ROCKSTUD CAPITAL

Rockstud Capital LLP

(SEBI registered Portfolio Manager having Registration Number INP000007924 under the SEBI (Portfolio Manager) Regulations, 2020)

Disclosure Document for Portfolio Management Services

Key Information and Disclosure Document for Portfolio Management Services provided by Rockstud Capital LLP	
As per the requirement of Schedule V and Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020: i. The disclosure document ("**Document**") has been filed with the Securities and Exchange Board of India along with the certificate in the specified format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020. 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 Rockstud Capital LLP (as the "**Portfolio Manager**"). iii. The disclosure document contains the necessary information about the Portfolio Manager, required by an investor before investing, and hence, the investor may be advised to retain the document for future reference.	
PRINCIPAL OFFICER Name: Mr. Rikesh Parikh Phone: +91 022-24973900/01 E-mail: principalofficer@rockstudcap.com	**PORTFOLIO MANAGER** Name: Rockstud Capital LLP Registration number: INP000007924 **Registered Office** C-303, Marathon Nextgen Innova, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel West, Mumbai – 400013. Phone: +91 022-24973900/01
Dated: 19th May, 2023	

ROCKSTUD CAPITAL

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1. Disclaimer

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

2. Definitions and Interpretations

2.1 Definitions

The terms used in the Disclosure Document are defined as follows:

(a) "**Act**" means the Securities and Exchange Board of India Act, 1992 (15 of 1992), as may be amended from time to time.

(b) **"Asset Under Advice or AUA"** means the aggregate net asset value of securities and investment products for which the Portfolio Manager has rendered investment advice.

(c) **"Asset Under Management or AUM"** means the value of Securities in the Client Portfolio. For the purpose of calculating the asset under management, securities shall be valued at the fair market value/marked to market basis (as applicable).

(d) **"Associates"** means (i) a body corporate in which a director or partner of the Portfolio Manager holds, either individually or collectively, more than twenty percent of its paid-up equity share capital or partnership interest, as the case may be; or (ii) a body corporate which holds, either individually or collectively, more than twenty percent of the paid-up equity share capital or partnership interest, as the case may be of the Portfolio Manager.

(e) "**Accreditation Agency**" means a subsidiary of a recognized stock exchange or a subsidiary of a depository or any other entity as may be specified by the SEBI from time to time.

(f) **"Accredited Investor"** means any person who fulfils the eligibility criteria as specified by SEBI pursuant to circular dated 26 August 2021 on 'Modalities for implementation of the framework for Accredited Investors' (SEBI/HO/IMD/IMD-I/DF9/P/CIR/2021/620), as may be amended from time to time, and is granted a certificate of accreditation by an Accreditation Agency.

(g) **"Agreement"** means Discretionary Portfolio Investment Management Agreement and/or Non-Discretionary Portfolio Investment Management Agreement and/or

Advisory Agreement and/or Co-Investment Portfolio Management Agreement, as applicable, executed between the Portfolio Manager and the Client as amended, modified, supplemented, or restated from time to time together with all annexures, schedules, and exhibits, if any.

(h) "**Advisory Services**" means advising on the portfolio strategy, investment, and divestment of individual Securities in the Client's Portfolio, entirely at the Client's risk, in terms of the Regulations and the Agreement.

(i) "**Applicable Laws"** means any applicable local or national statute, rules, regulation, notification, circular, ordinance, requirement, directive, guideline or announcement issued by an Authority (including but not limited to the SEBI Regulations).

(j) "**Board**" means the Securities and Exchange Board of India.

(k) "**Client**" or "**Investor**" means a Person that enters into an Agreement for availing services offered by the Portfolio Manager.

(l) **"Chartered Accountant"** means 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.

(m) "**Custodian(s)**" means any custodian registered under the SEBI (Custodian of Securities) Regulations 1996 acting as custodian of the Portfolio with whom the Portfolio Manager or the Client enters into an agreement for the provision of custodial services.

(n) "**Co-investment Portfolio Management Services**" means services provided by the Portfolio Manager to the investors of the Alternative Investment Fund which are managed and sponsored by it, in its capacity as the Co-investment Portfolio Manager.

(o) **"Depository"** means a body corporate as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Limited ("NSDL") and Central Depository Services (India) Ltd. ("CDSL").

(p) **"Depository Account"or "DP Account"** means one or more demat accounts opened, maintained, and operated by the Portfolio Manager in the name of the Client or a pool demat account in the name of the Portfolio Manager to keep the securities of all clients, where the securities of each of the Clients would be separately identified for the purpose of the Portfolio Management Services.

(q) "**Disclosure Document**" or **"Document"** means this disclosure document issued by the Portfolio Manager for offering services stated hereunder, prepared in terms of Schedule V of the Regulations as amended from time to time.

(r) "**Discretionary Portfolio Management Services**" or **"Discretionary PMS**" means the portfolio management services rendered to the Client, by the Portfolio Manager on the terms and conditions contained in the Discretionary Portfolio Investment Management agreement, wherein the Portfolio Manager exercises or may exercise, any degree of discretion as to the investment of funds or management of the portfolio of Securities of the Client.

(s) **"Distributor":** means a Person empaneled by the Portfolio Manager which refers clients to the Portfolio Manager in lieu of commission/charges

(t) **"Exit Load"**: means the withdrawal charge/s payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document

(u) "**Foreign Portfolio Investor**" or "**FPI**" means a person registered with SEBI as a Foreign Portfolio Investor under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 as amended from time to time.

(v) "**Financial Year**" means the period of 12 (twelve) months starting from April 1 to March 31 the following year.

(w) "**Funds**" means the monies managed by the Portfolio Manager, on behalf of the Client, pursuant to the Agreement as mentioned in the Application, placed by the Client from time to time with the Portfolio Manager for the purposes of being managed pursuant to this Agreement and includes the proceeds of the sale or other realization of the Portfolio and interest, dividends and other monies realized from the Assets.

(x) **"Initial Corpus"** means the value of the funds and the value of readily realizable securities brought in by the client at the time of registering as a client with the Portfolio Manager and accepted by the Portfolio Manager.

(y) "**Investment Approach**" means any of the current investment approaches or such investment approach that may be introduced at any time in the future by the Portfolio Manager.

(z) "**Large Value Accredited Investor**" means an Accredited Investor who has entered into an Agreement with the Portfolio Manager for a minimum investment amount of ten crore rupees.

(aa) "**Non-discretionary Portfolio Management Services**" or "**Non-Discretionary PMS**" means portfolio management services under which the Portfolio Manager, subject to express prior instructions issued by the Client from time to time in writing or on recorded line or by e-mail, invests in respect of the Client's account entirely at the Client's risk.

(bb) **"Management Fee":** means the management fee payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document.

(cc) **"NRI"** or **"Non-Resident Indian"** means an individual resident outside India who is a citizen of India.

(dd) **"Parties"** means the Portfolio Manager and the Client; and "Party" shall be construed accordingly**.**

(ee) **"Performance Fee"**: means the performance-linked fee payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document.

(ff) **"Person"** includes any individual, partners in partnership, central or state government, company, body corporate, cooperative society, partnership firm, limited liability partnership, corporation, trust, society, Hindu Undivided Family or any other body of persons, whether incorporated or not**.**

(gg) **"Portfolio"**means the total holdings of Securities belonging to any Person.

(hh) **"Portfolio Entity"** means companies, enterprises, bodies corporate, or any other entities in the Securities of which the monies from the Client Portfolio are invested subject to Applicable Laws

(ii) **Portfolio Manager:** means Rockstud Capital LLP, a limited liability partnership incorporated under the provisions of Limited Liability Partnership Act, 2008 and having its registered office at C-303, Marathon Nextgen Innova, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel West, Mumbai – 400013, which pursuant to a contract or arrangement with a Client/Investor, advises or directs or undertakes on behalf of the Client/Investor (whether as a discretionary Portfolio Manager or otherwise) the management or administration of a portfolio of securities or the funds of the Client/Investor, as the case may be.

(jj) "**Portfolio Management Services**" means the Discretionary Portfolio Management Services or Non-Discretionary Portfolio Management Services or Advisory Services, as the context may be.

(kk) "**Principal Officer:** means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager and is responsible for:

(i) the decisions made by the Portfolio Manager for the management or administration of Portfolio of Securities or the funds of the Client, as the case may be; and

(ii) all other operations of the Portfolio Manager.

(ll) **"Regulations"** shall mean the SEBI (Portfolio Managers) Regulations, 2020 as amended and modified from time to time and including any circulars/notifications issued pursuant thereto.

(mm) "**Related Parties**" means in relation to the Portfolio Manager,

(i) a director, partner or his relative;
(ii) a key managerial personnel or his relative;
(iii) a firm, in which a director, partner, manager or his relative is a partner;
(iv) a private company in which a director, partner or manager or his relative is a member or director;
(v) a public company in which a director, partner or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;
(vi) any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director, partner or manager of the Portfolio Manager;
(vii) any person on whose advice, directions or instructions a director, partner or manager is accustomed to act Provided that nothing in sub-clauses (vi) and (vii) above shall apply to the advice, directions or instructions given in a professional capacity;
(viii) any body corporate which is—
(A) a holding, subsidiary or an associate company of the Portfolio Manager; or
(B) a subsidiary of a holding company to which the Portfolio Manager is also a subsidiary;
(C) an investing company or the venturer of the Portfolio Manager;
Explanation.—For the purpose of (C) above, "investing company or the venturer of a portfolio manager" means a body corporate whose investment in the portfolio manager would result in the portfolio manager becoming an associate of the body corporate.
(ix) a related party as defined under the applicable accounting standards;
(x) or such other person as may be specified by SEBI:
Provided that,
(a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
(b) any person or any entity, holding equity shares:
(i) of twenty per cent or more; or
(ii) of ten per cent or more, with effect from April 1, 2023;
in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year;

shall be deemed to be a related party.

(nn) **"SEBI"** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992, as amended from time to time.

(oo) **"Securities"** means "securities" as defined under the Securities Contracts (Regulation) Act, 1956 (as may be amended, supplemented or replaced from time to time) including, without limitation, shares, debentures, derivatives, mutual funds, Money Market Instruments and any other securities purchased, sold, held, acquired or otherwise dealt with by the Client.

2.2 Interpretation

Words and expressions used in this Disclosure Document and not expressly defined shall be interpreted in accordance with applicable law or according to their general meaning and usage. The definitions are not exhaustive.

3. Description

3.1 History, Present Business and Background of the Portfolio Manager

Rockstud Capital LLP (the "**Portfolio Manager**") was incorporated under the laws of Limited Liability Partnership Act 2008 on March 17, 2017, having its Registered Office at C-303, Marathon NextGen Innova, GK Marg, Lower Parel (W), Mumbai, 400013 by Mr. Abhishek Agarwal & Mrs. Yashna Agarwal.

The Firm is a Securities and Exchange Board of India (SEBI) registered Portfolio Manager having registration number INP000007924 dated 14th March 2023 under the SEBI (Portfolio Manager) Regulations, 2020 to offer investment management, portfolio management and advisory services to High Net worth Individual (HNIs), Institutional Clients, Corporates and other permissible class of investors.

Further, the Portfolio Manager also acts as the sponsor and investment manager to the following:

a) The Trust named 'Rockstud Capital Investment Fund' and its schemes which is a Category II Alternative Investment Fund registered with SEBI under the under the SEBI (Alternative Investment Funds) Regulations, 2012 and having registration number IN/AIF2/18-19/0586.

b) The Trust named 'Rockstud Capital Investment Fund II' and its schemes which is a Category I Alternative Investment Fund – Venture Capital Fund (Angel Fund) having registration number IN/AIF1/22-23/1217.

