

**FORM C**

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

[Regulation 22]

We confirm that:

The Disclosure Document forwarded to the Securities and Exchange Board of India ("SEBI" or "Board") is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time.

The Disclosures made in the Disclosure Document are true, fair and adequate to enable the investors to make a well-informed decisions regarding entrusting the management of their portfolio to us or investment in the Portfolio Management service.

The Disclosure Document has been duly certified by an independent Chartered Accountant on March 10, 2025.

CA Ashish Shah

Shah Kapadia & Associates, Chartered Accountants  
Office no. 328, 3<sup>rd</sup> Floor, Champaklal Industrial  
Estate, Plot No. 105, Sion Koliwada Road, Sion East  
Mumbai – 400022.  
Tel.: 022 4974 1224  
Email - SKA@theSKA.in  
Membership No. 129598

A copy of the said certificate issued by M/s Shah Kapadia & Associates, Chartered Accountants to the effect that the disclosures made in the document are in conformity with the requirement of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020 and is true, fair and adequate to enable the investors to make a well-informed decision, is enclosed.

For Sanctum Wealth Private Limited

**HEMANG**  
**ARUN KAPASI**

Digitally signed by  
HEMANG ARUN KAPASI  
Date: 2025.03.20 15:56:14  
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Hemang Kapasi  
Principal Officer

Sanctum Wealth Private Limited  
1401, Tower 2, 14th Floor, One International Center  
Senapati Bapat Marg, Elphinstone Road  
Mumbai 400013, Maharashtra, India

Date: March 10, 2025

Place: Mumbai

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# SHAH KAPADIA & ASSOCIATES

## CHARTERED ACCOUNTANTS

Office No. 328, 3<sup>rd</sup> floor, Champaklal Industrial Estate, Plot No. 105, Sion Koliwada Road, Sion East, Mumbai 400022.

Tel No: 022-49741224 | Web: [www.theSKA.in](http://www.theSKA.in) | Email: [SKA@theSKA.in](mailto:SKA@theSKA.in)

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### CERTIFICATE

The Board of Directors,  
**Sanctum Wealth Private Limited.**  
1401, Tower 2, 14th Floor,  
One International Center,  
Senapati Bapat Marg, Elphinstone Road,  
Mumbai: 400013.

1. You have requested to us to provide a certificate on the Disclosure document for Portfolio Management services ("the Disclosure Document") of Sanctum Wealth Management Private Limited ("the Company"). We understand that the disclosure document is required to be submitted to the Securities and Exchange Board of India ("the SEBI").
2. The Disclosure Document and compliance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 ("the SEBI Regulation") and the Guidelines issued by SEBI dated February 13, 2020 is the responsibility of the management of the company. Our responsibility is to report in accordance with the Guidance note on Audit Reports and Certificates for special purposes issued by the Institute of Chartered Accountants of India. Further, our scope of work did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statement taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statement, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.
3. In respect of the information given in the Disclosure document, we state that:
  - i. The list of persons classified as Associates or group companies and list of related parties are relied upon as provided by the company.
  - ii. The Promoters and director's qualification, experience, ownership details are as declared by them and have been accepted without further verification.
  - iii. We have relied on the representations given by the management of the company about the penalties or litigations against the Portfolio Manager mentioned in the Disclosure document.
  - iv. We have relied on the representation made by the management regarding the Assets under management of Rs. 431.02 crores as on 31<sup>st</sup> December 2024.
  - v. With regard to TWRR calculation method, we have been informed by the management that the TWRR has been calculated by their software as per the logic specified by SEBI.



## SHAH KAPADIA & ASSOCIATES CHARTERED ACCOUNTANTS

Office No. 328, 3<sup>rd</sup> floor, Champaklal Industrial Estate, Plot No. 105, Sion Koliwada Road, Sion East, Mumbai 400022.

Tel No: 022-49741224 | Web: [www.theSKA.in](http://www.theSKA.in) | Email: [SKA@theSKA.in](mailto:SKA@theSKA.in)

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- vi. Our certification is based on the audited Balance sheet of the company for the year ended March 31, 2024, examination of other records, data made available and information & explanations provided to us.
4. Read with above and on the basis of our examination of the books of accounts, records, statements produced before us and to the best of our knowledge and according to the information, explanations and representations given to us, we certify that the disclosure made in the Disclosure Document dated February, 2025 are true and fair in accordance with the disclosure requirements laid down in Regulation 22 read with Schedule V to the SEBI Regulations. A management certified copy of the disclosure document is enclosed herewith.
5. This certificate is intended solely for the use of the management of the company for the purpose of providing essential information about the Portfolio Management Services (PMS) in a manner to assist and enable the investors in making informed decision for engaging a Portfolio Manager.

**SHAH KAPADIA & ASSOCIATES**  
**Chartered Accountant**

**ASHISH**

Digitally signed by  
ASHISH

**ARUNKUM**

ARUNKUMAR SHAH

**AR SHAH**

Date: 2025.03.10

19:25:50 +05'30'

**CA Ashish A. Shah**  
**(Partner)**

**Membership no. 129598**

**Place: - Mumbai**

**Date: - 10<sup>th</sup> March, 2025**

**UDIN: - 25129598BMMBLE6624**



# Portfolio Management Services

## Disclosure Document

February 2025

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

- I. The purpose of the Document is to provide essential information about the portfolio services in a manner to assist and enable the investors in making informed decision for engaging a portfolio manager.
- II. The 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.
- III. The name, phone number, e-mail address of the Principal Officer so designated by the portfolio manager is as follows:

Mr. Hemang Kapasi  
+91 (0)22 61779500  
[hemang.kapasi@sanctumwealth.com](mailto:hemang.kapasi@sanctumwealth.com)





## DISCLOSURE

(As required under the fifth schedule of Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020)

We confirm that:

- The Disclosure Document (hereinafter referred to as “the Document”) has been filed with the Securities and Exchange Board of India (SEBI) along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- The purpose of the Document is to provide essential information about the portfolio management services offered in a manner to assist and enable the investors in making an informed decision on engaging Sanctum Wealth Private Limited (“Sanctum”) as a Portfolio Manager.
- This disclosure document sets forth concisely the necessary information about Sanctum that a prospective investor ought to know before investing.
- The investor is advised to carefully read the Disclosure Document prior to making a decision to avail portfolio management services and must retain the document for future reference.
- The Disclosure Document as on 2025 has been duly certified by an having their office at Mumbai on, March 10, 2025.
- A copy of the said certificate issued by to the effect that the disclosures made in the document is true, fair and adequate to enable the investors to make a well-informed decision, is enclosed.
- The name, phone number, email and correspondence address of the Principal Officer so designated by the Portfolio Manager is given below:

**HEMANG  
ARUN KAPASI**

Digitally signed by  
HEMANG ARUN KAPASI  
Date: 2025.03.20  
15:58:01 +05'30'

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Mr. Hemang Kapasi  
Principal Officer  
+91 (0)22 61779500  
hemang.kapasi@sanctumwealth.com

1401, Tower 2, 14<sup>th</sup> Floor  
One International Center  
Senapati Bapat Marg, Elphinstone Road  
Mumbai 400013, Maharashtra, India

March 10, 2025



## Table of Contents

1. Disclaimer Clause .....	8
2. Definitions .....	8
3. Description .....	10
4. Penalties .....	12
5. Services Offered .....	13
6. Risk Factors .....	25
7. Client Representation .....	27
8. The Financial Performance of the Portfolio Manager .....	32
9. Performance of the Portfolio Manager .....	33
10. Audit Observations of preceding 3 years.....	34
11. Nature of Cost & Expenses .....	35
12. Taxation Implications for Clients .....	36
13. Accounting policies .....	40
14. Investor services .....	42
15. FATCA & CRS .....	43
16. Registered Office Change.....	44
17. Disclaimer .....	44



## 1. Disclaimer Clause

The information provided in this document is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 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.

This document is for information purposes only and should not be construed as an offer or solicitation of an offer for managing the portfolio of any client. Clients should seek independent financial advice regarding appropriateness of investing in any securities or investment strategies that may have been presented in this document. Neither this document nor the product offerings have been registered in any jurisdiction other than India.

Prospective clients should study this document carefully and, in its entirety, and should not construe the contents as advice relating to legal, taxation, financial, estate planning or jurisdictional matters. Prospective clients are advised to consult their own professional experts on such matters.

The distribution of this document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about and to observe any such restrictions.

## 2. Definitions

The definitions given below are not exhaustive. Unless the context requires otherwise, the words and expressions shall have the meaning assigned to them:

Account or Investment Account	Money or Securities accepted by the Portfolio Manager from a Client for rendering advisory or portfolio management services.
Assets	Refers collectively to the Portfolio or the Funds of the client managed by the Portfolio Manager.
Advisory Services	Services that comprise advising on portfolio strategy and investment and divestment of securities on the Client's portfolio for an agreed fee and entirely at the Client's risk.
Accredited Investors	Individuals, HUFs, Family Trusts, Sole Proprietorships, Partnership firms, Trusts, and Body Corporates certified as accredited investors as defined by SEBI
Client or Investor	Any Body corporate, Partnership firm, Individual, HUF, Association of person, Body of individuals, Trust, Statutory authority, etc., entering into Agreement with the Portfolio Manager for the management of its portfolio.
Chartered Accountant	Chartered Accountants are professionals who are qualified to take on several specific activities within the spectrum of accounting, auditing, tax returns and advising
Custodian	Any entity licensed by SEBI to carry on the business of providing custodial services and who is appointed by the Portfolio Manager to provide such services to its Clients.

