ALPHA ALTERNATIVES FUND ADVISORS LLP

DISCLOSURE DOCUMENT

As required under Regulation 22 (3) of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020

(i) This Disclosure Document has been filed with the Securities and Exchange Board of India (“**SEBI**”) along with the certificate (Form C) in the specified format in terms of Regulation 22 (3) of the SEBI (Portfolio Managers) Regulations, 2020.

(ii) The purpose of this Disclosure Document is to provide essential information about the portfolio management services in a manner to assist and enable the investors in making informed decision for engaging Alpha Alternatives Fund Advisors LLP (hereinafter referred to as “**Portfolio Manager**”) as the portfolio manager.

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

(iv) The name, phone number, e-mail address of the principal officer so designated by the Portfolio Manager are given below:

PRINCIPAL OFFICER	**PORTFOLIO MANAGER**
Name : Mr. Navin Ganesh **Phone :** +91 9840733225 **E-Mail :** navin.ganesh@alt-alpha.com	**Name**: Alpha Alternatives Fund Advisors LLP **Registered Address**: 34th Floor, Sunshine Tower, Senapati Bapat Marg, Near Kamgar Krida Maidan, Dadar (West), Mumbai – 400 013 **Correspondance Address:** 34th Floor, Sunshine Tower, Senapati Bapat Marg, Near Kamgar Krida Maidan, Dadar (West), Mumbai – 400 013

Date: June 30, 2025

Place: Mumbai

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1. Disclaimer clause

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

Alpha Alternatives Fund Advisors LLP ("**Portfolio Manager**") has based this Disclosure Document on information obtained from sources it believes to be reliable but which it has not independently verified and hence makes no guarantee, representation or warranty and accepts no responsibility or liability as to its accuracy or completeness. The information contained in this Disclosure Document is based upon publicly available information at the time of publication, which is subject to change from time to time.

This Disclosure Document is for information purposes only and should not be construed as an offer or solicitation of an offer for managing the portfolio of any Client. It does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. Clients should seek financial advice regarding appropriateness of investing in any securities or investment strategies that may have been discussed or recommended in this Disclosure Document and should understand that the views regarding the future prospects may or may not be realized.

Neither this Disclosure Document nor the product offerings have been registered in any jurisdiction other than in India.

2. Definitions

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

(i) "**Accredited Investor**" shall have the meaning prescribed under the Regulations;

(ii) "**Act**" means the Securities and Exchange Board of India Act, 1992;

(iii) "**Applicable Laws**" means any applicable Indian statute, law, ordinance, regulation including the Regulations, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument which has a force of law in India, as is in force from time to time.

(iv) "**Chartered Accountant**" means a Chartered Accountant as defined in clause (b) of sub-section (1) of Section 2 of the Chartered Accountant Act, 1949 and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act;

(v) "**Client**" means any individual, body corporate, partnership firm, Hindu Undivided Family (HUF), association of persons, trust, partnerships, limited liability partnership, limited liability companies, sole proprietorship, societies and/or such other Person as may be permitted by the Regulations and under Applicable Laws, who enters into agreement with the Portfolio Manager for the managing of his/its Portfolio;

(vi) "**Client Agreement**" means the agreement entered into between the Portfolio Manager and its Client as amended, modified, supplemented or restated from time to time together with all annexures, schedules and exhibits, if any;

(vii) "**Disclosure Document**" means this disclosure document filed by the Portfolio Manager with SEBI and made available on the website of the Portfolio Manager, as may be amended from time to time;

(viii) "**Direct on-boarding**" means an option provided to clients to be on-boarded directly with the Portfolio Manager without intermediation of persons engaged in distribution services.

(ix) **"Discretionary Portfolio Manager"** means a portfolio manager who under a contract relating to portfolio management, exercise or may exercise, any degree of discretion as to the investment of funds or management of the portfolio of securities of the client, as the case may be.

(x) "**Goods**" means the goods notified by the Central Government under clause (bc) of section 2 of the Securities Contracts (Regulation) Act, 1956 and forming the underlying of any commodity derivative;

(xi) **"Investment Advisory Services"** means non-binding and non-discretionary advisory services and/ or such other related services provided to a Client by Portfolio Manager in terms of agreement executed with the Client in terms of the Regulations and such circulars and/ or guidelines issued by SEBI from time to time

(xii) "**Large Value Accredited Investor**" shall have the meaning prescribed under the Regulations;

(xiii) "**Person**" means any individual, partnership, company, body corporate, co-operative society, corporation, trust, society, HUF or any other body of persons, whether incorporated or not;

(xiv) **"PMS"** means the portfolio management services provided by the Portfolio Manager in accordance with the terms and conditions set out in the Client Agreement, Disclosure Document and subject to Applicable Laws.

(xv) **"Non-Discretionary Portfolio Management Services"** means a portfolio management services where a Portfolio Manager acts on the instructions received from the Client with regard to investment of funds/ securities of the Client under a contract relating to portfolio management and will exercise no discretion as to the investment or management of the portfolio of securities or the funds of the client, as the case may be

(xvi) "**Portfolio**" means the total holding of all investment, Securities, goods and funds managed / advised by the Portfolio Manager on behalf of the Client pursuant to the Client Agreement and includes any Securities, goods and funds that may be managed / advised by the Portfolio Manager under the Client Agreement;

(xvii) "**Portfolio Manager**" means Alpha Alternatives Fund Advisors LLP who, pursuant to a contract or arrangement with a Client, advises or directs or undertakes on behalf of the Client (whether as a discretionary Portfolio Manager or otherwise) the management or administration of a portfolio of Securities or Goods or the funds of the Client, as the case may be. Provided that the Portfolio Manager may deal in Goods received in delivery against physical settlement of commodity derivatives;

(xviii) "**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 the Portfolio of the Client, as the case may be; and

(ii) all other operations of the Portfolio Manager.

(xix) "**SEBI**" means the Securities and Exchange Board of India;

(xx) "**Regulations**" means the SEBI (Portfolio Managers) Regulations, 2020, as may be amended from time to time and including any circulars/notifications issued pursuant thereto;

(xxi) "**Related party**" shall have the same meaning as defined in Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 and

(xxii) "**Securities**" shall mean and include securities listed or traded on a recognized stock exchange, money market instrument, units of mutual funds or other securities as specified by SEBI from time to time.

3. Description

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

Alpha Alternatives Fund Advisors LLP (the '**Portfolio Manager**') is a limited liability partnership (LLP), owned 99.994% by Alpha Alternatives Holdings Private Limited ('**Alpha Alternatives**') and 0.006% by Mr. Naresh Kothari. The registered office address of the Portfolio Manager is situated at 34th Floor, Sunshine Tower, Dadar West, Mumbai - 400013.

The partners of the Portfolio Manager are Alpha Alternatives (represented by Mr. Ashim Sahni in the capacity of nominee) and Mr. Naresh Kothari.

Alpha Alternatives Fund Advisors LLP is a multi-asset class asset management platform that creates sophisticated investment solutions for proprietary and client capital across various asset classes such as equities, commodities, fixed income, credit, infrastructure and real estate. The Portfolio Manager is also an investment manager to Category II and Category III Alternative Investment Funds and is also registered as an investment adviser with SEBI. Further, it also has a branch office in Gujarat International Fin-Tec City (GIFT City), IFSC in which is registered as a Registered Fund Management Entity (Non-Retail) with the International Financial Services Centres Authority and shall carry out fund management activities in GIFT City, IFSC.

The Portfolio Manager has extensive experience across MNCs, large Indian banks and investment boutiques in investing and managing capital across various asset classes and various strategies for eg: long-only portfolio, long-short portfolios, quant investing, derivative strategies, physical commodity and exchange traded derivatives strategies, fixed income securities trading, structured credit investments, equity/ debt (listed/unlisted) investments in infrastructure and real estate sectors etc.

(ii) Promoters/ Representative Nominee of Partner of the Portfolio Manager and their background

1. Alpha Alternatives Holdings Private Limited: A multi-asset class management firm creating sophisticated investment solutions for proprietary and client capital. Established in 2013, Alpha Alternatives is actively building investment solutions in commodities, equities, fixed income & currency markets and structured credit & stressed assets.

2. Naresh Lakshman Singh Kothari: Naresh is a seasoned finance professional with over 30+ years of experience and the Founder and Managing Partner of Alpha Alternatives, India's leading multi-asset class alternatives platform. Known for its innovative risk-return solutions, Alpha Alternatives operates out of India and Singapore, employing over 175 professionals, including 15+ partners, and offering nine distinct investment strategies. Before founding Alpha Alternatives, Naresh was a senior leader at Edelweiss Financial Services, where he spent 13 years building and scaling multiple businesses. As President, he led the Alternative Asset business, contributing significantly to its growth. Over his career, Naresh has advised over 100 corporates on capital market strategies and, in recent years, taken on board-level roles to drive strategic reorganization and growth. A fitness enthusiast with a reputation for unconventional thinking, Naresh excels at crafting win-win solutions. He holds a PGDM from IIM Ahmedabad and a BE in Computer Science from the University of Mumbai.

3. Ashim Sahni: Ashim leads the Quant Trading business at Alpha. He has over 12 years of experience in asset management in India and globally. Ashim began his career with private equity funds in France and Switzerland. Returning to India, he joined Alpha Alternatives at its inception and has been instrumental in its growth. He also advised a $1 billion Canadian pension fund, optimizing its portfolio design and manager selection to achieve top 1% performance in Canada within two years. A mathematics enthusiast, Ashim is passionate about applying quantitative techniques to financial markets. He is an alumnus of the Indian Institute of Technology, Delhi, and holds a Master’s in Management with a major in Finance from ESCP Europe, Paris.

(iii) Top 10 group companies/firms of the portfolio manager on turnover basis (latest unaudited financial statements have been used for this purpose):

Alpha Alternatives Financial Services Private Limited
Alpha Alternatives Fund Advisors LLP
Alpha Alternatives Holdings Private Limited
Alpha Alternatives Ventures Private Limited
Silverleaf Oak Advisors LLP

Alpha Alternative Strategies Advisors LLP (formerly known as Alpha Alternative Investment Advisors LLP)
Ncube Ventures LLP
Ebony Advisors LLP
Alpha Alternatives Fund-Infra Advisors Private Limited
Purple Clover Tree LLP

(iv) Details of the services being offered: Discretionary/ Non-discretionary/ Advisory.

(a) Discretionary services:

- Under these services, the Portfolio Manager shall have the sole and absolute discretion to invest the Client's funds in any type of Securities as per the respective Client Agreements. The Securities invested/disinvested by the Portfolio Manager for Clients in the same product/investment approach may differ from one Client to another.

- The Portfolio Manager will provide discretionary portfolio management services which shall be in the nature of investment management, and may include the responsibility of managing, reviewing and reshuffling the Portfolio, buying and selling Securities, accounting, recording of corporate benefits, valuation, reporting and safe keeping of Securities for an agreed fee structure and for a definite period as set out in the Client Agreement.

- The Portfolio Manager shall exercise its rights strictly in accordance with the Client Agreement and Applicable Laws. Periodical statements in respect of the Client's assets under management shall be sent to the respective Clients in accordance with the Regulations.

- The Portfolio Managers' decision (taken in good faith) in deployment of the Clients' account is absolute and final and cannot be called in question or be open to review at time during the currency of the agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence.

(b) Non-discretionary services:

- Under these services, the Portfolio Manager shall manage the funds of the Client in accordance with written directions and instructions of the Client subject to the provisions of the Client Agreements. The investments will be made with the Client's written consent and the Client shall be wholly responsible for all decision pertaining to his/her/its investments.

- 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, reviewing and reshuffling the Portfolio, buying and selling the Securities with the Client's written consent. The Portfolio Manager will also keep the safe custody of the Securities and monitor book closures, record corporate benefits and any other benefits that may accrue to the Client's Portfolio for an agreed fee structure and for a definite period as set out in the Client Agreement, solely and entirely at the Client's risk.

