

**DISCLOSURE DOCUMENT FOR
PORTFOLIO MANAGEMENT SERVICES
BEING OFFERED BY INVASSET LLP**

- (i) This Disclosure Document has been filed with the Securities and Exchange Board of India (SEBI) along with the certificate in the prescribed format in terms of Regulation 22 of the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 as amended from time to time.
- (ii) The purpose of the Disclosure Document is to provide essential information about the portfolio management services in a manner to assist and enable the investors in making an informed decision while engaging INVASSET LLP as their Portfolio Manager.
- (iii) The Disclosure Document contains the necessary information about the Portfolio Manager, required by an investor before investing. The investors are advised to carefully read the entire document before making any decisions and to retain it for future reference.
- (iv) The name, phone number, e-mail address of principal officer designated by Portfolio Manager is given below:-

Principal Officer

Mr. Anirudh Garg

INVASSET LLP

Registered Office

Plot No 14-15, First Floor,

Canal Road, South City,

Ludhiana-142027, Punjab, India

Tel no. 91-161-4660172, 98780 00172

Email: anirudhgarg@invasset.com,

info@invasset.com

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FORM C
Securities & Exchange Board of India (Portfolio Managers) Regulations 2020,
(Regulation 22)
INVASSET LLP

Registered Office Address: Plot No 14-15, First Floor,
Canal Road, South City, Ludhiana-142027, Punjab, India

Phone No. 98780 00172

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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 Board from time to time;

ii) The disclosures made in the document are true, fair and adequate to enable the investors to make a well-informed decision regarding entrusting the management of the portfolio to us/investment through the Portfolio Manager;

iii) The Disclosure Document has been duly certified, by an independent chartered accountant M/s Goyal Suresh & Associates, Chartered Accountants, (Registration No. 033057N having office at 601, RR-5, Omaxe Royal Residency, Ludhiana 142022, contact number No. 9855598829, on February 18, 2025.

For and on behalf of
Invasset LLP



Anirudh Garg
Principal Officer
Plot No 14-15, First Floor,
Canal Road, South City,
Ludhiana-142027, Punjab, India

Date: February 18, 2025

Place: Ludhiana

1) Disclaimer Clause:

This Disclosure Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020, and filed with Securities and Exchange Board of India (SEBI). This Disclosure Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the Document.

This document is not for public distribution and has been furnished to you solely for your information and may not be reproduced or redistributed to any other person.

2) Definitions:

In this Disclosure Document, unless the context or meaning thereof otherwise requires, the following words and expressions shall have the meaning assigned to them hereinunder respectively:

Agreement	means discretionary portfolio management service agreement entered between the Portfolio Manager and the Client/Investor, between the Portfolio Manager and its Clients in terms of Regulation 22 and Schedule IV of SEBI (Portfolio Managers) Regulations, 2020 and any modifications or amendments thereto issued by SEBI.
Client / Investor	A person who enters into an Agreement with the Portfolio Manager for availing the services of discretionary portfolio management services being offered by Portfolio Manager.
Direct on-boarding	Option of Direct on boarding of Clients/Investors directly with the Portfolio Manager without intermediation of persons engaged in distribution services.
Custodian	means an entity registered as a custodian with SEBI and carry on the business of providing custodial services in accordance with the regulations issued by SEBI and appointed as custodian by the Portfolio Manager to provide custodian services and to act as Custodian on the terms and conditions agreed between the Custodian and the Portfolio Manager.
Disclosure Document	means this disclosure document prepared pursuant to Regulation 22 and in accordance with Schedule V of the SEBI (Portfolio Managers) Regulations, 2020 issued and amended on timely basis, by Invasset LLP for offering portfolio management services.
Discretionary Portfolio Management Services	means the portfolio management services rendered by the Portfolio Manager to the Client, where the Portfolio Manager exercises any degree of discretion as to the investment or management of the Portfolio of securities or the Funds of the Client entirely at Clients risk, in such manner as the Portfolio Manager may deem fit in accordance with the terms of the Agreement and with the various provisions of the Regulation.
Funds/securities	means the money or securities accepted by the Portfolio Manager from the Client in respect of which the portfolio management services are to be rendered by the Portfolio Manager pursuant to the Agreement.
Person	includes individual, hindu undivided family, company, firm, limited liability partnership, association of persons or a body of individuals, local authority and every artificial juridicial person not falling within any of the preceding categories.
Portfolio	means all the total holdings of securities and cash/cash equivalent managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes any securities mentioned in the Agreement and any further securities placed by the Client with the Portfolio Manager for the purposes of being managed pursuant to such Agreement, securities acquired by the Portfolio Manager through investment of Funds and securities (bonus and rights) on account of any corporate actions in respect of securities forming part of the Portfolio, so long as the same are managed by the Portfolio Manager pursuant to the Agreement.
Portfolio Manager	means Invasset LLP, a limited liability partnership and having its registered office Plot No 14-15, First Floor, Canal Road, South City, Ludhiana-142027, Punjab, India and registered with SEBI to act as a Portfolio Manager in terms of SEBI (Portfolio Managers) Regulations, 2020. The registration granted by SEBI is perpetual.

Principal Officer	Principal officer means senior employee or designated partner of the portfolio manager who has been designated as such by the portfolio manager and who assumes responsibility for the activities of 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/Investor, as the case may be; and (ii) all other operations of the portfolio manager.
Regulations	The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended from time to time along with any circulars, directions or guidelines issued by SEBI thereunder from time to time.
SEBI/Board	The Securities and Exchange Board of India established Securities and Exchange Board of India Act 1992 as amended from time to time.

3) Description

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

INVASSET LLP (the "Portfolio Manager" or the "LLP") is a Limited Liability Partnership firm incorporated under the Limited Liability Partnership Act, 2008 on 18.07.2018, having its registered office at Plot No 14-15, First Floor, Canal Road, South City, Ludhiana-142027, Punjab. Mr. Rajnish Garg and Anirudh Garg are the founders of Invasset LLP.

INVASSET LLP is registered with SEBI as Portfolio Manager under the Regulation and has been granted a Certificate of registration by SEBI on October 30, 2019. The SEBI Registration No. for the portfolio management services is INP000006907.

(ii) Promoters/Partners of the Portfolio Manager and their backgrounds:

(a) Mr. Rajnish Garg

Mr. Rajnish Garg is the founder partner of INVASSET LLP and has been with the LLP since its formation.

As a full-time equity investor, Rajnish brings with him over 31 years of extensive experience in stock market investing. He possesses an in-depth knowledge and understanding of equities, derivatives and commodity markets and is known for his investing techniques and strong grasp of market fundamentals.

Mr. Rajnish is a commerce graduate and a fellow member of the Institute of Chartered Accountants of India. He also holds associate membership of Institute of Company Secretaries of India.

(b) Mr. Anirudh Garg

Mr. Anirudh Garg is the co-founder partner of INVASSET LLP. He holds a bachelor's degree in business studies from University of Delhi and he has also done his master of science in investment management from the University of Reading, England.

He has over 17 years' experience in equities and commodities markets. Anirudh has a strong track record of equity research and possesses an in-depth understanding of equities, derivatives and commodities market. He is responsible for modeling portfolios, allocating funds, monitoring performance and risk control measures across portfolio.

(iii) Top Group companies/ firms of the Portfolio Manager on turnover basis (latest audited financial statements)

Sr. No	Name of group companies/firm
	Nirman Fincap Private Limited
	Hari Commfin Private Limited
	Twenty-Four Carat Stock and Share Brokers Private Limited
	K.R.J Share Broker Private Limited

**(iv) Details of the services being offered:
Discretionary Portfolio Management Services**

The Portfolio Manager provides portfolio management services under Discretionary Portfolio Management Services. Under the Discretionary Portfolio Management Services, the choice as well as the timings of the investment decisions and selection of type of securities 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 in accordance with the Agreement. Portfolio Manager can make changes in investment and to invest some or all of the funds of the Client in such manner and in such companies/sectors/securities as the Portfolio Manager deems fit. The securities invested/disinvested by the Portfolio Manager for Clients' may differ from one Client to another Client. The portfolio of each Client shall be managed individually and independently in accordance with the needs of each Client, however, the portfolio of the Client with similar needs and investing in similar approaches may look identical.

The Portfolio Manager's decision (taken in good faith) in deployment of the Clients' funds/securities is absolute and final and cannot be called in question or be open to review at any time during the currency of the agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant regulations, Acts, rules, guidelines and notifications in force from time to time.

(v) Minimum Investment Amount:

The Portfolio Manager shall not accept from Client/investor, funds or securities worth less than Rupees Fifty Lakhs or such other minimum amount as may be stipulated by SEBI from time to time. However, Portfolio Manager can fix a higher limit for such minimum amount as mutually agreed and/ or communicated to the Client from time to time.

(vi) Option of Direct on boarding of Clients/Investors:

The Portfolio Manager offers the option of direct on-boarding to clients under the Discretionary Services.

Client/Investor can also invest in PMS directly without intermediation of persons engaged in distribution services.

At the time of on-boarding of Clients directly, no charges except franking, statutory charges shall be levied. But, the charges as per the agreement shall be charged as agreed once the portfolio is active.