3.2 Partners of the portfolio manager and their background

3.2.1. Mr. Abhishek Agarwal

Mr. Abhishek Agarwal is the Founder and the Managing Partner of Rockstud Capital LLP, an India focused investment management firm established in March 2017. He has 12+ years of experience in Indian financial markets and Start-up Ecosystem. He has been an eminent speaker and guest on various Financial News Channels and Educational Institutions to speak over listed and startup ecosystem.

Before founding Rockstud Capital, he was a director for almost 6 ½ years at a family run stock broking firm, Fortune Interfinance Ltd, a SEBI registered intermediary and a member of the National Stock Exchange Limited (NSE) and the BSE Ltd (BSE) since 1994 wherein he handled a team of ~ 20 people at various division and roles. He was responsible for setting up of entire Mumbai office operation, institutional broking and research desk for advising large institutional & HNI investors regarding stock investments in Indian markets.

He is also an Angel Investor since 2014 and has invested in over 24 startups at Angel & Pre-series A stage. Some notable startups where he was an early investor and got an exit are Loginext Solutions (16x in 4 yrs.), Kwench Lab Solutions (4.5x in 4 yrs.), Wellness Forever (partial exit) (3x in 3 yrs.).

He holds Bachelor's Degree in Commerce with majors in accounts from H.R. College, Mumbai University; Post-Graduation in MSc. Finance from Lancaster University Management School, United Kingdom and various certification / short term executive education from IIM-Ahmedabad and ISB – Hyderabad.

3.2.2. Mrs. Yashna Agarwal

Mrs. Yashna Agarwal is the General Partner at Rockstud Capital LLP. Her involvement at the firm is limited to Administration and HR.

She holds a Bachelor's Degree in Business Administration from NM College, Mumbai University and MBA in Family Business Management from S.P. Jain Institute of Management & Research.

3.3 Top 10 Group companies/firms of the portfolio manager on turnover basis (as per audited financial statements for the year ended 31 March 2023)

- Rockstud Capital Investment Managers LLP
- Rockstud Hospitality Enterprise LLP

3.4 Details of the Services being offered

3.4.1. Discretionary Portfolio Management (DPM) Services

The Portfolio Manager shall be acting in a fiduciary capacity with regard to Clients' Portfolio and shall have sole and absolute discretion to invest Clients' Funds in any type of Securities and in any market as he deems fit for the benefit of the Client as per the Discretionary Portfolio Investment Management Agreement. The Securities invested / disinvested by the Portfolio Manager may differ from Client to Client. The Securities traded or held by the Portfolio Manager for different Client's Portfolios, even if invested in the same Investment Approach, may differ from Client to Client. The Portfolio Manager's decision (taken in good faith) in deployment of the Client's Portfolio is absolute and final and cannot be called in question or be open to review at any time during the currency of the Agreement or any time thereafter except on the grounds of malafide, fraud, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the Regulations, guidelines and notifications in force from time to time.

Portfolio Manager shall invest funds of the client only in the securities listed or traded on a recognized stock exchange, money market instruments, units of Mutual Funds and other securities as specified by Board from time to time, on behalf of their clients.

Money Market Instruments includes commercial paper, trade bill, treasury bills, certificate of deposit and usance bills.

Portfolio Manager may invest in units of Mutual Funds (only through Direct Plan), and no distribution fees will be charged to the client.

The Portfolio Manager may offer discretionary portfolio management services for investment up to 100% of the assets under management of the Large Value Accredited Investors in unlisted securities, subject to the terms agreed between the client and the Portfolio Manager.

3.4.2. Non-Discretionary Portfolio Management Services

Under these services, the Clients decide their own investments with the Portfolio Manager facilitating the execution of transactions. The Portfolio Manager will provide Non-Discretionary Portfolio Management Services which shall be in the nature of investment management, and may include the responsibility of managing, renewing and reshuffling the portfolio, buying and selling the securities with the client's oral and/or written consent. Additionally, the Portfolio Manager will keep the safe custody of the securities and monitor book closures, dividend, bonus, rights etc. and any other benefits that accrue to the Client's Portfolio, for an agreed fee structure and for a definite period as described in the Products from time to time, entirely at the Client's risk.

The rights and obligations of the Portfolio Manager shall be exercised strictly in accordance with the Regulations in force from time to time. Periodical statements in respect to Client's Portfolio shall be sent to the respective Client. Portfolio Manager may invest up to 25% of the assets under management of the client in unlisted securities, in addition to the securities permitted for discretionary portfolio management. Portfolio Manager may invest in units of Mutual Funds (only through Direct Plan) and no distribution fees will be charged to the client. However, Portfolio Manager shall invest the clients' funds neither in the portfolio managed or administered by another portfolio manager nor based on the advice of any other entity.

The Portfolio Manager may offer non-discretionary portfolio management services for investment up to 100% of the assets under management of the Large Value Accredited Investors in unlisted securities, subject to the terms agreed between the client and the Portfolio Manager.

3.4.3. Co-investment Portfolio Management Services

The Portfolio Manager, who is an Investment Manager to Category I or Category II Alternative Investment Funds may provide co-investment portfolio management services to its clients in compliance with Applicable Laws subject to regulatory approvals/intimations as required under the Regulations.

In respect of clients to whom the Portfolio Manager is acting as a co-investment Portfolio Manager, 100% of the assets under management shall consist of unlisted securities of investee companies where the Funds managed by the Portfolio Manager in its capacity as the investment manager, make investment.

The terms of co-investment in an investee company by co-investor, shall not be more favourable than the terms of investment of the AIF and the terms of exit from the Co-investment in an investee company including the timing of exit shall be identical to the terms applicable to that of exit of the AIF.

3.4.4. Investment Advisory Services

The Portfolio Manager will provide Advisory Services, in terms of Regulations, which shall be in the nature of non-binding investment advisory and shall include the responsibility of advising on the Portfolio strategy, investment and divestment of individual Securities on the

Clients Portfolio, for an agreed fee structure and for a period agreed in the Agreement, entirely at the Client's risk, to all eligible categories of investors who can invest in Indian market.

The Portfolio Manager shall, provide advisory services in accordance with such guidelines and/ or directives issued by the regulatory authorities and /or the Client, from time to time, in this regard.

Portfolio Manager may provide advice for investment up to 25% of the assets under management of the client in unlisted securities, in addition to the securities permitted for discretionary portfolio management.

The Portfolio Manager may offer advisory services for investment up to 100% of the assets under advise of the Large Value Accredited Investors in unlisted securities, subject to the terms agreed between the client and the Portfolio Manager.

The Portfolio Manager shall not, in any event and at any point of time be responsible in any manner whatsoever for any investment decision taken by the client on the basis of the investment advice provided by the portfolio Manager. The Portfolio Manager may act upon any in-house research, commercially or non-commercially available databases & news services, external meetings and visits, third-party and broker research reports, publicly available information etc. Neither the Portfolio manager nor any of its affiliates (nor any of their respective control persons, directors, officers, employees or agents) shall be liable to the client or to any other person claiming through the client for any claim, damage, liability, cost or expense suffered by the client or any other person arising out of or related to the advisory services provided therein.

4. Penalties, pending litigation or proceedings

i.	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or rules or regulations made thereunder.	None
ii.	The nature of the penalty/direction	Not Applicable
iii.	Penalties/fines imposed for any economic offence and/ or for violation of any securities laws.	None
iv.	Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any.	None

v. Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	None
vi. Any enquiry/ adjudication proceedings initiated by the Board 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 The present investment objectives and policies including the types of securities in which it generally invests shall be clearly and concisely stated in the Document for easy understanding of the potential investor.

Investment Objective:
The Portfolio Manager provides various investment products/services based on the mandate of the Client and subject to the scope of investments as agreed upon between the Portfolio Manager and the Client in the Agreement. The investment objectives of the portfolios of the Clients depending on the Clients' needs would be one or more of the following or any combination thereof to:

a. generate capital appreciation/periodic returns by investing in instruments such as equity/derivatives/debt/money market instruments, equity related securities, units of mutual fund schemes and such other investment instruments/markets as the Portfolio Manager deems fit would benefit the client.

b. generate periodic returns by primarily investing in debt and money market instruments.

c. generate capital appreciation/ periodic returns by investing in gilt securities issued by the Central/State Government securities.

d. generate capital appreciation by actively investing in listed instruments such as equity, derivatives and listed equity related securities and for defensive considerations, the Portfolio Manager may invest in listed debt, money market instruments and derivatives.

e. endeavour to preserve certain percentage of investment amount by investing in a mix of fixed income and equity derivatives in such a manner so as to aim to secure/preserve certain percentage of investment amount while attempting to enhance returns by the use of equity derivatives.

Investment Policies:
The scope of investments shall be as agreed upon between the Portfolio Manager and the Client in the Agreement.

Type of Securities:
The Portfolio Manager shall invest in respect of the Client's Funds in capital and money market instruments or in fixed income securities or variable securities of any description, by whatever name called, in accordance with the Agreement and as permitted under the Regulations, including: -

a. Listed and unlisted equity and equity related securities, convertible stock and preference shares of Indian companies;

b. Listed and unlisted instruments such as debentures, debenture stocks, bonds having payout profiles linked to various asset classes of Indian companies and corporations; and

c. Other eligible modes of investment and/or forms of deployment such as Pooled investment vehicle within the meaning of the Regulations as amended from time to time,

(hereinafter collectively referred to as "**Securities**").

The Portfolio Manager may offer Discretionary or Non-Discretionary or Advisory Services for investment up to hundred percent of the assets under management of the large value accredited investors in unlisted securities.

Note: "**Pooled investment vehicle**" means a fund established in India in the form of a trust or otherwise, such as mutual fund, alternative investment fund, collective investment scheme or a business trust as defined in sub-section (13A) of section 2 of the Income tax Act, 1961 and registered with the Securities and Exchange Board of India, or such other fund, which raises or collects monies from investors and invests such funds in accordance with such regulations as may be made by SEBI in this behalf.

Until such time the Portfolio Manager finds appropriate investment opportunities, the Portfolio Manager may at its discretion, in all the Portfolios, invest the Client's Funds in units of mutual funds, money market instruments and/or gilt securities issued by Central/State governments. Asset classes for deployment shall be always subject to the scope of investments guidelines as prescribed under the regulations and the Agreement agreed upon between the Portfolio Manager and the Client

5.2 Investment Approaches for Portfolio Management Services

The Portfolio Manager shall provide Portfolio Management Services to all eligible category of investors who can invest in Indian market including resident Indians, NRIs, FPIs, etc.

Investment objectives may vary from Client to Client. Depending on the individual Client requirements, the Portfolio can be tailor-made based on the Client's specifications.

Kindly refer to Annexure I for Investment Approaches offered by the Portfolio Manager.

5.3 Policies for investments in associates/ group companies

The Portfolio Manager may make investments in the securities of its related parties or its associates only after obtaining the prior consent of the client in such manner as may be specified by SEBI from time to time. However, the Portfolio Manager shall not invest clients' funds in unrated securities of their related parties or their associates. The Portfolio Manager shall ensure compliance with the following limits:

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

The Portfolio Manager shall invest up to a maximum of 30% of the Client's AUM in the securities of its Associates/Related parties. The Portfolio Manager shall ensure compliance with the following limits:

*Hybrid securities includes units of Real Estate Investment Trusts (REITs), units of Infrastructure Investment Trusts (InvITs), convertible debt securities and other securities of like nature.

The aforementioned limits shall be applicable only to direct investments by Portfolio Manager in equity and debt/hybrid securities of its Associates/Related parties and not to any investments in the Mutual Funds. With respect to investments in debt and hybrid securities, the Portfolio Manager shall ensure compliance with the following:

- Under discretionary portfolio management services, the Portfolio Manager shall not make any investment in unrated and below investment grade securities.
- Under non-discretionary portfolio management services, the Portfolio Manager shall not make any investment in unrated below investment grade listed securities.

