

## **INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED**

### **DISCLOSURE DOCUMENT**

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

- The Disclosure Document has been filed with the Securities & Exchange Board of India along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- The purpose of the Document is to provide essential information about the Portfolio Management Services (PMS) in a manner to assist and enable the investors in making informed decision for engaging InCred Capital Wealth Portfolio Managers Private Limited as a Portfolio Manager.
- The Disclosure Document contains the necessary information about the Portfolio Manager, required by an investor before investing, and hence, the investor may be advised to retain the document for future reference.
- The following are the Details of the Portfolio Manager:

<b>Name of the Portfolio Manager</b>	InCred Capital Wealth Portfolio Managers Private Limited (Formerly known as BSH Corporate Advisors and Consultants Private Limited)
<b>SEBI Registration Number</b>	<b>INP000007128</b>
<b>Registered Office Address</b>	Unit No 1203 - B, 12 <sup>th</sup> Floor, The Capital, C-70, G Block, BKC, Bandra (East), Mumbai – 400051
<b>Phone</b>	022 4097 7000
<b>Fax</b>	NA
<b>Website</b>	<a href="http://www.incredsecurities.com">www.incredsecurities.com</a>

The name, phone number, e-mail address of the Principal Officer so designated by the Portfolio Manager is:

<b>Name of the Principal Officer</b>	Mr. Aditya Khemka
<b>Phone</b>	+91 9833408235
<b>Email Id</b>	aditya.khemka@incredamc.com
<b>Office Address</b>	Unit No-1203, B Wing, The Capital, C-70, G Block, BKC, Bandra East, Mumbai – 400051

Date: 31.01.2022

Place: Mumbai

### **Index of contents**

<b>Item No.</b>	<b>Contents</b>	<b>Page No.</b>
1	Disclaimer Clause	3
2	Definitions	3
3	Description	6
4	Penalties, pending litigations or proceedings etc	9
5	Services offered	9
6	General Risk Factors	22
7	Client Representation	24
8	The Financial Performance of Portfolio Manager	26
9	Portfolio Management Performance of the Portfolio Manager	26
10	Audit Observations	27
11	Nature of Expenses / Range of fees	27
12	Taxation	29
13	Accounting Policies	34
14	Investor Services	35

## 1. Disclaimer clause:

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

## 2. Definitions:

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) **“Agreement”** means agreement between Portfolio Manager and its Client and shall include all Schedules and Annexures attached thereto.
- c) **“Application”** means the application made by the Client to the Portfolio Manager to place its funds and/or securities with the Portfolio Manager for Portfolio Management Services. Upon execution of the Agreement by the Portfolio Manager, the Application shall be deemed to form an integral part of the Agreement. Provided that in case of any conflict between the contents of the Application and the provisions of the Agreement, the provisions of the Agreement shall prevail.
- d) **“Assets”** means (i) the Portfolio and/or (ii) the Funds.
- e) **“Body Corporate”** shall have the meaning assigned to it in or under clause (11) of section 2 of the Companies Act, 2013.
- f) **“Bank Account”** means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in accordance with the agreement entered into with the Client.
- g) **“Board”** 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.
- h) **“Client”** means the person who enters into an Agreement with the Portfolio Manager for managing its portfolio and /or funds.
- i) **“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.
- j) **“Depository Account”** means one or more account or accounts opened, maintained and operated by the Portfolio Manager with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations, 1996 in accordance with the agreement entered into with the Client.
- k) **“Discretionary Portfolio Management Services”** means the portfolio management services rendered to the Client by the Portfolio Manager on the terms and conditions contained in the agreement, where under the Portfolio Manager exercises any degree of discretion in the investments or management of assets of the Client.
- l) **“Direct on-boarding”** means an option provided to clients to be on-boarded directly with the Portfolio Manager without intermediation of persons engaged in distribution services.
- m) **“Disclosure Document”** shall mean this disclosure document filed by the Portfolio Manager with SEBI and as may be amended by the Portfolio Manager from time to time pursuant to the Regulations.
- n) **“Financial Year”** means the year starting from April 1 and ending on March 31 of the following year.

- o) **“Funds”** means the monies managed by the Portfolio Manager on behalf of the Client pursuant to Portfolio Investment Management Agreement and includes the monies mentioned in the Application, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to Portfolio Investment Management Agreement, the proceeds of the sale or other realization of the Portfolio and interest, dividend or other monies arising from the Assets, so long as the same is managed by the Portfolio Manager.
- p) **“Goods”** means the goods notified by the Central Government under clause (bc) of section 2 of the Securities Contracts (Regulation) Act, 1956 and forming the underlying of any commodity derivative;
- q) **“Initial Corpus”** means the value of the funds and / or the market value of securities brought in by the Client at the time of subscribing to Portfolio Management Services.
- r) **“Investment Approach”** means a broad outlay of the type of securities and permissible instruments to be invested in by the portfolio manager for the Client, taking into account factors specific to clients and securities which shall inter-alia include but not limited to investment objective, description of type of securities, investment horizon and risks associated with the investment approach.
- s) **“Non-discretionary Portfolio Management Services”** means a portfolio management services under which the Portfolio Manager, subject to express prior instructions issued by the Client from time to time in writing, for an agreed fee structure and for a definite described period, invests in respect of the Client’s account in any type of security entirely at the Client’s risk and ensure that all benefits accrue to the Client’s Portfolio.
- t) **“Parties”** means the Portfolio Manager and the Client; and **“Party”** shall be construed accordingly
- u) **“Person”** includes an individual, a Hindu Undivided Family, a corporation, a partnership(whether limited or unlimited), a limited liability company, a body of individuals, an association, a proprietorship, a trust, an institutional investor and any other entity or organization whether incorporated or not, whether Indian or foreign, including a government or an agency or instrumentality thereof.
- v) **“Portfolio”** means the Securities managed by the Portfolio Manager on behalf of the Client pursuant to the Portfolio Investment Management Agreement and includes any Securities and goods mentioned in the Application, any further Securities placed by the Client with the Portfolio Manager for being managed pursuant to the Portfolio Investment Management Agreement, Securities acquired by the Portfolio Manager through investment of Funds and bonus and rights shares or otherwise in respect of Securities forming part of the Portfolio, so long as the same is managed by the Portfolio Manager.
- w) **“Portfolio Manager”** shall have the same meaning as given in regulation 2(1)(o) of the SEBI (Portfolio Managers) Regulations, 2020 as amended from time to time. For the purpose of this Disclosure Document, Portfolio Manager is InCred Capital Wealth Portfolio Managers Private Limited
- x) **“Eligible Fund Manager”** shall have the same meaning as assigned to it in sub-section 4 of Section 9A of the Income Tax Act, 1961.
- y) **“Eligible Investment Fund”** shall have the same meaning as assigned to it in sub-section 3 of Section 9A of the Income Tax Act, 1961.
- z) **“Principal Officer”** means an employee of the portfolio manager who has been designated as such by the portfolio manager and is responsible for: -
  - (i) the decisions made by the portfolio manager for the management or administration of portfolio of securities or the funds of the client, as the case may be; and
  - (ii) all other operations of the portfolio manager.

- aa) **“Qualified Client”** will include following person :
- a. who is a fit and proper person,
  - b. complies with know your client (KYC/CKYC) norms stipulated by the Investment Manager and SEBI,
  - c. has not been convicted of any offence,
  - d. has a sound financial standing and credit-worthiness, and
  - e. is willing to execute necessary documentation as stipulated by the Portfolio Manager and other than any Person, which cannot subscribe to the Investment Approach without being in breach of any law or requirement of any country or governmental authority in any jurisdiction whether on its own or in conjunction with any other relevant circumstances.
- bb) **“Regulations”** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as may be amended from time to time.
- cc) **“Scheduled Commercial Bank”** means any bank included in the second Schedule to the Reserve Bank of India Act 1934
- dd) **“SEBI”** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the SEBI Act.
- ee) **“Securities”** includes: “Securities” as defined under the Securities Contracts (Regulation) Act, 1956 as amended from time to time and includes:
- a. Shares scrip, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate
  - b. derivative
  - c. units or any other instrument issued by any collective investment scheme to the investors in such schemes;
  - d. security receipt as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
  - e. units or any other such instrument issued to the investors under any mutual fund scheme;
  - f. any certificate or instrument (by whatever named called), issued to an investor by any issuer being a special purpose distinct entity which possesses any debt or receivable,
  - g. including mortgage debt, assigned to such entity, and acknowledging beneficial interest of such investor in such debt or receivable, including mortgage debt;
  - h. Government securities;
  - i. such other instruments as may be declared by the Central Government to be securities;
  - j. rights or interest in securities;

Words and expressions used in this disclosure document and not expressly defined shall be interpreted according to their general meaning and usage. The definitions 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 in regulations governing Portfolio Management Services.

### **3. Description:**

#### **History, Present Business and Background of the Portfolio Manager:**

The company was incorporated on February 13, 2018 under the provisions of Companies Act, 2013. The registered office of the Company is situated in Mumbai, Maharashtra.

The Company was incorporated as BSH Corporate Advisors and Consultants Private Limited and effective 22<sup>nd</sup> April 2020 Ministry of Corporate Affairs approved the change of name to InCred Capital Wealth Portfolio Managers Private Limited.

The Company was set up with the objective of being in the business of providing business support services and provide advice, services, consultancy in various fields and to carry on the business as advisors and to assist in all financial, costing, accounting, internal controls and other similar matters.

However, there has been no business activities as such in the Company since then and accordingly no major events to be mentioned about.

