FORM C

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

(Regulation 22)

SHEPHERD'S HILL FINANCIAL ADVISORS LLP.

B-5, STC Society
N.S. Phadke Marg
Andheri (East)
Mumbai 400 069
Tel No: +91 20 7127 9247
Email: rgupta@shepherdshill.in

We confirm that:

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

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

(3) The Disclosure Document has been duly certified by an independent chartered accountant - Deloitte Haskins and Sells LLP having its registered address at One International Centre Tower 3, 24th -32nd Floor Senapati Bapat Marg Prabhadevi (West) Mumbai 400 013 Maharashtra. Phone number - +91 226185 4000. Firm Registration no. 117366W / W100018 on 21st September 2022.

(Copy of Chartered Accountant's certificate enclosed).

Date: 20th September, 2023

PLACE: Mumbai

SIGNATURE OF PRINCIPAL OFFICER

Name and Address of Principal Officer
Rishi Gupta
B-5, STC Society
N.S. Phadke Marg
Andheri (East)
Mumbai 400 069

Deloitte Haskins & Sells LLP

Chartered Accountants
One International Center,
31st Floor, Tower 3,
Senapati Bapat Marg,
Elphinstone Road (W),
Mumbai- 400 013,
Maharashtra, India.

Phone: +91 22 6185 4000
Fax: +91 22 6185 4101

To,
The Managing Partner,
Shepherd's Hill Financial Advisors LLP
B-5, STC Society, N. S. Phadke Marg,
Andheri (East), Mumbai - 400069

Independent Auditors' Certificate for disclosure document and net worth

1. We, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number 117366W/W-100018), the Statutory Auditors of the Shepherd's Hill Financial Advisors LLP ("SHFA") have examined the books of account and other relevant records and documents for the purpose of certifying the contents of the Disclosure Document as at and for the year ended March 31,2023. The Disclosure Document is prepared in accordance with model Disclosure Document as stated in Schedule V of the SEBI (Portfolio Managers) Regulations, 2020, (the "Regulations") for onward submission to the Securities and Exchange Board of India ("SEBI") for compliance with Regulation 22(3) & (4) of the Regulations. The Disclosure Document has been certified by the Principal Officer in the manner prescribed in Form C of the Regulations.

Management's Responsibility

2. The Management of SHFA is responsible for the preparation of the attached Disclosure Document for ensuring compliance with the model Disclosure Document as stated in Schedule V of the Regulations. This responsibility includes collecting, collating and validating data and designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Disclosure Document that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to provide a reasonable assurance as to whether the particulars contained in the Disclosure Document are in agreement with audited books of accounts and other relevant records and documents maintained by SHFA as at and for the year ended March 31, 2023 produced before us for examination.

4. We conducted our work in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

6. With regard to the assurance on the particulars contained in the Disclosure Document, our procedures have been planned to obtain all information and explanations that we considered necessary to support our conclusion. Our work was planned to mirror SHFA's own compilation process, verifying how information required to make each of the assertions in the Disclosure Document, within our assurance scope, was collected, collated and validated by the Management of SHFA for inclusion in the Disclosure Document.

7. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for this certificate.

Criteria and Scope

The Criteria against which the information contained in the Disclosure Document were evaluated are the following:

a) For the purposes of the Disclosure Document, we have perused and relied on the Definition in para 2 as defined by SHFA.

b) The details mentioned in para 3 giving description about the Portfolio Manager, its Promoters, group Companies and details of services offered by the Portfolio Manager are as per the information and explanations provided to us by SHFA's management.

c) We have relied on the representation given by the Management of SHFA about the penalties, pending litigations or proceedings, findings of inspection or investigations as set out in Para 4 of the Disclosure Document.

d) The investment policies, product offerings offered and other details disclosed in para 5 of the Disclosure document have been traced from the agreements entered into with clients and the representations provided by the Management.

e) The risk factors as disclosed in para 6 and nature of expenses as set out in para 11 of the Disclosure Document are as per the representation made by SHFA and we make no representations regarding the completeness of the risk factors or the qualitative evaluation of these risk factors by SHFA.

f) The financial and related disclosures set out in Para 7, 8 and 13 of the Disclosure Document have been traced to the audited books of accounts and other records for the years ended March 31, 2023, 2022 and 2021 and other financial records maintained by the management of SHFA. The disclosure in para 7 relating to the client representation for the year ended March 31, 2023 has been traced from the books of account and other records maintained by SHFA.

g) For the purposes of the Portfolio Management performance of the Portfolio Manager set out in para 9, we have verified the arithmetical accuracy of the calculation using the 'Time Weighted Rate of Return' method as prescribed in the Regulation 22 of the aforesaid SEBI Regulations.

h) We have perused the Auditor's Report on the Financial Statements of SHFA for the past 3 years for reporting on para 10 on Audit Observations.

i) The Taxation related information set out in para 12 lists the possible implications under the Income Tax Act, 1961 on the clients of the portfolio management service ("Client") under the current tax law, presently in force in India. These benefits are dependent on SHFA or its Clients fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the clients to derive these direct tax benefits is dependent upon their fulfilling such conditions. This taxation related information is only intended to provide general information to Clients and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each Client is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the portfolio management services particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which a Client can avail.

j) The related information is not intended to provide any assurance as to whether:

i. SHFA and the Clients have obtained or will obtain these benefits in future; or
ii. The conditions prescribed for availing the benefits have been or would be met with by SHFA or its Clients.

The contents of Para 12 the Disclosure Document are based on the representations obtained from SHFA and on the basis of our understanding of the business activities of SHFA and the Income Tax Act, 1961.

k) The details given in para 10 on Investor Services is as per the information and explanation given by the management and relied upon by us.

Opinion

8. Based on the above criteria and according to the information, explanation and representations provided to us by the management, we hereby certify that the Disclosure Document of SHFA as at March 31,2023 has been prepared in the manner prescribed in Schedule V of the SEBI (Portfolio Managers) Regulations, 2020. The disclosures referred to above and the Net worth as stated in the Disclosure Document are in agreement with the audited books of accounts and other relevant records maintained by SHFA.

Deloitte
Haskins & Sells LLP

Restriction on Use

9. The Disclosure Document has been prepared at the request of management of SHFA for onward submission to SEBI for compliance with Regulation 22(3) & (4) of the Regulations. As a result, our certificate may not be suitable for any another purpose. Our certificate is intended solely for the information and use of the management of SHFA and for onward submission to SEBI and should not be circulated, copied, used / referred to for any other purpose, without our prior written consent.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 23109839BGXQHQ9028

Mumbai, September 18, 2023

DISCLOSURE DOCUMENT

(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 SEBI (Portfolio Managers) Regulations, 2020.