5.4 Direct on-boarding of clients by Portfolio Managers

5.4.1 The clients can be on-boarded directly, without intermediation of persons engaged in distribution services.

5.4.2 At the time of on-boarding of clients directly, no charges except statutory charges shall be levied. For more details, the Client is requested to contact client.service@rockstudcap.com.

5.5 Services offered to Accredited Investors and Large Value Accredited Investors:

The below regulatory concessions are available to Accredited Investor and Large Value Accredited Investor under SEBI (Portfolio Managers) Regulations, 2020:

Particulars	Applicability
Contents of agreement specified under Schedule IV of SEBI (Portfolio Managers) Regulations, 2020 shall not apply to the agreement between the Portfolio Manager and Large Value Accredited Investor	Large Value Accredited Investor
The requirement of minimum Capital Contribution per client shall not apply	Accredited Investor
The Portfolio Manager may offer discretionary or non-discretionary or advisory services for investment up to hundred percent of the assets under management in unlisted securities subject to the terms agreed between the client and the Portfolio Manager	Large Value Accredited Investor
The quantum and manner of exit load applicable to the client of the Portfolio Manager shall be governed through bilaterally negotiated contractual terms	Large Value Accredited Investor

6. Risk Factors

6.1 General Risk

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

ii. The past performance of the Portfolio Manager does not indicate its future performance.

iii. Risk arising from the investment approach, investment objective, investment strategy, asset allocation, market risk, political risk, geopolitical risk, and risk arising from changing business dynamics may affect Portfolio returns.

iv. Risk arising out of non-diversification or concentration risk may arise at times if the Portfolios of individual Clients are concentrated in certain companies / industries and may affect Portfolio returns.

v. Investments in securities are subject to market risks, which include price fluctuation risks. There is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.

vi. The past performance of the Portfolio Manager in any Portfolio is not indicative of the future performance in the same or in any other Portfolio either existing or that may be offered. Investors are not being offered any guaranteed or indicative returns through these services.

vii. The performance of the portfolio may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems in equity and debt markets.

viii. The performance in the equity portfolios may be adversely affected by the performance of individual companies, changes in the market place and industry specific and macro-economic factors.

ix. The performance of the assets of the Client may be adversely affected by the performance of individual securities, changes in the market place and industry specific and macro-economic factors. The investment strategies are given different names for convenience purpose and the names of the Strategies do not in any manner indicate their prospects or returns.

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

xi. Investments in niche sectors run the risk of volatility, high valuation, obsolescence and low liquidity.

xii. The Portfolio Manager may invest in non-publicly offered debt securities and unlisted equities, as permitted under the regulations. This may expose the client's portfolio to liquidity risks.

xiii. Engaging in securities lending is subject to risks related to fluctuations in collateral value/settlement/liquidity/ counter party.

xiv. Portfolio services using derivative/ futures and options are affected by risk different from those associated with stock and bonds. Such investments are highly leveraged instruments and their use requires a high degree of skill, diligence and expertise. Small price movements in the underlying security may have a large impact on the value of derivatives and futures and options. Some of the risks relate to mis-pricing on the improper valuation of derivatives and futures and options and the inability to correlate the positions with underlying assets, rates and indices. Also, the derivatives and future and options market is nascent in India.

xv. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the Portfolio Services. All Portfolios under portfolio management are subject to change at any time at the discretion of the Portfolio Manager.

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

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

xviii. The arrangement of pooling of funds from various clients and investing them in Securities could be construed as an 'Association of Persons' (AOP) in India under the provisions of the Income-tax Act, 1961 and taxed accordingly.

xix. In case of investments in schemes of Mutual Funds/Alternative Investment Funds & Venture Capital Funds, the Client shall bear the recurring expenses and performance fee, if any, of the Portfolio Management Services in addition to the expenses of the underlying schemes. Hence, the Client may receive lower pre-tax returns compared to what he may receive had he invested directly in the underlying schemes in the same proportions.

xx. After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be delay in deployment. In such situation the Clients may suffer opportunity loss.

xxi. The investment objectives of one or more of the investment profiles could result in concentration of a specific asset/asset class/sector/issuer etc., which could expose the clients' assets to risks arising out of non-diversification, including improper and/or undesired concentration of investment risks.

xxii. The portfolio manager, its employees may purchase/ sell securities in ordinary course of business and in that manner, there may arise conflict of interest with transactions in any of the client's portfolio. Such conflict of interest shall be dealt with in accordance of the Conflict-of-Interest Policy of the LLP.

6.2 Specific Risk

The investments, presently recommended by the Portfolio Manager are subject to following risk factors:

i. Market Risk

The Net Asset of the portfolio will react to the securities market movements. The investor could lose money over short periods due to fluctuation in the NAV of Portfolio in response to factors such as economic and political developments, changes in interest rates and perceived trends in securities market movements and over longer periods during market downturns.

ii. Market Trading Risks

Absence of Prior Active Market:

Although securities are listed on the Exchange(s), there can be no assurance that an active secondary market will develop or be maintained.

Lack of Market Liquidity:

Trading in securities on the exchange(s) may be halted because of market conditions or for reasons that in the view of the exchange Authorities or SEBI, trading in particular security is not advisable. In addition, trading in securities is subject to trading halts caused by extra ordinary market volatility and pursuant to Exchange and SEBI 'circuit filter' rules. There can be no assurance that the requirements of the Market necessary to maintain the listing of securities will continue to be met or will remain unchanged.

ETF may Trade at Prices other than NAV:

ETF may trade above or below their NAV. The NAV or ETF will fluctuate with changes in the market value of Scheme's holdings of the underlying stocks. The trading prices of ETF will fluctuate in accordance with changes in their NAVs as well as market supply and demand of ETF. However, given that ETF can be created and redeemed only in Creation Units directly with the Mutual Fund, it is expected that large discounts or premiums to the NAVs of ETFs will not sustain due to availability of arbitrage possibility

iii. Regulatory Risk

Any changes in trading regulations by the Exchange(s) or SEBI may affect the ability of marker maker to arbitrage resulting into wider premium/ discount to NAV for ETFs. Because of halt of trading in market the Portfolio may not be able to achieve the stated objective.

iv. Asset Class Risk

The returns from the types of securities in which a portfolio manager invest may underperform returns from the various general securities markets or different asset classes. Different types of securities tend to go through cycles of outperformance and underperformance in comparison of the general securities markets.

v. Performance Risk

Frequent rebalancing of Portfolio will result in higher brokerage/ transaction cost. Also as the allocation to other securities can vary from 0% to 100%, there can be vast difference between the performance of the investments and returns generated by underlying securities.

vi. **Interest Rate Risk**

Changes in interest rates may affect the returns/ NAV of the liquid/debt scheme of Mutual Fund in which the portfolio manager may invest from time to time. Normally the NAV of the liquid scheme increases with the fall in the interest rate and vice versa. Interest rate movement in the debt market can be volatile leading to the possibility of movements up or down in the NAV of the units of the liquid/ debt funds.

vii. Credit Risk

Credit risk refers to the risk that an issuer of fixed income security may default or may be unable to make timely payments of principal and interest. NAV of units of the liquid scheme is also affected because of the perceived level of credit risk as well as actual event of default.

viii. Model Risk

Investments in the Market Linked Debentures (MLDs) are also subject to model risk. The MLDs are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behaviour of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.

ix. Investments in Derivative Instruments

As and when investments are made in derivative instruments, there are risk factors and issues concerning the use of derivatives that the investors should understand. Derivative products are specialized instrument that require investment technique and risk analysis different from those associated with stocks. The use of derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivative requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price. There is a possibility that loss may be sustained by the Portfolio as a result of the failure of another party (usually referred as the "Counter party") to comply with the terms of the derivative contract. However, Rockstud shall not leverage the portfolio for investment in derivatives. Other risks in using derivatives include but are not limited to:

(a) **Credit Risk** - this occurs when a counterparty defaults on a transaction before settlement and therefore it involves negotiation with another counter party, at the then prevailing (possibly unfavourable) market price, in order to maintain the validity of the hedge. For exchange traded derivatives, the risk is mitigated as the exchange provides the guaranteed settlement but one takes the performance risk on the exchange.

(b) **Market Liquidity risk** where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.

(c) **Model Risk** is the risk of mispricing or improper valuation of derivatives.

(d) **Basis Risk** arises when the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risks may be inter-related also; for e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets. The risk of loss associated with futures contracts is potentially unlimited due to the low margin deposits required and the extremely high degree of leverage involved in futures pricing. As a result, a relatively small price movement in a derivative contract may result in an immediate and substantial loss or gain. However, the Portfolio Manager will not use derivative instruments, options or swap agreements for speculative purposes or to leverage its net assets and will comply with applicable SEBI Regulations. There may be a cost attached to buying derivative instrument. Further there could be an element of settlement risk, which could be different from the risk in settling physical shares. The possible lack of a liquid secondary market for a derivatives contract may result in inability to close the derivatives positions prior to their maturity date.

x. Illiquidity Risk

The corporate debt market is relatively illiquid vis-a-vis the government securities market. There could therefore be difficulties in exiting from corporate bonds in times of uncertainties. Further, liquidity may occur only in specific lot sizes. Liquidity in a security can therefore suffer. Even though the Government securities market is more liquid compared to that of other debt instruments, on occasions, there could be difficulties in transacting in the market due to extreme volatility or unusual constriction in market volumes or on occasions when an unusually large transaction has to be put through. Trading in specified debt securities on the Exchange may be halted because of market conditions or for reasons that in the view of the Exchange Authorities or SEBI, trading in the specified debt security is not advisable. There can be no assurance that the requirements of the securities market necessary to maintain the listing of specified debt security will continue to be met or will remain unchanged. In such a situation, the portfolio manager at his sole discretion will return the securities to the Client.

xi. Zero Return Risk

Returns on investments undertaken in structured securities would depend on occurrence /nonoccurrence of the specified event. Thus, returns may or may not accrue to an investor depending on the occurrence/non-occurrence of the specified event.

xii. Redemption Risk

The payoffs as envisaged in structured securities are such that the Client may lose a part/entire amount invested.

xiii. Risk of Real Estate investment

Investment in securities of companies investing in real estate is subject to risk of fluctuations in real estate prices. Portfolio returns are dependent on real estate market. Investor could lose money if real estate prices go down at the time of maturity.

6.3 Risk Factors associated with investments in Liquid Funds

The Portfolio Manager may, from time to time, invest any un-deployed funds in liquid schemes of Mutual Funds. Though the portfolio of liquid funds comprises of short-term deposits, government securities and money market instruments, they cannot be considered as totally risk free. This is because liquidity patterns and short-term interest rates of the government change, sometimes on a daily basis, thereby making the fund susceptible.

Liquid fund returns are not guaranteed, and it entirely depends on market movements.