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

(i)	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made there under:	Nil
(ii)	The nature of the penalty/direction:	Not Applicable
(iii)	Penalties/fines imposed for any economic offence and/ or for violation of any securities laws:	Nil
(iv)	Any pending material litigation/legal proceedings against the portfolio manager / key personnel with separated disclosure regarding pending criminal cases, if any:	Nil
(v)	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency:	Nil
(vi)	Any enquiry/ adjudication proceedings initiated by the Board 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 Act or rules or regulations made there under:	Nil

5. Services Offered

Discretionary Portfolio Management Services (DPMS)

The following Investment Approaches are offered by the Portfolio Manager under discretionary portfolio management services. The investment objectives and policies including the types of securities in which the Portfolio Manager generally invests are concisely stated as follows:

Investment Approaches under Discretionary Portfolio Management Services

Strategy: Equity

A. INVASSET Growth Fund Approach

Investment Objective

The primary Investment objective of the portfolio is to generate steady long term capital appreciation that are materially above average from fully equity-oriented portfolio, without using high leverage or putting capital at permanent risk. The Portfolio Manager shall endeavor to apply its professional expertise to provide its Clients or investors with a structure that can achieve preservation and growth of their capital and help them to achieve their financial goals.

Investment Strategy

Equity and equity related instruments

Types of securities

The Portfolio Manager predominantly invests in listed equity and equity related securities. For liquidity or defensive considerations or pending deployment, the Portfolio Manager may invest in debt, money market instruments, mutual fund schemes or debt ETFs. to meet the investment objectives.

Basis for selection of securities as a part of investment approach:

The Portfolio Manager selects equity and equity related securities of companies from the listed universe space across market capitalisation which fit into the investment objective and strategy of the portfolio. The Portfolio Manager believes that there are always good companies to invest in irrespective of the market conditions. The Portfolio Manager will endeavor to identify and invest in beaten down industry leaders trading below their fair value, extraordinary companies which will continue to deliver growth irrespective of market conditions, companies which are available at reasonable valuations and which offer growth or an upside on account of potential rerating. The Portfolio manager shall endeavor to have a diversified portfolio in terms of stock and sectors, within the mandate of the product.

The Portfolio Manager may move between asset classes i.e. equity, equity related securities, fixed income and liquid depending upon market conditions. When the market enters into exuberant zone and reach levels that are unsustainable and bubble-like situation, we look for protection or hedged portfolios.

Allocation of Portfolio across types of securities:

- Listed equity and equity related securities including exchange traded derivative instruments 80% to 100%.
- Debt instruments through money market/liquid /liquid ETFs/short term mutual fund schemes- 0% to 20%.

The Portfolio Manager may rebalance the Portfolio with no prior intimation/indication to the investors when the composition/asset allocation pattern under the Strategy undergo changes within the permitted band as indicated above or for changes due to defensive positioning with a view to protect the interest of the investors on a temporary basis.

Benchmark and Justification for benchmark

The S&P BSE 500 TRI Index is designed to measure the performance of the top 500 companies listed at BSE Ltd. which covers large, mid and small cap companies. The Portfolio Manager under the Strategy invests across market capitalizations and hence, S&P BSE 500 TRI Index is an ideal benchmark.

Indicative tenure or investment horizon: long term

It will be the endeavour of the Portfolio Manager to follow the norms listed above. However, the Portfolio Manager retains the right to deviate from these norms from time to time at its sole discretion considering the prevailing market conditions and investment objectives. But we expect the client to have an investment horizon of at least three+ years in the scheme.

Risk associated: -

For detailed risk factors please refer to the section on “Risk Factors”

B. INVASSET Leaders Fund**Investment Objective**

The primary investment objective of the portfolio is to achieve substantial long-term capital appreciation that significantly outperforms the average returns of fully equity-oriented portfolios, while avoiding high leverage and safeguarding capital from permanent risk. The Portfolio Manager will leverage its professional expertise to create a robust structure aimed at both preserving and growing clients' capital, thereby assisting them in achieving their financial aspirations.

Investment Strategy

Equity and equity related instruments

Types of Securities

The Portfolio Manager primarily invests in listed equities and equity-related securities. To ensure liquidity, adopt a defensive stance, or await optimal deployment opportunities, the Portfolio Manager may also allocate funds to debt instruments, money market instruments, mutual fund schemes, or debt ETFs, all while striving to meet the investment objectives.

Basis for Selection of Securities as a Part of Investment Approach

The Portfolio Manager selects equity and equity-related securities from the listed universe across market capitalizations that align with the portfolio's investment objective and strategy. The Portfolio Manager believes that there are always attractive investment opportunities, regardless of market conditions. Leveraging over 15 years of experience, the Portfolio Manager follows a quantitative approach and classifies market scenarios into four main categories: Value, Growth, Quality, and Safety.

1. Value: In oversold markets, the PMS seeks stocks trading below or near their intrinsic value.
2. Growth: During growth phases, the focus is on companies experiencing significant positive relative change.
3. Quality: The emphasis is on companies with asset-light business models, strong management quality, product moats, market leadership or increasing market share, and first-mover advantage.
4. Safety: In this stage, the portfolio maintains cash positions, liquid or arbitrage funds, long-term hedges, or alternative assets, as permitted by SEBI, exchanges, and RBI guidelines.

The Portfolio Manager aims to identify and invest in undervalued industry leaders, exceptional companies that consistently deliver growth, and firms with reasonable valuations offering growth potential or upside due to potential re-rating. A diversified portfolio is maintained across stocks and sectors within the product's mandate.

The Portfolio Manager may transition between asset classes—equity, equity-related securities, fixed income, and liquid assets—depending on market conditions. In exuberant markets characterized by unsustainable levels and bubble-like conditions, a protective or hedged portfolio approach is adopted.

Allocation of Portfolio Across Types of Securities:

- Listed equity & equity-related securities, exchange-traded derivative instruments: 0% to 100%.
- Debt instruments through money market/liquid/liquid ETFs/short-term mutual fund schemes: 0% to 100%.

The Portfolio Manager may rebalance the portfolio without prior notice when changes within the permitted bands are necessary or for defensive positioning to protect investors' interests temporarily.

Benchmark and Justification for Benchmark

S&P BSE 500 TRI Index is designed to measure the performance of the top 100 companies listed at BSE Ltd., covering large-cap companies. Since the Invasset Leaders Strategy focuses on mid to large-cap investments, the S&P BSE 500 TRI Index is the most appropriate benchmark.

Invasset Leaders will be a mid to large-cap focused strategy, investing in companies classified as mid to large-cap by AMFI. Although the primary intent is large-cap investments, this is not a strict rule. The Fund Manager has the discretion to adjust this focus in response to emerging opportunities.

This strategy utilizes rule-based algorithms, informed by the extensive experience of the Portfolio Manager, to guide investment decisions.

Indicative tenure or investment horizon: long term

It will be the endeavour of the Portfolio Manager to follow the norms listed above. However, the Portfolio Manager retains the right to deviate from these norms from time to time at its sole discretion considering the prevailing market conditions and investment objectives. But we expect the client to have an investment horizon of at least three+ years in the scheme.

Risk associated: -

For detailed risk factors please refer to the section on "Risk Factors"

C. INVasset Prime Fund**Investment Objective**

The primary objective of the INVasset Prime Fund is to achieve long-term capital appreciation by investing in high-quality companies within the targeted sectors. The fund aims to outperform the benchmark index by focusing on companies that demonstrate consistent growth, superior management, and robust financial health.

Investment Strategy

The INVasset Prime Fund adopts a comprehensive strategy that leverages the proven methodologies of successful portfolio management combined with the proprietary INVasset AAID (Advanced Algorithms for Investment Decisions). This strategy focuses on identifying and capitalizing on relative change advantages and translating them into scalable growth, specifically in B2C sectors. Key components include:

- Growth Orientation:** The fund targets companies with high expected sustainable growth rates. The focus is on sectors with significant growth potential, such as pharmaceuticals, FMCG, information technology, white goods, and quality NBFCs. The fund avoids old economy companies, commodities, and government sectors, instead prioritizing businesses that are consumer-facing (B2C) and have strong growth trajectories.
- Sector Rotation:** Adapting to changing market conditions, the fund rotates investments among sectors poised for growth. This involves identifying leading sectors in different market cycles and shifting allocations to maximize returns. The primary sectors of focus will be pharma, FMCG, information technology, white goods, and quality NBFCs.
- Quality and Advantage Focus:** Emphasizing investments in fundamentally strong companies with competitive advantages and the ability to generate free cash flow. The fund targets companies that can leverage relative changes in their industries to achieve scalable growth, focusing on those with robust financial health and strong management teams.

d. Dynamic Allocation: Utilizing the INVasset AAID, the fund optimizes asset allocation based on market phases and economic cycles. This dynamic approach ensures the portfolio is adaptive and resilient, capable of capturing opportunities and mitigating risks.

Description of Type of Securities

The INVasset Prime Fund will invest primarily in equity and equity-related securities, including common stocks, preferred stocks, and convertible securities. The focus is on companies within the sectors of pharmaceuticals, FMCG, information technology, white goods, and quality NBFCs, selected based on stringent quality criteria.

Basis of Selection of Types of Securities

Securities are selected based on rigorous analysis using the INVasset AAID, which evaluates market trends, company fundamentals, and sectoral dynamics. Selection criteria include:

- Strong financial performance
- Competitive advantages in their respective industries
- High-quality management teams
- Sustainable business models
- Ability to scale growth by leveraging relative changes
- Reasonable valuations

Allocation of Portfolio Across Types of Securities

The fund maintains a diversified portfolio with balanced allocation across the selected sectors:

- Pharma: 20-30%
- FMCG: 20-30%
- Information Technology: 20-30%
- White Goods: 10-20%
- Quality NBFCs: 10-20%

This allocation ensures exposure to various growth drivers and mitigates sector-specific risks, providing a balanced and resilient portfolio.