Recently on April 30, 2020 the Company got registered as a Stock Broker and got the membership of BSE & NSE as a Trading cum Self Clearing Member in the Capital Market, Futures & Options and WDM segments. All the segments are activated as on date.

The Company is also registered with SEBI as an Investment Advisor and the registration has come on July 31, 2020. The business activities under this license is yet to commence.

#### **Promoters of the Portfolio Manager, Directors and their background:**

##### **Promoters**

InCred Wealth Private Limited (formerly known as Incred Capital Inclusion Advisory Services Private Limited) holds 99.99% of the shareholding of the Portfolio Manager Company. InCred Wealth Private Limited is owned by Mr. Bhupinder Singh. Bhupinder Singh has worked at Deutsche Bank for 16 years in various capacities, in London and Singapore. Most recently, he co-headed the Corporate Banking and Securities (CB&S) of Deutsche Bank for the Asia Pacific region, based out of Singapore. In this Capacity he managed Deutsche Bank's Fixed Income, Equities and Investment Banking divisions and was a member of the global CB&S executive committee.

He was also the head of Corporate finance division for Deutsche Bank in the Asia Pacific region managing the corporate coverage, investment banking, capital markets, advisory and treasury solution businesses.

He oversaw Asian Credit book of US\$ 10 bn of which US\$ 4bn was in India. Before joining Deutsche Bank, Mr. Singh had worked in the investment banking teams of Jardine Fleming and DSP Merrill Lynch.

##### **Directors and their background**

<b>Name</b>	<b>Qualifications</b>	<b>Brief Experience</b>
Mr. Venkatesh Vishwanathan.	Bachelor's in economics, "Delhi University"1995,	Mr. Vishwanathan has over 22 years of experience in wholesale and

	<p>Post Graduate Diploma in Management “Indian Institute of Management, Calcutta” 1997.</p>	<p>investment banking across Asia and Europe, with nearly a decade spent in building and running Indian businesses. He has held senior positions encompassing structured finance, capital markets, and corporate finance. Prior to joining InCred, he was he was Deutsche Bank’s Head of Capital Markets and Treasury Solutions Asia and Co-Head of Corporate Finance Asia, based in Singapore - a US\$ 1 bn topline business with 300+ bankers. He was previously the Co-Head of the European Financial Institutions Group with Deutsche Bank in London, and also held senior positions encompassing structured finance, capital markets and corporate.</p> <p>Over 16 years with Deutsche Bank, Venky worked on close to 500 transactions across investment banking, capital markets and structured finance in 25 countries, in various sectors such as Financial Institutions, Consumer, Healthcare, Infrastructure, Life Sciences, Media, Mining, Oil &amp; Gas, and Telecom.</p> <p>Mr. Vishwanathan started his career with ABN Amro Bank’s Corporate Banking division in Mumbai and New Delhi. He holds a PGDM from IIM, Calcutta and an undergraduate degree in Economics from St Stephen’s College, Delhi.</p>
Mr. Nitin S Rao	<p>MBA from Symbiosis Institute of Business Management, Pune</p> <p>Bachelor of Mechanical Engineering, Government College of Engineering, Pune</p>	<p>30 years of experience in the Wealth Management industry.</p> <p>Former CEO of Reliance Wealth Management Pvt Ltd.</p> <p>Group Head at HDFC Bank overseeing Private Banking and Investment Product distribution. Built the HDFC Private Banking network from scratch.</p>
Mr. Kamlesh Dangi.	<p>Master of Business Administration – Human</p>	<p>23+ years of experience across industries. He was a part of ICICI Bank &amp; Religare. Previously,</p>

	Resources. SIMSR- Mumbai.	Kamlesh worked with UTI Mutual Funds and was Group President – Human Resources.
--	------------------------------	---

## 1. Group company information

- a) InCred Financial Services Limited
- b) InCred Capital Financial Services Private Limited (Formerly Known as Proud Securities and Credits Private Limited)
- c) InCred Wealth Private Limited (Formerly known as InCred Capital Inclusion Advisory Services Private Limited)
- d) InCred Asset Management Private Limited (Formerly known as InCred Capital Investment Advisors and Managers Private Limited)
- e) InCred Research Services Private Limited (Formerly Known as Earnest Innovation Partners Private Limited)
- f) InCred Management and Technology Services Private Limited
- g) Vishuddha Capital Management LLP
- h) Booth Fintech Private Limited
- i) InCred Wealth and Investment Services Private Limited
- j) InCred.AI Limited

## 2. Details of the services being offered:

### ○ Discretionary Services:

Under these services, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. The Portfolio Manager's decision (taken in good faith) in deployment of the Client's fund's is absolute and final and can never be called in question or be open to review at any time during the currency of the agreement or at any time thereafter except on the ground of fraud, malafide, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant Acts, Regulations, guidelines and notifications in force from time to time. Periodical statements in respect to Client's Portfolio shall be sent to the respective Client.

### ○ Non - Discretionary Services:

Under the Non-Discretionary Portfolio Management Services, the portfolio of the Client shall be managed in consultation with the Client. Under this service, the Assets will be managed as per express prior instructions issued by the Client from time to time. The Client will have complete discretion to decide on the investment (Stock Quantity and Price or amount). The Portfolio Manager inter alia manages transaction execution, accounting, recording or corporate benefits, valuation and reporting aspects on behalf of the Client entirely at the Client's risk.

### ○ Advisory Services:

Under these services, the Portfolio Manager advises the Client on investments in general or any specific advice required by the Clients and agreed upon in the Client agreement. The Portfolio Manager will render the best possible advice to the client



having regard to the client's needs and the environment, and his own professional skills. The same can be binding or non-binding in nature or in such terms as mentioned in the Client agreement. For such services, the Portfolio Manager charges the Client a fee for services rendered mentioned in the Client agreement. The advice may be either general or specific in nature and may pertain to a particular portfolio. Entry / exit timing, execution and settlement are solely the Client's responsibility.

The Portfolio Manager shall be solely acting as an advisor in respect of Portfolio of the Client and shall not be responsible for the investment / divestment of securities and / or administrative activities of the Client's Portfolio.

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

InCred Capital Wealth Portfolio Managers Private Limited hereby confirms that as on date :

1. There were no cases of penalties imposed by SEBI or directions issued by SEBI under the Act or rules or regulations made thereunder.
2. No penalties/fines were imposed for any economic offence and/ or for violation of any securities laws.
3. No material litigation/legal proceedings were pending against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases.
4. No deficiency in the systems and operations of the portfolio manager was observed by SEBI or any regulatory agency.
5. No enquiry/ adjudication proceedings were initiated by SEBI against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or rules or regulations made thereunder.

**5. Services offered:**

The Portfolio Manager offers Discretionary Portfolio Management Services, Advisory Services and Non-Discretionary Portfolio Management Services as per Portfolio Management Services Agreement executed with each Client.

Portfolio Manager under Non-Discretionary or Advisory Services may invest or advise up to 25% of the assets under management of the client in unlisted securities, in addition to the securities permitted for discretionary portfolio management.

Portfolio Manager shall not invest the clients' funds in the portfolio managed or administered by another portfolio manager or based on the advice of any other entity.

The Portfolio Manager under its Discretionary Portfolio Management Services offers Investment Approaches with different investment objectives and policies to cater to requirements of individual Client.

Following Investment Approach are currently offered by the Portfolio Manager under Discretionary services. Non- Discretionary and Advisory services are offered basis individual client's need within the parameters prescribed above:

5.1 The Portfolio include (DPMS / NDPMS):

- InCred Healthcare Portfolio
- InCred Multicap Portfolio
- InCred Small and Midcap Portfolio
- InCred Liquid Portfolio
- InCred Vantage Portfolio
- InCred Select Opportunities Portfolio

i) InCred Healthcare Equity Portfolio

Particulars	Details
Name of Investment Approach	InCred Healthcare Portfolio
Investment Objective	The Investment Objective is to invest in equity and equity related instruments primarily focused on the healthcare ecosystem in India.
Description of types of securities eg., equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity, Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REIT and INVIT etc.) other securities as permitted under Regulation.
Allocation of portfolio across types of securities	<p>The portfolio will be a mix of small, medium and large capitalization companies.</p> <p>The portfolio will invest at least 65% in healthcare segment including pharmaceuticals, hospitals, diagnostic, insurance etc. to capture the growing demand for healthcare driven by rising incomes, increasing awareness and ability to spend more on health and increased export opportunities.</p> <p>The Portfolio manager at his sole discretion can invest upto 35% in any other sector.</p> <p>Idle cash in the portfolio would be invested in the Liquid scheme / Money Market Mutual Fund scheme at the discretion of the Portfolio Manager.</p>
Appropriate benchmark to compare performance and basis for choice of benchmark	BSE Healthcare Index
Indicative tenure or investment horizon	Open ended, 3 year and above

Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p><b>Sector concentration risk</b> is the risk involved in investing in a particular theme, sector, subsector or related business models within the portfolio. There may be potential for a loss in value of an investment portfolio when an individual or group of exposures move together in an unfavourable direction.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss that recovery is unlikely. The portfolio will be liquidated, or the institution will face bankruptcy.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Model portfolio risk:</b> Model Portfolio is a concept where the fund manager constructs a portfolio with a certain number of scripts and allocation for each. The same is replicated in terms of scripts and allocation for all future clients.</p>
Other salient features, if any	NA
Risks	<p>The level of concentration of sectors and stocks in this Investment approach is likely to be higher than a diversified equity strategy. The risks associated with such an Investment approach, are likely to be higher than in a diversified equity investment/fund. As the Investment approach will be invested in a limited number of stocks, the</p> <p>movement of the corpus may be more volatile than in the case of a diversified equity Investment approach/fund.</p>

