

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020)

KEY INFORMATION AND DISCLOSURE DOCUMENT FOR PORTFOLIO MANAGEMENT SERVICES UNDERTAKEN BY 360 ONE ASSET MANAGEMENT LIMITED (FORMERLY KNOWN AS IIFL ASSET MANAGEMENT LIMITED).

This document has been filed with the Board along with a certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020 ("SEBI Regulations").

The purpose of the Document is to provide essential information about the Portfolio Management Services in a manner to assist and enable the Investors in making decisions for engaging a Portfolio Manager.

The necessary information about the Portfolio Manager required by an Investor before investing is disclosed in the Disclosure Document and the Investor is advised to retain the document for future reference.

Investors should carefully read the entire document before making a decision and should retain it for future reference. Investors may also like to seek further clarifications or obtain further changes after the date of this document from the service provider.

Following are the details of the Portfolio Manager:

Name of the Portfolio Manager	360 ONE Asset Management Limited (formerly known as IIFL Asset Management Limited)
SEBI Registration Number	INP000004565
Registered Office Address	360 ONE Centre, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013
Phone	+91 2248765158
Website	https://www.360.one/asset-management/pms/

THE NAME, PHONE NO., E-MAIL ADDRESS OF THE PRINCIPAL OFFICER SO DESIGNATED BY THE PORTFOLIO MANAGER IS:

Name of the Principal Officer	Mr. Anup Maheshwari
Phone	+9122 4876 5439
Email	Anup.Maheshwari@360.one
Website	https://www.360.one/asset-management/pms/

Date: January 03, 2025

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

TABLE OF CONTENTS

1.	Disclaimer:	3
2.	Definitions:	3
3.	Description:	5
4.	Penalties, pending litigation or proceedings, findings of inspection or investigations for which action may have been taken or initiated by any regulatory authority:	9
5.	Details of Services offered by the Portfolio Manager:	9
6.	Policy for utilisation of services	30
7.	Policy for investments in Associate Companies / Related Parties of the Portfolio Manager:	30
8.	Details of investments in the securities of Associates/Related Parties of the Portfolio Manager	31
9.	Details of the Diversification Policy of the Portfolio Manager	31
10.	Risk Factors:	31
11.	Client Representation:	36
12.	Financial performance of Portfolio Manager based on audited financial statements for the immediately preceding three years	42
13.	Portfolio Management Performance:	42
14.	Audit Observations	42
15.	Nature of Costs and Expenses for Clients:	42
16.	Taxation:	43
17.	Accounting Policy / Valuations:	54
18.	Investor Services:	55
19.	Additional Disclosures:	63

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

1. Disclaimer:

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

2. Definitions:

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

- a) "Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992).
- b) "Accreditation Agency" means a subsidiary of a recognized stock exchange or a subsidiary of a depository or any other entity as may be specified by the Board from time to time.
- c) "Accredited Investor" means any person who has been granted a certificate by the accreditation agency who:
 1. in case of an individual, HUF, family trust or sole proprietorship has:
 - A. annual income of at least two crore rupees; or
 - B. net worth of at least seven crore fifty lakh rupees, out of which not less than three crores seventy-five lakh rupees is in the form of financial assets; or
 - C. annual income of at least one crore rupees and minimum net worth of five crore rupees, out of which not less than two crore fifty lakh rupees is in the form of financial assets.
 2. in case of a body corporate, has net worth of at least fifty crore rupees;
 3. in case of a trust other than family trust, has net worth of at least fifty crore rupees;
 4. in case of a partnership firm set up under the Indian Partnership Act, 1932, each partner independently meets the eligibility criteria for accreditation:

Provided that the Central Government and the State Governments, developmental agencies set up under the aegis of the Central Government or the State Governments, funds set up by the Central Government or the State Governments, qualified institutional buyers as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Category I foreign portfolio investors, sovereign wealth funds and multilateral agencies and any other entity as may be specified by SEBI from time to time, shall deemed to be an accredited investor and may not be required to obtain a certificate of accreditation.
- d) "Agreement" means Portfolio Management Services agreement between Portfolio Manager and the client as amended, modified, supplemented or restated from time to time together with all schedules, annexures, exhibits attached thereto (if any).
- e) "Applicable Laws" means any applicable Indian statute, law, ordinance, regulation including SEBI Regulations, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgement or decree or other instrument which has a force of law in India as in force from time to time.
- f) "Alternative Investment Fund" means any fund established or incorporated in India in the form of a trust or company or a limited liability partnership or a body corporate set up in accordance with SEBI (Alternative Investment Funds) Regulations, 2012.
- g) "Associate" means (i) a body corporate in which a director of the Portfolio Manager holds either individually or collectively, more than twenty percent of its paid-up equity share capital, as the case may be; or (ii) a body corporate which holds, either individually or collectively, more than twenty percent of the paid-up equity share capital, as the case may be of the Portfolio Manager.
- h) "Board" means the Securities and Exchange Board of India.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

- i) "Body Corporate" shall have the meaning assigned to it in or under clause (11) of Section 2 of Companies Act, 2013.
- j) "Client" or "Investor" means any person who enters into an agreement with the Portfolio Manager for availing the services of the Portfolio Manager from time to time.
- k) "Custodian" means any person who carries on or proposes to carry on the business of providing custodial services in accordance with the regulations issued by SEBI from time to time.
- l) "Depository" means a body corporate as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).
- m) "Depository Account" means any account of the Client or for the Client with an entity registered as a depository participant as per the relevant regulations in which the securities comprising part of the portfolio of the client are kept by the portfolio manager.
- n) "Disclosure Document" means this disclosure document for offering Portfolio Management Services.
- o) "Financial year" means the year starting from 1st April and ending on 31st March the following year.
- p) "Funds" means the moneys placed by the Client with the Portfolio Manager and any accretions thereto.
- q) "Funds managed" means the value of the Portfolio of the Client as on date.
- r) "Initial Corpus" means the value of the funds and the value of readily realizable investments brought in by the client at the time of registering as a client with the Portfolio Manager and accepted by the Portfolio Manager.
- s) "Investing Company or the Venturer" shall mean a body corporate whose investment in the Portfolio Manager would result in the Portfolio Manager becoming an associate of the body corporate.
- t) "Investment Approach ('IA') shall mean the documented investment philosophy of the type of securities and permissible instruments to be invested by the Portfolio Managers while managing the client funds in order to achieve client's investment objectives.
- u) "Large Value Accredited Investor" means an accredited investor who has entered into an agreement with the portfolio manager for a minimum investment amount of ten crore rupees.
- v) "Portfolio" means the total holdings of all securities and funds belonging to the client.
- w) "Portfolio Manager" means 360 ONE Asset Management Limited (formerly known as IIFL Asset Management Limited), a company incorporated under the Companies Act, 1956 and having its registered office at 360 ONE Centre, 6th Floor, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013.
- x) "Principal Officer" means a person who has been designated as Principal Officer by the Portfolio Manager as required under the SEBI (Portfolio Managers) Regulations, 2020 and he will be responsible for the activities of Portfolio Manager.
- y) "Portfolio Management Services" means the portfolio management services provided by the Portfolio Manager in accordance with the terms and conditions set out in the respective Agreement, this Disclosure Document and subject to Applicable Laws.
- z) "Regulations" means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 including rules, guidelines or circulars issued in relation thereto from time to time.
- aa) "Related Party" in relation to Portfolio Manager shall mean:
 - (i) a director, partner or his relative;
 - (ii) a key managerial personnel or his relative;
 - (iii) a firm, in which a director, partner, manager or his relative is a partner;

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

- (iv) a private company in which a director, partner or manager or his relative is a member or director;
- (v) a public company in which a director, partner or manager is a director or holds along with his relatives, more than 2 (Two) percent of its paid-up share capital;
- (vi) any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director, partner or manager;
- (vii) any person on whose advice, directions or instructions a director, partner or manager is accustomed to act:
Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;
- (viii) any body corporate which is –
 - (A) a holding, subsidiary or an Associate company of the Portfolio Manager; OR
 - (B) a subsidiary of a holding company to which the Portfolio Manager is also a subsidiary;
 - (C) an Investing company or the Venturer of the Portfolio Manager;
- (ix) a related party as defined under applicable accounting standards;
- (x) such other person as may be specified by SEBI from time to time:

Provided that,

- (a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
 - (b) any person or any entity, holding equity shares :
 - (i) of twenty percent or more;
 - (ii) of ten percent or more, with effect from April 1, 2023;
 in the listed entity either directly or on a beneficial interest basis, as provided under Section 89 of the Companies Act, 2013, at any time, during the immediately preceding financial year; shall be deemed to be a related party.
- bb) "SEBI" means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992.
- cc) "Securities" means and includes Securities as defined under Securities Contracts (Regulation) Act, 1956
- dd) "Sponsor" shall have the meaning assigned to them under Regulation 2(w) of SEBI (Alternative Investment Funds) Regulations, 2012.

Words and expressions used in this disclosure document and not expressly defined shall be interpreted according to the SEBI (Portfolio Managers) Regulation, 2020, SEBI Act, 1992, Securities Contract (Regulation) Act, 1996, SEBI (Alternative Investment Funds) Regulations, 2012, The Companies Act, 2013. Other terms should be as per their general meaning and usage. The definitions stated above are not exhaustive. They have been included only for the purpose of clarity and shall in addition be interpreted according to their general meaning and usage and shall also carry meanings assigned to them as per Applicable Laws governing Portfolio Management Services.

3. Description:

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

360 ONE Asset Management Limited ("360 ONE AMC") was incorporated under the Companies Act, 1956 on March 22, 2010, having its registered office at 360 ONE Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. 360 ONE AMC provides Investment Management Services to schemes of 360 ONE Mutual Fund (Formerly known as IIFL Mutual Fund) and schemes of Alternative Investment Funds and is also has a REIT registration. 360 ONE AMC also provides Portfolio Management Services. 360 ONE AMC is also registered with Securities Exchange Commission, USA as an Investment Adviser.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

ii. Promoters of the Portfolio Manager, Directors and their background.

(a) Promoters of 360 ONE Asset Management Limited (360 ONE AMC)

360 ONE AMC is a wholly owned subsidiary of 360 ONE WAM LIMITED (Formerly known as IIFL Wealth Management Limited) (360 ONE WAM). 360 ONE WAM is registered with SEBI as a Merchant Banker. It provides wealth management services to various HNI / Ultra HNI clients through itself and its subsidiaries. 360 ONE WAM acts as the Sponsor to 360 ONE Mutual Fund (Formerly known as IIFL Mutual Fund) and for the schemes launched as Alternative Investment Funds, managed by its Associate/group companies.

(b) The Board of Directors of 360 ONE Asset Management Limited

1) Mr. Kumar Sharadindu

Mr. Kumar Sharadindu has over 35 years of experience in the banking sector. He has been associated with State Bank of India since 1984 under various roles. As a MD & CEO of SBI Pension Funds (P) Ltd, largest Pension fund of India, he was responsible for handling key areas of investment and risk. Mr. Kumar has previously served as Head- Private Equity for State Bank of India, handling various areas of work such as heading the core deal team and monitoring investments in various funds across industries. Mr. Sharadindu has completed M.Sc. (Physics) from Delhi University and B.Sc. (Physics) from Delhi University.

2) Mr. Anup Maheshwari

Mr. Maheshwari has over 28 years of work experience in the financial service sector. Prior to joining 360 ONE Asset Management Limited (Formerly known as IIFL Asset Management Limited), he was associated with DSP Investment Managers Private Limited (formerly known as DSP BlackRock Investment Managers Private Limited) for about 21 years (July 1997-November 2005 and September 2006 - July 2018) as an Executive Vice President & Chief Investment Officer. He was also associated with HSBC Asset Management (India) Private Limited & Merrill Lynch India Equities Fund (Mauritius) Limited. He has done his Bachelor of Commerce from Bombay University and Post Graduate Diploma in Management in finance and marketing from Indian Institute of Management, Lucknow.

3) Mr. Karan Bhagat

Mr. Karan Bhagat is the Founder and Managing Director of 360 ONE WAM. He holds an MBA in Finance from the Indian Institute of Management, Bangalore and acquired his bachelor's degree in Commerce from St. Xavier's College, Kolkata. He has more than 20 years of experience in the financial services sector. He is responsible for providing direction and leadership towards the achievement of the organization's strategic goals and objectives. He was recognised as 'Asia's Promising Business Leaders' by The Economic Times in 2022. He featured in Fortune India's '40 under 40' list in 2016 and 2017 and The Economic Times '40 under 40' list in 2017. He also received the URS Asia One Global Indian of the Year award in 2018.

4) Mr. Sethurathnam Ravi

Mr. Ravi has served as a director on the boards of various prestigious institutions like LIC Housing Finance, BHEL, IDBI Bank, Union Bank and several other PSUs and PSBs. He is the Independent Director and Chairman of Tourism Finance Corporation of India Limited and director on the board of SBI Payment Services Pvt Ltd and Aditya Birla ARC Limited, among others. He has, also, been member of these companies' Audit Committees, Strategic Revival Committees and Risk Management Committees. Mr. Ravi has served as the Chairman (Public Interest Director) of BSE Limited during the period Nov 2017 to Feb 2019. He is the Founder and Managing Partner of Chartered Accountants firm Ravi Rajan & Co. LLP.

5) Mr. Anil Kaul

Mr. Kaul was the Managing Director of Tata Capital Housing Finance Limited. Anil has spent over 3 decades in the financial services sector with a rich background working in the BFSI sector across various Banks, Insurance, Broking organizations and a Housing Finance Company. Mr. Kaul, a Gold Medalist with MBA in Finance & Marketing from the University of Lucknow joined Tata Capital in its 150th year as the Managing Director of Tata Capital Housing Finance Ltd (TCHFL) in July 2018. His rich experience and expertise in the financial services not only helped TCHFL

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

establish a strong market position but also in expanding its footprint in India. He has spent over 3 decades in the financial services sector with a rich background working in the BFSI sector across various Banks, Insurance, Broking organisations and a Housing Finance Company. Mr. Kaul was the Senior General Manager responsible for Rural & Inclusive Banking and Institutional Banking Group at ICICI bank. He is very passionate about digital transformation, governance, and leadership processes in an organization.

6) Ms. Anita Pai

Ms. Anita Pai has been a part of the BFSI sector for 33 years. Ms. Pai has been part of the start-up team of ICICI Limited's Personal Financial Services – set up Credit and Operations for the Home Loans Business (1998-2000). Ms. Pai was a key member of the start-up team of ICICI Prudential Life Insurance Co. Ltd; a Joint Venture between ICICI Limited and Prudential PLC, UK. She was responsible for Technology, Underwriting, Operations and Claims. She also headed Global Operations for ICICI Bank and subsidiaries. Ms. Pai held position of COO in Yes Bank Limited where she was in charge of Technology, Operations and Digital Banking. She successfully navigated the Bank out of the moratorium and played a key role in the reconstruction of the Bank.

7) Mr. Raghav Iyengar

Raghav comes with rich experience of over three decades in the financial services 47 sector. Prior to joining 360 ONE Asset, he served as the President and Chief Business Officer at Axis Asset Management, where he led sales (both retail and institutional), marketing, digital, business intelligence, PR, and investor services. His extensive experience includes significant tenures with ICICI Prudential Asset Management and Tata Asset Management

8) Mr. Ravi Narayanan:

Mr. Ravi comes with rich experience of over three decades in the financial services sector. He was acting as a Nominee Director for Axis Bank Limited on the Board of Axis Securities Limited and Axis Asset Management Company Limited. He was associated with Axis Bank and HDFC Bank and has held multiple positions. At Axis Bank, he led the Branch Banking, Retail Liabilities, Liabilities Sales, Premium Banking, Virtual Relationship, Third-Party Products, Launched and nurtured Burgundy Private wealth management program. He was associated with HDFC Bank from 1999 till 2019 where he held multiple positions and led teams. He was also instrumental in starting the payment gateway platform for the Bank. His extensive experience includes significant tenures with HDFC Bank, Bank of America, Lloyds Securities and Ballarpur Industries - Paper Division.

(iii) The top ten group companies of the Portfolio Manager on turnover basis, as per the audited financial statements (FY 2023-2024) are as below:

1. IIFL Home Finance Limited
2. Samasta Finance Limited
3. 360 ONE Prime Limited
4. 360 ONE Distribution Services Limited
5. 360 ONE Asset Management Limited
6. 360 ONE Portfolio Managers Limited
7. Livlong Protection & Wellness Service Limited
8. Livlong Insurance Brokers limited
9. IIFL Facilities Service Limited
10. IIFL Sales Ltd

(iv) Details of the services being offered:

The Portfolio Manager broadly offers Discretionary, Non-Discretionary and Advisory services. The details of these services are as provided below:

A) Discretionary services

In case of Discretionary Services, the Portfolio Manager shall independently manage the funds and securities of the client in accordance with the provisions of Portfolio Management service agreement. Portfolio manager shall invest funds of his clients in the securities listed or traded on a recognized stock exchange, money market instruments, units of Mutual Funds and other securities as specified by Board from time to time, on behalf of the clients. In case of client(s) falling under the category of Large Value Accredited Investors, the portfolio manager may invest up to 100%

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

of the assets under management in unlisted securities. The choice as well as the timings of the investment decisions rest solely with the Portfolio Manager. 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 any time during the currency of the agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence.