Discretionary Portfolio Management Services	Services rendered to the Client by the Portfolio Manager by exercising sole and complete discretion in the investments or management of Assets of the Client.
Depository Account	Individual accounts of Clients opened, maintained and operated by the Portfolio Manager on behalf of the client with a registered Depository Participant registered under the SEBI (Depositories and Participants) Regulations, 1996.
Depository Participant	An entity registered under the SEBI (Depository & Participants) Regulations, 1996, acting as an intermediary between the Depository (NSDL and/or CDSL) and investors providing services related to transactions in securities of investors in electronic form.
Financial Year	The year beginning from 1st April and ending on 31st March of the following year.
High-Water Mark	Highest value that the portfolio has reached prior to the date when performance fee is charged as per SEBI Circular (Cir./IMD/DF/13/2010 dated Oct 5, 2010).
Non-Discretionary Portfolio Management Services	Services rendered to the Client by the Portfolio Manager in accordance with the direction of the client with respect to investments or management of their Assets.
Net Asset Value (NAV)	NAV is the net value of an investment fund's assets less its liabilities, divided by the number of shares / units outstanding
Portfolio Management Services	Refers collectively to services rendered to Clients by the Portfolio Manager on the terms and conditions contained in the PMS Agreement and in accordance with the Rules and Regulations.
Portfolio Manager (PM)	Sanctum Wealth Private Limited who is registered as a Portfolio Manager with SEBI.
PMS Agreement or Agreement	A contract executed between the PM and the Client for the management of funds or securities of the clients as per Regulation 22 and Schedule IV of SEBI (Portfolio Managers) Regulations, 2020 amended thereto.
Portfolio/Funds	Securities or monies and any accretions or additions thereto in the Account / Investment Account.
Principal Officer	Employee of the Portfolio Manager responsible for the activities of portfolio management and designated as principal officer by the Portfolio Manager
Regulations and/or Rules	The SEBI (Portfolio Managers) Regulations, 2020 & Rules and as may be amended by SEBI from time to time
SEBI / The Board	The Securities and Exchanges Board of India established under Securities and Exchange Board of India Act, 1992, as amended from time to time.
Securities	Any 'Securities' per Securities Contracts (Regulation) Act, 1956 and such other instruments as may be declared by the Govt of India to be securities
Securities Lending Scheme	Lending of securities per the Securities Lending Scheme, 1997 specified by SEBI

### 3. Description

#### 3.1 History, Present Business and Background of the Portfolio Manager

Sanctum offers a comprehensive suite of wealth management services including stock broking, depository services, portfolio management services and distribution of various financial products to resident and non-resident High Net-worth Individuals (HNI) and their family-owned firms, companies and investment structures.

Sanctum is a company founded by Mr. Shiv Gupta and Mr. Nitin Nath. The company acquired the private banking business of the RBS Group in April 2016 enabling it to leverage the strong existing client relationships of the RBS Group in India and establish a robust platform on which to grow further.

Sanctum is registered as a Portfolio Manager under the SEBI (Portfolio Managers) Regulations 2020, under registration number INP000005067. Sanctum is also registered with SEBI as a Stock Broker (INZ000011338) for Cash and Derivative Segments and as a trading member on the BSE & NSE; as a Depository Participant on NSDL (DP-ID IN303956); as a Research Analyst (INH 000003051) and as a AMFI registered corporate distributor of Mutual Funds (ARN 105768).

All transactions pertaining to the portfolio management services may be executed either through Sanctum's stock broking and distribution arm, Sanctum's associate companies or third party as may be permissible under the extant regulations.

#### 3.2 Promoters Of The Portfolio Manager, Directors And Their Background

The current promoters and directors are as follows:

<p><b>Mr. Shiv Gupta</b></p>	<p>Shiv Gupta is the founder, Promotor, Director and CEO of Sanctum Wealth Pvt. Ltd. He was a part of the RBS Group for 15 years, most recently as the Managing Director, Private Banking, RBS India and a member of the RBS India Executive Committee prior to its buyout by Sanctum.</p> <p>Shiv had served as a Co-Head of Coutts' Middle East business, operating from Dubai, and was also one of the founding members of the Coutts International South Asian business, based in Singapore. Prior to RBS, he worked with the Private Banking divisions of BNP Paribas and Citibank, in Singapore and Switzerland respectively.</p> <p>Shiv holds a bachelor's degree in economics (Hons) from Hindu College, Delhi University. He is also a graduate of the Harvard Business School's General Management Program (GMP).</p>
<p><b>Mr. Nitin Nath</b></p>	<p>Nitin Nath is a financial services entrepreneur in emerging Asian markets. His fintech ventures create bespoke client engagement for securities firms, peer-to-peer networks and small businesses.</p> <p>Nitin has spent over 12 years in senior roles with global investment banks within institutional sales, also providing private banking coverage. In India, he set up a captive for a large European bank to mine revenues from smaller clients in the capital markets arena using technology and process engineering. In 2010, he co-founded Mount Nathan Advisors, a Singapore-</p>

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based principal investment firm focusing on Asian Special Situations and emerging regional financial enterprises.

Nitin holds a bachelor's degree from the St Stephen's College, Delhi University and an MBA from IIM Calcutta.

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**Ms. Shagun Kapur Gogia**

Shagun Kapur Gogia is the Founder and Managing Director of Tuscan Ventures headquartered in Mumbai. The firm was built with a focus on providing growth capital & operational expertise to building businesses around disruptive technologies, supply chain services, food & agriculture industries. She is also a part of the Yes Bank promoter family.

Prior to founding Tuscan Ventures, Shagun was a Vice President at ICICI Ventures, India's largest private equity fund, where she gained several years of experience in private equity placements in India.

Shagun is a Cum Laude Double Major in Economics & Biology from Tufts University. She also holds an MBA from the Indian School of Business, Hyderabad.

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**Mr. Sudhir Variyar**

Mr. Sudhir Variyar is a Founding Partner and Managing Director at Multiples Alternate Asset Management Private Limited. He joined the firm in 2009 and served as an Investment Director. Previously, he was a Senior Director at ICICI Venture. He led investments and was a part of the private equity team. Mr. Variyar joined the firm in 2005. At ICICI Venture, he focused on investments in the banking and financial services, hospitality, and energy sectors. Mr. Variyar also worked in corporate finance at Enron India and BPL Cellular. Prior to joining ICICI Venture, he was a Senior Director at Fitch Ratings where he was a key member of the India Team. Mr. Variyar was responsible for developing the structured finance business from scratch to a position of leadership. He has worked in the Indian financial services sector including private equity for over 17 years, having worked in investment banking, structured finance, corporate finance, and credit rating. Mr. Variyar has a strong investment track record and has led the deal cycle of origination, evaluation, investment, monitoring and exits. He has deep industry knowledge across a wide range of sectors including financial services, telecom, energy, infrastructure, metals and mining.

He is an M.B.A. from the Indian Institute of Management, Kolkata and is a Chemical Engineer from the Institute of Technology, Banaras Hindu University.

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**Mr. Tariq Chinoy**

Tariq is Director, Finance for India at The Xander Group. In this capacity, he is on the board of various Indian subsidiaries and investee companies, including Xander Finance and various operating companies in the group's retail platform. As a board member, Tariq provides governance and oversight, apart from serving as an active member of various board committees including finance and audit, risk management, and compliance. He is also mandated with overseeing process improvement and providing local finance teams leadership and guidance, across group companies in India.

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Prior to Xander, Tariq spent fifteen years in the alternative asset management industry, including with Avendus Capital as part of the alternative assets business, as CFO and Head Business Development at Ocean Dial Asset Management and at Avendus Private Equity where he was responsible for leading the finance and operations function for all PE funds and for building the distribution platforms for all alternative funds at Avendus. Earlier, Tariq was part of the leadership team at India Alternatives Investment Advisors whereas CFO and Director of Business Development he successfully raised and deployed institutional capital across businesses in the BFSI space. Previously he was with IDFC Private Equity, where he worked as part of the finance team.

Tariq is a Chartered Accountant and holds a master's in commerce degree from the University of Mumbai.

### 3.3 Top Group Companies/Firms Of The Portfolio Manager

1. Sanctum Wealth Advisors Private Limited is a wholly owned subsidiary of Sanctum. It was incorporated on November 21, 2017, under the Companies Act, 2013. This entity is engaged in providing real estate broking and wealth planning services to its clients and is registered with Real Estate Regulatory Authority of India (RERA).
2. Sanctum Foundation is a wholly owned subsidiary of Sanctum. It is incorporated on April 26, 2019, under the Companies Act, 2013. This entity is formed for carrying out philanthropic activities.

### 3.4 Details Of The Services Being Offered

As a portfolio manager, Sanctum offers the following services which are described in greater detail in Section 5 of this document:

- Standard Discretionary Services
- Non-Discretionary Services
- Tailored Discretionary Services
- Tailored Advisory Services.

## 4. Penalties

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

#	Description	Remarks
1	All cases of penalties imposed by the Board, or the directions issued by the Board under the Act or rules or regulations made thereunder.	NIL
2	The nature of the penalty/direction.	NIL
3	Penalties/fines imposed for any economic offence and/ or for violation of any securities laws.	NIL
4	Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any.	NIL
5	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	NIL

6	Any enquiry/ adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or rules or regulations made thereunder.	NIL
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No penalties/directions have been issued by SEBI under the SEBI Act or Regulations relating to the Portfolio Management Services. There are no enquiries, litigations or legal proceedings, findings of inspections or investigations for which action has been taken or initiated by any regulatory authority against the PM, its Directors, Principal officer or employees or any person directly or indirectly connected with the PM.

## 5. Services Offered

### 5.1 Standard Discretionary Services

The PM, for an agreed fee and entirely at the client's risk, provides discretionary portfolio management services that includes management of portfolio investments, buying and selling securities, keeping safe custody of the securities and managing corporate actions so that all benefits accrue to the client. The PM acts in a fiduciary capacity and has sole and absolute discretion to invest and represent on behalf of the client in any type of Security or transaction as per the executed agreement with the Client. The PM's decision (taken in good faith) in deployment of the Funds is absolute and final.

The PM offers multiple Strategies that invest into listed equity and fixed income-oriented securities including debentures, bonds, preference shares, structure products, derivatives and in any other instruments or securities as may be permissible under the Regulations. The securities invested by the PM in under the same investment approach or Strategy may differ from one Client to another based on the investment objectives of the Client and timing of market entry.

In case of accredited investors, the asset allocation bands in each of the investment approaches mentioned below may be tailored as per clients' investment objectives and as per applicable regulations

Apart from the Strategies described below, the PM may launch multiple series within each Strategy with some variations. The Portfolios in all cases will be guided strictly by the Guidelines, Acts, Rules, Regulations and Notifications in force from time to time.

### Policy for Investment in Group/Associate Companies

The PM may invest in its group companies and / or any other subsidiary or associate company established or to be established. The PM, will, before investing in the securities of its group companies/subsidiary/ associate companies, evaluate such investments, the criteria for the evaluation being the same as is applied to other similar investments to be made under client portfolios.

The PM may invest in shares, units of mutual funds, alternative investment funds, debt, deposits and other financial instruments issued or managed by the PM or any of the group / associate companies of the PM to the extent permitted under the SEBI Regulations. The investments in associate / group companies at time of investments may be up to 100% of client's portfolio, subject to applicable provisions of the Regulations. The investments in securities of the associate / group companies including in fund managed by them, would be within the overall framework of Regulations and in terms of PMS Agreement executed with the Client.

## A. Equity Strategies

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### Sanctum Indian Olympians –

**Investment Objective:** To generate long term capital growth by investing in a concentrated portfolio of equity stocks.