(c) Advisory services:

- The Portfolio Manager will provide investment advisory services in terms of the Regulations which shall be in the nature of non-binding investment advice and may inter alia include advisory for buying and selling Securities and Goods for an agreed fee structure and for a defined period, entirely at the Client's risk. The Portfolio Manager may provide advice for investment upto 25% of the assets under management of such Client in unlisted securities. The Portfolio Manager shall be solely acting as an advisor to the Portfolio of the Client and shall not be responsible for the investment / divestment of Securities and Goods and / or any administrative activities on the Client's Portfolio. 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.

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

(i) All cases of penalties imposed by SEBI or the directions issued by SEBI under the Act or rules or the Regulations.**: NIL**

(ii) The nature of the penalty/direction.**: N.A.**

(iii) Penalties imposed for any economic offence and/ or for violation of any securities laws.**: NIL**

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

(v) Any deficiency in the systems and operations of the Portfolio Manager observed by SEBI or any regulatory agency.**: NIL**

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

5. Services offered

(i) 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.

(a) Discretionary Services

- **Fixed Income Edge (FIE) (Strategy - Debt) :** Under the Fixed Income Edge (FIE), the Portfolio Manager aims to generate consistent returns by balancing the need for income generation and capital preservation while managing various types of risks and aligning with the goals and risk tolerance of its Clients.

- **Systematic Equity (Strategy - Equity) :** Under the Systematic Equity Strategy, the Portfolio Manager will aim to generate long-term capital growth from a portfolio of listed equities through a quantitatively defined process of systematic security selection and weighting, as may be permitted under the Applicable Laws. This strategy seeks to capitalize on growth by predicating on strong macro-economic factors and focusing on a large number of fast growing, high-quality, well-managed, stable returns-focused companies that are available at relatively cheap valuations across a wide variety of sectors, giving Investors an opportunity to generate superior returns.

- **AA Premium Advantage (Strategy – Multi Asset):** Under the AA Premium Advantage Strategy, the Portfolio manager will aim to generate long-term capital appreciation and regular flow of Income from a portfolio of different asset classes such as listed equity, REITs, InvITs, Gold ETFs, listed debt securities, mutual funds, and listed bonds. Allocation shall be done by actively investing in different asset classes from the defined securities universe, as may be permitted under the Applicable Laws.

- **AA Customised Capital Growth Opportunities (Strategy – Multi Asset)**: Under the AA Customised Capital Growth Opportunities, the Portfolio manager will aim to generate regular flow of Income and long-term capital protection and appreciation from a portfolio of different asset classes such as structured credit, real estate, infrastructure by investing primarily in debt instruments, bonds, fixed income securities, hybrid securities, equity or equity-linked securities and any other securities as permissible under the Applicable Laws based on the investment needs and objectives of the Client. Allocation shall be done by actively investing in different asset classes from the defined securities universe, as may be permitted under the Applicable Laws.

(b) Advisory Services

- **Equity Advisory Services:** The Portfolio Manager will provide Advisory Services 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 Securities. Under the advisory services, the Portfolio Manager will advise Clients on various asset classes which varies from investment into equities (large cap, mid cap, small cap), derivative instruments, structured products, mutual funds, fixed income securities etc. based on the investment needs and objectives of the Client, with the investment decision resting with the Client.

- **Commodity Advisory Services:** The Portfolio Manager will provide Advisory Services 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 Goods and exchange traded commodity derivatives based on the investment needs and objectives of the Client, with the investment decision resting with the Client.

- **Asset Allocator Advisory Services:** The Portfolio Manager will provide Advisory Services to Accredited Investors which shall be in the nature of non-binding investment advisory services for investment in Securities and shall include the responsibility of advising on the portfolio strategy, investment and divestment of instruments issued by the Portfolio Manager and its associates or group companies, with the investment decision resting with the Client. The returns generated from such investments shall be available for re-investment.

(c) Non-Discretionary Services

- **AA ACE Multi Non-Discretionary Portfolio Management Services (Strategy – Multi Asset):** The Portfolio Manager will provide Non-Discretionary Portfolio Management Services which shall be in the nature of non-binding investment advisory and shall include the responsibility of advising on the strategy, investment and divestment of Securities. Under the non-discretionary services, the Portfolio Manager will advise Clients on various asset classes which varies from investment into equities (large cap, mid cap, small cap), derivative instruments, structured products, mutual funds, fixed income securities, hybrid securities such as alternative investment funds, infrastructure investment trusts, real estate investment trusts, etc. and any other securities as permissible under the Applicable Laws based on the investment needs and objectives of the Client, with the investment decision resting with the Client.

(ii) Investment Approach of the Portfolio Manager

Please refer to **Annexure A** for details related to the investment approach of the Portfolio Manager.

(iii) The policies for investments in associates/group companies of the Portfolio Manager and the maximum percentage of such investments therein subject to the applicable laws/regulations/ guidelines, minimum investment amount.

The Portfolio Manager may invest in securities of the associate/group companies. These investments will be carried out to achieve the investment objectives and strategies and in the normal course of investment activity subject to the applicable laws/regulations.

(iv) Minimum investment conditions.

The Client shall deposit with the Portfolio Manager, an initial corpus consisting of Securities and /or funds of an amount prescribed by Portfolio Manager for a Portfolio, subject to minimum amount as specified under SEBI Regulations, as amended from time to time. Currently the minimum investment amount is Rs. 50 Lacs. The Client may on one or more occasion(s) or on a continual basis, make further placement of Securities and / or funds under the service. For Large Value Accredited Investor, the minimum investment amount would be Rs. 10 Crores.

(v) Limits on investment in securities of associates / related parties of Portfolio Managers

Portfolio Manager may invest up to a maximum of 30 percent of their client's portfolio (as a percentage of the client's assets under management) in the securities of their own associates/related parties, subject to positive consent provided by the Client. Further, the Portfolio Manager shall ensure compliance with the following limits or any other lower limits prescribed by the Client:

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%	

Such limits are only applicable to direct investments by Portfolio Manager in equity and debt/hybrid securities of their own associates/related parties and not to any investments in the Mutual Funds. In the event of passive breach of the above specified investment limits or any other lower limit specified by Client, (i.e., occurrence of instances not arising out of omission and/or commission of portfolio manager), a rebalancing of the portfolio shall be completed by Portfolio Managers within a period of 90 days from the date of such breach.

In cases where waiver from the rebalancing of the portfolio to rectify any passive breach of the investment limits has been received from the Client, such rebalancing period may not be applicable.

Portfolio Manager under its Discretionary and Non-Discretionary Portfolio Management Services shall not make any investment in below investment grade securities. Portfolio Manager shall not make any investment in unrated securities of their related parties or their associates.

Portfolio Manager under Non-Discretionary or Advisory Services may invest or advise up to 25% of the assets under management of the client in unlisted securities, in addition to the securities permitted for discretionary portfolio management. Portfolio Managers under Non-Discretionary portfolio management services shall not make any investment in below investment grade listed securities. Portfolio Manager may invest up to 10% of the assets under management of such clients in unlisted unrated securities of issuers other than associates/related parties of Portfolio Manager. The said investment in unlisted unrated debt and hybrid securities shall be within the maximum specified limit of 25% for investment in unlisted securities.

Portfolio Manager under its Discretionary Portfolio Management Services shall not make any investment in below investment grade securities.

Portfolio Manager under its Discretionary or Non-Discretionary or Advisory Portfolio Management Services may make investment of up to 100% of the assets under management of the Large Value Accredited Investor in unlisted securities.

(vi) Direct on-boarding of clients

The Portfolio Manager provides the facility to the Client for Direct on-boarding with us without any involvement of a broker/distributor/agent engaged in distribution services. The

Client can sign up for our services by writing to us at **investoronboarding@alt-alpha.com**

6. Risk factors

The risk factors outlined below do not purport to be a complete enumeration or explanation of the risks involved in an investment. Additional risks and uncertainties not presently known to the Portfolio Manager, or that it currently deems immaterial may also have an adverse impact on the Client's Portfolio.

(i) General Risk Factors

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

b. Past performance of the Portfolio manager does not indicate the future performance.

c. As with any investment in securities, the Net Asset Value (NAV) of the portfolio can go up or down depending on the factors and forces affecting the capital market.

d. The investment made by the Portfolio Manager is subject to the risk arising from the investment objective, investment strategy, asset allocation and non-diversification if any.

e. Investment decisions made by the Portfolio Manager may not always be profitable, as actual market movements may be at variance with anticipated trends.

f. The Portfolio Manager is neither responsible nor liable for any losses resulting from the operations of the products being offered by the Portfolio Manager save and except in cases of willful default and/or fraud of the Portfolio Manager.

g. The names of the products/services do not in any manner indicate their prospects or returns. The performance may be adversely affected by the performance of individual companies, changes in the market place and industry specific and macro-economic factors.

h. The NAV / Portfolio may be affected by changes in settlement periods and transfer procedures.

i. Investments in the products/services which the Clients have opted are subject to wide range of risks which inter alia also include but not limited to economic slowdown, volatility and illiquidity of Securities and Goods, poor corporate performance, economic policies, changes of Government and its policies, natural calamities/ acts of God, acts of war, civil disturbance, sovereign action, technology updation/obsolescence, policy and legislative changes in local and international markets and for such other acts/ circumstance beyond the control of the Portfolio Manager which would affect the principal and returns on the Securities subscribed by the Portfolio Manager.

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

k. The Portfolio Manager may not get an opportunity to deploy the Client's funds/ advise on opportunities for deployment or there may be delay in deployment. In such situation the Clients may suffer a loss of opportunity.

l. The Portfolio Manager and its affiliates are engaged in a broad spectrum of activities in the portfolio management and financial services sectors. There may be instances where the interests of the Portfolio Manager and its affiliates may conflict with the interests of the Client.

m. There might be instances wherein a conflict may arise in transactions of purchase and/or sale of Securities by the Portfolio Manager and employees who are directly involved in investment operations in relation to a Client's Portfolio. All such transactions shall be disclosed to the Client.

(ii) <u>Other risks arising from the investment objectives, investment strategy, Investment Approach and asset allocation are stated as under:</u>

<u>Market Risks</u>

a. Investments are subject to market risk and there is no assurance or guarantee that the objectives of the investments will be achieved. The various factors which may impact the value of the Portfolio Manager's investments include, but are not limited to, fluctuations in the equity and bond markets, fluctuations in interest rates, prevailing political and economic environment, changes in applicable laws and government policies and regulations, factors specific to the issuer of securities, liquidity of the investment, settlement systems, trading volumes, interest rates, etc. The Portfolio Manager does not guarantee or assure any returns.

b. The investment in Indian capital market involves above average risk for Client's compared with other types of investment opportunities. Investments can be of a longer duration as compared to other short term investment / trading opportunities. There is a possibility of the value of investment and the income therefrom falling as well as rising depending upon the market situation. There is also risk of total loss of value of an asset including the possibility of being required to go through a legal process for recovery of loss in investments.

<u>India Related Risk</u>

c. Political instability or changes in the government could adversely affect economic conditions in India generally and the Portfolio Manager's business in particular. The portfolio entity's business may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. Nevertheless, the government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Moreover, there can be no assurance that such policies will be continued and a change in the government's economic liberalization and deregulation policies in the future could affect business and economic conditions in India and could also adversely affect the Portfolio Manager's financial condition and operations. Future actions of the Indian central government or the respective Indian state governments could have a significant effect on the Indian economy, which could adversely affect private sector companies, market conditions, prices and yields of the portfolio entity/ies.

Inflation and rapid fluctuations in inflation rates have had, and may have, negative effects on the economies and securities markets of the Indian economy. International crude oil prices and interest rates will have an important influence on whether economic growth targets in India will be met. Any sharp increases in interest rates and commodity prices, such as crude oil prices, could reactivate inflationary pressures on the local economy and negatively affect the medium-term economic outlook of India.