Notes:

- Investment under Portfolio Management Services will be only as per the applicable SEBI Regulations.
- The un-invested amounts forming part of the Client's Assets may be at the discretion of the Portfolio Manager be held in cash or deployed in Liquid schemes of Mutual Funds, Exchange Traded Funds, Index Funds, debt oriented schemes of Mutual Funds, Gilt schemes, Bank deposits and other short term avenues for Investment.
- The Portfolio Manager, with the consent of the Client, may lend the securities through an Approved Intermediary, for interest.
- All of the below mentioned investment approaches are based on client's investment objective(s) and should not be construed as any Scheme promoted by the Company.

B) Non-Discretionary services

Under Non-discretionary services, the Portfolio Manager advises the Client about the various investments options and exit opportunities keeping in view the investment profile of the client etc. The Client ultimately decides on the investments. The Portfolio Manager facilitates the clients in providing research, investment advice, guidance and trade execution at the client's request. The Portfolio Manager shall execute orders only as per the instructions received from clients. The deployment of the client's funds and securities by the Portfolio Manager on the instructions of the client is absolute and final. However, for client(s) other than those falling under the category of Large Value Accredited Investors, the portfolio manager may advise to invest only up to 25% of the assets under management in unlisted securities in addition to the securities for discretionary portfolio management services. In case of client(s) falling under the category of Large Value Accredited Investors, the portfolio manager may advise to invest up to 100% of the assets under management in unlisted securities.

C) Advisory services

Apart from Discretionary and Non-Discretionary Portfolio Management Services, the Portfolio Manager also offers Advisory Portfolio Management Services wherein the Portfolio Manager only renders investment advice to the client in respect of securities. Discretion to execute the transactions and responsibility for execution/ settlement of the transactions lies solely with the Client.

Under the Advisory function, Portfolio Manager advises on the client's portfolio with/without managing the funds/securities on specific or general instructions given by the client, as the case may be. Under the Advisory function, Portfolio Manager advises on Fund Management, Investment Management, Custody of Securities and other support services.

Discretion to execute the transactions and responsibility for execution /settlement of the transactions lies solely with the Client. However, for Client(s) other than those falling under the category of Large Value Accredited Investors, the portfolio manager may advise to invest only up to 25% of the assets under management in unlisted securities in addition to the securities for discretionary portfolio management services. In case of client(s) falling under the category of Large Value Accredited Investors, the portfolio manager may advise to invest up to 100% of the assets under management in unlisted securities.

Direct onboarding: Investors have the option to avail the portfolio management services directly from the AMC. Details of our direct offering are available on our website. Clients can onboard with the AMC directly by contacting us on our investor desk mail id - investordesk@360.one.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

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 the Board or the directions issued by the Board under the Act or Regulations made thereunder	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.	Annexure A
v.	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	Nil
vi.	Any enquiry/ adjudication proceedings initiated by the Board or any regulatory agency 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 Regulations	Nil

No penalties / directions have been issued by SEBI under the SEBI Act or Regulations made thereunder against the Company. There are no pending material litigations or legal proceedings, findings of inspections or investigations for which action has been taken or initiated by any regulatory authority against the Portfolio Manager or its Directors, principal officers or employees or any person directly or indirectly connected with the Portfolio Manager under the SEBI Act and Regulations made there under relating to Portfolio Management Services except as stated in **Annexure A**.

The Associates / group companies of 360 ONE AMC are engaged in providing various financial services including Stock Broking, Depository Business, NBFC, etc. In the normal course of its Broking and Depository business there arise arbitration matters/ client / Exchange proceedings before respective Exchange / Depository / Forums, most of which get rectified / disposed-off in the normal course.

5. Details of Services offered by the Portfolio Manager:

The Portfolio Manager broadly offers Discretionary Portfolio Management, Non-Discretionary Portfolio Management and Advisory Services as described hereinabove in clause 3(iv).

The Portfolio Manager shall not accept from the client, funds or securities worth less than fifty lakh rupees and ten crores in case of large value accredited investor. The minimum investment amount per client shall be applicable for new clients and fresh investments by existing clients. However, the said minimum investment amount shall not be applicable to Accredited Investors.

Under Discretionary and Non-Discretionary Service, the Portfolio Manager may invest in various portfolios with different terms and conditions from time to time. Discretionary and Non-Discretionary services are being offered under various strategies with various terms and conditions.

A. Discretionary Portfolio Management

Presently following Discretionary Portfolio Management approaches are being offered to the Investors.

- **360 ONE Multicap PMS (Formerly known as IIFL Multicap PMS):** (Managed by Mr. Nishant Vass and Simran Suryavanshi)
[With effect from April 23, 2024 ("Effective Date"), 360 ONE Multicap Advantage PMS has been merged with 360 ONE Multicap PMS. Accordingly, from the Effective Date, all clients and AUM from 360 ONE Multicap Advantage PMS have been moved to 360 ONE Multicap PMS].

i. Strategy: Equity

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

ii. **Investment objective:** The objective of the investment approach is to generate long term capital appreciation for investors from a portfolio of equity and equity related securities. The investment strategy is to invest in a portfolio following the SCDV framework (Secular, Cyclical, Defensives, Value Trap) wherein it invests a large proportion of the portfolio in quality Secular growth companies which are long term compounding stories. Rest of the portfolio is invested across quality Cyclical and Defensives while maintaining underweight allocation in Value traps. Portfolio construction across these three quadrants enables us to enhance diversification even with limited number of stocks.

iii. **Description of types of securities:** Equity securities and Liquid schemes of Mutual Funds.

iv. **Allocation of portfolio across types of securities:** The allocation shall be as follows:

Security	Allocation %
Equity	Up to 100% of corpus
Liquid schemes of Mutual Funds	At the discretion of the portfolio manager

v. **Benchmark:** BSE 500 TRI

BSE 500 TRI Index is a broad-based diversified index and its composition broadly represents the strategy's investment universe.

vi. **Indicative tenure or investment horizon:** Recommended time horizon for effective portfolio returns as envisaged by the portfolio manager is minimum 36 months.

➤ **360 ONE Long Term Growth PMS (Formerly known as IIFL Long Term Growth PMS):** (Managed by Mr. Nishant Vass)

i) **Strategy:** Equity

ii) **Investment objective:** Investment objective of the Portfolio is to generate long term capital appreciation for investors from a portfolio of equity and equity related securities. The investment strategy of the Portfolio will be to invest in equity securities of sectors which would benefit from domestic growth story, manufacturing oriented sectors, banking & financial services (consumer- oriented banks and NBFCs) and consumer discretionary sectors.

iii) **Description of types of securities:** Equity and equity related instruments and Liquid schemes of Mutual Funds

iv) **Allocation of portfolio across types of securities:**

Security	Allocation %
Equity and equity related instruments	Upto 100%
Liquid schemes of Mutual Funds	As per fund manager's discretion

v) **Benchmark:** BSE 500 TRI

BSE 500 TRI Index is a broad-based diversified index and its composition broadly represents the strategy's investment universe.

vi) **Indicative tenure or investment horizon:** Recommended time horizon for effective portfolio returns as envisaged by the portfolio manager is minimum 36 months

➤ **360 ONE Focused Equity Strategies (Formerly known as IIFL Focused Equity Strategies):** (Managed by Mr. Nishant Vass)

i) **Strategy:** Equity

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

ii) **Investment objective:** The objective of strategy is to create a focused portfolio of select, high conviction stock ideas. The portfolio constructed will be based on in-depth research leading to bottom-up stock picking. The strategy aims to generate alpha over a period of over 2-3 years.

iii) **Description of types of securities:** Equity and equity related instruments and Liquid schemes of Mutual Funds

iv) **Allocation of portfolio across types of securities:**

Security	Allocation %
Equity and equity related instruments	Upto 100%
Liquid schemes	As per portfolio manager's discretion

v) **Benchmark:** BSE 500 TRI

BSE 500 TRI Index is a broad-based diversified index and its composition broadly represents the strategy's investment universe.

vi) **Indicative tenure or investment horizon:** Recommended time horizon for effective portfolio returns as envisaged by the portfolio manager is minimum 36 months

➤ **Customised Discretionary Portfolios:**

i) **Strategy:**

Investment Approach(es)	Strategy
Customised Discretionary Portfolio – Equity	Equity
Customised Discretionary Portfolio – Debt	Debt
Customised Discretionary Portfolio – Multi-asset	Multi-asset

ii) **Investment objective:** The Customized Discretionary portfolios are tailor-made to meet clients' specific objectives. The portfolios have client-specific investment objectives and risk control metrics. The portfolio under this approach can be classified as Customised Discretionary Portfolio – Equity, Customised Discretionary Portfolio - Multi-asset or Customised Discretionary Portfolio - Debt.

- **Equity:** Investments may be made across equity and equity related securities/schemes and are customized to meet specific liquidity needs
- **Debt:** Investments may be made across debt and debt related securities/ schemes and are customized to meet specific liquidity needs
- **Multi-asset:** Investments may be made across equity, debt and other securities/schemes and asset classes and are customized to meet specific liquidity needs.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)



iii) Description of types of securities & basis of selection of such types of securities as part of the investment approach:

Investment Approach(es)	Type of Securities	Basis of selection of such types of securities as part of the investment approach
Customised Discretionary Portfolio – Equity	Equity and equity related instruments	As per customised approaches offered to the investors. Please refer to the section below on ‘Basis of selection of such types of securities’ for details.
Customised Discretionary Portfolio – Debt	Debt and debt related instruments	<p>As per customised approaches offered to the investors. Selection approach for debt instrument would be based on the credit profile of capital entity issuing debt instrument, liquidity of the instrument in the market, promoters of the capital entity which is issuing debt, leverage of the entity, regulations relating to investing in sector and industry.</p> <p>Further the portfolio manager may monitor risk reward favorability basis the complexity of the structure of debt instruments, i.e. plain vanilla or a more complex one. In case of the structure of the debt instrument is complex structure which may further invest into projects or other capital entities, this may yield a higher coupon. In such instruments, covenants of the securities and provisions in Investment memorandum, guarantees (plain vanilla, conditional) and letter of comforts, escrow accounts or reserve accounts for interest payment servicing may also be looked at for investing in the instruments.</p>
Customised Discretionary Portfolio – Multi-asset	Equity and equity related instruments, debt and debt related instruments, securities issues by entities in real estate sector of India, and alternates (including but not limited to currency derivatives, gold ETFs).	<p>As per customised approaches offered to the investors. Selection approach for debt instrument would be based on the credit profile of capital entity issuing debt instrument, liquidity of the instrument in the market, promoters of the capital entity which is issuing debt, leverage of the entity, regulations relating to investing in sector and industry.</p> <p>Further the portfolio manager may monitor risk reward favorability basis the complexity of the structure of debt instruments, i.e. plain vanilla or a more complex one. In case of the structure of the debt instrument is complex structure which may further invest into projects or other capital entities, this may yield a higher coupon. In such instruments, covenants of the securities and provisions in Investment memorandum, guarantees (plain vanilla, conditional) and letter of comforts, escrow accounts or reserve accounts for interest payment servicing may also be looked at for investing in the instruments.</p> <p>Securities issues by entities in real estate sector of India - For security selection, the portfolio manager shall track commercial/residential real estate scenario. For a commercial real estate fund/security selection, quality of profile of tenants, area in the property for leasing, grade of the commercial property, quality of the commercial property in terms of construction and maintenance, connectivity and underlying leasing terms (lock-in, etc.) also shall be monitored</p>

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

		for making real estate investments. For residential real estate fund/security selection, stage of project development, sales track record, execution record of the developer, collateral cover offered on securities, coupon structure on underlying securities, development rights on property, escrow mechanism for project cashflows, guarantees offered by promoters, etc. shall be considered.
--	--	---

iv) Allocation of portfolio across types of securities based on the customised investment approach:

- **Customised Discretionary Portfolio – Equity**

Security	Allocation %
Equity & equity related instruments	Upto 100%
Cash & others including liquid schemes of MFs	at the discretion of the Portfolio Manager

- **Customised Discretionary Portfolio - Debt**

Security	Allocation %
Debt & debt related instruments	Upto 100%
Cash & others including liquid schemes of MFs	at the discretion of the Portfolio Manager

- **Customised Discretionary Portfolio - Multi-asset**

Security*	Allocation %
Equity & equity related instruments	Upto 100%
Debt & debt related instruments	Upto 100%
Securities issued by entities in real estate sector of India	Upto 30%
Alternates	Upto 20%

*Cash & others including liquid schemes of MFs at the discretion of the Portfolio Manager.

v) Benchmark shall be allocated basis the customised investment approach:

Investment Approach(es)	Benchmark	Benchmark Rationale
Customised Discretionary Portfolio – Equity	BSE 500 TRI Index	This is a broad-based diversified index and its composition broadly represents the strategy's investment universe.
Customised Discretionary Portfolio – Debt	CRISIL Credit Index	CRISIL Credit Index covers short to medium term paper (average duration of 2-2.5 years). The index allocates 50% weightage towards A rated indices and act as a broad-based composite index for the fund.
Customised Discretionary Portfolio – Multi-asset	NSE Multi Asset Index #1	This multi-asset benchmark will assist in closely tracking the performance of the multi strategy portfolios as the investment universe is similar in nature to the underlying constituents of the index, therefore providing a relevant index to compare performance against.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

vi) Strategy Manager

Investment Approach(es)	Strategy Manager
Customised Discretionary Portfolio – Equity	Mr. Nishant Vass
Customised Discretionary Portfolio – Debt	Mr. Sanket Hegde
Customised Discretionary Portfolio – Multi-asset	Mr. Nishant Vass

vii) **Indicative tenure or investment horizon:** As per agreed customised investment approach.

viii) Risks associated with the investment approach:

- Investments in the equity shares of the Companies are subject to price fluctuation on daily basis. The volatility in the value of equity is due to various micro and macro-economic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities and consequently on the Net Asset Value of the Portfolio.
- Potential Loss of Principal: It is possible that the client may receive zero or negative return (loss of capital) over the Investment period.
- The value of the Portfolio investments, 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. Thus, there is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.
- Force Majeure: If, for reasons beyond the control of the Portfolio Manager, the performance of the portfolio is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Portfolio Manager, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Portfolio Manager may at its discretion and without obligation to do so, redeem the investment.
- Basis the strategy opted, portfolio may consist of securities from companies/entities engaged in real estate sector. These Securities may not be listed therefore investors will not find an available market to sell these securities in case they require funds at an early date.
- Investment in securities of companies investing in real estate is subject to risk of fluctuations in real estate prices. Portfolio returns are dependent on real estate market. Investor could lose money if real estate prices go down at the time of maturity.

ix) Other important notes, if any

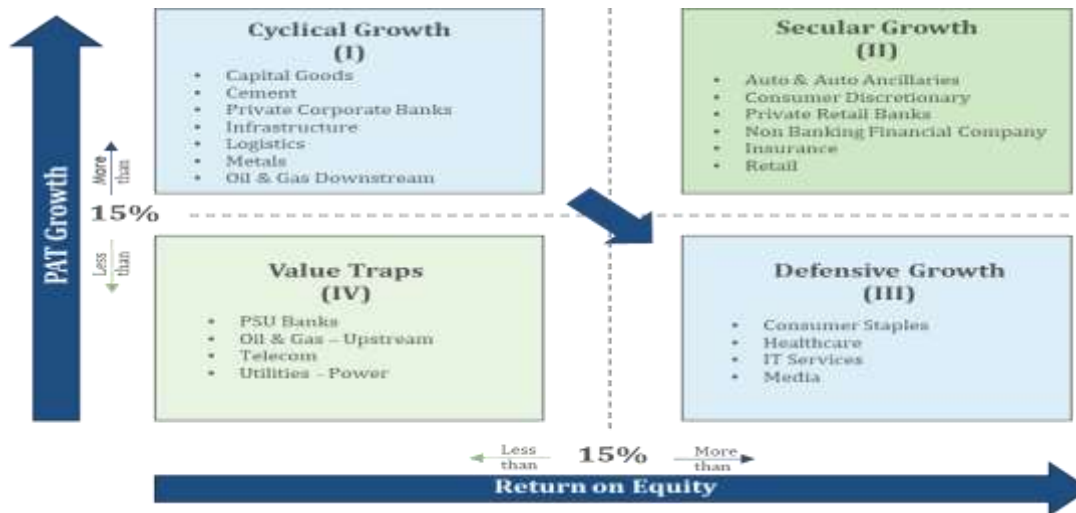
In line with SEBI guidelines, the strategy doesn't intend to invest in unlisted securities. Any references in the investment approach description related to unlisted securities refers to existing investments of existing clients.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

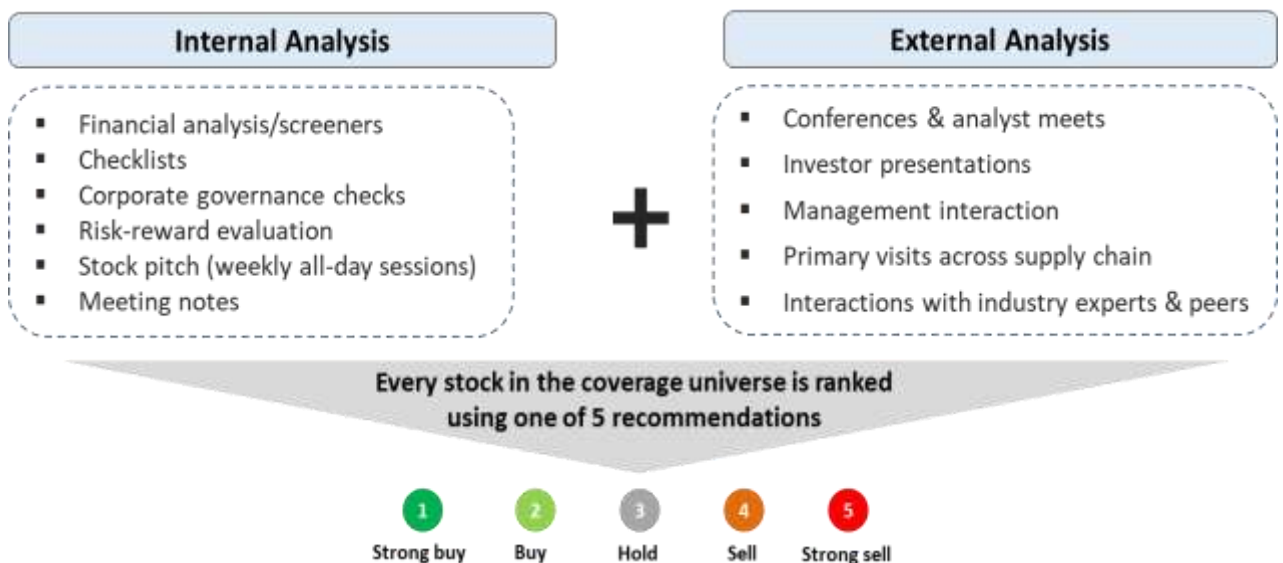
Basis of selection of such types of securities as part of the investment approach for 360 ONE Multicap PMS (Formerly known as IIFL Multicap PMS), 360 ONE Focused Equity Strategies (Formerly known as IIFL Focused Equity Strategies), Customised Discretionary Portfolios and 360 ONE Long Term Growth PMS (Formerly known as IIFL Long Term Growth PMS)

Listed Securities:



- **Cyclical (PAT>15%, ROE <15%)** – Companies/ Sectors that show high growth but are affected by market cycles hence need to be timed for entry and exit
- **Secular (PAT>15%, ROE >15%)** – High growth companies / sectors which show consistent growth across market cycles
- **Defensive (PAT<15%, ROE >15%)** – Companies / sectors that show consistent stable growth across market cycles
- **Value Trap (PAT<15%, ROE <15%)** – Companies/ sectors that are at attractive valuation but do not show commensurate growth.