**Investment Approach and basis of security selection:**

- To construct a portfolio predominantly comprising stocks of companies that have shown sustainable performance and market leadership.

- Maintain Large-cap bias

- Indicative allocation

Equity: 75% – 100%

Cash/Debt: 0 – 25%

In case of extreme market situation, the portfolio manager may increase cash and reduce equities beyond the specified limits.

**Hedging Strategy:** Portfolio Manager may employ hedging of portfolio positions during turbulent external environments, or ahead of events which could lead to volatility in capital markets, or for Capital Preservation.

**Investment Horizon:** Above 3 Years

**Suitability:** The portfolio is considered as a core equity allocation and is suitable for investors who are ready to accept volatility in equities as an asset class.

**Risk specific to the portfolio:** The portfolio takes exposure primarily to large cap stocks and therefore may underperform other segments of the market as well as the broader markets.

**Risk Tolerance:** Moderate to High

**Benchmark:** The strategy will predominately invest in large cap stocks. Hence, the benchmark is Nifty 50 TRI

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### Sanctum Indian Titans

**Investment objective:** To generate long term capital growth by investing in a diversified portfolio of stocks.

**Investment Approach and basis of security selection:**

To construct a portfolio predominantly comprising stocks of high-growth companies with healthy balance sheets and sound management quality.

- Indicative allocation

Equity: 50% – 100%

Cash/Debt: 0 – 50%

In case of extreme market situation, the portfolio manager may increase cash and reduce equities beyond the specified limits.

**Capitalization Strategy:** Flexi-cap strategy with no defined market cap bias.

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**Core Strategy:** To actively manage the portfolio, book profits at desired price targets and rebalancing portfolios to reflect changes in fundamentals of individual securities and at an overall portfolio level.

**Hedging Strategy:** The Portfolio Manager may hedge portfolio positions using derivatives during turbulent external environments, or ahead of events, or during periods of heightened volatility in markets, or for Capital Preservation

**Investment Horizon:** Above 5 Years

**Suitability:** The portfolio is considered as part of the core equity allocation of the investor.

**Risk specific to the portfolio:** The portfolio may take exposure to mid and small cap stocks which could exhibit greater price, volatility and liquidity risk.

**Risk Tolerance:** Moderate to High

**Benchmark:** The strategy will invest across the listed market cap universe. Hence, the benchmark is BSE 500 TRI

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**Sanctum FinEdge  
Portfolio**

**Investment Objective:** To generate long term capital growth by investing in portfolio comprising companies that can potentially gain from the financialization of India.

**Capitalization Strategy:** Multi cap strategy

**Investment Approach and basis of security selection:**

- To build a stock portfolio primarily of - financial services companies with some allocation to emerging business in various sub-sectors of the financial services industry.
- The portfolio may also take tactical exposure to opportunities within the sector, for the medium term.
- The Portfolio Manager may hedge portfolio positions using derivatives during turbulent external environments, or ahead of events, or during periods of heightened volatility in markets, or for Capital Preservation
- Indicative allocation
  - Equity: 50% – 100%
  - Cash/Debt: 0 – 50%

**Investment Horizon:** Above 3 Years

**Suitability:** Satellite equity allocation investors who are willing to accept volatility. Also, investors should be willing to take enhanced risk arising out of concentration in one sector.

**Risk specific to the portfolio:** The portfolio invests only in one sector and therefore may underperform broader markets. Also, the portfolio may take exposure to mid and small cap stocks which could exhibit greater price, volatility and liquidity risk.

**Risk Tolerance:** High

**Benchmark:** The strategy primarily invests in stocks from the financial

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services industry. The strategy is a multi-cap strategy and hence the benchmark is BSE 500 TRI

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**Sanctum Thematic Strategies**

**Investment objective:** To generate income and/or capital appreciation.

**Investment Approach and basis of security selection:**

The Portfolio Manager may design and develop strategies keeping in mind market conditions and/or may customize portfolios for client's specific need/profile.

These strategies may, including but not limited to, be focused towards specific market segments like – market capitalization and/or sector and/or themes.

These strategies may use a wide range of instruments including equity (listed/unlisted) and equity linked and/or debt or hybrid instruments.

Indicative Allocation:

0-100% Equity

0-100% Debt

**Hedging Strategy:** The PM may employ hedging of portfolio positions during turbulent external environments, or ahead of events which could lead to volatility in markets, or for Capital Preservation.

**Investment Horizon:** Each strategy will be assessed for ideal investment horizon independently as it will be bespoke and client portfolio specific

**Suitability:** Most thematic strategies are expected to be part of the satellite equity allocation of the investor.

**Risk specific to the portfolio:** Not predefined. Bespoke to each portfolio strategy.

**Risk Tolerance:** Not predefined. Bespoke to each portfolio strategy.

**Benchmark:** These strategies are bespoke and hence benchmark is customized to each mandate

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**Sanctum – Global Allocator**

**Investment Objective:** To generate income and/or capital appreciation.

**Investment Approach and basis of security selection:**

To build a portfolio of Mutual Funds or ETFs that take exposure either directly or indirectly into international investments.

Indicative Allocation:

70% - 100% Equity

0-30% Debt

**Investment Horizon:** Exceeding 3 years.

**Suitability:** Core allocation of the investor.

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**Risk specific to the portfolio:** The portfolio takes exposure to global equities. These may underperform/outperform domestic equities. There is an indirect currency risk in the portfolio which may adversely impact performance.

**Risk Tolerance:** Medium to high

**Benchmark:** The strategy invests primarily in global equities and is a part of overall equity allocation. Hence the benchmark is the Indian flagship equity index, Nifty 50 TRI

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**Structured Product Strategies**

**Investment objective:** To endeavor to achieve a pay-off designed either on a forward-looking market view or customized to meet specific Client needs.

**Investment Approach and basis of security selection:**

- PM may invest in securities such as Non-Convertible Debentures (NCDs) where the pay off may be linked to any market related event.
- These securities, either principal protected or not, rated or unrated, may have payoffs that may be stand alone or based on a combination of instruments such as shares, debentures, derivatives, swaps, a basket of securities, options, indices, commodities, debt issuances, foreign currencies, Secured Premium Notes, money market instruments, etc.
- The PM may also construct portfolio directly through any of the securities that are likely to achieve the pay-off.
- PM may design and develop various series based on market conditions and may customize them for specific Clients' needs.
- Whilst the instruments may be principal protected or non-principal protected having fixed or variable pay-offs, these typically carry credit risk and offer no assurance that the pay-off may be achieved or capital will be preserved. Investment Horizon: Medium to Long Term.
- Indicative Allocation: 0-100% Debt
- Indicative Allocation: 0 – 100% Hybrid Instrument

**Suitability:** Each strategy will be assessed for suitability as it will be bespoke and client portfolio specific.

**Risk specific to the portfolio:** Not predefined. Bespoke to each portfolio strategy. Typically, these strategies tend to have a high concentration risk and carry issuer's credit risk.

**Risk Tolerance:** Medium to high based on specific mandate

These strategies are bespoke and hence benchmark is customized to each mandate.

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## B. Fixed Income Strategies

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### Fixed Income Strategies

**Investment Objective:** To generate regular and stable returns by investing primarily in debt market securities.

**Investment Approach and basis of security selection:**

To construct a portfolio of fixed income-oriented instruments such as but not limited to listed non-convertible debentures, bonds, commercial papers, perpetual bonds, certificate of deposits, preference shares and any other securitized debt, debt oriented mutual fund units and money market instruments. The strategy may also invest in hybrid instruments and income generating alternative instruments such as Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs)

**Indicative Allocation:** 0 – 100% Debt

**Investment Horizon:** Medium to Long Term (1-3 years)

**Suitability:** Investors who are seeking capital preservation and liquidity.

**Risk specific to the portfolio:** Not predefined. Bespoke to each portfolio strategy.

**Risk Tolerance:** Low to Moderate

These strategies are bespoke and hence benchmark is customized to each mandate.

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### Sanctum Liquidity Management

**Investment Objective:** To generate regular and stable returns by investing primarily in money market securities.

**Investment Approach and basis of security selection:**

- To construct a portfolio of fixed income-oriented instruments such as listed non-convertible debentures, bonds, commercial papers, certificate of deposits, preference shares and any other securitized debt, mutual fund units, Liquid ETFs and money market instruments.

**Indicative Allocation:**

Debt: 0 to 100%

Equity: Nil

**Investment Horizon:** Short Term (0-1 years)

**Suitability:** The strategy is suitable for investors who are seeking capital preservation and liquidity with a low risk tolerance.

**Risk specific to the portfolio:** The strategy primarily invests in money market instruments and could underperform other parts of the market in an upward trending market.

**Risk Tolerance:** Low

**Benchmark:** The strategy primarily invests in money market securities, hence the benchmark for the strategy is CRISIL Composite Bond Fund Index.

### C. Sanctum Multi-Asset Portfolio Strategies

These strategies target long-term capital appreciation by investing across multiple asset classes in an asset allocation designed to optimize risk-return ratio. The asset allocation strategies followed by the PM are given below. Additionally, the PM may, at its discretion and market conditions, introduce other asset allocation strategies to suit investor risk-return profile.

#### Investment Approach and basis of security selection for each strategy:

A strategic asset allocation is established aligning with investment horizon and risk profile after considering the historic behaviour of asset classes and internally generated expected return forecasts.

The PM may adjust allocation tactically based on market fundamentals, while remaining hinged to the overall strategic allocation.

The PM may invest in securities, including but not limited to, stocks (listed / unlisted), fixed income and hybrid instruments, mutual fund units, (including those of feeder funds that invest into international funds), exchange traded funds, gold linked instruments, REITs, INVITs, structured products or a combination of these to attain the stated investment objective.

The PM may also select third-party products like mutual funds to achieve the stated investment objective. Once selected, the PM shall closely monitor and evaluate the third-party products on their ongoing performance.

Benchmark: The strategies are an asset allocation strategy hence the benchmark chosen is NSE Multi-Asset Index-2

#### Composition

50%: Nifty 500

20%: Nifty Medium Duration Index

20%: Nifty Arbitrage Index

10%: INVIT/REIT

<b>Sanctum Multi-Asset Portfolio Strategy-Shield</b>	<p><b>Investment Objective:</b> To seek capital protection, while generating returns higher than inflation.</p> <p><b>Asset Allocation:</b> The portfolio manager may invest in securities, including but not limited to, stocks, fixed income instruments, hybrid instruments, mutual fund units, exchange traded funds, gold linked instruments, REITs, INVITs or any combination of any of these to attain the stated investment objective.</p> <p><b>Indicative Allocation:</b></p> <p>Equity: 0% – 25%            Fixed Income: 0% – 100%            Alternative Assets: 0% -20%</p> <p><b>Investment Horizon:</b> 2 to 3 years</p> <p><b>Risk Tolerance:</b> Low</p>
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**Risk specific to the portfolio:** Tactical allocations, if timed inaccurately, may cause portfolio to underperform. Some instruments used to construct portfolios may be illiquid.