(ii) The purpose of the Disclosure Document is to provide essential information about the portfolio management services of Shepherd's Hill Financial Advisors LLP. (SHFA), in a manner to assist and enable the investors in making an informed decision while engaging SHFA.

(iii) The necessary information about the Portfolio Manager, SHFA, required by an investor before investing is given herein, and the investor is advised to retain this document for future reference.

(iv) Contact details of the Principal Officer of SHFA:

Rishi Gupta
Managing Partner, SHFA
B-5, STC Society,
N.S. Phadke Marg,
Andheri (East),
Mumbai 400 069
Telephone: +91 20 7127 9247
Email: rgupta@shepherdshill.in

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(1) Disclaimer Clause

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

(2) Definitions

"Act" means Securities and Exchange Board of India Act, 1993, as amended from time to time.

"Agreement" means the Agreement executed between the Portfolio Manager and its Client for providing Portfolio Management Services and shall include all schedules and annexures attached thereto and any amendments made to the Agreement by the parties in writing.

"Assets" means (i) the Portfolio and/ or (ii) the Funds.

"Bank Account" means one or more accounts opened, maintained and operated by the Portfolio Manager, in the name of the client, with any scheduled commercial bank.

"Client" means any body corporate, partnership firm, individual, HUF, association of persons, body of individuals, trust, statutory authority, LLPs or any other person who enters into an agreement with the Portfolio Manager for managing its portfolio/ funds;

"Companies Act" means the Companies Act, 2013 read with the Companies Act, 1956, as amended from time to time included the rules made thereunder;

"Custodian" means a Custodian registered with SEBI under Securities and Exchange Board of India (Custodian of Securities) Regulations, 1996, as amended from time to time;

"Depository" means a Depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time;

"Depository Account" means one or more accounts opened, maintained and operated by the Portfolio Manager, in the name of the client, with any depository or depository participant, registered under the SEBI (Depositories and Participants) Regulations, 1996.

"Depositories Act" means the Depositories Act, 1996 as amended, from time to time;

"Depository Participant" means a Depository Participant as defined under the Depositories Act, 1996, as amended from time to time;
"Designated Partner(s)" mean(s) the Designated Partner(s) of SHFA;

"Disclosure Document" means this document, which has been prepared with the objective of providing essential information about the PMS of SHFA, to enable investors in making an informed decision to engage SHFA to manage their portfolio.

"Discretionary Portfolio Management Services" means the portfolio management services rendered to the client, by the Portfolio Manager on the terms and conditions contained in an agreement, where under, the Portfolio Manager exercises any degree of discretion in investments or management of Assets of the client.

"Equity Shares" mean equity shares of a listed (Listed on BSE/ NSE) / unlisted company.

"Debt security" mean money borrowed that must be repaid and has a fixed amount, a maturity date(s), and usually a specific rate of interest, e.g. corporate bonds, government securities, treasury bills, corporate bonds, etc.

"FII" means Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulation, 1995) registered with SEBI under applicable laws in India.

"Funds" means monies managed by the Portfolio Manager on behalf of the client pursuant to an agreement, and includes the initial monies, any further monies placed by the client with the Portfolio Manager for being managed, the proceeds of the sale or other realisation of the Portfolio and interest, dividend or other monies arising from the Assets, so long as the same is managed by the Portfolio Manager.

"Indian GAAP" means Generally Accepted Accounting Principles in India

"Investor" means any individual, partners in partnership, Central or State Government, company, body corporate, co-operative society, corporation, trust, society, Hindu Undivided Family (HUF) or any other body of persons, whether incorporated or not.

"I.T. Act" means the Income Tax Act, 1961, as amended from time to time;

"Memorandum/ Memorandum of Association" means the Memorandum of Association of Shepherd's Hill Financial Advisors LLP;

"Net Asset Value" means the market value of Assets in the Portfolio including equity, debt and cash and cash equivalents.

"NRI/ Non-Resident Indian" means Non-Resident Indian is a person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian Origin under FEMA (transfer or offer of security by a person resident outside India) Regulations, 2000.

"Portfolio" means the Securities managed by the Portfolio Manager on behalf of the client pursuant to an agreement, and includes initial Securities, any further Securities placed by the client with the Portfolio Manager for being managed pursuant to an agreement, Securities acquired by the Portfolio Manager through investment of Funds and bonus and rights shares in respect of Securities forming part of the Portfolio, so long as the same is managed by the Portfolio Manager.

"Portfolio Manager" means any person who pursuant to a contract or arrangement with a client, 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. All references in this Disclosure Document shall be construed to be references to Shepherd's Hill Financial Advisors LLP ["SHFA"] and vice-versa;

"Regulations" mean the SEBI (Portfolio Managers) Regulations, 1993, as may be amended from time to time.

"RoC" means Registrar of Companies, Maharashtra, located at Mumbai.

"Scheduled Commercial Bank" means any bank included in the second Schedule to the Reserve Bank of India Act, 1934(2 of 1934).

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

"Securities" includes
(i) Securities as defined under the Securities Contracts (Regulation) Act, 1956
(ii) shares, scrips, stocks, bonds, warrants, convertible and non-convertible debentures, fixed return investments, equity linked instruments, negotiable instruments, deposits, units issued by the Unit Trust of India and/ or by any mutual funds, mortgage backed or other asset backed securities, derivatives, derivatives instruments, options, futures, foreign currency commitments, hedges, swaps or netting off and any other securities issued by any company or other body corporate, trust, any entity, the Central Government, State Government' or any local or statutory authority and all money rights or property that may at any time be offered or accrue (whether by rights, bonus, redemption, preference, option or otherwise) and whether in physical or dematerialized form in respect of any of the foregoing or evidencing or representing rights or interest therein; and
(iii) Any other instruments or investment (including any borrowing or lending of securities) as may be permitted by applicable law, from time.

"We" or "Our" or "Us" means unless the context otherwise requires, refers to as Shepherd's Hill Financial Advisors LLP (SHFA)

(ii) Abbreviations:

Abbreviation	Full Form
BSE	BSE Limited, Mumbai
DP	Depository Participant
FEMA	Foreign Exchange Management Act
FII	Foreign Institutional Investor
FIMMDA	Fixed Income Money Market and Derivatives Association of India
GOI	Government of India
NAV	Net Asset Value
NSE	National Stock Exchange of India Ltd.
PMS	Portfolio Management Service
SEBI	The Securities and Exchange Board of India

Words and expressions used in this Disclosure Document and not defined shall be interpreted according to their general meaning and usage and in accordance with the provisions of Regulations. The terms and definitions are inclusive and not exhaustive and they have been included only for the purpose of clarity.