Further, Stock selection would be subject to Internal and External Analysis.



DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)



Risks associated with the investment approach for 360 ONE Multicap PMS (Formerly known as IIFL Multicap PMS), 360 ONE Focused Equity Strategies (Formerly known as IIFL Focused Equity Strategies) and 360 ONE Long Term Growth PMS (Formerly known as IIFL Long Term Growth PMS):

- a. Investments in the equity shares of the Companies are subject to price fluctuation on daily basis. The volatility in the value of equity is due to various micro and macro-economic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities and consequently on the Net Asset Value of the Portfolio.
- b. Potential Loss of Principal: It is possible that the client may receive zero or negative return (loss of capital) over the Investment period.
- c. The value of the Portfolio investments, 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. Thus, there is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.
- d. Force Majeure: If, for reasons beyond the control of the Portfolio Manager, the performance of the portfolio is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Portfolio Manager, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Portfolio Manager may at its discretion and without obligation to do so, redeem the investment

➤ **360 ONE Real Estate PMS (formerly known as IIFL Real Estate PMS):** (Managed by Mr. Sanket Hegde)

Note: Real Estate Companies Portfolio has been merged with IIFL Real Estate PMS. Accordingly, Real Estate Companies Portfolio has been renamed as IIFL Real Estate PMS. The strategy is not accepting fresh investments from clients.

- i. **Strategy:** Debt
- ii. **Investment objective:** The objective is to participate on behalf of the clients in debt instruments issued by companies into real estate. The aim is to achieve regular interest and/or capital appreciation by investing in debentures of unlisted/listed real estate companies or AIFs investing in the securities of real estate companies.
- iii. **Description of types of securities:** Debt and debt related instruments (including equity linked debt securities), AIFs
- iv. **Basis of selection of such types of securities as part of the investment approach:**

For security selection, the portfolio manager shall track commercial/residential real estate scenario. For investment in AIFs investing in securities of commercial real estate companies, quality of profile of tenants, area in the property for leasing, grade of the commercial property, quality of the commercial property in terms of construction and maintenance, connectivity and underlying leasing terms (lock-in, etc.) also shall be monitored for making real estate investments. For investment in AIFs investing in securities of residential/ real estate companies, stage of project development, sales track record, execution record of the developer, collateral cover offered on securities, coupon structure on underlying securities, development rights on property, escrow mechanism for project cashflows, guarantees offered by promoters, etc shall be considered.

- v. **Allocation of portfolio across types of securities:** The allocation shall be as follows:

Security	Allocation %
Debt and debt related securities	Up to 100% of corpus
AIFs investing in debt securities of real estate companies	Up to 100% of corpus
Liquid schemes of Mutual Funds	At the discretion of the portfolio manager

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

vi. Benchmark: CRISIL Credit Index

CRISIL Credit Index covers short to medium term paper (avg duration of 2-2.5 years). The index allocates 50% weightage towards A rated indices and act as a broad-based composite index for the fund.

vii. Indicative tenure or investment horizon: Minimum 5 years from the date of initial investment

viii. Risks associated with the investment approach:

- Potential Loss of Principal: It is possible that the client may receive zero or negative return (loss of capital) over the Investment period.
- Investments in securities are subject to market a risk, which includes price fluctuation risks. There is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.
- Rental income of the property proposed to be purchased or purchased under this portfolio/strategy may be reduced or stopped after completion of existing lease agreement with Lessee or termination of lease agreement by lessee. Identifying new lessee and negotiating with lessee is responsibility of SPV.
- Portfolio will predominantly consist of securities from companies/entities engaged in real estate sector. These Securities may not be liquid or listed therefore investors will not find an available market to sell these securities in case they require funds at an early date.
- Risk associated with investments in securities of companies / entities in real estate sector;
- Any failure on the part of the Investee Company itself to identify and acquire suitable parcels of land for development in a timely manner may reduce the number of development projects that can be undertaken by it and thereby affect its business prospects, financial condition and results of operations;
- Investee Companies ability to develop and construct projects profitably is dependent upon their ability to source adequate building supplies for use by their construction contractors. Any shortage may affect the business prospects;
- Acquiring interests in companies which holds land involves a substantial degree of risk as these properties may be subject to various encumbrances;
- Title Insurance is not commercially available in India to guarantee title or development rights in respect of land and accordingly investee companies may face legal disputes in respect of land title, which can take several years and considerable expense to resolve;
- Market Trading/ Liquidity Risks: Portfolio Investments in listed securities are subject to price fluctuation on daily basis. The volatility in the value of instruments is due to various micro and macroeconomic factors such as economic and political developments and other market factors affecting the securities markets. This may have adverse impact on individual securities/sector and consequently on the NAV of the portfolio.
- Force Majeure: If for reasons beyond the control of the Portfolio Manager, the performance of the portfolio is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Portfolio Manager, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Portfolio Manager may at its discretion and without obligation to do so, redeem the investment.
- Exit is subject to availability of liquidity. 360 ONE Asset Management Ltd or any of its group companies and associates under no circumstances will be liable or bound to create liquidity for its clients. The amount received on account closure/ withdrawal of funds is also subject to the then prevailing interest rate and credit market situation.
- Valuation: For unlisted shares, valuation of the shares may not be available daily or on a regular basis. 360 ONE AMC does not have any responsibility for re-valuation of Securities.
- Investment in securities of companies investing in real estate is subject to risk of fluctuations in real estate prices. Portfolio returns are dependent on real estate market. Investor could lose money if real estate prices go down at the time of maturity

ix. Other important notes, if any

In line with SEBI guidelines, the strategy doesn't intend to invest in unlisted securities. Any references in the investment approach description related to unlisted securities shall be for existing investments of existing clients.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

➤ **360 ONE Emerging Star Portfolio (Formerly known as IIFL Emerging Star Portfolio):** (Managed by Mr. Nishant Vass)

i) **Strategy:** Equity

ii) **Investment objective:** The investment objective is to generate long term capital appreciation for investors from a portfolio of Mid & Small cap stocks. The investment strategy of the Portfolio will be to invest in companies & sectors that are available at significant discount to their intrinsic value and provide earnings visibility. Portfolio Manager seeks to invest in companies with a Bottom-Up approach which includes Quality management, Strong business model, Consistent growth, Reasonable valuation, etc. The Portfolio will be taking a concentrated position in stocks and sectors and will endeavour to strategically change allocation between sectors depending on changes in the business cycle.

iii) **Description of types of securities:** Equity and equity related instruments and Liquid schemes of Mutual Funds

iv) **Basis of selection of such types of securities as part of the investment approach:**

Portfolio manager shall employ fundamental analysis for each of the equity securities in which the portfolio invests. Further, the portfolio manager would look for companies with a Bottom-Up approach which includes Quality management, Strong business model, Consistent growth, Reasonable valuation, etc. Depending on market conditions, may also choose to invest in liquid schemes.

v) **Allocation of portfolio across types of securities:**

Security	Allocation %
Equity and equity related instruments	Upto 100%
Liquid schemes	As per portfolio manager's discretion

vi) **Benchmark:** BSE 500 TRI

BSE 500 TRI Index is a broad-based diversified index and its composition broadly represents the strategy's investment universe.

vii) **Indicative tenure or investment horizon:** Recommended time horizon for effective portfolio returns as envisaged by the portfolio manager is minimum 24 months

viii) **Risks associated with the investment approach:**

- Potential Loss of Principal:** It is possible that the client may receive zero or negative return (loss of capital) over the Investment period.
- Investments in the equity shares of the Companies** are subject to price fluctuation on daily basis. The volatility in the value of equity is due to various micro and macro-economic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities and consequently on the value of the Portfolio.
- Force Majeure:** If for reasons beyond the control of the Portfolio Manager, the performance of the portfolio is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Portfolio Manager, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Portfolio Manager may at its discretion and without obligation to do so, redeem the investment.
- Investments in securities** are subject to market risk, which includes price fluctuations risk. Thus, there is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

- **360 ONE Phoenix Portfolio (Formerly known as IIFL Phoenix Portfolio):** (Managed by Mr. Nishant Vass and Simran Suryavanshi)

i. Strategy: Equity

ii. Investment objective: The objective of the investment approach is to generate long term capital appreciation for investors from a portfolio of equity and equity related securities. The investment strategy is to invests in businesses having long-term track record where profitability and growth may have been impacted by short term cycles. The investment manager would target such opportunities having long-term mean reversion capability, having potential for sharp improvement in fundamentals.

iii. Description of types of securities: Equity and Liquid schemes of Mutual Funds

iv. Basis of selection of such types of securities as part of the investment approach:

The following is the stock selection criteria.

1. Upgrade in quadrant (SCDV)
2. Lower profitability vs historical trends
3. Proven track record and capital efficiency (ROE > 15%)
4. Trading at a discount to historical valuations
5. Changes in management / ownership
6. Forensics/ Strong governance
7. Stocks where price correction has occurred

v. Allocation of portfolio across types of securities: The allocation shall be as follows:

Security	Allocation %
Equity	Up to 100% of corpus
Liquid schemes of Mutual Funds	At the discretion of the portfolio manager

vi. Benchmark: BSE 500 TRI

BSE 500 TRI Index is a broad-based diversified index and its composition broadly represents the strategy's investment universe.

vii. Indicative tenure or investment horizon: Recommended time horizon for effective portfolio returns as envisaged by the portfolio manager is minimum 36 months

viii. Risks associated with the investment approach:

- a. Investments in the equity shares of the Companies are subject to price fluctuation on daily basis. The volatility in the value of equity is due to various micro and macro-economic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities and consequently on the Net Asset Value of the Portfolio.
- b. Potential Loss of Principal: It is possible that the client may receive zero or negative return (loss of capital) over the Investment period.
- c. The value of the Portfolio investments, 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. Thus, there is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)



➤ **360 ONE Large Value strategy PMS** (Managed by Mr. Nishant Vass)

i. **Strategy:** Equity

- ii. **Investment objective:** The objective of the Investment Approach is to generate long term capital appreciation for investors from a portfolio of equity and equity related securities by investing in customized deals at attractive valuation backed by robust fundamentals.

The Investment Approach may be launched in several series or tranches depending on the availability of opportunities in the market.

- iii. **Description of types of securities:** Equity and equity related instruments, Liquid schemes of Mutual Funds and such other securities at the discretion of the Strategy Manager, as permissible under the SEBI Regulations.

iv. **Basis of selection of such types of securities as part of the investment approach:**

Portfolio Manager shall employ fundamental analysis for each of the equity securities in which the portfolio invests. Further, the Portfolio Manager would look for companies with a bottom-up approach which includes quality management, strong business model, consistent growth, reasonable valuation, etc. Depending on market conditions, the Portfolio Manager may also choose to invest in liquid schemes.

v. **Allocation of portfolio across types of securities:**

Security	Allocation %
Equity or equity related securities	Up to 100% of corpus
Liquid mutual fund schemes	As per Portfolio Manager's discretion

vi. **Benchmark: BSE 500 TRI**

BSE 500 TRI Index is a broad-based diversified index, and its composition broadly represents the strategy's investment universe.

vii. **Indicative tenure or investment horizon:**

Recommended time horizon for effective portfolio returns as envisaged by the portfolio manager is minimum 48 months.

viii. **Risks associated with the investment approach.**

1. Investments in the equity shares of the Companies are subject to price fluctuation on daily basis. The volatility in the value of equity is due to various micro and macro-economic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities and consequently on the Net Asset Value of the Portfolio.
2. Potential Loss of Principal: It is possible that the client may receive zero or negative return (loss of capital) over the Investment period.
3. The value of the Portfolio investments, 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. Thus, there is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.
4. Investors may note that Portfolio Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)



5. Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The Portfolio Manager may choose to invest in unlisted securities that offer attractive yields. This may, however, increase the risk of the portfolio. Additionally, the liquidity and valuation of the portfolio investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.
6. Past performance of the Portfolio Manager does not guarantee the future performance.
7. The name of the Strategy does not in any manner indicate either the quality of the Strategy or its future prospects and the returns.
8. Force Majeure: If, for reasons beyond the control of the Portfolio Manager, the performance of the portfolio is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Portfolio Manager, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Portfolio Manager may at its discretion and without obligation to do so, redeem the investment.

➤ **360 ONE Large Value strategy Debt PMS** (Managed by Mr. Sanket Hegde)

i. Strategy: Debt

- ii. Investment objective:** The objective of the Investment Approach is to invest in debt and debt related instruments including unlisted debt instruments.

The Investment Approach may be launched in several series or tranches depending on the availability of opportunities in the market. There is a potential for intermediate exit, but the same can happen at the available quote from the market which may be less than the fair value of the security. In any case for intermediate exits, the pay-off calculation will not be applicable.

- iii. Description of types of securities:** Debt and debt related instruments including unlisted debt and debt related instruments, Liquid schemes of Mutual Funds and such other securities at the discretion of the Strategy Manager, as permissible under the SEBI Regulations from time to time.

iv. Basis of selection of such types of securities as part of the investment approach:

A generic selection approach for debt instrument would be based on the credit profile of the entity issuing the debt instrument, promoters of the entity which is issuing debt, strong financials and vintage of the parent and issuing entity, asset quality, stable and experienced management, market position, leverage of the entity, regulations relating to investing in sector and industry, etc.

Further the portfolio manager may monitor risk-reward favourability basis the complexity of the structure of NCDs/debt instruments, i.e. plain vanilla or a more complex one. In case the structure of the debt instrument is a complex structure which may further invest into projects or other capital entities, this may yield a higher coupon. In such instruments, covenants of the securities and provisions in the investment memorandum, guarantees (plain vanilla, conditional) and letter of comforts, escrow accounts or reserve accounts for interest payment servicing may also be looked at for investing in the instruments.

v. Allocation of portfolio across types of securities:

Security	Allocation %
Debt & debt related instruments	Up to 100% of corpus

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

Cash & others including liquid schemes of MFs	As per Portfolio Manager's discretion
---	---------------------------------------

vi. Benchmark: CRISIL Credit Index

CRISIL Credit Index covers short to medium term paper (average duration of 2-2.5 years), and its composition broadly represents the strategy's investment universe.

vii. Indicative tenure or investment horizon:

Recommended time horizon for effective portfolio returns as envisaged by the portfolio manager is medium to long term.

viii. Risks associated with the investment approach:

1. Investments in the unlisted Non-Convertible Debentures (NCDs) of the Companies are subject to price fluctuation on a daily basis. The volatility in the value of unlisted Non-Convertible Debentures (NCDs) is due to various micro and macroeconomic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities.

2. Potential Loss of Principal: It is possible that the client may receive zero or negative return (loss of capital) over the Investment period.

3. The value of the Portfolio investments, 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. Thus, there is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.

4. Risks related to investments in debt and debt related instruments:

- Interest Rate Risk: As with all debt securities, changes in interest rates may affect valuation of the Portfolios, as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than prices of short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the valuations of Portfolios.
- Liquidity or Marketability Risk: 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. Money market securities, while relatively liquid, lack a well-developed secondary market, which may restrict the selling ability of the Portfolio(s) and may lead to the investment(s) incurring losses till the security is finally sold.
- Credit Risk: Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and / or interest payments on the security). Because of this risk corporate debt instruments are generally sold at a higher yield compared to similar tenor Government Securities which are sovereign obligations. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default.
- Investments in the unlisted Non-Convertible Debentures (NCDs) of the Companies are subject to price fluctuation on a daily basis. The volatility in the value of unlisted Non-Convertible Debentures (NCDs)

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

is due to various micro and macroeconomic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities.

- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The Portfolio Manager may choose to invest in unlisted securities that offer attractive yields. This may, however, increase the risk of the portfolio. Additionally, the liquidity and valuation of the portfolio investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.
- 5. Investors may note that Portfolio Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.
- 6. Past performance of the Portfolio Manager does not guarantee the future performance.
- 7. The services being offered do not in any manner indicate either the quality of the service or its future prospects and the returns.
- 8. Force Majeure: If, for reasons beyond the control of the Portfolio Manager, the performance of the portfolio is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Portfolio Manager, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Portfolio Manager may at its discretion and without obligation to do so, redeem the investment.

➤ **360 ONE Large Value Strategy Alternates PMS** (Managed by Mr. Nishant Vass)

i. Strategy: Multi-Asset

- ii. Investment objective:** The Customized Discretionary portfolio-Multi-asset is tailor-made to meet clients' specific objectives. The portfolios have client-specific investment objectives and risk control metrics.
Multi-asset: Investments may be made across equity, debt, real assets and other securities/schemes and asset classes and are customized to meet specific liquidity needs.

The Investment Approach may be launched in several series or tranches or folios depending on the availability of opportunities in the market.

There is a potential for intermediate exit, but the same can happen at the available quote from the market which may be less than the fair value of the security. In any case for intermediate exits, strategy returns may get impacted.

- iii. Description of types of securities:** Equity and equity related instruments, debt and debt related instruments including unlisted debt, securities issues by entities in real estate sector of India, and alternates asset instrument (including but not limited to currency derivatives, gold ETFs) and such other securities at the discretion of the Strategy Manager, as permissible under the SEBI Regulations.

iv. Basis of selection of such types of securities as part of the investment approach:

As per customized approaches offered to the investors.

Selection approach for equity/equity linked instruments and other permissible securities of companies would be based on key factors such as industry growth potential, competitive advantages, favourable valuations, any special situation activity and adherence to governance standards or any such parameters the Investment Manager may think fit.

Selection approach for debt instrument would be based on the credit profile of capital entity issuing debt instrument, liquidity of the instrument in the market, promoters of the capital entity which is issuing debt, leverage of the entity, regulations relating to investing in sector and industry.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

Further the portfolio manager may monitor risk reward favorability basis the complexity of the structure of debt instruments, i.e. plain vanilla or a more complex one. In case of the structure of the debt instrument is complex structure which may further invest into projects or other capital entities, this may yield a higher coupon. In such instruments, covenants of the securities and provisions in Investment memorandum, guarantees (plain vanilla, conditional) and letter of comforts, escrow accounts or reserve accounts for interest payment servicing may also be looked at for investing in the instruments.

Securities issues by entities in real estate sector of India - For security selection, the portfolio manager shall track commercial/residential real estate scenario. For a commercial real estate fund/security selection, quality of profile of tenants, area in the property for leasing, grade of the commercial property, quality of the commercial property in terms of construction and maintenance, connectivity and underlying leasing terms (lock-in, etc.) also shall be monitored for making real estate investments. For residential real estate fund/security selection, stage of project development, sales track record, execution record of the developer, collateral cover offered on securities, coupon structure on underlying securities, development rights on property, escrow mechanism for project cashflows, guarantees offered by promoters, etc. shall be considered.

Above are broad selection criteria and may differ for every underlying instrument at discretion of strategy manager.

v. Allocation of portfolio across types of securities:

Security	Allocation %*
Equity or equity related securities	Up to 100% of corpus
Debt & debt related instruments	Up to 100%
Securities issued by entities in real estate sector of India	Up to 100%
Any other Alternate Asset Instruments	Up to 100%

**The un-invested amounts forming part of the Client's Assets may be, at the discretion of the Portfolio Manager, held in cash or deployed in Liquid schemes of Mutual Funds, Exchange Traded Funds, Index Funds, debt-oriented schemes of Mutual Funds, Gilt schemes, Bank deposits and other short-term avenues for Investment.*

vi. Benchmark: NSE Multi Asset Index #1

This multi-asset benchmark will assist in closely tracking the performance of the multi strategy portfolios as the investment universe is similar in nature to the underlying constituents of the index, therefore providing a relevant index to compare performance against.

vii. Indicative tenure or investment horizon:

As per agreed customised investment approach.

viii. Risks associated with the investment approach.

- Investments in the equity shares of the Companies are subject to price fluctuation on daily basis. The volatility in the value of equity is due to various micro and macro-economic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities and consequently on the Net Asset Value of the Portfolio.
- Potential Loss of Principal: It is possible that the client may receive zero or negative return (loss of capital) over the Investment period.
- The value of the Portfolio investments, 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

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

- 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. Thus, there is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.
4. Investors may note that Portfolio Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.
 5. Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The Portfolio Manager may choose to invest in unlisted securities that offer attractive yields. This may, however, increase the risk of the portfolio. Additionally, the liquidity and valuation of the portfolio investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.
 6. Past performance of the Portfolio Manager does not guarantee the future performance.
 7. The name of the Strategy does not in any manner indicate either the quality of the Strategy or its future prospects and the returns.
 8. Force Majeure: If, for reasons beyond the control of the Portfolio Manager, the performance of the portfolio is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Portfolio Manager, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Portfolio Manager may at its discretion and without obligation to do so, redeem the investment.
 9. Basis the strategy opted, portfolio may consist of securities from companies/entities engaged in real estate sector. These Securities may not be listed therefore investors will not find an available market to sell these securities in case they require funds at an early date.
 10. Investment in securities of companies investing in real estate is subject to risk of fluctuations in real estate prices. Portfolio returns are dependent on real estate market. Investor could lose money if real estate prices go down at the time of maturity.
 11. Market Liquidity: There can be no assurance that the requirements of the market necessary to maintain the listing of Gold ETF will continue to be met or will remain unchanged. Gold ETF may suffer liquidity risk from domestic as well as international market.
 12. Demand-Supply mismatch – To the extent that demand for gold exceeds the available supply at that time, Authorized Participants may not be able to readily acquire sufficient amounts of gold necessary for the creation of a Basket. Market speculation in gold could result in increased requests for the issuances. It is possible that Authorized Participants may be unable to acquire sufficient gold that is acceptable for delivery for the issuance of new Baskets due to a limited then-available supply coupled with a surge in demand for the ETF units. In such circumstances, the AMC may suspend or restrict the issuance of Baskets. Such occurrence may lead to further volatility in the price and deviations, which may be significant, in the market price of the ETF units relative to the NAV.
 13. Market volatility – The gold market in general has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to factors such as gold's uses in jewellery, technology, and industrial applications, or cost and production levels in major gold-producing countries
 14. As and when investments are made in derivative instruments, there are risk factors and issues concerning the use of derivatives that the investors should understand. Derivative products are specialized instrument that require investment technique and risk analysis different from those associated with stocks. The use of derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivative requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price. There is a possibility that loss may be sustained by the Portfolio as a result of the failure of another party (usually referred as the "Counter party") to comply with the terms of the derivative contract.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

➤ **360 ONE Liquid Strategy PMS** (Managed by Mr. Nishant Vass):

- i. **Strategy:** Debt
- ii. **Investment objective:** The portfolio is designed for investors who wish to invest primarily in equities but are uncertain about short-term market movements and prefer not to commit all their funds to equities at once. These investors can start by investing in the Liquid Portfolio and gradually transfer funds to the equity PMS over time.
- iii. **Description of types of securities:** Investment in Liquid ETF / Overnight and Liquid Fund MF/ TREPS or any other money market and debt instruments with residual maturity up to 91 days (including floating rate debt instruments and securitized debt).
- iv. **Basis of selection of such types of securities as part of the investment approach:** To generate optimal returns consistent with moderate levels of risk and liquidity by investing in debt securities and money market securities.
- v. **Allocation of portfolio across types of securities:**

Instruments	Indicative Allocations (% of total assets)	
	Minimum	Maximum
Units of Liquid MF, Liquid ETF, Overnight MF	0%	100%
Money market and debt instruments with residual maturity up to 91 days (including floating rate debt instruments and securitized debt)	0%	100%

- vi. **Benchmark: CRISIL Composite Bond Fund Index**
The CRISIL Composite Bond Index benchmark is reflective of category of the scheme and is demonstrative of the investment style / strategy of the Fund Manager within the category.
- vii. **Indicative tenure or investment horizon:** Short-term temporary parking to invest systematically in Equity Investment approach (minimum of 1 week).
- viii. **Risks associated with the investment approach:**
 - a. **Market Risk:**
The Scheme's NAV will react to the interest rate movements. The Investor may lose money over short or long period due to fluctuation in Scheme's NAV in response to factors such as economic and political developments, changes in interest rates, inflation and other monetary factors and also movement in prices of underlining investments.
 - b. **Interest Rate Risk:**
Changes in interest rates will affect the Scheme's NAV. The prices of securities usually increase as interest rates decline and usually decrease as interest rates rise. The extent of fall or rise in the prices is guided by modified duration, which is a function of the existing coupon, days to maturity and increase or decrease in the level of interest rate. The new level of interest rate is determined by the rate at which the government raises new money and/or the price levels at which the market is already dealing in existing securities. Prices of long-term securities generally fluctuate more in response to interest rate changes than short-term securities. The price risk is low in the case of the floating rate or inflation-linked bonds. The price risk does not exist if the investment is made under a repo agreement. Debt markets, especially in developing markets like India, can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV. Modified Duration is a measure of price sensitivity, the change in the value of investment to a 1% change in the yield of the investment.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

c. 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.

d. Pre-payment Risk:

Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the fund to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the fund.

e. Spread Risk:

In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.

f. Credit Risk:

Credit Risk means that the issuer of a security may default on interest payments or even paying back the principal amount on maturity. (i.e. the issuer may be unable to make timely principal and interest payments on the security). Even where no default occurs, the prices of security may go down because the credit rating of an issuer goes down. It must be, however, noted that where the Scheme has invested in Government securities, there is no risk to that extent.

g. 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. Trading Volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such period may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. As liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Fund for redemption of units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme.

B. Non- Discretionary Portfolio Management Services

Presently following Non- Discretionary Portfolio Management approach(es) are being offered to the Investors.

➤ **Customised Non-Discretionary Portfolio** (Managed by Mr. Nishant Vass)

i) Strategy: Equity

ii) Investment objective: The investment objective is to generate long term capital appreciation for investors by constructing portfolios in line with client specific objectives and the desired asset allocation framework. Investments may be made across equity and equity related securities. Investment can also be made in liquid mutual fund schemes for the purpose of temporary deployment. The Client retains full discretion to invest or not invest in the securities recommended by the portfolio manager.

iii) Description of types of securities: Equity and equity related instruments and Liquid mutual fund schemes for the purpose of temporary deployment

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

iv) Basis of Selection of securities

Securities and actual allocation will be selected as per customised approaches offered to and approved by clients. Further, selection of securities shall be subject to internal and external analysis. Additionally, reliance shall also be placed on the SCDV framework while selecting securities.

v) Allocation of portfolio across types of securities:

Security	Allocation %
Equity & equity related instruments	Upto 100% of corpus
Liquid schemes of Mutual Funds	At the discretion of the portfolio manager

vi) Benchmark: BSE 500 TRI

BSE 500 TRI is a broad-based diversified index and its composition broadly represents the strategy's investment universe.

vii) Indicative tenure or investment horizon:

Recommended time horizon for effective portfolio returns as envisaged by the portfolio manager is at least 5 years

viii) Risks associated with the investment approach:

- a) Investments in the equity shares of the Companies are subject to price fluctuation on daily basis. The volatility in the value of equity is due to various micro and macro-economic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities and consequently on the Net Asset Value of the Portfolio.
- b) Potential Loss of Principal: It is possible that the client may receive zero or negative return (loss of capital) over the Investment period.
- c) The value of the Portfolio investments, 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. Thus, there is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.
- d) Investors may note that Portfolio Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.
- e) Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The Portfolio Manager may choose to invest in unlisted securities that offer attractive yields. This may, however, increase the risk of the portfolio. Additionally, the liquidity and valuation of the portfolio investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.
- f) Past performance of the Portfolio Manager does not guarantee the future performance.
- g) The name of the Strategy does not in any manner indicate either the quality of the Strategy or its future prospects and the returns.
- h) Force Majeure: If, for reasons beyond the control of the Portfolio Manager, the performance of the portfolio is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Portfolio Manager, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Portfolio Manager may at its discretion and without obligation to do so, redeem the investment.

6. Policy for utilisation of services

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

The Portfolio Manager may utilize the services of the Sponsor, Group Companies and / or any other subsidiary or associate company of the Sponsor established or to be established at a later date, in case such a company is in a position to provide requisite services to the Portfolio Manager. The Portfolio Manager will conduct its business with the aforesaid companies (including their employees or relatives) on commercial terms and on arm's length basis and at mutually agreed terms and conditions and to the extent permitted under SEBI Regulations after evaluation of the competitiveness of the pricing offered and the services to be provided by them.

7. Policy for investments in Associate Companies / Related Parties of the Portfolio Manager:

The Portfolio Manager may invest in shares, units of mutual funds, Alternative Investment Funds, debt, deposits and other financial instruments issued or managed by the Portfolio Manager or any of the group / Associate companies / related parties of the Portfolio Manager. Such investments shall be in accordance with the regulations and circulars issued by SEBI in this regard from time to time.

In accordance with Regulation 24(3A) of SEBI (PMS) Regulations read with SEBI circular dated August 26, 2022 and such other circulars / guidelines that may be issued from time to time, following limits / process shall be followed with respect to investments in Associate Companies / Related Parties:

- i) Portfolio Manager shall invest upto 30% of Clients asset under management in securities issued by Associate Companies / Related Parties.
- ii) The investments shall be made within the following limits specified by SEBI from time to time:

Type of securities	Limits for investment in single Associate / Related Party (as a percentage of Client's AUM)	Limit for investment across multiple Associates / Related Parties (as a percentage of Client's AUM)
(A) Equity securities	15%	25%
(B) Debt and hybrid* securities	15%	25%
(A) + (B)	30%	

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

- iii) The aforesaid limit shall be applicable only to direct investments by the Portfolio Manager in equity and debt / hybrid securities of its own Associate Company / Related party.
- iv) No investment shall be made in unrated debt securities of Associate companies / Related Parties.
- v) The limit stated above shall not be applicable for investments in mutual funds managed by any Associate Company / Related Party and /or itself by the Portfolio Manager.
- vi) Prior one-time consent shall be sought from the Clients by the Portfolio Manager for making any investment in securities issued by Associate Company / Related Party.
- vii) Any passive breach shall be rectified within a period of 90 days from the date of breach.
- viii) However, a client may provide prior positive consent to the Portfolio Manager for waiver from rebalancing of the portfolio to rectify any passive breach of investment limits.
- ix) Further, in line with the aforesaid circular, a client also has an option to specify a limit lower than the limits prescribed hereinabove.

The above limits shall not be applicable to clients availing only advisory services and client categories who in turn manage funds under government mandates and/or governed under specific Acts of state and/or parliament.

8. Details of investments in the securities of Associates/Related Parties of the Portfolio Manager

In accordance with Regulation 22 (4) (da) of the Regulations, details of investments in the securities of Associates and Related Parties of the Portfolio Manager are as follows:

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

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

			calendar quarter (INR in crores)	quarter (INR in crores)	previous calendar quarter**
-	-	-	-	-	-

.**Data as on November 30, 2024.

The Portfolio Manager shall ensure that in case of any material changes in the information provided in this section, the same is updated in this Disclosure Document and uploaded on the website of the Portfolio Manager within 7 days.

9. 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.

Policy approach

Portfolio Manager shall follow an approach of 'don't put all your eggs in one basket' and will endeavour to maintain a balanced mix of assets to diversify investments as per the investment objective and investment approach stated herein. This shall assist the Portfolio Manager to manage investment risk over a period of time.

In addition to the above, the Portfolio Manager has an investible universe of securities which is thoroughly backed by research and the portfolio construction shall be limited to the mentioned investment universe. Accordingly, it shall be ensured that appropriate diversification across securities is maintained as per scope permitted under the SEBI Regulations.

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.

Type of Securities where investments may be made by the Portfolio Manager under any of the abovementioned Services

- i. shares, scrips, stocks, bonds, debentures, debentures stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;
- ii. derivative(s);
- iii. units or any other instrument issued by any collective investment scheme;
- iv. security receipt as defined in clause (zg) of section 2 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
- v. Government securities;
- vi. units or any other such instrument issued to the investors under any scheme of mutual fund, Alternative Investment Fund, venture capital fund; However, the investment in units of Mutual funds is done only through Direct Plan.
- vii. Any certificate or instrument (by whatever name called), issued to any investor by any issuer being a special purposes distinct entity which possesses any debt or receivable, including mortgage debt, assigned to such entity, and acknowledging beneficial interest of such investor in such debt or receivable, including mortgage debt, as the case may be;
- viii. such other instruments as may be declared by the Central Government to be securities;
- ix. Rights or interest in securities;

The abovementioned securities are illustrative in nature. Investments can be made in various equity and equity related securities including convertible/non-convertible and/or cumulative/non-cumulative preference shares, convertible and/or cumulative/non-cumulative debentures, bonds and warrants carrying the right to obtain equity shares, units of mutual funds, units of alternative investment funds, ETFs and other eligible modes of investment as may permitted by the Regulations from time to time. The Portfolio Manager may from time to time invest the idle cash balance in units of Liquid Schemes of Mutual Funds. Investments can be made in listed, unlisted (as permissible under SEBI regulations), convertible, non-convertible, secured, unsecured, rated or unrated or of any maturity, and acquired through secondary market purchases, RBI auctions, open market sales conducted by RBI etc., Initial Public Offers (IPOs), other public offers,

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

bilateral offers, placements, rights, offers, negotiated deals, etc. The debt category will include all types of debt securities including but not limited to Securitised Debt, Pass Through Certificates, Debentures (fixed, floating, Variable Coupon, and equity index /stocks /stocks basket linked), Bonds, Government securities issued or guaranteed by Central or State Government, non-convertible part of partially convertible securities, corporate debt of both public and private sector undertakings, securities issued by banks (both public and private sector) and development financial institutions, bank fixed deposits, commercial papers, certificate of deposit, trade bills, treasury bills and other money market instruments, units of mutual funds, units of SEBI registered alternative investment funds & Venture Capital Funds, floating rate debt securities and fixed income derivatives like interest rate swaps, forward rate agreements etc. as may be permitted by the Act, Rules and/or Regulations, guidelines and notifications in force from time to time.