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**Sanctum Multi-Asset  
Portfolio Strategy -  
Enhancement**

**Investment Objective:** To grow the real value of initial investments in the medium term while attempting to deliver moderate capital appreciation over the longer term.

**Investment Approach and basis of security selection:**

The portfolio manager may invest in securities, including but not limited to, stocks, fixed income instruments, hybrid instruments, mutual fund units, exchange traded funds, gold linked instruments, REITs, INVITs or any combination of any of these to attain the stated investment objective.

Equity: 25%- 60%

Fixed Income: 25% – 65%

Alternative Assets: 0% -20%

**Investment Horizon:** 3 to 5 years

**Risk Tolerance:** Moderate

**Risk specific to the portfolio:** Tactical allocations, if timed inaccurately, may cause portfolio to underperform. Some instruments used to construct portfolios may be illiquid.

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**Sanctum Multi-Asset  
Portfolio Strategy -  
Generation**

**Investment Objective:** To endeavor to achieve capital appreciation while accepting a higher degree of volatility.

**Investment Approach and basis of security selection:**

The portfolio manager may invest in securities, including but not limited to, stocks, fixed income instruments, hybrid instruments, mutual fund units, exchange traded funds, gold linked instruments, REITs, INVITs or any combination of any of these to attain the stated investment objective.

Equity: 50%-95%

Fixed Income: 0% – 50%

Alternative Assets: 0%-20%

**Investment Horizon:** Above 5 years

**Risk Tolerance:** High

**Risk specific to the portfolio:** Tactical allocations, if timed inaccurately, may cause portfolio to underperform. Some instruments used to construct portfolios may be illiquid.

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**Sanctum Multi-Asset  
Portfolio Strategy -  
Generation Plus**

**Investment Objective:** To endeavor to achieve capital appreciation while accepting a higher degree of volatility.

**Investment Approach and basis of security selection:**

The portfolio manager may invest in securities, including but not limited to, stocks, fixed income instruments, hybrid instruments, mutual fund units, exchange traded funds, gold linked instruments, REITs, INVITs or any combination of any of these to attain the stated investment objective.

Equity: 50%-100%

Alternative Assets: 0%-25%

Fixed Income: 0%-25%

**Investment Horizon:** Above 5 years

**Risk Tolerance:** High

**Risk specific to the portfolio:** Tactical allocations, if timed inaccurately, may cause portfolio to underperform. Some instruments used to construct portfolios may be illiquid.

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#### D. Real Estate Opportunities Strategy

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**Real Estate Opportunities  
Strategies**

**Investment Objective:** To generate superior returns over the long term by investing in securities offered by listed and unlisted companies involved in developing, constructing, owning, asset managing, project or facility managing and operating real estate assets and related infrastructure opportunities. The PM will seek to generate capital appreciation and/or regular income through dividends or interest paid out by such investments.

**Investment Approach and basis of security selection:** To actively manage exposures with an objective of profit booking along with exposure specific weightage rebalancing by monitoring and responding to changes in the fundamentals of individual exposures whenever required. The portfolio endeavors to invest in high-yielding secured debentures issued by companies participating directly or indirectly in the real estate sector. The portfolio may also hold equity or equity-related instruments, whether listed or unlisted (to the extent permitted by extant regulations) of the issuer or companies in the real estate sector by virtue of the option embedded in the debentures.

Indicative Allocation:

0% – 100% Equity

0% – 100% Debt

**Investment Horizon:** Medium to Long Term (1-5 years)

**Suitability:** Investors who are seeking high yield and liquidity.

**Risk Tolerance:** High

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**Risk specific to the portfolio:** Not predefined. Bespoke to each portfolio strategy.

These strategies are bespoke and hence benchmark is customized to each mandate.

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## 5.2 Tailored Discretionary Services

In contrast to its' standard discretionary services, Sanctum offers a tailored discretionary mandate that allows the PM to design and manage investment portfolios of Clients in accordance with specific mandates, expected returns, risk appetite and time-horizon as defined by them. The choice of investment vehicles, type of securities, allocation, timing and management of all investment decisions will lie solely with the PM within the defined framework of extant Regulations and Clients' mandate agreement. All discretionary mandate portfolios are actively managed to optimize returns across the spectrum from conservative to aggressive allocations.

Additionally, the PM shall provide active reporting to keep Clients updated and informed on the performance of their portfolios. Periodic reviews with each Client would ensure that the portfolios are managed as per mandates. Any changes in the mandates will be recorded and agreed with Clients.

For portfolio construction a wide variety of instruments covering the entire spectrum of securities as permitted under the extant regulations would be available to the Portfolio Manager whether listed or otherwise, such as equity and equity related instruments, fixed income instruments, derivatives, alternative investment instruments (including Real Estate Investment Trusts, Infrastructure Investment Trust etc). For accredited investors, the Portfolio manager may invest upto 100% of the assets in unlisted securities or as per the limits provided by SEBI

**Indicative Allocation:**

Equity: 0%-100%

Debt: 0%-100%

Alternative: 0% - 100%

Or as allowed under regulations

**Risks specific to the Investment Approach:** Not predefined. Bespoke to each portfolio strategy.

Specific inclusions / exclusions of instruments and allocation parameters will be decided in conjunction with the Client at the time of the mandate agreement.

**Investment Horizon:** not predefined, bespoke to each portfolio.

**Benchmark:**

**Sanctum Aggressive Strategy TDPMS:** The strategy will predominately invest in equities across market cap. Hence, the benchmark is BSE 500 TRI

**Sanctum Balanced Strategy TDPMS:** The allocation would be in equities, fixed income and alternate assets. Since the benchmark available are all balanced (50% equity + 50% other assets) benchmarks, NSE Multi-Asset Index-2 is the chosen benchmark for the investment approach.

NSE Multi Asset Index-2 Composition:

20%: Nifty Medium Duration Index

50%: Nifty 500

20%: Nifty Arbitrage Index

10%: INVIT/REIT

**Sanctum Conservative Strategy TDPMS:** As the portfolio will predominantly comprise of fixed income instruments or fixed income-oriented instrument the chosen benchmark for the investment approach is CRISIL Composite Bond Fund Index

### 5.3 Non-Discretionary Services (NDPMS)

Under this service, the portfolio will be managed as per the requirements of the Client after due consultation. The Client shall have sole and complete discretion to decide on the recommended investment; all investment decisions will be communicated to Clients and portfolio actions will only be with the express consent of Clients. The PM shall manage transaction execution, accounting, management of corporate benefits, valuation and reporting on behalf of the Client.

For portfolio construction a wide variety of instruments covering the entire spectrum of instruments spanning equity and equity related instruments, fixed income instruments, derivatives, alternative instruments (including Real Estate Investment Trusts, Infrastructure Investment Trust etc.) as permitted under the extant regulations would be available to the Portfolio Manager. Further the Portfolio manager may also invest upto 25% of the assets in unlisted securities with consent from the Client. For accredited investors, the Portfolio manager may invest upto 100% of the assets in unlisted securities or as per the limits provided by SEBI.

#### Indicative Allocation:

Equity: 0%-100%

Debt: 0%-100%

Alternative: 0% - 100%

Or as allowed under regulations

**Risks specific to the Investment Approach:** Not predefined. Bespoke to each portfolio strategy.

Specific inclusions / exclusions of instruments and allocation parameters will be decided in conjunction with the Client at the time of the mandate agreement.

**Investment Horizon:** not predefined, bespoke to each portfolio.

#### Benchmark:

**Sanctum Aggressive Strategy (Non-Discretionary):** The strategy will predominately invest in equities across market cap. Hence, the benchmark is BSE 500 TRI

**Sanctum Balanced Strategy (Non-Discretionary):** The allocation would be in equities, fixed income and alternate assets. Since the benchmark available are all balanced (50% equity + 50% other assets) benchmarks, NSE Multi-Asset Index-2 is the chosen benchmark for the investment approach.



NSE Multi Asset Index-2 Composition:

20%: Nifty Medium Duration Index

50%: Nifty 500

20%: Nifty Arbitrage Index

10%: INVIT/REIT

**Sanctum Conservative Strategy (Non-Discretionary):** As the portfolio will predominately comprise of fixed income instruments the chosen benchmark for the investment approach is CRISIL Composite Bond Fund Index

#### 5.4 Tailored Advisory Services

Under Tailored Advisory Services, Sanctum provides customized investment solutions depending on the Client's investment objectives through a dedicated investment advisor.

Sanctum employs a blend of active and passive investment strategies to identify and implement tactical investment opportunities. The investment strategy advised could be an optimal combination of instruments from various asset classes. For portfolio construction a wide variety of instruments covering the entire spectrum of equity and equity related instruments, fixed income instruments, derivatives, alternative instruments (including Real Estate Investment Trusts, Infrastructure Investment Trust etc.) as permitted under the extant regulations would be available to the Portfolio Manager. The Portfolio manager may also recommend investment upto 25% of the assets in unlisted securities. For accredited investors the Portfolio manager may invest upto 100% of the assets in unlisted securities or as per the limits provided by SEBI.

#### Indicative Allocation

Equity: 0%-100%

Debt: 0%-100%

Alternative: 0% - 100%

Or as allowed under regulations

**Risks specific to the Investment Approach:** Not predefined. Bespoke to each portfolio strategy.

Specific inclusions / exclusions of instruments and allocation parameters will be decided in conjunction with the Client at the time of the mandate agreement.

**Investment Horizon:** not predefined, bespoke to each portfolio.

These strategies are bespoke and hence benchmark is customized to each mandate.

Post recommendation, to ensure that the Client's portfolio remains in line with the investment objective, Sanctum's research and portfolio management teams constantly monitor and analyze markets, enabling them to advise Clients on necessary adjustments ranging from a subtle recalibration to a major shift in strategy.

Clients may or may not adhere to the advice provided by the PM and all other incidental activities pertaining to execution and settlement are solely the Client's responsibility.