	Since the Investment approach follows a concentrated portfolio approach, in case the chosen Stock does not perform, it could adversely impact the returns of the Investment approach.
--	---

ii ) InCred Multicap Portfolio

Particulars	Details
Name of Investment approach	InCred Multicap Portfolio
Investment Objective	The objective of the Strategy is to invest in equity and equity related instruments to generate capital appreciation over long term. The Strategy will invest across all sectors and market capitalization stocks by adopting a sector and a market cap agnostic approach.
Description of types of securities eg., equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity, Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REIT and INVIT etc.) other securities as permitted under Regulation..
Allocation of portfolio across types of securities	<p>The portfolio will be a mix of small, medium and large capitalization companies. The Investment Manager shall make investments after undertaking detailed fundamental research on companies with a bottom-up investment framework.</p> <p>Idle cash in the portfolio would be invested in the Liquid scheme / Money Market Mutual Fund scheme at the discretion of the Portfolio Manager.</p>
Appropriate benchmark to compare performance and basis for choice of benchmark	BSE 500 Index
Indicative tenure or investment horizon	Open ended, 3 year and above
Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks, and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a</p>

	<p>significant loss that recovery is unlikely. The portfolio will be liquidated, or the institution will face bankruptcy.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Model portfolio risk:</b> Model Portfolio is a concept where the fund manager constructs a portfolio with a certain number of scripts and allocation for each. The same is replicated in terms of scripts and allocation for all future clients</p>
Other salient features, if any	NA
Risks	<p>Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Investment approach unless they can afford to take the risk of losing their investment.</p> <p>Equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the portfolio may be restricted by trading volumes and</p> <p>settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the portfolio to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. Similarly, the inability to sell securities held in the Investment approach's portfolio may result, at times, in potential losses to the Investment approach, should there be a subsequent decline in the value of securities held in the Investment approach's portfolio.</p>

iii) InCred Small and Midcap Portfolio

Particulars	Details
Name of Investment approach	InCred Small and Midcap Portfolio
Investment Objective	The objective of the Strategy is to deliver superior returns by investing in stocks of India's emerging businesses. It aims to predominantly invest in small cap and midcap

	<p>stocks that can benefit from growth in earnings and re-rating of businesses.</p> <p>It aims to invest bottom up by identifying quality companies with competitive advantage.</p>
Description of types of securities eg., equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REIT and INVIT etc.) other securities as permitted under Regulation.
Allocation of portfolio across types of securities	<p>The portfolio will be a mix of small and medium capitalization companies. The Investment Manager shall make investments after undertaking detailed fundamental research on companies with a bottom-up investment framework.</p> <p>Idle cash in the portfolio would be invested in the Liquid scheme / Money Market Mutual Fund scheme at the discretion of the Portfolio Manager.</p>
Appropriate benchmark to compare performance and basis for choice of benchmark	Nifty Small Cap 100
Indicative tenure or investment horizon	Open ended, 3 year and above
Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks, and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p>Small cap and midcap companies have higher opportunities of growth but these come with higher amount of risk as well. Therefore, these are suitable only for those investors who have higher risk appetite.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss that recovery is unlikely. The portfolio will be liquidated, or the institution will face bankruptcy.</p> <p><b>Systematic Risk:</b></p>

	<p>Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Model portfolio Risk:</b> Model Portfolio is a concept where the fund manager constructs a portfolio with a certain number of scripts and allocation for each. The same is replicated in terms of scripts and allocation for all future clients.</p> <p><b>Liquidity Risk:</b> Even though MidCap and Small cap companies offer a greater growth potential, they have low liquidity which may have an adverse impact on their prices in the short term.</p> <p><b>High Volatility Risk:</b> A lot of these smaller companies can be highly volatile. This may have periods where the investor may see drawdowns.</p>
Other salient features, if any	The selection of the stocks will be based on the criteria of strategy at the time of initial ideation and investment made as per the model portfolio of the strategy.
Risks	<p>Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Investment approach unless they can afford to take the risk of losing their investment.</p> <p>Equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the portfolio may be restricted by trading volumes and Settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the portfolio to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. Similarly, the inability to sell securities held in the Investment approach's portfolio may result, at times, in potential losses to the Investment approach, should there be a subsequent decline in the value of securities held in the Investment approach's portfolio.</p>

iv) InCred Liquid Portfolio

Particulars	Details
Name of Investment approach	InCred Liquid Portfolio

Investment Objective	The objective is to generate optimal returns consistent with moderate levels of risk and liquidity by investing in debt securities and money market securities.
Description of types of securities eg., equity or debt, listed or unlisted, convertible instruments, etc.	Liquid mutual funds, short term debt funds, money market mutual funds, other debt funds, listed debt and money market securities.
Allocation of portfolio across types of securities	0-100% in the securities mentioned above
Appropriate benchmark to compare performance and basis for choice of benchmark	Crisil Liquid Index
Indicative tenure or investment horizon	Open ended, 3-6 months
Risk associated with the investment approach	<p><b>Market Risk</b> 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.</p> <p><b>Interest Rate Risk</b> Changes in interest rates will affect the Scheme's Net Asset Value. 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.</p> <p><b>Reinvestment Risk</b> Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on</p>



	<p>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.</p> <p><b>Spread Risk</b> 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.</p> <p><b>Credit Risk</b> 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.</p> <p><b>Liquidity or Marketability Risk</b> 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.</p>
Other salient features, if any	NA

v) InCred Vantage Portfolio

Particulars	Details
Name of Investment approach	InCred Vantage Portfolio
Investment Objective	Objective of the strategy is to create a multi asset portfolio basis investor risk profile, investment goals and investment

	policy guidelines, in order to generate superior risk adjusted returns										
Description of types of securities eg., equity or debt, listed or unlisted, convertible instruments, etc.	Equity and equity related securities, fixed income instruments (CPs, CDs, Bonds, Non Convertible Debentures, Market Linked Debentures, Preference Shares etc.), Exchange Traded Funds (Equity, Gold, Commodities, etc.), REITs/ InVITs, Unlisted securities, Units of Mutual Funds in Direct plan, Alternate Investment Funds (AIF) and other such securities that are allowed under SEBI PMS Regulations.										
Allocation of portfolio across types of securities	<table border="1"> <thead> <tr> <th>Types of Securities</th><th>Allocation Range</th></tr> </thead> <tbody> <tr> <td>Equity &amp; Equity related instrument</td><td>0 – 100%</td></tr> <tr> <td>Fixed Income &amp; Fixed Income Related Securities</td><td>0 – 100%</td></tr> <tr> <td>Unlisted Equities</td><td>0 – 25%</td></tr> <tr> <td>Alternate Investment Funds (AIF)</td><td>0- 25%</td></tr> </tbody> </table> <p>Portfolio construction / allocation across securities will be customised based on investor risk profile, investment goals, and specific investment policy guidelines.</p>	Types of Securities	Allocation Range	Equity & Equity related instrument	0 – 100%	Fixed Income & Fixed Income Related Securities	0 – 100%	Unlisted Equities	0 – 25%	Alternate Investment Funds (AIF)	0- 25%
Types of Securities	Allocation Range										
Equity & Equity related instrument	0 – 100%										
Fixed Income & Fixed Income Related Securities	0 – 100%										
Unlisted Equities	0 – 25%										
Alternate Investment Funds (AIF)	0- 25%										
Appropriate benchmark to compare performance and basis for choice of benchmark	The Strategy aims to outperform the Blended benchmark consisting of Nifty 50 Index, Nifty Midcap 100, CRISIL Composite Bond Fund Index and CRISIL Liquid Fund Index. The weightage for each of the constituent index in the benchmark shall be as per the investor portfolio allocation										
Indicative tenure or investment horizon	Open Ended, 3 years and above										
Risk associated with the investment approach	<p>Key risks applicable to Non-Discretionary PMS :</p> <p>Delay in Portfolio Manager receiving the Client's approval for execution of the investment and its actual execution by Portfolio Manager could have an impact on portfolio performance due to Price movement in the underlying security.</p> <p>Investments in Non-Convertible Debentures, Market Linked Debentures, Alternate Investment Funds, Unlisted Securities, closed ended Mutual funds (viz FMPs) and other securities may be part of the portfolio with a hold till maturity objective. Exit before maturity will not be possible or if available in some cases will be at high impact cost and exit charge.</p>										
Other salient features, if any	NA										
Risks	Refer section for detailed in risk section in Disclosure document										

vi) InCred Select Opportunities Portfolio

Particulars	Details								
Name of Investment approach	InCred Select Opportunities Portfolio								
Investment Objective	The objective of the Strategy is to primarily invest in equity and equity related instruments to generate capital appreciation over long term. The Strategy will invest across all sectors and market capitalization stocks by adopting a sector and a market cap agnostic approach.								
Description of types of securities eg., equity or debt, listed or unlisted, convertible instruments, etc.	Listed Equity, Units of Mutual Funds, Exchange Traded Securities (including but not limited to listed REIT and INVIT etc.) other securities as permitted under Regulation.								
Allocation of portfolio across types of securities	<table border="1"> <thead> <tr> <th>Types of Securities</th><th>Allocation Range</th></tr> </thead> <tbody> <tr> <td>Equity &amp; Equity related instrument</td><td>0 – 100%</td></tr> <tr> <td>Fixed Income &amp; Fixed Income Related Securities</td><td>0 – 100%</td></tr> <tr> <td>Gold ETF, REITS etc</td><td>0-100%</td></tr> </tbody> </table> <p>Idle cash in the portfolio would be invested in the Liquid scheme / Money Market Mutual Fund scheme at the discretion of the Portfolio Manager.</p> <p>Portfolio construction / allocation across securities will be customised based on investor risk profile, investment goals, and specific investment policy guidelines.</p>	Types of Securities	Allocation Range	Equity & Equity related instrument	0 – 100%	Fixed Income & Fixed Income Related Securities	0 – 100%	Gold ETF, REITS etc	0-100%
Types of Securities	Allocation Range								
Equity & Equity related instrument	0 – 100%								
Fixed Income & Fixed Income Related Securities	0 – 100%								
Gold ETF, REITS etc	0-100%								
Appropriate benchmark to compare performance and basis for choice of benchmark	BSE 500 Index								
Indicative tenure or investment horizon	Open Ended, 3 years and above								
Risk associated with the investment approach	<p><b>Equity risk</b> is the financial risk involved in holding equity in a particular investment. Equity risk often refers to equity in companies through the purchase of stocks and does not commonly refer to the risk in paying into real estate or building equity in properties.</p> <p>Small cap and midcap companies have higher opportunities of growth, but these come with higher amount of risk as well. Therefore, these are suitable only for those investors who have higher risk appetite.</p> <p><b>Portfolio Concentration risk:</b> Concentration Risk is the potential for a loss in value of an investment portfolio or a</p>								