Many countries have experienced outbreaks of infectious illnesses in recent decades, including severe acute respiratory syndrome and COVID-19. COVID-19 outbreak has resulted in numerous deaths and the imposition of both local and more widespread "work from home" and other quarantine measures, border closures and other travel restrictions, causing social unrest and commercial disruption on a global scale. The ongoing spread of the COVID-19 has, had, and will continue to have a material adverse impact on portfolio entities, local economies and also the global economy, as cross border commercial activity and market sentiment are increasingly impacted by the outbreak and government and other measures seeking to contain its spread. Additionally, the Portfolio Manager's operations could be disrupted if any of its member or any of its key personnel contracts the COVID-19 and/or any other infectious disease. Any of the foregoing events could materially and adversely affect the Portfolio Manager's ability to source, manage and divest its investments and its ability to fulfil its investment objectives. Similar consequences may arise with respect to other comparable infectious diseases.

Tax Risks

d. The arrangement of managing 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.

e. Changes in state and central taxes and other levies in India may have an adverse effect on the strategies. The Government may impose various taxes, duties and other levies that could affect the performance of the strategies. An increase in these taxes, duties or levies, or the imposition of new taxes, duties or levies in the future may have a material adverse effect on the Client's Portfolio's profitability. Furthermore, the tax laws in relation to the Client's Portfolio are subject to change, and tax liabilities could be incurred by Client as a result of such changes.

f. The legal and tax implications described in this Disclosure Document are based on the provisions of the prevalent laws. The information is not exhaustive and is given for general purpose only and based on advice received by the Portfolio Manager on the prevalent laws and practice in India. Such laws or their interpretation are subject to change. Client is advised to consult his/her/its own professional legal and tax advisors.

Legal Risks

g. *Bankruptcy of portfolio entity:* Various laws enacted for the protection of creditors may operate to the detriment of the PMS if it is a creditor of a portfolio entity that experience financial difficulty. For example, if a portfolio entity becomes insolvent or files for bankruptcy protection, there is a risk that a court may subordinate the investment made under the PMS, to other creditors. If the PMS/Client holds equity securities in any portfolio entity that becomes insolvent or bankrupt, the risk of subordination of the PMS's/Client's claim increases.

h. *Change in Regulation:* Any change in the Regulation and/or other Applicable Laws or any new direction of SEBI may adversely impact the operation of the PMS.

Risks related to investment in debt instruments

i. Investments in debt instruments and other fixed income securities are subject to default risk, liquidity risk and interest rate risk. Interest rate risk results from changes in demand and supply for money and other macroeconomic factors and creates price changes in the value of the debt instruments. Consequently, the NAV of the portfolio may be subject to the fluctuation.

j. Investments in debt instruments are subject to reinvestment risks as interest rates/ yields prevailing on interest amount or maturity due dates may differ from the original coupon of the bond, which might result in the proceeds being invested at a lower rate.

k. The product/services may invest/recommend investment in non-publicly offered debt securities and equity securities. This may expose the portfolio to liquidity risks. Additionally, the Clients may not be able to avail of securities transaction tax credit benefit and/ or tax deduction at source (TDS) credit and this may result in an increased incidence of tax on the Clients.

l. The Portfolio Manager may, considering the overall level of risk of the Portfolio, invest in lower rated/unrated securities offering higher yield. This may increase the risk of the Portfolio. Such investments shall be subject to the scope of investments as laid down in the Client Agreement.

Risks related to equity and equity linked instruments

m. Equity and equity related securities by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors.

n. In domestic markets, there may be risks associated with trading volumes, settlement periods and transfer procedures that may restrict liquidity of investments in equity and equity related securities.

o. In the event of inordinately low volumes, there may be delays with respect to unwinding the Portfolio and transferring the redemption proceeds.

p. The value of the Client's Portfolio, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the government, taxation laws or policies of any appropriate authority and other political and economic developments and closure of stock exchanges which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the Portfolio valuation may fluctuate and can go up or down.

Risks Related to investment in derivative instruments

q. The product/services may use/recommend derivatives instruments like index futures, stock futures and options contracts, warrants, convertible securities, swap agreements or any other derivative instruments for the purpose of hedging and portfolio balancing, as permitted under Applicable Laws. Usage of derivatives will expose the Portfolio to certain risk inherent to such derivatives. Derivative products are specialized instruments and require investment techniques and risk analyses different from those associated with stock and bonds. Derivatives are highly leveraged instruments and therefore, the use of derivatives requires a high degree of skill, diligence and expertise. Small price movement in the underlying security could have a large impact on their value. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. As and when the products trade in the derivatives market there are risk factors and issues concerning the use of derivatives that Clients should understand.

Risks related to investment in commodities

r. Commodity markets are volatile and may decline significantly in response to adverse geopolitical, regulatory, market or economic developments. Different parts of the market and different types of commodity linked securities may react differently to these developments. For example, oil may react differently than metals. Geopolitical, or economic developments may affect a single commodity, commodities within a sector or the market as a whole. Commodities listed on Indian commodity exchanges may have low liquidity and trading volumes. There can be no assurance that sales on the Indian commodity exchanges will provide a viable exit mechanism.

s. Risk of Higher or Lower Volatility: Volatility in thinly traded commodities is usually greater than in actively traded commodities/contracts. Accordingly, orders on the commodity exchanges may not be executed or partially executed, or losses may be incurred as a result of the substantial difference between the price at which the order is executed and the last traded price.

t. In case of certain situations, there may be an order passed by a local, state, central government or any judicial or regulatory authority imposing restrictions on holdings of commodities upto a particular threshold. Any holdings in excess of the threshold may be seized by the said authorities or may have to be disposed immediately. The same could lead to losses on the Portfolio advised by the Portfolio Manager.

u. In an event of war or any other unforeseen event the exchange may cease to exist / be rendered dysfunctional leading to losses on the Portfolio advised by the Portfolio Manager.

v. There have been instances in the past where a commodity witnessing steep price movements was delisted for a brief period by a regulator / exchange. There can be no assurances that delisting of certain commodities by a regulator / exchange amidst very high volatility may not occur again. Accordingly, the Portfolio may suffer losses or may remain unhedged till the time the relevant commodity is listed or the underlying commodity is disposed by the Client.

w. Most of the exchanges have a facility for investors to place “limit orders”, “stop loss orders” etc. Placing of such orders (e.g. “stop loss” orders or “limit” orders) which are intended to limit losses to certain amounts may not be effective many a times because rapid changes in market conditions may make it impossible to execute such orders.

x. Risk of News Announcements: News announcements may impact the price of the commodities and/or commodity derivatives contracts. These announcements may occur during trading and when combined with lower liquidity and higher volatility may suddenly cause an unexpected positive or negative movement in the price of the commodity/commodity derivatives contract.

y. Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side, or if trading is halted in a commodity due to any action on account of unusual trading activity or price hitting circuit filters or for any other reason.

z. Exchange may take steps, such as, changes in the margin rate, increase in the cash margin rate etc. from time to time. These new measures may be applied to the existing open interests. In such conditions, the participants will be required to put up additional margins or reduce their positions. These could lead to losses on the investments.

Risks associated with investments in Fixed Income Securities:

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

- **Interest Rate Risk:** As with all debt securities, changes in interest rates will affect the valuation of the Portfolios, as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of longer-term securities generally fluctuate more in response to interest rate changes than do shorter-term securities. Interest rate movements in the Indian debt markets can be volatile leading to the possibility of large price movements up or down in debt and money market securities and thereby to possibly large movements in the valuation of Portfolios.

- **Liquidity or Marketability Risk:** This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market. Money market securities, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of the Product and may lead to the Product incurring losses till the security is finally sold. This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristic of the Indian fixed income market. Any investment in fixed income carries high degree of risk due to their illiquidity. Additionally, there may be no active secondary market for investments of the kind the Portfolio Manager may make for the Client's portfolio. Such investments may be of a medium-to-long term nature. However, there can be no guarantee that such realizations shall be achieved and the Portfolio's investments may remain illiquid. The Portfolio may have Securities that have limited liquidity and consequently, the Portfolio Manager may not be able to liquidate the investment in such Security. Further, different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets are un-invested and no return is earned thereon.

- **Credit Risk:** Credit risk or default risk refers to the risk which may arise due to default on the part of the issuer of the fixed income security (i.e. risk that the issuer will be unable to make timely principal and interest payments on the security). Because of this risk debentures are sold at a yield spread above those offered on Treasury securities, which are sovereign obligations and generally considered to be free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the actual changes in the perceived level of credit risk as well as the actual event of default. The Portfolio Manager will endeavor to manage credit risk through in-house credit analysis. The strategies may also use various hedging products from time to time, as are available and permitted by SEBI, to attempt to reduce the impact of undue market volatility on the Product's portfolios.

- **Credit Rating Risk:** Different types of securities in which the products would invest as given in the product note carry different levels and types of risk. Accordingly, the product's risk may increase or decrease depending upon their investment patterns. E.g. corporate bonds carry a higher amount of risk than Government securities. Further, even among corporate bonds, bonds which are rated AAA are comparatively less risky than bonds which are AA rated.

- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities under a particular Portfolio are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk refers to the fall in the rate for reinvestment of interim cash flows.

- **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 product to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the fund.

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

The above are some of the common risks associated with investments in fixed and money market securities including derivatives. There can be no assurance that a investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

<u>Risks associated with investments in Structured Products (SPs)/ Market-Linked Debentures (MLDs) / Equity-Linked Debentures (ELDs) (collectively 'Structured Instruments'):</u>

bb. Returns on Structured Instruments may be fixed / floating. Such securities may yield returns that will be linked to stocks / indices / schemes / commodities, investment strategies, securities of various asset classes.

cc. Investors are advised to participate only if investor's investment horizon is aligning with the product's tenure. In case of any unforeseen circumstances, if the liquidity is required, investors need to note that there is no active secondary market for it. The liquidity will be available only at the terms of the issuers. The Structured Instruments may not be bought back by the issuer at the valuation price suggested by the valuer/ rating agency.

dd. The Portfolio Manager, at its sole discretion and under such circumstances as the Portfolio Manager may deem fit to protect the interest of investors, reserves the right to sell the Structured Instruments at any time prior to their maturity. In such a case, the pay-off may be, lower than the pay-off crystallized, as per the terms of the securities. Similarly, the Portfolio Manager reserves the right of premature repayment of the portfolio value to protect the interest of investors. The Portfolio Manager, under such circumstances will not be liable for any diminution in value of principal in case the amount paid to the clients is lesser than the principal originally invested by the Client.

ee. The investments in Structured Instruments are subject to credit risk of the issuer and could have an impact due default or their inability to make timely payments of principal and interest. The portfolio valuation may also be affected accordingly and in case the issuer defaults, the investor may fail to receive principal amount. In case there is a credit default by the issuer, there is a risk of receiving lower than expected or negligible returns or returns lower than the initial investment amount over the life and/or part thereof or upon its maturity

ff. The price of the Structured Instruments may be affected in case the credit rating of the issuer company migrates.

gg. There is a possibility of the Reference Index getting dissolved or withdrawn by the Index Provider and in such a case the Debenture-Trustees upon request by the issuer may modify the terms of issue, so as to track a different and suitable index and appropriate intimation will be sent to the holders of such instruments.

hh. The securities are created on the basis of mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.