## 5.5 Standard Features of the Services Under Sanctum PMS

Described below are standard features of all Strategies offered under Sanctum's portfolio management services:

- For accredited investors, all terms will be bespoke and may or may not align with description of various investment approaches mentioned herein.
- For non-accredited investors:
- The minimum amount to be invested under the Regulations is ₹50 Lakhs (as prescribed by the regulations from time to time). However, the PM reserves the discretion to fix a higher minimum amount on individual strategies.
- Investment under the various options and strategies of the Service will only be as per the guidelines stated in the Regulations.
- Uninvested amounts forming part of the Client's Assets may, under instruction from the client and at the discretion of the PM, be held in cash or deployed in liquid fund schemes, Exchange Traded Funds, debt oriented schemes of mutual funds, gilt funds, bank deposits or other short-term investment avenues.
- The PM may, with the consent of the Client, lend securities in Clients' portfolios through an Approved Intermediary, for interest.
- The PM will not invest any of the funds of the Client in shares, mutual funds, debt, deposits and/or other financial instruments of group companies of the PM.
- Benchmark for all Strategies would be as per SEBI stipulation. It could be an asset class specific benchmark and/or blended benchmark depending on the composition of the Strategy.

## 6. Risk Factors

The portfolio manager bears no responsibility or liability for losses resulting from operations of the portfolio schemes

1. Any investments in securities are subject to market and other risks and there can be no guarantee against loss resulting from an investment nor can there be any assurance that the investment objective will be achieved. Similarly, there is no assurance that the investments/portfolios will outperform the respective benchmark(s). Past Performance cannot be considered an indicator of future performance.
2. The value of investments may be generally affected by wide ranging factors, affecting capital market, price and volume, markets volatility, foreign investments, changes in monetary or fiscal policies, , changes in government policies, taxation, political, environmental, economic down turns, or other development, unexpected corporate underperformance, delisting or closure of stock exchanges, etc.
3. Liquidity of the portfolio may be restricted or impacted by trading volumes, settlement periods and any unforeseen circumstances. The inability of the Portfolio Manager to make intended securities purchases or sales, due to settlement problems, could cause real or notional loss to the Portfolio.
4. Unlisted securities in a portfolio tend to be illiquid and their price discovery may be inefficient. This could potentially cause substantial loss of capital.
5. Fixed income securities are subject to the risk of an issuers' inability to meet interest and principal payments on its debt obligations (credit risk). Debt securities may also be subject to price volatility due to factors such as changes in prevailing interest rates, general level of market liquidity, market perception of the creditworthiness of the issuer, etc. Indian bond markets often tend to be illiquid and hence the manager's ability to deploy as well as sell certain investments may be restricted. Fixed income instruments are also subject to reinvestment risk as interest rates prevailing on maturity dates may differ from the original coupon of the bond.

6. Structured products carry risks similar to the risks described above for fixed income instruments. Additionally, returns of structured products may be lower than the prevalent market interest rates or even zero or negative depending on the movement of the underlying index.
7. Any investments in overseas market carries additional risk along with other above mentioned like fluctuations in foreign exchange rates, nature of securities market of the country concerned, repatriation of capital due to exchange controls and political and economic circumstances.
8. Some strategy investment objectives could result into concentration in a specific asset class which could expose the portfolio to concentration or improper and/ or undesired diversification.
9. In case the Portfolio Manager invests in Mutual Funds scheme, risks associated with their underlying investment, including performance of the stocks, will be applicable to the Portfolio.
10. Investment in derivatives exposes the Client to a high degree of risk arising from the use of derivatives, which the Client should understand.
11. The portfolio manager and/or its employees may purchase/ sell securities in the ordinary course of business and as a consequence, there may arise a conflict of interest with transactions in clients' portfolios. Such conflict of interest shall be dealt with in accordance of the Conflict of Interest Policy of the Company
12. The Portfolio Manager may engage advisors and consultants for investment advice/recommendations. The Portfolio Manager may or may not follow the advice provided. The appointment of such advisors or consultants and the advice received, whether acted upon or not, may not necessarily lead to the desired results. If the advice from the consultant is unsuitable, not executed in a timely manner, or even if it is satisfactory and successfully implemented but market conditions are unfavourable, the desired outcomes may not be achieved.
13. The PM may utilize the services of its group companies and / or any associate companies established or to be established at a later date, in case such a company is in a position to provide requisite services to the PM. The PM will conduct its business with the aforesaid companies (including their employees or relatives) on commercial terms and on arm's length basis and at mutually agreed terms and conditions and to the extent permitted under the Regulations.
  - a **General Risks:** Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks. The risk of loss associated with futures contracts is potentially unlimited due to the low margin deposits required and the extremely high degree of leverage involved in futures pricing. As a result, a relatively small price movement in a derivative contract may result in an immediate and substantial loss or gain. There is also a possibility that losses may be sustained by the Portfolio as a result of the failure of another party (usually referred as the "Counterparty") to comply with the terms of the derivative contract.
  - b **Credit Risk:** This occurs when a Counterparty defaults on a transaction before settlement and therefore, the Counterparties are compelled to negotiate, at the then prevailing (possibly unfavorable) market price, in order to maintain the validity of the hedge. For exchange-traded derivatives, the risk is mitigated as the Exchange provides guaranteed settlement, but one takes the performance risk on the Exchange.
  - c **Market Liquidity Risk:** This is when the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.
  - d **Model Risk:** This is the risk of incorrect or improper valuation of derivatives.
  - e **Basis Risk:** This arises when the instrument used as a hedge does not match the movement in the instrument or underlying asset being hedged. The risks may be interrelated also, for e.g. interest rate movements can affect equity prices, which could influence specific issuer or industry assets.

- f **Settlement Risk:** This is the possible lack of a liquid secondary market for a derivatives contract which may result in an inability to close the derivative positions prior to their maturity date.

## 7. Client Representation

Category of clients serviced, as on 31<sup>st</sup> December 2024

Category of Clients	Type of Strategy	Number of Clients	Funds Managed (₹ Crores)
Associates / group companies	Discretionary		
	Non-Discretionary		
	Advisory	-	-
Others	Discretionary	206	390.08
	Non-Discretionary	17	40.94
	Advisory	-	-
<b>Total</b>		<b>223</b>	<b>431.02</b>

Category of clients serviced, as on 31<sup>st</sup> December 2023

Category of Clients	Type of Strategy	Number of Clients	Funds Managed (₹ Crores)
Associates/ group companies	Discretionary		
	Non-Discretionary		
	Advisory	-	-
Others	Discretionary	303	517.03
	Non-Discretionary	19	38.17
	Advisory	-	-
<b>Total</b>		<b>322</b>	<b>555.2</b>

Category of clients serviced, as on 31<sup>st</sup> December 2022

Category of Clients	Type of Strategy	Number of Clients	Funds Managed (₹ Crores)
Associates/group companies	Discretionary		
	Non-Discretionary		
	Advisory		
Others	Discretionary	300	465.00
	Non-Discretionary	15	27.96
	Advisory		
<b>Total</b>		<b>315</b>	<b>492.96</b>

Sanctum does not have an Associate/Group Companies as clients in its PMS proposition.

### Related Party Transactions As On March 2024.

- I. Enterprises over which Key Management Personnel and their relatives have significant influence and enterprises having a Key Management Personnel in common where transactions have taken place during the year – as mentioned below in point number III

#### II.a Key Management Personnel

a. Shivaashish Gupta, - CEO, Director

#### II.b Subsidiary

Sanctum Wealth Advisors Private Limited

Sanctum Foundation

#### II.c Firm in which Director is Partner

Multiples Private Equity Fund II LLP (Partner – Sudhir Variyar)

#### II.d Parties exercising significant influence

Plenty Private Equity Fund I Limited

Xander Credit Pte Ltd

### III. Disclosure of transactions with related parties

(Rs. In Lakhs)

Name of the party and nature of transactions	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
With Key Management Personnel			
<b>CEO &amp; Director</b>			
- Remuneration	238.22	262.16	185.84
- Issue of Compulsory Convertible Debentures & Premium thereon	-	-	-
- Issue of equity shares of Rs. 10 each on account of conversion of compulsory convertible preference shares	-	-	9.66
- Loans received	-	-	150.00
- Loans repaid	-	-	150.00
- Interest paid on Loan	-	-	2.42
With Subsidiary Company			
Sanctum Wealth Advisors Private Limited			
- Loan given during the year	-	114.77	189.31
- Interest Income on Loan given	-	63.19	47.26
- Payment received against advances for expenses/ (Advances for expenses) (Net)	-	652.33	183.45
- Payment received back against loan given	-	1033.05	-
- Investment made in Subsidiary	-	190,000	-
- Legal & Professional Fees (Facilitation Charges)	56.98	-	-

Name of the party and nature of transactions	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Sanctum Foundation			
- Loan given during the year	-	5.14	2.17
- Interest Income on Loan given	-	1.21	0.55
- Donation made	-	5.00	3.00
Parties exercising significant influence			
Plenty Private Equity Fund I Limited			
- Interest on Compulsory Convertible Debentures		143.25	-
- Issue of equity shares on account of conversion of compulsory convertible preference shares		558.19	-
- Issue of equity shares on account of conversion of compulsory convertible debentures		224.26	-
Xander Credit Pte Ltd			
- Issue of equity shares including share premium		7,799.78	-
Firm in which director is partner			
Multiples Private Equity Fund II LLP			
- Issue of Compulsory Convertible Debentures & Premium thereon		-	-
- Interest on Compulsory Convertible Debentures		-	-
Firm in which director is partner			
- Issue of equity shares on account of conversion of compulsory convertible preference shares	-	-	9.66
- Issue of equity shares on account of conversion of compulsory convertible debentures		20.52	
- Income from Distribution of Financial Products	508.25	138.40	
With Director			
Mr. Jayesh Parekh			
- Issue of Compulsory Convertible Debentures & Premium thereon	-	-	-
- Interest on Compulsory Convertible Debentures	-	-	4.68
- Issue of equity shares on account of conversion of compulsory convertible preference shares	-	-	10.67
- Issue of equity shares on account of conversion of compulsory convertible debentures	-	-	7.12

### Closing Balance

(Rs. In Lakhs)

Name of the party and nature of transactions	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Sanctum Wealth Advisors Private Limited			
- Investments	1905.00	1905.00	5.00

- Loans and advances to related parties	-	-	790.36
- Advance recoverable towards expenses from related party	-	-	652.33
- Interest accrued on Loans and advances to related parties	-	-	71.04
Sanctum Foundation			
- Investments	5.00	5.00	5.00
- Loans and advances to related parties	-	-	9.48
- Interest accrued on Loans and advances to related parties	-	-	0.67
Plenty Private Equity Fund I Limited			
Equity Share Capital	791.45	791.45	791.45
			-
			-
Multiples Private Equity Fund II LLP			
Equity Share Capital	80.92	80.92	80.92
			-
			-
- Trade Receivable	66.39	468.14	7.61
Multiples Asset Management IFSC LLP			
- Trade Receivable	20.12	-	-
Xander Credit Pte Ltd			
Equity Share Capital	622.64	622.64	622.64
Shivaashish Gupta			
Equity Share Capital	209.70	209.70	209.70
Equity Share Capital (Equity Shares of Rs.10/- each partly paid of Rs. 0.10 per share (called up Rs. 0.10 per share))	0.75	0.75	0.75
			-
Mr. Jayesh Parekh			
Equity Share Capital	65.67	65.67	65.67
			-
			-

Note 1: Remuneration paid to key managerial personnel excludes gratuity and compensated absences which are not allocated on per employee basis.