Following limits shall be followed with respect to investment in debt and hybrid securities:

- i) Portfolio Managers shall not invest Clients' funds in unrated securities of Associate Companies/Related Parties.
- ii) Under Discretionary Portfolio Management Services, no investment shall be made in below investment grade securities;
- iii) Under Non-Discretionary Portfolio Management Services, no investment shall be made in below investment grade listed securities. However, Portfolio Manager may invest upto 10% of Clients asset under management in unlisted, unrated debt and hybrid securities of issuers other than Associate Companies / Related Parties.

Such investment in unlisted, unrated debt and hybrid securities shall be within maximum limit of 25% for investment in unlisted securities as stated under Reg.24(4) of the Regulations.

- iv) Investments of clients' funds shall be basis credit rating as may be specified by SEBI from time to time.

The afore stated cap on investment in unlisted, unrated debt and hybrid securities does not apply to investments under advisory services and for client categories who in turn manage funds under government mandates and/or governed under specific acts or state and/or parliament.

All investments in debt & hybrid securities under all the strategies mentioned herein shall be in compliance with the aforementioned provisions and SEBI circulars issued in this regard from time to time.

Asset Classes for investment will always be subject to the scope of investments as may be agreed upon between the Portfolio Manager and the Client by way of any agreement, explicit or implied including this disclosure document, addenda thereof, other documents and communications in writing and emails duly authenticated and exchanged between the client and 360 ONE AMC.

10. Risk Factors:

General Risk Factors:

- A. Investments in securities are subject to market risks, which include price fluctuation risks. There is no assurance or guarantee that the objectives of any of the Portfolios will be achieved. The investments may not be suited to all categories of Investors.
- B. The past performance of the Portfolio Manager in any Portfolio is not indicative of the future performance in the same or in any other Portfolio either existing or that may be offered. Investors are not being offered any guaranteed or indicative returns through these services.
- C. The performance of the portfolio may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems in equity and debt markets.
- D. The performance in the equity portfolios may be adversely affected by the performance of individual companies, changes in the marketplace and industry specific and macro-economic factors.
- E. The performance of the assets of the Client may be adversely affected by the performance of individual securities, changes in the marketplace and industry specific and macro-economic factors. The investment strategies are given different names for convenience purpose and the names of the Strategies do not in any manner indicate their prospects or returns.
- F. The debt investments and other fixed income securities may be subject to interest rate risk, liquidity risk, credit risk, and reinvestment risk. Liquidity in these investments may be affected by trading volumes, settlement periods and transfer procedures.
- G. Investments in niche sectors run the risk of volatility, high valuation, obsolescence and low liquidity.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

- H. The Portfolio Manager may invest in non-publicly offered debt securities and unlisted equities, as permitted under the regulations. This may expose the client's portfolio to liquidity risks.
- I. Engaging in securities lending is subject to risks related to fluctuations in collateral value/settlement/liquidity/counter party.
- J. Portfolio services using derivative/ futures and options are affected by risk different from those associated with stock and bonds. Such investments are highly leveraged instruments and their use requires a high degree of skill, diligence and expertise. Small price movements in the underlying security may have a large impact on the value of derivatives and futures and options. Some of the risks relate to mispricing on the improper valuation of derivatives and futures and options and the inability to correlate the positions with underlying assets, rates and indices. Also, the derivatives and future and options market is nascent in India.
- K. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the Portfolio Services. All Portfolios under portfolio management are subject to change at any time at the discretion of the Portfolio Manager.
- L. Investment decisions made by the Portfolio Manager may not always be profitable.
- M. Investments made by the Portfolio Manager are subject to risks arising from the investment objective, investment strategy and asset allocation.
- N. The arrangement of pooling of funds from various clients and investing them in Securities could be construed as an 'Association of Persons' (AOP) in India under the provisions of the Income-tax Act, 1961 and taxed accordingly.
- O. In case of investments in schemes of Mutual Funds/Alternative Investment Funds & Venture Capital Funds, the Client shall bear the recurring expenses and performance fee, if any, of the Portfolio Management Services in addition to the expenses of the underlying schemes. Hence, the Client may receive lower pre-tax returns compared to what he may receive had he invested directly in the underlying schemes in the same proportions.
- P. After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be delay in deployment. In such situation the Clients may suffer opportunity loss.
- Q. The investment objectives of one or more of the investment profiles could result in concentration of a specific asset/asset class/sector/issuer etc., which could expose the clients' assets to risks arising out of non-diversification, including improper and/or undesired concentration of investment risks.
- R. The portfolio manager, its employees may purchase/ sell securities in ordinary course of business and in that manner, there may arise conflict of interest with transactions in any of the client's portfolio. Such conflict of interest shall be dealt with in accordance of the Conflict of Interest Policy of the Company

The Portfolio Manager may utilize the services of the group companies and / or any associate company established or to be established at a later date, in case such a company is in a position to provide requisite services to the Portfolio Manager. The Portfolio Manager will conduct its business with the aforesaid companies (including their employees or relatives) on commercial terms and on arm's length basis and at mutually agreed terms and conditions and to the extent permitted under SEBI Regulations after evaluation of the competitiveness of the pricing offered and the services to be provided by them.

- S. **Pandemics, Epidemics and Other Health Risks:** A pandemic, epidemic or other public health crisis could adversely impact Portfolio Manager and its portfolio companies. The same may have a material adverse impact on portfolio companies, local economies in the affected jurisdictions and also on the global economy, as cross-border commercial activity and market sentiment may get impacted by the outbreak. In addition to these developments having adverse consequences for the portfolio companies and other issuers in or through which the Client invests and the value of the Client's investments therein, the operations of the Portfolio Manager may be adversely impacted, including through quarantine measures, business closures and suspensions, travel restrictions and health issues impacting key personnel or service providers of Portfolio Manager. 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.

Such a situation may contribute to, volatility in financial markets. It has also had a material and negative impact on certain economic fundamentals and consumer confidence, and on many companies. No assurance can be given as to the long-term effect of these events on the value of the Client's investments. The impact of a public health crisis such as COVID-19 (or any future pandemic, epidemic or other outbreak of a contagious disease) is difficult to predict and presents material uncertainty and risk with respect to the performance of the Portfolio Manager.

Specific Risk Factors:

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

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

- **Market Risk**

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

- **Market Trading Risks**

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

Lack of Market Liquidity:

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

ETF may Trade at Prices other than NAV:

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

- **Regulatory Risk**

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

- **Asset Class Risk**

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

- **Performance Risk**

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

- **Interest Rate Risk**

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

- **Credit Risk**

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

- **Model Risk**

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

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

- **Investments in Derivative Instruments**

As and when investments are made in derivative instruments, there are risk factors and issues concerning the use of derivatives that the investors should understand. Derivative products are specialized instrument that require investment technique and risk analysis different from those associated with stocks. The use of derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivative requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price. There is a possibility that loss may be sustained by the Portfolio as a result of the failure of another party (usually referred as the “Counter party”) to comply with the terms of the derivative contract. However, 360 ONE AMC shall not leverage the portfolio for investment in derivatives. Other risks in using derivatives include but are not limited to:

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

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

(c) Model Risk is the risk of mis-pricing or improper valuation of derivatives.

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

- **Illiquidity Risk**

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

- **Zero Return Risk**

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

- **Redemption Risk**

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

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

- **Risk of Real Estate investment**

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

Risk Factors associated with investments in Liquid Funds:

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

Specific Risk factors & Disclosures pertinent to Structured Notes & Securitised debt instruments

- Presently, secondary market for such securitised papers is not very liquid. There is no assurance that a deep secondary market will develop for such securities. This could limit the ability of the investments to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.
- Securitized transactions are normally backed by pool of receivables and credit enhancement as stipulated by the rating agency, which differ from issue to issue. The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and there is no obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the investor payouts may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay his obligation, the Seller may repossess and sell the underlying Asset. However, many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.
- The Structured Notes like the Index linked securities, in which funds are proposed to be invested in, are high risk instruments. A small movement in returns generated by the underlying index could have a large impact on their value and may also result in a loss.
- The Issuer of equity index linked securities or any of its Agents, from time to time may have long or short positions or make markets including in NIFTY indices, futures and options (hereinafter referred to as "Reference Assets") (and other similar assets), they may act as an underwriter or distributor of similar instruments, the returns on which or performance of which, may be at variance with or asymmetrical to those on the securities, and they may engage in other public and private financial transactions (including the purchase of privately placed investments or securities or other assets). The foregoing activities of "The Issuer of index linked securities" or any of its Agents and related markets (such as the foreign exchange market) may affect the value of the securities. In particular, the value of the securities could be adversely impacted by a movement in the Reference Assets, or activities in related markets, including by any acts or inactions of "The Issuer of index linked securities" or any of its Agents;
- The equity Index linked securities, even after being listed, may not be marketable or may not have a market at all;
- The returns on the Structured securities, primarily are linked to the Nifty 50 Index and/or any other equity benchmark as the Reference Asset, and even otherwise, may be lower than prevalent market interest rates or even be nil or negative depending entirely on the movement in the underlying index and futures values as also that over the life of the securities (including the amount if any, payable on maturity, redemption, sale or disposition of the securities) the security holder may receive no income/return at all or negative income/return on the security, or less income/return than the security-holder may have expected, or obtained by investing elsewhere or in similar investments.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

- g. The return on investment in securities would depend on the prevailing market conditions, both domestically as well as internationally. The returns mentioned in the term sheets are indicative and may or may not accrue to an investor accordingly.
- h. In equity index linked securities, in the event of any discretions to be exercised, in relation to method and manner of any of the computations including due to any disruptions in any of the financial markets or if for any other reason, the calculations cannot be made as per the method and manner originally stipulated or referred to or implied, such alternative methods or approach shall be used as deemed fit by the issuer and may include the use of estimates and approximations. All such computations shall be valid and binding on the investor, and no liability there for will attach to the issuer of equity index linked securities / AMC.
- i. There is a risk of receiving lower than expected or negligible returns or returns lower than the initial investment amount in respect of such equity index linked securities over the life and/or part thereof or upon maturity, of the securities.
- j. At any time during the life of such securities, the value of the securities may be substantially less than its redemption value. Further, the price of the securities may go down in case the credit rating of the Company or issuer goes down.
- k. The securities and the return and/or maturity proceeds hereon, are not guaranteed or insured in any manner by the Issuer of equity index linked securities.
- l. The Issuer of equity index linked securities or any person acting on behalf of the Issuer of equity index linked securities, may have an interest/position as regards the Portfolio Manager and/or may have an existing banking relationship, financial, advisory or other relationship with them and/or may be in negotiation/discussion with them as to transactions of any kind.
- m. The Issuer of equity index linked securities or any of its Agents, have the legal ability to invest in the units offered herein and such investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the investor, and/or its assets.

11. Client Representation:

(i) Details of clientele and funds managed

As on November 30, 2024

Category of clients	No. of Accounts	Funds managed (Rs. Crores) in Discretionary Services	Funds managed (Rs. Crores) in Non-Discretionary Services
Associates/group companies	-	-	-
Others			
Individual	6189	5,568.44	-
Corporate	414	20,009.76	-
Total	6,603	25,578.20	-

As on March 31, 2024

Category of clients	No. of Accounts	Funds managed (Rs. Crores) in Discretionary Services	Funds managed (Rs. Crores) in Non-Discretionary Services
Associates/group companies	-	-	-
Others			

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

Individual	6,603	4,844.94	-
Corporate	418	14,037.93	-
Total	7021	18,882.87	-

As on March 31, 2023

Category of clients	No. of Accounts	Funds managed (Rs. Crores) In Discretionary Services	Funds managed (Rs. Crores) In Non-Discretionary Services
Associates/group companies	-	-	0
Others			
Individual	7,042	4,144.99	0
Corporate	458	10,932.19	0
Total	7500	15,077.18	0

As on March 31, 2022

Category of clients	No. of Accounts	Funds managed (Rs. Crores) In Discretionary Services	Funds managed (Rs. Crores) In Non-Discretionary Services
Associates/group companies	0	0	0
Others			
Individual	7126	4558.76	0
Corporate	444	10038.26	0
Total	7570	14597.02	0

(ii) Disclosure in respect of transactions with related parties pertaining by the Portfolio Manager as per audited Balance sheet as on March 31, 2024

a. List of Related Parties:

Nature of relationship	Name of party
Director/ Key Managerial Personnel	Mr. Anup Maheshwari, Whole-Time Director
	Mr. Karan Bhagat, Non-Executive Director
	Mr. Kumar Sharadindu, Independent Non-Executive Director
	Mr. Ravi Sethurathnam, Independent Non-Executive Director
	Ms. Geeta Mathur, Non- Executive and Non-Independent Director (Appointed on September 28, 2023)
	Mr. Anil Kaul, Independent Non-Executive Director (Appointed on October 28, 2023)
	Ms. Anita Pai, Independent Non-Executive Director (Appointed on January 16, 2024)
	Ms. Priya Biswas, Chief Financial Officer
	Mr. Chinmay Joshi, Company Secretary

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

Holding Company	360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited)
Fellow Subsidiaries	360 ONE Prime Limited (Formerly known as IIFL Wealth Prime Limited)
	360 ONE Investment Adviser and Trustee Services Limited (Formerly known as IIFL Investment Adviser and Trustee Services Limited)
	360 ONE Asset Trustee Limited (Formerly known as IIFL Trustee Limited)
	360 ONE IFSC Limited (Formerly known as IIFL Wealth Securities IFSC Limited)
	360 ONE Portfolio Managers Limited (Formerly known as IIFL Wealth Portfolio Managers Limited)
	360 ONE Distribution Services Limited (Formerly known as IIFL Wealth Distribution Services Limited)
	360 One Foundation (Formerly known as IIFLW CSR Foundation)
	MAVM Angels Network Private Limited (w.e.f. November 15, 2022)
	360 ONE Alternates Asset Management Limited (w.e.f. October 31, 2023)
	360 ONE Private Wealth (Dubai) Private Limited (Formerly known as IIFL Private Wealth Management (Dubai) Limited)
	360 ONE INC. (Formerly known as IIFL Inc.)
	360 ONE Asset Management (Mauritius) Limited (Formerly known as IIFL Asset Management (Mauritius) Limited)
	360 ONE Capital Pte. Limited (Formerly known as IIFL Capital Pte. Limited)
	360 ONE Capital (Canada) Limited (Formerly known as IIFL Capital (Canada) Limited)
Other Related Parties*	IIFL Securities Limited

* The above list includes related parties with whom the transactions have been carried out during the year.

b. Significant Transactions with Related Parties: (₹ Crore)

Nature of Transaction	Director/Key Managerial Person	Holding Company	Fellow Subsidiaries	Other Related Parties	Total
<u>Purchase of Investment</u>					
360 ONE Prime Limited (Formerly known as IIFL Wealth Prime Limited)	-	-	-	-	-
	-	-	(8.21)	-	(8.21)
<u>Sale of Investments</u>					
360 ONE Portfolio Managers Limited (Formerly IIFL Wealth Portfolio Managers Limited)	-	-	-	-	-
	-	-	(31.77)	-	(31.77)
360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited)	-	-	-	-	-
	-	(15.88)	-	-	(15.88)
<u>Dividend Paid</u>					-
360 ONE WAM Limited (Formerly known as IIFL	-	199.98	-	-	199.98

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

Wealth Management Limited)	-	(261.93)	-	-	(261.93)
ICD Taken					-
360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited)	-	483.00	-	-	483.00
	-	(347.00)	-	-	(347.00)
360 ONE Prime Limited (Formerly known as IIFL Wealth Prime Limited)	-	-	123.00	-	123.00
	-	-	(150.00)	-	(150.00)
ICD Repaid					-
360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited)	-	437.00	-	-	437.00
	-	(326.00)	-	-	(326.00)
360 ONE Prime Limited (Formerly known as IIFL Wealth Prime Limited)	-	-	123.00	-	123.00
	-	-	(150.00)	-	(150.00)