(3) Description

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

SHFA was incorporated as a limited liability partnership in March, 2015. The firm has two partners, Rishi Gupta and Rohan Ghotge. They have more than two decades of combined experience in the capital markets. Mr. Rishi Gupta and Mr. Rohan Ghotge have previously been involved in operating a SEBI-registered investment advisory firm since 2011.

Shepherds Hill Financial Advisors LLP is registered as a Portfolio Manager with SEBI vide registration No. INP000004748 under the Regulations since 7th July 2015.

(ii) Promoters of the Portfolio Manager, Directors and their backgrounds

The promoters/partners of SHFA are Rishi Gupta and Rohan Ghotge.

Mr. Rishi Gupta, the Principal Officer and Senior Partner and Managing Partner of SHFA, has been involved in buy-side professional investing as principal or advisor since 2006. His experience spans private and public investments, in India and internationally. Mr. Rishi Gupta has a Bachelor of Engineering degree from University of Pune, a Master of Science degree from Stanford University and an MBA (Finance) from University of Maryland, College Park.

Mr. Rohan Ghotge, Founding Partner of SHFA, has previously worked at some of the most respected companies in India, including the Tata group and ICICI Bank. Mr. Rohan Ghotge has a Bachelor of Engineering degree from University of Pune and an MBA from University of Wales.

(iii) *Top 10 group companies/firms of the Portfolio Manager on turnover basis (latest audited financial statements may be used for this purpose)*

The partners of the Portfolio Manager currently are also partners in a SEBI-registered investment advisory firm, Shepherd's Hill Capital Advisors, a general partnership firm established in May, 2011.
The partners of the Portfolio Manager currently are also partners in Aargee Entrepreneurs LLP, a Limited Liability Partnership established in July, 2018.
The Portfolio Manager is also the Investment Manager to Shepherd's Hill Private Investment Fund, a scheme of Shepherd's Hill Private Investment Trust a SEBI registered AIF Category III established in July, 2018.

(iv) *Details of the services being offered*

The Portfolio Manager currently offers Discretionary Portfolio Management Services.

Shepherd's Hill provides discretionary portfolio management to enable long-term capital returns that are materially above average, without using high leverage or putting capital at permanent risk. Although SHFA will be monitoring quarterly and annual results against its hurdle rate and standard benchmarks, its aim is to enable wealth creation for the client over the long-term. Clients who join us should have a similar long-term horizon (5 years at the minimum).

On the Client's behalf, SHFA will research investment opportunities in equity, debt and "special situations". Special situations include trades in securities available in the market that, in SHFA's opinion, are mispriced. SHFA makes an exception for this short-term asset class only as an alternative to short-term cash positions, i.e. at times when good deals in the equity and debt market are not available, and the only alternative would be to hold funds in cash, money market instruments, etc.

The combination of sustained high gross domestic product growth in India and the early stages of capital market maturity should ensure plenty of opportunities for SHFA to implement its strategy. SHFA is sector agnostic; however, SHFA adheres to the discipline of not investing more than 15% of the Client's portfolio on cost-basis in any one investment, no matter how attractive the opportunity.

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

(i)	Cases of penalties imposed by SEBI or the directions issued by SEBI under the Act or Rules or Regulations made thereunder.	None
(ii)	The nature of penalty/direction	Not Applicable
(iii)	Penalties imposed for any economic offence and/or for violation of any securities laws	None
(iv)	Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosures regarding pending criminal cases, if any	None
(v)	Any deficiency in the systems and operations of the portfolio manager observed by SEBI or any regulatory agency	None
(vi)	Any enquiry/adjudication proceedings initiated by the 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

The following generic activities will govern the PMS:

(i) Discretionary Portfolio Management Services:

(a) Under this service, the Portfolio Manager will decide, based on its professional expertise, about investment in and liquidation of, one or more or all investments.

(b) Execution of its decisions will be done within the investment objectives.

(c) Clients will be informed about transactions after they are executed at time intervals and at frequencies as laid down in the Agreement or as mutually agreed with Clients.

(d) The fees payable under this service are provided in the Agreement and the same will be collected/deducted by the Portfolio Manager in the manner so provided in the agreement.

(e) The Portfolio Manager will have custody of both, the Funds and the Securities invested on behalf of the Clients through Custodian.

(f) Other terms are provided for in detail in the Agreement to be entered into between the Client and the Portfolio Manager.

The investment objectives and policies laid down herein below apply to all services of the Portfolio Manager, which are discretionary in nature, and the same will apply to all investments / disinvestments.

(ii) Investment Objectives:

The primary investment objective of the Portfolio Manager is to enable long-term (i.e. 5 years or more) capital returns that are materially above average, without using high leverage or putting capital at permanent risk. However, as investments may involve different types of risk / return tradeoffs, there cannot be any assurance or guarantee with respect to the return or principal.

(iii) Investment Policies:

The investment process will be guided by the following broad policies:

(a) Fundamental research for investment decisions. This means that the underlying business that a stock or bond represents is thoroughly vetted. This includes analysis of management competence and character, corporate governance standards, quantitative and qualitative analyses of company filings, including historical balance sheets and profit and loss statements, competitive positions, profitability and return ratios and many other company-specific factors.

(b) The primary investment instruments will be equity and equity-linked instruments. However, if market conditions are not conducive to making attractive equity investments for the long-term, or if there are better opportunities available in debt or other markets, the portfolio manager may invest for the short-term in liquid and/or fixed income generating securities. This may also take the form of liquid and/or short-term debt mutual funds, or any other marketable instruments.

(c) SHFA has no policies for investments in its associates/group companies.

(iv) Core Investment Strategy:

(a) Identify investments on a market-cap and sector-agnostic basis.

(b) Focus on time-arbitrage investments: given the 5+ year horizon of the investments.

(c) As far as possible, to fully vet the competence and character of the managers of the company.

(d) Focus on picking companies with strong and clean balance sheets.

(e) Attempt to find and invest in companies with high levels of corporate governance and a history of fair treatment of minority shareholders.

(v) Investment philosophy:

(a) Risk is the probability of loss of capital and not "beta" or short-term relative volatility in stock prices. This is the cornerstone of our investment philosophy.

(b) In order to realize full potential of investments, a period of 5 years or more is considered appropriate and that defines our time horizon of long-term investing. The investment ideas are, in general, not driven by short term triggers and have more to do with natural progression in their performance parameters.

(c) Bottom-up approach for stock selection. Rather than focusing on macro-economic and sectoral analysis as the jumping-off point for investment ideas and research, SHFA focuses on analyzing micro-economic factors affecting individual businesses. While macro-economic factors are taken into consideration, the driving force for investment research at SHFA is company-specific data and information.