Benchmark Index for Comparison of Performance

The performance of the INVasset Prime Fund is benchmarked against the S&P BSE 500 TRI Index. The S&P BSE 500 TRI Index is chosen because it represents a broad spectrum of sectors within the Indian market, providing a relevant and comprehensive comparison for the fund's performance.

Indicative Tenure or Investment Horizon

The recommended investment horizon for the INVasset Prime Fund is 3-4 years. This medium-term perspective allows for the realization of growth potential in the targeted sectors and aligns with the fund's objective of achieving substantial capital appreciation over time.

By adopting this structured and strategic approach, the INVasset Prime Fund aims to deliver superior returns to its investors while maintaining a focus on quality, growth, and scalable opportunities within the market.

Risk associated: -

For detailed risk factors please refer to the section on "Risk Factors"

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.

None of the group companies are listed on any stock exchange, hence the Portfolio Manager does not envisage investments in the securities of its related parties/associates. In case of any opportunity for such Investments, the Portfolio Manager shall comply with the following limits as provided in the Regulations and as may be amended from time to time:

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

6. Risk Factors: General Risk

6.1 Securities investments are exposed to market risks, including price fluctuations that can vary over time. There is no guarantee that investment objectives will be achieved, and investments may not be suitable for all investors. The principal value of the portfolio is at risk both during and at the end of the investment term. The portfolio manager may or may not be able to mitigate market risks. Liquidity risk is influenced by market conditions, and market volatility, beyond the portfolio manager's control, could lead to losses for clients.

6.2 The past performance of the Portfolio Manager does not guarantee future results. Investors should be aware that past performance is not indicative of future performance, and no guaranteed or indicative returns are offered by the Portfolio Manager.

6.3 The names of the portfolio investment approaches do not imply their future prospects or returns. The performance of the equity portfolio investment approach may be negatively impacted by individual company performance, changes in the marketplace, and industry-specific and macroeconomic factors.

6.4 Equity and equity-related instruments are prone to daily price fluctuations due to their volatile nature. This volatility is influenced by various micro and macro-economic factors affecting the securities markets, which can adversely impact individual securities or sectors and, consequently, the overall value of the investment portfolio. Liquidity of these investments may also be constrained by factors such as trading volumes, settlement periods, and transfer procedure.

6.5 Settlement problems may prevent the Portfolio Manager from executing intended securities purchases, potentially causing the portfolio to miss investment opportunities. Unforeseen circumstances can significantly extend settlement periods. Similarly, the inability to sell securities held in the portfolio may lead to potential losses if their value declines subsequently

6.6 Portfolio's investment in unlisted securities could increase the risk of the portfolio as these unlisted securities are inherently illiquid in nature and carry larger liquidity risk as compared to the listed securities or those that offer other exit options to the investors.

6.7 The debt investments and other fixed income securities may be subject to interest rate risk, liquidity risk, credit risk, and reinvestment risk. Liquidity in these investments may be affected by trading volumes, settlement periods and transfer procedures.

6.8 In the case of stock lending, risks relate to the defaults from counterparties with regard to securities lent and the corporate benefits accruing thereon, inadequacy of the collateral and settlement risks.

6.9 Investors are not being offered any guaranteed or assured return/s i.e. either of principal or appreciation on the portfolio.

6.10 The liquidity of the Portfolio's investments is inherently restricted by trading volumes in the securities in which it invests.

6.11 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.

6.12 Clients may note that Portfolio Manager's investment decisions may not be always profitable, as actual market movements may be at variance with anticipated trends. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the portfolio investment approach.

6.13 The Portfolio Manager may, subject to authorization by the Client in writing, participate in securities lending. The Portfolio Manager may not be able to sell/lend out securities, which can lead to temporary illiquidity.

6.14 In case of Discretionary Portfolio Management Services, investments in the portfolio shall be at the full discretion of the Portfolio Manager and the investor shall not be able to influence the decisions of the Portfolio manager. The portfolio may be at risk of portfolio investment approach/investment decisions or asset allocation undertaken by the Portfolio Manager not delivering results in line with the portfolio objective.

6.15 Risk arising out of non-diversification - The investment in the portfolio may result in concentration of investments in a specific security / sector/ issuer, which may expose the Portfolio to risk arising out of non-diversification. Further, the portfolio with investment objective to invest in a specific sector / industry would be exposed to risk associated with such sector / industry and its performance will be dependent on performance of such sector / industry.

Risks associated with investment in equity and equity related securities:

Equity and equity related securities are inherently volatile and susceptible to daily price fluctuations influenced by macroeconomic and microeconomic factors. The value these securities may fluctuate due to various market conditions such as trading volume, market volatility, interest rates, currency exchange rates, changes in government laws and policies, taxation laws, political or economic developments. These factors can adversely impact individual securities, specific sector or entire market, potentially affecting the Value of the Client's Portfolio.

There are risks associated with trading volumes, settlement periods, and transfer procedures that may limit the liquidity of investments in equity-related securities. In cases of unusually low trading volumes, delays may occur in unwinding the portfolio and transferring redemption proceeds.

The Portfolio may include investments in growth stocks, which tend to exhibit higher volatility compared to the broader market and may respond differently to economic, political, and market developments, as well as company-specific information. Growth stocks typically demonstrate greater price volatility, particularly over shorter periods, and may trade at higher valuations relative to their earnings compared to the overall market. Therefore, variations in profit growth can lead to heightened volatility in the performance of growth stocks.

The Portfolio Manager may temporarily adopt a defensive strategy if it deems the equity market or economy in its invested countries to be excessively volatile, experiencing prolonged general decline, or facing other adverse conditions. During such periods, the Portfolio Manager may find it challenging to achieve or maintain its investment objective.

The Portfolio Manager may invest in securities that are not listed on stock exchanges. These securities may be illiquid and pose higher liquidity risks compared to listed securities or those offering alternative exit options. The liquidity and valuation of investments in the Portfolio, particularly those involving unlisted securities, may be impacted if they need to be sold before the targeted disinvestment date.

The Client/Investor should note that the Portfolio Manager's investment decisions may not always be profitable, as actual market movements may differ from anticipated trends.

Risks associated with Debt / Money Markets

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

a) Credit Risk:

Debt securities carry a credit risk of repayment of principal or interest by the borrower. This risk depends on micro-economic factors such as financial soundness and ability of the borrower as also macro-economic factors such as industry performance, competition from imports, competitiveness of exports, input costs, trade barriers, favorability of foreign currency conversion rates, etc.

Credit risks of most issuers of debt securities are rated by independent and professionally run rating agencies. Ratings of Credit issued by these agencies typically range from "AAA" (read as "Triple A" denoting "Highest Safety") to "D" (denoting "Default"), with about 6 distinct ratings between the two extremes.

The highest credit rating (i.e. lowest credit risk) commands a low yield for the borrower. Conversely, the lowest credit rated borrower can raise funds at a relatively higher cost. On account of a higher credit risk for lower rated borrower's lenders prefer higher rated instruments further justifying the lower yields. The minimal grade for rated instruments shall not be below A+.

b) Price-Risk or Interest-Rate Risk:

From the perspective of coupon rates, debt securities can be classified in two categories, i.e., fixed income bearing securities and floating rate securities. In fixed income bearing securities, the coupon rate is determined at the time of investment and paid/received at the predetermined frequency. In the floating rate securities, on the other hand, the coupon rate changes - 'floats' - with the underlying benchmark rate, e.g., MIBOR, 1 yr. Treasury bill.

The investment options may be subject to changes in the market conditions, performance of the issuers, trading volumes, settlement periods and transfer procedures etc. due to which they may go through periods of short or long term or permanent price correction. It is possible that investors may lose some or all of their investments.

Fixed income securities (such as Government securities, bonds, debentures and money market instruments) where a fixed return is offered, run price-risk. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, the payment-frequency of such coupon, days to maturity and the increase or decrease in the level of interest rates. In the case of corporate or institutional fixed income securities, such as bonds or debentures, prices are influenced not only by the change in interest rates but also by credit rating of the security and liquidity thereof.

c) Spread Risk:

In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. However, depending upon the market conditions the spreads may move adversely or favorably leading to fluctuation in returns of the portfolio.

d) Reinvestment Risk:

Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

e) Liquidity Risk:

The ability of the Portfolio Manager to execute sale/purchase order is dependent on the liquidity or marketability. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. The securities that are listed on the stock exchange carry lower liquidity risk, but the ability to sell these securities is limited by the overall trading volumes. Further, different segments of Indian financial markets have different settlement cycles and may be extended significantly by unforeseen circumstances. The various investment options may be illiquid therefore there is no guarantee that investors would be able to redeem their investments in the investment options as per their discretion and the liquidity for investment options will be dependent on the prevalent market conditions.

f) Concentration risk:

The various investment options may be exposed to concentration risk as the investments may be in few securities / funds, the performance of which could affect the performance of the fund / Client's portfolio.

g) Key management risk:

The various investment options may be largely dependent upon the experience and judgment of the Investment Manager's management team for the selection of suitable Investments. The loss of one or more of these individuals could have a material adverse effect on the returns of the investment option. The investment options success depends on the skill and acumen of the Investment Manager, and more particularly the individuals involved in the decision making of the Investment Manager. If any of these individuals should cease to participate in the Investment Manager's business, the Investment Manager's ability to select attractive investments for the investment option and manage its portfolio could be severely impaired.

h) Valuation risk:

The various investment options of the underlying companies where the fund proposes to invest are not quoted securities and the valuation of these securities may not be reliable.

i) Macro Risk:

The various investment options will be impacted by changes in various macro factors like interest rate movements, monetary and fiscal policy, inflation, sovereign rating changes etc.

j) Default Risk & Credit Risk:

The various investment options may be subject to non-repayment / late repayment of principal or interest of the investment options due to which the investment options may lose partial or entire value of investment. The various investment options may be subject to change in their investment value due to credit rating changes.

k) Market Risk:

The various investment options may decline / change in value because of economic developments or other events that affect the entire market.

l) Volatility risk:

The various investment options may be exposed to the risk of volatility of the capital markets and could thus be subject to strong price movements. A strong movement of the volatility of the capital markets could negatively impact the performance of the investment option.

m) Geopolitical risk:

The various Investment options are subject to the geographical, political and economic risks in the jurisdiction where they operate.

n) Regulatory risk:

Any change in regulations may affect the performance of the investment option.

o) Exchange rate risk:

Some of the investment options will be exposed to the risk of volatility between the home currency of the investor and the currency of the country in which the investment is made.