	<p>financial institution when an individual or group of exposures move together in an unfavourable direction. The implication of concentration risk is that it generates such a significant loss that recovery is unlikely. The portfolio will be liquidated, or the institution will face bankruptcy.</p> <p><b>Systematic Risk:</b> Systematic risk refers to the risk inherent to the entire market or market segment. Systematic risk, also known as “undiversifiable risk,” “volatility” or “market risk,” affects the overall market, not just a particular stock or industry. This type of risk is both unpredictable and impossible to completely avoid. It cannot be mitigated through diversification, only through hedging or by using the correct asset allocation strategy.</p> <p><b>Liquidity Risk:</b> Even though midcap and smallcap companies offer a greater growth potential, they have low liquidity which may have an adverse impact on their prices in the short term.</p> <p><b>High Volatility Risk:</b> A lot of these smaller companies can be highly volatile. This may have periods where the investor may see drawdowns.</p>
Other salient features if any	NA
Risks	<p>Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Investment approach unless they can afford to take the risk of losing their investment.</p> <p>Equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the portfolio may be restricted by trading volumes and</p> <p>settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the portfolio to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. Similarly, the inability to sell securities held in the Investment approach's portfolio may result, at times, in potential losses to the Investment approach, should there be a subsequent decline in the value of securities held in the Investment approach's portfolio.</p>

## **5.2 The policies for investments in associates/group companies of the portfolio manager and the maximum percentage of such investments therein subject to the applicable laws/regulations/ guidelines –**

The Portfolio Manager may utilize the services of the group companies and / or any other subsidiary or associate company of the sponsor, 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 on commercial terms and on arm's length basis and at mutually agreed terms and conditions and to the extent permitted under all applicable laws after evaluation of the competitiveness of the pricing offered and the services to be provided by them.

The investments in securities of the associate / group companies would be within the overall framework of Regulations and in terms of Agreement executed with the Client.

## **5.3 Minimum Investment Amount**

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

## **5.4 Direct on-boarding of clients**

The Portfolio Manager provides the facility to the Client for Direct on-boarding with us without any involvement of a broker/distributor/agent engaged in distribution services. The Client can sign up for our services by writing to us at [sales@incredamc.com](mailto:sales@incredamc.com)

Further, under this facility the Portfolio Manager may levy statutory charges to the client. Accordingly, the Portfolio Manager will not charge any Distribution related fees to the Client.

### **NOTE:**

- ❖ Sub section 5(i)(a) the brief about Fund Manager will be incorporated as the case may be . In case the Fund Manager doesn't have any prior experience then the same shall be notified under 5(i)(a)
- ❖ Investment under Portfolio Management Services will be only as per the SEBI Regulations on PMS.
- ❖ 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 fund schemes, Exchange Traded Index Funds, debt-oriented schemes of Mutual funds, Gilt schemes, Bank deposits and other short-term avenues for Investment.
- ❖ Portfolio Manager, will, before investing in the securities of its associate / group companies, evaluate such investments, the criteria for the evaluation being the same as is applied to other similar investments to be made under the Client's Portfolio. The investments in securities of the associate / group companies would be within the overall framework of Regulations and in terms of PMS Agreement executed with the Client.

- ❖ The Portfolio Manager and its group companies/associates are engaged in a broad spectrum of activities in the financial services sector. The Portfolio Manager may utilize the services of its group companies or associates may utilize services of its Associates/ Group Companies for activities like Depository Participant, broking, distribution etc. relating to Portfolio Management Services. Such utilisation will be purely on arm's length & purely on commercial basis and at a mutually agreed terms and conditions to the extent and limits permitted under the Regulations.
- ❖ As per employee dealing policy of InCred Capital Wealth Portfolio Managers Private Limited , employees are prohibited from dealing in securities that are held by any Investment Approach (other than securities forming part of the index of ETFs). In exceptional cases the disclosure as required by the regulations shall be made. However, as on date there is no conflict of interest with the transactions in any of the client's portfolio.

Apart from Discretionary Portfolio Management Services, the Portfolio Manager also offers Non- Discretionary Portfolio Management Services wherein the choice as well as the timings of the investment decisions rest solely with the Client. The Portfolio Manager manages the Assets of the Client in accordance with the directions given by the Client. Further 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.

## **6. General Risk Factors:**

The investments made in securities are subject to market risk and there is no assurance or guarantee that the objectives of investments will be achieved. Following are the risk factors as perceived by management:

The below risks factors are non-exhaustive and are intended to highlight certain risks associated with investing in Securities.

**Following are the risk factors as perceived by the management and as may be applicable depending on the Product for which Portfolio Manager's services are utilised:**

- Investments in Securities are subject to market risks and there is no assurance or guarantee that the objective of the Investment / Products/Services will be achieved
- As with any investment in securities, the Net Asset Value of the portfolio can go up or down depending upon the factors and forces affecting the capital markets.
- 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.
- The past performance of the Portfolio Manager does not indicate its future performance. There is no assurance that past performances will be repeated. Investors are not being offered any guaranteed or indicative returns by the Portfolio Manager. Investment decisions or recommendations made by the Portfolio Manager may not always be profitable.
- The performance of the Assets of the Client may be adversely affected by the performance of individual securities, changes in the market-place and industry specific and macro-economic factors. The Investment Approach are given different names for

convenience purpose and the names of the Investment Approach do not in any manner indicate their prospects or returns.

- Investments in the Products/Services which the Clients have opted are subject to wide range of risks which inter alia also include but not limited to economic slowdown, volatility & illiquidity of the stocks, poor corporate performance, economic policies, changes of Government and its policies, acts of God, acts of war, civil disturbance, sovereign action and /or such other acts/ circumstance beyond the control of the Portfolio Manager.
- Investments in debt instruments and other fixed income securities are subject to default risk, liquidity risk and interest rate risk. Interest rate risk results from changes in demand and supply for money and other macroeconomic factors and creates price changes in the value of the debt instruments. Consequently, the Net Asset Value of the portfolio may be subject to fluctuation.
- Investments in debt instruments are subject to reinvestment risks as interest rates prevailing on interest amount or maturity due dates may differ from the original coupon of the bond, which might result in the proceeds being invested at a lower rate.
- The Portfolio Manager may invest in non-publicly offered debt securities and unlisted equities. This may expose the Client's portfolio to liquidity risks.
- Engaging in securities lending is subject to risks related to fluctuations in collateral value/settlement/liquidity/counter party.
- The Portfolio Manager may use derivatives instruments like index futures, stock futures and options contracts, warrants, convertible securities, swap agreements or any other derivative instruments for the purpose of hedging and portfolio balancing, as permitted under the Regulations and guidelines. Usage of derivatives will expose the Portfolio to certain risks inherent to such derivatives. As and when the Portfolio Manager deals in the derivatives market on behalf of the Client, there are risk factors and issues concerning the use of derivatives that investors should understand.
- Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivatives require 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 or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value.
- There are inherent risks arising out of investment approach, investment objectives, asset allocation and non-diversification of portfolio.
- The Net Asset Value may be affected by changes in settlement periods and transfer procedures.
- The Portfolio Manager may, considering the overall level of risk of the portfolio, invest in lower rated/unrated securities offering higher yield. This may increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.

- The Portfolio Manager manages allocations in all client portfolios by way of a model portfolio which is in line with investment objectives of the investment approach. Unless there are specific exclusion instructions by individual clients, all clients' portfolios are aligned to a model portfolio; which means replication and alignment of all clients' portfolios in terms of scrip and allocation. New clients entering the investment approach as of a particular date are also aligned to the model portfolio. It must be noted that there are certain circumstances in which clients' portfolio may deviate or differ from the model portfolios to a material extent. This may happen due to factors like liquidity and free-floating consideration in some stocks, organization level exposure norms and related risk management, potential exit of a stock from the model portfolio thereby precluding it from buying in new client portfolios. The reasons quoted here are indicative but not exhaustive and the portfolio manager reserves the right to deviate from model portfolio for groups of clients depending on timing of their entry, market conditions and model portfolio construct at the time of their entry.
- When stocks are bought or sold on behalf of clients, it is the endeavour of the portfolio manager to execute for all clients uniformly as a common pool to get best price and efficiency. Despite this, the trade orders for all eligible clients may not be executed in entirety at single instance due to consideration of liquidity, impact costs, corporate actions etc. and hence the order may be executed over time at different prices across multiple brokers. The average price realised may vary on account of trades being executed at different points of time with multiple brokers. Trades which are not done with the pool will not have the weighted average price of the pool.
- As per employee dealing policy of InCred Capital Wealth Portfolio Managers Private Limited, employees are prohibited from dealing in securities that are held by any PMS Approach (other than securities forming part of the index of ETFs). In exceptional cases the disclosure as required by the regulations shall be made. However, as on date there is no conflict of interest with the transactions in any of the client's portfolio.