(d) Emphasis on the gap between market price and intrinsic value while buying is expected to provide a good margin of safety. This may reduce the risk inherent in equity investments, while simultaneously ensuring that investors earn relatively high returns over long-term.

(6) Risk Factors

Securities investments are subject to market and other risks and consequently, the Portfolio Manager makes no guarantee or assurance that the investment objectives set out in this document/ the Agreement shall be accomplished.

The value of the Portfolio may increase or decrease depending upon various market forces and factors affecting the capital markets as well as de-listing of Securities, market closure, relatively small number of scrip accounting for large proportion of trading volume. Consequently, the Portfolio Manager makes no assurance of any guaranteed returns on the Portfolio.

Past performance of the Portfolio Manager does not guarantee its future performance.

The Client stands a risk of loss due to lack of adequate external systems for transferring, pricing, accounting and safekeeping or record keeping of Securities. Transfer risk may arise due to the process involved in registering the shares, physical and demat, while price risk may arise on account of availability of share price from stock exchanges during the day and at the close of the day.

The following is an indicative list of some of the risks associated with the Securities:

(i) **Equity and Equity Related Risks:** Equity instruments carry both company specific and market risks and hence no assurance of returns can be made for these investments. While the Portfolio Manager shall take all reasonable steps to invest the funds in a prudent manner in such instruments, such decisions shall not always prove to be profitable or correct. Consequently, the Client shall assume any loss arising from such decisions. The Investment made by the Portfolio Manager are subject to risks arising from the Investment objective, Investment strategy and asset allocation.

(ii) **Macro-Economic risks:** Overall economic slowdown including the impact of Covid-19 pandemic, unanticipated corporate performance, environmental or political problems, changes to monetary or fiscal policies, changes in government policies and regulations with regard to industry and exports may have direct or indirect impact on the investments, and consequently the growth of the Portfolio.

(iii) **Liquidity Risk:** Liquidity of investments in equity and equity related securities are often restricted by factors such as trading volumes, settlement periods and transfer procedures. If a particular security does not have a market at the time of sale, then the scheme may have to bear an impact depending on its exposure to that particular security. While Securities that are listed on a stock exchange generally carry a lower liquidity risk, the ability to sell these investments is limited by overall trading volume on the stock exchange. Money market securities, while fairly liquid, lack a well develop secondary market, which may restrict the selling ability of such securities thereby resulting in a loss to the Portfolio until such securities are finally sold.

(iv) **Credit Risk:** Debt securities are subject to the risk of the issuer's inability to meet the principal and interest payments on the obligations and may also be subject to the price volatility due to such factors as interest sensitivity, market perception, or the credit worthiness of the issuer and general market risk.

(v) **Interest Rate Risk:** is associated with movements in interest rates, which depend on various factors such as government borrowing, inflation, economic performance etc. The value of investments will appreciate/depreciate if the interest rates fall/rise. Fixed income investments are subject to the risk of interest rate fluctuations, which may accordingly increase or decrease the rate of return thereon.

(vi) Acts of State, or sovereign action, acts of nature, acts of war, civil disturbance.

(vii) The Client stands the risk of total loss of value of an asset which forms part of the Portfolio or its recovery only through an expensive legal process 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.

(viii) **Derivative Risks**: The derivatives will entail a counter party risk to the extent of amount that can become due from the party. The cost of hedge can be higher than adverse impact of market movements. An exposure to derivatives in excess of hedging requirements can lead to losses. An exposure to derivatives can also limit the profits from a genuine investment transaction. Efficiency of a derivatives market depends on the development of a liquid and efficient market for underlying securities and also on the suitable and acceptable benchmarks Assets.

(ix) **Reinvestment Risk:** This risk arises from the uncertainty in the rate at which cash flows from an investment may be reinvested. This is because the bond will pay coupons, which will have to be reinvested. The rate at which the coupons will be reinvested will depend upon prevailing market rates at the time the coupons are received.

(x) **Non-Diversification Risk:** The risk arises when the Portfolio is not sufficiently diversified by investing in a wide variety of instruments.

(xi) **Mutual Fund Risk:** This risk arises from investing in units of Mutual funds. Risk factors inherent to equities and debt securities are also applicable to investments in mutual fund units. In addition, events like change in fund manager of the scheme, take over and mergers of mutual funds, foreclosure of schemes or plans, change in government policies could affect performance of the investment in mutual fund units.

(xii) **Market Risk:** Market values, liquidity and risk : return profile of investments (investment characteristics) in equities are likely to fluctuate depending on performance of the industry, national and international economies, regulations and changes therein - domestically and internationally, events that are of significant impact such as war, terrorism, sanctions and trade embargoes, natural calamities, acts of God etc. Market values, liquidity and yields of fixed and variable income instruments are likely to fluctuate depending on the prevailing interest rates in the market, liquidity preferences, impact cost changes, re-ratings of the issuer or the instruments, competing instruments, etc.

(xiii) **Stock Specific Risk:** Performance of the issuer companies will have significant influence on market prices of its securities. This will further depend on, in addition to external factors, its own ability to perform, management, changes therein, etc. These are known as internal risks.

(xiv) **Transaction and Settlement Risk:** The Portfolio faces additional risks such as timing risks, short delivery or delayed delivery from markets, reduced liquidity, etc.

(xv) **Allied Service Provider Risk:** The Portfolio faces risks due to other service providers that the Portfolio Manager may engage to render the services such as banking, broking, clearing and settlement, Custodian services, courier services, auditing services etc.

(xvi) **Regulatory Risk:** Changes made by the government in any of the policy parameters, including in respect of taxation, etc., that affect working of companies have positive / negative impact on market prices of those stocks and to that extent, in the value of the Portfolio. Such changes may also apply to the manner in which Portfolio is being operated and on taxability of profits made on divestment, tax treatment for dividends, etc.

(xvii) **Model Risk:** Risk of incorrect or improper valuation of derivatives;

(xviii) **Basis Risk:** Basis Risk arises when the instrument used as a hedge does not match the movement in the instrument or underlying asset being hedged.

(xix) **Prepayment Risk:** Prepayment feature on debt securities can increase volatility and affect returns as cash flows may have to be reinvested at lower yields

(7) Client Representation

(i) Details of Clients, Category, Funds Managed and Nature of Service offering:

Category of clients	No. of clients	Funds managed (Rs. in Crore)*	Discretionary/Non-discretionary/Advisory *(if available)*
Associates/group companies	0	0	NA
Others *(last 3 years)*			
As of March 31, 2021 (Audited)	82	45.58	Discretionary
As of March 31, 2022 (Audited)	82	65.86	Discretionary
As of March 31, 2023 (Audited)	69	52.46	Discretionary

* includes unrealised gain/ loss in the value of investments at the respective year end.