Risks associated with investments in Mutual Funds

The Portfolios may invest in schemes of Mutual Funds. Hence scheme specific risk factors of each such underlying scheme will be applicable to the portfolios.

Risk Associated with Investment in Derivatives Market

Derivative products are leveraged instruments that can lead to both significant gains and losses for the Client/Investor. The success of such investment strategies relies on the Portfolio Manager's ability to identify opportunities, which involves inherent uncertainty and may not always result in profitability. There is no guarantee that the Portfolio Manager will successfully identify or execute these strategies. Derivatives are specialized instruments requiring distinct investment techniques and risk analysis compared to stocks and bonds. They necessitate rigorous controls to monitor transactions, assess risk exposure, and accurately predict price movements. Risks associated with derivatives, such as settlement risk, mispricing, and illiquidity, can differ from or exceed those of direct investments in securities and traditional assets. The Portfolio Manager does not leverage clients' portfolios for derivative investments.

The options buyer's risk is limited to the premium paid, while the risk of an option's writer is unlimited. However, the gains of an option writer are limited to the premium earned.

The writer of a put options bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of underlying asset increases above the exercise price.

Risk Associated with Premature Withdrawal.

If an Investor/Client requests premature withdrawal or closure of their account, securities may be liquidated at a loss to generate cash for the closure or partial withdrawal. The Portfolio Manager is not liable for any resulting losses, as the portfolio was constructed based on the Client's specified time horizon.

7. Client Representation

(a) The details of the Clients and Funds managed are as under:

	Category of Clients	No. of Clients	Funds Managed (Rs. in Crores)	Discretionary/non-Discretionary
i)	Associates /group companies			
	As on 01.01.2025	Nil	Nil	N.A.
	FY 2023-24 as on 31.03.2024	Nil	Nil	N.A.
	FY 2022-23 as on 31.03.2023	1	0.53	Discretionary
	FY 2021-22 as on 31.03.2022	Nil	Nil	N.A.
ii)	Others			
	As on 01.01.2025	477	403.93	Discretionary
	FY 2023-24 as on 31.03.2024	211	232.93	Discretionary
	FY 2022-23 as on 31.03.2023	59	49.88	Discretionary
	FY 2021-22 as on 31.03.2022	19	28.54	Discretionary

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

Transaction with related parties (Amount in Lakhs) as per Audited financial statements for the year ended March 31, 2024

Name of the Party	Nature of transaction	FY 2023-24	FY 2022-23
Mr. Rajnish Garg	Share of income/profit/(loss)	422.02	(44.71)
Mr. Anirudh Garg	Share of income/profit/(loss)	422.02	(44.71)

Closing balance with related parties (Amount in Lakhs) as per Audited financial statements for the year ended March 31, 2024

Name of the Party	Nature of Transaction	FY 2023-24	FY 2022-23
Mr. Rajnish Garg	current account	509.92	78.70
Mr. Anirudh Garg	current account	496.35	5.74

8. The financial performance of the Portfolio Manager (based on audited financial statements) (in Lakhs)

	for the financial year ended March 31, 2024	for the financial year ended March 31, 2023	for the financial year ended March 31, 2022
Total Income	1419.92	64.79	318.47
Total Expenses	394.81	195.20	71.97
Profit / (Loss) before tax	1025.11	(130.41)	246.50
Provision for current/deferred tax	181.06	40.98	(63.15)
Profit / (Loss) after tax	844.05	(89.43)	183.35
Total Partners' capital/ current account funds	1506.28	584.44	561.86
Net worth	1506.28	584.44	561.86

9. Performance of the Portfolio Manager

Portfolio Management Performance of the Portfolio Manager for the last three years in respect of - Discretionary Portfolio Management: -

Performance	For the period from 01.04.2024 to 31.01.2025	FY 2023-24	FY 2022-23	FY 2021-22
INVASSET GROWTH	6.45%	128.47 %	-7.48%	21.59%
S&P BSE 500 TRI	7.02%	40.16%	-0.91%	22.26%

- Calculation of performance is calculated based on "Time Weighted Rate of Return" method.
- Performance data is based on net of all fees and expenses.
- All cash holdings have been considered for calculation of performance.
- Investor/Client returns (net of all expenses) may differ based timing of investments or withdrawals, duration of investment and fee structure.
- Performance related information provided hereinabove is not verified by SEBI.

10. Audit Observation for preceding three years

The details of audit observations are as follows: -

Period	Audit Observations
FY 2023-24	No Audit Observations
FY 2022-23	No Audit Observations
FY 2022-22	No Audit Observations

11.Nature of Fees and Expenses:

The following are the indicative types of fees and expenses to be borne by the Investors/Clients availing the Portfolio Management Services through Invasset LLP. The same will vary depending upon the exact nature of the services to be provided to investors. The fees and expenses charged to a client shall be in accordance with the respective investor/client agreement. The fees, charges and expenses shall be directly debited to the Clients account as and when the same becomes due for payment.

(i) Portfolio Management fees

The Portfolio management fees relate to the fees payable by the Client to the Portfolio Manager for the portfolio management services rendered offered by the Portfolio Manager to the Client. This fee may be -- a fixed fee which can be either an absolute amount or a percentage of funds managed subject to a maximum of 4% per annum of the Client's portfolio corpus. Fixed management fee will be calculated on an annual basis. There will be no upfront fees directly or indirectly. OR

--performance-based fees are linked to portfolio returns achieved in a year, subject to a maximum of 25% of profit or another mutually agreed ratio or a combination thereof, as specified in the Portfolio Management Service Agreements / annexure / schedules attached thereto. Performance linked will be calculated on an annual basis. Management fees can vary from Client to Client, in the same portfolio of investment approach or across different investment approaches OR

--a combination of both i.e. fixed and performance-based fees.

The detailed fee schedule is available as a part of agreement and depends on the nature of product.

In case the fees are linked to the portfolio returns/performance based, then the fees shall be computed on the basis of high-water mark principle over the life of the investment.

There will be no upfront portfolio management fees, either directly or indirectly.

(ii) Brokerage and transaction charges:

These charges include charges payable to the broker for account opening charges, and for executing of transactions on the stock exchange involving purchase and sale of shares, bonds, debentures, units, and other instruments. Brokerage charges and additional charges such as stamp duty, transaction costs, turnover tax, securities transaction tax, or any other tax levied by statutory authority on the purchase and sale of shares, stocks, bonds, debt, units and other financial instruments will be based on actual amounts and are payable by the client/investor as and when charged by the relevant service provider. These charges shall be in the range of 0.20% to 0.50%.

(iii) Depository and custodian charges:

The charges for opening and operating dematerialized accounts, custody and transfer of shares, bonds, and units, as well as dematerialization and other associated charges related to managing depository accounts, will be based on actual costs. These charges are payable by the client/investor and are subject to a maximum of 0.10% of the average daily assets under management.

Fund accounting charges:

These charges pertain to fund accounting for the client's portfolio under discretionary portfolio management services agreement. They will be borne by the client/investor based on actual costs, up to a maximum of 0.10% of average daily assets under management.

(iv) Certification and professional charges:

Charges for outsourced professional services, such as accounting, taxation and legal services, notarizations, certifications and attestations required by bankers or regulatory authorities. will be based on actual costs and borne by the client/investor. These charges, including applicable statutory levies/taxes, are payable as charged by the relevant service provider. Audit fees shall not exceed a maximum of Rs. 1500/-per year (exclusive of GST).

(v) Registrars and transfer agent's fees:

Charges payable to registrars and transfer agents for transferring securities, bonds including stamp charges, cost of affidavits, notary charges, stamp fees and postage & courier charges etc. if applicable, will be recovered from the Client on an actual basis.

(vi) Any other incidental or ancillary expenses:

All other incidental or out-of-pocket expenses/costs not covered above but incurred by the Portfolio Manager on behalf of the client for portfolio management, as well as expenses incurred by the Portfolio Manager in accordance with the portfolio management service agreement, shall be charged to the client on an actual basis.

All operating expenses, excluding brokerage, related transaction costs (e.g. STT, transaction cost, stamp duty etc.) and the fees charged by the Portfolio Management Service, shall not exceed 0.50% per annum of the clients' average daily assets under management.

(vii) Exit Loads

- Within 1 year of investment: a maximum exit load of 3 % calculated on the redemption value
 - Within 2 years of investment: a maximum exit load 2 % calculated on the redemption value
 - Within 3 years of investment: a maximum exit load 1% calculated on the redemption value
- After a period of three years from the date of investment, no exit load will be applicable.

