

## DISCLOSURE DOCUMENT FOR PORTFOLIO MANAGEMENT SERVICES

(As per the requirement of Schedule V and Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020)

### I. DECLARATION:

- The Disclosure Document (hereinafter referred as the “**Document**”) dated January 22, 2025, has been filed with the Securities & Exchange Board of India (“SEBI”) along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- The purpose of the Document is to provide essential information about the Portfolio Management Services (“PMS”) in a manner to assist and enable the investors in making informed decision for engaging InCred Asset Management Private Limited as a Portfolio Manager.
- The Disclosure Document contains the necessary information about the Portfolio Manager, required by an investor before investing, and hence, the investor should carefully read the entire document before making a decision and should retain it for future reference.
- Investors may also like to seek further clarifications after the date of this Disclosure Document from the Portfolio Manager.
- The following are the Details of the Portfolio Manager:

<b>Name of the Portfolio Manager</b>	<b>InCred Asset Management Private Limited</b>
<b>SEBI Registration Number</b>	INP000007410 issued on May 02, 2022
<b>Registered Office Address</b>	Unit No 1203 – B, 12 <sup>th</sup> Floor, The Capital, C-70, G Block, BKC, Bandra (East), Mumbai – 400051
<b>Phone</b>	022 6844 6100
<b>Email</b>	<a href="mailto:pms.compliance@incred.com">pms.compliance@incred.com</a>
<b>Website</b>	<a href="http://www.incredassetmanagement.com">www.incredassetmanagement.com</a>

The name, phone number, e-mail address of the Principal Officer so designated by the Portfolio Manager is:

<b>Name of the Principal Officer</b>	Mr. Aditya Khemka
<b>Phone</b>	022 6844 6100
<b>Email Id</b>	aditya.khemka@incredamc.com
<b>Office Address</b>	Unit No-1203, B Wing, The Capital, C-70, G Block, BKC, Bandra East, Mumbai – 400051

Date: January 22, 2025

Place: Mumbai

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### III. Contents of the Document:

#### 1. Disclaimer clause

The particulars given in this Document have been prepared in accordance with the Securities Exchange Board of India (Portfolio Managers) Regulations, 2020 as amended till date and filed with SEBI. This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the Document.

#### 2. Definitions

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

- a) **“Act”** means the Securities and Exchange Board of India Act, 1992 (15 of 1992).
- b) **“Agreement”** means agreement between Portfolio Manager and its Client and shall include all Schedules and Annexures attached thereto.
- c) **“Application”** means the application made by the Client to the Portfolio Manager to place its funds and/or securities with the Portfolio Manager for Portfolio Management Services. Upon execution of the Agreement by the Portfolio Manager, the Application shall be deemed to form an integral part of the Agreement. Provided that in case of any conflict between the contents of the Application and the provisions of the Agreement, the provisions of the Agreement shall prevail.
- d) **“Assets”** means (i) the Portfolio and/or (ii) the Funds.
- e) **“Body Corporate”** shall have the meaning assigned to it in or under clause (11) of section 2 of the Companies Act, 2013.
- f) **“Bank Account”** means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in accordance with the agreement entered into with the Client.
- g) **“Board”** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992.
- h) **“Client”** means the person who enters into an Agreement with the Portfolio Manager for managing its portfolio and /or funds.
- i) **“Custodian”** means any person who carries on or proposes to carry on the business of providing custodial services in accordance with the regulations issued by SEBI from time to time.
- j) **“Depository Account”** means one or more account or accounts opened, maintained and operated by the Portfolio Manager with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations, 1996 in accordance with the agreement entered into with the Client.
- k) **“Discretionary Portfolio Management Services”** means the portfolio management services rendered to the Client by the Portfolio Manager on the terms and conditions contained in the agreement, where under the Portfolio Manager exercises any degree of discretion in the investments or management of assets of the Client.
- l) **“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.
- m) **“Disclosure Document”** shall mean this disclosure document filed by the Portfolio Manager with SEBI and as may be amended by the Portfolio Manager from time to time pursuant to the Regulations.
- n) **“Distributor”** means a person/entity empanelled by the Portfolio Manager which refers clients to the Portfolio Manager in lieu of commission/charges (whether known as Channel Partners, Agents, Referral Interfaces or by any other name).
- o) **“Financial Year”** means the year starting from April 1 and ending on March 31 of the following year.

- p) **"Funds"** means the monies managed by the Portfolio Manager on behalf of the Client pursuant to Portfolio Investment Management Agreement and includes the monies mentioned in the Application, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to Portfolio Investment Management Agreement, the proceeds of the 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.
- q) **"Goods"** means the goods notified by the Central Government under clause (bc) of section 2 of the Securities Contracts (Regulation) Act, 1956 and forming the underlying of any commodity derivative;
- r) **"Initial Corpus"** means the value of the funds and / or the market value of securities brought in by the Client at the time of subscribing to Portfolio Management Services.
- s) **"Investment Approach"** means 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 which shall inter-alia include but not limited to investment objective, description of type of securities, investment horizon and risks associated with the investment approach.
- t) **"Non-discretionary Portfolio Management Services"** means a portfolio management services under which the Portfolio Manager, subject to express prior instructions issued by the Client from time to time in writing, for an agreed fee structure and for a definite described period, invests in respect of the Client's account in any type of security entirely at the Client's risk and ensure that all benefits accrue to the Client's Portfolio.
- u) **"Parties"** means the Portfolio Manager and the Client; and **"Party"** shall be construed accordingly.
- v) **"Person"** includes an individual, a Hindu Undivided Family, 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.
- w) **"Portfolio"** means the Securities managed by the Portfolio Manager on behalf of the Client pursuant to the Portfolio Investment Management Agreement and includes any Securities and goods mentioned in the Application, any further Securities placed by the Client with the Portfolio Manager for being managed pursuant to the Portfolio Investment Management Agreement, Securities acquired by the Portfolio Manager through investment of Funds and bonus and rights shares or otherwise in respect of Securities forming part of the Portfolio, so long as the same is managed by the Portfolio Manager.
- x) **"Portfolio Manager"** shall have the same meaning as given in regulation 2(1)(o) of the SEBI (Portfolio Managers) Regulations, 2020 as amended from time to time. For the purpose of this Disclosure Document, Portfolio Manager is InCred Asset Management Private Limited.
- y) **"Eligible Fund Manager"** shall have the same meaning as assigned to it in sub-section 4 of Section 9A of the Income Tax Act, 1961.
- z) **"Eligible Investment Fund"** shall have the same meaning as assigned to it in sub-section 3 of Section 9A of the Income Tax Act, 1961.
- aa) **"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.
- bb) **"Qualified Client"** will include following person:
  - a. who is a fit and proper person,
  - b. complies with know your client (KYC/CKYC) norms stipulated by the Investment Manager and SEBI,
  - c. has not been convicted of any offence,
  - d. has a sound financial standing and creditworthiness, and
  - e. is willing to execute necessary documentation as stipulated by the Portfolio Manager and other than any Person, which cannot subscribe to the Investment Approach without being in breach of any law or requirement of any country or governmental authority in any jurisdiction whether on its own or in conjunction with any other relevant circumstances.

- cc) **"Regulations"** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as may be amended from time to time.
- dd) **"Scheduled Commercial Bank"** means any bank included in the second Schedule to the Reserve Bank of India Act 1934
- ee) **"SEBI"** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the SEBI Act.
- ff) **"Securities"** includes: "Securities" as defined under the Securities Contracts (Regulation) Act, 1956 as amended from time to time and includes:
  - a. Shares scrip, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate
  - b. derivative
  - c. units or any other instrument issued by any collective investment scheme to the investors in such schemes;
  - d. security receipt as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
  - e. units or any other such instrument issued to the investors under any mutual fund scheme;
  - f. any certificate or instrument (by whatever named called), issued to an investor by any issuer being a special purpose distinct entity which possesses any debt or receivable,
  - g. including mortgage debt, assigned to such entity, and acknowledging beneficial interest of such investor in such debt or receivable, including mortgage debt;
  - h. Government securities;
  - i. such other instruments as may be declared by the Central Government to be securities;
  - j. rights or interest in securities;

Words and expressions used in this Document and not expressly defined shall be interpreted according to their general meaning and usage. The definitions are not exhaustive. They have been included only for the purpose of clarity and shall in addition be interpreted according to their general meaning and usage and shall also carry meanings assigned to them in regulations governing Portfolio Management Services.

### 3. Description

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

InCred Asset Management Private Limited was incorporated on March 1, 2019, under the provisions of Companies Act, 2013. The registered office of the Portfolio Manager is situated in Mumbai, Maharashtra.

Portfolio Manager was incorporated as InCred Capital Investment Advisors and Managers Private Limited and effective March 15, 2020, Ministry of Corporate Affairs approved the change of name to InCred Asset Management Private Limited.

The Portfolio Manager is set up with the objective of being in the business of providing business support services and provide advice, services, consultancy in various fields and to carry on the business as advisors and to assist in all financial, costing, accounting, internal controls and other similar matters.

The Portfolio Manager is registered with SEBI as a portfolio manager (Registration number INP000007410 issued on May 02, 2022) to offer investment management, portfolio management, and advisory services to High-Net-worth Individuals (HNIs), institutional clients, corporates and other permissible class of investors.

The Portfolio Manager also acts as an Investment Manager effective July 14, 2021, to India Value and Growth Trust and its various schemes, which is a Category-III Alternative Investment Fund registered with the SEBI from Mar 19,

2019 having registration number IN/AIF3/18-19/0652 and to InCred Equity Opportunities Trust, a Category-III Alternative Investment Fund registered with SEBI w.e.f. Dec 18, 2023 having registration number IN/AIF3/23-24/1414. Schemes under InCred Equity Opportunities Trust are yet to be launched.

In terms of the Business Transfer Agreement dated November 15, 2022 entered into between InCred Asset Management Private Limited ("Portfolio Manager") and InCred Capital Wealth Portfolio Managers Private Limited ("InCred Capital Wealth") the discretionary Portfolio Management Services business ("DPMS") of the InCred Capital Wealth has been transferred to the Portfolio Manager by way of slump sale with effect from April 01, 2023.

**(ii) Promoters of the Portfolio Manager, Directors, KMP and their background:**

**Promoters of the Portfolio Manager**

InCred Capital Financial Services Limited ("ICFSL") (Formerly known as InCred Capital Financial Services Private Limited) holds 99.99% of the shareholding of the Portfolio Manager Company. Mr. Bhupinder Singh owns 40.22 % stake (directly and indirectly on fully diluted basis) in ICFSL. Bhupinder Singh has previously worked at Deutsche Bank for 16 years in various capacities in London and Singapore. Most recently, he co-headed the Corporate Banking and Securities (CB&S) of Deutsche Bank for the Asia Pacific region, based out of Singapore. In this capacity he managed Deutsche Bank's Fixed Income, Equities and Investment Banking divisions and was a member of the global CB&S executive committee.

He was also the head of Corporate Finance division for Deutsche Bank in the Asia Pacific region managing the corporate coverage, investment banking, capital markets, advisory and treasury solution businesses.

He oversaw Asian Credit book of US\$ 10 bn of which US\$ 4bn was in India. Before joining Deutsche Bank, Mr. Singh had worked in the investment banking teams of Jardine Fleming and DSP Merrill Lynch.

**Directors of the Portfolio Manager and their background**

Name	Qualifications	Brief Experience	Other Directorships
Mr. Aditya Sood	Master of Business Administration ICFAI and Bachelor of Business Administration	Mr. Sood in his career of over 17 years has experience in equity markets, spanning fund management, research and sales. He has previously worked with ICICI Prudential AMC Portfolio Management Services as a Fund Manager and also for various offshore funds.	<ul style="list-style-type: none"> <li>Framework Investment Advisors Private Limited</li> <li>Variant Perceptions LLP</li> </ul>
Mr. Aditya Khemka	PGPM- Finance and Marketing, BCom	Mr. Khemka has over 15 years of experience in fund management, management of PMS Portfolios and research. Before joining InCred, he has worked with DSP Investment Managers as a fund manager and a research analyst and as a senior analyst at Ambit Capital. Prior to this, he has worked with Nomura.	NIL
Mr. Kamlesh Dangi	Post Graduate Diploma in	Mr. Dangi has over 29 years of	<ul style="list-style-type: none"> <li>InCred Finserv Private</li> </ul>

	Business Administration	experience and has been engaged with InCred Group as Group Head-HR since 2018. He has previously worked as Group President-HR at UTI Asset Management, Group Chief People Officer at Religare and Joint General Manager at ICICI Bank.	Limited <ul style="list-style-type: none"> <li>• InCred Prime Finance Limited</li> <li>• InCred Value Plus Limited</li> <li>• InCred Capital Wealth Portfolio Managers Private Limited</li> <li>• InCred Wealth Private Limited</li> <li>• Booth Fintech Private Limited</li> </ul>
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#### Key Managerial Personnel of the Portfolio Manager and their background

Name, Designation and Age	Educational Qualifications	Brief Experience
Mr. Aditya Khemka, Principal Officer and Fund Manager (42 Years)	M. Sc. (Finance), PGBM-Finance and Marketing, B.Com	Mr. Khemka has over 15 years of experience in fund management, management of PMS Portfolios and research. Before joining InCred, he has worked with DSP Investment Managers as a fund manager and a research analyst and as a senior analyst at Ambit Capital. Prior to this, he has worked with Nomura.
Mr. Praveen Ladia, Head of Sales (44 Years)	Chartered Accountant, Company Secretary, and MBA in International Business	Mr. Ladia has experience of over 16 years and he has previously worked with Dr. Reddy, ICICI Bank Limited, Prudential Asset Management Limited in Dubai and with Motilal Oswal AMC Limited in the area of product development, investments and marketing, distribution and in corporate finance.
Mr. Aditya Sood Fund Manager (43 Years)	Master of Business Administration ICFAI and Bachelor of Business Administration	Mr. Sood in his career of over 17 years has experience in equity markets, largely spanning fund management and research. He has previously worked with ICICI Prudential AMC Portfolio Management Services as a Fund Manager and also for various offshore funds.
Mr. Dhawal Mehta Compliance Officer (40 Years)	CS, Diploma in Business Finance, ICFAI University and B.Com.	Mr. Mehta has experience of over 15 years in the field of Compliance and Secretarial. He was previously employed as Compliance Officer at BNP Paribas Asset Management India Private Limited. Prior to that, he has worked with Aditya Birla Sun Life AMC Limited in Compliance and Secretarial team.

In accordance with requirements of Para 2.7.2.1 of SEBI Master Circular dated June 07, 2024, the Portfolio Manager has constituted a Dealing Team which shall be responsible for order placement and execution of all orders in accordance with the policy.

**(iii) Top 10 Group companies/firms of the Portfolio Manager on turnover basis** (as per audited financial statements of F.Y. 2023-24)

- a) InCred Financial Services Limited (formerly known as KKR India Financial Services Limited)
- b) InCred Wealth and Investment Services Private Limited
- c) InCred Capital Financial Services Private Limited
- d) InCred Capital Wealth Portfolio Managers Private Limited
- e) InCred Wealth Private Limited
- f) InCred Research Services Private Limited
- g) InCred Alternative Investments Private Limited
- h) Booth Fintech Private Limited
- i) Alpha Fintech Private Limited
- j) mValu Technology Services Private Limited

**(iv) Details of the services being offered:**

○ **Discretionary Services:**

Under these services, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. The Portfolio Manager's decision (taken in good faith) in deployment of the Client's funds is absolute and final and can never be called in question or be open to review at any time during the currency of the Agreement or at any time thereafter except on the ground of wilful default, fraud, malafide, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant Acts, Regulations, guidelines and notifications in force from time to time. Periodical statements in respect to Client's Portfolio shall be sent to the respective Client.

○ **Non – Discretionary Services:**

Under the Non-Discretionary Portfolio Management Services, the portfolio of the Client shall be managed in consultation with the Client. Under this service, the Assets will be managed as per express prior instructions issued by the Client from time to time. The Client will have complete discretion to decide on the investment (Stock Quantity and Price or amount). The Portfolio Manager inter alia manages transaction execution, accounting, recording or corporate benefits, valuation and reporting aspects on behalf of the Client entirely at the Client's risk.

○ **Advisory Services:**

Under these services, the Portfolio Manager advises the Client on investments in general or any specific advice required by the Clients and agreed upon in the Client agreement. The Portfolio Manager will render the best possible advice to the client having regard to the client's needs and the environment, and his own professional skills. The same can be binding or non – binding in nature or in such terms as mentioned in the Client agreement. For such services, the Portfolio Manager charges the Client a fee for services rendered and the same will be mentioned in the Client agreement. The advice may be either general or specific in nature and may pertain to a particular portfolio. Entry / exit timing, execution and settlement shall solely be the Client's responsibility.

The Portfolio Manager shall be solely acting as an advisor in respect of Portfolio of the Client and shall not be responsible for the investment / divestment of securities and / or administrative activities of the Client's Portfolio.