ii. Investment in Securitised Instruments involves a fair measure of uncertainty of payoffs, as changes in the value of underlying index/ benchmark can cause asymmetric changes in its value. The term "Principal Protection" refers to the face value of the Securitised Instruments. Any Principal Protection is subject to the terms of the issuer documents, investments being till maturity and the Issuer's credit risk. The Portfolio Manager does not provide the Principal Protection. The Portfolio Manager may not get an independent market derived valuation price and would rely on an estimate of the fair market value provided by the Issuer from time to time. The market value of the Portfolio may change as the result of changes in the actual or perceived credit standing of the Issuer. The credit rating of the Securitised Instruments does not cover the market risk associated with such instruments. The credit ratings of the issuer may undergo a change due to any significant negative development affecting the issuer/issuer's group companies and associates or the industry. This could severely impact the issuer's ability to access debt capital markets for its funding requirements. In case there is a credit default by the issuer, there is a risk of receiving lower than expected or negligible returns or returns lower than the initial investment amount in respect of such instruments over the life and/or part thereof or upon maturity of the Securitised Instruments. Even where the Securitised Instruments are principal protected there is a risk that any failure by a counter party to perform obligations when due may result in the loss of all or part of the investment. The Portfolio Manager does not guarantee the returns and / or maturity proceeds thereon. Investors are requested to read all the terms and conditions and the issuer documents and risk factors before investing.

jj. Presently, secondary market for such Securitized Instruments is not very liquid. Listing of these securities does not necessarily guarantee their liquidity and there can be no assurance that an active secondary market will develop or be maintained. Consequently, the Securitised Instruments may be illiquid and quote below its face value/valuation price.

kk. The value of the Portfolio, prior to the Redemption and Maturity Date, may be affected by a number of factors, including but not limited to the level of the performance of the securities, option volatility in the basket, interest rates and time remaining to maturity. The return of the Portfolio is linked to performance of the underlying strategy or equity index or on single stocks or commodity or basket of securities or Mutual Funds, Futures & Options. The fluctuations in the equity market can be significant. The returns on the Securitised Instrument may be lower than prevalent market interest rates or even be nil depending entirely on the movement of the underlying benchmark. The holder of Securitised Instruments may receive no income/return at all or less income/return than the holder may have expected, or obtained by investing elsewhere or in similar investments.

ll. The issuer of the SP/MLD/ELD, subject to the conditions mentioned in its offering document, applicable tax laws and the credit risk, would pay the indicated return and capital at the end of the period. The Portfolio Manager does not guarantee the returns and / or maturity proceeds thereon.

mm. The issuers and the Portfolio Manager are subject to regulatory supervision. Changes in Government policies may impact the economic environment, which may in turn affect the issuers/ Portfolio Manager. Further, any changes in Government policies can impact business by impacting margins (interest rates) or by impacting distribution growth or through changes in accounting/ /other norms.

nn. Clients should be aware that the investment strategy of the Portfolio may lead to a dilution of performance when compared to a direct investment into the equity market of the underlying benchmark linked to the Securitised Instruments.

Risk Factors associated with investments in units of Mutual Fund

oo. Mutual funds invest across equity, money market & debt instruments. The risk factors affecting such instruments are mainly as follows- Market risk, inflation risk, interest rate risk, currency risk, credit risk, regulatory/legal risk.

pp. The Portfolio Manager may, from time to time, invest any un-deployed funds in liquid schemes of mutual funds or in money market instruments. 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.

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

Risks Related to Exchange/System/Network Congestion

rr. Trading on exchange is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt or any such other problem whereby the Portfolio Manager is not able to establish access to the trading system/ network, which may be beyond the control of the Portfolio Manager and may result in delay in processing or not processing buy or sell orders whether in part or in full. Similarly, there could be issues in payment and settlement systems as well which are beyond the control of the Portfolio Manager. This could result in loss to the Client.

ss. Indian stock exchanges utilize 'circuit breaker' systems under which trading in particular stocks or entire trading could potentially be suspended on account of excessive volatility in a stock or on the market. Such disruptions could significantly impact the ability of the Portfolio Manager/ Client to sell its investments. Factors like these could adversely affect the performance.

Risk Factors associated with investments in Real Estate:

tt. There may be adverse impact of changes in the development regulations/policies which are defined by the local municipalities/authorities. The project potential is dependent upon the regulations defined by the local authorities which are subject to change from time to time. This may impact the valuation of the project as the revenues flow from the area potential of the projects.

uu. The counter party for deals are real estate developers who might have multiple ongoing projects and in case there is a cross default clause in the documents of another project which is not performing or is stuck, then the other lender/partner may call out the cross-default clause which may impact the subject project cashflows and hence the security. Due to the nature of the business the developers may be influenced by political forces and would impact the project. Many of the projects are executed under a Joint Development Agreement (JDA) wherein there is a land owner and a developer. There are possibilities of disagreement between the two on the agreed position and / or decisions to be taken on the project post entering into the JDA which may impact the project and delay execution and hence the completion.

vv. The value of the project is monetized only through sales. Any reduction in demand or increase in the supply of real estate or potential reduction in demand or increase in the supply of real estate (whether developed or undeveloped) may lead to periods of oversupply and result in lower sale prices. Newly developed real estate projects may be disproportionately affected by fluctuations in demand and supply. The sales depend on multiple factors such as location, supply, connectivity, infrastructure, social infrastructure, configuration and external factors such as economic condition and home loan rates impacting affordability.

ww. <u>RERA and Litigation Risk:</u> There is a central act, and which mandated the states to prepare their rules in tandem with the Centre's regulations. Any adverse change in the RERA or litigation by buyers or RERA authorities on the project may impact the project value.

<u>Management and operational risks</u>

xx. The success of the PMS will depend to a large extent upon the ability of the Portfolio Manager to source, select, complete and realize appropriate investments and also reviewing the appropriate investment proposals. The Portfolio Manager shall have considerable latitude in its choice of portfolio entities and the structuring of investments. Furthermore, the team members of the Portfolio Manager may change from time to time. The Portfolio Manager relies on one or more key personnel and any change/removal of such key personnel may have material adverse effect on the returns of the Client.

yy. *<u>Exit Load:</u>* Client may have to pay a high Exit Load to withdraw the Portfolio (as stipulated in the Client Agreement). In addition, they may be restricted / prohibited from transferring any of the interests, rights or obligations with regard to the Portfolio except as may be provided in the Client Agreement and in the Regulations.

zz. *<u>Ongoing risk profiling risk</u>:* The Client would be subject to ongoing risk profiling in accordance with the Regulation. If in case during such ongoing risk profiling, it is found that the Client is not suitable for the investments in Securities or doesn't have risk appetite, the Portfolio Manager may terminate the Agreement with the Client.

aaa. *<u>Risk arising out of non-diversification:</u>* This risk arises when the Portfolio is not sufficiently diversified by investing in a wide variety of instruments.

(iii) **<u>No Guarantee</u>**

Investments in Securities are subject to market risks and Portfolio Manager does not in any manner whatsoever assure or guarantee that the objectives will be achieved. Further, the value of the Portfolio may increase or decrease depending upon various market forces and factors affecting the capital markets such as delisting of Securities, market closure, relatively small number of scrips accounting for large proportion of trading volume. Consequently, the Portfolio Manager provides no assurance of any guaranteed returns on the Portfolio.

(iv) Any act, omission or commission of the Portfolio Manager under the Client Agreement would be solely at the risk of the Client and the Portfolio Manager will not be liable for any act, omission or commission or failure to act save and except in cases of gross negligence, willful default and/or fraud of the Portfolio Manager.

The Client has perused and understood the disclosures made by the Portfolio Manager in the Disclosure Document before entering into their respective Client Agreements.

7. Client Representation

(i) The Portfolio Manager entity was set up on November 23, 2017 and has been granted registration by SEBI on March 29,2019 vide registration number INP000006518 to act as a portfolio manager under the Regulations. The Portfolio Manager is also currently acting as an investment manager for the following alternative investment funds:

- Alpha Alternatives Investment Fund, a SEBI registered category III alternative investment fund having registration number IN/AIF3/18-19/0544;
- Alpha Alternatives MSAR LLP, a SEBI registered category III alternative investment fund having registration number IN/AIF3/21-22/0901;
- Alpha Alternatives Special Situations Fund, a SEBI registered category II alternative investment fund having registration number IN/AIF2/22-23/1160.

Further, the Portfolio Manager (through its Branch Office in Gujarat International Finance Tec City, Gujarat) is currently acting as an investment manager for the following alternative investment funds:

- Alpha Alternatives Offshore Opportunities Trust, a IFSCA registered category III alternative investment fund having registration number IFSC/AIF3/2022-23/0033;
- Alpha Alternatives Special Situations Offshore Fund, a IFSCA registered category II alternative investment fund having registration number IFSC/AIF2/2023-24/0103;
- Alpha Alternatives Nifty Plus Fund, a IFSCA registered category II alternative investment fund having registration number IFSC/AIF3/2023-24/0092.

The Portfolio Manager is also currently acting as the sponsor of Anantam Highways Trust, registered with the SEBI as an infrastructure investment trust having registration number IN/InvIT/24-25/0031.

The Portfolio Manager is also registered as an Investment Adviser vide registration number INA000016171.

(ii) **Client representation for all the products is as follows:**

Discretionary Clients

Category of Clients	No of clients			Funds Managed (Rs. Cr)		
	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Associates / group companies (Last 3 years)	2	2	2	74.89	10.49	7.34
Others (last 3 years)	37	16	18	139.26	71.67	44.85
Total	**39**	**18**	**20**	**214.15**	**82.16**	**52.19**

Advisory Clients

Category of Clients	No of clients			Funds Managed (Rs. Cr)		
	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Associates / group companies (Last 3 years)	0	0	0	0	0	0
Others (last 3 years)	0	0	4	0	0	76.08
Total	**0**	**0**	**4**	**0**	**0**	**76.08**

(iii) **Complete disclosure in respect of transactions with related parties as per the standards specified by the Institute of Chartered Accountants of India:**

Disclosure in respect of Related Party of Alpha Alternatives Fund Advisors LLP pursuant to Accounting Standard 18 in the Audited Accounts for the year ended March 31, 2025 :

- Business support charges paid to Alpha Alternatives Holdings Pvt Ltd (Partner) – INR 251 lakhs /-

- Share based payments made to Alpha Alternatives Holdings Pvt Ltd (Partner) – INR 382.36 lakhs /-

- Management Fee / Professional fees income from entities under common control/ Enterprises/Individuals owning, directly or indirectly, an interest in the enterprise:
  a) Ebony Advisors LLP: INR 1.34 lakhs
  b) Kothari Family Private Trust: INR 0.61 lakhs
  c) Alpha Alternatives Financial Services Private Limited – INR 12.18 lakhs
  d) Alpha Alternatives Singapore Pte. Ltd – INR 34.25 lakhs

- Professional fees paid to subsidiaries: Alpha Alternatives Singapore Pte. Ltd: INR 76.57 lakhs

- Investment in subsidiary:
  a) Alpha Alternatives Singapore Pte. Ltd: 2,666.21 lakhs
  b) Alpha Alternatives Fund-Infra Advisors Private Limited – INR 1701 lakhs
  c) Silverleaf Oak Advisors LLP – INR 450 lakhs
  d) Ebony Advisors LLP – INR 270 lakhs
  e) Arsenio Strategies Private Limited- INR 1 lakhs

- Share of profit received from LLP:
  a) Silverleaf Oak Advisors LLP- INR 2,813.29 lakhs
  b) Ebony Advisors LLP- INR 487.11 lakhs

- Balance with Branch:
  a) Alpha Alternatives Fund Advisors LLP (GIFT City Branch) – INR 30.57 lakhs

- Balance with Partners:
  a) Capital account balance – INR 0.50 lakhs

- Balance with Holding Comapny:
  a) Alpha Alternatives Holdings Private Limited – INR 12,734.45 lakhs

- Support service charges received from subsidiary:
  a) Alpha Alternatives Fund-Infra Advisors Private Limited – INR 305.27 lakhs

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

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Total Revenue	11,009.00	5,596.80	2,968.15
Total Expenses	5,950.08	5,423.33	2,529.57
Net Profit/(Loss) before Tax	5,058.92	173.47	438.59
Net Profit/(Loss) after Tax	4,868.12	79.16	272.02

9. Performance of the Portfolio Manager

Portfolio management performance of the Portfolio Manager for the last three years, and in case of discretionary portfolio manager disclosure of performance indicators calculated using 'Time Weighted Rate of Return' method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.