6.4 Specific Risk factors & Disclosures - Structured Notes & Securitised debt instruments

i. Presently, secondary market for such securitised papers is not very liquid. There is no assurance that a deep secondary market will develop for such securities. This could limit the ability of the investments to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

ii. Securitized transactions are normally backed by pool of receivables and credit enhancement as stipulated by the rating agency, which differ from issue to issue. The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and there is no obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay his obligation, the Seller may repossess and sell the underlying Asset. However, many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

iii. The Structured Notes like the Index linked securities, in which funds are proposed to be invested in, are high risk instruments. A small movement in returns generated by the underlying index could have a large impact on their value and may also result in a loss.

iv. The Issuer of equity index linked securities or any of its Agents, from time to time may have long or short positions or make markets including in NIFTY indices, futures and options (hereinafter referred to as "Reference Assets") (and other similar assets), they may act as an underwriter or distributor of similar instruments, the returns on which or performance of which, may be at variance with or asymmetrical to those on the securities, and they may engage in other public and private financial transactions (including the purchase of privately placed investments or securities or other assets). The foregoing activities of 'The Issuer of index linked securities" or any of its Agents and related markets (such as the foreign exchange market) may affect the value of the securities. In particular, the value of the securities could be adversely impacted by a movement in the Reference Assets, or activities in related markets, including by any acts or inactions of 'The Issuer of index linked securities" or any of its Agents;

v. The equity Index linked securities, even after being listed, may not be marketable or may not have a market at all;

vi. The returns on the Structured securities, primarily are linked to the S&P CNX Nifty Index and/or any other equity benchmark as the Reference Asset, and even otherwise, may be lower than prevalent market interest rates or even be nil or negative depending entirely on the movement in the underlying index and futures values as also that over the life of the securities (including the amount if any, payable on maturity, redemption, sale or disposition of the securities) the security holder may receive no income/return at all or negative income/return on the security, or less income/return than the security-holder may have expected, or obtained by investing elsewhere or in similar investments.

vii. The return on investment in securities would depend on the prevailing market conditions, both domestically as well as internationally. The returns mentioned in the term sheets are indicative and may or may not accrue to an investor accordingly.

viii. In equity index linked securities, in the event of any discretions to be exercised, in relation to method and manner of any of the computations including due to any disruptions in any of the financial markets or if for any other reason, the calculations cannot be made as per the method and manner originally stipulated or referred to or implied, such alternative methods or approach shall be used as deemed fit by the issuer and may include the use of estimates and approximations. All such computations shall be valid and binding on the investor, and no liability there for will attach to the issuer of equity index linked securities / AMC;

ix. There is a risk of receiving lower than expected or negligible returns or returns lower than the initial investment amount in respect of such equity index linked securities over the life and/or part thereof or upon maturity, of the securities.

x. At any time during the life of such securities, the value of the securities may be substantially less than its redemption value. Further, the price of the securities may go down in case the credit rating of the company or issuer goes down.

xi. The securities and the return and/or maturity proceeds hereon, are not guaranteed or insured in any manner by the Issuer of equity index linked securities.

xii. The Issuer of equity index linked securities or any person acting on behalf of the Issuer of equity index linked securities, may have an interest/position as regards the Portfolio Manager and/or may have an existing banking relationship, financial, advisory or other relationship with them and/or may be in negotiation/discussion with them as to transactions of any kind.

xiii. The Issuer of equity index linked securities or any of its Agents, have the legal ability to invest in the units offered herein and such investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the investor, and/or its assets.

6.5 **Disclosures on Conflict of Interest:** The Portfolio Manager hereby confirm to the best of their knowledge the following:

Particulars	**Disclosures**
Any transactions of purchase and sale of Securities by Portfolio manager and its employees who are directly involved in investment process are found having conflict of interest with the transactions in any of the Client's Portfolio?	1. The Company has stringent policy to deal with conflict of interest transactions by the Portfolio Manager and its employees, who are directly involved in investment process. 2. Violations (if any) are dealt with strictly according to the regulations and policy already laid out.
Does the Portfolio Manager avail any services offered by its group companies or associates?	No

7. Client Representation

7.1 Details of Client's accounts activated

Category of clients	No. of clients	Funds managed (Rs. Cr.)	Discretionary / Non-Discretionary (if available)
Associates / group companies (Last 3 years)	NIL	NIL	NIL
Others (last 3 years)	NIL	NIL	NIL
Total	NIL	NIL	NIL

The Portfolio Manager is in the process of making an application to the authority. This section will be updated once the Portfolio Manager will start rendering the portfolio management services.

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

The Portfolio Manager has not undertaken any transaction with its group entities.

8. Financial Performance

The Financial Performance of the Portfolio Manager (based on audited financial statements) (in Rs. crore).

Particulars	Financial Year 2019-2020	Financial Year 2020 - 2021	Financial Year 2021-2022
Profit / (Loss) Before Depreciation & Taxation	-52.58	- 15.27	34.34
Net Profit / (Loss) after Depreciation & Taxation	-54.39	-16.59	33.38
Shareholder’s Funds	115.31	104.29	528.93
Share Capital	214.27	219.77	611.10
Reserves & Surplus	-98.95	-115.54	-82.16

9. Performance of Portfolio Manager

This section will be updated once the Portfolio Manager starts rendering the portfolio management services. Performance indicators will be calculated using time weighted average method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulation, 2020 as amended from time to time once the Portfolio Manager starts rendering the portfolio management services.

Note:

- Calculation of return is done based on Time Weighted Average Rate of Return method. Performance data is based on net of all fees and all expenses (including taxes).
- All cash holdings and investments in liquid funds have been considered for calculation of performance.
- Performance related information provided above is not verified by SEBI and past performance may or may not sustain in the future.
- Net of all expenses and investor returns may differ, based on their period of investment, fee structure and point of capital flows.
- TWRR is not applicable in case of the Co-investment Portfolio Manager Investment Approach.

10. Audit Observations

There have been no adverse observations reported by the statutory auditor in last preceding 3 years.

11. Nature of expenses

The following are indicative types of costs and expenses for clients availing the Portfolio Management services. The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Agreement and the agreements in respect of each of the services availed at the time of execution of such agreements. With Effect from October 1, 2020, operating expenses excluding brokerage, over and above the fees charged for Portfolio Management Service, shall not exceed 0.50% per annum of the client's average daily Assets under Management (AUM).

a. **Management Fees / Advisory Fees**: Professional charges relate to the Portfolio management services offered to clients. The fee may be a fixed charge or a percentage of the quantum of funds managed and may be return based or a combination of any of these. Return based fees shall be calculated on "High Water Mark Principle".

b. **Custodian/Depository Fees:** The charges relating to opening and operation of dematerialized accounts, custody and transfer charges for shares, bonds and units, dematerialization, rematerialisation and other charges in connection with the operation and management of the depository accounts.

c. **Registrar and transfer agent fee**: Charges payable to registrars and transfer agents in connection with effecting transfer of securities and bonds including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges.

d. **Brokerage and transaction costs:** The brokerage charges and other charges like service charge, stamp duty, transaction costs, turnover tax, exit and entry loads on the purchase and sale of shares, stocks, bonds, debt, deposits, units and other financial instruments.

e. **Certification and professional charges**: Charges payable for out sourced professional services like accounting, taxation and legal services, notarizations etc. for certifications, attestations required by bankers or regulatory authorities.

f. **Incidental Expenses**: Charges in connection with the courier expenses, stamp duty, service tax, depository charges, postal, telegraphic, opening and operation of bank accounts etc.

g. **Other charges**: As may be mutually agreed between client and Portfolio Manager.

Manner of payment: Client shall pay by way of cheque/ DD/ Debit to the client portfolio account, as per the respective fee schedule applicable to the portfolio services opted by the client.

Indicative Nature of Expenses for Clients

I.	**Investment Management and Advisory Fee**[1]	**Approximate range of fee**
	1. Performance Fee	Up to 30% of portfolio return delivered.
	2. Management Fees based on asset under management (AUM) or asset under advisory (AUA)	Up to 3% on AUM
	3. Exit Loads (if redeemed in part or full)	

[1] Subject to such discretion of the Portfolio Manager including to reduce, increase or waive such fee(s) as may be agreed between the Portfolio Manager and the concern Client.

	(a) In the first year from the date of investment	Up to 3% of the amount redeemed
	(b) In the second year from the date of investment	Up to 2% of the amount redeemed
	(c) In the third year from the date of investment	Up to 1% of the amount redeemed
	(d) After three years from the date of investment	No exit load
II.	**Brokerage and Transaction Costs**	Up to 0.50%
III.	**Custodian Fee**	Not exceeding 0.50% p.a. of the Client's average daily AUM
IV.	**Fund Accounting Charges**	
V.	**Registrar and Transfer Agent Fee**	
VI.	**Certification and professional charges**	
VII.	**Incidental Expenses**	
VIII.	**Other Charges**	

12. Taxation

12.1 General

In view of the individual nature of tax consequences, each client is advised to consult his or her tax advisor with respect to the specific tax consequences arising to him/her from participation in any of the investments. The tax implications given below are based on the existing provisions of the Income tax Act, 1961 ('the IT Act') and rules made thereunder. The Portfolio Manager accepts no responsibility for any loss suffered by any Investor as a result of current taxation law and practice or any changes thereto.

12.2 Tax Rates

The rates specified in this section pertain to the financial year ('FY') 2023-24 as per the amendments made by the Finance Act, 2023 ('FA 2023'). The rates are exclusive of Surcharge and Health and Education cess as leviable.

A. Dividend

The Finance Act, 2020 has reintroduced the classical system of taxing dividends in the hands of the shareholders. Where the dividend income has been offered to tax on net basis, expenses may be claimed against dividend income with specific limits specified for interest expense.

Dividend income shall be taxable in the hands of the unitholder as under:

Particulars	Tax rate[2]
Non-resident shareholders (on a gross basis i.e. without allowing any deduction for expenses)	20%
Resident shareholders (other than companies and firm/ LLP)	As per applicable slab rates
Firms/ LLPs	30%
Indian companies	22%/ 25%/ 30%[3]

B. Interest

Classification of interest income is a matter of dispute with contradicting judicial precedents. Whether interest income would be assessable as business income or income from other sources would depend upon the nexus it has with the assessee's activities.

Given the investment objective of the Fund, interest income should be characterised as income from other sources.
Interest income shall be taxable in the hands of the unitholder as follows:

Particulars	Tax rate
Non-resident shareholders other than foreign companies	Upto 30%
Resident shareholders (other than companies and firm/ LLP)	As per applicable slab rates
Firms/ LLPs	30%
Indian companies	22%/ 25%/ 30%
Foreign Companies	40%

[2] The above rates will be increased by applicable surcharge and health and education cess

[3] If the total turnover of the resident corporate investor does not exceed INR 4000 million during financial year 2021-22, a concessional rate of 25% (plus applicable surcharge and health and education cess) shall apply. Further, as per section:

- Section 115BAA - Corporate tax rate for domestic companies is reduced to 22% (excluding surcharge and health and education cess) subject to condition that they will not avail any incentives or exemptions. Further, no Minimum Alternate Tax (MAT) applicable on such companies.

C. Capital Gains on sale of securities

Type of instrument	Period of holding immediately preceding the date of transfer	
Listed securities	More than 12 months	Long-term Capital Asset
	12 months or less	Short-term Capital Asset
Unlisted shares	More than 24 months	Long-term Capital Asset
	24 months or less	Short-term Capital Asset
Other securities	More than 36 months	Long-term Capital Asset
	36 months or less	Short-term Capital Asset

Tax Rates in case of Residents under domestic laws[4]

Nature of Income	Tax rate for beneficiaries who are resident firms, domestic companies	Tax rate for any other resident beneficiaries
	%	%
Short-term capital gains on transfer of (i) listed equity shares on a recognized stock exchange, (ii) to be listed equity shares sold through offer for sale and on which STT has been paid	15 (without indexation)	15 (without indexation)
Short-term capital gains (other than on listed shares)	22/25/30 (without indexation) for domestic companies / 30% (without indexation) for firms	As per slab rates- highest rate being 30 (without indexation)
Long-term capital gains exceeding INR 1 lakhs on transfer of (i) listed equity shares on a recognized stock exchange, (ii) to be listed equity shares sold through offer	10 (without indexation)	10 (without indexation)

[4] The above rates will be increased by applicable surcharge and health and education cess.