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

- a) All cases of penalties imposed by SEBI or the directions issued by SEBI under the SEBI Act or rules or regulations made thereunder.

None.

- b) The nature of the penalty/direction.

Not Applicable.

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

None.

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

None.

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

None.

- f) Any enquiry/ adjudication proceedings initiated by SEBI against the Portfolio Manager or its partners, principal officer or employee or any person directly or indirectly connected with the Portfolio Manager or its partners, principal officer or employee, under the SEBI Act or rules or regulations made thereunder.

None.

**5. Services offered**

The Portfolio Manager offers Discretionary Portfolio Management Services, Non-Discretionary Portfolio Management Services and Advisory Services as per Portfolio Management Services Agreement executed with each Client.

Portfolio Manager under Non-Discretionary or Advisory Services may invest or advise up to 25% of the assets under management of the client in unlisted securities, in addition to the securities permitted for discretionary portfolio management.

Portfolio Manager shall not invest the clients' funds in the portfolio managed or administered by another portfolio manager or based on the advice of any other entity.

The Portfolio Manager under its Discretionary Portfolio Management Services offers Investment Approaches with different investment objectives and policies to cater to requirements of individual Client.

Non- Discretionary and Advisory services are offered basis individual client's need within the parameters prescribed above. Following Investment Approach are currently offered by the Portfolio Manager under Discretionary and Non-discretionary services:

**5.1 The Portfolio Management Services to be offered shall be as per the following Investment Approaches:**

- InCred Healthcare Portfolio
- InCred Multicap Portfolio
- InCred Small and Midcap Portfolio
- InCred Select Opportunities Portfolio
- InCred Liquid Portfolio
- InCred STARS (Smart TActical Rotation Strategy)
- InCred Focused Equity
- InCred Focused Healthcare Equity
- InCred Active Momentum Portfolio

**i) InCred Healthcare Portfolio**

Particulars	Details
Name of Investment Approach	InCred Healthcare Portfolio
Strategy as per SEBI circular dated December 16, 2022	Equity
Investment Objective	The Investment Objective is to invest in equity and equity related instruments primarily focused on the healthcare ecosystem in India.
Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity, Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REITs and InvITs etc.) other securities as permitted under Regulation.
Basis of selection of such types of securities as part of the investment approach	The Portfolio Manager will endeavour to construct a portfolio of 15-20 stocks in sectors including pharmaceuticals, hospitals, diagnostic, insurance, etc. It will be a diversified portfolio with balance across large cap, midcap and small-cap. Portfolio Manager might follow benchmark agnostic bottom-up stock picking approach.
Allocation of portfolio across types of securities	<p>The portfolio will be a mix of small, medium and large capitalization companies.</p> <p>The portfolio will invest at least 65% in healthcare segment including pharmaceuticals, hospitals, diagnostic, insurance etc. to capture the growing demand for healthcare driven by rising incomes, increasing awareness and ability to spend more on health and increased export opportunities.</p> <p>The Portfolio manager at his sole discretion can invest upto 35% in any other sector.</p> <p>Idle cash in the portfolio would be invested in the overnight /Liquid / Money Market Mutual Fund scheme at the discretion of the Portfolio Manager.</p>
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>S&amp;P BSE 500 Total Return Index</p> <p>Pursuant to SEBI Master Circular dated June 07, 2024, read with APMI circular APMI/2022-23/02 dated March 23, 2023, only three benchmarks under the Strategy "Equity" have been defined, one of which is S&amp;P BSE 500.</p>

	<p>Accordingly, the Portfolio Manager has chosen S&amp;P BSE 500.</p> <p>About S&amp;P BSE 500: The S&amp;P BSE 500 is designed to be a broad representation of the Indian market. Consisting of the top 500 constituents in the S&amp;P BSE AllCap, the index covers all major industries in the Indian economy. (source: bseindia.com)</p>
Indicative tenure or investment horizon	Open ended, 3 year and above
Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p><b>Sector concentration risk</b> is the risk involved in investing in a particular theme, sector, subsector or related business models within the portfolio. There may be potential for a loss in value of an investment portfolio when an individual or group of exposures move together in an unfavourable direction.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss that recovery is unlikely. The portfolio will be liquidated, or the institution will face bankruptcy.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Model portfolio risk:</b> Model Portfolio is a concept where the fund manager constructs a portfolio with a certain number of scripts and allocation for each. The same is replicated in terms of scripts and allocation for all future clients.</p>
Other salient features, if any	NA
Risks	<p>The level of concentration of sectors and stocks in this Investment approach is likely to be higher than a diversified equity strategy. The risks associated with such an Investment approach, are likely to be higher than in a diversified equity investment/fund. As the Investment approach will be invested in a limited number of stocks, the movement of the corpus may be more volatile than in the case of a diversified equity Investment approach/fund. Since the Investment approach follows a concentrated portfolio approach, in case the chosen Stock does not perform, it could adversely impact the returns of the Investment approach.</p>

	<p>To the extent the investments are made into REITs and/or InvITs, the approach shall be subject to risks associated with REITs and InvITs.</p> <p><b>For further details, please refer to Section 6: “General Risk Factors”.</b></p>
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## ii) InCred Multicap Portfolio

Particulars	Details
Name of Investment approach	InCred Multicap Portfolio
Strategy as per SEBI circular dated December 16, 2022	Equity
Investment Objective	The objective of the Strategy is to invest in equity and equity related instruments to generate capital appreciation over long term. The Strategy will invest across all sectors and market capitalization stocks by adopting a sector and a market cap agnostic approach.
Basis of selection of such types of securities as part of the investment approach	The Portfolio Manager will follow benchmark agnostic bottom-up stock picking approach and construct High conviction portfolio of around 30 stocks with a balance across large cap, midcap and small cap.
Description of types of securities eg., equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity, Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REITs and InvITs etc.) other securities as permitted under Regulation.
Allocation of portfolio across types of securities	<p>The portfolio will be a mix of small, medium and large capitalization companies. The Investment Manager shall make investments after undertaking detailed fundamental research on companies with a bottom-up investment framework.</p> <p>Idle cash in the portfolio would be invested in the Overnight / Liquid / Money Market Mutual Fund scheme at the discretion of the Portfolio Manager.</p>
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>S&amp;P BSE 500 Total Return Index</p> <p>Pursuant to SEBI Master Circular dated June 07, 2024, read with APMI circular APMI/2022-23/02 dated March 23, 2023, only three benchmarks under the Strategy “Equity” have been defined, one of which is S&amp;P BSE 500. Accordingly, the Portfolio Manager has chosen S&amp;P BSE 500.</p> <p>About S&amp;P BSE 500: The S&amp;P BSE 500 is designed to be a broad representation of the Indian market. Consisting of the top 500 constituents in the S&amp;P BSE AllCap, the index covers all major industries in the Indian economy. (source: bseindia.com)</p>
Indicative tenure or investment horizon	Open ended, 3 year and above
Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss</p>

	<p>that recovery is unlikely. The portfolio will be liquidated, or the institution will face bankruptcy.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Model portfolio risk:</b> Model Portfolio is a concept where the fund manager constructs a portfolio with a certain number of scripts and allocation for each. The same is replicated in terms of scripts and allocation for all future clients.</p>
Other salient features, if any	NA
Risks	<p>Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Investment approach unless they can afford to take the risk of losing their investment.</p> <p>Equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the portfolio may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the portfolio to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. Similarly, the inability to sell securities held in the Investment approach’s portfolio may result, at times, in potential losses to the Investment approach, should there be a subsequent decline in the value of securities held in the Investment approach’s portfolio.</p> <p>To the extent the investments are made into REITs and/or InvITs, the approach shall be subject to risks associated with REITs and InvITs.</p> <p><b>For further details, please refer to Section 6: “General Risk Factors”.</b></p>

### iii) InCred Small and Midcap Portfolio

Particulars	Details
Name of Investment approach	InCred Small and Midcap Portfolio
Strategy as per SEBI circular dated December 16, 2022	Equity
Investment Objective	<p>The objective of the Strategy is to deliver superior returns by investing in stocks of India’s emerging businesses. It aims to predominantly invest in small cap and midcap stocks that can benefit from growth in earnings and re-rating of businesses.</p> <p>It aims to invest bottom up by identifying quality companies with competitive advantage.</p>
Basis of selection of such types of	The Portfolio Manager shall make investments after undertaking detailed

securities as part of the investment approach	fundamental research on companies with a bottom-up investment framework.
Description of types of securities eg., equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity, Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REITs and InvITs etc.) other securities as permitted under Regulation.
Allocation of portfolio across types of securities	<p>The portfolio will be in a mix of equity securities of small and medium capitalization companies. The Portfolio Manager shall make investments after undertaking detailed fundamental research on companies with a bottom-up investment framework.</p> <p>Idle cash in the portfolio would be invested in the Overnight / Liquid / Money Market Mutual Fund scheme at the discretion of the Portfolio Manager.</p>
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>S&amp;P BSE 500 Total Return Index</p> <p>Pursuant to SEBI Master Circular dated June 07, 2024, read with APMI circular APMI/2022-23/02 dated March 23, 2023, only three benchmarks under the Strategy “Equity” have been defined, one of which is S&amp;P BSE 500. Accordingly, the Portfolio Manager has chosen S&amp;P BSE 500.</p> <p>About S&amp;P BSE 500: The S&amp;P BSE 500 is designed to be a broad representation of the Indian market. Consisting of the top 500 constituents in the S&amp;P BSE AllCap, the index covers all major industries in the Indian economy. (source: bseindia.com)</p>
Indicative tenure or investment horizon	Open ended, 3 year and above
Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p>Small cap and midcap companies have higher opportunities of growth, but these come with higher amount of risk as well. Therefore, these are suitable only for those investors who have higher risk appetite.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss that recovery is unlikely. The portfolio will be liquidated, or the institution will face bankruptcy.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Model portfolio risk:</b> Model Portfolio is a concept where the fund manager</p>

	<p>constructs a portfolio with a certain number of scripts and allocation for each. The same is replicated in terms of scripts and allocation for all future clients.</p> <p><b>Liquidity Risk:</b> Even though MidCap and Small cap companies offer a greater growth potential, they have low liquidity which may have an adverse impact on their prices in the short term.</p> <p><b>High Volatility Risk:</b> A lot of these smaller companies can be highly volatile. This may have periods where the investor may see drawdowns.</p>
Other salient features, if any	The selection of the stocks will be based on the criteria of strategy at the time of initial ideation and investment made as per the strategy.
Risks	<p>Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Investment approach unless they can afford to take the risk of losing their investment.</p> <p>Equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the portfolio may be restricted by trading volumes and Settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the portfolio to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. Similarly, the inability to sell securities held in the Investment approach's portfolio may result, at times, in potential losses to the Investment approach, should there be a subsequent decline in the value of securities held in the Investment approach's portfolio.</p> <p>To the extent the investments are made into REITs and/or InvITs, the approach shall be subject to risks associated with REITs and InvITs.</p> <p><b>For further details, please refer to Section 6: "General Risk Factors".</b></p>

#### iv) InCred Select Opportunities Portfolio

Particulars	Details
Name of Investment approach	InCred Select Opportunities Portfolio
Strategy as per SEBI circular dated December 16, 2022	Equity
Investment Objective	The objective of the Strategy is to primarily invest in equity and equity related instruments to generate capital appreciation over long term. The Strategy will invest across all sectors and market capitalization stocks by adopting a sector and a market cap agnostic approach.
Basis of selection of such types of securities as part of the investment approach	The Portfolio Managers will select listed equity, Mutual Funds Exchange Traded Securities (REITs and InvITs etc.) or any other securities as per the regulations. The equity companies will be selected from the listed universe space across market capitalisation and sectors which fit into the investment strategy. The Portfolio Manager shall use a combination of top-down and bottom-up approach for stock selection.
Description of types of securities eg., equity or debt, listed or	Listed Equity, Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REITs and InvITs etc.) other securities as permitted

unlisted, convertible instruments, etc.	under Regulation.		
Allocation of portfolio across types of securities	Types of Securities		Allocation Range
	Equity & Equity related instrument		0-100%
	Fixed Income & Fixed Income Related Securities		0-100%
	Gold ETF, REITS etc		0-100%
	<p>Idle cash in the portfolio would be invested in the Liquid scheme / Money Market Mutual Fund scheme at the discretion of the Portfolio Manager.</p> <p>Portfolio construction / allocation across securities will be customised based on investor risk profile, investment goals, and specific investment policy guidelines.</p>		
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>S&amp;P BSE 500 Total return Index</p> <p>Pursuant to SEBI Master Circular dated June 07, 2024, read with APMI circular APMI/2022-23/02 dated March 23, 2023, only three benchmarks under the Strategy “Equity” have been defined, one of which is S&amp;P BSE 500. Accordingly, the Portfolio Manager has chosen S&amp;P BSE 500.</p> <p>About S&amp;P BSE 500: The S&amp;P BSE 500 is designed to be a broad representation of the Indian market. Consisting of the top 500 constituents in the S&amp;P BSE AllCap, the index covers all major industries in the Indian economy. (source: bseindia.com)</p>		
Indicative tenure or investment horizon	Open ended, 3 year and above		
Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p>Small cap and midcap companies have higher opportunities of growth, but these come with higher amount of risk as well. Therefore, these are suitable only for those investors who have higher risk appetite.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss that recovery is unlikely. The portfolio will be liquidated, or the institution will face bankruptcy.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Liquidity Risk:</b> Even though MidCap and Small cap companies offer a greater</p>		



	<p>growth potential, they have low liquidity which may have an adverse impact on their prices in the short term.</p> <p><b>High Volatility Risk:</b> A lot of these smaller companies can be highly volatile. This may have periods where the investor may see drawdowns.</p>
Other salient features, if any	NA
Risks	<p>Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Investment approach unless they can afford to take the risk of losing their investment.</p> <p>Equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the portfolio may be restricted by trading volumes and Settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the portfolio to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. Similarly, the inability to sell securities held in the Investment approach's portfolio may result, at times, in potential losses to the Investment approach, should there be a subsequent decline in the value of securities held in the Investment approach's portfolio.</p> <p>To the extent the investments are made into REITs and/or InvITs, the approach shall be subject to risks associated with REITs and InvITs.</p> <p><b>For further details, please refer to Section 6: "General Risk Factors".</b></p>

#### v) InCred Liquid Portfolio

Particulars	Details
Name of Investment approach	InCred Liquid Portfolio
Strategy as SEBI circular dated December 16, 2022	Debt
Investment Objective	The objective is to generate optimal returns consistent with moderate levels of risk and liquidity by investing in debt securities and money market securities.
Basis of selection of such types of securities as part of the investment approach	The Cash position in a portfolio will be invested in a Liquid Fund, short-term debt funds, Money Market Mutual Fund etc. by Portfolio Manager. Under STP (Systematic Transfer Plan) facility the capital of Investors will be deployed in the target investment approach/portfolio in a staggered manner from Liquid Fund.
Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.	Liquid mutual funds, short term debt funds, money market mutual funds, other debt funds, listed debt and money market securities
Allocation of portfolio across types of securities	0-100% in the securities mentioned above
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>CRISIL Composite Bond Fund Index</p> <p>Pursuant to SEBI Master Circular dated June 07, 2024, read with APMI circular APMI/2022-23/02 dated March 23, 2023, only three benchmarks</p>

	<p>under the Strategy “Debt” have been defined, one of which is CRISIL Composite Bond Fund Index. Accordingly, the Portfolio Manager has chosen CRISIL Composite Bond Fund Index.</p> <p>About CRISIL Composite Bond Fund Index: CRISIL Composite Bond Fund Index seeks to track the performance of a debt portfolio that includes government securities and AAA/AA+/AA rated corporate bonds. (source: crisil.com)</p>
Indicative tenure or investment horizon	Open ended, 3-6 months
Risk associated with the investment approach	<p><b>Market Risk</b> The Scheme’s NAV will react to the interest rate movements. The Investor may lose money over short or long period due to fluctuation in Scheme’s NAV in response to factors such as economic and political developments, changes in interest rates, inflation and other monetary factors and also movement in prices of underlining investments.</p> <p><b>Interest Rate Risk</b> Changes in interest rates will affect the Scheme’s Net Asset Value. The prices of securities usually increase as interest rates decline and usually decrease as interest rates rise. The extent of fall or rise in the prices is guided by modified duration, which is a function of the existing coupon, days to maturity and increase or decrease in the level of interest rate. The new level of interest rate is determined by the rate at which the government raises new money and/or the price levels at which the market is already dealing in existing securities. Prices of long-term securities generally fluctuate more in response to interest rate changes than short-term securities. The price risk is low in the case of the floating rate or inflation-linked bonds. The price risk does not exist if the investment is made under a repo agreement. Debt markets, especially in developing markets like India, can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV. Modified Duration is a measure of price sensitivity, the change in the value of investment to a 1% change in the yield of the investment.</p> <p><b>Reinvestment Risk</b> 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.</p> <p><b>Spread Risk</b> In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.</p> <p><b>Credit Risk</b> Credit Risk means that the issuer of a security may default on interest payments or even paying back the principal amount on maturity. (i.e. the issuer may be unable to make timely principal and interest payments on the security). Even where no default occurs, the prices of security may go</p>