All fees and charges (including Portfolio Management fee whether fixed or variable) are subject to and exclusive of applicable taxes/levies or such other taxes/levies as may be introduced in future as prescribed under relevant State or Central laws including but not limited to GST, STT, Capital Gains etc.

11.2 OPTION OF DIRECT ON BOARDING OF CLIENTS/INVESTORS

The Client/Investor can also invest directly in PMS without the intermediation of persons engaged in distribution services.

At the time of on-boarding of clients/investors directly, only franking, statutory charges shall be levied. However, the charges as per the agreement shall be applied as agreed once the portfolio is active.

12. Taxation

Tax Implications for different categories of Clients

12.1 Income generated from investment in securities is liable to income tax under the relevant provisions of the applicable Laws. Special attention should be given to provisions related to capital gains, business income, dividend and interest. Tax implications can vary depending on individual circumstance. The general information provided/stated below is based on the general understanding of prevailing direct tax laws in India as of the date of the Disclosure Document, incorporating the amendments introduced by the Finance Act, 2023. This information is provided only as general guidance to the Client *vis-à-vis* the investments made through the Portfolio Management Services ('PMS') of Invasset LLP.

The tax position stated in this Disclosure Document, or at the time of investment, is not guaranteed to remain unchanged indefinitely or be accepted by tax authorities. Additionally, the information provided does not guarantee that clients will obtain these tax benefits in the future.

Statements regarding benefits mentioned herein are opinions and not representations by Invasset LLP intended to induce any investor, prospective or existing, to invest in the portfolio management services offered by Invasset LLP. Clients should not interpret the contents of this section of the Disclosure Document as advice on legal, taxation, investment, or any other matter. Due to the individual nature of tax consequences, the interpretation of circulars distinguishing between capital assets and trading assets, and evolving tax laws, each Investor/Client is strongly advised to consult

their own tax consultant or advisor regarding specific tax implications arising from their participation in the portfolio management services provided by Invasset LLP.

All existing and prospective Clients are responsible for understanding any income tax or other tax consequences arising in the jurisdictions where they are resident, domiciled, or have any other tax presence, relevant to their specific circumstances related to the acquisition, holding, or disposal of portfolio investments. The Portfolio Manager is not responsible for assisting or calculating the fulfillment of the Client's tax obligations.

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

- Dividend income on shares/income distributed on units;
- Long term or short-term capital gains (or losses) on sale of securities
- Business income from purchase and sale of securities and
- Interest income or any other income on debt instruments/securities

12.3 Resident and Non-Resident Taxation

(i) Resident Taxation

A resident investor is liable for income tax on their global income. However, a resident but not ordinarily resident is exempt from Indian tax on income accrued or arising outside India, unless it pertains to a business or profession controlled from India. Any other individual is considered a resident in India for a fiscal year, except when the control and management of their affairs is entirely outside India. For individuals, residency status is determined by their physical presence in India, subject to threshold limits prescribed under the Act.

Every other person is said to be resident in India during the previous year except where the control and management of affairs is situated wholly outside India.

A Company is said to be a resident in India in the previous year if (i) it is an Indian Company: or (ii) its place of effective management is situated in India.

(ii) Non-resident Taxation

A non-resident investor would be subject to taxation in India if he derives (a) Indian-sourced income; or (b) if any income is received / deemed to be received in India; or (c) if any income has accrued / deemed to have accrued to him in India in terms of the provisions of the Act.

A foreign company will be treated as a tax resident in India if its POEM is in India in that year. POEM has been defined to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance made.

In case of foreign investors, the taxation of income will be governed by the provisions of the Act read with the provisions of the applicable tax treaty i.e. Double Tax Avoidance Agreement ('DTAA'), if any. 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.

12.4. Dividend income

(a) Dividend income received from domestic companies is subject to taxation in India according to the recipient's applicable income tax slab rates. For dividends from domestic companies, Tax Deducted at Source (TDS) is applicable if the annual dividend exceeds Rs. 5,000 per shareholder. The TDS rate is 10 % on dividends exceeding this threshold.

(b) No deductions are permitted from dividend income except for interest expenses. However, in any tax year, such deductions on account of interest expenses cannot exceed twenty percent of the dividend income received.

12.5 Capital Gain

The detail for period of holding for different capital assets for the purpose of determining long term or short-term capital gains with effect from 23 July 2024 is as under: -

Sr. No.	Securities	Period of holding	Characterization
1	Listed equity shares/ Units of equity-oriented fund	held for more than twelve months	Long-term capital asset
		held for twelve months or less	Short-term capital asset
2	Unlisted shares of a company	held for more than twenty-four months	Long-term capital asset
		held for twenty-four months or less	Short-term capital asset
3	Any other asset such as gold, real estate, etc.	held for more than twenty-four months	Long-term capital asset
		held for twenty-four months or less	Short-term capital asset

12.5.1 Long Term Capital Gains

The income tax on the capital gains arising from the transfer of a long-term capital asset, such as an equity share in a company, a unit of an equity-oriented fund, or a unit of a business trust, where securities transaction tax (STT) has been paid, on both acquisition and transfer of such asset (in the case of equity shares) or on transfer (in the case of unit of an equity-oriented fund, or a unit of a business trust), and the amount of such long term capital gains exceeds one lakh twenty five thousand rupees, shall be charged (a) on long-term capital gains at the rate of ten per cent for any transfer which takes place before the 23rd day of July, 2024; and

(b) on long-term capital gains, at the rate of twelve and one-half per cent for any transfer which takes place on or after the 23rd day of July, 2024.

-The enhanced surcharge of 25% & 37%, as applicable, is not levied on income chargeable to tax under sections 112A. Therefore, the maximum rate of surcharge on tax payable on incomes from long-term capital gains shall be 15%.

-As stated above, to avail benefits of section 112A of the Act, equity shares should be subject to STT both at the time of acquisition and transfer of assets. However, to protect certain transactions, the CBDT vide Notification No. 60/2018/F. No. 370142/9/2017-TPL dated 01st October, 2018 has specified the transactions where the condition of STT on acquisition would not apply.

-The Finance Act 2018 withdrew exemption from tax on long-term capital gains arising on transfer of listed equity shares, units of equity-oriented mutual funds, and business trusts effective from April 1, 2018. However, gains made up to January 31, 2018, will be grandfathered. To give effect to the grandfathered provisions, the cost of acquisition will be deemed to be higher of the actual cost of acquisition or the fair market value as on January 31, 2018.

-In the case of an individual or a Hindu undivided family, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, the long-term capital gains, shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and only the balance long term capital gains will be charged at the above mentioned rates.

12.5.2 For a Resident an individual or a Hindu Undivided Family, long-term capital gains on capital asset (excluding listed securities a unit of an equity-oriented fund, or a unit of a business trust) are taxed under section 112 of the Act.

The amount of income-tax calculated on such long-term capital gains, —

(A) at the rate of twenty per cent for any transfer which takes place before the 23rd day of July, 2024; and

(B) at the rate of twelve and one-half per cent for any transfer which takes place on or after the 23rd day of July, 2024:

Provided that in the case of transfer of a long-term capital asset, being land or building or both, which is acquired before the 23rd day of July, 2024, where the income-tax computed under item (B) exceeds the income-tax computed in accordance with the provisions of this Act, as they stood immediately before their amendment by the Finance (No. 2) Act, 2024, such excess shall be ignored.

Long term capital gains that occurred before 23rd day of July, 2024, the calculation of long-term capital gain is done by adjusting the cost of acquisition using the Cost Inflation Index notified CBDT. Additionally, expenses that are wholly and exclusively incurred in connection with the transfer of the asset are deducted from the gains before computing the taxable amount.

In case where taxable income as reduced by long term capital gains is below the exemption limit, the long-term capital gains will be reduced to the extent of the shortfall and only the balance long term capital gains will be charged at the rates mentioned above.

12.5.3 Short Term Capital Gains

Section 111A of the Income Tax Act stipulates that Capital Gain arising from the transfer of short-term capital asset, being an equity share in a company, a unit of an equity-oriented fund, or a unit of a business trust and such transaction is chargeable to securities transaction tax, the amount of income tax calculated on such short term capital gains shall be (a) at the rate of fifteen per cent for any transfer which takes place before 23rd day of July, 2024 and (b) at the rate of twenty per cent for any transfer which takes place on or after the 23rd day of July, 2024. Additionally, Section 48 specifies that no deduction is permissible for STT paid when computing capital gains.

The enhanced surcharge of 25% & 37%, as applicable, is not levied on income chargeable to tax under sections 111A. **Therefore, the maximum rate of surcharge on tax payable on incomes from short-term capital gains shall be 15%.**

For resident individuals and HUFs, if the total income reduced by short-term capital gains under section 111A is below the basic exemption limit, the short-term capital gains shall be reduced by the shortfall, and only the remaining short-term capital gains will be taxed at the above stated tax rates. This tax rate will be increased by applicable surcharge and secondary & higher education cess.

12.5.4 Short-term capital gains that are not eligible for the concessional rate under section 111A of the Act are added to the total income. The total income, including such short-term capital gains (excluding those chargeable under section 111A), is subject to tax as per the respective slab rates applicable to resident individuals plus applicable surcharge and education cess.

12.5.5. Set off of Capital losses

Losses under the head of capital gains cannot be set off against income under any other head of income. Specifically, long-term capital losses incurred during the year cannot be offset against short-term capital gains. Instead, these losses can only be set off against long-term capital gains arising from the sale of other long-term assets within the same year. Any remaining unabsorbed long-term capital losses can be carried forward to subsequent years and set off against long-term capital gains only. This restriction ensures that capital losses are offset in a manner consistent with the tax treatment of capital gains, focusing on the same type and duration of gains in both the current and future tax years.