Nature of Transaction	Director/Key Managerial Person	Holding Company	Fellow Subsidiaries	Other Related Parties	Total
Interest Expenses					-
360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited)	-	4.84	-	-	4.84
	-	(1.28)	-	-	(1.28)
360 ONE Prime Limited (Formerly known as IIFL Wealth Prime Limited)	-	-	0.90	-	0.90
	-	-	(0.08)	-	(0.08)
Fees/Expenses incurred/Reimbursed For Services Procured					-
IIFL Securities Limited	-	-	-	8.91	8.91
	-	-	-	(16.94)	(16.94)
360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited)	-	3.45	-	-	3.45
	-	(3.08)	-	-	(3.08)
360 ONE Distribution Services Limited (Formerly known as IIFL Wealth Distribution Services Limited)	-	-	17.74	-	17.74
	-	-	(24.02)	-	(24.02)
360 ONE Private Wealth (Dubai) Limited (Formerly	-	-	2.74	-	2.74

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

IIFL Private Wealth Management (Dubai) Limited)	-	-	(0.63)		(0.63)
360 ONE Capital Pte Limited (Formerly known as IIFL Capital Pte Limited)	-	-	5.27	-	5.27
	-	-	(7.48)	-	(7.48)
<u>Corporate Social Responsibility Expenses</u>					
360 ONE Foundation (Formerly IIFLW CSR Foundation)	-	-	4.23	-	4.23
	-	-	(2.64)	-	(2.64)
<u>Fees Earned including Brokerage for services rendered</u>					
360 ONE Portfolio Managers Limited (Formerly IIFL Wealth Portfolio Managers Limited)	-	-	1.22	-	1.22
	-	-	(3.00)	-	(3.00)
<u>Allocation / Reimbursement of expenses Paid</u>					
360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited) (Refer Note 31)	-	1.66	-	-	1.66
	-	(2.20)	-	-	(2.20)
<u>Allocation / Reimbursement of expenses Received</u>					
<u>Other funds received</u>					
360 ONE Distribution Services Limited (Formerly known as IIFL Wealth Distribution Services Limited)	-	-	-	-	-
	-	-	(0.22)	-	(0.22)
360 ONE Investment Adviser and Trustee Services Limited (Formerly known as IIFL Investment Adviser and Trustee Services Limited)	-	-	0.03	-	0.03
	-	-	-	-	-
360 ONE Prime Limited (Formerly known as IIFL Wealth Prime Limited)	-	-	-	-	-
	-	-	(0.06)	-	(0.06)
360 ONE Portfolio Managers Limited (Formerly IIFL Wealth Portfolio Managers Limited)	-	-	0.03	-	0.03
	-	-	(0.04)	-	(0.04)
360 ONE Asset Trustee Limited (Formerly IIFL Trustee Limited)	-	-	0.04	-	0.04
	-	-	(0.04)	-	(0.04)

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

Nature of Transaction	Director/Key Managerial Person	Holding Company	Fellow Subsidiaries	Other Related Parties	Total
Other funds Paid					
360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited)	-	9.73	-	-	9.73
	-	(6.35)	-	-	(6.35)
360 ONE Distribution Services Limited (Formerly known as IIFL Wealth Distribution Services Limited)	-	-	-	-	-
	-	-	(0.10)	-	(0.10)
360 ONE Prime Limited (Formerly known as IIFL Wealth Prime Limited)	-	-	0.01	-	0.01
	-	-	(0.18)	-	(0.18)

(₹
Crore)

(c) Amount due to / from related parties (Closing Balances):

Nature of Transaction	Key Managerial Person	Holding Company	Fellow Subsidiaries	Other Related Parties	Total
Sundry payables					
IIFL Securities Limited	-	-	-	-	-
	-	-	-	(0.08)	(0.08)
	-	-	-	-	-
360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited)	-	2.16	-	-	2.16
	-	(2.39)	-	-	(2.39)
360 ONE Distribution Services Limited (Formerly known as IIFL Wealth Distribution Services Limited)	-	-	5.32	-	5.32
	-	-	(7.40)	-	(7.40)
360 ONE Capital Pte Limited (Formerly known as IIFL Capital Pte Limited)	-	-	1.26	-	1.26
	-	-	(1.86)	-	(1.86)
360 ONE Prime Limited (Formerly known as IIFL Wealth Prime Limited)	-	-	-	-	-
	-	-	(0.00#)	-	(0.00#)
360 ONE Private Wealth (Dubai) Limited (Formerly IIFL Private Wealth Management (Dubai) Limited)	-	-	-	-	-
	-	-	(0.32)	-	(0.32)
Sundry receivables					
	-	-	0.00#	-	-

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

360 ONE Asset Trustee Limited (Formerly IIFL Trustee Limited)	-	-	(0.00#)	-	(0.00#)
360 ONE Portfolio Managers Limited (Formerly IIFL Wealth Portfolio Managers Limited)	-	-	0.25	-	0.25
	-	-	(0.50)	-	(0.50)
ICD Taken:					
360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited)*	-	117.00	-	-	117.00
	-	(71.00)	-	-	(71.00)

12. Financial performance of Portfolio Manager based on audited financial statements for the immediately preceding three years

Particulars	For the Financial year ended March 31, 2024	For the Financial year ended March 31, 2023	For the Financial year ended March 31, 2022
	(Rs. in Crore)	(Rs. in Crore)	(Rs. in Crore)
Revenue from Operations	284.83	253.04	432.73
Profit before tax	148.8	167.22	222.34
Less: Tax Expenses	33.89	41.65	57.4
Profit/(Loss) after tax	114.91	125.57	164.94

Note : Amount for FY 23-24 after considering the impact of sale of Category I and Category II and Co-PMS business to 360 ONE Alternates Asset Management Limited.

13. Portfolio Management Performance:

Discretionary Services - Portfolio Management Services commenced in the month of December 2014. Please find enclosed as **Annexure B*** the Portfolio Performance for the period ended November 30, 2024.

**Performance calculated based on TWRR method.*

Non-Discretionary Services - In the non-discretionary services, the final decision of investment rests with the client. The clients determine which securities to invest into as well as the asset allocation within the overall investment amount under the PMS. The performance of the Portfolio Managers does not depend merely on the Portfolio Manager but also on the decision by the client in this regard. Considering the nature of services, the performance record of the Portfolio Manager has not been computed.

14. Audit Observations

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

15. Nature of Costs and Expenses for Clients:

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

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

- a. **Management Fees:** Professional charges relate to the Portfolio management services offered to clients. The fee may be a fixed charge or a percentage of the quantum of funds managed and may be return based or a combination of any of these. Return based fees shall be calculated on “High Water Mark Principle”.
- b. **Custodian/Depository Fees:** The charges relating to opening and operation of dematerialized accounts, custody and transfer charges for shares, bonds and units, dematerialization, rematerialisation and other charges in connection with the operation and management of the depository accounts.
- c. **Registrar and transfer agent fee:** Charges payable to registrars and transfer agents in connection with effecting transfer of securities and bonds including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges.
- d. **Brokerage and transaction costs:** The brokerage charges and other charges like service charge, stamp duty, transaction costs, turnover tax, exit and entry loads on the purchase and sale of shares, stocks, bonds, debt, deposits, units and other financial instruments.
- e. **Certification and professional charges:** Charges payable for outsourced professional services like accounting, taxation and legal services, notarizations etc. for certifications, attestations required by bankers or regulatory authorities.
- f. **Incidental Expenses:** Charges in connection with the courier expenses, stamp duty, service tax, depository charges, postal, telegraphic, opening and operation of bank accounts etc.
- g. **Other charges:** As may be mutually agreed between client and Portfolio Manager.

Manner of payment:

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

EXPENSES FOR CLIENTS

Particulars	Charges	Remarks
Management fee	Fixed Fee: Upto 2.50% p.a.	
	Performance Linked Fee as permitted under the Regulations upto 30% of returns	
Operating Expenses*	Up to 0.50% Per Annum of client’s daily average AUM	Charged at actual basis
Brokerage & Transaction costs	At actuals	As applicable from time to time

*Operating expenses include Custody Charges, Audit charges etc and are charged at actual.

16. Taxation:

Income Tax

v) General:

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

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

vi) Tax Rates:

The rates specified in this section pertain to the financial year ('FY') 2024-25 as per the Finance (No. 2) Act, 2024. The below mentioned rates are exclusive of surcharge and health and education cess as applicable.

2.1. Tax rates for specific type of assesses are as below:

Taxpayer	% of Income Tax
Individuals, Hindu Undivided Family ('HUF'), Association of Persons ('AOP'), Body of Individuals ('BOI'), artificial juridical person ('AJP')	Applicable slab rates
Domestic Companies (Old Regime):	
Turnover/gross receipt < INR 400 crores in FY 2022-23	25%
Turnover/gross receipt > INR 400 crores in FY 2022-23	30%
Partnership Firms / Limited Liability Partnership ('LLP')	30%
Foreign Company	35%

Note: The tax rates for domestic companies exercising the option under section 115BAA and section 115BAB (new regime) of the IT Act shall be 22% and 15% respectively, subject to fulfilment of the prescribed conditions.

2.2. The slab rates for individuals / HUF / AOP / BOI / AJP as per Section 115BAC (new regime) are as follows, which should be computed without claiming the specified deductions / exemptions:

Income tax slabs	Rates of Income tax
Upto INR 300,000	Nil
INR 300,001 - INR 700,000	5%
INR 700,001 - INR 1,000,000	10%
INR 1,000,001 - INR 1,200,000	15%
INR 1,200,001 - INR 1,500,000	20%
Above INR 1,500,000	30%

Alternatively, in case individuals / HUF / AOP / BOI / AJP opts for old regime of taxation, following shall be the applicable tax rates:

Income-tax Slabs	Rates of Income tax
Up to INR 2,50,000	Nil
From INR 2,50,001 to INR 5,00,000	5%
From INR 5,00,001 to INR 10,00,000	20%
INR 10,00,001 and above	30%

Notes:

- As per the provisions of section 87A of the IT Act, an individual resident is entitled to a tax rebate of INR 12,500 or 100% of income-tax, whichever is less (under old regime). The rebate shall be available to individual taxpayers having total income upto INR 5,00,000. However, for assessee chargeable to tax under section 115BAC(1A) of the IT Act (i.e., new regime), rebate should be to the extent of INR 25,000 where total income does not exceed INR 7,00,000.
- In the case of a resident individual of the age of 60 years or more but less than 80 years, the basic exemption limit is INR. 3,00,000 under old regime.
- In the case of a resident individual of the age of 80 years or more, the basic exemption limit is INR. 5,00,000 under old regime.
- Surcharge on income-tax is applicable as stated in para 2.3 below. Additionally, health and education cess, at the rate of 4% is leviable on the aggregate of income-tax and surcharge.

2.3. Surcharge rates for Individual, HUF, AOP, BOI and AJP are provided below:

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

Income Bracket	Surcharge* rate as a % of income-tax
If income is up to INR 50 lakhs	0%
If income is more than INR 50 lakhs but does not exceed INR 1 Crore	10%
If income exceeds INR 1 Crore but does not exceed INR 2 Crores	15%
If income exceeds INR 2 Crores but does not exceed INR 5 Crores	25%
If income exceeds INR 5 crores	37%

*It may be noted that in case the total income includes any income referred to in section 111A or section 112 or section 112A of the IT Act or dividend income from shares, surcharge on such income shall not exceed 15%. Further, for assesses who chargeable to tax under section 115BAC(1A) of the IT Act (new regime), maximum surcharge is 25%.

Type of Investor	Surcharge* rate as a % of income-tax		
	If income does not exceed INR 1 crore	If income exceeds INR 1 crore but does not exceed INR 10 crore	If income exceeds INR 10 crore
Partnership firm / LLP	Nil	12%	12%
Domestic Company (not exercising the option under section 115BAA or section 115BAB of the IT Act) (refer Note 1)	Nil	7%	12%
Foreign Company	Nil	2%	5%

Note: For a Domestic Company exercising the option under section 115BAA / section 115BAB of the IT Act, the rate of surcharge shall be 10% of the income-tax.

Additionally, health and education cess, at the rate of 4% is leviable on the aggregate of income-tax and surcharge.

vii) Tax deduction at source:

If any tax is required to be withheld on account of any present or future legislation, the Portfolio Manager will be obliged to act in this regard. The income-tax provisions provide that where a recipient of income (which is subject to withholding tax) does not have a Permanent Account Number, then tax is required to be deducted by the payer at higher of the following i.e. rates specified in relevant provisions of the IT Act, or rates in force or at 20%.

viii) Advance tax instalment obligations:

It will be the responsibility of the Client to meet the advance tax obligation instalments payable on the due dates prescribed under the IT Act.

ix) Tax implications for the Investors:

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

- Dividend income on shares;
- Income distributed by Mutual Funds;
- Interest income on debt securities; and
- Gains on sale of securities; or
- Buy-back of securities held in companies.

5.1. Dividend income on shares

Dividend income from shares should be taxable in the hands of the shareholders under section 56 of the IT Act under at the applicable rates [i.e. as per the rates mentioned in paragraphs 2.1 & 2.2 above for residents and at

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

the rate of 20% (plus surcharge and health and education cess) for non-residents (subject to treaty benefits, if any)]. Further, for resident investors, interest expenditure, if any incurred, upto 20% of the dividend income should be allowed as a deduction from the dividend income as per section 57 of the IT Act.

Further, the Indian company declaring dividend would be required to deduct tax at 10% (in case of payment to resident investors) and at rates in force (in case of payment to non-resident investors), subject to certain exceptions.

Additionally, as per Section 80M of the IT Act, in case any shareholder is a domestic companies ('recipient companies') which in turn distribute dividends on or before the specified date, a deduction of dividend received from domestic companies, foreign companies and business trusts to the extent of dividend distributed will be available to the recipient companies while computing their taxable income.

5.2. Income distributed by Mutual Funds.

Dividend shall be taxable in the hands of the investors at the applicable tax rates [i.e. at the rates specified in paragraphs 2.1 & 2.2 above above for residents and at the rate of 20% (plus surcharge and health and education cess) for non-residents (subject to treaty benefits, if any)] for units purchased in foreign currency. Further, for resident investors interest expenditure up to 20% of the dividend income shall be allowable as a deduction from the dividend income.

However, the mutual fund distributing such dividend would be required to deduct tax at source at the rate of 10% (in case of payment to resident investors) and at rates in force (in case of payment to non-resident investors), subject to certain exceptions.

5.3. Interest income on debt securities

Interest income arising on securities could be characterised as 'Income from Other Sources' or 'business income' depending on facts of the case. In either case, interest income should be subject to tax as per the rates mentioned in paragraphs 2.1 & 2.2 above . In case of non-resident investors, the said rates are subject to the availability of beneficial provisions under the relevant tax treaty, if any.

Any expenses incurred to earn such interest income should be available as deduction, subject to the provisions of the IT Act.

5.4. Gains on sale of securities

Income arising from the purchase and sale of securities can give rise to either capital gains or business income in the hands of the investor. The issue of characterisation of income is relevant as the income tax computation and rates differ in the two situations.

The characterisation is essentially a question of fact and depends on whether the shares are held as business/trading assets or as capital assets.

The Central Board of Direct Taxes ('CBDT') has issued a circular¹ which deals with listed shares/ securities which states that:

- Where the assessee opts to treat the listed shares/ securities as stock-in-trade, the income arising from the transfer of such listed shares/ securities would be treated as business income.
- If the assessee desires to treat the gains arising from transfer of listed shares/ securities held for a period of more than 12 months as capital gains, the same shall not be put to dispute by the Assessing Officer.

The aforementioned circular shall not apply in a case where the genuineness of the transaction itself is questionable.

¹ Circular no. 6/ 2016 dated February 29, 2016

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

The CBDT has issued a letter² on characterisation of income from transfer of unlisted shares. As per the letter, income arising from transfer of unlisted shares would be taxable under the head 'Capital Gains', irrespective of the period of holding. However, it would not be necessarily applied in the situations where:

- the genuineness of the transactions in unlisted shares itself is questionable; or
- the transfer of unlisted shares is related to an issue pertaining to lifting of corporate veil; or
- the transfer of unlisted shares is made along with the control and management of underlying business.

Investors may also refer to CBDT instruction no. 1827 dated August 31, 1989 read with CBDT Circular no. 4 dated June 15, 2007 for further guidance on this matter.

5.4.1. Gains characterised as capital gains

The IT Act provides for a specific mechanism for computation of capital gains. Capital gains are computed by deducting cost of acquisition and expenses in relation to the transfer from the sale consideration. The tax payable on capital gains depends on the period of holding of the asset. The taxability of capital gains is discussed below:

Type of instrument	Transfers from 1 st April 2024 to 22 nd July 2024		Transfers from 23 rd July 2024 to 31 st March 2025	
	Period of holding	Characterization	Period of holding	Characterization
Listed equity shares and units of equity oriented Mutual Funds	More than 12 months	Long-term Capital Asset	More than 12 months	Long-term Capital Asset
	12 months or less	Short-term Capital Asset	12 months or less	Short-term Capital Asset
Unlisted shares of a company	More than 24 months	Long-term Capital Asset	More than 24 months	Long-term Capital Asset
	24 months or less	Short-term Capital Asset	24 months or less	Short-term Capital Asset
Specified Mutual Fund and Market Linked Debenture	Irrespective of holding period	Short-term Capital Asset	Irrespective of holding period	Short-term Capital Asset
Unlisted bonds and debentures	More than 36 months	Long-term Capital Asset	Irrespective of holding period	Short-term Capital Asset
	36 months or less	Short-term Capital Asset		
Listed Bonds and Debentures	More than 12 months	Long-term Capital Asset	More than 12 months	Long-term Capital Asset
	12 months or less	Short-term Capital Asset	12 months or less	Short-term Capital Asset

Definition of Specified Mutual Fund:

Before 1st April 2025

"Specified Mutual Fund" means a Mutual Fund by whatever name called, where not more than thirty-five per cent of its total proceeds is invested in the equity shares of domestic companies:

On and after 1st April 2025

"Specified Mutual Fund" means, —

(a) a Mutual Fund by whatever name called, which invests more than sixty-five per cent. of its total proceeds in debt and money market instruments; or

(b) a fund which invests sixty-five per cent. or more of its total proceeds in units of a fund referred to in sub-clause (a)

Definition of debt and money market instruments:

² Letter F.No.225/12/2016/ITA.II dated May 2, 2016

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

“debt and money market instruments” shall include any securities, by whatever name called, classified or regulated as debt and money market instruments by the Securities and Exchange Board of India.’.