	<p>down because the credit rating of an issuer goes down. It must be, however, noted that where the Scheme has invested in Government securities, there is no risk to that extent.</p> <p><b>Liquidity or Marketability Risk</b> 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. Trading Volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such period may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. As liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Fund for redemption of units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme.</p>
Other salient features, if any	NA
Risks	<p>Debt Securities are subject to the risk of an issuer's inability to meet principal and interest payments on the obligation (Credit Risk) on the due date(s) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (Market Risk).</p> <p>The timing of transactions in debt obligations, which will often depend on the timing of the Purchases and Redemptions in the Scheme, may result in capital appreciation or depreciation because the value of debt obligations generally varies inversely with the prevailing interest rates.</p>

#### vi) InCred STARS (Smart Tactical Rotation Strategy)

Particulars	Details
Name of Investment approach	InCred STARS (Smart Tactical Rotation Strategy)
Strategy as per SEBI circular December 16, 2022	Equity
Investment Objective	The objective of the Strategy is to invest in equity and equity related instruments to generate capital appreciation over long term. The Strategy will follow a monthly rebalancing approach with the aim to select 4 sectors every month for investment and 4-6 stocks within each of those sectors.
Description of types of securities eg., equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity, Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REITs and InvITs etc.) other securities as permitted under Regulation.
Basis of selection of such types of securities as part of the investment approach	The Portfolio Manager will follow quantitative techniques to rank sectors every month and select top 4 sectors and within each sector also, top 4-6 stocks thereby constructing a tactical sector rotation portfolio of around 16-20 stocks with a focus on large cap and midcap stocks.
Allocation of portfolio across	The portfolio will be a mix of medium and large capitalization companies and

types of securities	<p>across sectors, however, the allocation to market caps and sectors would vary from time to time depending on the overall market conditions, market opportunities and the portfolio manager's view.</p> <p>The Portfolio Manager will take a call on sectors and stocks thereunder, based on a quantitative framework utilizing momentum, relative strength and statistical techniques.</p> <p>The endeavour shall be to create an equal-weight portfolio, meaning each of the 4 sectors selected will get 20-30%weight and the stocks within each sector will get equal weightage (within range of <math>\pm 3\%</math>). The decision on weightages will be considered at the time of allocation / rebalancing.</p> <p>The allocation shall be closely monitored by the Portfolio Manager on a monthly basis and rebalancing by the Portfolio Manager at the end of every month shall be carried out within a reasonable time frame. If need be, the Fund Manager may choose to rebalance earlier than the month end as well, depending upon the perception of the Portfolio Manager keeping in view the market conditions and opportunities, applicable Regulations and politico economic factors. The Portfolio Manager, in line with the investment objective, may alter the allocations under certain market conditions; the intention being at all times to seek to protect the interests of the Clients.</p> <p>Idle cash in the portfolio would be invested in the Overnight / Liquid / Money Market Mutual Fund scheme at the discretion of the Portfolio Manager.</p>
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>S&amp;P BSE 500 Total Return Index</p> <p>Pursuant to SEBI Master Circular dated June 07, 2024, read with APMI circular APMI/2022-23/02 dated March 23, 2023, only three benchmarks under the Strategy "Equity" have been defined, one of which is S&amp;P BSE 500. Accordingly, the Portfolio Manager has chosen S&amp;P BSE 500.</p> <p>About S&amp;P BSE 500: The S&amp;P BSE 500 is designed to be a broad representation of the Indian market. Consisting of the top 500 constituents in the S&amp;P BSE AllCap, the index covers all major industries in the Indian economy. (source: bseindia.com)</p>
Indicative tenure or investment horizon	Open ended, 3 year and above
Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss that recovery is unlikely. The portfolio will be liquidated, or the institution will</p>

	<p>face bankruptcy.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Model portfolio risk:</b> Model Portfolio is a concept where the fund manager constructs a portfolio with a certain number of scripts and allocation for each. The same is replicated in terms of scripts and allocation for all future clients.</p>
Other salient features, if any	NA
Risks	<p>Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Investment approach unless they can afford to take the risk of losing their investment.</p> <p>Equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the portfolio may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the portfolio to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. Similarly, the inability to sell securities held in the Investment approach's portfolio may result, at times, in potential losses to the Investment approach, should there be a subsequent decline in the value of securities held in the Investment approach's portfolio.</p> <p>To the extent the investments are made into REITs and/or InvITs, the approach shall be subject to risks associated with REITs and InvITs.</p> <p><b>For further details, please refer to Section 6: “General Risk Factors”.</b></p>

#### vii) InCred Focused Equity

Particulars	Details
Name of Investment Approach	InCred Focused Equity
Strategy as per SEBI circular dated December 16, 2022	Equity
Investment Objective	The objective of the strategy is to invest in equity and equity related instruments to generate capital appreciation over long term. The strategy will invest across sectors and market capitalization stocks by adopting a sector and a market cap agnostic approach
Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.	Listed equity, Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REITs and InvITs etc.) other securities as permitted under Regulation.
Basis of selection of such types of	The portfolio manager will follow benchmark agnostic bottom-up stock

securities as part of the investment approach	picking approach and construct high conviction portfolio of around 10 stocks with a balance across large cap, mid cap and small cap.
Allocation of portfolio across types of securities	<p>The portfolio will be a mix of small, medium and large capitalization companies. The investment manager shall make investments after undertaking detailed fundamental research on companies with a bottom-up investment framework.</p> <p>Idle cash in the portfolio would be invested in the Overnight/ Liquid/ Money Market Mutual Fund scheme at the discretion of the Portfolio Manager</p>
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>S&amp;P BSE 500 Total Return Index</p> <p>Pursuant to SEBI Master Circular dated June 07, 2024, read with APMI circular APMI/2022-23/02 dated March 23, 2023, only three benchmarks under the Strategy “Equity” have been defined, one of which is S&amp;P BSE 500. Accordingly, the Portfolio Manager has chosen S&amp;P BSE 500.</p> <p>About S&amp;P BSE 500: The S&amp;P BSE 500 is designed to be a broad representation of the Indian market. Consisting of the top 500 constituents in the S&amp;P BSE AllCap, the index covers all major industries in the Indian economy. (source: bseindia.com)</p>
Indicative tenure or investment horizon	Open ended with investment horizon of 3 year and above
Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p><b>Sector concentration risk</b> is the risk involved in investing in a particular theme, sector, subsector or related business models within the portfolio. There may be potential for a loss in value of an investment portfolio when an individual or group of exposures move together in an unfavourable direction.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss that recovery is unlikely.</p> <p>This is a highly focused concentrated portfolio therefore the risk is higher than a diversified portfolio.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Model portfolio risk:</b> Model Portfolio is a concept where the fund manager</p>

	constructs a portfolio with a certain number of scripts and allocation for each. The same is replicated in terms of scripts and allocation for all future clients.
Other salient features, if any	NA
Risks	<p>Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Investment approach unless they can afford to take the risk of losing their investment.</p> <p>Equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the portfolio may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the portfolio to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. Similarly, the inability to sell securities held in the investment approach's portfolio may result, at times, in potential losses to the Investment approach, should there be a subsequent decline in the value of securities held in the Investment approach's portfolio.</p> <p>To the extent of the investments are made into REITs and/or InvITs, the approach shall be subject to risks associated with REITs and InvITs.</p> <p><b>For further details, please refer to Section 6: "General Risk Factors".</b></p>

#### viii) InCred Focused Healthcare Equity

Particulars	Details
Name of Investment Approach	InCred Focused Healthcare Equity
Strategy as per SEBI circular dated December 16, 2022	Equity
Investment Objective	The Investment Objective is to invest in a focused portfolio of equity and equity related instruments primarily focused on the healthcare related businesses in India.
Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity, Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REITs and InvITs etc.) and other securities as permitted under Regulation.
Basis of selection of such types of securities as part of the investment approach	The Portfolio Manager will endeavour to construct a focused portfolio of 6-10 stocks in sectors including pharmaceuticals, hospitals, diagnostic, insurance, etc. Portfolio Manager will follow market cap agnostic, benchmark agnostic, bottom-up stock picking approach.
Allocation of portfolio across types of securities	<p>The portfolio will invest at least 65% in healthcare segment including pharmaceuticals, hospitals, diagnostic, insurance etc. to capture the growing demand for healthcare driven by rising incomes, increasing awareness and ability to spend more on health and increased export opportunities.</p> <p>The Portfolio manager at his sole discretion can invest upto 35% in any other sector.</p> <p>Idle cash in the portfolio would be invested in the overnight /Liquid / Money</p>

	Market Mutual Fund scheme at the discretion of the Portfolio Manager.
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>S&amp;P BSE 500 Total Return Index</p> <p>Pursuant to SEBI Master Circular dated June 07, 2024, read with APMI circular APMI/2022-23/02 dated March 23, 2023, only three benchmarks under the Strategy “Equity” have been defined, one of which is S&amp;P BSE 500. Accordingly, the Portfolio Manager has chosen S&amp;P BSE 500.</p> <p>About S&amp;P BSE 500: The S&amp;P BSE 500 is designed to be a broad representation of the Indian market. Consisting of the top 500 constituents in the S&amp;P BSE AllCap, the index covers all major industries in the Indian economy. (source: bseindia.com)</p>
Indicative tenure or investment horizon	Open ended with investment horizon of 3 year and above
Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p><b>Sector concentration risk</b> is the risk involved in investing in a particular theme, sector, subsector or related business models within the portfolio. There may be potential for a loss in value of an investment portfolio when an individual or group of exposures move together in an unfavourable direction.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss that recovery is unlikely.</p> <p>This is a highly focused concentrated portfolio therefore the risk is higher than a diversified portfolio.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Model portfolio risk:</b> Model Portfolio is a concept where the fund manager constructs a portfolio with a certain number of scripts and allocation for each. The same is replicated in terms of scripts and allocation for all future clients.</p>
Other salient features, if any	NA
Risks	The level of concentration of sectors and stocks in this Investment approach is likely to be higher than a diversified equity strategy. The risks associated with such an Investment approach, are likely to be higher than in



	<p>a diversified equity investment/fund. As the Investment approach will be invested in a limited number of stocks, the movement of the corpus may be more volatile than in the case of a diversified equity Investment approach/fund. Since the Investment approach follows a concentrated portfolio approach, in case the chosen Stock does not perform, it could adversely impact the returns of the Investment approach.</p> <p>To the extent the investments are made into REITs and/or InvITs, the approach shall be subject to risks associated with REITs and InvITs.</p> <p><b>For further details, please refer to Section 6: “General Risk Factors”.</b></p>
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#### ix) Active Momentum Strategy

Particulars	Details
Name of Investment Approach	InCred Active Momentum Portfolio
Strategy as per SEBI circular dated December 16, 2022	Equity
Investment Objective	The investment objective is to generate alpha over benchmark using momentum score based on smart beta factor-based investing principles. The strategy aims to outperform the benchmark over medium to long term based on the underlying high momentum portfolio mainly consisting of listed equities. Allocation of equities is further based on momentum style smart beta factor.
Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.	<p>Listed securities, fixed income securities or other securities as permitted under Regulation of any description, by whatever name called including but not limited to –</p> <ol style="list-style-type: none"> <li>Equity and equity related securities</li> <li>Debentures (convertible and non-convertible), bonds, secured premium notes, corporate debt (of both public and private sector undertakings), securities issued by banks (both public and private sector) and development financial institutions like certificate of deposits (CDs), coupon bearing bonds, zero coupon bonds and tax-exempt bonds of Indian companies and corporations; and</li> <li>Units of mutual funds (including exchange traded funds (ETFs)).</li> <li>Listed Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs)</li> </ol>
Basis of selection of such types of securities as part of the investment approach	The selection of stocks is based on a proprietary stock screens based on momentum style smart beta strategy. It is a strategy consisting of smart beta factor that has historically delivered higher risk-adjusted returns.
Allocation of portfolio across types of securities	<p>The Portfolio Manager uses a momentum style of investing, which could be revised based on market conditions over time.</p> <p>The Portfolio Manager based on the active momentum score would construct a portfolio consisted of listed equities through a proprietary scoring model. The strategy aims to select stocks with high price momentum every quarter. Once the basket of stocks with high momentum score is selected, the weight of each stock in the portfolio is set such that the stocks</p>

	<p>with high price volatility have lesser weight in the portfolio. As the market conditions change, there is significant change in stocks with high price momentum and this may lead to frequent rebalancing in the portfolio. It is envisaged that there could be at least one rebalancing every quarter and overall strategy turnover could exceed hundred percent of the invested capital every year. However, it is cautioned that these numbers are indicative only, and actual results may vary significantly from these 'rules of thumb' depending on the market conditions prevalent during the tenure of the investment.</p> <p>Idle cash in the portfolio would be invested in debt and fixed income securities including money market instruments and units of mutual fund schemes or ETFs (debt-oriented / income, gilt and liquid/ money market mutual fund schemes), liquid funds or arbitrage funds, REITs or InvITs at the discretion of the Portfolio Manager.</p>
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>S&amp;P BSE 500 Total Return Index</p> <p>Pursuant to SEBI Master Circular dated June 07, 2024, read with APMI circular APMI/2022-23/02 dated March 23, 2023, only three benchmarks under the Strategy "Equity" have been defined, one of which is S&amp;P BSE 500. Accordingly, the Portfolio Manager has chosen S&amp;P BSE 500.</p> <p>Further, the Clients' portfolio is to be invested in listed equities. The portfolio created could be formed from investments in companies with any market capitalization and so could include large cap and/or mid cap. The proportion of large and mid-cap could vary significantly from time to time.</p> <p>About S&amp;P BSE 500: The S&amp;P BSE 500 is designed to be a broad representation of the Indian market. Consisting of the top 500 constituents in the S&amp;P BSE AllCap, the index covers all major industries in the Indian economy. (source: bseindia.com)</p>
Indicative tenure or investment horizon	Open ended, 3 year and above
Risk associated with the investment approach	<p><b>Risk factors specific to the model:</b> While the model shall be constructed based on empirical data patterns, its predictive efficacy may be affected in instances of unforeseen events or scenarios ("black swan" events) that may not have been accounted for in the model. Assumptions made during the development of the model and the inputs utilized may vary over the course of the strategy, as the model may continuously evolve based on new experiential observations. There is no assurance that the proprietary model will yield superior returns compared to the benchmark.</p> <p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p><b>Sector concentration risk</b> is the risk involved in investing in a particular theme, sector, subsector or related business models within the portfolio.</p>

	<p>There may be potential for a loss in value of an investment portfolio when an individual or group of exposures move together in an unfavourable direction.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss that recovery is unlikely. The portfolio will be liquidated, or the institution will face bankruptcy.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Model portfolio risk:</b> Model Portfolio is a concept where the fund manager constructs a portfolio with a certain number of scripts and allocation for each. The same is replicated in terms of scripts and allocation for all future clients.</p>
Other salient features, if any	NA
Risks	<p>The level of concentration of sectors and stocks in this Investment approach is likely to be higher than a diversified equity strategy. The risks associated with such an Investment approach, are likely to be higher than in a diversified equity investment/fund. As the Investment approach will be invested in a limited number of stocks, the movement of the corpus may be more volatile than in the case of a diversified equity Investment approach/fund. Since the Investment approach follows a concentrated portfolio approach, in case the chosen Stock does not perform, it could adversely impact the returns of the Investment approach.</p> <p>To the extent the investments are made into REITs and/or InvITs, the approach shall be subject to risks associated with REITs and InvITs.</p> <p><b>For further details, please refer to Section 6: “General Risk Factors”.</b></p>

**Note:** Pursuant to the Business Transfer Agreement dated November 15, 2022 entered into between InCred Asset Management Private Limited (“Portfolio Manager”) and InCred Capital Wealth Portfolio Managers Private Limited (“InCred Capital Wealth”) the discretionary Portfolio Management Services business (“DPMS”) of the InCred Capital Wealth has been transferred to the Portfolio Manager by way of slump sale with effect from April 01, 2023.

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

The Portfolio Manager may utilize the services of the group companies and / or any other subsidiary or associate company of the sponsor, in case such a company is in a position to provide requisite services to the Portfolio Manager. The Portfolio Manager will conduct its business with the aforesaid companies on commercial terms and on arm’s length basis and at mutually agreed terms and conditions and to the extent permitted under all applicable laws after evaluation of the competitiveness of the pricing offered and the services to be provided by

them. The details of transactions with Related Parties are disclosed separately. While entering into such transactions, in accordance with obligations under the Regulations, the Client's interests shall always be paramount.

Further, the Portfolio Manager may also provide portfolio management services to its group companies and / or any other subsidiary or associate company of the sponsor, its employees, officers, director etc. In such cases, the Portfolio Manager shall ensure fair treatment to all its clients and in conduct of portfolio management services observe high standards of integrity in accordance with the Regulations.