(ii) Transaction with Group Companies/ Related parties:

Particulars as on April 1, 2022	Amount (Rs. in Crore)
Opening Balance	-
Capital Inflow	-
Capital Outflow	-
Closing Balance on March 31, 2023	-

(8) Financial Performance of the Portfolio Manager based on the financial statements

(Figures in Rs. Crore)

Particulars	For the year ended March 31, 2021 (Audited)	For the year ended March 31, 2022 (Audited)	For the year ended March 31, 2023 (Audited)
Total Income	0.19	3.32	0.59
Net Worth	2.59	5.05	6.21

Notes:

Performance fee is recognised on the last day of the Calendar year and is chargeable on profits, based on closing NAV's and is recognised only when a client has been with SHFA for 12 months from the date of inception of the respective clients' account.

(9) Portfolio Management performance of the Portfolio Manager for the last three years, and in case of discretionary Portfolio Manager, disclosure of performance indicators using time weighted rate of return method (TWRR).

Annualized returns (%)

	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2023
Portfolio Performance *	100.89%	45.86%	(9.13%)
Benchmark Performance – Index **	79.73%	19.27%	(2.26%)

Note:

1. The time-weighted rate of return (TWRR) is a measure of the compound rate of growth in a portfolio. The time-weighted return breaks up the return on an investment portfolio into separate time intervals. The time-weighted return multiplies the returns for each sub-period or holding-period, which links them together showing how the returns are compounded over time.

* includes unrealised gain/ loss in the value of investments at the respective year end
** From FY22 the Index used has been changed to BSE 500

(10) Audit Observation

There is no material significant audit observation received for the preceding three years from auditor.

(11) Nature of expenses

SCHEDULE OF FEES

The portfolio management fees relate to Portfolio Management Services offered to the Clients. The fee is a performance-based fee. Charges pertaining to partial withdrawal / closure would be levied as per the terms provided in Agreement entered into between Portfolio Manager and Client.

Note: The fees charged to the Client under PMS come under the ambit of "Fees for Technical and Professional Services" under section 194J of the Income Tax Act, 1961. The Client shall deduct the tax on the fees and provide Portfolio Manager with the TDS Certificate in Form 16A, within prescribed time limit laid down under the Income Tax Act, 1961.

Fixed Management Fee

None. SHFA does not charge any Fixed Management Fee.

Performance Fee

(i) Performance fee is recognised on the last day of the Calendar year and is chargeable on profits, based on closing NAV's and is recognised only when a client has been with SHFA for 12 months from the date of inception of the respective clients' account.

(ii) If the Return achieved is above the hurdle rate, a performance fee is chargeable on all Profits over the hurdle rate.

(iii) Performance - Linked Fee is Calculated on a Cumulative Basis i.e. Performance Period = No. of Years Since Inception.

(iv) Performance fee, though calculated on a Cumulative Basis is charged annually on a Net basis, accounting for prior period fees paid

(v) Returns and hurdles are calculated on a cumulative compounding basis for the calculation of Performance Fee.

(vi) Fees, once charged and paid, will not be reversed if there is a lag in future performance

(vii) Rupee hurdle threshold for a year is calculated on that year's Starting Cumulative Hurdle, not on the HWM

Illustration for calculation of Performance Fee with 6% hurdle and 22% performance fee:

(Figures in Rs.)

Opening NAV (1)	*Management Fee*	*Closing NAV (after 12 months)* (2)	*Gross Return (calculated on time-weighted basis) (2)-(1) = (A)*	*Hurdle 6% x (1)* (B)	*Profit above Hurdle* A-B = (C)	*Performance Fee (22% x (C))*
100	0	150	50	6	44	9.68

(i) Performance Fee is applicable on the basis of "high watermark" principle. The Performance Fee is further subject to an annually compounding hurdle amount to account for the time value of money.

Yr	Opening NAV	Closing NAV	Cumulative Hurdle	Client Share	HWM + Hurdle	Perf Fee
			@6% compounded			22% of Excess Return
1	100.00	150.00	106.00	140.32	106.00	9.68
2	140.32	122.00	112.36	122.00	146.68	NA
3	122.00	140.00	119.10	140.00	153.42	NA
4	140.00	160.00	126.25	160.00	160.57	NA

Whether using GAV or NAV for calculation of annual charges, the charges at or above the respective HWM should reconcile with cumulative time period calculations as shown below.						
Starting Capital	100	Hurdle Rate	6%	Profit Share	26%	(incl GST)
Cumulative Period (years	1	2	3	4	5	
Gross Annual Return	15%	15%	15%	15%	15%	
Gross Portfolio Value	115	132.25	152.09	174.90	201.14	
Cumulative Hurdle	106	112.36	119.10	126.25	133.82	
Excess Return	9.00	19.89	32.99	48.65	67.31	
Profit Share	2.34	5.16	8.56	12.63	17.47	
Client NAV	112.66	127.09	143.52	162.27	183.66	
Year	1	2	3	4	5	
Starting Hurdle	100.00	106.00	112.36	119.10	126.25	
Starting HWM (NAV)	0.00	112.66	127.09	143.52	162.27	
Starting HWM (GAV)	0.00	115.00	129.91	146.92	166.34	
Account Value	115.00	129.91	146.92	166.34	188.51	
Rupee Return	15.00	17.25	19.84	22.81	26.24	
Effective Return	15%	15%	16%	16%	16%	
Annual Hurdle Threshold	6.00	6.36	6.74	7.15	7.57	
Excess Return For the Ye	9.00	10.89	13.10	15.67	18.66	
Performance Fee	2.34	2.83	3.40	4.07	4.84	
Client NAV	112.66	127.09	143.52	162.27	183.66	

Costs and Taxes

All taxes, costs, fees and expenses such as, Service Tax/ GST, Securities Transaction Tax, depository charges, brokerage, transfer charges, etc. will be charged to the Client, in addition to the fee charged, at actuals.

Early Withdrawal Fee

If the Client exercises the option of Early Termination of this Agreement or withdraws Assets placed with the Portfolio Manager, the Client will incur, in addition to any outstanding Performance Fees, 3% of the withdrawn Assets in the first year, 2% in the second year and 1% in the third year. The Early Withdrawal Fee will not be applicable if the Client withdraws funds or the Agreement is terminated due to voluntary termination of the Agreement by the portfolio manager, suspension of portfolio manager's license or liquidation of the portfolio manager.