Short-term capital losses incurred during the year can be adjusted or set off against both long-term and short-term capital gains arising from the sale of other assets within the same year. This flexibility allows taxpayers to offset losses against gains regardless of the duration of the asset held. Any remaining unabsorbed short-term capital losses can be carried forward to subsequent years and can be set off against both short-term and long-term capital gains.

Such carry forward is admissible maximum up to eight assessment years.

12.6. Profits and Gains of Business or Profession

(a) If securities or transactions managed under portfolio management services (PMS) are treated or categorized as business or trading assets, any resulting profit or loss will be taxed under the head "Profit and Gains of Business or Profession." In such cases, the amount of securities transaction tax (STT) paid on these transactions, along with other transaction costs and normal business expenses, can be deducted when computing the income under this head as per the provisions of the Income Tax Act.

(b) As per section 43(5) of the Act, a transaction is treated as a speculative transaction if it is ultimately settled otherwise than by the actual delivery or transfer of the commodity or scrips. However, inter alia, in case of following transactions, the same shall not be deemed to be a speculative transaction:

- i) a contract in respect of stocks and shares entered into by a dealer or investor therein to guard against loss in his holdings of stocks and shares through price fluctuations; or
- ii) an eligible transaction in respect of trading in derivatives shall not be considered as a speculative transaction, provided the transaction is carried out electronically on screen-based systems through a stock broker or sub-broker or intermediary registered with SEBI and the transaction must be supported by time stamped contract note indicating in the contract note the Permanent Account Number and Unique Identification Number of the investor.

12.6.1. Losses under the head business income:

If the total income from the head "Profits and Gains of Business or Profession" (excluding speculative losses) results in a loss, it can initially be set off against income under any other head (except Salary and specified winnings) in the same assessment year. If any portion of this loss remains unabsorbed, it can be carried forward and set off against income under the head "Profits and Gains of Business or Profession" for up to eight subsequent assessment years. However, if the business involves dealing in securities and is classified as speculative, any losses from such speculative business can only be set off against income from any other speculative business in the same assessment year. Any unabsorbed speculative business losses can be carried forward and set off against income from speculation business for a period of up to four subsequent assessment years.

12.7. Interest or dividend income generated from securities can be classified as either 'Income from Other Sources' or 'Profit and Gains of Business or Profession' depending on the specific circumstances of each case. Generally, if the securities are held as investments and the income is incidental to the investment activity, such income is categorized under 'Income from Other Sources'. On the other hand, if the securities are held as stock-in-trade or for trading purposes, and the income arises from regular trading activities, it may be classified under 'Profit and Gains of Business or Profession'. The determination hinges on factors such as the intention behind holding the securities, the frequency of transactions, and the nature of the income generated.

12.8. Characterization of income on transfer of securities

The income arising from the purchase and sale of securities can either be classified as capital gains or business income, depending on how the investor holds the securities. This distinction is significant because it impacts the computation of income tax and the applicable tax rates. The characterization of income is primarily determined by whether the shares are held as capital assets (for investment purposes) or as business/trading assets (for trading purposes).

The Central Board of Direct Taxes (CBDT) has issued a circular that addresses the taxability of surplus on the sale of shares and securities. This circular provides guidelines and clarifications on how to categorize and treat income derived from such transactions for tax purposes. It emphasizes that the characterization of income from securities sales is a factual determination based on various factors such as the intention of the investor, the frequency of transactions, and the nature of activities surrounding the transactions.

12.8.1 In respect of listed shares and securities held for a period of more than 12 months immediately preceding the date of its transfer, if the assessee desires to treat the income arising from the transfer thereof as Capital Gain, the same shall not be put to dispute by the Assessing Officer. However, this stand, once taken by the assessee in a particular assessment year, shall remain applicable in subsequent assessment years also and the taxpayers shall not be allowed to adopt a different/contrary stand in this regard in subsequent years;

Further the CBDT has also issued a clarification for unlisted shares stating that the income arising from transfer of unlisted shares would be considered under the head 'capital gain', irrespective of period of holding.

It is, however, clarified that the above would not be necessarily applied in the situations where:

- the genuineness of transactions in unlisted shares itself is questionable; or
- the transfer of unlisted shares is related to an issue pertaining to lifting of corporate veil; or
- the transfer of unlisted shares is made along with the control and management of underlying business and the Assessing Officer would take appropriate view in such situations.

Further, in cases not following within the purview of the above circulars, the nature of the transaction (i.e. whether the same is in the nature of capital gains or business income) shall continue to be decided keeping in view the certain points and principles laid down by the judicial precedents and earlier CBDT circulars.

Based on the earlier circulars issued by Central Board of Direct Taxes (CBDT) and judicial decisions, following are the key factors and principles which need to be considered while determining the nature of assets as above

The issue of income characterization as above is essentially a question of fact and dependent on whether the shares are held as business / trading assets or on capital account.

Any single factor discussed above in isolation cannot be conclusive to determine the exact nature of the shares. All factors and principles need to be construed harmoniously.

12.8.2 The Central Board of Direct Taxes (CBDT) has clarified that taxpayers can maintain two distinct portfolios: an investment portfolio consisting of securities treated as capital assets and a trading portfolio comprising stock-in-trade treated as trading assets. This dual portfolio approach allows taxpayers to have income under both heads: capital gains and business income. Income derived from securities held as capital assets and sold after a significant holding period typically results in capital gains, subject to specific tax rules governing long-term and short-term gains. Conversely, income from securities held as trading assets and traded frequently as part of business activities is categorized as business income, taxed according to applicable business income tax rates.

In view of the above, the profits or gains arising from transaction in securities could be taxed either as "Profits or Gains of Business or Profession" under section 28 of the Act or as "Capital Gains" under section 45 of the Act.

12.9. TAX RATES

(a) Income tax slabs rates for Individual/HUF/AOP/BOI for the Financial Year 2024-25 are as follow:

Total Income	Tax Rate (exclusive of surcharge and health & education cess)
up to Rs. 2,50,000	Nil
from Rs. 2,50,001 – Rs. 5,00,000	5%
from Rs. 5,00,001 – Rs.10,00,000	20%
above Rs.10,00,001	30%

Resident individual whose age is 60 years or more but less than 80 years:

Total Income	Tax Rate (exclusive of surcharge and health & education cess)
up to Rs. 3,00,000	Nil
from Rs. 3,00,001 –Rs.5,00,000	5%
from Rs. 5,00,001 – Rs. 10,00,000	20%
above Rs. 10,00,001	30%

Resident Individual whose age is 80 years or more:

Total Income	Tax Rate (exclusive of surcharge and health & education cess)
up to Rs. 5,00,000	Nil
from Rs. 5,00,001 –Rs. 10,00,000	20%
Above Rs. 10,00,001	30%

As per Section 87A of the Income Tax Act, the rebate is applicable to assesses whose total income does not exceed Rs. 5,00,000. The rebate amount is equal to 100% of the income tax payable or Rs. 12,500, whichever is less.

(b) New Tax Regime

The Finance Act, 2023 has amended Section 115BAC of the Income Tax Act to extend its applicability to Individuals, Hindu Undivided Families (HUFs), Associations of Persons (AOPs), and Bodies of Individuals (BOIs). Under the new tax regime, Section 115BAC is now the default option for filing income tax returns going forward.

For the assessment year 2025-26, income tax payable by a taxpayer except those opting for the old regime will be computed at the rates specified, provided the conditions under this section are met

Total income	Tax rates
Up to Rs. 3,00,000	NIL
from Rs. 3,00,001 – 7,00,000	5 %
from Rs. 7,00,001 – 10,00,000	10 %
from Rs. 10,00,001 –12,00,000	15 %
from Rs. 12,00,001 –15,00,000	20 %
Above Rs. 15,00,000	30 %

The option to pay tax under this new regime is available only if the total income of the assessee is computed without claiming specified exemptions or deductions as specified under the Act. The Finance Act, 2023, effective from 1st April 2024, introduces a rebate of up to Rs. 25,000 for resident individuals opting for taxation under section 115BAC of the Income Tax Act. This rebate applies to individuals whose total income does not exceed Rs. 7,00,000/-

Surcharge:

The tax rates stated herein are exclusive of surcharge and education cess

The rate of Surcharge is as under-

Nature of Income	If the income is up to Rs.50 lakhs	If income exceeds Rs.50 lakh but less than Rs.1 crore	If income exceeds Rs.1 crore but less than Rs.2 crore	If income exceeds to Rs.2 crore but less than 5 crore	If income exceeds Rs.5 crore
On dividend income, income chargeable u/s 111A (short term capital gain) & section 112A (Long-term capital gain)	NIL	10%	15%	15%	15%
On any other income	NIL	10%	15%	25%	37%

However, enhanced surcharge rate of 37% is not applicable for the assesses opting for tax regime under section 115BAC. The surcharge shall be subject to marginal relief.

The amount of income-tax and the applicable surcharge shall be further increased by health and education cess calculated at the rate of 4% of such income-tax and surcharge.

12.10. Partnership Firm

A partnership firm (including LLP) is taxed at 30%. The income tax payable is subject to an additional surcharge at a rate of 12% on such tax when total income exceeds one crore rupees. However, the surcharge is subject to marginal relief.

(b) The amount of income-tax and the applicable surcharge shall be further increased by health and education cess calculated at the rate of 4% of such income-tax and surcharge.