**IV. Outstanding receivable/(payable)**

Outstanding receivables from subsidiaries as on March 31, 2024: Nil, March 31, 2023: 1523.88 Lakhs; March 31, 2022: 1472.82 Lakhs;

**V. Details of investment of clients' funds in the securities of related parties or associates is disclosed herewith – Nil.**

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
-----Nil-----					

**VI. Details of Diversification Policy**

Portfolio diversification is a strategy to balance out risk and reward. This allows to reduce risks by allocating the funds across various investment class. It helps to reduce overall volatility of the investment portfolio.

The Portfolio Manager shall focus through a collection of core holdings and may or may not seek diversification across the various sectors of the equity market. Securities shall be chosen amongst a wide spectrum of market capitalizations. However, from time to time, Portfolio Manager may tactically also choose to invest in money market instruments, units of mutual funds, ETFs, or permissible securities/ products in accordance with applicable laws. The Portfolio Manager may also, from time to time, engage in hedging strategies by investing in derivatives and permissible securities/instruments as per applicable laws. Non-discretionary portfolios are customized to the client's requirements, to suit their specific investment objectives.

For investments in securities of Associates/Related Parties, the Portfolio Manager shall comply with the following:

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

The Portfolio Manager shall invest up to a maximum of 30 percent of the client's AUM in the securities of its Associates/Related parties their own associates/related parties. The Portfolio Manager shall ensure compliance with the above limits.

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



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

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

However, Portfolio Manager may invest up to 10% of the assets under management of such clients in unlisted unrated securities of issuers other than associates/related parties of Portfolio Manager. The said investment in unlisted unrated debt and hybrid securities shall be within the maximum specified limit of 25% for investment in unlisted securities under Regulation 24(4) of the PMS Regulations.

## 8. The Financial Performance of the Portfolio Manager

### 8.1 Audited Balance Sheet

Particulars	Mar 31, 2024 (In ₹ lakhs)	Mar 31, 2023 (In ₹ lakhs)	Mar 31, 2022 (In ₹ lakhs)
<b>Equity &amp; Liabilities</b>			
Shareholder's Funds			
Share capital	2065.28	2065.28	8605.49
Reserves and surplus	6932.39	8315.10	(5652.62)
		-	-
<b>Non-Current Liabilities</b>			
Long-term liabilities	-	-	222.94
Long-term provisions	202.16	181.68	128.87
<b>Current Liabilities</b>			
Short term Borrowings	-	-	270.53
Trade payables	4308.48	4951.78	4303.31
Other current liabilities	756.58	682.89	958.44
Short Term Provisions	66.28	60.29	233.81
<b>Total Equity &amp; Liabilities</b>	<b>14331.17</b>	<b>16257.02</b>	<b>9070.78</b>
<b>Assets</b>			
<b>Non-Current Assets</b>			
Tangible assets	14.36	17.06	42.20
Intangible assets	2.29	-	1.04
Non-Current Investments	2428.00	528.00	10.00
Deferred Tax Asset	-	-	84.85
Long-term loans and advances	91.59	215.90	742.10
Other Non-Current Assets	1272.70	1803.74	-
<b>Current Assets</b>			
<b>Current Investments</b>	<b>4540.66</b>	<b>5310.43</b>	<b>-</b>

Stock in Trade (Securities)	23.74		
Cash and Cash Equivalents	4148.45	5774.63	5547.78
Short-term Loans and Advances	339.94	1644.81	1734.03
Trade Receivables	1142.16	776.45	901.66
Other Current Assets	327.28	186.00	7.12
<b>Total Assets</b>	<b>14331.17</b>	<b>16257.02</b>	<b>9070.78</b>

## 8.2 Profit & Loss Statement

Particulars	Mar 31, 2024 (In ₹ lakhs)	Mar 31, 2023 (In ₹ lakhs)	Mar 31, 2022 (In ₹ lakhs)
<b>Revenue</b>			
Revenue from Operations	5704.88	4088.56	4457.36
Other Income	277.31	470.72	216.58
<b>Total Revenue (I)</b>	<b>5982.19</b>	<b>4559.28</b>	<b>4673.94</b>
<b>Expenses</b>			
Employee Benefits Expense	4894.31	4150.27	3940.56
Depreciation and Amortization Expense	12.91	11.32	27.44
Finance Cost	4.82	5.87	170.35
Other Expenses	2166.90	1785.60	1654.06
<b>Total Expenses (II)</b>	<b>7078.94</b>	<b>5953.06</b>	<b>5792.41</b>
<b>Profit / (Loss) Before Tax (I - II)</b>	<b>(1096.75)</b>	<b>(1393.78)</b>	<b>(1118.47)</b>
Less: Tax Expense:			
Deferred Tax Expense / (Credit)	-	-	84.85
<b>Profit / (Loss) For the Year</b>	<b>(1096.75)</b>	<b>(1393.78)</b>	<b>(1203.32)</b>

## 9. Performance of the Portfolio Manager

The performance of the PM given herewith is calculated using weighted average rate of return incorporating client tenure as on December 31, 2024 and is benchmarked against the respective indices. The calculation has been done as per provisions stated in pt. E (13) of the SEBI Guidelines for Portfolio Managers SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020.

The details are given in the table below:

Particulars		From 01-April-2024 to 30-Dec-2024		FY2023-24		F.Y. 2022-23		F.Y. 2021-22	
		Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark
Sanctum Indian Olympians	Nifty 50 TRI Index	8.49%	6.96%	23.03%	30.08%	-1.87%	0.59%	16.24%	20.26%
Sanctum Smart Solutions	Nifty 200 Index	NA	8.74%	NA	36.88%	-15.59%	-2.16%	25.45%	20.01%
Sanctum Indian Titans	BSE 500 TRI Index	12.34%	10.83%	25.50%	40.16%	-2.32%	-0.91%	25.49%	22.26%
Sanctum Portfolio Protector	Nifty 50 Index	NA	6.96%	NA	28.61%	NA	-0.60%	19.26%	18.88%
Sanctum Finedge	BSE 500 TRI Index	1.22%	10.83%	20.97%	40.16%	-3.21%	-0.91%	-1.81%	7.44%
Sanctum Helios India NCompass Equity Portfolio	BSE-200 INDEX	NA	8.23%	NA	36.69%	NA	-2.00%	NA	19.87%
Sanctum Liquidity Management	CRISIL Composite Bond Fund Index	7.85%	6.13%	5.33%	8.24%	4.57%	3.82%	3.06%	4.47%
Sanctum MAPS - Enhancement	NSE Multi Asset Index 2	10.11%	8.87%	23.82%	23.62%	0.29%	-2.18%	NA	NA
Sanctum MAPS - Generation	NSE Multi Asset Index 2	12.75%	8.87%	35.11%	23.62%	3.18%	1.13%	1.90%	1.40%
Sanctum MAPS - Shield	NSE Multi Asset Index 2	6.83%	8.87%	14.53%	23.62%	2.07%	1.13%	2.33%	1.40%
Sanctum Global Allocator	Nifty 50 TRI Index	6.41%	6.96%	11.46%	30.08%	-6.97%	0.59%	4.07%	20.26%
Sanctum Structured Product <sup>^</sup>	Crisil Liquid	NA	5.48%	NA	7.22%	NA	5.85%	1421.74%	3.69%
Sanctum Aggressive Strategy (TD)	BSE 500 TRI Index	18.78%	10.83%	34.22%	40.16%	-6.92%	-0.91%	17.43%	22.26%
Sanctum TDPMS-Aggressive1*	CRISILCOMP-20%, NIFTY200-80%	NA	8.22%	NA	31.15%	NA	-0.97%	7.54%	16.91%
Sanctum TDPMS-Aggressive2*	CRISILCOMP-20%, NIFTY200-80%	NA	8.22%	NA	31.15%	NA	-0.97%	NA	16.91%
Sanctum Balanced Strategy (TD)	NSE Multi Asset Index 2	NA	8.87%	NA	NA	0.59%	1.13%	21.14%	15.06%
Sanctum Aggressive Strategy (ND)	BSE 500 TRI Index	12.66%	10.83%	27.36%	40.16%	-8.96%	-0.91%	11.47%	22.26%
Sanctum NDPMS-Aggressive1*	CRISILCOMP-20%, NIFTY200-80%	NA	8.22%	NA	31.15%	-7.29%	-0.97%	14.81%	16.91%
Sanctum NDPMS-Aggressive2*	CRISILCOMP-20%, NIFTY200-80%	NA	8.22%	NA	31.15%	NA	-0.97%	13.17%	16.91%
Sanctum NDPMS-Aggressive3*	CRISILCOMP-20%, NIFTY200-80%	NA	8.22%	NA	31.15%	NA	-0.97%	-49.87%	16.91%
Sanctum Conservative Strategy (ND)	CRISIL Composite Bond Fund Index	NA	6.13%	NA	8.24%	-3.22%	2.22%	NA	NA
Sanctum NDPMS-Conservative1*	CRISILCOMP-80%, NIFTY200-20%	NA	15.75%	NA	31.15%	NA	2.62%	0.19%	7.58%
Advisory	Nifty 50 Index	NA	6.96%	NA	28.61%	NA	-0.60%	NA	18.88%

\*Since structured product are carried on cost basis and in the year of maturity / redemption the whole amount is booked

N.A. means Not Applicable as portfolio was not in existence for the entire period or had no clients during the period.

The Portfolio Manager does not assure targeted returns or guarantee capital under the portfolio.

The percentage of returns is worked out on the basis of TWRR method to give a fair picture of the returns to the PMS clients.

For portfolios started during the financial year, the returns for the portfolio and benchmark have been calculated since inception of the portfolio.

The broad procedure followed for computation of returns is described below:

° All the clients who have been active during the reporting period are considered for the above review.

° Performance of the portfolio is calculated by TWRR method by taking into consideration the total AUM of the product on daily basis including the impact of new / additional investments and partial / full redemption by the clients.

^ Structured products are carried on cost in books and at the time of maturity / redemption the whole maturity amount (principal + coupon) is booked.