Simplified Example of Early Withdrawal Fee: If Rs. 50,00,000 was invested and the portfolio has grown to Rs. 65,00,000 and Rs. 10,00,000 of this amount is withdrawn before the end of year 1, then the Early Withdrawal Fee in this example would be 3% x 10,00,000 = Rs. 30,000.

(12) Taxation

The information set out below outlines the tax implications vis-à-vis investments in listed equity shares of Indian companies based on relevant provisions of the Income-tax Act, 1961, as currently applicable.

General

In view of the individual nature of tax consequences on the income, capital gains or otherwise, arising from investments as also the fact that the provisions of Income-tax Act, 1961 undergo changes frequently, the client is advised to consult his / her tax consultant for appropriate advice on tax treatment.

Income from investment in equity shares is subject to tax in the following manner:

Taxation of Dividend

1. Finance Act, 2020 has made an amendment to the Act and has abolished distribution tax on dividend or income distributed by domestic Companies, mutual funds etc. Accordingly, the same will now be liable to TDS as under and fully taxable in the hands of the investors:

   (i) TDS at the rate of 10% is applicable under section 194 on dividend declared and distributed to a resident shareholder by Indian Company. However, if the said shareholder is an individual, then no TDS will be done if the aggregate of dividend distributed or paid or likely to be distributed or paid to him / her during the financial year under consideration does not exceed five thousand rupees and the said payment / distribution is made by any mode other than cash.

   (ii) TDS of 10% on income distributed to resident unit holders in respect of units of a mutual fund, units from the administrator of specified undertaking or units of specified company. However, TDS is not applicable if such an amount paid or credited does not exceed five thousand rupees.

   (iii) TDS at the rate of 20% is applicable under Section 195 on dividend declared and distributed to a non-resident shareholder by Indian Company. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder

   (iv) From A.Y. 2021-22 (FY 2020-21) onwards, any income distributed by mutual fund to resident unit holders, will be subject to TDS under section 194K of Income Tax Act,1961 @ 10.0%.

   (v) However, with effect from May 14, 2020 Dividend received from Mutual funds and on company's shares under Section 194 and 194K of the Income Tax Act, 1961 will be subject to TDS @ 7.50%. till March 31 2021. The investors will be eligible to claim credit of the said TDS.

(vi) The tax of 10% on dividend receipts of resident individuals, HUF and firms in excess of Rs 10 lakh (Section 115BBDA) also stands withdrawn with effect from FY 2019-20.

(vii) As per the amended section 57 of the Income Tax Act, 1961 ('Act'), interest expense incurred for the purpose of earning the dividend income would be allowed as a deduction up to a maximum of 20% of such income.

(viii) The dividend income, in the hands of a non-resident person (including FPIs and nonresident Indian citizens (NRIs)), is taxable at the rate of 20% without providing for deduction under any provisions of the Income-tax Act.

(ix) As per Section 206AB of the Act TDS @10% u/s 194 of the Act is subject to provisions of section 206AB of Act (effective from July 1, 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at the highest of following rates in case of payments to specified persons:

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

Short term capital gain taxation

2. In case the listed equity shares are held as an investment by a resident or non-resident and are sold within 12 months from the date of purchase, then the resultant gains or losses are termed as short-term capital gains or losses.

Short-term gains arising from the transfer of equity shares through a recognized stock exchange in India where the transaction has been subject to 'Securities Transaction Tax' ("STT") and/or undertaken on a recognized stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid/payable in foreign currency[1] are taxed at a concessional rate of 15% plus the applicable surcharge and Health and Education cess.

However, if the transaction has not been done on a recognized stock exchange in India and consequently, the transaction has not been subjected to STT, then the short term capital gains will be taxed (income-tax including surcharge and health and education cess) at the rate applicable depending upon the status (i.e. Individual / HUF, Firms, Corporate,

[1] Inserted w.e.f. 01 April 2017 by the Finance Act, 2016

etc.) and the income level of clients and also the income level of Portfolio Management Service ("PMS") clients.

Long term capital gain taxation

3. In case the equity shares are held as an investment by a resident or non-resident and are sold after 12 months from the date of purchase, the resultant gains or losses are termed as long-term capital gains or losses.

   Prior to the amendment made by the Finance Act, 2018, long term gain arising out of transfer of equity shares on a recognized stock exchange in India and the sale transaction of which has been subjected to STT and/or undertaken on a recognized stock exchange located in any International Financial Services Centre and the consideration for such transaction is paid/payable in foreign currency[2] were exempt from income tax in terms of section 10(38) of the Income-tax Act, 1961.

   However, in terms of the amendments made vide Finance Act, 2018, w.e.f 01 April 2019 i.e. from the Assessment Year 2019-20, the exemption under section 10(38) of the Income-tax Act, 1961 has been withdrawn and a new provision viz. section 112A has been introduced in the Income-tax Act, 1961 to provide that long term capital gains (in excess of Rs. 1,00,000/- per year) arising on transfer of a long term capital asset being equity shares of a domestic (Indian) company shall be taxed at 10% of such capital gains – details of which are given further hereunder:

   i. The provisions of section 112A of the Income-tax Act, 1961 apply when the total income of an assessee (resident and non-resident) includes any income chargeable under the head "Long Term Capital Gains" from the transfer of a long-term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust and securities transaction tax in terms of Chapter VII of the Finance (No. 2) Act, 2004 (23 of 2004) has,—

      a. in a case where the long-term capital asset is in the nature of an equity share in a company, been paid on acquisition and (sale) transfer of such capital asset; or
      b. in a case where the long-term capital asset is in the nature of a unit of an equity oriented fund or a unit of a business trust, been paid on (sale) transfer of such capital asset.

   ii. It may be noted that there could be exceptional purchases and sales arising out of corporate actions like demergers, bonus, rights issues, buy backs, open offers, etc. where STT is not paid on acquisition or for transfer.

[2] Inserted w.e.f. 01 April 2017 by the Finance Act, 2016

iii. In this connection, the Central Government has been conferred with the powers to notify specific nature of acquisition in respect of which the provisions pertaining to STT being paid on purchases and sales shall not apply – please refer to the Notification no. SO 1789(E) [NO.43/2017 (F.NO.370142/09/2017-TPL)] dated 05 June 2017 issued by the Central Board of Direct Taxes which provides a list of such transactions (https://www.incometaxindia.gov.in/communications/notification/notification43_2017.pdf).

iv. Accordingly, the tax is payable by the resident/non - resident on such long-term capital gains exceeding one lakh rupees at the rate of 10% plus the applicable surcharge and Health and Education cess.

v. It may be noted that the condition of payment of STT at the time of purchase and sale shall not be applicable, if the transaction of transfer of equity share takes place on the recognized stock exchange located in any International Financial Services Centre and the consideration for such transfer is received or receivable in foreign currency.

vi. Also, for the purposes of calculating the long term capital gains u/s. 112A of the Income-tax Act, 1961, cost of acquisition of an equity share acquired before 01 February 2018, shall be higher of the following:

A. The actual cost of acquisition of equity share, and
B. Lower of the, fair market value of the equity share or the full value of consideration accruing on its transfer.

