DISCLOSURE DOCUMENT

(As required under Regulation 14 of SEBI (Portfolio Managers) Regulations, 1993)

(i) The Disclosure Document (hereinafter referred to as 'the 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 14 of the SEBI (Portfolio Managers) Regulations, 1993.

(ii) The purpose of the Document is to provide essential information about the Portfolio Management Services (PMS) in a manner to assist and enable the investors in making informed decision for engaging a Portfolio Manager.

(iii) The Document gives the necessary information about the Portfolio Manager required by an investor before investing, and the investor may also be advised to retain the document for future reference.

(iv) Details of the Principal Officer

Name	:	Mr. Dilip K. Jha
Address	:	Aarohan Holdings & Advisors Pvt. Ltd. H.No. 8-2-120/77/A, First Floor Road No. 2, Banjara Hills Hyderabad - 500034
Phone	:	+91 40 23546894
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(v) This Disclosure Document is dated 31 August 2021.

Portfolio Management Services
Aarohan Holdings & Advisors Private Limited
SEBI Registration No. INP000004599

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1. **Disclaimer**

This Disclosure Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 1993 as amended from time to time and filed with SEBI. This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the Document.

2. **Definitions**

2.1	Act	The Securities and Exchange Board of India Act, 1992 (15 of 1992).
2.2	Cash Account	the account in which the funds handed over by the client shall be held by the Portfolio Manager on behalf of the Client.
2.3	Chartered Accountant	a chartered accountant as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949) and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act.
2.4	Client	anybody corporate, partnership firm, individual, HUF, association of persons, body of individuals, trust, statutory authority, or any other person who enters into agreement with the Portfolio Manager for the management of his portfolio.
2.5	Discretionary Portfolio Manager	a Portfolio Manager who exercises, or may, under a contract relating to portfolio management, exercise any degree of discretion as to the investments or management of the portfolio of securities or the funds of the client, as the case may be.
2.6	Foreign Account Tax Compliance Act (FATCA)	Foreign Account Tax Compliance Act that seeks to identify U.S. Tax payers having accounts at Foreign Financial Institutions (FFIs) and attempts to enforce reporting of those accounts through withholding.
2.7	Fund Manager	the individual(s) appointed by the Portfolio Manager who manages, advises or directs or undertakes on behalf of the client (whether as a Discretionary Portfolio Manager or otherwise) the management or administration of a portfolio of securities or the funds of the client, as the case may be.
2.8	Funds	the moneys placed by the Client with the Portfolio Manager and any accretion thereto.
2.9	Large cap stock	any stock whose market capitalization does not fall within the definition of a Mid and Small Cap stock as defined herein.
2.10	Mid and Small cap stock	a stock whose market capitalization is the lower than the limits defined by SEBI from time to time.
2.11	Non-Discretionary Portfolio Manager	a Portfolio Manager who manages the funds in accordance with the directions of the client.
2.12	Person directly or indirectly connected	any person being an associate, subsidiary, inter connected company or a company under the same management within the meaning of section 370(1B) of the Companies Act, 1956 or in the same group.
2.13	PMS Agreement	includes contract entered between the Portfolio Manager and the client for the management of funds or securities of the client.
2.14	PMS Portfolios	any of the investment Portfolios as mentioned herein or such Portfolios that may be introduced at any time in future by the Portfolio Manager.
2.15	Portfolio	the total holdings of securities belonging to the client.

2.16	Portfolio Manager	Aarohan Holdings & Advisors Pvt. Ltd (AHA), who has obtained certificate of registration from SEBI to act as a Portfolio Manager under Securities and Exchange Board of India (Portfolio Managers) Rules and Regulations, 1993, vide Registration no INP000004599
2.17	Principal Officer	a director of the Portfolio Manager who is responsible for the activities of portfolio management and has been designated as principal officer by the Portfolio Manager.
2.18	Rules	The Securities and Exchange Board of India (Portfolio Managers) Rules, 1993.
2.19	Regulations	The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, and as may be amended by SEBI from time to time.
2.20	SEBI / Board	The Securities and Exchange Board of India.
2.21	Securities	'Securities' as per Securities Contracts (Regulation) Act, 1956 include: • shares, scripts, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate • derivatives (contracts which derive their value from the prices, or index of prices, of underlying securities) • units or any other instrument issued by any collective investment scheme to the investors in such schemes • security receipts as defined in clause (zg) of section 2 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 • units or any other such instrument issued to the investors under any mutual fund scheme
2.22	Securities Lending Scheme	the securities lending as per the Securities Lending Scheme, 1997 specified by the Board.

3. Description

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

Aarohan Holdings & Advisors Pvt. Ltd (AHA) is a private limited company incorporated in April 2012 under the provisions of the Companies Act, 1956 and having its Registered Office at House No. 8-2-120/77/A, First Floor, Road no 2, Banjara Hills, Hyderabad – 500034

The paid-up equity share capital of AHA is Rs.2.40 crores and it is entirely held by three full time Directors and promoters of the company. AHA was founded by 3 senior CXO level professionals with IIT/IIM/CA qualifications and decades of experience between them in large corporations. They managed successful M&As at global levels as well as launched several new businesses and scaled them up.

It started its operations in 2012 by providing professional services related to investor relationship to a leading IT service provider. In parallel it built competency in investment management. After first two years of operations it had built its own investment management processes and policies around modern portfolio theory. The resident competency in software was used to develop an integrated technology-based platform to implement such investment methodology. This platform provided very impressive results on the investment portfolio of share capital during 1st two years of its existence.

Based on extensive research on the financial needs and investment objectives of high net worth individuals, AHA developed a business plan during 2014-15 to provide PMS services to its clients. SEBI (Securities and Exchange Board of India) granted a license for offering Portfolio Management Services under Registration No. INP000004599 to AHA on 19th Dec. 2014.

It has now operated for full five years as a licensed Portfolio Manager after starting tp provide services from April 2015. Through our flagship Discretionary Portfolio Management Services, we offer end-to-end investment management services. This includes investing in a range of financial assets, unlike most other PMS, who concentrate only on equity portfolios. We also provide services like financial planning, assistance in tax filing and estate planning.

Our individual retail clients include corporate CXOs, entrepreneurs, self-employed professionals and public sector employees as well as NRIs. We currently manage the investments of over 100 clients with total Assets Under Management (AUM) of INR 65+ crores. Many of our clients are retired and utilize our liquidity management services including regular pension withdrawals. We also have younger clients in the accumulation phase of life looking for long term capital appreciation.

We also provide treasury management outsourcing services for corporates. For these corporate clients, we manage the deployment of excess funds over and above what is required for their normal daily business operations by investing them in liquid securities to generate extra returns.

The core of our investment philosophy is ‘asset allocation with dynamic rebalancing’. We manage risk by diversified investing in both stocks and bonds. Each client’s portfolio is customized based on his financial profile and goals. Dynamic rebalancing of this portfolio is done to take advantage of and harvest the growth phase of different asset classes to optimize returns.

Our performance goal is to protect the downside of capital without losing its upside potential. This was evident in the first year of our operations when we gave positive returns even when the overall indices were down by 10%. Even in the next 2 years when the markets did very well, we matched the indices. While we underperformed the market in 4^{th} year of our operations, in the 5^{th} year we outperformed the market by a big margin when stock markets crashed on-account of the COVID 19 pandemic. This has proven that our investment methodology performs both during bull and bear market phases. Consistency of return since inception is another clear reflection of lower risk associated with our portfolios. Finally, we have protected capital much more effectively in the bear phase during FY2015 and FY 2020.