Definition of Market Linked Debenture:

“Market Linked Debenture” means a security by whatever name called, which has an underlying principal component in the form of a debt security and where the returns are linked to the market returns on other underlying securities or indices, and includes any security classified or regulated as a market linked debenture by SEBI.

Taxability of capital gains under the IT Act (without considering the benefits under the tax treaties for non-resident investors) should be as follows:

Type of instrument	Transactions before 23 rd July 2024			Transactions on or after 23 rd July 2024		
	Resident	Non-resident	FPI	Resident	Non-resident	FPI
Listed equity shares and units of equity oriented Mutual Funds						
Long-term	10%	10%	10%	12.5%	12.5%	12.5%
Short-term	15%	15%	15%	20%	20%	20%
Unlisted shares of a company						
Long-term	20% with indexation	10%	10%	12.5%	12.5%	10%
Short-term	Applicable tax rate	Applicable tax rate	30%	Applicable tax rate	Applicable tax rate	30%
Specified Mutual Fund and Market Linked Debenture						
Always short-term	Applicable tax rate	Applicable tax rate	30%	Applicable tax rate	Applicable tax rate	30%
Listed Bonds and Debentures						
Long-term	10%	10%	10%	12.5%	12.5%	10%
Short-term	Applicable tax rate	Applicable tax rate	30%	Applicable tax rate	Applicable tax rate	30%
Unlisted Bonds and Debentures						
Long-term	20%	20%	10%	Applicable tax rate	Applicable tax rate	30%
Short-term	Applicable tax rate	Applicable tax rate	30%			

Notes:

- For applicable tax rate refer to para 2.1 to 2.3 above.
- The cost of acquisition of listed equity shares or units of an equity oriented mutual funds acquired before 1 February 2018, shall be higher of:
 - the actual cost of acquisition; and
 - Lower of:
 - Fair market value as on 31 January 2018, determined in the prescribed manner; and
 - Value of consideration received or accruing upon transfer.
- As per section 50CA of the IT Act, where the consideration received or accruing on account of transfer of unlisted shares is less than the fair market value of such share, determined in the prescribed manner, the fair value as determined should be deemed to be the full value of consideration for the purpose of computing capital gains.
- No foreign exchange benefit is available to non-residents and FPI.

5.4.2. Gains are characterised as ‘Business income’

In case the gains are characterized as business income, then the same would be subject to tax as per the rates mentioned in paragraphs 2.1 & 2.2 above.

5.4.3. Proceeds on buy-back of shares by company

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

For buybacks that are carried out before 1st October 2024, as per the section 10(34A) of the IT Act, gains arising on buy-back of shares (including shares listed on a recognised stock exchange) are exempt in the hands of investors. However, as per section 115QA of the IT Act, a tax at the rate of 20% (plus applicable surcharge and health and education cess) is payable by an Indian company on distribution of income by way of buy-back of its shares if the buy-back is in accordance with the provisions of the Companies Act. Such distribution tax is payable on the difference between consideration paid by such Indian company for the purchase of its own shares and the amount that was received by the Indian investee company at the time of issue of such shares, determined in the manner prescribed. In this regard, Rule 40BB of IT Rules provide for mechanism for determining the amount received by the Indian company in respect of issue of shares.

For buy-backs that are carried out on or after 1st October 2024, the amount paid by a domestic company on buy-back of shares should be taxed as deemed dividend in the hands of the shareholders. The cost of acquisition of the bought back shares should be treated as Capital Loss in the hands of the shareholder. The shareholder will be eligible to set off the capital loss (equivalent to the cost of acquisition of shares) generated on such buy-back against capital gains earned, in accordance with the provisions of the Act.

x) Other tax considerations

6.1. Foreign Portfolio Investors ('FPI')

As per section 2(14) of the IT Act, any investment in securities made by FPIs in accordance with the regulations made under the Securities and Exchange Board of India is treated as a capital asset. Consequently, any income arising from transfer of securities by FPIs are to be treated as capital gains.

Under section 115AD of the IT Act, long-term capital gains arising from transfer of securities shall be taxable at the rates mentioned in paragraph para 5.4 above.

As per section 196D of the IT Act, no deduction of tax shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD, payable to a FPI.

Under section 115AD of the IT Act, interest income received by FPIs should be taxable at 20% plus applicable Surcharge and Health and Education cess. However, interest referred to in section 194LD of the IT Act should be taxable at 5% plus applicable Surcharge and Health and Education cess, subject to fulfilment of conditions.

6.2. Non-resident investors (including FPI):

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

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

Section 6 of the IT Act was amended by the Finance Act, 2015 to provide that a foreign company should be treated as a tax resident in India if its place of effective management ('POEM') is in India in that year. The Finance Act, 2016 provided that the said amended provisions are effective from 1 April 2017. 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.

The CBDT had *vide* its Circular dated 24 January 2017, issued guiding principles for determination of POEM of a Company. The CBDT had *vide* circular dated 23 February 2017, clarified that provisions of Sec 6(3)(ii) relating to POEM would not apply to companies having turnover or gross receipts less than or equal to INR 50 crores during the Financial Year.

As per section 90(2) of the IT Act, the provisions of the IT Act would apply to the extent they are more beneficial than the provisions of the Double Taxation Avoidance Agreement ('Treaty') between India and the country of residence of the non-resident investor (subject to GAAR provisions discussed below). However, no assurance can be provided that

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

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

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

6.3. STT:

STT is applicable on various transactions executed on stock exchanges as follows:

- (a) 0.10% on the purchase of equity shares in a company on a recognised stock exchange in India where the contract for purchase is settled by the actual delivery or transfer of shares;
- (b) 0.10% on the sale of equity shares in a company on a recognised stock exchange in India where the contract for sale is settled by the actual delivery or transfer of shares;
- (c) 0.001% on the sale of units of equity oriented funds on a recognised stock exchange in India where the contract for sale is settled by the actual delivery or transfer of units
- (d) 0.025% on the sale of equity shares in a company or units of equity oriented funds on a recognised stock exchange in India where the contract for sale is settled otherwise than by the actual delivery or transfer of shares or unit;
- (e) 0.0125% on the sale of futures in securities;
- (f) 0.1% on the sale of options in securities;
- (g) 0.02% on the purchase of options in securities, where options are exercised;
- (h) 0.001% on the sale of units of equity oriented fund to the Mutual Fund.
- (i) 0.2% on sale of unlisted equity shares under an offer for sale

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

Section 56(2)(x) of the IT Act provides that if any assessee receives any property (including shares and securities) without consideration or for inadequate consideration in excess of INR 50,000 as compared to the fair market value, fair market value in excess of such consideration shall be taxable in the hands of the recipient as Income from Other Sources at the rates mentioned in paragraph 2.1 and 2.2 above (plus applicable surcharge and health and education cess). The above rates would be subject to availability of benefits under the tax treaty, if any, in case of non-resident assessee.

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

Further, the above provision shall not apply to any consideration received / accruing on transfer by certain class of persons and subject to fulfillment of conditions, as may be prescribed.

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

Accordingly, such other income would be chargeable to tax at applicable tax rates.

Further, the above provision shall not apply to any sum of money or any property received by such class of persons and subject to fulfillment of conditions as may be prescribed.

6.5. General Anti Avoidance Rules ('GAAR'):

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

GAAR may be invoked by the Indian income-tax authorities in case arrangements are found to be impermissible avoidance arrangements. A transaction can be declared as an impermissible avoidance arrangement, if the main purpose of the arrangement is to obtain a tax benefit and which satisfies one of the 4 (Four) below mentioned tainted elements:

- The arrangement creates rights or obligations which are ordinarily not created between parties dealing at arm's-length;
- It results in directly / indirectly misuse or abuse of the IT Act;
- It lacks commercial substance or is deemed to lack commercial substance in whole or in part; or
- It is entered into, or carried out, by means, or in a manner, which is not normally employed for bona fide purposes.

In such cases, the tax authorities are empowered to reallocate the income from such arrangement, or recharacterise or disregard the arrangement. Some of the illustrative powers are:

- Disregarding or combining or recharacterising any step in, or a part or whole of the arrangement;
- Ignoring the arrangement for the purpose of taxation law;
- Relocating place of residence of a party, or location of a transaction or situation of an asset to a place other than provided in the arrangement;
- Looking through the arrangement by disregarding any corporate structure; or
- Recharacterising equity into debt, capital into revenue, etc.

The GAAR provisions would override the provisions of a Treaty in cases where GAAR is invoked. The necessary procedures for application of GAAR and conditions under which it should not apply, have been enumerated in Rules 10U to 10UC of the IT Rules. The IT Rules provide that GAAR should not be invoked unless the tax benefit in the relevant year does not exceed INR 3 crores.

On 27 January 2017, the CBDT has issued clarifications on implementation of GAAR provisions in response to various queries received from the stakeholders and industry associations. Some of the important clarifications issued are as under:

- Where tax avoidance is sufficiently addressed by the Limitation of Benefit Clause ('LOB') in a Tax Treaty, GAAR should not be invoked.
- GAAR should not be invoked merely on the ground that the entity is located in a tax efficient jurisdiction.
- GAAR is with respect to an arrangement or part of the arrangement and limit of INR 3 crores cannot be read in respect of a single taxpayer only.

6.6. FATCA Guidelines:

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

- a. the name, address, taxpayer identification number ['**TIN**' (assigned in the country of residence)] and date and place of birth ['**DOB**' and '**POB**' (in the case of an individual)];
- b. where an entity has one or more controlling persons that are reportable persons:
 - i. the name and address of the entity, TIN assigned to the entity by the country of its residence; and
 - ii. the name, address, DOB, POB of each such controlling person and TIN assigned to such controlling person by the country of his residence;
- c. account number (or functional equivalent in the absence of an account number);
- d. account balance or value (including, in the case of a cash value insurance contract or annuity contract, the cash value or surrender value) at the end of the relevant calendar year; and
- e. the total gross amount paid or credited to the account holder with respect to the account during the relevant

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

calendar year.

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

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

The Organisation of Economic Co-operation and Development ('OECD') released the Multilateral Convention to implement Tax Treaty related measures to prevent Base Erosion and Profit Shifting ('MLI'). The MLI, amongst others, includes a "principal purpose test", wherein Tax Treaty benefits can be denied if one of the principal purpose of an arrangement or a transaction was to, directly or indirectly, obtain tax benefit. The MLI has also expanded the scope of permanent establishment to include agent (excluding an independent agent) playing principal role, leading to routine conclusion of contracts without material modification. For this purpose, an agent is not considered independent if it acts exclusively or almost exclusively on behalf of one or more closely related enterprises. India has been an active participant in the entire discussion and its involvement in the BEPS project has been intensive.

In a ceremony held in Paris on 7 June 2017, various countries including India, signed the MLIs.

Recently, the Union Cabinet of India issued a press release dated 12 June 2019, approving the ratification of the MLI to implement tax treaty related measures to prevent BEPS. The application of MLI to a Tax Treaty is dependent on ratification as well as positions adopted by both the countries signing a Tax Treaty.

On June 25, 2019, India has taken the final step for implementation of MLI by depositing its instrument of ratification with the OECD. It may be noted that MLI will enter into effect for any treaty entered into by India from 1 April 2020 (i.e. FY 2020-21) if:

1. India has listed that treaty in its Final MLI Position as a Covered Tax Agreement ('CTA').
2. The treaty partner is a signatory to MLI.
3. The treaty partner has also deposited its instrument of ratification on or before 30 June 2019.
4. The treaty partner has also listed India in its Final MLI Position as a CTA.

The aforesaid steps have been completed for certain tax treaties entered into by India (such as India – Singapore, India – UK, India – Luxembourg and India – Netherlands). The said treaties shall stand modified with effect from 1 April 2020 (i.e. FY 2020-21) to the extent that both treaty partners share the same position on the provisions of the MLI.

6.8. Minimum Alternate Tax:

The IT Act provides for levy of Minimum Alternate Tax ('MAT') on corporates if the tax amount calculated at the rate of 15% (plus applicable surcharge and health and education cess) of the book profits, as the case may be, is higher than the tax amount calculated under the normal provisions of the IT Act.

If MAT is held to be applicable to the Investors, then income receivable by such Investors from their investment in the Fund shall also be included to determine the MAT.

The MAT provisions are not applicable to a non-resident if, (a) the assessee is a resident of a country with which India has DTAA and the assessee does not have a permanent establishment in India; or (b) the assessee is a resident of a country with which India does not have a Tax Treaty and is not required to seek registration under the Indian corporate law. Further, the above provisions are not applicable in case of a person who exercises the option referred to in section 115BBA or section 115BAB of the IT Act.

6.9. Alternate Minimum Tax:

The IT Act provides for levy of Alternate Minimum Tax ('AMT') on non-corporate tax payers if the tax amount calculated at the rate of 18.5% (plus applicable surcharge and health and education cess) of the adjusted total income, as the case may be, is higher than the regular income-tax payable under the normal provisions of the IT Act. Such provisions are not applicable if the adjusted total income does not exceed INR 20,00,000. Further, as per FA 2020, the above provisions are not applicable in case of a person who exercises the option referred to in section 115BAC

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

or section 115BAD of the IT Act.

If AMT is held to be applicable to the investors, then income receivable by such investors from their investment in the fund shall also be included to determine the AMT.

6.10. Expenditure incurred in relation to income not includible in the total income:

As per the provisions of section 14A of the IT Act read with rule 8D of the IT Rules, if any income of the investors does not form part of the total income or is exempt under the provisions of the IT Act then any expenditure incurred by the Investor, directly or indirectly, in relation to such income will not be allowed as deduction for the purpose of calculating the total taxable income of the Investor.

6.11. Bonus stripping/ Dividend stripping:

Bonus Stripping

Where any person buys or acquires any securities or units 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 specified company, for the purposes of entitlement of the holder of the units to receive additional unit without any consideration) and such person is allotted additional 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.

Dividend Stripping

Under section 94(7) of the Act, loss arising on sale of securities or units, which are bought within three months of the record date and sold within three months (for securities) / nine months (for units) of the record date, shall be ignored for the purpose of computing income chargeable to tax to the extent of exempt income received or receivable on such Securities / Units.

Record date means the date as may be fixed by—

- (i) a company for the purposes of entitlement of the holder of the securities to receive dividend; or
- (ii) a Mutual Fund or the Administrator of the specified undertaking or the specified company as referred to in the Explanation to clause (35) of section 10, for the purposes of entitlement of the holder of the units to receive income, or additional unit without any consideration, as the case may be.

As per the Act, the above provision is applicable to securities including units of business trusts and AIF.

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

In terms of section 70 read with section 74 of the IT 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.

6.13. Issue of shares at premium by a private company:

As per the provisions of section 56(2)(viib) of the IT Act, where a privately held company issues its shares to any person at a premium (i.e. over and above the face value of such shares), then the consideration received by the company for such issue of shares in excess of the fair market value ('FMV') of the shares is required to be taxed in the hands of the company. In this regard, rule 11U and 11UA provide mechanism for computation of FMV for the purpose of section 56(2)(viib) of the IT Act. An exemption is provided for receipt of consideration by a venture capital undertaking from a specified fund. This provision has been deleted from 1st April 2024.

6.14. Goods and Services Tax:

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

GST will be applicable on services provided by the Portfolio Manager to its Clients. Accordingly, GST at the rate of 18% would be levied on fees if any, payable towards portfolio management fee.

17. Accounting Policy / Valuations:

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

- (a) Investments in listed equity will be valued at the closing market prices on the National Stock Exchange (“NSE”). If the Securities are not traded on the NSE on the valuation day, the closing price of the Security on the Bombay Stock Exchange will be used for valuation of Securities. In case of the securities that are not traded on any exchange on the valuation date, then the previous closing price on NSE or BSE or any other Stock Exchange will be used, provided such closing price is not exceeding a period of 30 calendar days. Investments in units of mutual funds shall be valued will be valued at latest published NAV by the Fund House.
- (b) Unlisted Equity / Convertible Preference Shares would be valued in accordance with the guidelines prescribed by APMI from time to time.
- (c) Debt instruments and money market instruments would be valued accordance with the guidelines prescribed by APMI from time to time.
- (d) Realised gains/losses will be calculated by applying the First In First Out principle.
- (e) Unrealized gains/losses are the differences between the current market value/Net Asset Value and the historical cost of the Securities.
- (f) Dividends on shares will be accounted for on ex-dividend date and dividends on units of mutual funds will be accounted for on receipt of information from the mutual fund house and interest, stock lending fees earned etc., will be accounted for on accrual basis. The interest on debt instruments will be accounted for on accrual basis.
- (g) In respect of all interest-bearing investments, income must be accrued on a day to day basis as it is earned. Therefore when such investments are purchased, interest paid for the period from the last interest due date up to the date of purchase will not be treated as a cost of purchase but will be debited to Interest
- (h) For derivatives and futures and options, unrealized gains and losses is calculated by marking to market the open positions. Specifically, in case of certain option contracts, market quotes are not easily available through the exchange due to low liquidity. Considering this scenario, Portfolio Manager has appointed an external agency to do the valuation based on the latest reported trades and market accepted methodologies. External agency will share the quotes on daily basis, in case such a quote is not available, previous day quotes will be used by the Portfolio Manager. Maximum validity of such quote will be 30 days
- (i) Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale will not be treated as an addition to sale value but will be credited to Interest Recoverable Account.
- (j) Transactions for purchase or sale of investments will be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year are recorded and reflected in the financial statements for that year. Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction should be recorded, in the event of a purchase, as of the date on which there is enforceable obligation to pay the price or, in the event of a sale, when there is an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.
- (k) Bonus shares will be recognized only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis. Similarly, rights entitlements will be recognized only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.
- (l) The cost of investments acquired or purchased will include brokerage, stamp duty charges and any charge

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

customarily included in the broker's contract note. In respect of privately placed debt instruments any front-end discount offered will be reduced from the cost of the investment.