Investment Approach: Systematic Equity

Financial Year	**Return of the Strategy %**	**Benchmark Return % (S&P BSE 500 TRI)**
FY 2022-23	-1.72	-0.91%
FY 2023-24	41.51	40.16%
FY 2024-25	12.83	5.96%

Investment Approach: Fixed Income Edge (FIE)

Financial Year	Return of the Strategy %	Benchmark Return CRISIL Composite Bond Index
Oct 22, 2024 – March 31, 2025	5.35%	3.77

Investment Approach: Premium Advantage

Financial Year	Return of the Strategy %	Benchmark Return % (Nifty Multi Asset – (Equity:Debt:Arbitrage:REIT/InvIT 50:20:20:10)
Dec 05, 2024 - March 31, 2025	-37.97%	-2.85%

10. Audit Observations for preceding three years

Nil.

11. Nature of expenses

The following are the general heads of the costs and expenses that will be borne by the Client while availing the services of the Portfolio Manager. However, the exact quantum and the nature of expenses relating to each of the following services shall be specified in the respective Client Agreements.

(i) Portfolio management fees: Fee relates to the portfolio management services offered and provided to the Clients. The fee may be fixed or performance based or a combination of both as detailed in the Client Agreement.

An indicative table of the Investment Management and advisory fees that may be charged by the Portfolio Manager is given hereunder.

Nature of Fees	Particulars
Fixed Management Fee	Upto 2.00% per annum on daily average market value of the Portfolio
Performance Linked Management Fee	The fees will be a percentage of the returns generated for the Portfolio as may be agreed by the client in a PMS Agreement.

(ii) Advisory fee: Fee relates to the advisory services offered and provided to the Clients and as detailed in the Client Agreement.

(iii) Exit Load: The Portfolio Manager may charge early withdrawal fee as a percentage of the value of the Portfolio /withdrawn Portfolio as per the terms and conditions of a particular product as agreed in the Client Agreement

(iv) Performance fee: Performance linked fee payable to the Portfolio Manager based on the increase in the value of the Portfolio subject to the high watermark principle as provided under the Client Agreement.

(v) Other fees and expenses: The Portfolio Manager may incur the following expenses which shall be charged/reimbursed by the Client:

- Transaction expenses including, but not limited to, statutory fees, documentation charges, statutory levies, stamp duty, registration charges, commissions, charges for transactions in Securities, custodial fees, fees for fund accounting, valuation charges, audit and verification fees, depository charges, and other similar or associated fees, charges and levies, legal fees, incidental expenses etc.;
- Legal and statutory expenses including litigation expenses, if any, in relation to the Portfolio;
- Statutory taxes and levies, if any, payable in connection with the Portfolio;
- Valuation expenses, valuer fees, audit fees, levies and charges;
- Brokerage shall be charged at actuals.
- All other costs, expenses, charges, levies, duties, administrative, statutory, revenue levies and other incidental costs, fees, expenses not specifically covered above arising out of or in the course of managing or operating the Portfolio.
- At the time of on-boarding of clients directly, no charges except statutory charges shall be levied.
- All the operational expenses excluding brokerage and related transaction costs, 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. All or some of the operational expenses mentioned above excluding brokerage and related transaction costs, may be clubbed under a single expense head
- The portfolio manager while investing in units of Mutual Funds through direct plan shall not charge any kind of distribution related fees to the client.

The Portfolio Manager shall not charge any up-front fees to the Client whether directly or indirectly.

12. Tax Implications for Clients

The information set out below outlines the tax implications based on relevant provisions of the Indian Income-tax Act, 1961 **('the Act'**) as amended by the Finance Act, 2025 and Chapter VII of the Finance (No. 2) Act, 2004 **('Securities Transactions Tax Act'/'STT')**.

12.1 General

Income derived from investment in securities is subject to tax as per the provisions of the Act. Special reference needs to be made in respect of provisions related to capital gains, business income, interest and dividend. Client owns the liability for his Taxation. The General Information stated below is based on the general understanding of direct tax laws in force in India as of the date of the Disclosure Document and is provided only for general information to the Client only vis-à-vis the investments made through the Portfolio Management Scheme of the Company.

A Portfolio of client may have:

- Dividend income;
- Long-term and short -term capital gains (or losses) on sale of securities (shares, mutual fund units, debentures, rights renunciations etc.);

- Business Income from purchase and sale of securities (shares, mutual fund units, debentures, rights renunciations etc.);
- Any other income from securities (shares, mutual fund units, debentures, rights renunciations etc.).

In case the securities are held as stock-in-trade, the income tax treatment will substantially vary and the issue whether the investments are held as capital asset or stock-in-trade needs to be examined on a case to case basis. There is no guarantee that the tax position prevailing as on the date of the Disclosure Document/the date of making investment in the Portfolio Management Scheme shall endure indefinitely or accepted by the tax authorities. The Client should not treat the contents of this section of the Disclosure Document as advice relating to legal, taxation, investment or any other matter and therefore, each Client is advised to consult his / her / its tax advisor with respect to the specific tax consequences to him / her / it of participation in the portfolio management services.

All the Tax Rates contained in this clause are applicable for the financial year 2025-26, in accordance with Finance Act, 2025.

12.2 Resident and Non- Resident Taxation

12.2.1 **Resident Taxation**

A resident investor will be subject to income tax on his / her global income. In the case of a resident but not ordinarily resident, any income which accrues/ arises outside India will not be subject to tax in India, unless it is derived from a business/ profession controlled from India. Every other person is said to be resident in India during the year under consideration except where the control and management of affairs is situated wholly outside India. In the case of an individual, the residential status would be determined based upon the physical presence of that person in India. The threshold limit in terms of physical presence of such individual in India has been prescribed under the Act.

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

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

12.2.**2 Non-resident Taxation**

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

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

In case of foreign investors, the taxation of income will be governed by the provisions of the Act read with the provisions of the applicable tax treaty i.e. Double Tax Avoidance Agreement ('DTAA'), if any. As per Section 90(2) of the Act, the provisions of the Act would apply to the extent they are more beneficial than the provisions of the DTAA.

The Organisation of Economic Co-operation and Development ('OECD') released the Multilateral Convention to implement DTAA related measures to prevent Base Erosion and Profit Shifting **('MLI')**. India has made amendment in Section 90 to that effect that DTAAs should not create opportunities for non-taxation or reduced taxation including through treaty shopping in order to align the purpose of DTAAs with the MLI with effect from April 01, 2020.

12.3 Tax deduction at source

In the case of resident clients, the income arising by way of dividend, interest on securities, income from units of mutual fund, etc. from investments made in India are subject to the provisions of tax deduction at source (TDS). Residents without Permanent Account Number (PAN) are subjected to a higher rate of TDS.

In the case of Non-residents, any income received or accrues or arises; or deemed to be received or accrue or arise to him in India is subject to the provisions of tax deduction at source under the Act. The authorized dealer is obliged and responsible to make sure that all such relevant compliances are made while making any payment or remittances from India to such non-residents. Also, if any tax is required to be withheld on account of any future legislation, the Portfolio Manager shall be obliged to act in accordance with the regulatory requirements in this regard. Non-residents without PAN or tax residency certificate (TRC) of the country of his residence are currently subjected to a higher rate of TDS.

12.4 Advance tax installment obligations

It shall be the Client's responsibility to meet the obligation on account of advance tax installments payable on the due dates under the Act. The provisions related to payment of advance tax shall not apply to an individual resident in India, who does not have any income chargeable under the head "Profit and gains of business or profession"; and is of the age of sixty years or more at any time during the relevant financial year.

In case of any shortfall in the advance tax instalment or the failure to pay the same on time is on account of capital gains and dividend (other than deemed dividend), no interest shall be charged provided the client has paid full tax in subsequent advance tax instalments.

12.5 Securities Transaction Tax

Securities Transaction Tax ("STT") is applicable on transactions of purchase or sale of equity shares in a company or Exchange Traded fund ("ETF") or a derivative or units of

Equity Oriented Fund or units of Business Trust entered into on a recognized stock exchange and sale of units of Equity Oriented Fund to the Mutual Fund.

The STT rates as applicable are given in the following table:

Taxable securities transaction	**STT Rate**	**Person responsible to pay STT**	**Value on which STT is required to be paid**
Delivery based purchase and sell of equity share	0.1%	Purchaser/Seller	Price at which equity share is purchased/sold
Delivery based sale of a unit of oriented mutual fund	0.001%	Seller	Price at which unit is sold
Sale of equity share or unit of equity oriented mutual fund in recognised stock exchange otherwise than by actual delivery ortransfer and intra day traded shares	0.025%	Seller	Price at which equity share or unit is sold
Derivative – Sale of an option in securities	0.1%	Seller	Option premium
Derivative – Sale of an option in securities where option is exercised	0.125%	Purchaser	Settlement Price
Derivative – Sale of futures in securities	0.02%	Seller	Price at which such futures is traded

Sale of unit of an equity oriented fund to the Mutual Fund – ETFs and sale or surrender or redemption of units of equity oriented fund to an insurance company on maturity or partial withdrawal with respect of ULIP issued on or after February 01, 2021	0.001%	Seller	Price at which unit is sold
Sale of unlisted shares under an offer for sale to public included in IPO and where such shares are subsequently listed in stock exchanges or with effect from June 01, 2015, sale of unlisted units of business trust by a unitholder which were acquired in consideration of a transfer referred to in Section 47(xvii)	0.2%	Seller	Price at which such shares aresold

12.6 Characterization of Income on transfer of securities of companies.

Income arising from purchase and sale of securities can give rise to capital gains or business income in the hands of the investor. The issue of characterization of income is relevant as the income tax computation and rates differ in the two situations. The characterization is essentially a question of fact and depends on whether the shares are held as business/trading assets or as capital assets.

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

- Motive for the purchase of shares.
- Frequency of transactions and the length of period of holding of the shares
- Treatment of the shares and profit or loss on their sale in the accounts of the assesses.
- Source of funds out of which the shares were acquired – borrowed or own.
- Existence of an object clause permitting trading in shares – relevant only in the case of corporate bodies.
- Acquisition of the shares – from primary market or secondary market.
- the genuineness of transactions in unlisted shares.
- the transfer of unlisted shares is made along with the control and management of underlying business.
- Infrastructure employed for the share transactions by the client including the appointment of managers, etc.

Any single factor discussed above in isolation cannot be conclusive to determine the exact nature of the shares. All factors and principles need to be construed harmoniously. Further, the background of the investor (Professional vs. a trader in shares) would also be a relevant factor in determining the nature of the shares.

CBDT has clarified that, it is possible for a tax payer to have two portfolios, i.e., an investment portfolio comprising of securities which are to be treated as capital assets and a trading portfolio comprising of stock-in-trade which are to be treated as trading assets. Where an assessee has two portfolios, the assessee may have income under both heads i.e., capital gains as well as business income.

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

In the case of a Foreign Institutional Investor, any securities held in accordance with the regulations made under the SEBI Act, 1992 will always be regarded as capital asset and therefore, subject to capital gain tax.

It should also be noted that in the context of portfolio management schemes there has been litigation in the past on the characterization of income and judicial precedents have taken positions based on facts of each case.