3.2. Promoters of the Portfolio Manager, directors and their background

3.2.1. The company has been promoted as a new generation wealth management company by three IIT/IIM/CA professionals. Each one has above 25 years of experience in growth sectors like technology, financials and healthcare. All of them have played CXO roles in leading corporates. Geographically, they have worked across the globe. Functionally they have managed key M&A and treasury functions of leading companies.

The promoters hold 100% of the paid-up equity share capital of AHA and are full time directors. The promoter directors also play key leadership roles in the company. Dilip Kumar Jha is the Principal Officer and manages asset allocation and equity portfolios. Prabir Chatterjee plays the role of CFO, Chief Compliance Officer and manages bond portfolios. Vandana Jha leads the organization development functions and brings competencies related to behavioral aspects of investment.

Their profiles are summarized in the next section

3.2.2. Board of Directors

Dilip Kumar Jha
In his role as Chief Strategy Officer, Dilip Jha is credited with the success of the game changing acquisition of Satyam by Tech Mahindra. During this period, he interacted with the government appointed board and prospective buyers for a successful auction which brought back the organization from the brink of disaster during its unprecedented phase in 2009.

Dilip Jha is also credited with the revival of Mahindra Satyam for the next three years with his contribution lauded by the IT industry and the national media. He led the business development and operations of the company in India, Middle East and Africa and transformed it into a profitable business within two years. Dilip provided a decade of business leadership at Satyam in starting and growing its global footprint in key verticals like telecommunications, healthcare and insurance. In a career of over two and a half decades, Dilip has also played significant roles in starting and leading the Indian operations of several global technology companies like AT&T and Oracle.

Dilip was the founder CEO of Satyam Idea Edge Technologies, a pioneering JV in the mobile internet space launched by Satyam Computers which created, as early as 2001, one of the first mobile trading platforms covering equities, bonds, commodities and currencies for the US and UK markets. This has formed the basis of his deep understanding of financial markets and asset classes.

Dilip started his career as a management consultant with A F Ferguson & Co. where among other things, he advised his clients on risk management which formed the basis for his investment philosophy. Dilip has been actively managing his personal investments for over a decade across different financial asset classes like equities, bonds and derivatives before starting Aarohan Holdings and Advisors in April 2012.

Dilip has a B. Tech degree in Electrical Engineering from the IIT Kanpur (1983) and an MBA from IIM Calcutta (1985).

Prabir Kumar Chatterjee

Prabir Chatterjee qualified as a Chartered Accountant in 1983 and completed his MBA from IIM Calcutta in 1985. He started his career as a management consultant with A.F. Ferguson & Co. in India and later moved to the Middle East to join the consulting practice of KPMG.

In 1991 Prabir joined Eastman Kodak, the US multinational, as Finance Manager for their Emerging markets operations based in Dubai. Prabir was instrumental in the development of the Emerging Markets operations hub for Kodak in Dubai, which managed a large and complex geographical territory of 80+ countries covering the Middle East, Africa, East and Central Europe and Central Asia.

From 2003 to 2009, Prabir was based in Geneva, Switzerland and handled the role of Finance Director for various regions like Emerging Markets, Asia, Greater China and Europe for the Healthcare business of Kodak and Carestream, a new entity formed in 2007 when Kodak sold its Healthcare business to a global PE company.

Carestream is a global market leader in the secondary radiology imaging market for equipment, consumables and services. Prabir played a pivotal role in the transition from Kodak to Carestream and was instrumental in managing the financial separation and establishing the independent finance function of the new entity.

In Nov 2009 Prabir relocated to Mumbai, India as the Managing Director of the India subcontinent business and operations of Carestream. Under his leadership, the size of the business for the cluster doubled in 4 years.

Prabir is a promoter – director of Aarohan PMS and handles the roles of Chief Compliance Officer, CFO and CIO for Fixed Income securities. Prabir's experience in international financial markets and bond markets brings unique strengths to our portfolio management services.

Vandana Jha

Vandana has over 25 years of experience in Public, Corporate and Development sectors in leadership roles and is currently the Managing Trustee of Aarohan Foundation at Hyderabad. Aarohan Foundation is a non-profit organization conceptualized and founded by a group of alumni from IIT's and IIM's. It works in the areas of education and livelihoods for the underserved with a focus on vocational education and entrepreneurship development.

After completing her post-graduation from IIT Delhi in 1986, Vandana worked as a Scientist at the Nuclear Science Centre, Delhi, for a decade. During the first decade of her career she was in the core team to build one of the finest inter university research facility focused on Nuclear Physics.

In the next two decades she transitioned to behavioral science. For last 10 years she is visiting faculty at IIM Ahmadabad for one of the most popular behavioral science course for final year student's. professional member of ISABS (Indian Society for Applied Behavioral Sciences).

Subsequently she joined Satyam Foundation, the CSR arm of Satyam Computers, as Lead partner, heading Volunteering, HR and Livelihoods functions. She was empaneled as an Executive Coach for Satyam's senior associates and continues as an external consultant available to its employees.

As managing trustee at Aarohan Foundation, she is now working as a change agent at several self-help groups (SHG) and microenterprises. She was in the core team which implemented 108 service which today has scaled up to cover entire nation.

Vandana has been an active investor in securities and derivatives in her personal capacity for over a decade before co-promoting this organization. Her research experience and understanding of investment psychology helps our portfolio management.

3.3 Group companies/firms of the Portfolio Manager in India on turnover basis

AHA has no group companies in India. However, two of its promoters, Dilip Jha and Vandana Jha are trustees of Aarohan Foundation, an NGO, registered as a charitable trust. Details of this NGO are available on its website www.aarohanfoundation.org

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

Key management personnel:

1. **Dilip Kumar Jha**
2. **Vandana Jha**
3. **Prabir Kumar Chatterjee**

Name of the Promoter	**Percentage Shareholding with the Promoter**	**Related party investments (Rs. Crores)**
Dilip Kumar Jha	73.96%	4.49
Prabir Chatterjee	16.67%	1.77
Vandana Jha	9.37%	3.56

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

4.1. All cases of penalties imposed by the SEBI or directions issued by SEBI under Act or Rules or Regulations made thereunder. The nature of the penalty/direction. Penalties imposed for any economic offence and/ or for violation of any securities laws.

None

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

None

4.3. Any deficiency in the systems and operations of the Portfolio Manager observed by SEBI or any regulatory agency:

No deficiency in the systems and operations of the Portfolio Manager has been observed by SEBI or any regulatory agency.

4.4. Any enquiry/ adjudication proceedings initiated by SEBI against the Portfolio Manager or its directors, principal officer or employee or any person directly or indirectly connected with the Portfolio Manager or its directors, principal officer or employee, under the Act or Rules or Regulations made thereunder:

None

5. Services Offered

5.1 Type of Services

The Portfolio Manager offers the following services:

5.11 Discretionary Portfolio Management Services

The portfolios of the clients are managed at the full discretion and liberty of the Portfolio Manager. Please note that minimum investment limit has been raised to Rs. 50 Lakh by SEBI recently.

5.12 Non-Discretionary Portfolio Management Services

The portfolios of the clients are managed by the Portfolio Manager in accordance with the directions and permission of the client.

5.13 Advisory Services

The Portfolio Manager provides investment advice to the client for his/her investments and may assist in execution as per directions and permission of the client.

5.2 Investment Objective

The investment objective is to seek capital appreciation over long term to enable financial independence of our clients. Financial independence is a state when the portfolio generates enough returns to fund the client's desired lifestyle in an inflation protected manner. The endeavor is wealth creation through long term compounding while protecting wealth by diversification across financial asset classes. Unlike most PMS providers who focus on a single asset class like equity or bonds, our investment span covers entire range of financial assets. This enables our clients to invest a larger portion of their funds in our PMS.