Since the performance calculation is done on TWRR method, the returns look higher than normal IRR earned on the product.

\*Portfolios of the clients in the respective investment approaches were either consolidated into Sanctum Aggressive Strategy (TD) / Sanctum Aggressive Strategy (ND) / Sanctum Conservative Strategy (ND) or redeemed by clients.

## 10. Audit Observations of preceding 3 years

There are no adverse audit observations in the preceding 3 financial years.

### 10.1 Disclosure of Conflict of Interest

Sanctum may have a distribution/referral agreement with any third-party fund/entity and may receive upfront and/or performance linked distribution/referral fee from such fund/entity, which shall be disclosed to the clients. Clients have an option of getting on-boarded directly, without intermediation of persons engaged in distribution services.

The Client recognizes that the Portfolio Manager may have direct or indirect interest or a relationship with another party, which may involve a potential conflict with the Portfolio Manager's duty to the Client. The Portfolio Manager has implemented policies and processes in order to address such conflicting situations. The Client agrees and accepts that the Portfolio Manager may, from time to time:

1. Purchase or sell on behalf of the Client, any Security forming part of the portfolio of the Portfolio Manager or its other clients or which is otherwise purchased, sold or traded by the Portfolio Manager on its own account or on account of its other client(s).

2. Have a commercial or other relationship or agreement with stockbrokers, banks and companies with whom or through whom transactions are carried out for purchase and sale of any of the Securities or with any Issuer of Securities whose Securities are purchased and/or sold for the Client.
3. Deal on the Client's behalf with any Associate of the Portfolio Manager (subject to restrictions prescribed in the Regulations) as long as the terms are as favorable to the Client as would be ordinarily obtained from a service provider which is not an Associate.
4. Purchase or sell Securities inter-se among its clients even if there exists any other business relation with the Client.
5. Have business relationship with Companies or Corporations whose Securities are privately placed and hold, purchase or sell to the Client's account from such stock of Securities.
6. The Portfolio Manager may receive commissions and other payments from issuers, lead managers, and other intermediaries in respect of purchase, sale or other dealings in Securities done on behalf of the Client pursuant to this Agreement.

## 11. Nature of Cost & Expenses

The following are indicative types of costs and expenses for clients availing Portfolio Management services. The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Agreement and the agreements of each of the services availed at the time of execution of such agreements.

<b>Management Fee</b>	This is applied either as a fixed amount or as a percentage of the quantum of funds (AUM) managed, or a combination of the two. In any case, the fee shall not exceed 3% p.a. of the Client's AUM.
<b>Performance Fee</b>	<p>This fee is linked to portfolio returns and is computed using the high-water mark principle over the life of the investment. In case of interim contributions or withdrawals of funds by clients, this is charged on a proportionate basis after adjusting the high-water mark. The frequency of charging this fee shall not be less than quarterly, except in instances of premature or early withdrawal, and only on the increase in portfolio value more than the previously achieved high water mark. This fee is over and above the management fee mentioned above.</p> <p>Performance Fee range: 0%-25% of return in excess of 8% - 25%</p>
<b>Exit Load</b>	<p>In case client portfolio is redeemed in part or full, the exit load charged shall be as under:-</p> <ol style="list-style-type: none"> <li>1. In the first year of investment, maximum of 3% of the amount redeemed</li> <li>2. In the second year of investment, maximum of 2% of the amount</li> <li>3. In the third year of investment, maximum of 1% of the amount redeemed</li> <li>4. After a period of three years from the date of investment, no exit load.</li> </ol>
<b>Custody / Depository Fee</b>	The charges relating to costs associated with operating depository accounts, safe custody and transfer charges for shares, bonds and units, dematerialization, settlement and other charges in connection with the operation and management of the Portfolios.

	Not exceeding 15 bps
<b>Registrar &amp; Transfer Agent Fee</b>	Charges payable to registrars and transfer agents in connection with transfer of physical securities including stamp charges, cost of affidavits, notary charges, postage and courier charges.  Not exceeding 15 bps
<b>Brokerage, Transaction Charges</b>	Brokerage charges, distribution charges and other charges like service charge, stamp duty, transaction costs, securities transactions tax, turnover tax, exit and entry loads on the purchase and sale of securities.  Brokerage as per actuals & Transaction charges excluding plus statutory levies such as stamp duty, taxes, CESS, etc., for Cash Equities: not exceeding 100 bps  For Derivatives: not exceeding 150 per lot  For Fixed Income securities: not exceeding 25 bps
<b>Securities Lending &amp; Borrowing Charges</b>	The charges pertaining to the lending of securities, costs of borrowing including interest, and costs associated with transfers of securities connected with the lending and borrowing transfer operations.
<b>Certification &amp; Professional Charges</b>	Charges payable for professional services like accounting, taxation and legal services, notarizations, etc., for certifications, attestations required by bankers or regulatory authorities.  Not exceeding Rs 10000 per annum
<b>Incidental Expenses</b>	Charges related to courier expenses, legal fees, stamp duty, service tax, fund transfers, operation of bank accounts and such other sundry charges.  Not exceeding Rs 5000 per annum
<b>Other Charges</b>	Charges related to reporting the transactions to RBI under the Portfolio Investment Scheme (PIS) for NRI clients.  Not exceeding Rs 25 bps

**Please Note: -**

1. Operating expenses excluding brokerage, over and above the fees charged for Portfolio Management Service, shall not exceed 0.50% per annum of the client's average daily Assets under Management (AUM).
2. All applicable fees will be calculated for 366 days in the leap year instead of 365 days.
3. The PMS Fee Calculator, which illustrates the fee calculation logic and its impact on the invested amount across various scenarios, is available on the Sanctum website. It can be accessed via the [PMS fee calculator](#) hyperlink provided here or through the dedicated tab on the website.

## 12. Taxation Implications For Clients

### 12.1 General

In view of the individual nature of tax consequences on the income, capital gains or otherwise arising from investments through this Service, Client are advised to consult their tax advisors with respect to the specific tax consequences to them on investment through the Portfolio Management Services. The PM shall not be responsible for assisting or completing the fulfillment of the Clients' tax obligations.

The following information is based on the PM's understanding of the Tax Laws in force in India as of the date of this Disclosure Document.

## 12.2 Tax Deduction At Source

Presently tax is withheld at source on dividends for resident as well as non-resident and for non-residents on all other incomes. If any tax is required to be withheld on account of any future legislation, the PM shall be obliged to act in accordance with the regulatory requirements in this regard.

Presently the fees charged to the client for Portfolio Management Services (PMS) fall under the category of "Fees for technical services" as per Section 194J of the Income Tax Act, 1961. This section mandates the withholding of tax on the fees paid by the client to the portfolio manager if certain conditions are met. These conditions include:

- i. In the case of an Individual and Hindu Undivided Family (HUF) where their books of accounts are required to be audited under section 44AB (a)/(b) in the immediately preceding year.
- ii. The payer or deductor is a person other than an Individual or HUF.

This means that clients falling into the categories mentioned above must deduct tax at source as per the limits specified in Section 194J when making payments to the portfolio manager. Any taxes payable on transactions conducted by the Portfolio Manager on behalf of the client, whether through deduction, withholding, or other means, are the full responsibility and liability of the client. It is the client's personal responsibility to pay the applicable taxes.

If the client deducts and pays withholding tax, they are also responsible for providing a Tax Deduction Certificate in Form No. 16A, as prescribed under the Income Tax Rules, 1962, to the Portfolio Manager. This certificate should be provided within 30 days from the date of filing the return or the due date of filing the TDS Return for the quarter, whichever occurs earlier.

## 12.3 Advance Tax Instalment Obligation

It shall be the Client's responsibility to meet the obligations on account of advance tax instalments payable on the due dates under the Income-tax Act, 1961.

## 12.4 Long Term Capital Gains

Depending on the period for which the securities are held, the gains would be taxable as "short term capital gain" or "long term capital gain". Long term capital gain would be classified, if assets like shares held in company or any security listed on recognized stock exchange in India or units of equity oriented mutual funds held for the period more than 12 months and gains on its transfer are added to total income. For debt-oriented mutual funds, the holding period is 36 months for the capital gains to qualify as long term.

**The tax on Long Term Capital Gains earned before 23 July 2024 is captured below:**

### **Resident Individuals, HUF, Partnership firm and Indian company:**

- Long term capital gains on listed equity shares (on which STT is paid at the time of acquisition and transfer), equity shares to be listed equity shares sold through offer for sale and units of equity oriented mutual funds (on which STT is paid at the time of transfer) – 10% (plus applicable surcharge and cess) if Capital gain is more than Rs.1 Lakh. Computation of the

gains shall be subject to grandfathering.

- Long term capital gains in respect of other listed securities (other than units of mutual funds, listed bonds and listed debentures) on which STT has not been paid or Zero-coupon bonds – 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.
- Long term capital gains on unlisted securities (other than bonds/debentures but including units of other than equity oriented mutual funds) – 20% (plus surcharge and education cess) of the capital gains computed after cost indexation.

**Non-resident Individuals and Foreign company:**

- Long term capital gains on listed equity shares (on which STT is paid at the time of acquisition and transfer) equity shares to be listed equity shares sold through offer for sale and units of equity oriented mutual funds (on which STT is paid at the time of transfer) - 10% (plus applicable surcharge and cess) if Capital gain is more than Rs.1 Lakh Computation of the gains shall be subject to grandfathering (refer Note below).
- Long term capital gains in respect of other listed securities (other than units of mutual funds, listed bonds and listed debentures) on which STT has not been paid or Zero-coupon bonds - 10% (plus applicable surcharge and cess) of the gains computed without cost indexation. However, Indian tax authorities may seek to apply a higher rate of 20% (plus applicable surcharge and cess) on long- term capital gains arising on sale of listed securities (where STT is not paid).
- Long term capital gains on unlisted shares and securities - 10% (plus surcharge and education cess) of the gains computed without cost indexation.

**The tax on Long Term Capital Gains earned by resident as well as non-resident investors on or after 23 July 2024 is captured below:**

- Long term capital gains on listed equity shares (on which STT is paid at the time of acquisition and transfer plus other specified cases as mentioned by CBDT), equity shares to be listed, equity shares sold through offer for sale, units of Business Trust and units of equity oriented mutual funds (on which STT is paid at the time of transfer) – 12.5% (plus applicable surcharge and cess) if capital gain is more than Rs.1.25 Lakh. Computation of the gains shall be subject to grandfathering (refer Note below).
- Long term capital gains in respect of any other securities (other than above) – 12.5% (plus surcharge and education cess) of the gains.
- In a case where unlisted shares are held on Jan 31, 2018 and sold in offer for sale, it has been clarified (with retrospective effect) that cost shall be computed by indexing the original cost until Jan 31, 2018.