## 7. Client Representation:

### i. Details of client accounts activated:

	Category of clients	Total no. of Clients	Funds Managed (Rs. Cr)	Discretionary/Non-Discretionary
1	Associate/Group Companies (Last 3 Years)			
	2019-20	NA	NA	Discretionary
				Non-Discretionary
	2020-21	NA	NA	Discretionary
				Non-Discretionary
	2021-22	NA	NA	Discretionary
				Non-Discretionary
2.	Others (last 3 years)			
	2019-20	NA	NA	Discretionary
				Non-Discretionary
	2020-21	34.00	47.44 Cr.	Discretionary



				Non-Discretionary
	2021-22 (As of December 31, 2021)	256	299.86	Discretionary
		2	14.53	Non-Discretionary

“Funds Managed” indicates market value of Assets under Management.

The above figures are given in compliance with amendment to the SEBI (Portfolio Managers) Regulations, 2020.

## 2. Transactions with related parties are as under:

Names of related parties and nature of relationship (as on March 31, 2021) are as under:

### A) Enterprises where control by Promoter exists:

- InCred Financial Services Limited
- InCred Capital Financial Services Private Limited (Formerly Known as Proud Securities and Credits Private Limited)
- InCred Management and Technology Services Private Limited
- InCred Wealth Private Limited (Formerly known as InCred Capital Inclusion Advisory Services Private Limited)
- InCred Asset Management Private Limited (Formerly known as InCred Capital Investment Advisors and Managers Private Limited)
- Booth Fintech Private Limited
- InCred Research Services Private Limited (Formerly Known as Earnest Innovation Partners Private Limited)
- InCred Wealth and Investment Services Private Limited
- InCred.AI Limited
- Vishuddha Capital Management LLP

**B) Subsidiaries:** InCred Research Services Private Limited.

### C) Holding Company:

InCred Wealth Private Limited (Formerly known as InCred Capital Inclusion Advisory Services Private Limited (w.e.f 27th January, 2020)
--

### D) Fellow Subsidiaries:

InCred Asset Management Private Limited (formerly known as InCred Capital Investment Advisors and Managers Private Limited) (From 18<sup>th</sup> April 2019 till 27<sup>th</sup> January 2020)

### E) Key management personnel:

Mr. Venkatesh Vishwanathan, Additional Director. (w.e.f. 25<sup>th</sup> May 2021)  
 Mr. Kamlesh Dangi., Additional Director. (w.e.f. 25<sup>th</sup> May 2021)  
 Mr. Nitin Rao, Director (w.e.f 27th January 2020).  
 Mr. Rakesh Gorakh Postandel, Company Secretary. (w.e.f. 12<sup>th</sup> Feb 2021)

**Transactions with related parties for the year-ended March 31, 2021 mentioned in Annexure A.**

**8. The Financial Performance of Portfolio Manager (Based on audited financial Statements)**

**Financial highlights of InCred Capital Wealth Portfolio Managers Private Limited for the last 2 years are given as under:**

Particulars	Year Ended March 31, 2020 (Rs. In Lakhs)	Year Ended March 31, 2021 (Rs. In Lakhs)
Profit/(Loss) before depreciation & tax & After Exceptional & Extraordinary Items (Net of Tax).	(11.41)	(833.54)
Other comprehensive income	-	-
Less: Depreciation	-	46.45
Less: Provision for tax		-
Less: MAT credit utilised(entitlement)	0.2	-
Less/(Add): Deferred tax	(0.67)	(222.98)
Less: Fringe Benefit Tax	-	-
Less: Wealth Tax	-	-
Less: Provision for Tax (Previous Year)	-	(0.47)
Less: MAT credit (for previous year)	-	-
Profit/(Loss) for the year after tax	(12.83)	(656.54)
Add/(Less): Balance B/F from previous year	24.53	11.70
Less: dividend and dividend distribution tax paid	-	-
Balance carried to the Balance Sheet	11.70	(644.85)

**9. Portfolio Management performance of the Portfolio Manager for the last 3 years and in case of discretionary Portfolio Manager disclosure of performance indicators calculated using Time Weighted Average.**

INVESTMENT APPROACH WISE RETURNS IN (%)								
Sr.no	Investment Approach Name	Benchmark	FY 2021-22 (Since Inception till December 31, 2021)		FY 2020-21		FY 2019-20	
			Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark
1	InCred Healthcare Portfolio	BSE Healthcare Index	17.06	20.34	1.9	2.27	NA	NA
2	InCred Liquid Portfolio	CRISIL Liquid Fund Index	2.87	3.17	0.3	0.32	NA	NA
3	InCred Multicap Portfolio	BSE-500 INDEX	14.05	18.86	0.6	1.19	NA	NA
4	InCred Small and Midcap Portfolio	NIFTY Small Cap 100	2.55	24.22	NA	NA	NA	NA
5	InCred Small and Midcap Portfolio-NDPMS	NIFTY Small Cap 100	5.11	19.58	NA	NA	NA	NA

**Note:**

1. Category wise return in each portfolio is calculated based on simple average of all such client returns which in turn has been calculated using weighted average return method after adjusting for inflows and outflows during the period. The performance of clients which were live during the period is considered.
2. Returns are after charging fees and expenses.
3. As per Regulations 22(4)(e) of SEBI PMS Regulations 2020, performance shall be calculated using Time Weighted Average (TWRR) however SEBI vide its circular dated February 13, 2020 provided further clarification with regard to performance calculation of the Portfolio Manager.

**10. Audit Observations:**

There has not been any adverse audit observation on the Portfolio Manager for the audit conducted for FY 2020-21

**11. Nature of expenses:****i. Investment Management & Advisory Fees:**

Investment Management and Advisory fees charged may be a fixed fee or a return based fee or a combination of both as detailed in the Schedule to the Portfolio Management Services agreement. The Fees may be charged as agreed between the Client and the Portfolio Manager. The detailed fee schedule is available as a part of agreement and depends on the nature of product.

**ii. Depository Charges:**

These charges relate to opening and maintenance of Depository Accounts and/or custody fee and charges (wherever required) paid to the Custodians and/or Depository Participants, dematerialization of scrips, Securities lending & borrowing & their transfer charges in connection with the operation and management of the Client's Portfolio account.

iii. **Custodian Fees:** As may be applicable from time to time charged to the Client on actual basis

iv. **Fund Accounting Fee:** As may be applicable from time to time charged to the Client on actual basis

v. **Registrar & Transfer Agent Fees:** As applicable on actual basis

**vi. Brokerage & Transaction Cost:**

The investments under Portfolio Management would be done through registered members of the Stock Exchange(s) who charge brokerage up to a maximum of 2.5% of contract value. In addition to the brokerage, transaction cost like, turnover charges, stamp duty, turnover tax, Securities transaction tax or any other tax levied by statutory authority (ies), foreign transaction charges (if any) and other charges on the purchase and sale of shares, stocks, bonds, debt, deposits, other financial instruments may also be levied by the broker. Entry or exit loads (if any) on units of Mutual Funds invested by the Portfolio Manager will also be charged from Clients.

**vii. Goods and Service Tax:**

As applicable from time to time.

**viii. Entry Load /Exit Load**

Portfolio Manager shall charge exit load to the Client in the following manner:

- In the 1st year of investment: Maximum 3% of the amount redeemed
- In the 2nd year of investment maximum 2 % of the amount redeemed
- In the 3rd year of Investment: Maximum 1% of the amount redeemed
- After period of 3 years from the date of investment: Nil

ix. **Certification and professional charges:**

Actual Charges payable for out sourced professional services like accounting, auditing, taxation and legal services etc. for documentation, notarisations, certifications, attestations required by bankers or regulatory authorities including legal fees etc.

x. **Incidental expenses:**

Charges in connection with day-to-day operations like courier expenses, stamp duty, postal, telegraphic, opening and operation of bank account, distribution charges or any other out of pocket expenses as may be incurred by the Portfolio Manager.

Investors may note that, the fees/ expenses that may be charged to Clients mentioned below are indicative only. The same will vary depending upon the exact nature of the services to be provided to investors.

	Nature of Expense (indicative)	Maximum Indicative Rate of Fees (%)	
1.	Investment Management and Advisory Fees **		
	a) Fixed Fee	Upto 5% per annum	
	b) Performance linked fees as permitted under the regulations	The fees will be a percentage of the returns generated for the Portfolio as may be agreed by the client in a PMS Agreement	
	c) Exit Loads	Portfolio Manager shall charge exit load to the client in the following manner	
		Year	Exit Load %
		In the first year of investment	Maximum of 3% of the redemption amount
		In the second year of investment	Maximum of 2% of the redemption amount
		In the third year of investment	Maximum of 1% of the redemption amount
		After the period of 3 years from the date of investment	Nil
2.	Fund Accounting and Custody and Other Charges **#	Upto 0.50% per annum	
3.	Brokerage & transaction charges	On actuals	
** Basis of charge – Indicative (anyone or combination of the below)			
1. On Average Daily Assets under Management			
2. On Capital Invested			
3. On capital committed			
# Includes audit fees, franking, notary charges, miscellaneous expenses			

**Note:**

- a. Average daily portfolio value means the value of the portfolio of each client determined in accordance with the relevant provisions of the agreement executed with the client and includes both realized and unrealized gains/losses.
- b. Performance linked fee can be charged at intervals as agreed between the Client and the Portfolio Manager.
- c. The Portfolio Manager may also be entitled to recover transaction fee, brokerage charges, demat fees, and/or disbursement made in respect of the investments (and/or disbursements) and/or any incidentals in the form of stamp duties, registration charges, professional fees, legal fees, consultancy charges, service charges etc. and such other expenses, duties, charges incurred on behalf of the Client on account of the Service provided to him/her/it.