5.3 Investment Policies & Processes

We have defined our policies based on the investment needs of the target segments identified including retired, current and aspiring CXOs of top corporates, senior government and defence officials, professors, self-employed professionals like doctors and lawyers, SME owners and the NRI community. Our research has provided us with an understanding of their risk profiles and financial goals. Accordingly, our investment policies and processes are aligned to optimize the returns for that level of risk to ensure that their life goals are met.

Asset allocation has emerged as the most important determinant of portfolio returns through studies based on long term empirical data. Accordingly, risk-weighted asset allocation forms the foundation of our investment policy where we create a balanced portfolio of financial assets across equity, bonds and cash. We actively rebalance our portfolio with low transaction and tax costs to outperform a passive rebalancing strategy. Based on the client's risk profile, we define strict lower and upper limits of weights for individual asset classes like stocks and bonds in the overall portfolio. During the portfolio lifecycle we may rebalance the allocation within these limits.

We start with a 2-3 year view on both equity and debt. Currently stock markets have turned volatile due to elevated risks of Coronavirus and its very difficult to predict markets in short term. However, the deep correction in stock markets have made valuations very attractive and if we stretch our time frame to 2-3 years, stock markets look very attractive. The debt markets also have been impacted significantly and there is a flight to safety. Sovereign and AAA bonds have held up and are likely to do well because of the monetary policy loosening by RBI. However risk premium of AA+ and lower grade bonds have increased dramatically and is becoming very attractive in medium term of 2-3 years.

However, our key focus is on understanding key risks to our medium to long term view and how they change dynamically with time. Coronavirus has increased the risks associated with both stocks and bonds in March 2020 significantly. We use cash and equivalents to manage the risk levels. Hence we increased our cash levels to historical highs of over 25% which is near zero in normal circumstances. We have no regulatory restrictions on holding cash unlike mutual funds.

Fundamentally we buy equity when corporate earnings expectation is positive and we buy bonds when inflation expectations indicate a decline. Such expectations are usually discounted in the market and reflected in metrics like PE ratio for stocks or 10-year yield for bonds but anomalies can occur and provide opportunities. We constantly identify any anomalies and accordingly rebalance the portfolio.

Within equity the most important determinant of performance has been the allocation to industry sectors. We have classified industry sectors into four broad themes. The traditional consumption and investment cycle of the economy drive the first two themes. The third theme is financials, which supports the other themes. The fourth theme, export, is critical for managing India's current account deficit and is linked to global growth while the other three themes are linked to domestic growth.

Our equity portfolio is built first by top down allocation into the four themes. In neutral conditions it will mirror the weights these themes have in the NIFTY index. In practice, our portfolio weights deviate from the index, depending on our analysis of prevailing micro and macro conditions.

Consumption Theme

The consumption theme is based on the domestic consumption story. The conviction in its potential has only increased over the years, primarily driven by demography. The continued growth in rural consumption has added another dimension to this growth story. Consequently, there was widespread consensus on growth of this theme till the slowdown in consumption, especially on the discretionary end like automobiles was visible at the start of FY20. And now the Coronavirus has accelerated the fall of automobiles. At the same time both fast moving consumer goods and services have shown sharp rise. Especially the telecom sector has got major boost as work from home and online services during lockdown has been enabled by this sector.

Investment Theme

The investment theme includes a wide variety of stocks likely to benefit from the growing investment environment. Indian infrastructure environment is in the nascent stage of a long-term positive investment cycle. After a great start around 2004, over-optimism in the sector created unviable companies. Lack of clear exit policies ensured that their debt burdens triggered a decade of paralysis. And then the Coronavirus further impacted future of private capex. Cost of capital in India is one of the highest among large economies. Hence investment cycle is at a low phase now. Public capex may rescue of this theme as the government tries to stimulate the economy.

Financial Theme

Financial theme includes Banks and Non-Banking Financial Companies (NBFCs) and supports the other three themes in their growth. Financial inclusion, which is currently at a very low level in our country, is likely to grow at a much faster pace than global averages. Hence it would remain key for any stock portfolio. However, this theme is also the riskiest theme, as, by definition, companies in this sector tend to be highly leveraged. NPAs have significantly impacted most of the PSU banks and few private sector banks focused on corporate clients. NBFCs emerged to fill in gaps in services offered by banks. However, the ongoing liquidity crisis in NBFCs for last one year has resulted into many defaults.

And now the Coronavirus impact on financial theme is certainly negative. Financial theme supports all other themes and any negative impact on any other theme gets reflected in financial theme. While the RBI's policy of providing moratorium in loan repayment delays the NPA recognition, financial theme with the exception of insurance sector has become a very risky sector in short term.

Export Theme

The export theme covers sectors like IT and healthcare which generate most of their revenues from exports. The common theme for these sectors is that their outlook is linked to the economic trends in developed economies. The negative trade balance of Indian economy makes this sector very critical for our overall economic growth. The trade war fears have been negative for the export sectors for over a year now. But the Coronavirus changed the fundamentals of healthcare sector. Healthcare is now getting the attention it always deserved in domestic market and globally the respect for Indian pharma industry has suddenly increased. This coupled with the long underperformance of pharma sector has made it the best performing sector in India.

Even the IT industry has been able to manage the Coronavirus impact much better than other sectors. The non-discretionary part of business is intact and it was a bigger component of business. Even the discretionary part of business is supported by the sudden need of going digital in post Coronavirus scenario. The ability of WFH in this industry will bring down the costs by bringing down infrastructure cost and using tier 2 & 3 cities effectively.

Within bonds we we use the two dimensional approach of duration allocation along with credit rating for creating the bond portfolio.

On duration front our view is that India is in secular fall in inflation. The interest rate on longer end is still very high and would gradually fall over next few years as we move into low inflation regime. Hence we have a bias towards medium to long duration bonds but use shorter duration bonds. Also, during the time of volatility like the one triggered by Coronavirus we may increase the proportion of shorter duration bonds.

Sovereign and AAA bonds have held up and are likely to do well because of the monetary policy loosening by RBI. However risk premium of AA+ and lower grade bonds have increased dramatically and is becoming very attractive in medium term of 2-3 years.

The top down view is complemented by bottom-up security selection. We deal only in quality securities and track 100 quality stocks and 50 investment grade bonds. We also track about 25 value stocks from different sectors at any point of time, which have strong upside potential. These value stocks are included in the portfolios depending on the risk profile of the client.

We supplement this top down fundamental view with technical analysis and quantitative techniques for effective re-balancing. While fundamental analysis guides what we buy, technical analysis provides the timing of when to buy.

5.4 PMS Portfolios

Individual client portfolios will be designed based on the client's financial status, objectives and risk profile. While, each portfolio would be managed as a separate account and will be different from others, we have developed the following model portfolios for each of the risk categories we focus on.

- Aggressive
- Moderately Aggressive
- Moderate (mid-point)
- Moderately Conservative
- Conservative

Individual portfolios of clients will be built based on the model portfolios for their risk category and are adapted for the client's specific financial profile. The key benchmark for all these portfolios is the popular inflation index, CPI. Our endeavor is to maximize real return (nominal return minus CPI) over a long period. We also use the popular stock market index SENSEX as a secondary benchmark. For performance reporting purpose we use aggregate of all portfolios under discretionary portfolio management.

In addition to managing individual client portfolios, AHA also provides Corporate Treasury Fund Investment Management services to select corporate clients. Under this service, AHA manages funds lying with corporates and businesses which are not required for immediate business needs by investing them in liquid funds and financial markets, thereby generating returns for the clients on otherwise idle assets. The portfolios are monitored on a daily basis to meet all liquidity needs of the business.