Nature of Income	Tax rate for beneficiaries who are resident firms, domestic companies	Tax rate for any other resident beneficiaries
for sale or and on which STT has been paid[5]		
Long-term capital gains on transfer of listed bonds or listed debentures[6]	10 (without indexation)	10 (without indexation)
Long-term capital gains on transfer of unlisted bonds, units of mutual fund (other than equity-oriented mutual fund) or unlisted debentures	20 (without indexation)	20 (without indexation)
Long-term capital gains on transfer of unlisted securities (other than unlisted bonds and unlisted debentures)	20 (with indexation)	20 (with indexation)
Long-term capital gains on transfer of listed securities [other than units of mutual funds, listed bonds and listed debentures] and on which STT has not been paid	10 (without indexation) **or** 20 (with indexation), whichever is lower	10 (without indexation) **or** 20 (with indexation), whichever is lower

[5] The Finance Act, 2018, has introduced section 112A of the ITA to provide for taxation of long-term capital gains exceeding Rs. 1,00,000 (computed without considering indexation benefit and foreign exchange fluctuation benefit) arising on listed equity shares, or to be listed equity share at 10% (exclusive of surcharge and health and education cess). Further, STT should be paid at the time of acquisition (except in some acquisitions, notification has been issued in this regard on 1st October 2018)) and sale of the securities.

[6] The Indian tax authorities may seek to apply a higher rate of 20% (plus applicable surcharge and health and education cess) without indexation on long-term capital gains arising on sale of listed bonds and debentures.

Nature of Income	Tax rate for beneficiaries who are resident firms, domestic companies	Tax rate for any other resident beneficiaries
Long-term capital gains on transfer of units of mutual fund (listed or unlisted) other than equity-oriented fund	20% (with indexation)	20% (with indexation)

Tax Rate in case of Non-residents under domestic laws [7]

Nature of Income	Tax rate for beneficiaries who are foreign companies	Tax rate for any other foreign beneficiaries other than companies
Short-term capital gains on transfer of (i) equity shares through recognized stock exchange, (ii) to be listed equity shares sold through offer for sale or, and on which STT has been paid	15 (without indexation)	15 (without indexation)
Other short-term capital gains	30/ 40 (without indexation)	30 (without indexation)
Long-term capital gains exceeding INR 1 lakhs on transfer of (i) listed equity shares on a recognized stock exchange, (ii) to be listed equity shares sold through offer for sale or and on which STT has been paid	10 (without indexation and without foreign currency fluctuation benefit)	10 (without indexation and without foreign currency fluctuation benefit)
Long-term capital gains on transfer of listed bonds / listed debentures or other	10 (without indexation)	10 (without indexation)

[7] The above rates will be increased by applicable surcharge and health and education cess

listed securities (other than units of mutual fund) on which STT has not been paid (Refer Note below)		
Long-term capital gains on transfer of unlisted securities	10 (without indexation and foreign currency fluctuation benefit)	10 (without indexation and foreign currency fluctuation benefit)
Long-term capital gains on transfer of units of mutual fund (listed or unlisted) other than equity-oriented fund	20 (with indexation)	20 (with indexation)
Nature of Income	Tax rate for beneficiaries who are foreign companies	Tax rate for any other foreign beneficiaries other than companies
Short-term capital gains on transfer of (i) equity shares through recognized stock exchange, (ii) to be listed equity shares sold through offer for sale or, and on which STT has been paid	15 (without indexation)	15 (without indexation)
Other short-term capital gains	30/ 40 (without indexation)	30 (without indexation)
Long-term capital gains exceeding INR 1 lakhs on transfer of (i) listed equity shares on a recognized stock exchange, (ii) to be listed equity shares sold through offer for sale or and on which STT has been paid	10 (without indexation and without foreign currency fluctuation benefit)	10 (without indexation and without foreign currency fluctuation benefit)
Long-term capital gains on transfer of listed bonds / listed debentures or other listed securities (other than units of mutual fund) on which STT has not been paid (Refer Note below)	10 (without indexation)	10 (without indexation)

Long-term capital gains on transfer of unlisted securities	10 (without indexation and foreign currency fluctuation benefit)	10 (without indexation and foreign currency fluctuation benefit)
Long-term capital gains on transfer of units of mutual fund (listed or unlisted) other than equity-oriented fund	20 (with indexation)	20 (with indexation)

Note –*Indian tax authorities may seek to apply a higher rate of 20% (plus applicable surcharge and health and education cess) on long-term capital gains arising on sale of listed securities (on which STT is not paid)*

D. Surcharge and health and education cess

The above rates of income-tax shall be increased by the following surcharge on income-tax and education cess on income-tax and surcharge:

For the Financial Year 2023-24	Surcharge on income-tax
Resident companies with income exceeding: - INR 10 million but less than INR 100 million - INR 100 million	 7% 12%
Resident companies opting for taxation under section 115BAA and section 115BAB	10%
Non-resident companies with income exceeding: - INR 10 million but less than INR 100 million - INR 100 million	 2% 5%
Firm/ LLP with total income exceeding INR 10 million	12%
Resident and non-resident individuals/Association of Persons (AOP), Body of Individuals (BOI) and Artificial Juridical Persons (AJP) with total income (including dividend income and income under section 111A and 112A of the Act) exceeding INR 5 million but less than INR 10 million	10%
Resident and non-resident Individuals/AOP/BOI/AJP with total income (including dividend income and income under section 111A and 112A of the Act) exceeding INR 10 million but less than INR 20	15%

For the Financial Year 2023-24	Surcharge on income-tax
million	
Resident and non-resident Individuals with total income (excluding dividend income and income under section 111A and 112A of the Act) exceeding INR 20 million but less than INR 50 million	25%
Resident and non-resident Individuals with total income (excluding dividend income and income under section 111A and 112A of the Act) exceeding INR 50 million	37%
On buy-back tax	12%

In addition to the surcharge and health and education cess is chargeable at 4% on income-tax and surcharge.

E. Gains are characterised as 'business income'

If the gains are characterised as business income, then the same is taxable on net income basis at the rate of 30% for resident investors. The Finance Act has reduced the tax rate to 25% in case of domestic companies having a total turnover or gross receipts not exceeding INR 400 crores in the Financial Year 2021-22. Kindly note, we have assumed highest rate for resident individual investors. Also, domestic companies have the option to pay tax on total income at the rate of 15% or 22% subject to fulfillment of certain conditions. If the gains are characterised as business income, then the same are taxable on net income basis at 40% for foreign company if it has a business connection/ permanent establishment in India, and such income is attributable to the business connection/ permanent establishment of the non-resident in India. Further, for non-resident investors (other than a foreign company) a tax rate of 30% is levied.

F. Premium on redemption:

There are no specific provisions contained in the ITA, with regard to the characterisation of the premium received on redemption of debentures. Redemption premium earned on account of redemption of Non-Convertible Debentures/ Optionally Convertible Debentures, may be classified as capital gains or interest. The characterisation of premium on redemption of debentures as interest or a capital receipt has to be decided based on factors surrounding the relevant case and within the framework of the following features:

- The term of the loan,

- The rate of interest expressly stipulated for (whether at arm's length, whether contains premium over risk free rate of return, etc.),
- The nature of the risk undertaken:
- Interest rate risk (e.g. Changes in prevailing market interest rates)
- Capital risk (e.g. Risk of loss of capital)
- Industry risk (real estate being quite volatile sector)
- Limited Exit Opportunities (e.g. Redemption option at the end of the 37th month and limitations with respect to purchaser in the open market)
- Country risk (e.g. economic risks - slowdown in economic growth or macro-economic imbalances, political instability and related risks, laws and tax related risks - retrospective amendments)

G. Currency risk adverse change in exchange rate

In order to characterise the redemption premium as capital gains, one need to demonstrate and substantiate (with requisite documentation) that any premium paid is on account of above referred risks. Preferable, one should be able to provide broad bifurcation of premium against each category of risk. Where redemption premium is classified as capital gains, the same is taxable at the rate specified against capital gains. If redemption premium is classified as interest, it is taxable at the rate specified against interest.

H. Proceeds on buy-back of shares by a domestic company

Per section 10(34A) of the ITA, gains arising on buy back of shares are exempt in the hands of investors. However, per section 115QA of the ITA, a distribution tax at the rate of 20% is payable by an Indian company on distribution of income by way of buy-back of its shares where the buyback is in accordance with the provisions of the Companies Act, 2013. Such distribution tax is payable on the difference between consideration paid by such Indian company for the purchase of its own shares and the amount that was received by the Indian investee company at the time of issue of such shares, determined in the manner prescribed. In this regard, CBDT vide its notification dated 17 October 2016 prescribed final buyback rules by inserting new Rule 40BB to the Rules for determination of the amount received by the Indian company in respect of issue of shares. The above provision also applies in the case of buyback of shares listed on a recognised stock exchange.

12.2 Other tax considerations

A. Advance tax instalment obligations

It will be the responsibility of the investors to meet the advance tax obligation instalments payable on the due dates prescribed under the ITA.

B. Tax deduction at source

Section 206AA of the ITA

The income tax provisions (section 206AA of the ITA) provide that where a recipient of income (who is subject to withholding provisions) does not furnish its Permanent Account Number ('PAN'), then tax is required to be deducted by the payer at the higher of the following i.e., (i) rates specified in the relevant provisions of the ITA; (ii) rates in force; or (iii) at 20%.

In the case of non-residents not having a PAN, this provision requiring tax deduction at a higher rate shall not apply if they furnish certain prescribed information / documents. The CBDT had issued a notification granting certain relaxations from deduction of tax at a higher rate in the case of non-resident investors or a foreign company. The provisions of section 206AA of the ITA does not apply in respect of payments to be made which are in the nature of interest, royalty, fees for technical services and payments on transfer of any capital asset, provided the deductee furnishes certain details and specified documents to the deductor.

Section 206AB of the ITA

The Finance Act, 2021 has introduced a new provision - section 206AB in the ITA for deducting tax at higher rates on payments made to non-filers of income-tax returns. Section 206AB of the ITA applies where any sum or income or amount is paid, or payable or credited, by a person to a specified person and tax is required to be deducted at source as per provisions of the ITA (except under sections 192, 192A, 194B, 194BB, 194LBC or 194N of the ITA).

Specified person shall not include a non-resident who does not have a permanent establishment in India.

In case the aforesaid section is applicable, tax shall be deducted at higher of the followings rates:

- twice the rate specified in the relevant provision of the ITA; or
- twice the rate or rates in force; or
- the rate of five per cent.

If provisions of section 206AA and section 206AB of the ITA are applicable to a specified person, then, tax shall be deducted at higher of the two rates provided under the respective sections of the IT Act. Withholding tax on purchase of goods The Finance Act, 2021 has introduced a new provision - section 194Q in the ITA. The section provides that any person (i.e. buyer) who is responsible for paying any sum to any resident (i.e. seller) for the purchase of any goods (likely to include shares and securities) of the value or aggregate of such value exceeding INR 50 lakhs in any previous year, shall deduct an amount equal to 0.1%. of such sum exceeding INR 50 lakhs. The buyer shall be required deduct such tax at the time of credit of such sum to the account of the seller or at the time of payment thereof by any mode, whichever is earlier. Further, the term 'buyer' has been defined to mean a person whose total sales, gross receipts or turnover from the business carried on by him exceeds INR 10 crores during the Financial Year immediately preceding the Financial Year in which the purchase of goods is carried out. The section further provides that if any sum is credited to any account, whether called "suspense account" or by any other name, in the books of the buyer liable to pay such income, such credit of income shall be deemed to be the credit of such income to the account of the payee (i.e. seller) and the provisions of this section shall apply accordingly.

However, the provisions of section 194Q shall not apply to transactions on which:

a. tax is deductible under any of the provision of the ITA; and

b. tax is collectible under the provisions of section 206C of the ITA other than transaction to which section 206C(1H) of the ITA applies.