**12. Taxation:**

The following information is based on the law in force in India at the date hereof. The information set forth below is based on the Portfolio Manager's understanding of the Tax Laws as of this date of Disclosure Document. The client should seek advice from his/her/its own professional advisor if he/she/it is in any doubt regarding the taxation consequences of investing in the Products offered under Portfolio Management Services.

The Finance Minister introduced new tax regime in Union Budget, 2020 wherein an option for individuals and HUF (Hindu Undivided Family) to pay taxes at lower rates without claiming deductions under various sections. The following Income Tax slab rates are notified in new tax regime vs old tax regime:

<b>Income Tax Slab</b>	<b>Tax rates as per new regime</b>
₹ 0 - ₹ 2,50,000	<b>Nil</b>
₹ 2,50,001 - ₹ 5,00,000	5% (Tax rebate of INR 12,500 available)
₹ 5,00,001 - ₹ 7,50,000	₹ 12500 + 10% of total income exceeding ₹ 5,00,000
₹ 7,50,001 - ₹ 10,00,000	₹ 37500 + 15% of total income exceeding ₹ 7,50,000
₹ 10,00,001 - ₹ 12,50,000	₹ 75000 + 20% of total income exceeding ₹ 10,00,000
₹ 12,50,001 - ₹ 15,00,000	₹ 125000 + 25% of total income exceeding ₹ 12,50,000
Above ₹ 15,00,000	₹ 187500 + 30% of total income exceeding ₹ 15,00,000

<b>Income Tax Slab</b>	<b>Tax rates as per old regime</b>
------------------------	------------------------------------

₹ 0 - ₹ 2,50,000	<b>Nil</b>
₹ 2,50,001 - ₹ 5,00,000	5% (Tax rebate of INR 12,500 available)
₹ 5,00,001 - ₹ 10,00,000	₹ 12,500 + 20% of total income exceeding ₹ 5,00,000
Above ₹ 10,00,000	₹ 112,500 + 30% of total income exceeding ₹ 10,00,000

Individuals and HUF opting for new tax regime will not be allowed following deductions and exemptions:

- 1.) Standard deduction from salary and profession tax
- 2.) House Rent Allowance
- 3.) Housing Loan Interest
- 4.) Leave Travel Allowance
- 5.) Deductions under Chapter VIA of the Income tax Act, 1961 such section 80C (life insurance premium), section 80CCC (pension premium), 80D (health insurance premium), 80TTA (bank interest), etc.

**The Budget 2021 has not changed the tax rates for Senior Citizens and Super senior Citizens**

<b>Income Tax Slab</b>	<b>Tax Rate for Individuals Above the Age of 60 or more</b>	<b>Tax Rates for Super Senior Citizens above the age of 80 Years or more</b>
Up to Rs. 3,00,000	<b>Nil</b>	<b>Nil</b>
Rs. 3,00,001 to Rs. 5,00,000	<b>5%</b>	<b>Nil</b>
Rs. 5,00,001 to Rs. 10,00,000	<b>20%</b>	<b>20%</b>
Above Rs. 10,00,000	<b>30%</b>	<b>30%</b>

- Income Tax Rates & Surcharge for Domestic Companies for FY 2020-21

<b>Turnover Particulars</b>	<b>Tax rates as per Old regime</b>	<b>Tax rates as per New regime</b>
Total turnover or Gross receipts up to 400 Cr. in the FY 2018-19	<b>25%</b>	<b>NA</b>
Domestic Co other than above (except for new manufacturing companies)	<b>30%</b>	<b>22%</b>
Minimum Alternate Tax (MAT) rate	<b>15% (In case the Company does not opt for the new tax regime, reduced MAT rate of 15% would apply)</b>	<b>NA (In case the Company opts for new tax regime, MAT will not apply)</b>

- Surcharge rates for Individual / HUF:-  
The surcharge applicable based on income thresholds as follows:
  - For Total Income above Rs. 50 lakh and up to Rs. 1 crore – 10% surcharge
  - For Total Income above Rs. 1 crore and up to Rs. 2 crore – 15% surcharge

- For other than Specified Income above Rs. 2 crore and up to Rs. 5 crore – 25% surcharge
- For other than Specified Income above Rs. 5 crore – 37% surcharge

Assesses	Rate of surcharge & Cess applicable
Individuals (including NRIs/PIOs), HUFs, Non-Corporate FIs	A surcharge of 10% on income tax if income is above Rs. 50 lakh but below Rs. 1 crore. For income above Rs. 1 crore surcharge shall be 15 % on income tax (on income above 1 crore). Health & Education cess of 4% is payable on the total amount of tax including surcharge. <input type="checkbox"/> For Specified Income above Rs. 2 crore and up to Rs. 5 crore – 25% surcharge <input type="checkbox"/> For Specified Income above Rs. 5 crore – 37% surcharge
Companies where the taxable income more than Rs. 1 crores and upto Rs. 10 crore (Old regime)	A surcharge of 7% on income tax and Health & Education cess of 4% is payable on the total amount of tax including surcharge. (A surcharge of 2% in case of foreign companies).
Companies where the taxable income is more than Rs. 10 Crore (Old regime)	A surcharge of 12% on income tax (on income above 10 crores) and Health & Education cess of 4% is payable on the total amount of tax including surcharge(a surcharge of 5% in case of foreign companies).
Surcharge under new tax regime	A surcharge of 10% on income tax is payable. Health & Education cess of 4% is payable on the total amount of tax including surcharge

- Surcharge on Specified income

Surcharge on Short Term Capital Gains as Prescribed under section 111A (i.e. on STT paid shares or unit of an equity oriented mutual fund at the time of sale of shares) & Long term capital Gains as prescribed under section 112A ( i.e. STT paid shares both at the time of sale & purchase of shares or at the time of sale of equity oriented mutual fund) is summarized below:

Criteria for surcharges rates	For Other than Companies ( Like Individual / HUF)	For Companies under Old regime	For Companies under New Regime
Total Income >50Lacs but Below 1Cr	10%	7%	10%
Total Income >1Cr but Below 10Cr	15%	7%	10%
Above 10Cr	15%	12%	10%

In addition to above Health & Education Cess @4% would be levied Basic Tax & Surcharge for ALL Assesses.

- Taxability on Dividend received from Domestic Company or Mutual Fund (Equity Oriented or Debt Mutual Funds: -

Effective 1 April 2020 the Dividend received on the shares and units of above Mutual Funds held in the Products offered under the Portfolio Management Services are subject to tax in the hands of investor as w.e.f.1st April 2020 at the applicable slab rates. No Dividend Distribution tax on the amount of dividend/income distribution declared to be paid by domestic Co or Mutual fund will be applicable.

- Taxability on Capital Gains:-

**For Individuals, HUF, Partnerships Firm and Indian Companies**

**(a) Long Term Capital Gains**

From October 1, 2004 in case of listed equity shares and securities and units of equity oriented schemes sold on a recognized stock exchange, which are subject to Securities Transaction Tax (currently 0.001% for units of equity oriented scheme and 0.1% on equity shares) both at time of purchase & sale of Equity shares & the tax on Long Term Capital Gain would be 10% if Capital gain is more than Rs.1Lac with a grandfathering clause. Long term capital gains in respect of other listed securities (other than a unit) or Zero coupon bonds would be subject to tax at the lower of 20% (plus surcharge and education cess) computed after cost indexation, or 10% (plus surcharge and education cess) of the gains computed without cost indexation. However, for unlisted securities tax @ 20% (plus surcharge and education cess) of the capital gains computed after cost indexation.

**(b) Short Term Capital Gains**

Short-term Capital Gains (other than shares or units of equity-oriented funds on a recognized stock exchange, which are subject to Securities Transaction Tax) is added to the total income is chargeable to tax as per the relevant slab rates. However, tax on short term capital gains on sale of shares and units of equity-oriented funds on a recognized stock exchange, which are subject to Securities Transaction Tax, would be @ 15% (plus applicable surcharge and an education cess).

- Provisions regarding Dividend income and Bonus

According to the provisions of Section 94(7) of the Act, losses arising from the sale/redemption of units purchased within 3 months prior to the record date (for entitlement of dividends) and sold within 9 months after such date, is disallowed to the extent of income on such units and claimed as tax exempt. Also, losses arising from transfer of shares purchased within 3 months prior to the record date (for entitlement of dividends) and sold within 9 months after such date, is disallowed to the extent of dividend received on such shares and claimed as tax exempt.

According to the provisions of Section 94(8) of the Act, if an investor purchases units within 3 months before the record date (for entitlement of bonus) and sells/redeems the units within 9 months after that date, and by virtue of holding the original units, he becomes entitled to bonus units, then the loss arising on transfer of original units shall be ignored for the purpose of computing his income chargeable to tax (even though he continues to hold all / part of the additional units allotted as bonus). In fact, the loss so ignored will be treated as cost of acquisition of such bonus units.