The investments in securities of the associate / group companies would be within the overall framework of Regulations and in terms of Agreement executed with the Client.

### 5.3 Minimum Investment Amount

The Client shall deposit with the Portfolio Manager, an initial corpus consisting of Securities and /or funds of an amount prescribed by Portfolio Manager for a Portfolio, subject to minimum amount as specified under SEBI Regulations, as amended from time to time. Currently the minimum investment amount is Rs. 50 Lacs. The Client may on one or more occasion(s) or on a continual basis, make further placement of Securities and / or funds under the service.

### 5.4 Direct on-boarding of clients

The Portfolio Manager provides the facility to the Client for Direct on-boarding with us without any involvement of a broker/distributor/agent engaged in distribution services. The Client can sign up for our services by writing to us at [sales@incredamc.com](mailto:sales@incredamc.com) or [care@incredamc.com](mailto:care@incredamc.com)

Further, under this facility the Portfolio Manager may levy statutory charges to the client. Accordingly, the Portfolio Manager will not charge any Distribution related fees to the Client.

## 6. General Risk Factors

The investments made in securities are subject to market risk and there is no assurance or guarantee that the objectives of investments will be achieved.

The below risks factors are non-exhaustive and are intended to highlight certain risks associated with investing in Securities.

**Following are the risk factors as perceived by the management and as may be applicable, depending on the Product for which Portfolio Manager's services are utilised:**

- The securities invested into would be exposed to price changes on a day-to-day basis. These price changes may occur due to instrument-specific factors as well as general macroeconomic conditions. Markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market or economic developments. The securities may be subject to price volatility due to factors such as interest sensitivity, market perception, and creditworthiness of issuer and market liquidity. Different parts of the market can react differently to these developments. The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.
- As with any investment in securities, the Net Asset Value of the portfolio can go up or down depending upon the factors and forces affecting the capital markets.

- The performance of the portfolio may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems in equity and debt markets.
- The past performance of the Portfolio Manager does not indicate its future performance. There is no assurance that past performances will be repeated. Investors are not being offered any guaranteed or indicative returns by the Portfolio Manager. Investment decisions or recommendations made by the Portfolio Manager may not always be profitable.
- The performance of the Assets of the Client may be adversely affected by the performance of individual securities, changes in the marketplace and industry specific and macro-economic factors. The Investment Approach are given different names for convenience purpose and the names of the Investment Approach do not in any manner indicate their prospects or returns.
- Investments in the Products/Services which the Clients have opted are subject to wide range of risks which inter alia also include but not limited to economic slowdown, volatility & illiquidity of the stocks, poor corporate performance, economic policies, changes of Government and its policies, acts of God, acts of war, civil disturbance, sovereign action and /or such other acts/ circumstance beyond the control of the Portfolio Manager.
- Investments in debt instruments and other fixed income securities are subject to default risk, liquidity risk and interest rate risk. Interest rate risk results from changes in demand and supply for money and other macroeconomic factors and creates price changes in the value of the debt instruments. Consequently, the Net Asset Value of the portfolio may be subject to fluctuation.
- Investments in debt instruments are subject to reinvestment risks as interest rates prevailing on interest amount or maturity due dates may differ from the original coupon of the bond, which might result in the proceeds being invested at a lower rate.
- The Portfolio Manager may invest in non-publicly offered debt securities and unlisted equities. This may expose the Client's portfolio to liquidity risks.
- To the extent of the investments made by the scheme in mutual funds units, the risks associated with investing in such funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal; etc. will exist. Further, the Client also bear the recurring expenses of Portfolio Manager in addition to the expenses of the underlying mutual fund schemes. Hence, the Client may receive lower pre-tax returns compared to what the Client may have received had he/she invested directly into underlying securities of the mutual fund schemes.
- Engaging in securities lending is subject to risks related to fluctuations in collateral value/settlement/liquidity/counter party.
- The Portfolio Manager may use derivatives instruments like index futures, stock futures and options contracts, warrants, convertible securities, swap agreements or any other derivative instruments for the purpose of hedging and portfolio balancing, as permitted under the Regulations and guidelines. Usage of derivatives will expose the Portfolio to certain risks inherent to such derivatives. As and when the Portfolio Manager deals in the derivatives market on behalf of the Client, there are risk factors and issues concerning the use of derivatives that investors should understand.
- Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but 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 the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value.

- **Risk factor specifically while using Options:** The Portfolio Manager might buy options to enhance yield. In buying options the profit potential is unlimited, whereas the maximum risk is the premium paid to buy the options. The Portfolio Manager may use Derivatives instruments like equity futures & options, or other Derivative instruments as permitted under the Regulations and guidelines. Usage of Derivatives will expose the strategies to liquidity risk, open position risk, and opportunities risk etc. Such risks include the risk of mispricing or improper valuation and the inability of Derivatives to correlate perfectly with underlying assets, rates and indices. In case of the Derivative strategies, it may not be possible to square off the cash position against the corresponding Derivative position at the exact closing price available in the Value Weighted Average Period.
- **Risk Associated with Securitized Debt:** Securitized debt may suffer credit losses in the event of the delinquencies and credit losses in the underlying pool exceeding the credit enhancement provided. As compared to the normal corporate or sovereign debt, securitized debt is normally exposed to a higher level of reinvestment risk.
- There are inherent risks arising out of investment approach, investment objectives, asset allocation and non-diversification of portfolio.
- The Net Asset Value may be affected by changes in settlement periods and transfer procedures.
- The Portfolio Manager may, considering the overall level of risk of the portfolio, invest in lower rated/unrated securities offering higher yield. This may increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.
- **Operational Risk:** There may be risks related to the exposure to loss due to human error or fraud, or from a system of internal controls that fails to adequately monitor and account for transactions or positions. There may also be risks related to hardware and software failure, human error, spam, viruses and malicious attacks, as well as natural disasters such as fires, cyclones or floods and other force majeure events.
- The Portfolio Manager manages allocations in all client portfolios in line with investment objectives of the investment approach and these products/investment approaches and mandates run simultaneously. As such there may be a risk that investment opportunities in toto may not be offered to the investors in particular investment approach or mandate. To that extent, potential returns from the opportunity may be curtailed. The Portfolio Manager may run the same approach in different formats for different clients and to that extent available investment opportunities might be shared with such other clients, unless there are specific exclusion instructions by individual clients.
- After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be a delay in deployment. In such a situation the Client may suffer an opportunity loss and the Portfolio Manager shall not be held liable for the same.
- When stocks are bought or sold on behalf of clients, it is the endeavour of the portfolio manager to execute for all clients uniformly as a common pool to get best price and efficiency. Despite this, the trade orders for all eligible clients may not be executed in entirety at single instance due to consideration of liquidity, impact costs, corporate actions etc. and hence the order may be executed over time at different prices across multiple brokers. The average price realised may vary on account of trades being executed at different points of time with multiple brokers. Trades which are not done with the pool will not have the weighted average price of the pool same is applicable in case of the NRI Client, since NRI client's trades are separated as per Regulation.
- **Risks factors associated with investments in equities**
  - Investments in equity and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made may be restricted by trading volumes and settlement periods. The value of the investments may be affected by interest rates, currency exchange rates, changes in law/policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual securities, a specific sector or all sectors.
  - Investments in equity and equity related securities involve a degree of risk and investors should not invest unless they can afford to take the risk of losing their investment.

- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The Portfolio Manager may choose to invest in unlisted securities that offer attractive yields. This may however expose the Client's portfolio to liquidity risk. Such investments shall be subject to the scope of investments as laid down in the Agreement.
- **Risks factors associated with investments in Fixed Income Instruments**
  - Interest-Rate Risk: Fixed income instruments such as government bonds, corporate bonds, money market instruments and derivatives run price-risk or interest-rate risk. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.
  - Re-investment Risk: Investments in fixed income instruments carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.
  - Basis Risk: The underlying benchmark of a floating rate security or a swap might become less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value of the portfolio.
  - Spread Risk: In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.
  - Liquidity Risk: The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.
  - Credit Risk: This is the risk associated with the issuer of a debenture/bond or a money market instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer.
  - Liquidity Risk on account of unlisted securities: The liquidity and valuation of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.
  - Settlement Risk: Fixed income instruments run the risk of settlement which can adversely affect the ability of the portfolio manager to swiftly execute trading strategies which can lead to adverse movements in the portfolio.
  - Different types of fixed income securities in which the Portfolio Manager would invest carry different levels and types of risk. Accordingly, the risk may increase or decrease depending upon the investment pattern. e.g., corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, AAA rated bonds are comparatively less risky than AA rated bonds.
- **Risk factors associated with investments into REITs and InvITs:**
  - Price Risk: Securities/Instruments of REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. The extent of fall or rise in the prices is a fluctuation in general market conditions, factors and forces affecting capital market, Real Estate and Infrastructure sectors, level of interest rates, trading volumes, settlement periods and transfer procedures.
  - Interest Rate Risk: Securities/Instruments of REITs and InvITs run interest rate risk. Generally, when interest rates rise, prices of units fall and when interest rates drop, such prices increase.
  - Credit Risk: Credit risk means that the issuer of a REIT/InvIT security/ instrument may default on interest payment or even on paying back the principal amount on maturity. Securities/ Instruments of REITs and InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be prescheduled.



- **Liquidity Risk:** This refers to the ease with which securities/instruments of REITs/InvITs can be sold. There is no assurance that an active secondary market will develop or be maintained. Hence there would be time when trading in the units could be infrequent. The subsequent valuation of illiquid units may reflect a discount from the market price of comparable securities/instruments for which a liquid market exists. As these products are new to the market they are likely to be exposed to liquidity risk.
- **Reinvestment Risk:** Investments in securities/instruments of REITs and InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or Dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
- **Legal and Regulatory Risk:** The regulatory framework governing investments in securities/instruments of REITs and InvITs comprises a relatively new set of regulations and is therefore untested, interpretation and enforcement by regulators and courts involves uncertainties. Presently, it is difficult to forecast as to how any new laws, regulations or standards or future amendments will affect the issuers of REITs/InvITs and the sector as a whole. Furthermore, no assurance can be given that the regulatory system will not change in a way that will impair the ability of the Issuers to comply with the regulations, conduct the business, compete effectively or make distributions.

- **Conflict of Interest**

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, in accordance with the Conflict-of-Interest Policy of the Portfolio Manager. The personal securities transaction of employees of the Portfolio Manager are governed by the Internal Code of Dealing in Securities which incorporates requirements specified under SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. Employees who are directly involved in investment operations of portfolio management services provided by Portfolio Manager are prohibited from dealing in securities that are held by any PMS Approach (other than securities forming part of the index of ETFs) and also required to obtain approval from Compliance officer for trade in securities. The approval for trades is given for trades in securities which satisfies conditions specified in the Policy to address instances of conflict of interest. There are no transactions in purchase and sale of securities by specified employees and Portfolio Manager which requires disclosures. In exceptional cases the disclosure as required by the regulations shall be made and in case of any conflict of interest, Portfolio Manager shall ensure fair treatment to all clients while providing unbiased services and render high standards of services and shall also ensure to put the client's interest above all.

**Portfolio Manager may undertake the following from time to time:**

- The Portfolio Manager and its group companies may provide various services interalia including acting as a portfolio manager, investment advisor, investment manager to pooled vehicles for various clients, funds, and/or in another capacity on behalf of or for third parties that invest or may invest for their own account and may engage in, advise or possess an interest in other business ventures.
- The Portfolio Manager may give advice or take an action (purchase or sale) with a different timing or nature from action taken on behalf of any other client, any security which forms part of the scheme of AIF managed by the Company.
- The trading / advising of portfolio strategies of various Investor accounts could conflict with the transactions and strategies employed in managing and advising an Investor and may affect the prices and availability of the securities, currencies and instruments in which the Investor may invest. Such transactions, particularly in respect of trades of investor accounts, will be advised / executed independently of another investor's transactions and thus prices and rates may be more or less favourable.



- In normal course of business, the Portfolio Manager may manage portfolios of its employees and/or relatives of such employees, its affiliates or group entities, and in such cases the Portfolio Manager shall ensure that the transactions are at arm's length and are not prejudicial to the interests of the Clients.

**NOTE:**

- ❖ Investment under Portfolio Management Services will be only as per the SEBI Regulations on PMS.
- ❖ The un-invested amounts forming part of the Client's Assets may be at the discretion of the Portfolio Manager be held in cash or deployed in Liquid fund schemes, Exchange Traded Index Funds, short term debt-oriented schemes of Mutual funds, Gilt schemes, Bank deposits and other short-term avenues for Investment.
- ❖ Portfolio Manager, will, before investing in the securities of its associate / group companies, evaluate such investments, the criteria for the evaluation being the same as is applied to other similar investments to be made under the Client's Portfolio. The investments in securities of the associate / group companies would be within the overall framework of Regulations and in terms of PMS Agreement executed with the Client.
- ❖ The Portfolio Manager and its group companies/associates are engaged in a broad spectrum of activities in the financial services sector. The Portfolio Manager may utilize the services of its group companies or associates may utilize services of its Associates/ Group Companies for activities like Depository Participant, broking, distribution etc. relating to Portfolio Management Services. Such utilisation will be purely on arm's length & purely on commercial basis and at a mutually agreed terms and conditions to the extent and limits permitted under the Regulations.
- ❖ Apart from Discretionary Portfolio Management Services, the Portfolio Manager also offers Non- Discretionary Portfolio Management Services wherein the choice as well as the timings of the investment decisions rest solely with the Client. The Portfolio Manager manages the Assets of the Client in accordance with the directions given by the Client. Further the Portfolio Manager also offers Advisory Portfolio Management Services wherein the Portfolio Manager only renders investment advice to the Client in respect of securities. Under Advisory services, discretion to execute the transactions and responsibility for execution /settlement of the transactions lies solely with the Client.

## 7. Client Representation

### i. Details of client accounts activated:

	Category of clients	Total no. of Clients	Funds Managed (Rs. Cr)	Discretionary/Non-Discretionary
1.	Associate/Group Companies (Last 3 Years)			
	2021-22	NA	NA	Discretionary
		NA	NA	Non-Discretionary
	2022-23	1	4.1	Discretionary
		NA	NA	Non-Discretionary
	2023-24	1	6.13	Discretionary
		NA	NA	Non-Discretionary
	2024-25 (as on December 31, 2024)	1	9.96	Discretionary
		NA	NA	Non- Discretionary
2.	Others (Last 3 years)			
	2021-22	268	351.41	Discretionary
		2	12.35	Non-Discretionary
	2022-23	275	302.71	Discretionary
		13	160.68	Non-Discretionary

	2023-24	363	568.77	Discretionary
		7	29.04	Non-Discretionary
	2024-25 (as on December 31, 2024)	465	1014.77	Discretionary
		7	89.23	Non-Discretionary

Pursuant to the Business Transfer Agreement dated November 15, 2022 entered into between InCred Asset Management Private Limited ("Portfolio Manager") and InCred Capital Wealth Portfolio Managers Private Limited ("InCred Capital Wealth") the discretionary Portfolio Management Services business ("DPMS") of the InCred Capital Wealth has been transferred to the Portfolio Manager by way of slump sale with effect from April 01, 2023.

"Funds Managed" indicates market value of Assets under Management.

The above figures are given in compliance with amendment to the SEBI (Portfolio Managers) Regulations, 2020.

## ii. Transactions with related parties are as under:

- a. The portfolios of some related parties are managed by the Portfolio Manager. Following are details of funds of related parties managed as on December 31, 2024:

Related Party	Investment Approach	Account Activation Date	Capital invested as on December 31, 2024 (in Rs.)	AUM as on December 31, 2024 (in Rs.)
InCred Capital Financial Services Private Limited	InCred Multicap Portfolio	12-10-2022	1,99,66,690.50	5,18,16,244.39
InCred Capital Financial Services Private Limited	InCred Focused Healthcare Equity	20-07-2023	2,13,91,754.58	4,78,27,080.72
Relative of Fund Manager	InCred Focused Healthcare Equity	13-09-2023	4,60,62,773.25	6,12,81,319.99

- b. The details of the Related Party and the Transactions with related parties for the year ended March 31, 2024, and March 31, 2023 are as mentioned in **Annexure I**.

## 8. The Financial Performance of Portfolio Manager

Financial highlights of InCred Asset Management Private Limited (based on audited financial statements) for the last 3 years are given as under:

Particulars	2023-24 (INR in Lakhs)	2022-23 (INR in Lakhs)	2021-22 (INR in Lakhs)
Profit/(Loss) before Depreciation & Tax	(223.09)	(2090.36)	(1389.60)
Depreciation	12.27	10.01	(3.86)
Profit/(Loss) before Tax	(235.36)	(2100.37)	(1393.46)
Tax Provision/MAT	9.93	-	-
Deferred Tax Provision for the year	(6.11)	(521.91)	345.63
Tax Expenses for previous years	-	-	-
Profit/(Loss) for the year after Tax	(239.18)	(1578.46)	(1,047.83)
Other Comprehensive Income	(1.21)	0.39	0.58
Total comprehensive income for the year	(1.21)	0.39	(1,047.25)
Appropriation for earlier years	-	-	-
Profit/(Loss) transferred to Balance Sheet	(240.39)	(1578.07)	(1,047.25)

The Net-worth of the Portfolio Manager in terms of Regulation 9 of the SEBI (Portfolio Managers) Regulations, 2020 as per the latest audited financial statements (2023-24) is INR 534.70 lacs.