12.7 TAX ON DIVIDEND AND INCOME FROM UNITS OF MUTUAL FUNDS

Dividend distributed by domestic companies and income from units of mutual funds will be taxable in the hands of recipient of dividend/income at respective slab rates. To avoid double taxation of dividend, dividend received by a domestic company from another domestic company or specified foreign company or business trust will not be taxable in the hands of first domestic company, provided such receipt of dividend does not exceed the amount of dividend distributed by the first mentioned domestic company one month prior to the due date of filing a return under Section 139(1). In the case of a resident recipient, withholding tax of 10% will be levied on dividends declared/paid by domestic company and on income distributed by mutual funds whereas in the case of a non-resident recipient, withholding tax at the rate of 20% on dividend income and income from mutual funds would apply. With effect from April 01, 2023 the withholding tax on income distributed by mutual fund specified under Section 10(23D) to non-residents would apply as per lower tax treaty rate, provided the tax residency certificate is furnished by such non-resident. Further, the minimum threshold for applicability of withholding tax on dividend payments to the resident shareholder during the financial year will be INR 10,000.

With effect from April 01, 2023 tax will be withheld on interest payable to resident on listed securities at the rates in force.

12.8 BUY BACK TAXATION

The Finance (No. 2) Act, 2024, introduced a new clause (f) to section 2(22) of the ITA, which provided that, any sum of money received by a shareholder on account of buy back, made in accordance with the provisions of section 68 of the Companies Act, 2013, shall be chargeable to tax in the hands of such shareholders as dividend income at applicable tax rates.

Further, such shareholders will also be entitled to a capital loss under section 46A of the ITA, equal to the cost of such shares which had been bought back by the company.

The Finance (No. 2) Act, 2024 has also made a consequential amendment in section 194 of the Act to provide for tax withholding at 10% on such consideration paid by the company.

12.9 CAPITAL GAINS

Where investment under Portfolio Management Services is treated as investment, the gain or loss from transfer of securities shall be taxed as Capital Gains under section 45 of the Act.

12.9.1 <u>Period of Holding and tax rates</u>

The details of period of holding for different capital assets for the purpose of determining long term or short-term capital gains are explained hereunder:

Nature of asset	STCA	LTCA
For assets being (i) shares in a company or any other security listed on a recognised stock exchange in India i.e., equity shares, preference shares, or (ii) a unit of the Unit Trust of India or (iii) a unit of an equity oriented mutual fund or (iv) zero-coupon bonds or (v) units of business trusts	Held up to 12 months	Held for more than 12 months
For other securities other than those specified above	Held upto 24 months	Held for more than 24 months

Nature of income	Rate of tax
STCG on transfer of (i) listed equity shares on a recognised stock exchange (ii) to be listed equity shares through offer for sale (iii) units of equity oriented mutual fund or Business Trust (Securities Transaction Tax ("STT") has been paid)	20%
Other STCG on transfer not covered above (including interest in partnership firm/LLP)	Applicable slab rate
LTCG	12.5%

Notes:

1. All the tax rates mentioned in above table are exclusive of surcharge and cess
2. Capital gains on transfer/redemption/maturity of Specified Mutual Funds acquired on or after April 01, 2023 or a Market Linked Debenture shall be deemed to be short-term capital gains (irrespective of the period of holding). Furthermore, the definition of "Specified Mutual Fund" has been amended with effect from April 01, 2026 as:
   a. a mutual fund by whatever name called, which invest more than sixty five percent of the total proceeds in debt and money market instrument or;
   b. a fund which invests sixty five percent or more of its proceeds in units of fund referred to in sub-clause (a).
3. Similarly, any capital gains on transfer/redemption/maturity of unlisted bonds and debentures on or after July 23, 2024 shall be deemed to be short term capital gains.
4. As per section 112A of the Act, LTCG exceeding INR 1.25 lakh arising on following transfers shall be taxable at 12.5% (plus surcharge and cess):
   a. listed equity shares (STT paid on acquisition[1] and transfer)
   b. units of equity oriented mutual fund (STT paid on transfer);
   c. units of business trust (STT paid on transfer); and
   d. unlisted shares sold in an Offer for sale (STT paid on transfer)

[1] *The Central Board of Direct Taxes ("**CBDT**") has issued a Notification No. 60/2018, providing certain specified transaction on which condition of paying STT at time of acquisition shall not apply.*

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

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

As per provisions of the ITA, in case where the equity shares were unlisted on January 31, 2018 and listed at the time of transfer, the FMV would be after considering indexation benefit on the original cost of acquisition. The Indexation will be a factor of cost of inflation index for FY 2017-18 vis-a-vis cost of Inflation for the first year in which the asset was held by the assessee or for FY 2001-02, whichever is later.

12.9.2 <u>For other capital asset in the hands of Non-resident Indians</u>

Under section 115E of the Act, any income from investment or income from long-term capital gains of an asset other than specified asset as defined in Section 115C (Specified Assets include shares of Indian Company, Debentures and deposits in an Indian Company which is not a private company and securities issued by Central Government or such other securities as notified by Central Government) is chargeable at the rate of 20% plus applicable surcharge and cess.

Income by way long-term capital gains of the specified asset is, however, chargeable at the rate of 12.5% plus applicable surcharge and cess.

12.10 PROFITS AND GAINS OF BUSINESS OR PROFESSION

12.10.1 If the investment under the Portfolio Management Services is regarded as "Business / Trading Asset" then the gain / loss arising there from is likely to be taxed as income from business as per slab rates i.e. in the case of resident individual and HUF and at the rate of 30% or 25% or 22% plus applicable surcharge and cess,(as the case may be, in case of resident other than individual and HUF(as the case may be) and also for non-residents other than a foreign company (assuming the highest slab rate for individual). It shall be taxable at the rate of 35% (plus applicable surcharge and cess) in case of a foreign company. The above rates would be subject to availability of benefits under the DTAA, if any in case of non-resident assessee.

12.10.2 Interest income arising on securities could be characterized as 'Income from Other Sources' or 'business income' depending on facts of the case. Any expenses incurred to earn such interest income should be available as deduction, subject to the provisions of the Act.

12.10.3 Where income referred to above is treated as Business Income, the person will be entitled for deduction under section 36(1)(xv), for the amount of STT paid.

12.11 TAX RATES

12.11.1 **<u>Individuals, HUF, AOP & BOI:</u>**

The Finance Minister introduced new tax regime in Finance Act , 2020 wherein an option for individuals and HUF (Hindu Undivided Family) to pay taxes at lower rates without claiming deductions under various sections. This new tax regime has now been extended to Association of Person (AOP)(other than Co-Op Society) and Body of Individual (BOI) by the Finance Act, 2024. The option for new tax regime can be exercised only once by specified persons having business/professional income and once exercised it will remain same for the subsequent years as well. Income Tax slab rates notified in newtax regime and old tax regime for the Financial Year 2025-26 are as under:

Income Tax Slab (INR)	Tax Rates as per New Regime (FY 2025–26)	Tax Rates as per Old Regime
0 – 2,50,000	Nil	Nil
2,50,001 – 4,00,000	Nil	5% of income exceeding ₹2,50,000
4,00,001 – 8,00,000	5% of income exceeding ₹4,00,000	₹12,500 + 20% of income exceeding ₹5,00,000
8,00,001 – 12,00,000	₹20,000 + 10% of income exceeding ₹8,00,000	₹1,12,500 + 20% of income exceeding ₹10,00,000
12,00,001 – 16,00,000	₹60,000 + 15% of income exceeding ₹12,00,000	₹1,12,500 + 30% of income exceeding ₹10,00,000
16,00,001 – 20,00,000	₹1,20,000 + 20% of income exceeding ₹16,00,000	₹1,32,500 + 30% of income exceeding ₹10,00,000
20,00,001 – 24,00,000	₹2,00,000 + 25% of income exceeding ₹20,00,000	₹1,52,500 + 30% of income exceeding ₹10,00,000
Above 24,00,000	₹3,00,000 + 30% of income exceeding ₹24,00,000	₹1,72,500 + 30% of income exceeding ₹10,00,000

Tax rates as per old tax regime for Resident Individual whose age is 60 years or more but less than 80 years and Resident Individual whose age is 80 years or more for Financial Year 2024-25 are as under:

Income Tax Slab (INR)	Tax rates Resident Individual whose age is 60 years or more	Tax rates Resident Individual whose age is 80 years or more
Up to 3,00,000	Nil	Nil
3,00,001 - 5,00,000	5%	Nil
5,00,001 - 10,00,000	INR 10,000 + 20% of total income exceeding INR 5,00,000	20%
Above 10,00,000	INR 1,10,000 + 30% of total income exceeding INR 10,00,000	INR 1,00,000 + 30% of total income exceeding INR 10,00,000

Surcharge for the Financial Year 2025-26 are as under**:**

Nature of Income	Up to INR 50 lakh	More than INR 50 lakh but upto INR 1 crore	More than INR 1 crore but less than INR 2 crore	More than INR 2 crore but up to INR 5 crore	More than INR 5 crore
• Long-term capital gains • Short-term capitalgains which are subject to STT or under section 115AD(1)(b) • Dividend	NIL	10%	15%	15%	15%

Any other Income (*)	NIL	10%	15%	25%	37%

(*) under new tax regime, the maximum surcharge is restricted to 25%.

12.11.2 **Partnership Firm (Including LLP's):**

A partnership firm (including LLP) is taxable at 30% and surcharge at the rate 12% of such tax where total income exceeds INR 1 crore.

12.11.3 **Domestic Company/Foreign Company:**

Tax Rates for domestic companies for Financial Year 2025-26 are as under:

Particulars	**Tax rates as per Old regime**	**Tax rates asper New regime**
Gross turnover up to INR 400 crore in the FY 2023-24	25%	NA
Domestic Co other than above	30%	22%
Domestic Co engaged in manufacturing and set up and registered on or after Oct 01, 2029 till March 31, 2024	25% or 30%	15%
MAT tax rate	15%	NA

Tax Rates for Foreign companies for Financial Year 2025-26:

Foreign companies are liable to tax at 35% on total income.

Surcharge for domestic companies and foreign companies for FY 2025-26 is as under:

Total Income (INR)	**Domestic Companies**		**Foreign Companies**
	Old Tax Regime	**New Tax Regime**	
Upto 1 crore	Nil	10%	Nil
1 crore – 10 crore	7%	10%	2%
Above 10 crore	12%	10%	5%

12.11.4 **Health and Education Cess**

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

12.12 LOSSES UNDER THE HEAD CAPITAL GAINS/BUSINESS INCOME

In terms of section 70 read with section 74 of the Act, 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, shall 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, shall be carried forward and set-off against long term capital gains arising during the subsequent 8 assessment years.

Business loss is allowed to be carried forward for 8 assessment years and the same can be set off against any business income.

12.13 DIVIDEND STRIPPING

According to section 94(7) of the Act, if any person buys or acquires units within a period of three months prior to the record date fixed for declaration of dividend or distribution of income and sells or transfers the same within a period of nine months from such record date, then capital losses arising from such sale to the extent of income received or receivable on such units, which are exempt under the Act , will be ignored for the purpose of computing his income chargeable to tax.

The Finance Act, 2020 has abolished DDT and tax dividend income in the hands of shareholders in respect of dividend declared, distributed or paid on or after April 01, 2020 and therefore, in such cases the provisions of section 94(7) would not apply.

12.14 BONUS STRIPPING

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

12.15 DEEMED GIFT

Under section 56(2)(x), receipt of shares and securities without consideration or without adequate consideration, the difference (if exceeding INR 50,000) between the aggregate fair market value (FMV) and such consideration are taxable as income in the hands of any person being recipient of such shares and securities, expect in specified circumstances.

12.16 FAIR MARKET VALUE DEEMED TO BE FULL VALUE OF CONSIDERATION IN CERTAIN CASES

As per section 50CA of the Act, where the consideration for transfer of shares of a company (other than quoted shares) is less than the fair market value of such share determined in the prescribed manner, the fair market value shall be deemed to be the full value of consideration for the purposes of computing income under the head ‘Capital gains’.