In this connection, "Fair market value" means,—

(i) in a case where the capital asset is listed on any recognized stock exchange as on the 31st day of January, 2018, the highest price of the capital asset quoted on such exchange on the said date,

Provided that where there is no trading in such asset on such exchange on the 31st day of January, 2018, the highest price of such asset on such exchange on a date immediately preceding the 31st day of January, 2018 when such asset was traded on such exchange shall be the fair market value;

(ii) in a case where the capital asset is a unit which is not listed on a recognized stock exchange as on the 31st day of January, 2018, the net asset value of such unit as on the said date;

(iii) in a case where the capital asset is an equity share in a company which is—

(A) not listed on a recognized stock exchange as on the 31st day of January, 2018 but listed on such exchange on the date of transfer;

(B) listed on a recognized stock exchange on the date of transfer and which became the property of the assessee in consideration of share which is not listed on such exchange as on the 31st day of January, 2018 by way of transaction not regarded as transfer under section 47,

an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index for the financial year 2017-18 bears to the Cost Inflation Index for the first year in which the asset was held by the assessee or for the year beginning on the first day of April, 2001, whichever is later.

4. In case of a resident investor, if at time of acquisition of equity share or at the time of transfer of equity share STT is not paid, then the capital gains would be taxable at either 10% plus the applicable surcharge and Health and Education cess if the purchase cost is not indexed or at 20% plus the applicable surcharge and Health and Education cess if the purchase cost is indexed, whichever option is more beneficial to the clients.

5. In case of an individual or HUF, being a resident of India, where the total income as reduced by such long term capital gains or short term capital gains is below the maximum amount which is not chargeable to income-tax then such long term capital gains or short term capital gains shall be reduced by such shortfall amount and only remaining balance of such long term capital gains or short term capital gains shall be subject to tax at the applicable rate.

6. Any STT paid is neither allowed as a deduction in computing the income chargeable under the head "capital gains" nor allowed as a deduction from the amount of income tax payable on capital gains.

7. In case of a non-resident investor, if at time of acquisition of equity share or at the time of transfer of equity share STT is not paid, then the tax on gains will be taxed at the rate of 10% plus applicable surcharge and Health and Education cess.

8. The benefit of indexation will not be available to a non-resident and the capital gains arising to a non-resident will have to be determined by converting the actual amount that the shares are sold for into the currency in which the shares were initially bought. After which, the total amount of capital gains earned through the sale will then be converted into Indian rupees at the rate applicable on the date of the sale.

9. The benefit of indexation as well as the adjustment for foreign exchange fluctuation will also not be available to the capital gains arising to a non-resident from the transfer of shares referred to in section 112A of the Income-tax Act, 1961.

10. In so far as residents are concerned, the benefit of indexation shall not be available to the capital gains arising from the transfer of shares referred to in section 112A of the Income-tax Act, 1961.

11. The loss arising on sale of equity shares purchased within 3 months prior to the record date for the entitlement of exempt dividend and sold within 3 months after such record date, is to be ignored to the extent of the dividend received or receivable on such equity shares for the purpose of computing the taxable income.

12. In case of a non-resident Indian's PMS account, tax is required to be deducted at source, and the same will be deducted from the sales proceeds by the Custodian. The certificate for the same will be provided by them as per the rules laid down by the prescribed Act.

13. Advance Tax Installment Obligations:

    It shall be the client's responsibility to meet the obligations on account of advance tax installments payable on the due dates as per the Income-tax Act, 1961 and as amended from time to time.

14. STT is applicable on transactions of such purchase or sale equity shares in a company. The STT rates are applicable as per the Finance Act, 2009 and amended thereafter.

(13) Accounting Policies

(i) 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 in India.

(ii) The Portfolio Manager and the Client can adopt any specific norm or methodology for valuation of investments or accounting the same may be mutually agreed between them on a case specific basis.

(iii) The Portfolio Manager shall keep and maintain proper books of accounts, record and documents for each Client so as to explain transactions for each Client and to disclose at any point of the Portfolio Holding of each Client.

Basis of Accounting

The financial statements are prepared on an accrual basis of accounting under the historical cost convention.

(i) Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of Assets and liabilities as of the date of the financial statements and reported revenues and expenses for the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialize.

(ii) Capital

Capital represents infusions (net of withdrawals, if any) of cash/Securities contributed by the Client under the Discretionary Portfolio Management Services Agreement.

(iii) Investments

Accounting for investment transactions:
Purchase and sale of investments are recorded on trade date basis, after considering brokerage, if any. Securities transaction tax levied on purchase/sale of Securities during the financial year is recognised as an expense in the books of accounts. Long-term Investments are stated at Cost. Provision for diminution is made to recognize a decline, if any, other than temporary, in the value of such investments. Investments are allocated to Clients based on pre-determined criteria at weighted average price of the day's transaction.

Bonus, Rights and Splits are recorded on the respective ex-date.

(iv) Revenue Recognition

i. Performance fee is accrued in accordance with the agreement entered with the client.
ii. Profit or loss on sale of investments is recognised on the date of transaction and is determined by applying the First in - First out principle.
iii. Dividend income is accounted for when unconditional right to receive is established.

(v) Expenses

All expenses are accrued and accounted on following basis:

Custodian Fees	At actuals based on actual invoice received from the Custodians.
Fund Accounting Fees	At actuals based on actual invoice from the service provider.
Performance based Fees	Accrued in accordance with the Agreement entered with the Client.
Securities Transaction Tax	At actuals on basis of allocation of investment.

(vi) <u>Provision for tax</u>

No provision for tax has been made on the income earned during the period since as per the Discretionary Portfolio Management Services Agreement, all tax liabilities are the Client's sole responsibility. Tax Deducted at Source on interest income is recorded on confirmation obtained from Bank.

The above accounting policies are as per Portfolio Manager's Financial Statements year ended March 31, 2020 and the same accounting policies are proposed to be consistently applied by the Portfolio Manager.

