorist Financing (TF) risk to which the regulated entity is exposed, depending upon its nature of business and exposure with certain types of

clients and countries. The results of the risk assessment shall be used to classify the ML/TF risks as low, medium and high.

The Portfolio Manager, and its directors, employees, agents and service providers shall not be liable in any manner for any claims arising whatsoever on account of freezing the Client's account/rejection of any application or mandatory repayment/returning of funds due to noncompliance with the provisions of the International Financial Services Centres Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022. If the Portfolio Manager believes that transaction is suspicious in nature within the purview of the International Financial Services Centres Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022, then it will report the same to FIU-IND.

For and on behalf of Tamarind Capital Investments India IFSC Private Limited

Mr. Rahul Agarwal DIN: 10619075 Director	:	
Mr. Martin Schaffer DIN: 10619076 Director	:	

Place: _____

Date: _____

Annexure I

Investment Approaches

Investment Approach 1:

Investment objective

The investment objective of this approach is to generate a balance of capital appreciation along with income such as interest, dividend etc. as may be applicable to each investment. Further, the investment objective would be to achieve this in the long term through investments in investment opportunities that are a combination of equity, fixed income and alternate asset classes to achieve desired asset allocation for the portfolio.

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

Under this approach, the Portfolio Manager would primarily invest in equity oriented mutual fund schemes, listed securities including but not limited to equity, preference, participating, non-participating, voting and/or non-voting shares, in warrants, options, equity linked instruments, bonds, debentures, Fixed Deposits, Exchange Traded Funds, government securities, derivative instruments, hedge fund, units of alternate investment funds and/or other permissible securities/products in accordance with the Applicable Laws.

Basis of selection of such types of securities as part of the investment approach

- Discipline approach to asset allocation per the Investment Approach.
- Investment in equity and equity oriented instruments like listed stocks, mutual funds, ETFs, options etc. Fixed income instruments like bonds, debentures, mutual funds, ETFs also form a part of the universe of investment for the Portfolio Manager. Both open ended and closed ended funds will be considered which include equity, fixed income, hybrid, thematic, index, ETF, arbitrage, offshore scheme/ETF and gold schemes and any other categories that may emerge over time. The portfolio may also consider investments in InvITs/REITs, bonds/debentures based on the prevailing market conditions and keeping the investor's interests in mind to enhance relative risk adjusted performances.
- For any other asset class: instrument specific characteristics may be considered. For example: for parameters like correlation with different asset classes, sensitivity to macroeconomic fluctuations, return trajectory etc. may be considered.

Allocation of portfolio across types of securities –

Particulars	Allocation
Equity and Equity Related Instruments: Listed Stocks/Open Ended Equity oriented mutual funds including ETF / Index / Equity Hybrid funds/ Global Equity Funds, etc. Others: Hedge Fund	0 to 100%

Appropriate benchmark to compare performance and basis for choice of benchmark:
Nifty Index

Indicative tenure or investment horizon

Recommended time horizon for effective portfolio returns as envisaged by the portfolio manager is minimum 3 (three) years.

Risks associated with the investment approach

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

Risk majorly related to equity and equity related Securities, interest rate risks and credit risks associated with fixed income securities. This Investment Approach will be suitable for investors with moderate risk appetite.

- The portfolio performance is subject to market risks and may lead to loss of capital during the tenure of the Portfolio. Investors with an ability to take such risk shall be suitable for this investment approach.
- The Portfolio may also be impacted by the interest rate movement, credit risks and liquidity risks, however, to the extent of the debt fund exposure in the Portfolio.
- Investments in mutual funds are subject to market risk and there is no assurance or guarantee of the objectives of the Portfolio Investment approach being achieved.
- The investment returns from the investment approach may be a function of mutual fund scheme selection and portfolio actions as well as market conditions during the investment tenor of the portfolio Investment approach.
- Past performance does not indicate the future performance of the investment approach.
- Investors must keep in mind that the aforementioned statements/presentation cannot disclose all the risks and characteristics. The Investors are requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and the likes and take professional advice before investing.
- There could be situations that the investment approach may not match the underlying benchmark. The Investors should note that the risk factors of the underlying mutual fund schemes and other instruments where the portfolio manager will invest shall be applicable.
- Allocation to cash/fixed income mutual funds would range between 40-60%. Hence, in periods of runaway equity returns and high equity valuations, this investment approach may lag equity returns.
- In a downward trending market, low allocation to debt may impact performance versus benchmark.