- (m) The Portfolio Manager and the Client can adopt any specific norms or methodology for valuation of investments or accounting provided the same is mutually agreed between them on a case to case basis.
- (n) Purchases are accounted for at the cost of acquisition inclusive of brokerage, stamp duty, transaction charges and entry loads in case of units of mutual fund. Sales are accounted based on proceeds net of brokerage, stamp duty, transaction charges and exit loads in case of units of mutual fund. Securities Transaction Tax, Demat charges and Custodian fees on purchase/ sale transaction would be accounted as expense on receipt of bills. Transaction fees on unsettled trades are accounted for as and when debited by the Custodian.
- (o) In case of Portfolio received from the Clients in the form of securities, this will be accounted for at previous day's closing price on NSE. Where the Client withdraws Portfolio in the form of securities, the same will be accounted on the date of withdrawal at the previous closing price. In case any of the securities are not listed on NSE or they are not traded on NSE on a particular day, previous day's closing price on BSE will be used for aforesaid accounting purpose.
- (p) Investments in the Managed accounts (Alternate investment funds and Venture Capital funds) will be valued at last available Net asset value declared by issuer.

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

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

Accounting norms as may be prescribed/applicable from time to time will be duly followed.

18. Investor Services:

a. Contact Information

Name, address and telephone number of the Investor relations officer who shall attend to the Investor queries and complaints.

Name: Ms. Lavita Gonsalves
Email: investordesk@360.one
Address: 360 ONE Asset Management Limited, 360 ONE Centre, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India
Tel: +91 2248765158

The official mentioned above will ensure prompt Investor services. The Portfolio Manager will ensure that this official is vested with the necessary authority, independence and the wherewithal to handle Investor complaints.

You may register your grievances/complaints on SEBI Complaints Redress System (<http://scores.gov.in/>).

b. Grievance Redressal and dispute settlement mechanism

The Portfolio Manager has in place a dedicated system for addressing all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. On receipt of the complaint, the Portfolio Manager, on a best effort basis, may resolve the complaint, within 30 days. In the event the complaint is not resolved within 30 days, the Client and the Portfolio Manager or any person designated by the Portfolio Manager shall endeavour to resolve the complaint by mutual dialogue. If the Investor remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the Investor may lodge the complaint on SEBI's web based complaints redress system (SCORES), on <https://scores.sebi.gov.in/>.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

All disputes, differences, claims and questions whatsoever arising between the Client and the Portfolio Manager and/ or their respective representatives shall be settled in accordance with and subject to the provisions of The Arbitration and Conciliation Act, 1996, or any statutory requirement, modification or re-enactment thereof. Such Arbitration proceedings shall be held at Mumbai or such other place as the Portfolio Manager thinks fit.

If the party raising dispute/differences is not satisfied with the outcome of the redressal through SCORES such dispute/difference may be submitted to dispute resolution mechanism as per the framework notified by SEBI vide its circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 (and any amendment or clarificatory circulars that may be issued by SEBI from time to time) ("SEBI ODR Circular") for Online Resolution of Disputes in the Indian Securities Market (<https://smartodr.in/login>).

19. Additional Disclosures:

360 ONE AMC may avail the below mentioned services from 360 ONE Group for consideration, under normal course of business.

With respect to services offered by 360 ONE AMC under the portfolio management services or securities recommended, advised or acquired under PMS or in respect of services of any intermediary recommended by 360 ONE AMC, the Client may note the following:

- (a) 360 ONE AMC and its group and associate companies are engaged in providing various financial services and for the said services (including the service for acquiring and sourcing the securities acquired/advised under PMS) the said companies may charge fees or remuneration in form of arranger fees, distribution fees, referral fees, advisory fees, management fees, trustee fees, commission, brokerage, transaction charges, underwriting charges, issue management fees and other fees.
- (b) 360 ONE AMC acts as an Investment Manager to Scheme(s) of Mutual Fund and Alternative Investment Funds (in which Portfolio Manager may invest) and accordingly earn management and trustee fees for the same. Its associate companies act as Investment Manager and Trustee to Scheme(s) of Mutual Fund and Alternative Investment Funds.
- (c) PMS trades may be done through 360 ONE Distribution Services Limited (formerly known as IIFL Wealth Distribution Services Limited) as stock-brokers.
- (d) Apart from above, investment may be made in securities of associates & group companies, investment transaction may be done with 360 ONE AMC, its associates and group companies as counterparties and 360 ONE AMC including its subsidiaries and associates may receive various forms of remuneration linked to the PMS or Advisory services offered to the Client.

The transactions with 360 ONE AMC, associates or group companies will be done at arm's length and under normal course of investment transactions. With effect from October 1, 2020, charges for all transactions in a financial year (Broking, Demat, custody, etc.) through self or associates shall be capped at 20% by value per associate (including self) per service. Any charges to self/associate shall not beat rates more than that paid to the non-associates providing the same service.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

General:

The Portfolio Manager and the client can mutually agree to be bound by specific terms through a written two-way agreement between themselves in addition to the standard agreement.

Signatures:

For 360 ONE Asset Management Limited

(Formerly known as IIFL Asset Management Limited)

Name of Signatories	Signature(s)
Raghav Iyengar Director	
Anup Maheshwari Director	

Date: January 03, 2025

Place: Mumbai

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)



Annexure A

Any pending material litigation/legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any

1. Pramod Magar Vs Marvel Sigma Homes Private Limited, 360 ONE Asset Management Limited (earlier known as IIFL Asset Management Limited) and others.

IIFL Cash Opportunities Fund ("Fund") had subscribed Optionally Convertible Debentures ("OCD") issued by Marvel Sigma Homes Private Limited ("Marvel") which was secured, among other securities, by a property situated at Village Hadapsar, Taluka - Haveli, District – Pune ("Secured Property"). Shri Pramod Tukaram Magar and 7 others ("Plaintiffs") have claimed that they are the rightful owners of the Secured Property and that the developer i.e. Marvel, was not authorised to provide the Secured Property as collateral for issuance of OCD by Marvel.

Plaintiffs have filed a Commercial Civil Suit before District and Sessions Court, Pune, against various parties including 360 ONE Asset Management Limited (Formerly known as IIFL Asset Management Limited) and Fund praying that the Debenture Trust Deed, pursuant to which the Debenture Subscription was made, be declared null and void. We have filed an application for striking off names of 360 ONE entities from the proceedings. The next hearing date is January 08, 2025.

2. Bhupesh Patel & Others v/s 360 ONE Asset Management Limited (earlier known as IIFL Asset Management Limited) and Alkesh Patel

(Late) Rajesh Bhai Patel "Deceased" had invested in 360 ONE Multi Strategy Fund ("MF") for INR 1,00,00,000/- with 993,954,999 units in January 2019. Due to the dispute between Bhupesh Patel & Others ("Plaintiff") and Alkesh Patel (Nominee) for the given MF units, a Civil Suit had been filed in City Civil Court, Secunderabad to which 360 ONE Asset Management Limited ("360 ONE AMC") has been made party.

Plaintiff has prayed to the Court for declaring them as beneficiary of the said MF units purchased by Deceased. 360 ONE AMC has already filed written statement in this matter. The next date of the matter is March 06 2025, for settlement between parties.

3. Rajinder Jeet Singh v/s 360 ONE Asset Management Limited

This Arbitration proceeding has been initiated by Mr. Rajinder Jeet Singh ("Customer"), who had subscribed IIFL Special Opportunities Fund (Fund) (a close ended Scheme of IIFL Private Equity Fund) on May 06, 2017, with 360 ONE Asset Management Limited as Investment Manager and 360 ONE Asset Trustees Limited being the Trustee of this Fund registered with SEBI as Category II, Alternative Investment Fund. Out of the committed Rs. 1,00,00,000/- payable in 4 tranches, Customer had deposited 2 tranches of Rs.25,00,000/each but there was defaulted in paying subsequent tranches. This resulted in forfeiture and refund of the balance amount of Rs.40,08,676/- on December 03, 2018.

Customer complaint to the Adjudicating Officer (AO) SEBI, Review Petitions before Securities Appellate Tribunal (SAT) and an appeal against the SAT order in Supreme Court of India was dismissed on grounds that there is no breach of SEBI regulation and dispute shall be resolved through Arbitration. Customer has initiated Arbitration proceeding in conformity with the terms of Contribution Agreement and SAT order. Post appointment of Arbitrator, parties have filed Statement of Claim and Statement of Defence with the Arbitrator. The matter is at the stage of cross examination and scheduled for hearing on January 15, 2025.

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

ANNEXURE B

PORTFOLIO MANAGEMENT PERFORMANCE

Portfolio Name	Particulars	April 01, 2024, to November 30, 2024		April 01, 2023 to March 31, 2024		April 2022 to March 2023		April 2021 to March 2022	
		Individual	Corporate	Individual	Corporate	Individual	Corporate	Individual	Corporate
360 ONE Multicap PMS (Formerly known as IIFL Multicap PMS)*	Portfolio	16.61%	17.37%	31.10%	32.74%	-1.25%	-0.38%	22.86%	25.20%
	BSE 500 TRI	12.51%	12.51%	40.16%	40.16%	-0.61%	-0.61%	21.26%	21.26%
360 ONE Multicap Advantage PMS (Formerly known as IIFL Multicap Advantage PMS)**	Portfolio	15.07%	-	27.59%	27.97%	-3.10%	-2.71%	20.71%	19.22%
	BSE 500 TRI	12.51%	-	40.16%	40.16%	-0.61%	-0.61%	21.26%	21.26%
360 ONE Real Estate PMS (Formerly known as IIFL Real Estate PMS)**@	Portfolio	-3.59%	-3.25%	-1.63%	1.73%	2.47%	2.86%	-9.50%	-2.95%
	CRISIL Credit Index	6.72%	6.72%	11.11%	11.11%	4.24%	4.24%	4.30%	4.30%
Customised Discretionary Portfolio #	Portfolio	-	-	-	-	-4.64%	-2.49%	17.25%	22.02%
	BSE 500 TRI	-	-	-	-	-0.60%	-0.60%	18.88%	18.88%
Customised Discretionary Portfolio Debt	Portfolio	-5.08%	-	5.32%	-	-	-	-	-
	CRISIL Credit Index	6.72%	-	11.11%	-	-	-	-	-
Customised Discretionary Portfolio Equity	Portfolio	16.75%	18.31%	36.70%	37.95%	-	-	-	-
	BSE 500 TRI	12.51%	12.51%	40.16%	40.16%	-	-	-	-
Customised Discretionary Portfolio Multi-Asset**	Portfolio	-	-1.55%	0.00%	-17.22%	-	-	-	-
	NSE Multi Asset Index #1	-	9.49%	23.73%	23.73%	-	-	-	-
360 ONE Long Term Growth PMS (Formerly known as IIFL Long Term Growth PMS) ^	Portfolio	-	-	-	-	-2.94%	-	3.75%	-
	BSE 500 TRI	-	-	-	-	-0.60%	-	18.88%	-
360 ONE Focused Equity Strategies (Formerly known as IIFL Focused Equity Strategies) ^	Portfolio	-	-	-	-	-	-	-	16.13%
	BSE 500 TRI	-	-	-	-	-	-	-	18.88%
360 ONE Phoenix Portfolio (Formerly known as IIFL Phoenix Portfolio)	Portfolio	18.16%	18.61%	51.59%	53.05%	6.71%	7.15%	22.33%	26.30%
	BSE 500 TRI	12.51%	12.51%	40.16%	40.16%	-0.61%	-0.61%	21.26%	21.26%
360 ONE Large Value Strategy PMS^^	Portfolio	-	-	-	-	-	-	-	-
	BSE 500 TRI	-	-	-	-	-	-	-	-

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)



NOTES:

1. *Performance indicators calculated using 'Time Weighted Rate of Return' method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.*
2. *Please note that benchmarks of investment approaches have changed in accordance with SEBI circular dated December 16, 2022 and APMI circular dated March 23, 2023. Accordingly, for periods prior to April 1, 2023, benchmark returns have been calculated basis the old benchmarks.*
4. *For all investment approaches where we are currently not accepting any new investments, this status is subject to change in the future.*
5. **360 ONE Multicap Advantage PMS has been merged with 360 ONE Multicap PMS w.e.f. April 23, 2024.*
6. ***The investment approach is not accepting fresh investments from clients.*
7. *^As on November 30, 2024, there were no clients in this investment approach, and we are not accepting fresh investments from clients.*
8. *@Real Estate Companies Portfolio has been merged with 360 ONE Real Estate PMS. Accordingly, Real Estate Companies Portfolio has been renamed as 360 ONE Real Estate PMS. This investment approach is not accepting fresh investments from clients.*
9. *#With effect from April 1, 2023, this investment approach has been divided into 3 sub-approaches, i.e. Customised Discretionary Portfolio - Debt, Customised Discretionary Portfolio - Equity, Customised Discretionary Portfolio - Multi-Asset.*
10. *^^360 ONE Large Value Strategy PMS inception date for Individual plan is 27th May 2024 and Corporate plan is 10th May 2024, thus the performance calculation are since inception of the this strategy.*

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)



FORM C

SECURITIES AND EXCHANGE BOARD OF INDIA (PORTFOLIO MANAGERS) REGULATIONS, 2020 (Regulation 22)

360 ONE Asset Management Limited

Dear Investor,

We confirm that:

- I. The Disclosure Document forwarded to SEBI is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;
- II. The disclosures made in the document are true, fair and adequate to enable the investors to make a well-informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio Management Services;
- III. The Disclosure Document has been duly certified by M. P. Chitale & Co., Chartered Accountants having office at 1/11, Prabhadevi Ind. Estate, 1st Floor., Opp. Siddhivinayak Temple, Veer Savarkar Marg, Prabhadevi, Mumbai - 25 and having registration No: 101851W on January 03, 2025.

The copy of Chartered Accountant's certificate is enclosed.

For **360 ONE Asset Management Limited**
(Formerly known as IIFL Asset Management Limited)

Anup Maheshwari
Principal Officer

Email: Anup.Maheshwari@360.one
Phone No: +9122 4876 5439

Date: January 03, 2025
Place: Mumbai

M. P. Chitale & Co.

Chartered Accountants

1/11, Prabhadevi Ind. Estate, 1st Flr., Opp. Siddhivinayak Temple, Veer Savarkar Marg, Prabhadevi, Mumbai - 25 • Tel.: 43474301-03

The Board of Directors,

360 ONE Asset Management Limited,

(erstwhile IIFL Asset Management Limited)

360 ONE Centre, Kamala City, Senapati Bapat Marg,

Lower Parel (W), Mumbai – 400013.

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

1. We have been requested by management of 360 ONE Asset Management Limited ('the Company') (erstwhile IIFL Asset Management Limited) to certify the contents of Disclosure Document dated January 03, 2025 for portfolio management services of the Company which is prepared by the Company in accordance with the Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 ('the SEBI Regulations') and Para 4.1 of the Master Circular for Portfolio Managers dated June 07, 2024 issued by SEBI. We understand that the Disclosure Document is required to be submitted to the Securities and Exchange Board of India ("the SEBI").

Management's responsibility

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

Auditor's responsibility

4. We have not performed an audit, the objective of which would be expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such an opinion.
5. 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 Disclosure 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 audited financial statements available on the Company website;
- b) The promoters and directors' qualifications, experience, ownership details are as confirmed by the directors and have been accepted without further verification;
- c) We have relied solely on representations provided by the management of the Company and not performed any procedures in relation to penalties or litigations against the Portfolio Manager, as mentioned in the Disclosure Document;
- d) We have reviewed the figures for performance disclosed in the Disclosure Document on the basis of performance data spooled from Wealth Spectrum by the Company;
- e) We have reviewed the transactions with the associate/related parties during the month ended November 2024 as per the list of related parties and transactions data provided by the Portfolio Manager.
- f) We have relied solely on representations provided by the management of the Company 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 Company; and
- h) We have verified the financial figures disclosed in the Disclosure Document with the audited financial statements for the respective years.

Conclusion

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

Based on our review of attached Disclosure Document, audited annual accounts of the Portfolio Manager and its other group companies 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 Disclosure Document for Portfolio Management are true, fair and adequate to enable the investors to make a well informed decision.

7. This certificate is issued solely to comply with Regulation 22 of Securities and Exchange Board of India (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 M.P. Chitale & Co.
Chartered Accountants
Firm Reg. No. 101851W

V.V. Barje

Vidya Barje
Partner
M. No. 104994
Mumbai, January 03, 2025
UDIN: 25104994BMIDHL5048