## 9. Performance of the Portfolio Manager

Portfolio Management Performance of the Portfolio Manager for the last 3 years and in case of discretionary Portfolio Manager disclosure of performance indicators calculated using Time Weighted Average (TWRR) method in terms of Regulation 22 of the Regulations.

INVESTMENT APPROACH WISE RETURNS IN (%)										
Sr. no.	Investment Approach Name	Benchmark	FY 2024-25 (as on December 31, 2024)		FY 2023-24		FY 2022-23		FY 2021-22	
			Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark
1	InCred Healthcare Portfolio	S&P BSE 500 Total Return Index	46.23%	10.83%	50.18%	40.16%	-5.01%	-0.91%	7.15%	22.26%
2	InCred Liquid Portfolio	CRISIL Liquid Fund Index	5.14%	6.13%	7.07%	8.26%	5.59%	3.80%	3.36%	4.48%
3	InCred Multicap Portfolio	S&P BSE 500 Total Return Index	42.55%	10.83%	45.64%	40.16%	0.09%	-0.91%	7.69%	22.26%
4	InCred Small and Midcap Portfolio	S&P BSE 500 Total Return Index	45.37%	10.83%	36.32%	40.16%	9.85%	-0.91%	-7.34	16.48
5	InCred Small and Midcap Portfolio-NDPMS	S&P BSE 500 Total Return Index	39.54%	10.83%	53.37%	40.16%	12.15%	-0.91%	-10.68	12.30
6	InCred Select Opportunities Portfolio	S&P BSE 500 Total Return Index	34.01%	10.83%	41.47%	40.16%	4.50%	-0.91%	1.96	5.52
7	InCred Select Opportunities Portfolio - NDPMS	S&P BSE 500 Total Return	61.66%	10.83%	39.31	30.94	NA	NA	NA	NA

		Index								
8	InCred Focused Healthcare Equity	S&P BSE 500 Total Return Index	57.97%	10.83%	34.50	20.53	NA	NA	NA	NA
9	InCred STARS (Smart TActical Rotation Strategy) <sup>4</sup>	S&P BSE 500 Total Return Index	NA	NA	NA	NA	NA	NA	NA	NA
10	InCred Focused Equity <sup>4</sup>	S&P BSE 500 Total Return Index	NA	NA	NA	NA	NA	NA	NA	NA
11	InCred Active Momentum Portfolio <sup>4</sup>	S&P BSE 500 Total Return Index	NA	NA	NA	NA	NA	NA	NA	NA

**Note:**

1. Category wise return in each portfolio shall be calculated based on simple average of all such client returns which in turn has been calculated using weighted average return method after adjusting for inflows and outflows during the period.
2. Returns shall be calculated after charging fees and expenses (but before taxes).
3. As per Regulations 22(4)(e) of SEBI PMS Regulations 2020, performance shall be calculated using Time Weighted Rate of Return (TWRR).
4. As on date of this Disclosure Document, InCred STARS and InCred Focused Equity and InCred Active Momentum Portfolio have no clients under the said investment approaches. Therefore, performance and returns are not available for the above investment approach.
5. Pursuant to the Business Transfer Agreement dated November 15, 2022 entered into between InCred Asset Management Private Limited ("Portfolio Manager") and InCred Capital Wealth Portfolio Managers Private Limited ("InCred Capital Wealth") the discretionary Portfolio Management Services business ("DPMS") of the InCred Capital Wealth has been transferred to the Portfolio Manager by way of slump sale with effect from April 01, 2023.

## 10. Audit Observations

InCred Asset Management Private Limited was incorporated on March 01, 2019, post which statutory audit was conducted on annual basis. However, there are no audit observations from the Statutory Auditor for its PMS business. In case of any material observation identified by the Statutory Auditor same would be brought to the notice of Board of the Portfolio Manager and SEBI along with action taken report.

## 11. Nature of expenses

The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Agreement and the agreements in respect of each of the services availed at the time of execution of such agreements. All Clients are required to separately sign the annexure on fees and charges and add in their own handwriting or write/ type electronically (in case of digital onboarding) that they have understood the fees/ charges structure.

The following are indicative types of costs and expenses for the clients availing the Portfolio Management Services:

### i. Investment Management & Advisory Fees:

Investment Management and Advisory fees charged may be a fixed fee or a return-based fee or a combination of both as detailed in the Schedule to the Portfolio Management Services agreement. The Fees may be charged as agreed between the Client and the Portfolio Manager. The detailed fee schedule is available as a part of Agreement and depends on the nature of product.

### ii. Depository Charges:

These charges relate to opening and maintenance of Depository Accounts and/or custody fee and charges (wherever required) paid to the Custodians and/or Depository Participants, dematerialization of scrips, Securities lending & borrowing & their transfer charges in connection with the operation and management of the Client's Portfolio account.

### iii. Custodian Fees:

As may be applicable from time to time charged to the Client on actual basis.

### iv. Fund Accounting Fee:

As may be applicable from time to time charged to the Client on actual basis.

### v. Registrar & Transfer Agent Fees:

Fee payable to Registrar and Transfer Agent for effecting transfer of Securities and may include stamp duty costs, courier, post and notary charges. As applicable on actual basis.

### vi. Brokerage & Transaction Charges:

The investments under Portfolio Management would be done through registered members of the Stock Exchange(s) who charge brokerage up to a maximum of 2.5% of contract value. In addition to the brokerage, transaction charges like, turnover charges, stamp duty, turnover tax, Securities transaction tax or any other tax levied by statutory authority (ies), foreign transaction charges (if any) and other charges on the purchase and sale of shares, stocks, bonds, debt, deposits, other financial instruments may also be levied by the broker. Entry or exit loads (if any) on units of Mutual Funds invested by the Portfolio Manager will also be charged from Clients.

### vii. Goods and Service Tax:

As applicable from time to time, charged over and above all fees and charges billed to the Client.

#### viii. Entry Load /Exit Load

Portfolio Manager will not charge any fees to Clients at the time of onboarding except for specific charges applicable for execution of the Agreement and related documents for account opening.

Portfolio Manager shall charge exit load to the Client in the following manner:

In the 1st year of investment: Maximum 3% of the amount redeemed

In the 2nd year of investment maximum 2 % of the amount redeemed

In the 3rd year of Investment: Maximum 1% of the amount redeemed

After period of 3 years from the date of investment: Nil

#### ix. Certification and professional charges, including legal costs:

Actual Charges payable for outsourced professional services like accounting, auditing, taxation and legal services (including instituting or defending legal suits) etc. for documentation, notarisations, certifications, attestations required by bankers or regulatory authorities including legal fees etc.

#### x. Incidental expenses:

Charges in connection with day-to-day operations like courier expenses, stamp duty, postal, telegraphic, opening and operation of bank account, distribution charges or any other out of pocket expenses as may be incurred by the Portfolio Manager.

Investors may note that, the fees/ expenses that may be charged to Clients mentioned below are indicative only. The same will vary depending upon the exact nature of the services to be provided to investors.

	Nature of Expense (indicative)	Maximum Indicative Rate of Fees (%)	
1.	Investment Management and Advisory Fees **		
	a) Fixed Fee	Upto 5% per annum	
	b) Performance linked fees as permitted under the regulations	The fees will be a percentage of the returns generated for the Portfolio as may be agreed by the client in the PMS Agreement	
	c) Exit Loads	Portfolio Manager may charge exit load to the Client in the following manner	
		Year of exit	Exit Load %
		In the first year of investment	Maximum of 3% of the redemption amount
		In the second year of investment	Maximum of 2% of the redemption amount
		In the third year of investment	Maximum of 1% of the redemption amount
		After the period of 3 years from the date of investment	Nil

2.	Fund Accounting and Custody and Other Charges **#	Upto 0.50% per annum
3.	Brokerage & transaction charges (incl. STT)	On actuals
** Basis of charge – Indicative (anyone or combination of the below)		
1. On Average Daily Assets under Management		
2. On Capital Invested		
3. On capital committed		
# Includes audit fees, franking, notary charges, miscellaneous expenses		

**Note:**

- Average daily portfolio value means the value of the portfolio of each client determined in accordance with the relevant provisions of the agreement executed with the client and includes both realized and unrealized gains/losses.
- Performance linked fee can be charged at intervals as agreed between the Client and the Portfolio Manager.
- The Portfolio Manager may also be entitled to recover transaction fee, brokerage charges, demat fees, and/or disbursement made in respect of the investments (and/or disbursements) and/or any incidentals in the form of stamp duties, registration charges, professional fees, legal fees, consultancy charges, service charges etc. and such other expenses, duties, charges incurred on behalf of the Client on account of the Service provided to him/her/it.
- Operating expenses excluding brokerage, over and above the fees charged for Portfolio Management Service, shall not exceed 0.50% per annum of the client's average daily Assets under Management.
- Charges for all transactions in a financial year (Broking, Demat, custody etc.) through self or associates shall be capped at 20% by value per associate (including self) per service. Any charges to self/associate shall not be at rates more than that paid to the non- associates providing the same service.

## 12. Taxation

The following information is based on the Income Tax Act, 1961 ('The Act') as amended by the Finance (No. 2) Act, 2024. The information set forth below is based on the Portfolio Manager's understanding of the Tax Laws as of this date of Disclosure Document. The client should seek advice from his/her/its own professional advisor if he/she/it is in any doubt regarding the taxation consequences of investing in the Products offered under Portfolio Management Services.

According to Section 115BAC of the ITA, Individuals and Hindu Undivided Family (HUFs) will have an option to pay tax on its total income at the reduced tax rates, without claiming certain deductions/exemptions as specified] which is now the default tax option (Default Regime). However, the taxpayer will have an option to opt out of the default regime and pay tax under old regime.

The following Income Tax slab rates are notified in new tax regime vs old tax regime:

### Under new tax regime

Income Tax Slab	Tax rates
₹ 0 – ₹ 3,00,000	Nil
₹ 3,00,001 – ₹ 7,00,000	5% (Tax rebate available up to income of INR 700,000)

₹ 7,00,001 – ₹ 10,00,000	₹ 20,000 + 10% of total income exceeding ₹ 7,00,000
₹ 10,00,001 – ₹ 12,00,000	₹ 50,000 + 15% of total income exceeding ₹ 10,00,000
₹ 12,00,001 – ₹ 15,00,000	₹ 80,000 + 20% of total income exceeding ₹ 12,00,000
Above ₹ 15,00,000	₹ 1,40,000 + 30% of total income exceeding ₹ 15,00,000

#### Under old tax regime

Income Tax Slab	Tax rates
₹ 0 – ₹ 2,50,000	Nil
₹ 2,50,001 – ₹ 5,00,000	5% (Tax rebate of INR 12,500 available)
₹ 5,00,001 – ₹ 10,00,000	₹ 12,500 + 20% of total income exceeding ₹ 5,00,000
Above ₹ 10,00,000	₹ 112,500 + 30% of total income exceeding ₹ 10,00,000

Income Tax Slab	Tax Rate for Individuals of the age of 60 and above but less than the age of 80 Years*	Tax Rates for Super Senior Citizens of the age of 80 Years and above*
Up to Rs. 3,00,000	Nil	Nil
Rs. 3,00,001 to Rs. 5,00,000	5%	Nil
Rs. 5,00,001 to Rs. 10,00,000	20%	20%
Above Rs. 10,00,000	30%	30%

\* Surcharge (at applicable rates) and health and education cess at the rate of 4% shall apply separately.

Individuals and HUF under new tax regime will not be allowed certain deductions and exemptions as mentioned in section 115BAC of the Act which among others includes the following:

- 1.) Profession tax
- 2.) House Rent Allowance
- 3.) Housing Loan Interest
- 4.) Leave Travel Allowance
- 5.) Deductions under Chapter VIA of the Act such as section 80C (life insurance premium), section 80CCC (pension premium), 80D (health insurance premium), 80TTA (bank interest), 80G (Donations) etc, except 80CCD (2) (contribution to pension scheme of central government) and section 80JJAA (employment linked deduction).

#### **Note 2 – Alternate Minimum Tax**

Per the Act, if the income-tax payable on total income by any person other than a company is less than the alternate minimum tax, the adjusted total income is deemed to be the total income of that person and he is liable to pay income-tax on such total income at the rate of 15%. Such provisions are not applicable if the adjusted total income does not exceed INR 20 lakhs.

Further, the above provisions are not applicable in case of a person who exercises the option referred to in section 115BAC or section 115BAD of the ITA.

- Income Tax Rates for Domestic Companies/foreign companies for FY 2024-25

Turnover Particulars	Tax rates as per Old regime*	Tax rates as per New regime*
Total turnover or Gross receipts up to 400	25%	22%



Cr. in the FY 2022-23		(Opting to pay tax as per section 115BAA of the Act)
Domestic companies other than above (except for new manufacturing companies)	<b>30%</b>	<b>22%</b> (Opting to pay tax as per section 115BAA of the Act)
Minimum Alternate Tax (MAT) rate	15% (In case the Company does not opt for the new tax regime, MAT rate of 15% would apply where the tax computed at the rate of 15% of book profits is higher than tax computed as per the normal provisions of the Act)	<b>NA</b> (In case the Company opts for new tax regime, MAT will not apply)
Foreign company	<u>Tax rate for foreign companies on the business income and income under the head 'Income from other sources' is 35%</u>	

\* Surcharge (at applicable rates) and health and education cess at the rate of 4% to apply on the income tax rates mentioned.

- Surcharge rates for various assessees and applicable cess have been captured in the table below: :-

Assesses	Rate of surcharge & Cess applicable
Individuals (including NRIs /PIOs), HUFs, Non-Corporate FPIs	<ul style="list-style-type: none"> <li>Surcharge of 10% on income tax if total income is above Rs. 50 lakhs but below Rs. 1 crore.</li> <li>For total income above Rs. 1 crore surcharge shall be 15 % on income tax (on income above 1 crore).</li> <li>For total income (other than specified income)<sup>1</sup> above Rs. 2 crore – 25% surcharge</li> <li>For total income (other than specified income) above Rs. 5 crore surcharge – 25% (under new tax regime)/ 37% (under old tax regime)</li> </ul> <p>Health &amp; Education cess of 4% is payable on the total amount of income tax including surcharge.</p>
Companies where the taxable income more than Rs. 1 crore and upto Rs. 10 crores	<ul style="list-style-type: none"> <li>Domestic company: Surcharge of 7% on income tax and Health &amp; Education cess of 4% is payable on the total amount of income tax including surcharge.</li> <li>Foreign company: Surcharge of 2% and Health &amp; Education cess of 4% is payable on the total amount of income tax including surcharge.</li> </ul>
Companies where the taxable income is more than Rs. 10 Crore	<ul style="list-style-type: none"> <li>Domestic company: Surcharge of 12% on income tax and Health &amp; Education cess of 4% is payable on the total amount of tax including surcharge</li> <li>Foreign company: Surcharge of 5% and Health &amp; Education cess of 4% is payable on the total amount of tax including surcharge</li> </ul>
Surcharge under special tax regime under section 115BAA of the Act	<ul style="list-style-type: none"> <li>Fixed surcharge rate of 10% on income tax is payable. Health &amp; Education cess of 4% is payable on the total amount of tax including surcharge</li> </ul>
Surcharge on specified income	<ul style="list-style-type: none"> <li>Surcharge on specified income such as dividend income, short term capital gains under section 111A of the Act and long-term capital gains under section 112 and section 112A of the Act (i.e., on listed equity shares, equity oriented mutual funds, units of REIT/InvIT ('Business Trust') on which STT is paid) shall be restricted to 15%</li> <li>Health &amp; Education cess of 4% is payable on the total amount of tax including surcharge</li> </ul>

<sup>1</sup> Surcharge rate shall be restricted to 15% on 'specified income' which includes dividend income, income chargeable under section 111A, 112 and 112A of the Income-tax Act, 1961.

- Taxability on Dividend received from Domestic Company or Mutual Fund (Equity Oriented or Debt Mutual Funds): –

The Dividend received on the shares and units of above Mutual Funds held in the Products offered under the Portfolio Management Services are subject to tax in the hands of investor. At the applicable slab rates as mentioned above (plus applicable surcharge and health and education cess). The Indian company declaring dividend would be required to deduct tax at 10% (in case of payment to resident investors) where the dividend paid/ payable exceeds INR 5,000.