C. Collection of tax at source

Section 206C(1H) of the ITA mandates a seller to collect tax at source at the rate of 0.1% of the consideration value of the goods (likely to include shares and securities) sold exceeding value of INR 50 lakhs. The seller has been defined to mean a person whose total sales, gross receipts or turnover from the business carried on by him exceeds INR 10 crores during the specific earlier year. If the buyer does not provide PAN or Aadhaar number to the seller, then the tax rate would be 1% (section 206CC). In a situation, where the buyer is liable to undertake withholding obligations and has undertaken the said obligation, the seller will not be liable to collect tax at source.

Having said the above, the CBDT vide its Circular dated 29 September 2020, stated that the provisions of 206C(1H) shall not apply to transactions in securities and commodities which are traded through recognized stock exchanges.

Vide section 206CCA, section, tax will be required to be collected at the higher of the i.e., (i) rates specified in the relevant provisions of the ITA; or (ii) at 5% (five per cent) by a person at the time of receipt of any sum from a specified person. In this context, the term 'specified person' means a person who has not filed the tax returns for the specific defined past two years and the tax withheld and tax collected at source is INR 50,000 or more for the said two years. Further, the specified person to not include a non-resident who does not have a permanent establishment in India.

If both the above-mentioned provisions are applicable (i.e. section 206CC and 206CCA), the tax will be collected at the higher of the two rates derived in both the sections.

D. Foreign Portfolio Investors

Per section 2(14) of the ITA, any investment in securities made by FPIs in accordance with the regulations made under the Securities and Exchange Board of India is treated as a capital asset. Consequently, any income arising from transfer of securities by FPIs are to be treated as capital gains. Under section 115AD of the ITA, long-term capital gains arising from transfer of securities are taxable at 10%.

Under section 115AD of the ITA, interest and dividend income earned by FPIs are taxable at 20%.

Per section 196D of the ITA, no deduction of tax is made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD which is payable to FPI. However, tax shall be deducted under section 196D of the ITA with respect to interest income and dividend income at the rate of 20%.

These tax rates are subject to the rates specified in the applicable tax treaties and subject to fulfillment of conditions specified therein and under the ITA for availing such benefits.

E. Tax Treaty Benefits for Non-Resident investors

Per Section 90(2) of the ITA, the provisions of the ITA, are applicable to the extent they are more beneficial than the provisions of the Tax Treaty between India and the country of residence of the non-resident investor (subject to General Anti Avoidance Rules ('GAAR') provisions discussed below and to the extent of availability of Tax Treaty benefits to the non-resident investors).

Section 90(1) of the ITA provides that the Central Government may enter into Tax Treaty for granting relief in respect of income tax, without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance (including through treaty shopping arrangements aimed at obtaining reliefs provided in the said agreement for the indirect benefit of residents of any other country or territory.

Having said the above, it may be noted that no assurance can be provided that the Tax Treaty benefits will be available to the non-resident investors or the terms of the Tax Treaty will not be subject to amendment or reinterpretation in the future. This chapter does not discuss the tax implications applicable to the non-residents under a beneficial Tax Treaty, which would need to be analysed separately based on the specific facts.

The taxability of such income of the non-resident investors, in the absence of Tax Treaty benefits or from a country with which India has no Tax Treaty, is in accordance with the provisions of the ITA.

F. Tax Residency Certificate ('TRC')

In order to claim Tax Treaty benefits, the non-resident investors have to obtain the TRC as issued by the relevant authorities of its home jurisdiction. Further, the non-resident investors are required to furnish such other information or document as may be prescribed. In this connection, the CBDT vide its notification dated 1 August 2013 had prescribed certain information in Form No. 10F to be produced along with the TRC, if the same does not form part of the TRC. The tax authorities may grant Tax Treaty benefit (after verifying the TRC) based on the facts of each case.

G. Non-resident investors (including FPI)

A non-resident investor is subject to taxation in India only if;

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

Per Section 6 of the ITA, a foreign company is treated as a tax resident in India if its place of effective management ('POEM') is in India in that year. POEM has been defined to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity are, in substance made. In case, the foreign company has a POEM in India, it qualifies as a resident of India for tax purposes and consequently, its worldwide income is taxable in India. In this connection, the CBDT issued a notification dated 22 June 2018, prescribing special provisions regarding taxation of foreign companies which are regarded as residents in India on account of its POEM being in India. Further, the foreign company might also not be entitled to claim the benefits of a Tax Treaty between India and the country of residence of the foreign company.

The CBDT had vide its Circular dated 24 January 2017, issued guiding principles for determination of POEM of a Company ('POEM Guidelines'). The POEM guidelines lay down emphasis on POEM concept being 'substance over form' and further provides that place where the management decisions are taken would be more important than the place where the decisions are implemented for determining POEM.

The CBDT had vide circular dated 23 February 2017, clarified that provisions of Sec 6(3)(ii) relating to POEM do not apply to companies having turnover or gross receipts less than or equal to INR 50 crores during the Financial Year.

Per section 90(2) of the ITA, the provisions of the ITA apply to the extent they are more beneficial than the provisions of the Tax Treaty between India and the country of residence of the non-resident investor (subject to GAAR provisions discussed below).

Per the Finance Act 2020, section 90(1) of the ITA is amended to provide that the Central Government may enter into Tax Treaty for granting relief in respect of income tax, without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance (including through treaty shopping arrangements aimed at obtaining reliefs provided in the said agreement for the indirect benefit of residents of any other country or territory).

However, no assurance can be provided that the Tax Treaty benefits will be available to the non-resident investor or the terms of the Tax Treaty will not be subject to amendment or reinterpretation in the future. The taxability of such income of the non-resident investor, in the absence of Tax Treaty benefits or where the non-resident investor is from a country with which India has no Tax Treaty, would be as per the provisions of the ITA.

H. STT

STT is applicable on various transactions as follows:

a. 0.10% on the purchase of equity shares in a company and units of business truston a recognised stock exchange in India where the contract for purchase is settled by the actual delivery or transfer of shares;
b. 0.10% on the sale of equity shares in a company or sale of units of a business trust on a recognised stock exchange in India where the contract for sale is settled by the actual delivery or transfer of shares;
c. 0.001% on the sale of units of equity oriented funds on a recognised stock exchange in India where the contract for sale is settled by the actual delivery or transfer of units
d. 0.025% on the sale of equity shares in a company or units of equity oriented funds or units of a business trust on a recognised stock exchange in India where the contract for sale is settled otherwise than by the actual delivery or transfer of shares or unit;
e. 0.0125% on the sale of futures in securities;
f. 0.0625% on the sale of options in securities;
g. 0.125% of the difference between the strike price and settlement price of the option, where the options are exercised;
h. 0.001% on the sale of units of equity oriented fund to the Mutual Fund.
i. 0.2% on sale of unlisted equity shares under an offer for sale

I. Receipt of any property at a value below fair market value

In case, a resident subscribes to the shares of an Indian closely held company at a premium and the total consideration for subscription exceeds the face value of such shares, the difference between the total consideration for subscription and FMV of such shares is considered as income from other sources. The same would be subject to tax in the hands of the investee companies under section 56(2)(viib) of the ITA. For the above purposes, the FMV of shares is determined as per detailed rules prescribed or as may be substantiated by the company to the satisfaction of the tax officer based on the value of assets and liabilities, whichever is higher

J. Transfer of unquoted shares at less than fair market value

Per Section 50CA of ITA, if there is a transfer of unquoted shares of a company at a value lesser than the fair market value, then the fair market value is deemed to be the full value of sale consideration for computing the capital gains for such unquoted shares. The CBDT has notified rules for computation of FMV for the purpose of section 50CA of the ITA.

Per the Finance (No. 2) Act, 2019, the provision of section 50CA do not apply to any consideration received/ accruing on transfer by certain class of persons and subject to fulfillment of conditions, as may be prescribed.

K. Deemed income on investment in securities

Section 56(2)(x) of the ITA provides that if any assessee receives any property (including securities) without consideration or for inadequate consideration in excess of INR 50,000 as compared to the fair market value, fair market value in excess of such consideration is taxable in the hands of the recipient as 'Income from Other Sources'. The tax rates are subject to availability of benefits under the Tax Treaty, if any in case of non-resident assessee.

The CBDT has issued rules with revised mechanism for computation of FMV for the purpose of section 56(2)(x) of the ITA.

Per the Finance (No.2) Act, 2019, the provision of section 56(2)(x) of the ITA do not apply to any sum of money or any property received by such class of persons and subject to fulfillment of conditions as may be prescribed.

Such deemed income is chargeable to tax (i) at the rate of 30% in case of resident investors (assuming highest slab rate for resident individual) (ii) at the rate of 40% in case of foreign companies and (iii) at the rate of 30% in case of non-resident (assuming highest slab rate for non-resident individual).

In the case of domestic companies having total turnover or gross receipts not exceeding INR 400 crores in the Financial Year 2019-20, the tax rate is 25%. Per the Taxation Laws (Amendment) Act, 2019, domestic companies have the option to pay tax on total income at the rate of 15% or 22% depending on fulfillment of certain conditions and their nature of business.

The Finance Act 2020 has inserted a new section 115BAC in the ITA. Per the said section, Individuals and HUF have an option to pay tax on their total income at the reduced tax rates.

The income would, however, have to be computed without claiming prescribed deductions or exemptions.

L. GAAR

The Finance Act, 2012 had introduced General Anti-Avoidance Rules ('GAAR') into ITA, which, subsequent to the amendments introduced by the Finance Act, 2015, has come into effect from April 1, 2017. Further, it has been announced that GAAR would be applicable only to investments made on or after April 1, 2017.

As per the provisions of ITA, Indian tax authorities have been granted wide powers to tax 'impermissible avoidance arrangements' including the power to disregard entities in a structure, reallocate income and expenditure between parties to the arrangement, alter the tax residence of such entities and the legal situs of assets involved, treat debt as equity and vice versa. The GAAR provisions are potentially applicable to any transaction or any part thereof.

The term 'impermissible avoidance arrangement' has been defined to mean an arrangement where the main purpose is to obtain a tax benefit, and it:

1. creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length;
2. results, directly or indirectly, in the misuse, or abuse, of the provisions of ITA;
3. lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or
4. is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.

Further, an arrangement shall be presumed, unless it is proved to the contrary by the taxpayer, to have been entered into, or carried out, for the main purpose of obtaining a tax benefit, if the main purpose of a step in, or a part of, the arrangement is to obtain a tax benefit, notwithstanding the fact that the main purpose of the whole arrangement is not to obtain a tax benefit. The arrangement shall be deemed to lack commercial substance (amongst other factors) if:

1. the substance or effect of the arrangement as a whole, is inconsistent with, or differs significantly from, the form of its individual steps or a part; or

2. it involves or includes:
   a) round trip financing;
   b) an accommodating party;
   c) elements that have effect of offsetting or cancelling each other; or
   d) a transaction which is conducted through one or more persons and disguises the value, location, source, ownership or control of funds which is the subject matter of such transaction; or

3. it involves the location of an asset or of a transaction or of the place of residence of any party which is without any substantial commercial purpose other than obtaining a tax benefit for a party; or

4. it does not have a significant effect upon the business risks or net cash flows of any party to the arrangement apart from any effect attributable to the tax benefit that would be obtained.

In case the GAAR is applied to any transaction pertaining to the Fund, it could have an adverse impact on the taxability of the Fund and the returns to the Contributors/ Investors.