All investments will be made by the Portfolio Manager through recognized Stock Exchanges, or directly with other counterparties in respect of Government Securities and other debt instruments at the best possible rate available. Use of derivatives would be limited to hedging and portfolio leverage would not be allowed in any portfolio. In case any client wishes to restrict any securities from his portfolio due to any regulatory / compliance reasons or out of personal choice we would ensure compliance with such restrictions.

5.5 The policies for investments in associates/ group companies of the Portfolio Manager and the maximum percentage of such investments therein would be subject to the applicable laws / regulations/ guidelines.

AHA currently does not intend to invest in any of its associate or group companies

5.6 Types of Securities in which the funds are generally invested:

(a) Equity and Equity related securities,

(b) Units, Magnums and other instruments of Mutual Funds;

(c) Bank Deposits;

(d) Convertible Stock and Preference Shares of Indian Companies;

(e) Debentures (Convertible and Non-convertible), Bonds and Secured Premium Notes, Swaps, Futures and Options, Securitized Debt, Structured Products, Pass-Through Certificates and Instruments which are quasi-debt instruments, Tax-exempt Bonds of Indian Companies and Corporations;

(f) Government and Trustee Securities;

(g) Treasury Bills;

(h) Commercial Papers, Certificates of Deposit and other similar Money Market instruments; and Derivatives. The Portfolio Manager may use derivative instruments like Stock Index Futures, Futures on Individual Stocks, Options on Stock Indices and Options on individual stocks, Interest rate swaps, Forward Rate Agreements or such other derivative instruments as may be introduced from time to time, as permitted by SEBI. However, in respect of investments in derivatives, the Portfolio Manager shall not leverage the Portfolio;

(i) Tradable or any other warrants;

(j) The Portfolio Manager may invest in private equity investment proposals (unlisted companies) considering their attractive fundamentals and possibility of unlocking significant gains in future on listing, subject to applicable regulations;

(k) Such other instrument(s) offered in private placements, arrangements, treaties, contracts or agreements for facilitating acquisition and/or disposing of investments as the case may be;

(l) Any other eligible mode of investment within the meaning of the Regulations issued by SEBI and amended thereto from time to time.

6. Client Representation

6.1. AHA Clients

Category of clients	Discretionary/ Non-Discretionary (if available)	No. of clients	Funds managed (Rs. Cr)
PMS Individual Clients			
As at 31 Aug 2021	Discretionary	68	80.57
	Non-Discretionary	1	1.04
As at 30 Jun 2021	Discretionary	67	76.07
	Non-Discretionary	1	1.03
As at 31 March 2021	Discretionary	69	71.27
	Non-Discretionary	1	0.99
As at 31 March 2020	Discretionary	83	58.10
	Non-Discretionary	1	1.42
As at 31 March 2019	Discretionary	76	55.35
	Non-Discretionary	1	1.63
As at 31 March 2018	Discretionary	48	34.45
	Non-Discretionary	1	1.49
As at 31 March 2017	Discretionary	26	22.98

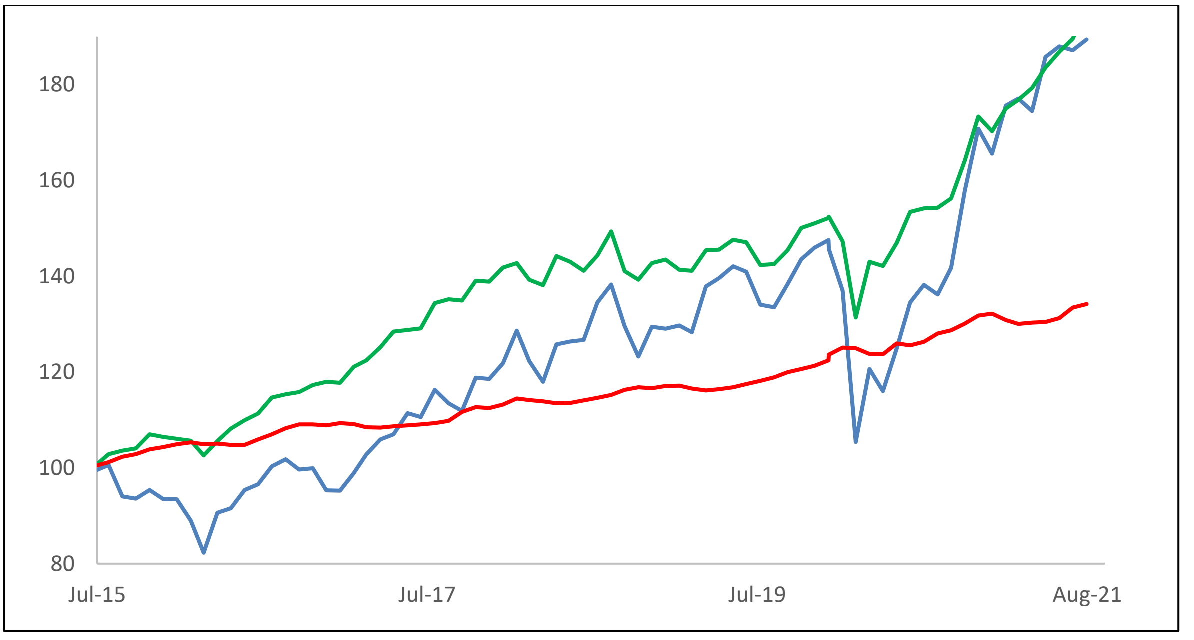
	Non-Discretionary	1	0.83
As at 31 March 2016	Discretionary	13	10.37
	Non-Discretionary	-	-
As at 31 March 2015	Discretionary	5	1.3
	Non-Discretionary	-	-
PMS Corporate Clients			
As at 31 Aug 2021	Discretionary	2	9.83
As at 30 Jun 2021	Discretionary	2	9.37
As at 31 March 2021	Discretionary	2	8.87
As at 31 March 2020	Discretionary	2	5.52
As at 30 September 2019	Discretionary	1	1.53
As at 31 March 2019	Discretionary	1	1.04
Advisory Clients			
As at 31 Aug 2021		21	3.415
As at 30 Jun 2021		17	3.470
As at 31 March 2021		16	2.740
As at 31 March 2020		21	3.520
As at 31 March 2019		24	4.316
As at 31 March 2018		16	4.480
As at 31 March 2017		10	3.280
As at 31 March 2016		5	1
As at 31 March 2015		-	-

7. Portfolio Management Performance

Portfolio Management performance of the Portfolio Manager is disclosed since our inception (April-2015).

The following graph compares monthly CPI & SENSEX with monthly performance of AHA discretionary portfolios. AHA monthly performance is sourced from report filed with SEBI.

If you had invested ₹100 in April 1, 2015 in the average AHA portfolio it would have become ₹ 196.0 on August 31, 2021. The same amount invested on the BSE Sensex would have become ₹ 189.4 During this period the Consumer Price Index (CPI) rose from 100 to 133.4



8. Risk factors

General Risk Factors applicable to all Portfolios

8.01. Securities investments are subject to market risk and there is no assurance or guarantee that the objectives of the Portfolio will be achieved.

8.02. Past performance of the Portfolio Manager does not indicate or guarantees future performance.

8.03. Investments made by the Portfolio Manager are subject to risks arising from the investment objective, investment strategy and asset allocation.

8.04. Investments made by the Portfolio Manager are subject to risks arising out of non-diversification etc.

8.05. Investments in Securities are subject to market and other risks and there can be no guarantee in any of the Portfolios mentioned in this Disclosure Document against loss resulting from investing in the Portfolio(s) of the Portfolio Manager. The various factors which may impact the value of the Portfolios' investments include, but are not limited to, fluctuations in the equity and bond markets, fluctuations in interest rates, prevailing political and economic environment, changes in government policy, factors specific to the issuer of the securities, tax laws, liquidity of the underlying instruments, settlement periods, trading volumes etc.