- Switching from one scheme to another



As stated in the respective underlying mutual fund scheme information documents, switching from one scheme / option to another scheme / option will be effected by way of redemption of units of the relevant scheme/ option and reinvestment of the redemption proceeds in the other scheme / option selected by the unit holder. Hence, switching will attract the same implications as applicable on transfer of such units.

- Consolidation of Schemes

Transfer of units upon consolidation of mutual fund schemes of two or more schemes of mutual fund in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains. Further, transfer of units upon consolidation of plans within mutual fund schemes in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains.

- Tax withholding:

- Resident Investors

Also w.e.f. 1st April 2020 mutual fund shall be required to deduct TDS at 10 per cent only on dividend payment (Above Rs 5000) & No tax shall be required to be deducted by the mutual fund on income which is in the nature of capital gain. **However, w.e.f 14th May 2020, TDS on dividend is reduced to 7.5% for FY2020-21 only.**

- Foreign Institutional Investors (FII)

Under section 196D of the Act, no tax is required to be deducted at source on income way of capital gains earned by a FII.

- NRI's other than FII's

Under Section 195 of the Act, the Mutual Fund is required to deduct tax at source at the rate of 20% /10% (without indexation) on any long-term capital gains arising to non-resident investors from units other than units of an equity oriented scheme. Long term capital gains from equity-oriented schemes & listed equity shares are liable to be withhold @10% if the capital gain exceed Rs.1 Lakh during the financial year starting from April 1, 2018 subject to Grandfathering Clause.

In respect to short-term capital gains from units other than units of an equity oriented scheme, tax is required to be deducted at source at the rate of 30%(Assuming Highest tax bracket for investor) if the payee unit holder is a non-resident non-corporate and at the rate of 40% if the payee unit holder is a foreign company. In case of equity oriented schemes, tax is required to be deducted at the rate of 15% for both corporate and non-corporate non-resident unit holders

Further, the aforesaid tax to be deducted is required to be increased by surcharge and Health & Education Cess, as applicable.

In the case of a remittance to a country with which a Double Tax Avoidance Agreement ('DTAA') is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. The benefit of lower tax rate is available basis specified documentation.

Taxability on Dividend received from Domestic Company or Mutual Fund (Equity Oriented or Debt Mutual Funds)

Effective 1 April 2020 the Dividend received on the shares and units of above Mutual Funds held in the Products offered under the Portfolio Management Services are subject to tax in the hands of investor as w.e.f.1st April 2020 at the applicable slab rates. No Dividend Distribution tax on the amount of dividend/income distribution declared to be paid by domestic Co or Mutual fund will be applicable.

**Please Note:**

The tax incidence to investors could vary materially based on residential status, characterization of income (i.e. capital gains versus business profits) accruing to them. The Information provided here is general in nature & can be changed in future by Department or Govt. Please consult your financial planner before taking decision

THERE CAN BE NO GUARANTEE THAT THE ABOVE POSITION REGARDING TAXATION WOULD BE NECESSARILY ACCEPTED BY THE INDIAN TAX AUTHORITIES UNDER THE IT ACT. NO REPRESENTATION IS MADE EITHER BY THE PORTFOLIO MANAGER OR ANY EMPLOYEE, PARTNER OR AGENT OF THE MANAGER IN REGARD TO THE ACCEPTABILITY OR OTHERWISE OF THE ABOVE POSITION REGARDING TAXATION BY THE INDIAN TAX AUTHORITIES UNDER THE IT ACT. INVESTORS ARE URGED TO CONSULT THEIR OWN TAX ADVISERS IN THIS REGARD.

**13. Accounting Policies:**

- A. The Portfolio Manager shall maintain a separate Portfolio record in the name of the Client in its book for accounting the assets of the Client and any receipt, income in connection therewith as provided under SEBI (Portfolio Managers) Regulations, 2020.
- B. For every Client Portfolio, the Portfolio Manager shall keep and maintain proper books of accounts, records and documents, for the Client, on mercantile system of accounting, so as to explain its transactions and to disclose at any point of time the financial position of the Client's Portfolio and Financial Statements and in particular give a true and fair view of the state of affairs.
- C. Following Accounting Policies are proposed to be followed for the purpose of maintaining books of accounts & records of the Client.
  - 1. Investments are stated at cost of acquisition by the Portfolio Manager.
  - 2. Dividend income earned shall be recognized, not on the date the dividend is declared, but on the date the share is quoted on an ex-dividend basis. For investments, which are not quoted on a stock exchange, dividend income shall be recognized on the date of receipt.
  - 3. In respect of all interest-bearing investments, income shall 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 upto the date of purchase shall not be treated as a cost of purchase but shall be debited to Interest Recoverable Account. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale shall not be treated as an addition to sale value but shall be credited to Interest Recoverable Account.
  - 4. In determining the holding cost of investments and the gains or loss on sale of investments, the First-in-First-out (FIFO) method shall be followed.

5. Transactions for purchase or sale of investments shall 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 is recorded and reflected in the financial statements for that year.
6. Bonus shares shall be recognized only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.
7. Rights entitlement shall be recognized only when the original shares on which the rights entitlement accrues are traded on the stock exchange on an ex-rights basis.
8. The cost of investments acquired or purchased shall include brokerage, stamp duty and any charge customarily included in the broker's bought note.
9. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment.
10. All other expenses payable by the Client shall be accrued as and when Liability is incurred.
11. Investments in listed equity and debt instruments will be valued at the closing market prices on the National Stock Exchange (NSE). If the securities are not traded on the NSE on the valuation day, the closing price of the security on the Bombay Stock Exchange or other exchange will be used for valuation of securities. In case of the securities are not traded on the valuation date, the last available traded price shall be used for the valuation of securities. Investments in units of Mutual Funds shall be valued at the repurchase price of the previous day declared for the relevant Scheme on the date of the report.
12. Open positions in derivative transactions, will be marked to market on the valuation day.
13. Private equity/Pre IPO placements will be valued at cost or at a last deal publicly available price at which company has placed shares to other investors till it is listed.
14. Unrealised gain/losses are the differences, between the current market value/ Net Asset Value and the historical cost of the securities.
15. Valuation of investments in Non – Convertible Debentures (NCD) / Market Linked Debentures (including Equity Linked Debentures) (MLD) shall be based on prices provided by valuation agency appointed by the issuer of the such securities. In case of any default by the issuer, the Portfolio Manager may at his sole discretion value the NCD / MLD as deems appropriate.
16. 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 the portfolio obtains an enforceable obligation to pay the price or, in the event of a sale, when the portfolio obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold. The accounting policies and standards as outlined above are subject to changes made from time to time by Portfolio Manager. However, such changes would be in conformity with the Regulations.

#### **14. Investors Services:**

**Details of investor relation officer who shall attend to the investor queries and complaints is mentioned herein below:**

Name of the Person	Ankur Jain
Designation	Vice President Compliance
Address	Unit No. 1203-B, 12 <sup>th</sup> Floor, The Capital, C-70 G Block, BKC, Bandra East, Mumbai - 400051
Email Id	<a href="mailto:ankur.jain@incredcapital.com">ankur.jain@incredcapital.com</a>
Telephone	+91-9819076647

**Grievance Redressal and dispute settlement mechanism:**

For any queries/complaints, investor can approach Investor Relation Officer at details given above.

Further investor may also approach the Compliance Officer / Principal Officer of the Portfolio Manager. The details including, inter-alia, name & address of Compliance Officer & Principal Officer, their e-mail addresses and telephone numbers are displayed at each offices of the InCred Capital Wealth Portfolio Managers Private Limited.

The officers mentioned above will ensure prompt investor services. The Portfolio Manager will ensure that these officials are vested with necessary authority, independence and the means to handle investor complaints. The Portfolio Manager will endeavor to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. If the investor remains dissatisfied with the remedies offered or the action of the portfolio manager, the investor and the Portfolio Manager shall abide by the following mechanisms: -

All disputes, differences, claims and questions whatsoever arising between the Client and the Portfolio Manager and/or their respective representatives including any dispute regarding fees & charges shall be settled in accordance with the provision of The Arbitration and Conciliation Act, 1996 or any statutory requirement, modification or re-enactment thereof for the time being in force. Such arbitration proceedings shall be held at Mumbai or such other place as the portfolio manager thinks fit.

In case of non redressal of the complaint by the Portfolio Manager, investors can approach SEBI for redressal of their complaints. Investors may lodge their complaints through SCORES (SEBI Complaints Redress System - <https://scores.gov.in/scores/Welcome.html>) or by sending their complaints on the address given below:

Office of Investor Assistance and Education,  
Securities and Exchange Board of India,  
SEBI Bhavan II Plot No. C7, 'G' Block,  
Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051

Investor charter and Grievance report is available on the Company website

**For InCred Capital Wealth Portfolio Managers Private Limited**

Name: Aditya Khemka Principal Officer	(Sd/-)
Name: Ankur Jain Vice-President - Compliance	(Sd/-)

Place: Mumbai

Date: 31.01.2022

## FORM C

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

It is confirmed that:

1. the Disclosure Document forwarded to SEBI is in accordance with Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by SEBI from time to time.
2. the purpose of the document is to provide essential information about the portfolio services and the disclosures made in the document are true, fair and adequate to enable the investors to make a well-informed decision for engaging a Portfolio Manager.
3. the contents of disclosure document have been duly certified by an Independent Chartered Accountant, Mr. Abhijeet Deshmukh, a Partner of M/s. Sanjay Rane & Associate, Chartered Accountants, having membership no. 129145 and office at C- 403, Marathon Next Gen. Innova, Opp. Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013.
4. Principal Officer: Mr. Aditya Khemka  
Address: InCred Capital Wealth Portfolio Managers Private Limited  
(Formerly known as BSH Corporate Advisors and Consultants Pvt. Ltd.)  
Unit no 1203, 12<sup>th</sup> Floor, B Wing, The Capital,  
Plot no C-70, G Block, Bandra- Kurla Complex,  
Bandra East, Mumbai – 400 051.  
Email: [aditya.khemka@incredamc.com](mailto:aditya.khemka@incredamc.com)
5. The disclosure document contains necessary information about the Portfolio Manager required by an investor before investing and the investor may also be advised to retain the document for future reference.