M. FATCA Guidelines

According to the Inter-Governmental Agreement read with the Foreign Account Tax Compliance Act ('FATCA') provisions and the Common Reporting Standards ('CRS'), foreign financial institutions in India are required to report tax information about US account holders and other account holders to the Indian Government. The Indian Government has enacted rules relating to FATCA and CRS reporting in India. A statement is required to be provided online in Form 61B for every calendar year by 31 May. The Reporting Financial Institution is expected to maintain and report the following information with respect to each reportable account:

a. the name, address, taxpayer identification number [('TIN') (assigned in the country of residence)] and date and place of birth ['DOB' and 'POB' (in the case of an individual)];

b. where an entity has one or more controlling persons that are reportable persons:

i. the name and address of the entity, TIN assigned to the entity by the country of its residence; and

ii. the name, address, DOB, POB of each such controlling person and TIN assigned to such controlling person by the country of his residence;

c. account number (or functional equivalent in the absence of an account number);

d. account balance or value (including, in the case of a cash value insurance contract or annuity contract, the cash value or surrender value) at the end of the relevant calendar year; and

e. the total gross amount paid or credited to the account holder with respect to the account during the relevant calendar year.

Further, it also provides for specific guidelines for conducting due diligence of reportable accounts, viz. US reportable accounts and Other reportable accounts (i.e. under CRS).

N. Multilateral Convention to implement Tax Treaty related measures to prevent Base Erosion and Profit Shifting

The Organisation of Economic Co-operation and Development ('OECD') released the Multilateral Convention to implement Tax Treaty related measures to prevent Base Erosion and Profit Shifting.

MLI is an agreement negotiated under Action 15 of the OECD/G20 BEPS Project. As opposed to bilateral Double Taxation Avoidance Agreements, the MLI is intended to allow jurisdictions to swiftly amend their tax treaties to include the Tax Treaty-related BEPS recommendations in multiple Tax Treaties. MLI seeks to curb tax planning strategies that have the effect of shifting profits to low or no tax jurisdictions, supplements or modifies existing tax treaties etc.

The final impact of the MLI on a Tax Treaty is dependent on both the contracting states to the Tax Treaty having deposited their respective instruments of ratification with their final MLI Positions with the OECD Depositary. The MLI includes both mandatory provisions (i.e. the minimum standards under the BEPS Project) as well as non-mandatory provisions.

India has been an active participant in the entire discussion and its involvement in the BEPS project has been intensive. In a ceremony held in Paris on 7 June 2017, various countries including India, signed the MLIs. The Union Cabinet of India issued a press release dated 12 June 2019, approving the ratification of the MLI to implement Tax Treaty related measures to prevent BEPS. The application of MLI to a Tax Treaty is dependent on ratification as well as positions adopted by both the countries signing a Tax Treaty. On June 25, 2019, India has taken the final step for implementation of MLI by depositing its instrument of ratification with the OECD. The MLI entered into force from 1 October 2019 and operational with effect from the financial year beginning from 1 April 2020 in respect of certain treaties signed by India.

Once MLI evolves and is implemented in future, one should need to analyse its impact at that point in time on the existing tax treaties that India has entered into with other countries. There is limited guidance or jurisprudence at present on how the above will be interpreted by the Revenue authorities and applied.

O. Minimum Alternate Tax

The Taxation Laws (Amendment) Act, 2019 has reduced the base rate of MAT from 18.5% to 15% (plus applicable surcharge and cess), which shall be applicable w.e.f. 1 April 2020 i.e. Financial Year 2019-2020. Per the ITA, if the income-tax payable on total income by any company is less than 15% (excluding applicable surcharge and health and education cess) of its book profits, the company is required to pay MAT at 15% of such book profits (excluding applicable surcharge and health and education cess). Further, MAT provisions are not applicable to a foreign company if such company is a resident of a country or a specified territory with which India has a Tax Treaty and the company does not have a permanent establishment in India. Also, MAT provisions are not applicable if the company is a resident of a country or a specified territory with which India does not have a Tax Treaty, but the company is not required to seek registration under any law in relation to companies.

Further, the MAT credit is allowed to be carried forward up to 15 assessment years. The Finance Act, 2017, has introduced the framework for computation of book profit for IndAS compliant companies in the year of adoption and thereafter.

In case where the domestic company opts to be taxed as per the rates and manner prescribed under Section 115BAA and 115BAB of the ITA, then MAT provisions does not apply to such domestic companies. Also, MAT credit (if any) is not allowed to be carried forward once the company exercises the option to avail reduced tax rates as mentioned above.

P. Alternate Minimum Tax

Per the ITA, if the income-tax payable on total income by any person other than a company is less than the alternate minimum tax, the adjusted total income is deemed to be the total income of that person and he is liable to pay income-tax on such total income at the rate of 18.5% (excluding applicable surcharge and health and education cess). Such provisions are not applicable if the adjusted total income does not exceed INR 20 lakhs.

Further, as per Finance Act 2020, the above provisions are not applicable in case of a person who exercises the option referred to in section 115BAC or section 115BAD of the ITA

Q. Bonus stripping

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

R. Carry-forward of losses and other provisions (applicable irrespective of the residential status)

In terms of section 70 read with section 74 of the ITA, short-term capital loss arising during a year can be set-off against short-term as well as long-term capital gains. Balance loss, if any, can be carried forward and set-off against any capital gains arising during the subsequent 8 assessment years. A long-term capital loss arising during a year is allowed to be set-off only against long-term capital gains. Balance loss, if any, can be carried forward and set-off against long-term capital gains arising during the subsequent 8 assessment years.

S. Proposed change in the India tax regime

The Government of India intends to replace the current Income-Tax Act, 1961 with a new direct tax code ('DTC') in consonance with the economic needs of the country. The task force is in the process of drafting a direct tax legislation keeping in mind, tax system prevalent in various countries, international best practices, economic needs of the country, among others. At this stage, it is not possible to comment on the final provisions that the new DTC will seek to enact into law and consequently, no views in that regard are being expressed. There can be no assurance as to the implications of the final new DTC for the Portfolio Manager and its investors.

T. Goods and Services Tax

From July 1, 2017 onwards, India has introduced Goods and Service Tax ('GST'). Post introduction of GST, many Indirect tax levies (including service tax) have been subsumed and GST should be applicable on services provided by the Portfolio Manager. GST rate on such services is currently 18%.

13. Accounting Policy / Valuations

The following Accounting policy will be applied for the portfolio investments of clients: (

a. Investments in listed equity and debt instruments will be valued at the closing market prices on the National Stock Exchange ("NSE"). If the Securities are not traded on the NSE on the valuation day, the closing price of the Security on the Bombay Stock Exchange will be used for valuation of Securities. In case of the securities that are not traded on the valuation date, the last available traded price shall be used for the valuation of securities. Investments in units of mutual funds shall be valued at the repurchase price of the previous day or at the last available repurchase price declared for the relevant Scheme on the date of the report.

b. Unlisted Equity / Convertible Preference Shares will be valued at Fair Market Value. Such fair value may be determined comparing with peers, or by taking a comparable transaction, or where the issuer has come out with an IPO, at the lower band of the IPO price, or it may be valued by an external agency appointed by the Portfolio Manager, on a periodic basis (once in a year).

c. Traded Debt instruments would be valued based on prices received from CRISIL / ICRA

d. Untraded / Illiquid debt instruments, including Real Estate papers classified as held to maturity (HTM) at the time of their acquisition will be valued on XIRR basis (cash flows discounted at the yield agreed with the Issuer). They will be checked for valuation at least twice a year, in terms of regularity of payments and adequacy of collateral. Provisioning norms will be done wherever necessary, based on the facts of each case.

e. Realised gains/losses will be calculated by applying the First In First Out principle.

f. Unrealized gains/losses are the differences between the current market value/Net Asset Value and the historical cost of the Securities.

g. Dividends on shares will be accounted for on ex-dividend date and dividends on units of mutual funds will be accounted for on receipt of information from the mutual fund house and interest, stock lending fees earned etc., will be accounted for on accrual basis. The interest on debt instruments will be accounted for on accrual basis.

h. In respect of all interest-bearing investments, income must be accrued on a day to day basis as it is earned. Therefore when such investments are purchased, interest paid for the period from the last interest due date up to the date of purchase will not be treated as a cost of purchase but will be debited to Interest

i. For derivatives and futures and options, unrealized gains and losses is calculated by marking to market the open positions. Specifically, in case of certain option contracts, market quotes are not easily available through the exchange due to low liquidity. Considering this scenario, Portfolio Manager has appointed an external agency to do the valuation based on the latest reported trades and market accepted methodologies. External agency will share the quotes on daily basis, in case such a quote is not available, previous day quotes will be used by the Portfolio Manager. Maximum validity of such quote will be 30 days.

j. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale will not be treated as an addition to sale value but will be credited to Interest Recoverable Account.

k. Transactions for purchase or sale of investments will be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year are recorded and reflected in the financial statements for that year. Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction should be recorded, in the event of a purchase, as of the date on which there is enforceable obligation to pay the price or, in the event of a sale, when there is an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.

l. Bonus shares will be recognized only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis. Similarly, rights entitlements will be recognized only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.

m. The cost of investments acquired or purchased will include brokerage, stamp duty charges and any charge customarily included in the broker's contract note. In respect of privately placed debt instruments any front-end discount offered will be reduced from the cost of the investment.

n. The Portfolio Manager and the Client can adopt any specific norms or methodology for valuation of investments or accounting provided the same is mutually agreed between them on a case to case basis.

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

p. In case of Portfolio received from the Clients in the form of securities, this will be accounted for at previous day’s closing price on NSE. Where the Client withdraws Portfolio in the form of securities, the same will be accounted on the date of withdrawal at the previous closing price. In case any of the securities are not listed on NSE or they are not traded on NSE on a particular day, previous day’s closing price on BSE will be used for aforesaid accounting purpose.

q. Investments in the Managed accounts (Alternate investment funds and Venture Capital funds) will be valued at last available Net asset value declared by issuer.

The Investor may contact the investor relation officer of the Portfolio Manager for the purpose of clarifying or elaborating on any of the above policy issues. The valuation of the securities not mentioned above shall be valued on fair value basis as decided by the Portfolio Manager.

The Portfolio Manager may change the valuation policy for any particular type of security consequent to any regulatory changes or change in the market practice followed for valuation of similar securities.

14. Investor Services

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

Name: Mr. Akshay Mohnot
Address: C-303, Marathon Nextgen Innova, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel West, Mumbai
Tel: 022-24973900/01
Email: **client.service@rockstudcap.com**

b. **Grievance redressal and dispute settlement mechanism**

In the event the Client has any grievance on the services standards or reporting that the Portfolio Manager has agreed to provide, then the Client shall write to the Compliance Officer of the Portfolio Manager, whose contacts coordinates are provided below:

Name: Mr. Rajesh Padyar
Address: C-303, Marathon Nextgen Innova, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel West, Mumbai
Tel: 022-24973900/01
Email: **complianceofficer@rockstudcap.com**

The aforesaid personnel of the Portfolio Manager shall attend to and address any Client query or concern within 30 days as required by SEBI.

The Portfolio Manager in compliance with SEBI vide its circular no SEBI/HO/IMD/IMD-II_DOF7/P/CIR/2021/681 dated December 10, 2021 on "Publishing of Investor Charter and disclosure of Investor Complaints by Portfolio Managers on their websites" has directed all the Portfolio Managers to provide relevant information to the investors about the various activities pertaining to PMS by way of an Investor Charter.

The above details are also available on the website viz. **https://www.rockstudcap.com/**

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

Any dispute unresolved by the above internal grievance redressal mechanism of the Portfolio Manager, can be submitted to arbitration under the Arbitration and Conciliation Act, 1996. The arbitration shall be before three arbitrators, with each party entitled to appoint an arbitrator and the third arbitrator being the presiding arbitrator appointed by the two arbitrators. Each party will bear the expenses / costs incurred by it in appointing the arbitrator and for the arbitration proceedings. Further, the cost of appointing the presiding arbitrator will be borne equally by both the parties. Such arbitration proceedings shall be held at Mumbai and the language of the arbitration shall be English. The courts of Mumbai shall have the exclusive jurisdiction to adjudicate upon the claims of the parties.

c. **SEBI SCORES Platform:** SEBI has launched a new web based centralized grievance system called SCORES i.e. SEBI Complaints Redressal System, for online filing, forwarding and tracking of resolution of investor complaints.