12.11. Domestic Company

(a) Income-tax rates applicable in case of domestic companies are as follows:

Domestic Company	Income Tax Rate (excluding surcharge and cess)
Total turnover or gross receipt in the previous year 2020-21 does not exceed Rs. 400 crore	25%
If opted for Section 115BA	25%
If opted for Section 115BAA	22%
If opted for Section 115BAB	15%
Any other Domestic Company	30%

(b) Surcharge: The income-tax shall be increased by a surcharge at the rate of 7% of such tax when the total income exceeds one crore rupees but not exceeding ten crore rupees. For total income exceeding ten crore rupees, the surcharge rate increases to 12% of such tax. The surcharge is subject to marginal relief."

If a company opts for taxability under Section 115BAA or Section 115BAB, a flat surcharge at the rate of 10% applies irrespective of the income threshold.

(c) Health and Education Cess: The amount of income-tax and the applicable surcharge shall be further increased by health and education cess calculated @ 4% of such income-tax and surcharge.

12.11.1. Minimum Alternate Tax (MAT):

As per the Income Tax Act, if the income tax payable on total income by any company is less than 15% of its book profits, the company will be required to pay MAT which will be deemed to be 15% of such book profits.

The domestic company who has opted for special taxation regime under Section 115BAA & 115BAB is exempted from provision of MAT.

12.12. Bonus Stripping

Where any person buys or acquires any securities; or units of a mutual fund or the Unit Trust of India or business trust or Alternate Investment Fund within a period of three months prior to the record date (i.e., the date that may be fixed by a company or a Mutual Fund or the Administrator of the specified undertaking or the business trust or Alternate Investment Fund or the specified company, for the purposes of entitlement of the holder of the securities or units to receive additional security or unit, as the case may be, without any consideration) and such person is allotted additional securities or units (without any payment) on the basis of holding of the aforesaid securities or units on the record date, and if such person sells or transfers all or any of the original securities or units within a period of nine months after the record date while continuing to hold all or any of the additional securities or units, then any loss arising to him on account of such purchase and sale of all or any of the securities or units would be ignored for the purpose of computing his income chargeable to tax. Further, the loss so ignored would be deemed to be the cost of acquisition of such additional securities or units as are held by him on the date of sale or transfer of original securities or units.

12.13. Deemed Gift

Under section 56(2)(x) of the Income Tax Act, if a person receives shares and securities without consideration or for inadequate consideration, the difference between the Fair Market Value (FMV) of the shares/securities and the consideration received (if any) is taxable as income in the hands of the recipient. This taxable income arises if the difference exceeds Rs. 50,000 in aggregate during the financial year except in specified circumstances.

12.14. Buy Back Taxation

The Finance (No.2) Bill, 2024 proposes the abolition of the erstwhile buy-back tax under Section 115QA for companies effective from 1 October 2024, shifting the taxation of buyback proceeds to the shareholders who receive them. As per the proposed amendment, buy-back of shares as per section 68 of Companies Act, 2013 by a domestic company is to be taxed as 'dividend' in the hands of shareholders under sub-clause (f) to clause (2) of Section 2. No deduction for expenses shall be available against such dividend income under Section 57 while determining the income from other sources.

Further, since buy-back results in extinguishment of shares, it results in capital gain implications. The sale consideration in case of buy-back of shares is deemed to be NIL. Hence, the cost of acquisition of the shares which have been bought back would generate a capital loss in the hands of the shareholder, which can be set off as per the set off rules provided under the IT Act.

12.15. Securities Transaction Tax (STT)

STT is applicable on various transactions as follow:

axable securities transaction	Payable by	STT Rates
The purchase of an equity share in a company or a unit of a business trust, where such contract is settled by the actual delivery or transfer of such share or unit (on the value of taxable securities transaction based on the volume of weighted average price)	Purchaser	0.10 %
The sale of an equity share in a company or a unit of a business trust, where the transaction is settled by the actual delivery or transfer of the share or unit, (on the value of taxable securities transaction based on the volume of weighted average price)	Seller	0.10 %
Sale of a unit of an equity-oriented funds, where such contract is settled by the actual delivery or transfer of such unit. (on the value of taxable securities transaction based on the volume of weighted average price)	Seller	0.001 %
Sale of an equity share in a company or a unit of an equity oriented mutual fund or a unit if a business trusts, where such contract is settled otherwise than by actual delivery or transfer of such share or unit. (On the value of taxable securities transaction based on the volume weighted average price)	Seller	0.025 %
For sale of an option in securities w.e.f. 01.10.2024	Seller	0.1 %
Sale of an option in securities where option is exercised (on intrinsic value)	Purchaser	0.125 %
Sale of futures in securities (on the price at which such futures is traded) w.e.f. 01.10.2024	Seller	0.02 %

12.16. For Non-resident Indians

Section 90(2) of the Income Tax Act, 1961 provides that in determining the taxability of a non-resident, the provisions of the relevant DTAA or the Act, whichever are more beneficial shall apply. Accordingly, if the investor is a resident of country with which India has entered into a DTAA, the provisions of the DTAA or of the Act, whichever are more beneficial to the investor, shall apply.

Section 90(4) of the IT Act, provides that a taxpayer, not being a resident, to whom a DTAA applies, shall not be entitled to claim any relief under such DTAA unless a certificate of it being a resident in any country outside India is obtained by it from the Government of that country.

Further, section 90(5), provides that the taxpayer referred to in section 90(4) of the Act, shall also provide such other documents and information, as may be prescribed. In this connection, on August 01, 2013, the CBDT issued a Notification substituting Rule 21AB of the Income-tax Rules, 1962 (Rules) and prescribing the format of information to be provided under section 90(5) of the Act, i.e. in Form No 10F.

A taxpayer would be required to furnish Form No 10F, where the required information is not explicitly mentioned in the aforementioned certificate of residency; in which case, the Notification additionally requires the taxpayer to keep and maintain such documents as are necessary to substantiate the information provided.

As per the provisions of section 115A of the Act, where the income of a non-resident (not being a company) or a foreign company comprises of inter-alia dividend or interest income and appropriate taxes have been withheld in accordance with the provisions of Chapter XVII-B of the Act on such income by the payer, such non-resident is not required to furnish the return of income under section 139(1) of the Act.

12.17.THERE CAN BE NO GUARANTEE THAT THE ABOVE POSITION REGARDING TAXATION WOULD BE NECESSARILY ACCEPTED BY THE INDIAN TAX AUTHORITIES UNDER THE INCOME TAX 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 INCOME TAX ACT. INVESTORS ARE URGED TO CONSULT THEIR OWN TAX ADVISERS IN THIS REGARD.

13 . Accounting Policies

i) For every client, books and records are separately maintained in the client's name to account for assets, additions, income, receipts, withdrawals and disbursements, as required by the SEBI (Portfolio Managers) Regulations, 2020, as amended from time to time.

ii) Purchases are accounted at the cost of acquisition inclusive of brokerage, stamp duty, transaction charges and entry load in case of units of mutual fund. Sales are accounted based on proceeds net of brokerage, stamp duty, transaction charges and exit loads in case of units of mutual fund. Securities Transaction Tax, Demat charges and Custodian fees on purchase/ sale transaction are accounted as expense on receipt of bills. Transaction fees on unsettled trades are accounted for as and when debited by the Custodian.

(iii) Dividend income earned on shares is accounted on an accrual basis i.e. income is recognized on the ex-dividend date.

(iv) All other expenses, as per the terms of the agreement, will be accounted for on a due basis. However, such fees or expenses may include expenses pertaining to the previous year.

(v) Cash received for fractional quantities resulting from corporate actions is accounted for on a receipt basis.

(vi) Tax deducted at source has been is considered as an outflow or withdrawal from the portfolio corpus.

vi) Realized gains or losses on sale of investments are calculated/recorded on the date of sale and is the difference between the purchase cost and sale price of the security sold. Realized gains or losses are calculated by applying the First-in-First-out (FIFO) principle for each security.

In case of securities are withdrawn as corpus by client at the time of redemption of portfolio, notional gain/loss being the difference between the purchase cost and the market value of respective securities as on the date on which securities are withdrawn by client are reflected in Profit and Loss Account under Realized Gain/Loss for the purpose of calculation of performance of the portfolio. However, such notional gain/loss does not form part of Statement of Capital Gain/Loss since the same is not considered as an actual transfer of security as per Income Tax provisions.

vii) Transactions for purchase or sale of investments are accounted for on contract/ trade date. This ensures that the impacts of all investments traded during a financial year are duly recorded and reflected in the financial statements for that year.

viii) Securities Transaction Tax (STT) levied on the purchase or sale of listed securities including derivatives during the year is recognized as an expense and is separately shown in the books of accounts.

ix) Unrealized gains or losses is the difference between the current market values or net asset value and the historical cost of the securities.

x) In case of corpus received in the form of stock, the same is accounted for in PMS accounts on the date on which the stock is credited to the depository account at the closing price of the stock on the day of such credit. Accordingly, date of credit as aforesaid shall be construed as date of acquisition and cost as stated above is considered as cost of acquisition for the purpose of computing gains/returns.