12.17 TAX NEUTRALITY ON MERGER OF DIFFERENT PLANS IN A SCHEME OF MUTUAL FUND AND MERGER OF DIFFERENT SCHEME OF MUTUAL FUND

The consolidation/ merger of different plans in a mutual fund scheme of a fund as well as the consolidation/ merger of mutual fund schemes of two or more schemes of equity oriented fund or two or more schemes of a fund other than equity oriented fund under the SEBI (Mutual Fund) Regulations, 1996, shall be tax neutral to the investors. Thus, such consolidation/ merger will not result in transfer and will not be liable to capital gains.

The cost of acquisition of the units of the consolidated plan of the scheme shall be the cost of units in the consolidating plan of the scheme and the period of holding of the units of the consolidated plan of the scheme shall include the period for which the units were held in the consolidating plan of the scheme.

The cost of acquisition of the units of the consolidated scheme shall be the cost of units in the consolidating scheme and the period of holding of the units of the consolidated scheme shall include the period for which the units were held in the consolidating scheme.

12.18 SEGREGATED PORTFOLIOS

SEBI has, vide circular SEBI/HO/IMD/DF2/CIR/P/2018/160 dated December 28, 2018, permitted creation of segregated portfolio of debt and money market instruments by Mutual Fund schemes. As per the SEBI circular, all the existing unit holders in the affected scheme as on the day of the credit event shall be allotted equal number of units in the segregated portfolio as held in the main portfolio. On segregation, the unit holders come to hold same number of units in two schemes –the main scheme and segregated scheme. The Finance Act, 2020 amended relevant section to provide that the period of holding of the units in the segregated portfolio is to include the earlier period of holding of the units in the main scheme. Further, for computing the "cost of acquisition" of the units in the segregated portfolio, the "cost of acquisition" of the units in the main scheme will be pro-rated in the ratio of the NAV of the assets transferred to the segregated portfolio. The "cost of acquisition" of the units in the main scheme will simultaneously be reduced by the "cost of acquisition" of the units in segregated portfolio.

13. Accounting policies

The Portfolio Manager shall separately maintain the books and records in the name of each Client to account for the assets and any additions, income, receipts and disbursements in connection therewith, as provided under the Regulations. The funds received from the Clients, investments or disinvestments and all the credits to the account of the Client like interest, dividend, bonus, or any other beneficial interest received on the investment and debits, for expenses, if any, shall be properly accounted for and details thereof shall be properly reflected in the Client's account. The tax deducted at source as required under the provisions of the Income-Tax Act, 1961, (43 of 1961) shall be recorded in the Portfolio account.

The books of account will be audited yearly by qualified auditor to ensure that the Portfolio Manager has followed proper accounting methods and procedures and that the Portfolio Manager has performed its duties in accordance with the law and Regulations.

Accounting under the respective Portfolios will be done in accordance with Generally Accepted Accounting Principles (GAAP). Following Key policies shall be followed;

- All investments will be marked to market.
- Market value / fair value of portfolio investments will be determined as follows:
  (1) Investment in listed equity shares shall be valued at the last quoted closing price on the National Stock Exchange (NSE). If not traded on NSE the closing price on any other stock exchange, where such security is listed shall be used.
  (2) Futures and Options shall be valued at the settlement price provided by the respective stock exchanges.

(3) Securities awaiting listing as a result of IPO shall be valued at allotment price as available in public domain.
(4) Investment in units of a mutual fund shall be valued at Net Asset Value of the relevant scheme.
(5) If listed securities are suspended/illiquid/delisted for a certain period, then upto 30 days of suspension the last transaction price shall be used for valuation and after 30 days of suspension/delisting the valuation methodology shall be decided on a case to case basis as determined by the Portfolio Manager.
(6) In case of corpus received in form of stock, the same is accounted for in PMS books one day before the date of activation of the client account and is valued at the closing price of the stock on the day before the date of activation/addition of/to the client account.

- Dividend income shall be recognized on the ex-dividend date. Interest income on bank balances held with the bank is recognize on cash basis. Interest income on fixed income securities is recognized on accrual basis. Profit or loss on sale of investments shall be recognized on the trade dates on first- in –first – out basis.
- In determining the holding cost of investments and the gains or loss on sale of investments, the ‘first in first out’ method shall be followed.
- Exchange traded equity/currency derivative transactions are marked to market on daily basis. As on the balance sheet date, the unrealized profit/loss on open position on the same are ignored and no debit/ credit is taken in the profit and loss account
- Transactions for purchase or sale of investments would 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 individual client account for that year.
- The cost of investments acquired or purchased would include brokerage, stamp charges and any charge customarily included in the broker’s contract note.
- For equity shares, corporate actions are accounted on respective Ex dates. For debt securities interest is accrued on daily basis.

14. Custody of Securities

i) Custody of all Securities of the Client (save and except for Clients availing advisory services) shall be with the Custodian who shall be appointed, from time to time, at the discretion of the Portfolio Manager.
ii) The Custodian shall act on instructions of the Portfolio Manager.
iii) All such custodian fees, charged by the Custodian shall be payable by the Client.

Subject to Applicable Laws, the Portfolio Manager shall not be liable for any negligence or lapse of the custodian in carrying out its custodial duties or executing any instructions issued by the Portfolio Manager, provided the Portfolio Manager has acted with due care and in the interest of the Client.

15. Investors services

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

Name	Sandeep Saraf
Designation	Compliance Officer
Address	34th Floor, Sunshine Towers, Dadar West, Mumbai – 400013
Telephone No.	022 6145 8900
Email id	compliance@alt-alpha.com

(ii) Grievance redressal and dispute settlement mechanism.

Any disputes, service requests and grievances, if any, that may arise in relation to the portfolio management services of the Portfolio Manager shall be redressed through the administrative mechanism by the designated Compliance Officer, namely Mr. Sandeep Saraf and subject to the Regulations. The Compliance Officer will endeavor to address such grievance in within the time period as prescribed under the Regulations. The co-ordinates of the Compliance Officer are provided as under:

Name	Sandeep Saraf
Designation	Compliance Officer
Address	34th Floor, Sunshine Towers, Dadar West, Mumbai – 400013
Telephone No.	022 6145 8900
Email id	sandeep.saraf@alt-alpha.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 mechanisms:

The client shall first take up their grievance with the Portfolio Manager by lodging a complaint directly with the concerned Portfolio Manager

If the grievance is not redressed satisfactorily, the client may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. SCORES is available at http://scores.gov.in.

After exhausting these options for resolution of the grievance, if the investor/client is still not satisfied with the outcome, they can initiate dispute resolution through the ODR Portal.

The dispute resolution through the ODR Portal can be initiated when the complaint/dispute is not under consideration in SCOREs guidelines or not pending before any arbitral process, court, tribunal or consumer forum or are non-arbitrable in terms of Indian law.

The process on Online Dispute Resolution Mechanism is available at https://smartodr.in/login

16. Details of investments in the securities of related parties of the Portfolio Manager

Investments in the securities of associates/related parties of Portfolio Manager:

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

17. Details of the diversification policy of the Portfolio Manager

This policy has been laid down to ensure the risk is spread across different asset classes, issuers and time horizon within the framework laid down in the specific investment approach.

The Portfolio Manager follows a rule-based approach to investments. In this approach, Securities are eliminated by analyzing past data and selected based on rules / bottom-up research approach. This results in a well diversified portfolio with broad based caps for weightages on individual stocks as well as sector.

The Portfolio Manager shall periodically review the portfolios to maintain appropriate portfolio mix depending upon investment goals, market conditions, risk tolerance and liquidity requirement to ensure diversification and meet long term goals. However, the Clients need to understand that too much diversification require large capital investment and may also lead to losses. Further, portfolio churning for achieving diversification may not be effective on a long term basis in achievement of investment goals. Accordingly, diversification shall be undertaken while balancing risk and return to achieve desired results in achieving investment goals.

For and on behalf of **Alpha Alternatives Fund Advisors LLP**

Naresh Kothari
Designated Partner

Ashim Sahni
Designated Partner

Place: Mumbai
Date: June 30, 2025

Annexure A

Investment Approach

1. Fixed Income Edge – (FIE)(Strategy – Debt)

Investment Objective

This strategy focuses on generating consistent returns by investing in debt securities and simultaneously balancing the need for income generation and capital preservation while managing various types of risks and aligning with the goals and risk tolerance of Clients. The strategy focuses on dynamic allocation and risk-conscious methodology, complemented by rigorous research, ongoing monitoring, and disciplined portfolio management practices.

Description of types of securities e.g. e.g. equity or debt, listed or unlisted, convertible instruments, etc.

Listed or Unlisted Fixed Income Instruments viz. Government Bonds (Central and State), Corporate Bonds (Public Sector & Private Sector), Municipal Bonds; Securitized Debt Instruments, Treasury Bills, Commercial Papers, Certificates of Deposits, Units of Debt oriented mutual funds, interest rate and credit derivatives as permissible under the Regulations.

Basis of selection of such types of securities as part of the investment approach

Selection of securities is based on credit rating, liquidity, pricing, distribution pattern, interest rate sensitivity and tenure of such securities.

Allocation of portfolio across types of securities

The strategy intends to invest 100% of the portfolio in above mentioned debt securities. There is no set allocation across different types of securities.

Appropriate benchmark to compare performance and basis for choice of benchmark[2]

a. **Benchmark:** CRISIL Composite Bond Index

b. **Basis for choice of Benchmark:** The CRISIL Composite Bond Index is also considered as a benchmark for debt oriented mutual funds which operate a similar strategy as Fixed Income Edge (FIE).

Indicative tenure or investment horizon

Typically, 2 - 3 years

Risks associated with the investment approach

Kindly refer "**Annexure C"** of the Client Agreement. The risks may affect portfolio performance even though the Portfolio Manager may take measures to mitigate the same.

Other salient features, if any.

None.

2. Systematic Equity (Strategy - Equity)

Investment objective

The strategy will primarily and at the core, be a listed market focused strategy and will aim to generate long-term capital growth from a portfolio of equities through a quantitatively defined process of systematic security selection and weighting, as may be permitted under the Applicable Laws. The strategy seeks to capitalize on growth by predicating on strong macro-economic factors and focusing on a large number of fast growing, high-quality, well-managed, stable returns-focused companies that are available at relatively cheap valuations across a wide variety of sectors, giving Investors an opportunity to generate superior returns. The scheme would also seek to invest in derivatives for the purpose of hedging and portfolio rebalancing, through a recognized stock exchange in accordance with the Applicable Laws.

Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.

This strategy only focuses on investments in listed securities on NSE and BSE typically greater than 500 Cr. Idle funds are invested in liquid funds.

Basis of selection of such types of securities as part of the investment approach

The strategy follows a quantitative, rules-driven approach to portfolio construction by considering financial and corporate metrics that reflect the companies' operating health, profitability, and relative valuation. Security selection is devoid of any discretionary and speculative calls.

Allocation of portfolio across types of securities

The strategy intends on investing 100% of the portfolio across equity and liquid funds. There is no set allocation across these types. The idle funds are invested in liquid funds. Within the equity component, the fund will target to allocate less than 10% of the investable corpus to a single company.

Appropriate benchmark to compare performance and basis for choice of benchmark

a. Benchmark: S&P BSE 500 TRI.

b. Basis for choice of Benchmark: The S&P BSE 500 TRI represents the opportunity set of investible companies available to the equity investor, and as such is the relevant benchmark to measure the equity risk premium.

Indicative tenure or investment horizon

The typical investment cycle for an investor under this strategy should be ~3 years. Companies within the equity portfolio may be churned in and out of the portfolio on a quarterly basis, as a part of our systematic approach to portfolio rebalancing.

Risks associated with investment approach

Kindly refer "**Annexure C**" of the Client Agreement. The risks may affect portfolio performance even though the Portfolio Manager may take measures to mitigate the same.

Other salient features

None.