Without prejudice to anything stated above, the Client can also register its grievance/complaint through SCORES (SEBI Complaints Redress System), post which SEBI may forward the complaint to the Portfolio Manager and the Portfolio Manager will suitably address the same. SCORES is available at **https://www.scores.gov.in/scores/Welcome.html**

15. **Details of Investment in the securities of related parties of the Portfolio Manager**

Sr. No.	**Investment Approach (if any)**	**Name of the associate/related party**	**Investment amount (cost of investment as on the last day of the previous calendar quarter (INR crores)**	**Value of investment as on the last day of the previous calendar quarter (INR in crores)**	**Percentage of total AUM as on last day of the previous calendar quarter**
	NIL	NIL	NIL	NIL	NIL

16. Details of the Diversification policy of the Portfolio Manager

The Portfolio Manager has no specific emphasis on diversification, except for what is already disclosed in the investment strategy of the Product/Investment approach in **Annexure I**. In general Portfolio Manager shall maintain a well-diversified portfolio of securities across a diverse set of industries unless specified.

For Rockstud Capital LLP

Sr. No.	Name of Partners	Signature
1.	Mr. Abhishek Agarwal	Abhishek ROCKSTUD CAPITAL LLP MUMBAI
2.	Mrs. Yashna Agarwal	Yashna ROCKSTUD CAPITAL LLP MUMBAI

Date: 19th May, 2023

Place: Mumbai

Annexure I - Details of the Products/ Investment Approaches managed by the Portfolio Manager

1. Rockstud Capital – Yuva Bharat Approach

Sr. No.	Particulars	Remarks
A	**Investment objective**	The investment objective is to generate long term sustainable returns by investing predominantly towards mid & small market capitalizations companies. Investment focus is towards play on rising middle-class income and digital wave.
B	**Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.**	It predominantly makes investments in listed equities and opportunistically in money market instruments, units of mutual funds, REITs, INVITs, Exchange Traded Funds (ETFs) or other permissible securities/products in accordance with the applicable laws.
C	**Basis of selection of such types of securities as part of the investment approach**	Investment approach aims to adopt strategies based on top-down stock selection to invest over medium to long term. Stock selection is based on identifying the sectors based on Yuva Bharat investment approach as well as by applying proprietary quant & qualitative filters like promoter stake, pledge. management quality, industry prospect etc.
D	**Allocation of portfolio across types of securities**	Equity and equity related instruments up to 100% (Cash portion maybe deployed in units of Mutual funds, ETFs for temporary period)
E	**Appropriate benchmark to compare performance and basis for choice of benchmark**	S&P BSE 500 Index, as prescribed by SEBI for investment approaches /covered under the 'Equity' Strategy.
F	**Indicative tenure or investment horizon**	Above 3 years
G	**Risks associated with the investment approach**	Below are select risks associated with the investment approach apart from those disclosed in Clause 6 of this Document. The risks may affect portfolio performance even though the Portfolio Manager may take measures to mitigate the same. **Company risk:** The performance of the investment approach will depend upon the business performance of the Portfolio Entity and its future prospects. Portfolio Manager's focus on studying the business and the sustainability with focus on studying the balance sheet will help the Portfolio Manager in mitigating these sector or company risks. **Valuation risk:** Portfolio Manager will assess the Portfolio Entities from varied valuation parameters in order to establish whether the valuations are reasonable while investing and reassess the same from time to time.

		Market risk: Portfolio Manager endeavours to invest in companies using bottom-up fundamental research rather than trying to time the markets. However, the Portfolio Manager will monitor the market and economic circumstances from time to time that may affect the performance of the Portfolio Entities. **Liquidity risk:** While investing in equities and Portfolio Entities, liquidity constraints are potential near-term risk while investing and disinvesting the Portfolio Entities. The Portfolio Manager endeavours to mitigate the risks by investing with a medium to long term time horizon. **Concentration Risk:** Endeavor to have adequately diversified portfolio across sectors and stocks.
H	**Other salient features, if any.**	NA

2. Rockstud Capital – Liquid Approach

Sr. No	Particulars	Remarks
A	**Investment objective**	The investment objective is intended to aid investors who primarily are desirous of investing into equities but are unsure of market movements in the near term and do not want to invest all the funds in equity at one go as well as to facilitate investors to take Asset Allocation calls between Cash & Equity.
B	**Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.**	It predominantly makes investments in liquid mutual funds, short-term debt funds, exchange traded funds, money market mutual funds, and other debt funds or fixed income instruments etc. for temporary to short-term period i.e., Debt / Fixed Income Securities.
C	**Basis of selection of such types of securities as part of the investment approach**	Highly liquid and low to moderate risk investment securities providing regular income option by investing in above specified securities.
D	**Allocation of portfolio across types of securities**	100% in Units of mutual funds, ETFs and/ or Fixed Income Securities
E	**Appropriate benchmark to compare performance and basis for choice of benchmark**	CRISIL Composite Bond Fund Index, as prescribed by SEBI for investment approaches covered under the 'Debt' Strategy.
F	**Indicative tenure or investment horizon**	Short Term i.e., up to 12 months

G	**Risks associated with the investment approach**	Below are select risks associated with the investment approach apart from those disclosed in Clause 6 of this Document. The risks may affect portfolio performance even though the Portfolio Manager may take measures to mitigate the same. **Market Risk:** The performance of the investment approach will be impacted by interest rates prevailing as well as movements in interest rates. The Investor may lose money over short or long period due to fluctuation in fund investments due to factors including but not limited to economic, political developments, changes I interest rates, inflation and other monetary factors and also movement in prices of underlining investments. **Interest Rate Risk:** Changes in interest rates will affect the performance of the investment approach. There is an inverse relationship between the interest rate and price of securities. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and increase or decrease in the level of interest rate. The price risk is low in short duration securities. Reinvestment Risk: Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the securities. Accordingly, the proceeds may get invested at a lower rate. **Pre-payment Risk:** Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the fund to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the fund. **Spread Risk:** In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security. **Credit Risk:** Credit Risk means that the issuer of a security may default on interest payments or even paying back the principal amount on maturity. Even where no default occurs, the prices of security may go down because the credit rating of an issuer goes down. It must be, however, noted that

		where the Scheme has invested in Government securities, there is no risk to that extent. **Liquidity or Marketability Risk:** It refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market. Trading Volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme.
H	**Other salient features, if any.**	NA

3. Rockstud Capital – Customized Approach

Sr. No	Particulars	Remarks
A	**Investment objective**	The customized approach is a tailor-made to meet clients' specific objectives. The portfolios have client-specific investment objectives and risk control metrics. The primary investment objective is to generate long term sustainable returns by investing across Large, Mid & Small market capitalizations companies.
B	**Description of types of securities e.g., equity or debt, listed or unlisted, convertible instruments, etc.**	It predominantly makes investments in listed equities and opportunistically in money market instruments, units of mutual funds, Exchange Traded Funds (ETFs) or other permissible securities/products in accordance with the applicable laws.
C	**Basis of selection of such types of securities as part of the investment approach**	Investment approach aims to adopt strategies based on top-down stock selection to invest over medium to long term limited to client restriction if any. Stock selection is based on identified the sectors based on theme, applying proprietary quant filters, Qualitative factors like promoter stake, Pledge etc. and Industry prospects.
D	**Allocation of portfolio across types of securities**	Equity and equity related instruments up to 100% (Cash portion maybe deployed in units of Mutula funds, ETFs for temporary period)
E	**Appropriate benchmark to compare performance and basis for choice of benchmark**	S&P BSE 500 Index, as prescribed by SEBI for investment approaches covered under the 'Equity' Strategy.
f	**Indicative tenure or investment horizon**	As per client investment horizon

G	**Risks associated with the investment approach**	Below are select risks associated with the investment approach apart from those disclosed in Clause 6 of this Document. The risks may affect portfolio performance even though the Portfolio Manager may take measures to mitigate the same. **Company risk:** The performance of the investment approach will depend upon the business performance of the Portfolio Entity and its future prospects. Portfolio Manager's focus on studying the business and the sustainability with focus on studying the balance sheet will help the Portfolio Manager in mitigating these sector or company risks. **Valuation risk:** Portfolio Manager will assess the Portfolio Entities from varied valuation parameters in order to establish whether the valuations are reasonable while investing and reassess the same from time to time. **Market risk:** Portfolio Manager endeavours to invest in companies using bottom-up fundamental research rather than trying to time the markets. However, the Portfolio Manager will monitor the market and economic circumstances from time to time that may affect the performance of the Portfolio Entities. **Liquidity risk:** While investing in equities and Portfolio Entities, liquidity constraints are potential near-term risk while investing and disinvesting the Portfolio Entities. The Portfolio Manager endeavours to mitigate the risks by investing with a medium to long term time horizon. **Concentration Risk:** Endeavor to have adequately diversified portfolio across sectors and stocks.
H	**Other salient features, if any.**	NA

FORM C

Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020
[Regulation 22]

Rockstud Capital LLP
C-303, Marathon Nextgen Innova, Off Ganpatrao Kadam Marg,
Opp. Peninsula Corporate Park, Lower Parel West, Mumbai - 400013
Email ID: principalofficer@rockstudcap.com Tel no: 022-24973900/01

We confirm that:

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

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

iii. the Disclosure Document has been duly certified by an independent chartered accountant Mukesh M. Gangar & Co., F-15, Dadar Manish Market, Senapati Bapat Marg, Dadar (W), Mumbai – 400028, Tel no.: 9819222034 and membership registration number: 034096, F No: 106621W on 19th May 2023.

For Rockstud Capital LLP

Mr. Rikesh Parikh
Principal Officer

Date: 19th May, 2023
Place: Mumbai

Mukesh M. Gangar & Co.

CHARTERED ACCOUNTANTS

F/15-16, Dadar Manish Market, 1st Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028.Email ID: info@mgcgroup.in, Cell no.: 8591357633

Certificate

To,
Rockstud Capital LLP,
C-303, Marathon Nextgen Innova,
Off Ganpatrao Kadam Marg,
Opp. Peninsula Corporate Park,
Lower Parel West, Mumbai - 400013

We have been requested by Rockstud Capital LLP (the Portfolio Manager) having registration no. INP000007924 to certify the contents and information provided in the Disclosure Document required to be filed with Securities and Exchange Board of India (SEBI) as per Regulation 22 of SEBI (Portfolio Manager) Regulations, 2020.

We have examined the Disclosure Document dated 19th May, 2023 for portfolio management in prepared in accordance with Regulation 22 of SEBI (Portfolio Manager) Regulations, 2020.

We hereby certify that the disclosures made in the enclosed Disclosure Document, prepared and forwarded by Rockstud Capital LLP in terms of the Fifth Schedule of Regulation 22 of the Securities and Exchange Board of India (Portfolio Managers) Regulations 2020 and the guidelines and directives issued by the Board from time to time, are true, fair and adequate to enable the investors to make a well-informed decision.

This certificate is issued on the basis of the information and documents given/produced before us and on the basis of representations made by Rockstud Capital LLP

Place:- Mumbai Date:- 19/5/2023	For Mukesh M. Gangar & Co. Chartered Accountants Mukesh M. Gangar Membership No: 034096 F No: 106621W UDIN: 23034096BGYMUH5093

MUKESH M. GANGAR & CO. ★ CHARTERED ACCOUNTANTS ★ MANISH MARKET DADAR (W) MUMBAI-28.