8.06. Investment decisions made by the Portfolio Manager may not always be profitable.

8.07. The tax benefits described in this Disclosure Document are as available under the present taxation laws and are available subject to conditions. The information given is included for general purpose only and is based on advice received by the Portfolio Manager regarding the law and practice in force in India and the investors should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Portfolio will endure indefinitely. In view of the individual nature of tax consequences, each investor is advised to consult his/ her own professional tax advisor.

8.08. Prospective investors should review / study this Disclosure Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale or conversion into money) of Portfolio and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their portfolio, acquisition, holding, capitalization, disposal (sale, transfer or conversion into money) of portfolio within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to purchase/gift portfolio of securities are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding portfolio of securities before making an investment.

8.09. Investments are subject to certain risks viz. limited liquidity in the market, settlement risk, impeding readjustment of portfolio composition, highly volatile stock markets in India etc. Such loss could arise due to factors which by way of illustration, include, default or non-performance of a third party, company's refusal to register a security due to legal stay or otherwise, disputes raised by third parties. Mis-judgment by the Portfolio Manager or his incapacitation due to any reason however remote is also a risk. Investment in Indian capital markets involves above average risk for investors compared with other types of investment opportunities. Investments will be of a longer duration compared to trading in securities. There is a possibility of the value of investment and the income there from falling as well as rising depending upon the market situation. There is also a risk of total loss of value of an asset and possibilities of recovery of loss in investments only through a legal process.

8.10. The investments made are subject to external risks such as war, natural calamities, policy changes of local / international markets which affects stock markets.

8.11. Any policy change / technology change / obsolescence of technology would affect the investments made in a particular industry.

8.12. The Client has perused and understood the disclosures made by the Portfolio Manager in the Disclosure Document before entering into this Agreement.

8.13. The Portfolio Manager is neither responsible nor liable for any losses resulting from the operations of the Portfolios.

8.14. Clients are not being offered any guarantee / assured returns.

8.15. Performance of the Portfolios may be affected as a result of specific investment restrictions provided by the client.

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

8.17. Reinvestment Risk: This risk refers to the interest rate levels at which cash flows received from the securities in the portfolio are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.

8.18. Portfolios using derivative products (such as futures and options) are affected by risks different from those associated with stocks and bonds. Such products are highly leveraged instruments. Small price movements in the underlying securities may have a large impact on the value of the derivative instrument. Some of the other risks relate to mis-pricing or improper valuation of derivatives and the inability to correlate the positions with underlying assets, rates and indices.

8.2. Risk Factors specific to AHA client Portfolio

(a) All the general risk factors applicable to the Portfolios of the Portfolio Manager are applicable to the Portfolio.

(b) The Portfolio Level shall be affected by interest rates and the performance of the underlying stocks.

(c) The Client may suffer loss of opportunity for gain under the Portfolio, on account of, or arising out of such circumstance / change in market conditions, or for any other reason, which may specifically affect the particular core sector or security, including but not limited to disruption / prohibition / discontinuation / suspension of trading in a particular security, including any index or scrip specific futures / options, or due to an act of any company, market intermediary, SEBI or any other regulatory authority, which may result in trading in such security(ies) being completely or partially affected.

(d) By their nature, certain market risk disclosures are only estimated and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

(e) The recipient(s) of this material alone shall be fully responsible/ liable for any decision taken on the basis of this material. All recipients of this material should, before transacting in any of the products referred to in this material, make their own investigation and seek appropriate professional advice. The investments discussed in this document may not be suitable for all investors. Any person subscribing to or investing in any product should do so on the basis of and after verifying the terms attached to such product. Financial products and instruments are subject to market risks and yields may fluctuate depending on various factors affecting markets. Please note that past performance of the financial products, instruments and the portfolio does not necessarily indicate the future prospects and performance thereof. Such past performance may or may not be sustained in future. Portfolio Manager’s investment decisions may not be always profitable, as actual market movement may be at variance with anticipated trends.

(f) Investing in securities including equities and derivatives involves certain risks. The Portfolio Level may be affected generally by factors affecting financial markets, such as price and volume, volatility in interest rates, currency exchange rates, changes in regulatory and administrative policies of the country (including tax laws) or other political and economic developments. The Portfolio Level may fluctuate and can go up or down. The Client is advised to carefully review the Disclosure Document, Client Agreement and other related documents carefully and in entirety and consult their legal, tax and financial advisors to determine possible legal, tax and financial or any other consequences of investing under the Portfolio, before making an investment decision. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio Manager to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the Portfolio due to the absence of a well-developed and liquid secondary market for debt securities could, at times, result in losses to the Portfolio Level.

(g) The Portfolio Manager has not authorized any person to give any information or make any representations, either oral or written, which are not stated in the Client Agreement or the Disclosure Document. The Client is accordingly advised not to rely upon any information or representations not incorporated in the Client Agreement or the Disclosure Document. Participation in the Portfolio, by any person, on the basis of statements or representations which are not contained in the Client Agreement, the Disclosure Document or which are inconsistent with the information contained therein shall be solely at the risk of such person.

(h) The Client is urged not to rely upon or be misled by any oral promises or statement made by any party associated with the Portfolio Manager and it is brought to the special attention of investors that the Portfolio Manager will not be liable for any misstatement or communication by any such party which are not previously expressly authorized / approved by the Portfolio Manager. The Portfolio Manager shall not be responsible for any claims made by the Client based on such oral promises made by any such party.

(i) The distribution of this product and document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions.

9. The Financial Performance of the Portfolio Manager (audited financial statements) (INR 000)

Balance Sheet	**31 March 2019**	**31 March 2018**	**31 March 2017**	**31 March 2016**	**31 March 2015**
Shareholder's Funds					
Share Capital	24000	24000	24000	24000	24000
Reserves and Surplus	12496	12783	12203	11494	10729
Total	**36496**	**36783**	**36203**	**35494**	**34729**
Non-current Liabilities			-	-	-
Long-term borrowings	0	0	0	0	268
Deferred tax Liabilities	-	-	-	-	-
Long-term Provisions	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**268**
Current Liabilities			-	-	-
Short term borrowings	10	10	10		
Trade Payables	17	172	214	51	1981
Other current liabilities	889	664	926	93	107
Short-term Provisions	1	118	72	0	0
Total	**917**	**964**	**1222**	**144**	**2088**
TOTAL	**37413**	**37747**	**37425**	**35638**	**37085**
ASSETS					
Non-current assets			-	-	-
Fixed assets	294	350	278	378	132
Non-current assets	0	0	0	0	0

Long-term loans and advances	278	0	0	0	0
Non-current investments	26196	27949	32149	32063	33473
Deferred tax assets	3432	3453	1218	772	71
Total	**30200**	**31752**	**33644**	**33213**	**33677**
Current assets			-	-	-
Current investments	0	0	0	0	0
Trade receivables	3277	4366	1863	29	1608
cash and cash equivalents	3175	771	1045	1328	233
Short-term loans and advances	0	444	246	674	1177
Other current assets	761	414	627	394	391
Total	**7213**	**5995**	**3781**	**2425**	**3409**
TOTAL	**37413**	**37747**	**37425**	**35638**	**37085**
Profit & Loss Statement					
Total Income	393122	607746	534309	2783	11525
Total Expenses	393227	609191	533805	2552	2944
Profit/(loss) before depreciation & tax	**-104**	**-1445**	**504**	**231**	**8581**
Depreciation	161	211	240	163	126
Profit/(loss) before tax	**-265**	**-1656**	**264**	**68**	**8455**
Provision for tax (net of deferred tax)	22	-2235	-446	-697	-11
Net Profit/(loss) after tax	**-287**	**579**	**710**	**765**	**8466**

10. Nature of expenses

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

10.1.1 Portfolio Management Fees

The Portfolio Management Fees relate to the fees charged by Portfolio Manager for the services offered to the Clients. Discretionary PMS clients have either (i) a fixed fee based on quantum of investment payable at the end of each quarter, or (ii) a performance-based fee payable at the end of financial year or (iii) a combination of a fixed fee and a performance based fee. For Non-Discretionary PMS where Portfolio Manager cannot take full responsibility, the fees are fixed as a % of average value of portfolio and is payable on quarterly basis.