For InCred Capital Wealth Portfolio Managers Private Limited



**Mr. Aditya Khemka**  
**Principal Officer**

Date – 31.01.2022

Place – Mumbai

**INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED**  
(Formerly Known as BSH Corporate Advisors and Consultants Private Limited)

**Registered Office:**

Unit No. 1203, 12th floor, B Wing, The Capital,  
Plot No. C - 70, G Block, Bandra - Kurla Complex,  
Bandra East, Mumbai - 400 051

**Corporate Office:**

Unit No. 1502, 15th floor, B Wing, The Capital,  
Plot No. C - 70, G Block, Bandra - Kurla Complex,  
Bandra East, Mumbai - 400 051

**CIN:** U74999MH2018PTC305048

**Website:** [www.incredcapital.com](http://www.incredcapital.com)

**Contact:** 022 - 41611500

# Sanjay Rane & Associates

## CHARTERED ACCOUNTANTS

C-403, Marathon Next Gen. Innova,  
Opp. Peninsula Corporate Park,  
Off Ganpatrao Kadam Marg,  
Lower Parel, Mumbai-400 013.

Phone : 49198585  
Telefax : 49198521  
Email : admin@ssrane.net  
Website : www.ssraneandco.com

### TO WHOMSOEVER IT MAY CONCERN

We have verified books of accounts and other records of **M/s. INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED** ("the company") (SEBI PMS Registration No. INP000007128) having its registered address at Unit No 1203 - B, 12th Floor, The Capital, C-70, G, Block, BKC, Bandra (East), Mumbai - 400051 for financial year ended on 31<sup>st</sup> March 2021 with respect to Portfolio Management Services.

On the basis of such verification of the information and explanations given to us by the company, we certify that the disclosures made in the Disclosure Documents dated January, 2022 are true, fair and adequate to enable the investors to make a well-informed decision.

This Certificate is issued under Regulation 22 of the SEBI (Portfolio Managers) Regulation 2020.

For Sanjay Rane & Associates  
Chartered Accountants  
Firm Reg. No.: 121089W



CA. Abhijeet Deshmukh  
Partner  
Membership No: 129145

Place: Mumbai  
Date: 01<sup>st</sup> February, 2022

UDIN: 22129145AAAABY5276



**ADDENDUM NO 01/2022 TO DISCLOSURE DOCUMENT****THIS ADDENDUM SETS OUT CHANGES TO BE MADE IN THE DISCLOSURE DOCUMENT OF  
INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED ('PORTFOLIO MANAGER')**

Pursuant to SEBI (Portfolio Managers) (Amendment) Regulations, 2022 read with SEBI Circular SEBI/HO/IMD/IMD-I/DOF1/P/CIR/2022/112 dated August 26, 2022, Investors are requested to note the following additions made to the Disclosure Document dated January 31, 2022 w.e.f. September 20, 2022:

**I. Details of investments in the securities of related parties or associates of the Portfolio Manager:**

The details of investment of client's funds by the portfolio manager in the securities of its related parties or associates are as below:

**a. Details as on last day of previous calendar quarter (i.e. as on June 30, 2022)**

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

**b. Details as on day of this addendum disclosure document (i.e. as on September 20, 2022)**

Sr. No.	Investment Approach, if any	Name of the associate/ related party	Investment amount (cost of investment) as on date of this addendum (INR in crores)	Value of investment as on date of this addendum (INR in crores)	percentage of total AUM* as on date of this addendum
1	InCred Vintage Portfolio – Non-Discretionary Portfolio Management Services (NDPMS)	InCred Prime Finance Limited (formerly known as InCred Financial Services Limited) – Equity shares	0.40	0.40	0.58%
2	InCred Vintage Portfolio – NDPMS	InCred Financial Services Limited (formerly known as KKR India Financial Services Limited) –MLD	2.50	2.50	3.60%

\*AUM at investment approach level

**II. Details of the diversification policy of the Portfolio Manager:**

Diversification is a risk management strategy that mixes a variety of securities within a portfolio. The rationale behind diversification is different securities will, on an average, yield better long-term returns and lower the risk of any individual holding or security. Although diversification does not ensure a profit or guarantee against loss, it can help reduce the volatility of portfolio over time.

Since investing requires disciplined risk management, the Portfolio Manager would incorporate adequate safeguards for controlling risks in the portfolio construction process. While allocating and choosing securities, the Portfolio Manager will aim to diversify by gaining broad exposure to different industries and companies in order to reduce risk.

**Risk Diversification in Equity and equity related instruments:**

There are two kinds of risk in equity investments, Systematic Risk or Market Risk and Unsystematic Risk. Unsystematic risk can be mitigated through diversification while systematic or market risk is generally unavoidable. Unsystematic risk is unique to a given business or industry and can be diversified by investing in a portfolio of stocks.

The Portfolio Manager intends to invest in a sufficiently large number of equity and equity related instruments so as to limit exposure to a particular company. The Portfolio Manager aims to ensure a well-diversified equity portfolio comprising stocks across various sectors of the economy while managing or recommending investments for Client portfolio. This shall aid in managing concentration risk and sector specific risks. The Portfolio Manager shall also target to manage or recommend sufficient exposure across different market cap segments - i.e. large, mid-cap and small cap. This shall aid in managing volatility and also improve liquidity in Client's Portfolio.

Clients are requested to note that while the above measures are prudent and more relevant for diversified investment approaches, to the extent possible, these measures would also be implemented in case of sector or thematic or market cap concentrated investment approaches offered by Portfolio Manager.

**Risk Diversification in Fixed Income Securities:**

Investments in Fixed Income Securities shall be managed or recommended to Clients depending on factors such as liquidity, investment tenure, risk appetite of Clients etc. The Portfolio Manager will attempt to reduce liquidity risk by investing and/or recommending investments in securities that would result in a staggered maturity profile, investment in securities that provide relatively easy liquidity and securities that have reasonable secondary market activity. Exposure to debt securities, other than Sovereign exposures, would be diversified, comprising a number of issuers across sectors. This shall aid in managing concentration risk and sector-specific risks.

Please refer to "Basis of selection of such types of securities as part of the investment approach" and "Allocation of portfolio across types of securities" for further information on diversification measures for respective Investment Approaches as offered by the Portfolio Manager.

**Note:** This addendum forms an integral part of the Disclosure Document dated January 31, 2022 read with the addenda issued thereunder. The Disclosure Document shall stand modified to the extent mentioned above. All other terms and conditions of the Disclosure Document remain unchanged.

**For InCred Capital Wealth Portfolio Managers Private Limited**

Sd/-  
Authorised Signatory

Date: September 20, 2022  
Place: Mumbai

**ADDENDUM NO 01/2023 TO DISCLOSURE DOCUMENT**

**THIS ADDENDUM SETS OUT CHANGES TO BE MADE IN THE DISCLOSURE DOCUMENT OF  
INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED ('PORTFOLIO MANAGER')**

**Change in Compliance Officer**

Notice is hereby given that Ms. Preeti Lalwani has been appointed as the Compliance Officer and Investor Relation Officer with effect from January 01, 2023. Mr. Ankur Jain has ceased to be the Compliance officer.

Ms. Lalwani's brief experience is as below:

Name & (Age)	Designation	Educational Qualifications	Brief Experience
Ms. Preeti Lalwani (42 years)	Compliance Officer	M.Com MBA	Over more than 15 years of experience in the field of regulatory compliances and internal controls.  Prior to joining InCred, she was employed with Edelweiss Broking Limited for 10 years, engaged in day-to-day compliance for wealth management and advisory, stocking broking, depository participant and corporate agent. Before this, she was employed with HSBC Investsmart Securities Limited and prior to that with Sharekhan Limited in their compliance departments.

**Details of investor relation officer who shall attend to the investor queries and complaints is mentioned herein below:**

Name of the Person	Ms. Preeti Lalwani
Designation	Compliance Officer
Address	Unit No. 1203-B, 12th Floor, The Capital, C-70 G Block, BKC, Bandra East, Mumbai - 400051
Email Id	preeti.lalwani@incredcapital.com / pms.compliance@incred.com
Telephone	022 6844 6100 / 91-9820455802

**Note:** This addendum forms an integral part of the Disclosure Document dated January 31, 2022 read with the addenda issued thereunder. The Disclosure Document shall stand modified to the extent mentioned above. All other terms and conditions of the Disclosure Document remain unchanged.

**For InCred Capital Wealth Portfolio Managers Private Limited**

Sd/-  
Authorised Signatory

Date: January 07, 2023  
Place: Mumbai

- 
- **Portfolio Manager:** InCred Capital Wealth Portfolio Managers Private Limited • **SEBI Registration no.** INP000007128  
• **CIN:** U74999MH2018PTC305048. • **Registered Office:** Unit No. 1203-B, 12th Floor, The Capital, C-70 G Block, BKC, Bandra East, Mumbai – 400051.  
• **Tel:** 022 6844 6100 • **Website:** www.incredsecurities.com