3. **AA Premium Advantage (Strategy – Multi-Asset):**

Investment objective

This strategy focuses on generating consistent returns by investing in different asset classes such as listed equity, REITs, InvITs, Gold ETF, listed debt securities, mutual fund, and listed bonds. The Portfolio Manager shall maintain equilibrium needs for income generation and capital preservation while managing various types of risks and aligning with the goals and risk tolerance of Clients. The strategy focuses on dynamic allocation and risk-conscious methodology, complemented by rigorous research, ongoing monitoring, and disciplined portfolio management practices. The scheme would also seek to invest in derivatives for the purpose of hedging and portfolio rebalancing, through a recognized stock exchange in accordance with the Applicable Laws.

Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.

This strategy focuses on investments in listed securities on NSE and BSE (typically greater than INR 500 crores), REITs, InvITs, Gold ETF, listed debt securities and mutual funds. Idle funds shall be invested in liquid funds.

Basis of selection of such types of securities as part of the investment approach

For equity rules-driven approach to portfolio construction by considering financial and corporate metrics that reflect the companies' operating health, profitability, and relative valuation. Selection of other securities shall be based on credit rating, liquidity, pricing, distribution pattern, interest rate sensitivity and tenure of such securities.

Allocation of portfolio across types of securities

There is no set allocation across these types. Allocation shall be done by actively investing in different asset classes from defined Securities universe. The idle funds shall be invested in liquid funds.

Appropriate benchmark to compare performance and basis for choice of benchmark

a. Benchmark: NSE Multi Asset Index 1
Composition: 50% Nifty 500, 40% Nifty 50 Arbitrage Index, 10% REIT and InvIT

b. Basis for choice of Benchmark: The Benchmark has been chosen given the strategy primarily shall invest in equity securities and hybrid securities.

Indicative tenure or investment horizon

The typical investment cycle for an investor under this strategy should be approximately 3 (three) years.

Risks associated with investment approach

Kindly refer "**Annexure C"** of the Client Agreement. The risks may affect portfolio performance even though the Portfolio Manager may take measures to mitigate the same.

Other salient features

None.

4. AA Customised Capital Growth Opportunities (Strategy – Multi-Asset):

Investment objective

This strategy focuses on generating consistent returns by investing in different asset classes such as structured credit, infrastructure and real estate sectors and investing primarily in equity, debt, bonds, fixed income securities and other hybrid debt securities (listed or unlisted) and such other securities as permissible under Applicable Laws. The Portfolio Manager may invest in equity or equity linked instruments to enhance the returns of its investors. The Portfolio Manager shall maintain equilibrium needs for income generation and capital preservation and appreciation while managing various types of risks and aligning with the goals and risk tolerance of Clients. The strategy focuses on dynamic allocation and risk-conscious methodology, complemented by rigorous research, ongoing monitoring, and disciplined portfolio management practices.

Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.

This strategy primarily focuses on investments in listed and/ or unlisted equity and debt securities, bonds, hybrid debt securities, equity linked securities and other securities under applicable laws, etc.

Further, the Portfolio Manager may also invest idle funds in securities such as mutual funds, fixed income securities and such other liquid instruments, securities as allowed under the applicable laws.

Basis of selection of such types of securities as part of the investment approach

For equity, rules-driven approach to portfolio construction by considering financial and corporate metrics that reflect the companies' operating health, profitability, and relative valuation. Selection of other securities shall be based on credit rating, liquidity, pricing, distribution pattern, interest rate sensitivity and tenure of such securities.

Allocation of portfolio across types of securities

There is no set allocation across these types. Allocation shall be done by actively investing in different types of securities from the defined Securities universe.

Appropriate benchmark to compare performance and basis for choice of benchmark

a. Benchmark: NSE Multi Asset Index 1
Composition: 50% Nifty 500, 40% Nifty 50 Arbitrage Index, 10% REIT & InvIT

b. Basis for choice of Benchmark: Given the investment objective is to invest in different securities, the NSE Multi Asset Index has been considered as an appropriate benchmark to compare the performance.

Indicative tenure or investment horizon

The typical investment cycle for an investor under this strategy should be approximately up to 3-5 years.

Risks associated with investment approach

Kindly refer "**Annexure C"** of the Client Agreement. The risks may affect portfolio performance even though the Portfolio Manager may take measures to mitigate the same.

Other salient features

This scheme is only for Large Value Accredited Investor

5. <u>AA ACE Multi Assets Non-Discretionary Portfolio Management Services (Strategy – Multi Assets):</u>

Investment objective

This strategy focuses on generating consistent returns by investing in different asset classes such as listed and unlisted equity, REITs, InvITs, Gold ETF, debt securities, market linked debentures, structured products, mutual funds, bonds, alternative investment funds and other Securities as allowed under Applicable Laws. The strategy aims at balancing the need for income generation and capital preservation while managing various types of risks and aligning with the goals and risk tolerance of Clients. The strategy focuses on dynamic allocation and risk-conscious methodology, complemented by rigorous research, ongoing monitoring, and disciplined portfolio management practices. The scheme would also seek to invest in derivatives for the purpose of hedging and portfolio rebalancing, through a recognized stock exchange in accordance with the Applicable Laws.

Description of types of securities e.g. equity or debt, listed or unlisted, convertible instruments, etc.

This strategy focuses on investments in listed securities on NSE and BSE (typically greater than INR 500 crores), unlisted equity, REITs, InvITs, Gold ETF, debt securities, market linked debentures, structured products, mutual funds, bonds, alternative investment funds and other Securities. The idle funds shall be invested in liquid funds or any other short-term securities.

Basis of selection of such types of securities as part of the investment approach

For equity rules-driven approach to portfolio construction by considering financial and corporate metrics that reflect the companies' operating health, profitability, and relative valuation. Selection of other securities shall be based on credit rating, cash flows, liquidity, pricing, distribution pattern, interest rate sensitivity and tenure of such Securities.

Allocation of portfolio across types of securities

There is no set allocation across these types. Allocation shall be done by actively investing in different asset classes from the defined Securities universe. The idle funds shall be invested in liquid funds or any other short-term securities.

Appropriate benchmark to compare performance and basis for choice of benchmark

a. Benchmark: NSE Multi Asset Index 2

   Composition: 50% Nifty 500, 20% Nifty Medium Duration Index, 20% Nifty Arbitrage Index, 10% REIT and InvIT

b. Basis for choice of Benchmark: The Benchmark has been chosen given the strategy shall invest in all types of securities.

Indicative tenure or investment horizon

The typical investment cycle for a Client under this strategy should be approximately 3-4 years or as per the discretion of the Client.

Risks associated with investment approach

Kindly refer “**Annexure C”** of the Client Agreement. The risks may affect portfolio performance even though the Portfolio Manager may take measures to mitigate the same.

Other salient features

None.

Note: In accordance with SEBI Circular dated December 16, 2022 and APMI Circular dated March 23, 2023 read with clarification dated March 31, 2023, the Benchmark for Investment Approaches are selected from the list prescribed by APMI to reflect the core philosophy of the Strategy and the new Benchmarks are adopted with effect from April 01, 2023.

V C SHAH & CO
CHARTERED ACCOUNTANTS

205-206, Regent Chambers, 2nd Floor, Jamnalal Bajaj Road, 208, Nariman Point, Mumbai 400 021. Tel.: 022 - 43440123 email- vcshahco@vcshah.com

To
Mr. Navin Ganesh,
Principal Officer,
Alpha Alternatives Fund Advisors LLP,
34th Floor, Sunshine Tower, Senapati Bapat Marg,
Near Kamgar Krida Maidan,
Dadar (West),
Mumbai 400 013.

Auditors' Certificate under Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020

1. We have been appointed by the management of **Alpha Alternatives Fund Advisors LLP** (herein after the "LLP / Portfolio Manager") to certify the contents of Disclosure Documents (herein after the "Document") dated June 30, 2025 for portfolio management services of the LLP which is prepared by the LLP in accordance with the Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 ("the SEBI Regulations"). We understand that the Disclosure Document is required to be submitted to the Securities and Exchange Board of India ("the SEBI")

Management's Responsibility for the Statement

2. The preparation of the Statement is the responsibility of the Management of the LLP including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Document and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

3. The Management is also responsible for ensuring that the LLP complies with the requirements of the SEBI (Portfolio Managers) Regulations 2020.

Auditors' Responsibility

4. We have not performed and audit, the objective of which would be expression of an opinion on the financial statement, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such an opinion.

5. We have carried out our verification in accordance with the 'Guidance Note on Report or Certificates for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India (ICAI) in so far as applicable for the purpose of this Certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for firms that performs Audits and Review of Historical Financial Information, and other Assurance and Related Services Engagements.

7. For the purpose of this certificate, we have planned and performed the following procedures to determine whether anything has come to our attention that causes us to believe that the aforementioned Document is not in Compliance with the SEBI Regulations:

   a) The list of persons classified as group companies and list of related parties are as per the audited financial statements provided to us by the LLP.

b) We have verified the financial performance figures disclosed in the document with the audited financial statements for the respective years.
c) The partner's/partner's representative nominee's qualifications, experience, ownership details are as confirmed by the Partners and have been accepted without further verification.
d) We have relied solely on representations provided by the management of the LLP and not performed any procedures in relation to penalties on litigations against the Portfolio Manager, as mentioned in the Document.
e) We have reviewed the figures for performance disclosed, No. of Clients and Assets Under Management (AUM) in the document vis-à-vis system generated report provided to us by the LLP.
f) We have relied solely on representations provided by the management of the LLP and not performed any procedures in relation to the Investment objectives and policies / investment philosophy.
g) We have reviewed nature of fees and expenses as per the agreements and representations provided by the LLP.

Conclusion

8. Based on our examination as stated above and as per the information and explanation provided to us and representation received from the management, nothing has come to our attention that causes us to believe that the document is not, in all material aspects, in compliance with the SEBI Regulations.

   Based on our review of attached document, audited annual accounts of the Portfolio Manager and its other relevant records and information furnished by the Portfolio Manager along with representation provided, we certify that the disclosures made in the attached Document for Portfolio Management are true, fair and adequate to enable the investors to make a well informed decision.

Restriction on Use

9. The certificate is addressed to and provided to the Principal Officer of the LLP solely to comply with Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020, as amended from time to time and may not be suitable for any other purpose. Accordingly, our certificate should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior written consent.

For **V C Shah & Co**
Chartered Accountants
Firm Registration No 109818W
VIRAL JITENDRA SHAH
2025.07.01 15:38:38
+05'30'

Viral J. Shah
Partner
Membership no. 110120

Place: Mumbai
Date: July 01, 2025
UDIN: 25110120BMHVLU5294

Form C

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

Name of the Portfolio Manager: Alpha Alternatives Fund Advisors LLP

Corporate Office Address: 34th Floor, Sunshine Tower, Senapati Bapat Marg, Dadar (West), Mumbai – 400 013

Telephone Number: 022 -6145-8900
Email: compliance@alt-alpha.com
Website: https://www.alt-alpha.com/

We confirm that,

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

II. The disclosures made in the Disclosure Document are true, fair and adequate to enable the investors to make a well-informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio Management;

III. The Disclosure Document has been duly certified by an Independent Chartered Accountant :

Mr. Viral J. Shah "Partner"
Membership No. **110120**
Firm Name: **V C Shah & Co, Chartered Accountants**
Firm Registration No. **109818W**
Firm Address: **205-206, Regent Chambers, 2nd Floor, Jamnalal Bajaj Road, 208, Nariman Point, Mumbai – 400 021**
Tel: **022-43440123**

(*enclosed here is a copy of chartered accountants' certificate to the effect that the disclosures made in Disclosure Document are true, fair and adequate to enable the investors to make a well-informed decision*)

For and on behalf of Alpha Alternatives Fund Advisors LLP

P. Navin Gada

____

Principal Officer

Date: July 1, 2025

Place: Mumbai