Further, for non-residents, as per Section 90(2) of the Act, the provisions of the Act would apply to the extent they are more beneficial than the provisions of the Double Taxation Avoidance Agreement ('DTAA') between India and the country of residence of the non-resident subject to the availability of DTAA benefits to the non-resident. However, no assurance can be provided that the Tax Treaty benefits would be available to the non-resident investor or the terms of the DTAA would not be subject to amendment or a different interpretation in the future. The Indian company declaring dividend would be required to deduct tax at rates in force (in case of payment to non-resident investors).

- Taxability on Capital Gains: –

Period of Holding:

Capital assets are classified as long-term assets ('LTCA') or short-term assets ('STCA') or deemed short-term assets ('deemed 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 asset	STCA	LTCA
For all securities listed* on a recognised stock exchange in India, which <i>inter-alia</i> includes (equity shares, preference shares, debentures, units of a business trust, etc.); or a unit of the Unit Trust of India; or a unit of an equity oriented mutual fund or zero-coupon bonds	Held for not more than 12 months	Held for more than 12 months
Market Linked Debentures or unit of a Specified Mutual Fund <sup>2</sup> acquired on or after 1 April 2023; or unlisted bond or unlisted debenture which is transferred/ redeemed on or after 23 July 2024	Short Term Capital Asset (irrespective of the period of holding)	NA
For assets other than those specified above (which <i>inter-alia</i> includes unlisted equity shares, unlisted preference shares, immovable property, etc.)	Held for not more than 36 months	Held for more than 36 months

*\*In case of unlisted equity shares tendered as part of Offer for Sale ('OFS') which shall be subjected to STT shall qualify as long-term capital asset if same are held for a period of more than 24 months.*

<sup>2</sup> Specified Mutual Fund means a Mutual Fund, where not more than thirty-five per cent of its total proceeds is invested in the equity shares of domestic companies. The said definition has now been amended with effect from AY 2026-27 to mean:

- Mutual Fund which invests atleast 65% In debt and money market instruments
- Fund of Funds which invests in the above

### (a) Long Term Capital Gains

The tax on Long Term Capital Gains earned before July 23, 2024 is captured below:

#### Resident Individuals, HUF, Partnership firm and Indian company:

- Long term capital gains on listed equity shares (on which STT is paid at the time of acquisition and transfer), equity shares to be listed equity shares sold through offer for sale and units of equity oriented mutual funds (on which STT is paid at the time of transfer) – 10% (plus applicable surcharge and cess) if Capital gain is more than Rs.1 Lakh. Computation of the gains shall be subject to grandfathering (refer Note below).
- Long term capital gains in respect of other listed securities (other than units of mutual funds, listed bonds and listed debentures) on which STT has not been paid or Zero-coupon bonds – Lower of 20% (plus surcharge and education cess) computed after cost indexation, or 10% (plus surcharge and education cess) of the gains computed without cost indexation.
- Long term capital gains on unlisted securities (other than bonds/debentures but including units of other than equity oriented mutual funds) – 20% (plus surcharge and education cess) of the capital gains computed after cost indexation.

#### Non – resident Individuals and Foreign company:

- Long term capital gains on listed equity shares (on which STT is paid at the time of acquisition and transfer) equity shares to be listed equity shares sold through offer for sale and units of equity oriented mutual funds (on which STT is paid at the time of transfer) – 10% (plus applicable surcharge and cess) if Capital gain is more than Rs.1 Lakh Computation of the gains shall be subject to grandfathering (refer Note below).
- Long term capital gains in respect of other listed securities (other than units of mutual funds, listed bonds and listed debentures) on which STT has not been paid or Zero-coupon bonds – 10% (plus applicable surcharge and cess) of the gains computed without cost indexation. However, Indian tax authorities may seek to apply a higher rate of 20% (plus applicable surcharge and cess) on long-term capital gains arising on sale of listed securities (where STT is not paid).
- Long term capital gains on unlisted shares and securities – 10% (plus surcharge and education cess) of the gains computed without cost indexation.

**The tax on Long Term Capital Gains earned by resident as well as non-resident investors on or after 23 July 2024 is captured below:**

- Long term capital gains on listed equity shares (on which STT is paid at the time of acquisition and transfer plus other specified cases as mentioned by CBDT), equity shares to be listed, equity shares sold through offer for sale, units of Business Trust and units of equity oriented mutual funds (on which STT is paid at the time of transfer) – 12.5% (plus applicable surcharge and cess) if capital gain is more than Rs.1.25 Lakh. Computation of the gains shall be subject to grandfathering (refer Note below).
- Long term capital gains in respect of any other securities (other than above) – 12.5% (plus surcharge and education cess) of the gains.
- In a case where unlisted shares are held on Jan 31, 2018 and sold in offer for sale, it has been clarified (with retrospective effect) that cost shall be computed by indexing the original cost until Jan 31, 2018.

*Note : The 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 has been withdrawn w.e.f. 1 April 2018. The LTCG above INR 1.25 lakh on following transfers shall be taxable at 12.5% (plus surcharge and cess):*

- *listed equity shares (STT paid on acquisition and transfer)*

- units of equity oriented mutual fund (STT paid on transfer); and
- units of business trust (STT paid on transfer)

*Benefit of the computation of gains in foreign currency and cost inflation index shall not be available on such gains and the cost of acquisition of equity shares, equity oriented mutual fund or units of business trust shall be higher of:*

- Actual cost of acquisition; and
- Lower of:
  - o Fair market value as on 31 January 2018; and
  - o Value of consideration received upon transfer

*\* The CBDT has issued a notification providing the negative list for the purpose of section 112A i.e., modes of acquisition exempted from the condition to pay STT on acquisition.*

#### **(b) Short Term Capital Gains (Resident / non-resident individuals, Indian company and foreign company)**

As per the Finance Act 2023, the capital gains on transfer/redemption/maturity of Specified Mutual Funds or Market Linked Debentures acquired on or after 01 April 2023 should be deemed to be short term capital gains (irrespective of the period of holding) and such short-term capital gains should be chargeable to tax at the applicable tax rates. Finance (Act no. 2) 2024 proposed to amend the definition of “Specified Mutual Fund” as– (a) a mutual fund by whatever name called, which invests in more than 65% of its total proceeds in debt and money market instruments or (b) a fund which invests in units of a fund referred in (a) “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 the Securities and Exchange Board of India.

Further, Finance (Act No. 2) 2024 also proposes that the capital gains on unlisted bond or unlisted debenture which is transferred/ redeemed on or after 23 July 2024 should be deemed to be short term capital gains (irrespective of the period of holding) and such short-term capital gains should be chargeable to tax at the applicable tax rates.

Short term capital gains on sale of equity shares, units of equity-oriented funds on a recognized stock exchange, unit of a Business Trust which are subject to STT, are taxable at the rate of 15% (plus applicable surcharge and education cess) where the transfer takes place before 23 July 2024. Finance (Act No. 2) 2024 proposed an amendment to the tax rates on short term capital gains on sale of equity shares and units of equity-oriented funds and units of a Business Trust on a recognized stock exchange, which are subject to STT, would be @ 20% (plus applicable surcharge and education cess) where the transfer takes place on or after July 23, 2024.

Short-term Capital Gains arising on transfer of any asset other than specified above (including gains on ‘specified mutual funds’/market linked debenture/ unlisted debentures) is added to the total income is chargeable to tax as per the relevant slab rates for individuals and at the applicable tax rates for persons other than individuals (as mentioned above).

**(c)** For non-residents, as per Section 90(2) of the Act, the provisions of the Act would apply to the extent they are more beneficial than the provisions of the DTAA between India and the country of residence of the non-

resident subject to the availability of DTAA benefits to the non-resident. However, no assurance can be provided that the Tax Treaty benefits would be available to the non-resident investor or the terms of the DTAA would not be subject to amendment or different interpretation in the future.

Section 90(4) of the ITA provides that in order to claim Treaty benefits, the non-resident investor has to obtain a TRC as issued by the foreign tax authorities. Further, the non-resident 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. As per notification no. 03/2022 dated July 16, 2022, Form 10F is required to be filed electronically.

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.

#### Capital Losses

As per the provisions of the ITA, short term capital loss can be set off against both short term capital gains and long term capital gains but long term capital loss can be set off only against long term capital gains. The unabsorbed short term and long term capital loss can be carried forward for 8 (eight) assessment years

#### Gains arising on buy-back of shares by Company

Prior to amendment proposed in Finance (No. 2) Act, 2024, gains arising on buy back of shares (listed as well as unlisted) were be exempt in the hands of the shareholders under Section 10(34A) of the Act and distribution tax at the rate of 23.296% (including surcharge and cess) was payable by an Indian company on distribution of income by way of buy-back of its shares as per the provisions of Section 115QA of the Act. Such distribution tax was payable on the difference between consideration paid by such Indian company for the purchase of its own shares and the amount that was received by the Indian investee company at the time of issue of such shares, determined in the manner prescribed.

As per the amendment proposed in Finance (No. 2) Act 2024, the sum paid by an Indian company on buy-back of its own shares shall be treated as deemed dividend in the hands of the shareholder and shall be taxable at applicable rates. No deduction for expenses, including the cost of acquisition of shares in the hands of shareholder, shall be available against such deemed dividend while determining the income from other sources.

Further, the cost of acquisition of the shares bought back will be treated as capital loss in the hands of shareholders and the same can be set-off against the capital gains earned by the shareholders as per the provisions of the Act.

#### Expenditure incurred in relation to income not includible in the total income

As per the provisions of section 14A of the ITA read with rule 8D of the Income-Tax Rules, 1962, if any income of the Investor does not form part of the total income or is exempt under the provisions of the ITA then any expenditure incurred by the Investor, directly or indirectly, in relation to such income will not be allowed as deduction for the purpose of calculating the total taxable income of the Investor.

#### Provisions regarding Dividend income and Bonus stripping

According to the provisions of Section 94(7) of the Act, where any person buys or acquires any securities or units of a mutual fund or the Unit Trust of India within a period of 3 (three) months prior to the record date (i.e., the date that may be fixed by a company for the purposes of entitlement of the holder of the securities to receive dividend or by a mutual fund or the administrator of the Specified Undertaking or the Specified Company, for the purposes of entitlement of the holder of the units to receive income, or additional unit without any consideration, as the case may be) and such person (i) sells or transfers such securities within a period of 3 (three) months after such record date, or (ii) such unit within a period of 9 (nine) months after such record date, and (iii) the dividend or income on such securities or unit received or receivable by such person is exempt, then, any loss arising to such person on account of such purchase and sale of securities or unit, to the extent such loss does not exceed the amount of such dividend or income received or receivable, would be ignored for the purposes of computing his income chargeable to tax.

According to the provisions of Section 94(8) of the Act, if an investor purchases any securities or units within 3 months before the record date (for entitlement of bonus) and sells/redeems the securities or units within 9 months after that date, and by virtue of holding the original securities or units, he becomes entitled to bonus securities or units, then the loss arising on transfer of original securities or units shall be ignored for the purpose of computing his income chargeable to tax (even though he continues to hold all / part of the additional securities or units allotted as bonus). In fact, the loss so ignored will be treated as cost of acquisition of such bonus securities or units.

The Finance Act, 2022 has made the said provision applicable to securities as well (i.e., stocks and shares) and also modified the definition of unit, so as to include units of business trusts such as InvIT, REIT and AIF, within the definition of units.

- Switching from one scheme to another

As stated in the respective underlying mutual fund scheme information documents, switching from one scheme / option to another scheme / option will be affected by way of redemption of units of the relevant scheme/ option and reinvestment of the redemption proceeds in the other scheme / option selected by the unit holder. Hence, switching will attract the same implications as applicable on transfer of such units (refer capital gains section above).

- Consolidation of Schemes

Transfer of units upon consolidation of mutual fund schemes of two or more schemes of mutual fund in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains. Further, transfer of units upon consolidation of plans within mutual fund schemes in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains under the Act.

- Tax withholding:

- Resident Investors

No tax shall be required to be deducted by the mutual fund on income which is in the nature of capital gains. However, on income other than capital gains, mutual funds specified under section 10(23D) of the Act, shall be required to deduct TDS at rate of 10 per cent where the amount payable exceeds Rs. 5,000 in a financial year. On buyback, company to withhold taxes at 10% in case of residents on deemed dividend.

○ Foreign Portfolio Investors (FPI)

Under section 196D of the Act, tax is required to be deducted at the rate of 20% on dividend income earned by the FPI. No tax is required to be deducted at source on income way of capital gains earned by an FPI. The remittance to a country with which a DTAA is in force, the tax should be deducted at the rate provided in the Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee subject to availability of DTAA benefits to the assessee.

○ NRI's other than FPI's

Under Section 195 of the Income-tax Act, 1961 and as per the amendment by Finance (Act No. 2) 2024, the Mutual Fund is required to deduct tax at source at the rate of 12.5% (plus applicable surcharge and cess) on any long-term capital gains arising to non-resident investors. Long term capital gains from units of equity-oriented schemes & listed equity shares (STT paid) are liable to be withheld at the rate of 12.5% (plus applicable surcharge and cess) if the capital gains exceed Rs.1.25 lakhs during the financial year subject to Grandfathering Clause.

In respect to short-term capital gains from units other than units of an equity-oriented scheme or listed equity shares or business trust (STT paid), tax is required to be deducted at source at the rate of 30% (Assuming Highest tax bracket for investor) (plus applicable surcharge and cess) if the payee unit holder is a non-resident non-corporate and at the rate of 35% (plus applicable surcharge and cess) if the payee unit holder is a foreign company. In case of equity-oriented schemes or listed equity shares or business trust (STT paid), tax is required to be deducted at the rate of 15% (plus applicable surcharge and cess) for both corporate and non-corporate non-resident unit holders. On buyback, company to withhold taxes at applicable rates in case of non-residents on deemed dividend.

In the case of a remittance to a country with which a Double Tax Avoidance Agreement ('DTAA') is in force, the tax should be deducted at the rate provided in the Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee subject to the availability of DTAA benefits to the assessee.

○ Withholding at higher rate in case of non-availability of permanent account number ('PAN'):

Section 206AA of the Act provides that where a recipient of income (which is subject to withholding tax) does not have a PAN, then tax is required to be deducted by the payer at the higher of the following:

- rates specified in the relevant provisions of the Act; or
- rates in force; or
- at the rate of 20%.

Further, the CBDT, vide its notification dated 24 June 2016, has clarified that the provisions of section 206AA shall not apply to non-residents in respect of payments in the nature of interest, royalty, fees for technical services, payment on transfer of capital assets and dividends provided the non-residents provide the following information to the payer of such income:

- Name, email-id, contact number;
- Address in the country or specified territory outside India of which the deductee is a resident;
- A certificate of his being resident in any country or specified territory outside India from the government of the other country or specified territory if the law of that country or specified territory provides for issuance of such certificate;



- Tax Identification Number in the country or specified territory of his residence and in a case, no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.

○ Withholding at higher rates due to non-filing of income-tax return:

Section 206AB of the Act, proposes a higher withholding tax rate in case of any person (other than a non-resident who does not have a permanent establishment in India) who has not filed the return of income for the previous assessment year (immediately prior to the concerned financial year) and the aggregate of tax deducted at source and tax collected at source in his case is Rs. 50,000 or more in the said previous year. The withholding tax rates in case of such person shall be as higher of the below:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

Further, where the provisions of section 206AA of the Act are applicable to such person, tax shall be deducted at higher of the two rates provided in section 206AB and in section 206AA of the Act.

The Finance Act, 2023 has amended section 206AB to exclude a person who is not required to furnish the return of income for the relevant assessment year and is notified by Central Government in this behalf, from the definition of specified person.

**Please Note:**

The tax incidence to investors could vary materially based on residential status, characterization of income (i.e., capital gains versus business profits) accruing to them. Please refer to **Annexure 1** for characterization of income as capital gains vs. business income. The Information provided here is general in nature & can be changed in future by Department or Government. Please consult your financial planner/tax advisor before taking a decision.

Note: Characterization of an income as capital gains vs. business income

Gains arising from the transfer of securities held in the companies may be treated either as “capital gains” or as “business income” for tax purposes, depending upon whether such securities were held as a capital asset or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterization of exit gains (whether taxable as business income or capital gains) has been a subject matter of litigation with the tax authorities. There have been judicial pronouncements on whether gains from transactions in securities should be taxed as “business profits” or as “capital gains”. However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. Also, the CBDT has provided guidance (vide its Instruction: No. 1827, dated August 31, 1989 and Circular No. 4/2007, dated June 15, 2007) in respect of characterisation of gains as either capital gains or business income. Following are the key illustrative factors indicative of capital gains characterisation (not business income):

- (a) Intention at the time of acquisition – capital appreciation
- (b) Low transaction frequency
- (c) Long period of holding
- (d) Shown as investments in books of accounts (not stock in trade)
- (e) Use of owned funds (as opposed to loan) for acquisition
- (f) Main object in constitution document is to make investments
- (g) Higher level of control over the investee company

The Company intends to organize itself in a manner that it complies with the conditions and parameters mentioned in the CBDT circular and instructions such that the income from sale of securities in the investee



companies should generally be categorized as capital gains. However, the possibility of the tax authorities seeking to treat such income as business income cannot be ruled out.