10.1.2 Depository / Custodian Fee

charges relating to custody and transfer of shares, bonds and units, opening and operation of demat account, dematerialization and re-materialization, and / or any other charges in respect of the investment etc.

10.1.3 Registration and Transfer Agents Fees:

fees payable for the Registrars and Transfer Agents in connection with effecting transfer of any or all of the securities and bonds including stamp duty, cost of affidavits, notary charges, postage stamps and courier charges

10.1.4 Brokerage, Transaction costs and Other Services:

brokerage and other charges like stamp duty, transaction cost and statutory levies such as service tax, securities transaction tax, turnover fees and such other levies as may be imposed upon from time to time.

10.1.5 Fees and Charges in respect of Investment in Mutual Funds
AHA shall be recovering expenses or management fees and other incidental expenses and such fees and charges shall be paid to the Asset Management Company of the Mutual Funds on behalf of the Client. Such fees and charges are in addition to the portfolio Management fees described above.

10.1.6 Certification Charges or Professional Charges:
the charges payable to outsourced professional services like accounting, taxation and any legal services, etc.

10.1.7 Securities Lending and Borrowing Charges:
the charges pertaining to the lending of securities, costs of borrowings and costs associated with transfer of securities connected with the lending and borrowing transfer operations.

10.1.8 Any Other Incidental and Ancillary Charges:
all incidental and ancillary expenses not recovered above but incurred by the Portfolio Manager on behalf of the client shall be charged to the Client. The Portfolio Manager shall deduct directly from the cash account of the client all the fees/costs as specified above and shall send a statement to the client for the same.

The fees charged to the client for PMS come under the ambit of “fees for technical services” under Section 194J of the Income Tax Act, 1961(“the Act”). As the section calls for withholding tax, the client is required to withhold tax @ 10 % (plus applicable surcharge and education cess if applicable) on the fees that the client pays to the Portfolio Manager, if he / she fall under the following two categories:

a) Individual / HUFs - In case a client is having a total sales, gross receipts or turnover from business exceeding Rs. 1 crore or receipts from profession exceeding Rs 25 lakhs, during the financial year immediately preceding the financial year in which such sum by way of fees for technical services is credited or paid then he is liable to deduct tax at source on fees credited or paid, whichever is earlier, to the portfolio manager. However, the individuals/HUF shall not be required to deduct tax at source in case such sum is credited or paid exclusively for personal purpose of the individual/ member of the HUF.

b) Any other person - Any other clients not covered by (a) above are liable to deduct tax at source at the time of credit of fees or at the time of payment thereof, to the Portfolio Manager.

This implies, the client (as mentioned in point a & b above) while making payment or at the time of credit of the fees would have to deduct tax at source. However, as per the Agreement with the client, the Portfolio Manager acts as ‘an agent as well as a trustee’ of its clients and is entrusted by the client to fully operate its bank account.

Further, the clients of the Portfolio Manager have executed a power of attorney in its favor. As the responsibility can vest with the Portfolio Manager on account of this agreement, and as an extension to our services, the Portfolio Manager will carry out the following on behalf of the client:

i) Deduct tax at source at the specified rate on the fees payable by the client to the Portfolio Manager as per the provisions of section 194J; and

ii) Make payment to the Government within the due date specified under the Income Tax Rules, 1962.

For this purpose, we take the Permanent Account Number (PAN), the Tax Deduction at Source Account Number (TAN) and Assessing Officer details from the client towards the Tax Deducted at Source on behalf of the client. However, the responsibility to issue the Tax Deduction Certificate in Form 16A and filing TDS return remains with the client who shall provide it to the Portfolio Manager within the statutory time limit laid down under the income tax provisions.

11. Taxation -

11.1.1 The following are the current tax provisions applicable to Clients investing in the Portfolio Management Services under the taxation laws as on the date herewith, as advised by our Tax Consultants

11.1.2 Dividends

Dividends declared, distributed or paid by domestic companies will be exempt in the hands of the shareholder recipient to the limit of Rs. 10 lakhs during a financial year. If the total dividend amount exceeds Rs 10 lakhs during the year, the excess amount will be taxed @ 10%.

Dividend Income distributed by a mutual fund (whether equity or debt) will be exempt in the hands of the unit holders.

11.2 Capital Gains Tax

Profit on sale of investments, (being shares in a company or any other securities listed on a recognized stock exchange in India or units of the Unit Trust of India established under the Unit Trust of India Act, 1963 (52 of 1963) or units of a Equity oriented Mutual Fund specified under section 10(23D)) held for a period of more than 12 months (36 months in case of any other investments) immediately preceding the date of transfer, will be treated as long-term capital gains. In all other cases, it would be treated as short-term capital gains. The taxability of long- term and short-term capital gains is discussed below:

11.2.1 Transactions in securities on recognized stock exchange and in units of an equity-oriented fund:

- Long term capital gains on sale of listed securities and on units of an equity-oriented fund and on units of a business trust like REIT or InvIT, when the transactions for sale take place on recognized stock exchanges and are subject to the Securities Transactions Tax ("STT") will be taxed @ 10% as per the Finance act 2018, subject to an exemption of Rs 100,000. For the purpose of computing this tax, the cost of acquisition for investments made prior to 31 Jan 2018 will be 'grandfathered'.
- The Cost of Acquisition of such investments shall be deemed to be the higher of:
  - The original cost of acquisition and
  - The lower of
    - the Fair Market Value of such investment as at 31, January 2018 and
    - the sale Price of such investment
- Short term capital gains on sale of listed securities and units of an equity-oriented fund are taxable @15%^ (when the transactions for sale take place on recognized stock exchanges and are subject to the STT).

^ Plus applicable surcharge @ 5%/10% (in the case of a domestic company) and 2%/5% in the case of a foreign company, if any and education cess at 2% and Secondary and Higher Education Cess @ 1% on tax and surcharge.