(14) Investor Services

(i) All investor queries and complaints should be addressed to the Principal Officer of the Portfolio Manager, whose contact co-ordinates are provided below:

Rishi Gupta
Managing Partner and Principal Officer
Shepherd's Hill Financial Advisors LLP.
B-5, STC Society,
N.S. Phadke Marg,
Andheri (East),
Mumbai 400 069
Tel: +91 22 6573 0206
Email: rgupta@shepherdshill.in

(ii) Grievance redressal and dispute settlement mechanism

The Portfolio Manager will endeavor to address all complaints regarding service deficiencies or cause for grievance, for whatever reason, in a reasonable manner and time. If the Client remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the Client and Portfolio Manager shall abide by the following mechanisms.

(i) SEBI Scores Platform: SEBI has launched a centralized web based complaints redressal system (SCORES), which enables investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. This also enables market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities starting from lodging of a complaint till its disposal by SEBI would be carried online in an automated environment and the status of every complaint can be viewed online at any time. An investor who is not familiar with SCORES or does not have access to SCORES can lodge complaints in physical form. However, such complaints would be scanned and uploaded in SCORES for processing.

The investor can register its complaints on SEBI SCORES at http://scores.gov.in/ where the regulator (SEBI) will then intervene and make efforts to redress the complaints. For queries, feedback and assistance relating to SEBI SCORES, please contact SEBI office on toll free helpline 1800 22 75 75 / 1800 266 7575.

(ii) All disputes, differences, claims and questions whatsoever arising between the Client and the Portfolio Manager and/or their respective representatives shall be settled in accordance with and subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory requirement, modification or re-enactment thereof for the time being in force. Such Arbitration proceedings shall be held at Mumbai and conducted in English language. This Disclosure Document and the disputes arising therefrom including from arbitration shall be governed and construed in accordance with the laws of India and shall be subject to the exclusive jurisdiction of the courts at Mumbai.

(15) General

(i) Acts done in good faith

Any act, thing or deed done in good faith in pursuance of or with reference to the information provided in the application or other communication received from the Client will constitute good and full discharge of the obligation of the Portfolio Manager.
In case of copies of the documents/other details such as list of authorised signatories, that are submitted by a limited company, body corporate, registered society, trust or partnership, if the same are not specifically authenticated to be certified true copies but are attached to the application form and/or submitted to the Fund, the onus for authentication of the documents so submitted shall be on such investors and the Portfolio Manager will accept and act on these in good faith wherever the documents are not expressly authenticated.

Submission of these documents/details by such investors shall be full and final proof of the corporate Client's authority to invest and the Portfolio Manager shall not be liable under any circumstances for any defects in the documents so submitted. In cases where there is a change in the name of such client, such change will be affected by the Portfolio Manager only upon receiving the duly certified copy of the revised Certificate of Incorporation issued by the relevant Registrar of Companies/Registering Authority. In cases where the changed PAN Number reflecting the name change is not submitted, such transactions accompanied by duly certified copy of the revised Certificate with a copy of the old Pan Card and confirmation of application made for new PAN Card along with amended PAN Card copy will be required as a documentary proof.

(ii) Prevention of Money Laundering

Prevention of Money Laundering Act, 2002 ('PML Act') came into effect from July I, 2005 vide Notification No. GSR436 (E) dated July I, 2005 issued by the Department of Revenue, Ministry of Finance, Government of India. Further, SEBI vide its Circular No. ISD/ CIR/ RR/ AML/ 1/ 06 dated January 18, 2006 mandated that all intermediaries including Portfolio Managers should formulate and implement a proper policy framework as per the guidelines on anti-money laundering measures and also to adopt a "Know Your Customer" (KYC)policy. The intermediaries may, according to their requirements specify additional disclosures to be made by clients for the purpose of identifying, monitoring and reporting incidents of money laundering and suspicious transactions undertaken by clients. SEBI has further issued Circular No. ISD/ CIR/ RR/ AML/ 2/ 06 dated March 20,2006 advising all intermediaries to take necessary steps to ensure compliance with the requirement of section 12 of the PML Act requiring inter-alia maintenance and preservation of records and reporting of information relating to cash and suspicious transactions to Financial Intelligence Unit – India (FIU-IND). The PML Act, the rules issued thereunder and the guidelines/circulars issued by SEBI thereto, as amended from time to time, are hereinafter collectively referred to as 'AML laws'.

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 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. It may re-verify and obtain any incomplete or additional information for this purpose, including through the use of third party databases, personal visits, or any other means as may be required for the Portfolio Manager to satisfy themselves of the investor(s) identity, address and other personal information.

The Client(s) and their Attorney(ies), if any, shall produce reliable, independent source documents such as photographs, certified copies of Ration Card/Passport/Driving License/PAN card etc. and/or such other documents or produce such information as may be required from time to time for verification of the personal details of the Client(s) including inter alia identity, residential addressees), occupation and financial information by the Portfolio Manager. If the Client(s), their attorney(ies), or the person making payment on behalf of the Client(s), refuses/fails to provide the required documents/information within the period specified by the Portfolio Manager then the Portfolio Manager shall have absolute discretion to freeze the Account of the Client(s), reject any application(s) and effect mandatory repayment/ returning of Assets of the Account of the Client(s) subject to the fees payable to the Portfolio Manager, if any. The Portfolio Manager shall also, after application of appropriate due diligence measures, have absolute discretion to report any transactions to FIU-IND that it believes are suspicious in nature within the purview of the AML Laws and/or on account of deficiencies in the documentation provided by the Client(s) and the Portfolio Manager shall have no obligation to advise investors or distributors of such reporting. The KYC documentation requirements shall also be complied with by the persons becoming the client by virtue of operation of law e.g. transmission, etc. The Portfolio Manager, and its Directors, employees, agents and service providers shall not be liable in any manner for any claims arising whatsoever on account of freezing the Account/rejection of any application or mandatory repayment/returning of funds/Asset of the Account due to non-compliance with the provisions of the AML Laws and KYC policy and/or where the Portfolio Manager believes that transaction is suspicious in nature within the purview of the AML Laws and/ or reporting the same to FIU-IND.

(iii) Client Information

The Portfolio Manager shall presume that the identity of the Client and the information disclosed by him 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 and the investor is duly entitled to invest the said funds. 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 authorized/entitled to invest the said funds through the services of the Portfolio Manager, for the benefit of the beneficiaries. Notwithstanding anything contained in this Disclosure Document, the provisions of the Regulations and the guidelines there under shall be applicable. Investors are advised to read the Disclosure Document carefully before entering into an agreement with the Portfolio Manager.

Rishi Gupta
Partner and Principal Officer
SHEPHERDS HILL FINANCIAL ADVISORS LLP
DESIGNATED PARTNER
Place: Mumbai
Date: 18th September, 2023

Rohan Ghotge
Partner
SHEPHERDS HILL FINANCIAL ADVISORS LLP
DESIGNATED PARTNER
Place: Mumbai
Date: 18th September, 2023