Please note that with a view to reduce litigation and maintain consistency, the CBDT has issued Circular No. 6 of 2016, dated February 29, 2016 providing that listed shares / securities held for more than 12 months would be treated as capital gains unless the tax payer himself treats the same as stock in trade; in other cases involving sale of listed shares / securities, the characterisation of income would be decided on the basis of previous circulars and instructions issued by the CBDT on this subject. The Circular also provides that a position once adopted by the taxpayer would not be allowed to be changed and it would be applicable for the subsequent assessment years. It is however clarified that the principles as outlined in the circular shall not be applicable in cases where the genuineness of the transaction itself is questionable. Furthermore, with respect to the characterisation of gains arising on transfer of unlisted shares, the CBDT<sup>3</sup> has issued an instruction dated May 2, 2016 providing that income from transfer of unlisted shares (for which no formal market exists for trading), except in certain specified circumstances such as (i) the genuineness of transactions in unlisted shares itself is questionable; or (ii) the transfer of unlisted shares is related to an issue pertaining to lifting of corporate veil; or (iii) the transfer of unlisted shares is made along with the control and management of underlying business, would be treated as 'Capital Gain' irrespective of period of holding. Now, the CBDT<sup>4</sup> has clarified that exception (iii) would not apply in the case of Category I and II AIF, where-in the rationale provided was that the investment by such AIFs are predominantly in unlisted shares of start-ups / ventures and hence, some level of control and management is required to be exercised by such AIFs to safeguard the interest of the investors

THERE CAN BE NO GUARANTEE THAT THE ABOVE POSITION REGARDING TAXATION WOULD BE NECESSARILY ACCEPTED BY THE INDIAN TAX AUTHORITIES UNDER THE IT ACT. NO REPRESENTATION IS MADE EITHER BY THE PORTFOLIO MANAGER OR ANY EMPLOYEE, PARTNER OR AGENT OF THE MANAGER IN REGARD TO THE ACCEPTABILITY OR OTHERWISE OF THE ABOVE POSITION REGARDING TAXATION BY THE INDIAN TAX AUTHORITIES UNDER THE IT ACT. INVESTORS ARE URGED TO CONSULT THEIR OWN TAX ADVISERS IN THIS REGARD.

### 13. Accounting Policies

- A. 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 SEBI (Portfolio Managers) Regulations, 2020.
- B. For every Client Portfolio, the Portfolio Manager shall keep and maintain proper books of accounts, records and documents, for the Client, on mercantile system of accounting, so as to explain its transactions and to disclose at any point of time the financial position of the Client's Portfolio and Financial Statements and in particular give a true and fair view of the state of affairs.
- C. Following Accounting Policies are proposed to be followed for the purpose of maintaining books of accounts & records of the Client.
  - 1. Investments are stated at cost of acquisition by the Portfolio Manager.
  - 2. Dividend income earned shall be recognized, not on the date the dividend is declared, but on the date the share is quoted on an ex-dividend basis. For investments, which are not quoted on a stock exchange, dividend income shall be recognized on the date of receipt.
  - 3. In respect of all interest-bearing investments, income shall be accrued on a day-to-day basis as it is earned. Therefore, when such investments are purchased, interest paid for the period from the last interest due date upto the date of purchase shall not be treated as a cost of purchase but shall be debited to Interest Recoverable Account. Similarly, interest received at the time of sale for the period

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<sup>3</sup> F. No. 225/12/2016/ITA.11

<sup>4</sup> F.No.225/12/2016/ITA.II

from the last interest due date up to the date of sale shall not be treated as an addition to sale value but shall be credited to Interest Recoverable Account.

4. In determining the holding cost of investments and the gains or loss on sale of investments, the First-in-First-out (FIFO) method shall be followed.
5. Transactions for purchase or sale of investments shall be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year is recorded and reflected in the financial statements for that year.
6. Bonus shares shall be recognized only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.
7. Rights entitlement shall be recognized only when the original shares on which the rights entitlement accrues are traded on the stock exchange on an ex-rights basis.
8. The cost of investments acquired or purchased shall include brokerage, stamp duty and any charge customarily included in the contract note.
9. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment.
10. All other expenses payable by the Client shall be accrued as and when Liability is incurred.
11. Investments in listed equity and debt instruments will be valued at the closing market prices on the National Stock Exchange (NSE). If the securities are not traded on the NSE on the valuation day, the closing price of the security on the Bombay Stock Exchange or other exchange will be used for valuation of securities. In case of the securities are not traded on the valuation date, the last available traded price shall be used for the valuation of securities. Investments in units of Mutual Funds shall be valued at the repurchase price of the previous day declared for the relevant Scheme on the date of the report.
12. Open positions in derivative transactions, will be marked to market on the valuation day.
13. Private equity/Pre IPO placements will be valued at cost or at a last deal publicly available price at which company has placed shares to other investors till it is listed.
14. Unrealised gain/losses are the differences, between the current market value/ Net Asset Value and the historical cost of the securities.
15. Valuation of investments in Non – Convertible Debentures (NCD) / Market Linked Debentures (including Equity Linked Debentures) (MLD) shall be based on prices provided by valuation agency appointed by the issuer of such securities. In case of any default by the issuer, the Portfolio Manager may at his sole discretion value the NCD / MLD as deems appropriate.
16. Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction should be recorded, in the event of a purchase, as of the date on which the portfolio obtains an enforceable obligation to pay the price or, in the event of a sale, when the portfolio obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.

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

#### 14. Investor Services

- i. Details of investor relation officer who shall attend to the investor queries and complaints is mentioned herein below:

Name of the Person	Dhawal Mehta
Designation	Compliance Officer
Address	Unit No. 1203-B, 12 <sup>th</sup> Floor, The Capital, C-70 G Block, BKC, Bandra East, Mumbai –

	400051
Email Id	<a href="mailto:dhawal.mehta@incredamc.com">dhawal.mehta@incredamc.com</a> / <a href="mailto:pms.compliance@incred.com">pms.compliance@incred.com</a>
Telephone	+ 91 95940 18890

## ii. Grievance Redressal and dispute settlement mechanism:

For any queries/complaints, investor can approach Investor Relation Officer at details given above.

Further investor may also approach the Compliance Officer / Principal Officer of the Portfolio Manager. The details including, inter-alia, name & address of Compliance Officer & Principal Officer, their e-mail addresses and telephone numbers are displayed at each of the offices of InCred Asset Management Private Limited.

The officers mentioned above will ensure prompt investor services. The Portfolio Manager will ensure that these officials are vested with necessary authority, independence and the means to handle investor complaints. The Portfolio Manager will endeavor to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. If the investor remains dissatisfied with the remedies offered or the action of the portfolio manager, the investor and the Portfolio Manager shall abide by the following mechanisms: -

Pursuant to SEBI Master Circular SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195 dated December 28, 2023, a common Online Dispute Resolution Portal ("ODR Portal") which harnesses conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market has been established by SEBI. Investors now have an option to undertake online conciliation and/or online arbitration by participating through the ODR Portal and/or undertaking dispute resolution. Investor can lodge their dispute on the ODR Portal and SCORES Portal through the link given below:

- ODR Portal can be accessed via the following link - <https://smartodr.in/>
- SCORES Portal can be accessed via the following link - <https://scores.sebi.gov.in/> (Portfolio Manager SCORES ID PFM00595)

For any query or to lodge a complaint with the Portfolio Manager directly, Investors may do so via email to [care@incredamc.com](mailto:care@incredamc.com).

Additionally, in order to enhance transparency in the Investor Grievance Redressal Mechanism, pursuant to SEBI circular SEBI/HO/IMD/IMD-II\_DOF7/P/CIR/2021/681 dated December 10, 2021, the Portfolio Manager shall disclose on its website [www.incredassetmanagement.com](http://www.incredassetmanagement.com), the data pertaining to all complaints including SCORES complaints received by them in the SEBI prescribed format. The information shall be made available on a monthly basis by 7<sup>th</sup> of the succeeding month.

## 15. Details of investments in the securities of related parties or associates of the Portfolio Manager

The details of investment of client's funds by the portfolio manager in the securities of its related parties or associates are as below:

**Details as on last day of previous calendar quarter (i.e. as on December 31, 2024)**

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	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
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			crores)		
1	NA	NA	NA	NA	NA

## 16. Details of Diversification Policy of the Portfolio Manager

Diversification is a risk management strategy that mixes a variety of securities within a portfolio. The rationale behind diversification is different securities will, on an average, yield better long-term returns and lower the risk of any individual holding or security. Although diversification does not ensure a profit or guarantee against loss, it can help reduce the volatility of portfolio over time.

Since investing requires disciplined risk management, the Portfolio Manager would incorporate adequate safeguards for controlling risks in the portfolio construction process. While allocating and choosing securities, the Portfolio Manager will aim to diversify by gaining broad exposure to different industries and companies in order to reduce risk.

### Risk Diversification in Equity and equity related instruments:

There are two kinds of risk in equity investments, Systematic Risk or Market Risk and Unsystematic Risk. Unsystematic risk can be mitigated through diversification while systematic or market risk is generally unavoidable. Unsystematic risk is unique to a given business or industry and can be diversified by investing in a portfolio of stocks.

The Portfolio Manager intends to invest in a sufficiently large number of equity and equity related instruments so as to limit exposure to a particular company. The Portfolio Manager aims to ensure a well-diversified equity portfolio comprising stocks across various sectors of the economy while managing or recommending investments for Client portfolio. This shall aid in managing concentration risk and sector specific risks. The Portfolio Manager shall also target to manage or recommend sufficient exposure across different market cap segments – i.e. large, mid-cap and small cap. This shall aid in managing volatility and also improve liquidity in Client's Portfolio.

Clients are requested to note that while the above measures are prudent and more relevant for diversified investment approaches, to the extent possible, these measures would also be implemented in case of sector or thematic or market cap concentrated investment approaches offered by Portfolio Manager.

### Risk Diversification in Fixed Income Securities:

Investments in Fixed Income Securities shall be managed or recommended to Clients depending on factors such as liquidity, investment tenure, risk appetite of Clients etc. The Portfolio Manager will attempt to reduce liquidity risk by investing and/or recommending investments in securities that would result in a staggered maturity profile, investment in securities that provide relatively easy liquidity and securities that have reasonable secondary market activity. Exposure to debt securities, other than Sovereign exposures, would be diversified, comprising a number of issuers across sectors. This shall aid in managing concentration risk and sector-specific risks.

Please refer to “Basis of selection of such types of securities as part of the investment approach” and “Allocation of portfolio across types of securities” for further information on diversification measures for respective Investment Approaches as offered by the Portfolio Manager.

## 17. Custody of Securities

- i. Custody of all Securities of the Client shall be with the Custodian who shall be appointed, from time to time, at the discretion of the Portfolio Manager. Currently, the Portfolio Manager uses the custodial/depository/fund administration services of Kotak Mahindra Bank Ltd, ICICI Bank Limited and HDFC Bank Limited. The Portfolio Manager may appoint more custodians in future if required.
- ii. The Custodian shall act on instructions of the Portfolio Manager.
- iii. All such custodian or fund accounting fees, charged by the Custodian shall be payable by the Client.
- iv. The Portfolio Manager shall not be liable for any act of the Custodian, done with or without the instruction of the Portfolio Manager, which may cause or is likely to cause any loss or damage to the Client.

## 18. Miscellaneous Provisions

### a) Investor Charter

With a view to enhancing awareness of investors about the various activities which an investor deals with while availing the services provided by portfolio managers, an investor charter has been prepared by SEBI. The same is notified under SEBI Master Circular dated June 07, 2024.

The investor charter is a brief document in an easy-to-understand language. It details different services provided by the portfolio managers to the investors alongwith estimated timelines, like account opening, agreement with the portfolio manager, periodic statements to the investors, investor grievance redressal mechanism, responsibilities of investors etc. at one single place for ease of reference. All registered Portfolio Managers are advised to bring to the notice of their clients the Investor Charter by prominently displaying on their websites. Accordingly, the Investor charter is disclosed on website of Portfolio Manager [www.incredassetmanagement.com](http://www.incredassetmanagement.com)

### b) Nomination Facility:

Clients are requested to note that the nomination details registered with the Portfolio Manager shall not be applicable to the securities held in the individual Client demat account maintained with the Depository. For the securities held in electronic form (demat form) by the Client (s) in their Depository Participant Account (DP Account) opened for availing the services of the Portfolio Manager, the nomination details registered with the Depository and the rules prescribed by the Depository shall be applicable.

The Portfolio Manager is providing an option to the Individual Client(s) to nominate one or more persons in whom the investment or the cash allocation held by the Portfolio Manager under the respective Client account (other than the securities held by the Client in their individual Client demat account opened for availing the services of the Portfolio Manager) shall vest in the event of his / her / their death. However, the facility of nomination is not available to non-individuals including society, trust, company, body corporate, partnership firm, Karta of Hindu Undivided Family, PSU, AOP, BOI, Banks, FIs, holders of Power of Attorney.

The decision of the Portfolio Manager with respect to treatment of nomination shall be final and binding on Client(s) and nominees. Nominations (Single/multiple) received in the form prescribed by the Portfolio Manager alone shall be valid.

The nominees/ administrators/ claimants/ successors/ executors/ legal heirs unconditionally and irrevocably agree that the transmission by the Portfolio Manager shall be made subject to the receipt of any such additional forms, information (personal or financial or otherwise), indemnities and relevant documentations

(including KYC documents), if any, as may be required from time to time by the Portfolio Manager in the specified format.

**c) Email Communications:**

The Portfolio Manager may send account statements, books of accounts and any other correspondence using e-mail as the mode for communications as may be decided from time to time. It is deemed that the Client is aware of all security risks including possible third party interception of Account Statement and content of the Account Statement becoming known to third parties. With client consent, such account statements and such other details, may also be shared with the Distributor/ Introducer/ Advisor/ Referrer of the Client.

Clients are requested to note that internet transmission lines are not encrypted and that e-mail is not a secure means of transmission. Client is further advised that such unsecured transmission methods involve the risk of possible unauthorised alteration of data and/or unauthorised usage thereof for whatever purposes. The Portfolio Manager is not responsible for any such misuse or for any losses, costs, damages, expenses that may be suffered by the Client due to any errors, delays or problems in transmission or unauthorised/illegal interception, alteration, manipulation of electronic data or otherwise caused by using e-mail as a means of transmission.

The Client may at any time request for a physical copy of the Account Statement.

A Statements of Portfolio, books of accounts, etc. will be sent by email to each Client (first applicant in case of joint holders) stating the details of holding statement, account performance report, realised gain/(loss) statement, logical bank book, balance sheet, profit & loss account & transaction undertaken on a regular basis or at the requested frequency of the client. Same may also be made available through Portfolio Manager's website.

The Portfolio Manager may also undertake to accept non-commercial transactions such as change in address, change in bank details, change in mode of payment etc. received through email, provided the request is sent by the Client from the same email address which is registered with the Portfolio Manager.

**d) Prevention of Money Laundering**

Money Laundering may be defined as the cleansing of dirty money obtained from legitimate or illegitimate activities with the objective of hiding its source and rendering it in legally usable form. The process of money laundering involves creating a web of financial transactions so as to hide the origin of and true nature of these funds. SEBI has previously issued guidelines on Know Your Customer (KYC) standards and Anti Money Laundering (AML) Measures and recently, SEBI vide master circular dated February 03, 2023, has consolidated all the AML provisions by stipulating the essential principles for combating Money Laundering ('ML') and Terrorist Financing ('TF') and provided for detailed policies and procedures and obligations to be followed and complied with by all the registered intermediaries.

The Portfolio Manager is committed to adhere to the requirements specified under the Prevention of Money Laundering Act 2002 and the requirements laid down by the Securities and Exchange Board of India (SEBI), in this respect. The Clients including guardians (in case of minors) shall ensure that the investments made by them are through legitimate sources only and do not involve or are not designated for this purpose of money laundering or any contravention or evasion of the requirements specified under any rules, laws and regulations specified by the Government of India or any other statutory body / entity.



While the Portfolio Manager shall presume that the identity of the Client and the information disclosed by the Client is true and correct, in order to ensure appropriate identification of the Client(s) under its KYC policy and applicable laws and with a view to monitor transactions in order to prevent money laundering, the Portfolio Manager (itself or through its nominated agency as permissible under Applicable Laws) reserves the right to seek appropriate information / documents, record investor's telephonic calls and/or obtain and retain documentation for establishing the identity of the investor, proof of residence, source of funds, etc. with a purpose to comply with inter alia its regulatory obligations. The Portfolio Manager may also undertake field visits, verify information through third party databases etc. In case a Client refuses / fails / delays in providing the information sought by the Portfolio Manager, the Portfolio Manager retains the right to freeze the accounts of the Client, reject any transaction request, effect mandatory repayment / return assets etc.