- Additionally, STT is payable in respect of purchase of listed securities and units of an equity-oriented fund on recognized stock exchanges, as under:

The investor would be liable to pay STT at the above rates on the value of the securities purchased/sold on a recognized stock exchange in India. The securities, in respect of which such tax is leviable, are: -

	Taxable securities transaction	Rate (per	Payable by
1.	Purchase of an equity share in a company where (a) the transaction of such purchase is entered into in a recognized stock exchange; and (b) the contract for the purchase of such share or unit is settled by the actual delivery or transfer of such share	0.1	Purchaser
2.	Purchase of a unit of an equity oriented mutual fund, where (a) the transaction of such purchase is entered into in a recognized stock exchange; and (b) the contract for the purchase of such unit is settled by the actual delivery or transfer of such unit	Nil	Purchaser
3.	Sale of an equity share in a company where - (a) the transaction of such sale is entered into in a recognized stock exchange; and (b) the contract for the sale of such share is settled by the actual delivery or transfer of such share	0.1	Seller
	Sale of an units of an equity oriented mutual fund where - a) the transaction of such sale is entered into in a recognized stock exchange; and b) the contract for the sale of such unit is settled by the actual delivery or transfer of such units	0.001	Seller
	Sale of an equity share in a company or a unit of an equity-oriented fund, where – (a) the transaction of such sale is entered into in a recognized stock exchange; and (b) the contract for the sale of such share or unit is settled otherwise than by the actual delivery or transfer of such share or unit	0.025	Seller
4.	(a) Sale of an option in securities	0.017	Seller
	(b) Sale of an option in securities, where option is Exercised	0.125	Purchaser
	(c) Sale of a futures in securities	0.01	Seller
5.	Sale of a unit of an equity-oriented fund to the Mutual Fund	0.001	Seller
6.	Sale of unlisted equity shares under an offer for sale as part of an initial public offer and shares of the company are subsequently listed on the stock exchange	0.2	Seller

- Equity Shares,
- Derivatives;

- Units of an equity-oriented fund or any other instrument issued by any collective investment scheme to the investors in such schemes;

The value of taxable securities transaction –

(a) In the case of a taxable securities transaction relating to an option in securities, shall be –
  (i) the option premium, in respect of a transaction of sale of an option in securities
  (ii) the settlement price, in respect of a transaction of sale of an option in securities, where option is exercised.

(b) in the case of a taxable securities transaction relating to a derivative, being "futures", shall be the price at which such futures is traded; and

(c) in the case of any other taxable securities transaction, shall be the price at which such securities are purchased or sold:

STT is not available as a deduction in computing capital gains. However, from the assessment year 2009-10, where income from taxable securities transactions referred to above is treated as business income, the person will be eligible for deduction u/s 36(1)(xv), for the amount of STT paid.

11.2.2 Transactions in other securities or transactions not on recognized stock exchanges

(a) Tax on Long Term Gain

- <u>For Domestic Companies:</u>
  Long-term Capital Gains will be chargeable under Section 112 @ 20 percent^ with indexation or 10 percent^ without indexation in case of transfer of long-term capital assets, being listed securities or units or zero-coupon bond.

- <u>For Resident Individuals and HUFs</u>
  Long-term Capital Gains will be chargeable under Section 112 @ 20 percent^ with indexation or 10 percent ^without indexation in case of transfer of long-term capital assets, being listed securities or units or zero-coupon bond.

  Where the taxable income as reduced by long term capital gains is below the maximum 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 flat rate of 20 percent^.

- <u>For NRIs and foreign companies</u>
  Long-term capital gains on transfer of unlisted securities will be taxed at the rate of 10 percent^. However, no benefit of Cost Inflation Index is available and the requirement of computation of gains in foreign exchange will not apply.

  However, Long Term Capital Gains (other than unlisted securities) are taxable @ 20 percent^ with indexation or 10 percent^ without indexation at the option of the investor.

  Non-Resident Indians ("NRIs") can opt for taxation of Long-term capital gains u/s. 115E of the Act @ 10% (plus Education Cess @ 2% and Secondary and Higher Education Cess @ 1% see note). NRIs may opt for computation of Long-term capital gains as per section 112 of the Act, if it is more beneficial.

If the NRI (not being a company) or a foreign company) does not have a Permanent Account Number, then for the purpose of TDS, the withholding tax rate would be 20%

The tax rates are subject to DTAA benefits available to NRIs. As per the Finance Act, 2012, submission of tax residency certificate containing prescribed particulars, will be a necessary (though not sufficient) condition for granting DTAA benefits to non-residents. Also, in case all the prescribed particulars are not available in tax residency certificate then Form 10F needs to be submitted along with tax residency certificate.

^ Plus applicable surcharge, if any and education Cess at 2% and Secondary and Higher Education Cess @ 1%

(b) Tax on Short Term Capital Gain:
Short-term capital gains are chargeable to tax as per the progressive slab rates (see point 11.6 for tax rates). The maximum tax rate would be 30 percent (assuming investor falls into higher tax bracket) plus surcharge, if any and education Cess at 2% and Secondary and Higher Education Cess @ 1%.

11.2.3 Capital loss can be set off against any capital gains as follows:
Long-term capital loss of a tax year, which is chargeable to tax, cannot be set off against short-term capital gains arising in that year. On the other hand, short-term capital loss in a year can be set off against both short-term and chargeable long-term capital gains of the same year.

Unabsorbed short term and long-term capital loss of previous years shall be separately carried forward. However, short-term capital loss shall be eligible for set off against the chargeable long-term capital gains while the long-term capitals loss brought forward for set off shall be eligible to be set off only against chargeable long term capital gains of the current year.

11.3 Bonus stripping and Dividend stripping
Gains and losses arising out of these will be treated as per the provisions of the Income tax Act.

Notes:

1. The above provisions are as per the prevailing provisions of the Income Tax Act and Finance Act.
2. **However, the client would be best advised to consult his or her tax advisor/consultant for appropriate counsel on tax treatment of the nature of income indicated herein.**

12. Accounting Policies.

12.1 Basis of Accounting

12.1.1 Books and Records would be separately maintained in the name of the client to account for the assets and any additions, income, receipts and disbursements in connection therewith, as provided by the SEBI (Portfolio Management) Regulations, 1993, as amended from time to time. Accounting under the respective portfolios will be done in accordance with Generally Accepted Accounting Principles. As SEBI (Portfolio

Management) Regulations, 1993, do not explicitly lay down detailed accounting policies, such policies which are laid down under SEBI (Mutual Fund) Regulations would be followed, in so for as accounting and valuation for equities or equity related instruments are concerned.

12.2 Maintenance of Client Account

12.2.1 In the case of investments by the Client in listed securities and in the event that the Client is a Non-Resident Indian, as defined by SEBI from time to time and further in instances where the Client opts for the Non-Pool Account, the Portfolio Manager shall keep the funds of the Client in a separate designated account to be maintained by it in a scheduled commercial bank and shall also maintain a separate Portfolio record in the name of the Client in its books for accounting the assets and income of the Client.

In line with SEBI circular No. IMD/DOF I/PMS/Cir- 4/2009 dated 23 June 2009, the portfolio manager keeps the funds of all clients in a separate bank account maintained by the portfolio manager and the following conditions are adhered to:

- There is clear segregation of each client's fund through proper and clear maintenance of back office records;
- Portfolio Managers do not use the funds of one client for another client;
- Portfolio Managers also maintain an accounting system containing separate client-wise data for their funds and provide statement to clients for such accounts at least on monthly basis; and
- Portfolio Managers reconcile the client-wise funds with the funds in the aforesaid bank account on daily basis.

12.2.2 The Portfolio Manager also maintains a separate depository account of each client.

12.3 Portfolio Valuation

12.3.1 Investments in Equity or Equity Related instruments and Debt Securities listed on a recognized stock exchange are valued at the last quoted closing price on the National Stock Exchange of India Limited (NSE). If on a particular valuation date, a security is not traded on NSE, the value at which it is traded on The Stock Exchange, Mumbai (BSE) or any other recognized stock exchange is used. If a particular security is not listed on the NSE, then it is valued at the last quoted closing price on the BSE on the valuation date or on a recognized stock exchange as the case may be.

12.3.2 Non-traded and thinly traded equity securities, including those not traded within thirty days prior to the valuation date are valued at fair value as determined by Aarohan Holdings & Advisors Pvt. Ltd. Non-traded and thinly traded Fixed Income Instruments, including those not traded within seven days prior to the valuation date will be valued at face value plus interest accrued until the beginning of the day of valuation.

12.3.3 Equity securities awaiting listing are valued at fair value as determined in good faith by Aarohan Holdings & Advisors Pvt. Ltd. Fixed Income Instruments that are awaiting listing will be valued at cost plus interest accrual until the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instrument.