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

14. Investor Services:

(i) Name, address and telephone number of the investor relation officer, who shall attend to the investor queries and complaints is mentioned herein below:

Name: Mr. Parvesh Kumar
Address: Invasset LLP
Plot No 14-15, First Floor,
Canal Road, South City,
Ludhiana-142027, Punjab, India

Email: info@invasset.com
Telephone No. 99156 13625

(ii) Grievance redressal and dispute settlement mechanism:

The investor relations officer will serve as the interface between the Portfolio Manager and the Client. The Portfolio Manager is committed to addressing all complaints regarding service deficiencies or grievances promptly and effectively. If an investor remains dissatisfied with the solutions proposed or the Portfolio Manager's stance, both parties will adhere to the prescribed grievance redressal mechanisms."

a) Investors are entitled to make a complaint in writing, orally or telephonically directly to Invasset at info@invasset.com or can call us on toll free:1800-309-2172 or can send letters to INVASSET LLP, Plot No 14-15, First Floor, Canal Road, South City, Ludhiana 142027, Punjab, India.

b) If the Investor/Client remains dissatisfied with the response or redressal provided by the Portfolio Manager they may lodge/ register their grievance or complaint through SCORES (SEBI' web-based complaints redress system) at <http://scores.gov.in/>. Alternatively, complaints may be sent to the Office of Investor Assistance and Education, Securities Exchange Board of India, SEBI Bhavan, Plot No. C4-A, "G" Block, Bandra -Kurla Complex, Bandra (E) Mumbai-400051.

Dispute Settlement Mechanism/Arbitration: All dispute, differences, claims and questions whatsoever which shall arise either during the subsistence of the agreement with a Client or afterwards with regard to the terms thereof or any clause or thing contained therein or otherwise in any way relating to or arising therefrom or the interpretation of any provision therein shall be in the first place settled by mutual discussion, failing which the same shall be referred to and settled by arbitration in accordance with and subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force. The arbitration shall be held in Ludhiana and be conducted in English language.

The agreement with the Client shall be governed by, construed and enforced in accordance with the laws of India. Any action or suit involving the agreement with a client or the performance of the agreement by either party of its obligations will be conducted exclusively in courts located within the city of Ludhiana the state of Punjab.

15. Details of investments in the securities of related parties of the portfolio manager

Portfolio Manager does not invest in securities of related parties or associates

SR No	Investment Approach, if any	Name of the associate/ related party	Investment amount (cost of investment) as on last day of the previous calendar quarter (INR in crores)	Value of investment as on last day of the previous calendar quarter (INR in crores)	Percentage of total AUM as on last day of the previous calendar quarter
	Invasset Growth	Nil	Nil	Nil	Nil

16. Details of the diversification policy of the portfolio manager

Portfolio Manager target to optimize risk associated with specific portfolios by virtue of diversification. Portfolio diversification is a strategy of risk management used in investing in securities, which allows to reduce the risks of concentration by allocating the funds in multiple sectors/asset class. We look to diversify through the following:

- Out of the universe of listed companies of NSE and BSE, we narrow down the investment universe by applying various internal qualitative and quantitative filters, ensuring quality of business and management and try to ensure adequate diversification amongst such quality businesses.
- We generally invest in 20-35 businesses in our investment approaches, which ensure adequate portfolio diversity.

17. General

1. Prevention of Money Laundering

The Government of India has put a policy framework to combat money laundering through the Prevention of Money Laundering Act, 2002 (PMLA 2002). Director, FIU-IND and Director (Enforcement) have been conferred with exclusive and concurrent powers under relevant sections of the Act to implement the provisions of the Act. Consequently, SEBI has mandated that all registered intermediaries to formulate and implement a comprehensive policy framework on anti-money laundering and adopt 'Know Your Customer' (KYC) norms.

Further, SEBI vide Master Circular No. SEBI/HO/MIRSD/MIRSDSECFATF/P/CIR/2024/78 dated June 06, 2024 (which supersedes all the earlier circular) issued a 'Master Circular for Guidelines on Anti Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules frame thereunder' consolidating all the requirements/instructions/obligations of Securities Market Intermediaries.

Accordingly, the investors should ensure that the amount invested by them is through legitimate sources only and does not involve and are not designed for the purpose of any contravention or evasion of any Act, Rules, Regulations, Notifications or Directions of the provisions of Income Tax Act, Prevention of Money Laundering Act, Anti-Corruption Act and or any other applicable laws enacted by the Government of India from time to time. The Portfolio Manager is committed to complying with all applicable anti money laundering laws and regulations in all of its operations.

The Portfolio Manager shall presume that the identity of the Client and the information disclosed by the Client is true and correct. It will also be presumed that the funds invested by the Client through the services of the Portfolio Manager come from legitimate sources / manner only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the Income Tax Act, 1961, PML Laws, Prevention of Corruption Act, 1988 and/or any other Applicable Law in force and the investor is duly entitled to invest the said funds.

To ensure appropriate identification of the Client(s) under its KYC policy and with a view to monitor transactions in order to prevent money laundering, the Portfolio Manager (itself or through its nominated agency as permissible under Applicable Laws) reserves the right to seek information, record investor's telephonic calls and/or obtain and retain documentation for establishing the identity of the investor, proof of residence, source of funds, etc. Where the funds invested are for the benefit of a person (beneficiary) other than the person in whose name the investments are made and/or registered, the Client shall provide an undertaking that the Client is holding the funds/Securities in his name is legally authorised/entitled to invest the said funds through the services of the Portfolio Manager, for the benefit of the beneficiaries.

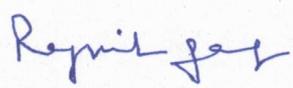
The Portfolio Manager will not seek fresh KYC from the Clients who are already KYC Registration Agency (KRA) compliant except the information required under any new KYC requirement. The Clients who are not KRA compliant, the information will be procured by the Portfolio Manager and uploaded. The Portfolio Manager, and its partners, 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 non-compliance with the provisions of the PML Laws and KYC policy and/or where the Portfolio Manager believes that transaction is suspicious in nature within the purview of the PML Laws and/or for reporting the same to FIU-IND. Notwithstanding anything contained in this Document, the provisions of the Regulations, PML Laws and the guidelines there under shall be applicable.

2. Client Information

The Portfolio Manger shall presume that the identity of the Client and the information disclosed by the Client is true and correct. It will also be presumed that the funds invested by the Client through the services of the Portfolio Manager come from the legitimate sources/manner and the investor/ client is duly entitled to invest the said funds. The Portfolio Manager may stop all trading activities for such Clients/ investors and take such actions as may be required under the Regulations and the Agreement, including closure of account.

Notwithstanding anything contained in this Disclosure Document, the provisions of the Regulations, PML Laws and guidelines thereunder shall be applicable. Client/Investor are advised to read the Disclosure Document carefully before entering into an agreement with the Portfolio Manager.

For and on behalf of Invasset LLP

<p>Rajnish Garg Designated Partner Plot No 14-15, Canal Road, South City, Ludhiana 142027, Punjab, India.</p>	
<p>Anirudh Garg Designated Partner Plot No 14-15, Canal Road, South City, Ludhiana 142027, Punjab, India</p>	

Place: Ludhiana

Date: February 18, 2025

Ref. No.....

CERTIFICATE

Dated.....

To

INVASSET LLP
Plot No 14-15, First Floor,
Canal Road, South City,
Ludhiana-142027, Punjab, India

1. We have been requested by the management of INVASSET LLP (Registration No. INP000006907 ("the LLP or Portfolio Manager") with its office at Plot No. 14-15, First Floor, Canal Road, South City, Ludhiana 142027, to certify the contents and information provided in the Disclosure Document for Portfolio Management services of the Portfolio Manager which is prepared by the Portfolio Manager in accordance with the Regulation 22 of the Securities and Exchange Board of India (Portfolio Manager) Regulations 2020. We understand that the disclosure document is required to be submitted to the Securities and Exchange Board of India ("the SEBI") and Clients of the Portfolio Manager.

Management's responsibility

2. The management of the LLP is responsible for the maintenance of the books of account and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for preparation and presentation of Disclosure Document. The preparation of Disclosure Document and compliance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 is the responsibility of the management of the LLP.

Auditor's responsibility

3. Our responsibility is to report in accordance with the Guidance note on Audit Reports and Certificates for special purposes issued by the Institute of Chartered Accountants of India. Further, our scope of work did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statement taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statement, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.

In respect of the information given in the Disclosure document, we state that

a) The list of persons classified as associates or group companies and list of related parties are relied upon as provided by the Portfolio Manager;



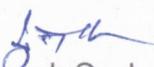
- b) The Promoters and designated partners qualification, experience, ownership details are as confirmed by the designated partners and have been accepted without further verification;
- c) We have relied on the representations provided by the management of the LLP about the penalties or litigations against the Portfolio Manager mentioned in the Disclosure document;
- d) We have relied solely on the representations provided by the management of the LLP and not performed any procedures in relation to investment objectives and policies/investment philosophy;
- e) We have reviewed nature of fees and expenses as per the agreements and representations provided by the LLP and
- f) We have verified the financial figures disclosed in the Disclosure Document with the audited financial statements for the respective years.

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

Based on our review of the attached Disclosure Document, audited annual accounts of the Portfolio Manager and other relevant records and information furnished by the Portfolio Manager, we certify that the disclosure made in the Disclosure Document dated February 18, 2025 are true and fair in accordance with the disclosure requirements laid down in Regulation 22 read with Schedule V to the SEBI Regulations. A management certified copy of the disclosure document is enclosed herewith.

This certificate is intended solely for the use of the management of the LLP for the purposes as specified in paragraph 1 above.

For Goyal Suresh & Associates
Chartered Accountants
Firm Registration No. 033057N


Suresh Goel
Proprietor



Membership No. 088996

Ludhiana, February 18, 2025

UDIN: 25088996 BM 6 GTR 1071