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 PML Laws and KYC policy and/or where the Portfolio Manager believes that transaction is suspicious in nature within the purview of the PML Laws and/or for reporting the same to FIU-IND. Notwithstanding anything contained in this Document, the provisions of the Regulations, PML Laws and the guidelines there under shall be applicable. The decision of the Portfolio Manager in this regard, shall be final.

**e) Soft dollar arrangements**



Soft Dollar arrangements between the Portfolio Manager and brokers shall be limited to only benefits (like free research report, etc.) that are in the interest of investors. Accordingly, brokers may provide information-based services like free research reports market data services, invitation to meeting with market experts/leaders, invitation to attend conferences etc. The arrangements between Portfolio Manager with the brokers shall be at arms' length and at market related prices. Further, the Portfolio Manager shall be under no obligation to provide business to any broker in lieu of these services.

**19. Disclaimer**

This document is purely for the purposes of providing information and every effort has been made to truly represent the facts and circumstances herein. Clients/Investors are advised to read the Document carefully before entering into an Agreement with the Portfolio Manager.

**NOTWITHSTANDING ANYTHING CONTAINED IN THIS DISCLOSURE DOCUMENT, THE PROVISIONS OF SEBI (PORTFOLIO MANAGERS) REGULATIONS 2020 AND THE RULES SHALL BE APPLICABLE.**

For InCred Asset Management Private Limited

Name: <b>Aditya Sood</b> (Director)	
Name: <b>Aditya Khemka</b> (Director)	

Place: Mumbai

Date: January 22, 2025

InCred Asset Management Private Limited  
CIN: U74999MH2019PTC322093  
Notes to the financial statements for the year ended 31 March 2024  
(All amounts in INR Lakhs, unless otherwise stated)

**Note 32 : Related party transactions**

**a. List of Related parties where control exists and/or with whom transactions have taken place and relationships:**

Nature of Relationship	Name of party
Key managerial personnel ('KMP')	Saurabh Jhalaria, Director (upto 30 November 2023) Venkatesh Vishwanathan, Director (upto 30 November 2023) Aditya Sood, Whole time Director (wef 30 August 2023) Mrinal Singh, Director Varun Shah, Company Secretary (upto 24 April 2023) Mitesh Kamariya, Company Secretary (upto 17 Jan 2024) Abhijeet Shinde, wef (wef 31 January 2024) Aditya Khemka, Whole time Director (wef 07 May 2024)
Enterprise over which KMP is able to exercise significant influence	InCred Capital Wealth Portfolio Managers Private Limited InCred Wealth Private Limited InCred Financial Services Limited InCred Research Services Private Limited InCred Global Wealth Limited
Holding Company	InCred Capital Financial Services Private Limited
Subsidiaries	Vishuddha Capital Management LLP (upto 21 December 2022)
Fellow subsidiary	InCred Wealth & Investment Private Limited InCred Alternative Investments Private Limited mValu Technology Private Limited InCred Valueplus Private Limited

**b. Transactions during the year with related parties :**

Transactions	KMP		Holding Company		Enterprise over which KMP are able to exercise significant influence		Subsidiaries		Fellow Subsidiary		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Remuneration to KMP</b>												
	827.63	342.50	-	-	-	-	-	-	-	-	827.63	342.50
	827.63	342.50	-	-	-	-	-	-	-	-	827.63	342.50
<b>Reimbursement of expenses</b>												
InCred Financial Services Limited	-	-	-	-	2.13	-	-	-	-	-	2.13	-
InCred Wealth Private Limited	-	-	-	-	-	-	-	-	-	-	-	-
InCred Research Services Private Limited	-	-	-	-	-	-	-	-	-	-	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	-	0.19	-	-	-	-	-	0.19
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	-	2.55	-	-	2.55
InCred Capital Financial Services Private Limited	-	-	54.30	6.52	-	-	-	-	-	-	54.30	6.52
	-	-	54.30	6.52	2.13	0.19	-	-	-	2.55	56.43	9.26
<b>Slump Sale - Consideration</b>												
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	340.00	-	-	-	-	-	340.00	-
	-	-	-	-	340.00	-	-	-	-	-	340.00	-
<b>Brokerage</b>												
InCred Wealth Private Limited	-	-	-	-	-	-	-	-	-	-	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	-	442.75	758.00	442.75	758.00
InCred Valueplus Private Limited	-	-	-	-	-	-	-	-	0.03	-	0.03	-
InCred Global Wealth Limited	-	-	-	-	2.03	5.00	-	-	-	-	2.03	5.00
	-	-	-	-	2.03	5.00	-	-	442.77	758.00	444.80	763.00
<b>Interest expense on borrowings</b>												
InCred Capital Financial Services Private Limited	-	-	0.19	71.43	-	-	-	-	-	-	0.19	71.43
mValu Technology Private Limited	-	-	-	-	-	-	-	-	0.84	-	0.84	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	-	30.53	0.62	30.53	0.62
	-	-	0.19	71.43	-	-	-	-	31.37	0.62	31.56	72.05
Transactions	KMP		Holding Company		Enterprise over which KMP are able to exercise significant influence		Subsidiaries		Fellow Subsidiary		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Interest income on advances</b>												
InCred Wealth Private Limited	-	-	-	-	52.89	1.68	-	-	-	-	52.89	1.68
Vishuddha Capital Management LLP	-	-	-	-	-	-	-	0.39	-	-	-	0.39
	-	-	-	-	52.89	1.68	-	0.39	-	-	52.89	2.07
<b>Reimbursement Income</b>												
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	1.41	-	-	-	-	-	1.41	-
	-	-	-	-	1.41	-	-	-	-	-	1.41	-
<b>Issue of equity shares:</b>												
InCred Capital Financial Services Private Limited	-	-	-	400.00	-	-	-	-	-	-	-	400.00
	-	-	-	400.00	-	-	-	-	-	-	-	400.00
<b>Securities Premium on issue of equity shares:</b>												
InCred Capital Financial Services Private Limited	-	-	-	1,600.00	-	-	-	-	-	-	-	1,600.00
	-	-	-	1,600.00	-	-	-	-	-	-	-	1,600.00
<b>Fees Income - PMS</b>												
InCred Capital Financial Services Private Limited	-	-	7.79	-	-	-	-	-	-	-	7.79	-
	-	-	7.79	-	-	-	-	-	-	-	7.79	-
<b>Loans given</b>												
InCred Wealth Private Limited	-	-	-	-	1,226.00	900.00	-	-	-	-	1,226.00	900.00



	-	-	-	-	1,226.00	900.00	-	-	-	-	1,226.00	900.00
<b>Loans Given received back</b>												
InCred Wealth Private Limited	-	-	-	-	1,114.00	-	-	-	-	-	1,114.00	-
Vishuddha Capital Management LLP	-	-	-	-	-	-	-	15.00	-	-	-	15.00
	-	-	-	-	1,114.00	-	-	15.00	-	-	1,114.00	15.00
<b>Borrowings</b>												
InCred Capital Financial Services Private Limited	-	-	188.08	2,390.89	-	-	-	-	-	-	188.08	2,390.89
mValu Technology Private Limited	-	-	-	-	-	-	-	-	270.00	-	270.00	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	-	1,160.62	1,125.00	1,160.62	1,125.00
	-	-	188.08	2,390.89	-	-	-	-	1,430.62	1,125.00	1,618.70	3,515.89
<b>Borrowings repaid</b>												
InCred Capital Financial Services Private Limited	-	-	188.08	3,886.89	-	-	-	-	-	-	188.08	3,886.89
mValu Technology Private Limited	-	-	-	-	-	-	-	-	270.00	-	270.00	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	-	1,285.62	1,000.00	1,285.62	1,000.00
	-	-	188.08	3,886.89	-	-	-	-	1,555.62	1,000.00	1,743.70	4,886.89
<b>c. Closing balances with related parties as at 31 March 2024:</b>												
Particulars	KMP		Holding Company		Enterprise over which KMP are able to exercise significant influence		Subsidiaries		Fellow Subsidiary		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Loans Given (Including Interest Accrued)</b>												
InCred Wealth Private Limited	-	-	-	-	1,011.30	901.51	-	-	-	-	1,011.30	901.51
	-	-	-	-	1,011.30	901.51	-	-	-	-	1,011.30	901.51
<b>Borrowings (including interest payable)</b>												
InCred Capital Financial Services Private Limited	-	-	-	-	-	-	-	-	-	-	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	-	-	125.56	-	125.56
	-	-	-	-	-	-	-	-	-	125.56	-	125.56
<b>Trade Receivable</b>												
InCred Capital Financial Services Private Limited	-	-	0.33	-	-	-	-	-	-	-	0.33	-
	-	-	0.33	-	-	-	-	-	-	-	0.33	-
<b>Trade Payable</b>												
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	-	217.03	37.00	217.03	37.00
Incred Global Wealth Limited	-	-	-	-	7.03	5.00	-	-	-	-	7.03	5.00
InCred Valueplus Private Limited	-	-	-	-	-	-	-	-	0.03	-	0.03	-
	-	-	-	-	7.03	5.00	-	-	217.06	37.00	224.09	42.00
<b>Other current liabilities</b>												
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	138.13	-	-	-	-	-	138.13	-
	-	-	-	-	138.13	-	-	-	-	-	138.13	-

## FORM C

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

Name of Portfolio Manager: InCred Asset Management Private Limited

Address : Unit No-1203, B Wing, The Capital, C-70,  
G Block, BKC, Bandra East, Mumbai – 400051

Phone : 022 6844 6100

Website : [www.incredassetmanagement.com](http://www.incredassetmanagement.com)Email : [pms.compliance@incred.com](mailto:pms.compliance@incred.com),  
[aditya.khemka@incredamc.com](mailto:aditya.khemka@incredamc.com)

We confirm that:

- I. the Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time.
- II. the disclosures made in the document are true, fair and adequate to enable the investors to make a well-informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio Management Service.
- III. the Disclosure Document has been duly certified by Mr. Shardul Shah of M/s. Shah & Ramaiya (Membership No. 1 18394 and FRN: 126489W), Independent Chartered Accountant in Practice having his office at 36/227, RDP 10, Sector 6, Charkop, Near Ambe Mata Mandir, Kandivali (West), Mumbai: 400067; Phone no.:91-22-28085277 on January 22, 2025.

For InCred Asset Management Private Limited



Mr. Aditya Khemka  
Principal Officer

Date: January 22, 2025  
Place: Mumbai



## ADDENDUM NO 01/24-25 TO THE DISCLOSURE DOCUMENT

THIS ADDENDUM SETS OUT CHANGES TO BE MADE IN THE DISCLOSURE DOCUMENT OF  
INCRED ASSET MANAGEMENT PRIVATE LIMITED ('PORTFOLIO MANAGER')**Appointment of Fund Manager for InCred Asset Management Private Limited**

Notice is hereby given that Mr. Nitin Agrawal has been appointed as a Fund Manager for InCred Asset Management Private Limited with effect from February 01, 2025.

Brief profile of Mr. Nitin Agrawal is as below:

Name, Designation and Age	Educational Qualifications	Brief Experience
Mr. Nitin Agrawal, Fund Manager (39 Years)	B.Tech Electrical Engineering from IIT Bombay and MBA from IIM Bangalore	Mr. Agrawal has over 15 years of experience in financial services. Prior to joining InCred, he was the CEO and Principal Officer at Torus Oro Portfolio Management, where he setup the entire PMS business from scratch and he is also the Co-Founder of Orowealth, an online wealth management platform under Alpha Fintech Private Limited. Prior to this, he has worked for 6 years at Deutsche Bank (London and Singapore) in equity derivatives segment.

**Note:** This addendum forms an integral part of the Disclosure Document dated January 22, 2025 read with the addenda issued thereunder, if any. The Disclosure Document shall stand modified to the extent mentioned above. All other terms and conditions of the Disclosure Document remain unchanged.

**For InCred Asset Management Private Limited**

Sd/-  
Authorised Signatory

Date: February 1, 2025  
Place: Mumbai

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• **Portfolio Manager:** InCred Asset Management Private Limited • **SEBI Registration no.** INP000007410  
• **CIN:** U74999MH2019PTC322093 • **Registered Office:** Unit No. 1203-B, 12th Floor, The Capital, C-70 G Block, BKC, Bandra East, Mumbai – 400051.  
• **Tel:** 022 6844 6100 • **Website:** [www.incredassetmanagement.com](http://www.incredassetmanagement.com)

ADDENDUM NO 02/24-25 TO THE DISCLOSURE DOCUMENT

THIS ADDENDUM SETS OUT CHANGES TO BE MADE IN THE DISCLOSURE DOCUMENT OF  
INCRED ASSET MANAGEMENT PRIVATE LIMITED ('PORTFOLIO MANAGER')

**Changes in Key Management Personnel**

Notice is hereby given that Mr. Mukesh Sharma has been designated as Key Management Personnel under SEBI (Portfolio Managers) Regulations, 2020, in place of Mr. Praveen Ladia with effect from March 08, 2025.

Brief profile of Mr. Mukesh Sharma is as below:

Name, Designation and Age	Educational Qualifications	Brief Experience
Mr. Mukesh Sharma, Sales Head- West Zone (41 Years)	BMS from Rizvi College of Management Studies; Claritas Certification in Finance Planning from CFA Institute; MBA in Finance from Institute of Technology and Management Studies.	Mr. Sharma has over 17 years of experience in the financial industry. In InCred, Mr. Sharma is in charge of sales and distribution in the West Zone. Prior to joining InCred, he was Head Sales- West Zone at Ambit Investment Advisors Pvt. Ltd. where he developed distribution channels in various states. He has previously worked with Motilal Oswal Asset Management Co., BNP Paribas Asset Management Pvt. Ltd. and ICICI Prudential Asset Management Pvt. Ltd.

**Note:** This addendum forms an integral part of the Disclosure Document dated January 22, 2025 read with the addenda issued thereunder, if any. The Disclosure Document shall stand modified to the extent mentioned above. All other terms and conditions of the Disclosure Document remain unchanged.

**For InCred Asset Management Private Limited**

Sd/-  
Authorised Signatory

Date: March 17, 2025  
Place: Mumbai

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• **Portfolio Manager:** InCred Asset Management Private Limited • **SEBI Registration no.** INP000007410  
• **CIN:** U74999MH2019PTC322093 • **Registered Office:** Unit No. 1203-B, 12th Floor, The Capital, C-70 G Block, BKC, Bandra East, Mumbai – 400051.  
• **Tel:** 022 6844 6100 • **Website:** [www.incredassetmanagement.com](http://www.incredassetmanagement.com)

## ADDENDUM NO 01/25-26 TO THE DISCLOSURE DOCUMENT

THIS ADDENDUM SETS OUT CHANGES TO BE MADE IN THE DISCLOSURE DOCUMENT OF  
INCRED ASSET MANAGEMENT PRIVATE LIMITED ('PORTFOLIO MANAGER')**Appointment of Fund Manager for InCred Asset Management Private Limited**

Notice is hereby given that Mr. Vaibhav Shah has been appointed as a Fund Manager for InCred Asset Management Private Limited with effect from June 27, 2025 and shall act as Co-Fund Manager with Mr. Nitin Agarwal for InCred Active Momentum Portfolio.

Brief profile of Mr. Vaibhav Shah is as below:

Name, Designation and Age	Educational Qualifications	Brief Experience
Mr. Vaibhav Shah, Fund Manager (34 Years)	Chartered Financial Analyst (Level 3 Candidate) from the CFA Institute; Chartered Accountant from the Institute of Chartered Accountants in India; Bachelor of Commerce from University of Mumbai	Mr. Shah has more than a decade's experience in fund management and capital markets. Prior to joining InCred, he served as a Fund Manager at Torus Oro Portfolio Management Private Limited managing more than INR 100 crores of PMS assets under Discretionary and Advisory Services. Prior to this, he was leading the Advisory desk at Orowealth managing Asset under Advisory (AUA) of INR 1,000 crs+. He has also previously worked with Edelweiss Financial Services and L&T Limited, where he was responsible for managing corporate book of ~USD 2 billion across equity and debt markets and also looking after the fund raising for the company and its subsidiaries.

**Note:** This addendum forms an integral part of the Disclosure Document dated January 22, 2025 read with the addenda issued thereunder, if any. The Disclosure Document shall stand modified to the extent mentioned above. All other terms and conditions of the Disclosure Document remain unchanged.

**For InCred Asset Management Private Limited**

Sd/-  
Authorised Signatory

Date: June 27, 2025  
Place: Mumbai

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• **Portfolio Manager:** InCred Asset Management Private Limited • **SEBI Registration no.** INP000007410  
• **CIN:** U74999MH2019PTC322093 • **Registered Office:** Unit No. 1203-B, 12th Floor, The Capital, C-70 G Block, BKC, Bandra East, Mumbai – 400051.  
• **Tel:** 022 6844 6100 • **Website:** [www.incredassetmanagement.com](http://www.incredassetmanagement.com)