12.3.4 Equity share warrants listed on a recognized stock exchange are valued at the last quoted closing price on NSE. If on a particular date the warrant is not traded on NSE the value at which it is traded on BSE is used. If no sale is reported at that time the last quoted closing price of the equity shares receivable by the Portfolio when the option is exercised less price per share payable upon exercise of the warrant and the last dividend, if any, paid by the issuer of the warrants on the shares of the issuer is used.

12.3.5 Instruments bought on 'repo' basis are valued at the resale price After deduction of applicable interest up to the date of resale.

12.3.6 Investments in Mutual funds will be valued at the repurchase NAV declared for the relevant schemes on the date of the report or the most recent NAV will be reckoned.

12.3.7 In the Derivatives segment, the unrealized gains/losses for Futures and Options will be calculated by marking all the open positions to market.

12.4 Securities Transaction

Investment securities transactions are accounted for on a trade date basis. The cost of the investments acquired or purchased would include brokerage, stamp charges, custodian fees and any charges customarily included in the broker's contract note or levied by any statute except STT (Securities Transaction Tax). Similarly, in case of Sale Transaction, the above-mentioned charges will be deducted from the sale price. STT charged on purchase/sale of securities during the financial year is recognized as an expense. Realized Gains/Losses will be calculated by applying the First in/ First Out method.

12.5 Income/expenses

All investment incomes and expenses will be accounted on actual receipt basis. Dividend will be accrued on receipt and the same will be reflected in the clients' books. Similarly, bonus shares will be accrued on the issue of the securities and the same will be reflected in the clients' books on the issue date. In the case of Fixed Income instruments, purchased/sold at Cum-interest rates, the interest component up to the date of purchase /sale will be included in the cost / sale price and same will be used for the purpose of calculating realized gains/losses.

13. Investor services

13. Name, address and telephone number of the investor relation officer who shall attend to the investor queries and complaints.

Name	:	Mr. Prabir Kumar Chatterjee
Address	:	Aarohan Holdings & Advisors Pvt. Ltd. H.No. 8-2-120/77/A, First Floor Road No. 2, Banjara Hills Hyderabad - 500034
Phone	:	+91 40 23546894
E-mail	:	prabir.chatterjee@aarohanfinance.com

13.1 Grievance resolution and dispute settlement mechanism.

The Portfolio Manager shall attend to and address any client query or concern as soon as possible to mutual satisfaction.

All disputes, 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 there from or the interpretation of any provision therein shall be, in the first place settled by mutual discussions, 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 Hyderabad and 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 the either party of its obligations will be conducted exclusively in courts located within the city of Hyderabad in the State of Telangana.

13.2 In addition Securities and Exchange Board of India provides escalation mechanism through its system, SCORES (**S**ebi **CO**mplaints **RE**dress **S**ystem) on its website: http://www.scores.gov.in/

14. **Foreign Account Tax Compliance Act (FATCA):**

The Hiring Incentives to Restore Employment Act (the "Hire Act") was signed into US law in March 2010. It includes provisions generally known as FATCA. The intention of these is that details of U.S. investors holding assets outside the US will be reported by financial institutions to the IRS, as a safeguard against U.S. tax evasion. As a result of the Hire Act, and to discourage non-U.S. financial institutions from staying outside this regime, financial institutions that do not enter and comply with the regime will be subject to a 30% penalty withholding tax with respect to certain U.S. source income (including dividends) and gross proceeds from the sale or other disposal of property that can produce U.S. source income. Sections 1471 through 1474 of the U.S. Internal Revenue Code impose a 30% withholding tax on certain payments to a foreign financial institution ("FFI") if that FFI is not compliant with FATCA. The Company is a FFI and thus, subject to FATCA. Beginning 1 July 2014*, this withholding tax applies to payments to the Company that constitute interest, dividends and other types of income from U.S. sources (such as dividends paid by a U.S. corporation) and beginning on 1 January 2017, this withholding tax is extended to the proceeds received from the sale or disposition of assets that give rise to U.S. source dividend or interest payments. These FATCA withholding taxes may be imposed on payments to the Company unless (i) the Company becomes FATCA compliant pursuant to the provisions of FATCA and the relevant regulations, notices and announcements issued thereunder, or (ii) the Company is subject to an appropriate Intergovernmental Agreement ("IGA") to improve international tax compliance and to implement FATCA. The Company intends to comply with FATCA in good time to ensure that none of its income is subject to FATCA withholding * or such date as may be applicable. India is currently in negotiations to sign an IGA with the U.S. and the Portfolio Manager intends to take any measures that may be required to ensure compliance under the terms of the IGA and local implementing regulations. In order to comply with its FATCA obligations, the Company will be required to obtain certain information from its investors so as to ascertain their U.S. tax status. If the investor is a specified U.S. person, U.S. owned non-U.S. entity, non-participating FFI ("NPFFI") or does not provide the requisite documentation, the Company may need to report information on these investors to the appropriate tax authority, as far as legally permitted. If an investor or an intermediary through which it holds its interest in the Company either fails to provide the Company, its agents or authorized representatives with any correct, complete and accurate information that may be required for the Company to comply with FATCA or is a NPFFI, the investor may be subject to withholding on amounts otherwise distributable to the investor, may be compelled to sell its interest in the Company or, in certain situations, the investor's interest in the Company may be sold involuntarily. The Company may at its discretion enter into any supplemental agreement without the consent of investors to provide for any measures that the Company deems appropriate or necessary to comply with FATCA, subject to this being legally permitted under the IGA or the Indian laws and regulations. Other countries are in the process of adopting tax legislation concerning the reporting of information. The Company also intends to comply with such other similar tax legislation that may apply to the Company although the exact parameters of such requirements are not yet fully known. As a result, the Company may need to seek information about the tax status of investors under such other country's laws and each investor for disclosure to the relevant governmental authority. Investors should consult their own tax advisors regarding the FATCA requirements with respect to their own situation. In particular, investors who hold their Units through intermediaries should confirm the FATCA compliance status of those intermediaries to ensure that they do not suffer FATCA withholding tax on their investment returns.

For Aarohan Holdings and Advisors Private Limited

Sd/-	Sd/-
Dilip Kumar Jha	Prabir Kumar Chatterjee
Director	Director
Date:	Date:
Place:	Place:

FORM C

Securities and Exchange Board of India (Portfolio Management)
Regulations, 1993 (Regulation 14)

Aarohan Holdings & Advisors Pvt. Ltd.
H.No. 8-2-120/77/A, First Floor
Road No. 2, Banjara Hills
Hyderabad - 500034
Ph : +91 40 23546894
E-mail : dilip.jha@aarohanfinance.com

We confirm that:

I) the Disclosure Document forwarded to SEBI is in accordance with the SEBI (Portfolio Managers) Regulations, 1993 and the guidelines and directives issued by SEBI from time to time;

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

iii) the Disclosure Document has been duly certified on 22 Jul, 2021 by Mr. Giridhari Toshiniwal, Partner M/s. PPKG & Co., Chartered Accountants, 701, Raghav Rathna Towers, Chirag Ali Lane, Abids, Hyderabad – 500 001. bearing registration no.009655S (enclosed is a copy of the chartered accountants' certificate to the effect that the disclosures made in the document are true, fair and adequate to enable the investors to make a well-informed decision).

Mr. Dilip K. Jha
Principal Officer
Place: Hyderabad

Name and address of the Principal Officer:

Name	:	Mr. Dilip K. Jha
Address	:	Aarohan Holdings & Advisors Pvt. Ltd. H.No. 8-2-120/77/A, First Floor Road No. 2, Banjara Hills Hyderabad – 500003