*Note: The exemption from tax on long term capital gains arising on transfer of listed equity shares, units of equity oriented mutual fund and units of business trust has been withdrawn w.e.f. 1 April 2018. The LTCG above INR 1.25 lakh on following transfers shall be taxable at 12.5% (plus surcharge and cess):*

- *listed equity shares (STT paid on acquisition and transfer)*
- *units of equity oriented mutual fund (STT paid on transfer); and*
- *units of business trust (STT paid on transfer)*

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

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

*\* The CBDT has issued a notification providing the negative list for the purpose of section 112A i.e., modes of acquisition exempted from the condition to pay STT on acquisition.*

## **12.5 Short Term Capital Gains**

As per the Finance Act 2023, the capital gains on transfer/redemption/maturity of Specified Mutual Funds or Market Linked Debenture acquired on or after 01 April 2023, should be deemed to be short term capital gains (irrespective of the period of holding) and such short-term capital gains should be chargeable to tax at the applicable tax rates. Finance (Act No. 2) 2024 propose to amend the definition of “Specified Mutual Fund” as (a) a mutual fund by whatever name called, which invests more than 65% of its total proceeds in debt and money market instruments or (b) a fund which invests in units of a fund referred in (a). “Market Linked Debenture” means a security by whatever name called, which has an underlying principal component in the form of a debt security and where the returns are linked to the market returns on other underlying securities or indices, and includes any security classified or regulated as a market linked debenture by the Securities and Exchange Board of India.

Further, Finance (Act No. 2) 2024 also proposes that capital gains on unlisted bond or unlisted debenture which is transferred/ redeemed on or after 23 July 2024 should be deemed to be short term capital gains (irrespective of the period of holding) and such short-term capital gains should be chargeable to tax at the applicable tax rates.

Short term capital gains on sale of equity shares, units of equity-oriented funds on a recognized stock exchange, unit of a Business Trust which are subject to STT, are taxable at the rate of 15% (plus applicable surcharge and education cess) where the transfer takes place before 23 July 2024. Finance (Act No. 2) 2024 proposed an amendment to the tax rates on short term capital gains on sale of equity shares, units of equity-oriented funds and units of Business Trust on a recognized stock exchange, which are subject to STT, at the rate of 20% (plus applicable surcharge and education cess) where the transfer takes place on or after 23 July 2024.

## **12.6 Interest & Dividend Income**

Interest income arising from securities (which includes bonds, debentures, other marketable securities of a like nature and Government securities) and interest on bank, corporate deposits is charged to tax at normal rates and the same will be subject to tax deducted at source at the rate of 10% on gross interest.

The Finance Act, 2018, has introduced tax on dividends. Dividend is taxable as per applicable rate in the hands of recipient (Assessee).



## 12.7 Other Implications

Each Client is advised to consult his/her/its tax advisor with respect to the tax consequences to him/ her/it in respect of transaction in derivative products. Pursuant to Explanatory Memorandum in respect of Notification S.O. 89(F) dated February 25, 2006 an eligible transaction in respect of trading in respect of derivatives referred to Section 2(ac) of The Securities Contracts (Regulation) Act, 1942 carried out in the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited with effect from February 25, 2006 will be excluded from the purview of “speculative transaction” subject to certain conditions as mentioned in the Explanation appearing after the proviso to section 43(5) of the Income-tax Act, 1961.

## 13. Accounting Policies

### 13.1 Basis of Accounting

Books and Records shall be separately maintained in the name of the Client to account for the assets, income, receipts and disbursements in connection with the Account, as provided by the Regulations. Accounting under the respective Portfolios will be done in accordance with Generally Accepted Accounting Principles. Since the Regulations do not explicitly lay down detailed accounting policies, such policies which are laid down under SEBI (Mutual Fund) Regulations shall be followed, in so far as accounting and valuation for equities or equity related instruments are concerned.

- The portfolio accounts of the Portfolio Manager shall be audited annually by an independent chartered accountant and a copy of the certificate issued by the chartered accountant shall be given to the client.
- The client may appoint a chartered accountant to audit the books and accounts of the Portfolio Manager relating to his transactions and the Portfolio Manager shall co-operate with such chartered accountant in course of the audit.

### 13.2 Maintenance of Client Account

The PM shall keep the funds of all clients in a separate bank account maintained by the PM and the following conditions will be adhered to:

- Clear segregation of each Client’s fund will be maintained through proper and clear maintenance of back office records;
- The funds of one client shall not be used for another client;
- An accounting system will be maintained that will contain separate client-wise data of their funds and provide statement to clients for such accounts on quarterly basis; and
- The client-wise funds will be reconciled with the funds in the aforesaid bank account on daily basis.
- For Securities, the PM shall maintain a separate depository account for each Client.

The PM shall, as per FEMA guidelines, keep the funds of Non-resident Indian (NRI) Client in a separate designated account to be maintained by it in a scheduled commercial bank and shall also maintain a separate Portfolio record in the name of the Client in its books for accounting the assets and income of the Client.

### 13.3 Portfolio Valuation

The PM shall adhere to the following portfolio valuation policy:

- Listed equity or equity related instruments and debt instruments are valued at the last quoted closing price on the National Stock Exchange of India Limited (NSE). If on a valuation date, a security is not

traded on the NSE, the value at which it is traded on the BSE Limited (BSE) is used. If a security is not listed on the NSE, then it is valued at the last quoted closing price on the BSE.

- Listed equity share warrants are valued at the last quoted closing price on NSE or BSE as the case may be.
- In the Derivatives segment, the unrealized gains/losses for Futures are calculated by marking to market all the open positions.
- In case of Options, if the options held are either of the current month, next month or far month then the unrealized gains/losses are calculated by marking to market. Longer dated options (expiry beyond three months from the date of purchase) will be valued at cost
- Bonus shares to which the portfolio becomes entitled 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. Accordingly, date of recognition of bonus shares is construed as date of acquisition for the purpose of computing gain. Similarly, rights entitlements shall be recognized only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-right basis. Date of application of right shares is construed as date of acquisition for the purpose of computing gain.
- Fixed Income Instruments are valued at last traded price or in good faith based on inputs from reputed market data services such as Bloomberg / Reuters. In case of default, the instrument shall stop accruing coupon. In case of listed bonds, the valuation will be as described earlier in this point. In case of unlisted bonds, such defaulting bonds will be reported at Face Value. Defaulting bonds will be extinguished only upon receipt of proceeds (either from the issuer/liquidator/buyer/or any bankruptcy resolution agency as the case may be) towards full and final settlement of the said instrument.
- Market linked debentures are valued at cost
- Unlisted equity are valued at cost
- Units of Mutual Funds are valued at the repurchase NAV declared by the Fund for the relevant schemes on the date of the report or the most recent available NAV
- In determining the holding cost of investments and the gain or loss on sale of investments, the “First-In-First-Out” method shall be followed for each security. For derivatives, unrealized gains and losses will be calculated by marking to market the open positions. The portfolio manager and the client can adopt any specific norms or methodology for valuation of the client’s investments or accounting for the same as may be mutually agreed between them in writing.

#### **13.4 Securities Transaction**

Investment securities transactions are accounted for on a trade date basis. The cost of the investments acquired or purchased includes brokerage, stamp charges and any charges customarily included in the broker’s contract note or levied by any statute except STT (Securities Transaction Tax). Similarly, in case of sale transactions, the above-mentioned charges are deducted from the sale price. STT charged on purchase/sale of securities during the financial year is recognized as an expense. Realised gains or losses are calculated by applying the First In-First Out method.

### 13.5 Income/Expenses

All investment incomes and expenses are accounted on an accrual basis. Dividends are accrued on the ex-date of the securities and reflected in the clients' books on the ex-date. Similarly, bonus shares are accrued on the ex-date of the securities and reflected in the clients' books on the ex-date. In the case of Fixed Income instruments, purchased or sold at cum-interest rates, the interest component up to the date of the transaction is taken to the interest receivable / payable account and amount net of interest will be at the cost / sale price for the purchase of calculating realized gains or losses. Portfolio management fees are recognized / accrued in accordance with the agreement" is recommended to be added.

## 14. Investor Services

### 14.1 Contact Information

Name, address and telephone number of the investor relations officer who shall attend to the investor queries and complaints are as under:

Ms. Mridula Iyengar (Compliance Officer)  
1401, Tower 2, 14th Floor, One International Center, Senapati Bapat Marg, Elphinstone Road  
Mumbai - 400013, Maharashtra, India  
Phone: +91 (0)22 61779500  
[compliance@sanctumwealth.com](mailto:compliance@sanctumwealth.com)  
[www.sanctumwealth.com](http://www.sanctumwealth.com)

The designated official shall ensure prompt investor services. The PM ensures that this official has the necessary authority, independence and empowerment to handle investor complaints.

### 14.2 Grievance Redressal and Dispute Settlement Mechanism

In case of any disputes or grievance the client may contact the concerned official at the aforementioned address or send an email to [grievance@sanctumwealth.com](mailto:grievance@sanctumwealth.com).

The PM shall endeavor to address all complaints regarding service deficiencies or causes of grievance, for whatever reason, in a reasonable and prompt manner. If investors remain dissatisfied with the remedies offered, they may seek redress through the regulatory mechanisms described below.

#### SEBI Scores Platform

- SEBI has launched a centralized web based complaints redress system (SCORES 2.0), which enables investors to lodge and follow up their complaints and track the status of redressal from anywhere. This also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal.
- All the activities starting from lodging of a complaint till its disposal by SEBI would be carried online in an automated environment and the status of every complaint can be viewed online at any time.
- An investor, who is not familiar with SCORES or does not have access to SCORES, can lodge complaints in physical form. However, such complaints would be scanned and uploaded in SCORES for processing.

#### Settlement of Disputes

All disputes, differences, claims and questions which shall arise either during or after the existence of the agreement with a client or in any way relating to any of the provision therein shall, in the first place be settled by mutual discussions failing which, it shall be referred to and settled by arbitration to be held in Mumbai in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

## 15. FATCA & CRS

### 15.1 Foreign Account Tax Compliance Act (FATCA)

“FATCA” or Foreign Account Tax Compliance Act is a United States (US) law aimed at prevention of tax evasion by US citizens and residents (“US Persons”) through use of offshore accounts. FATCA obligates foreign financial institutions (FFIs), including Indian financial institutions to provide the US Internal Revenue Service (IRS) with information on the accounts of or report accounts held by specified US Persons. Since domestic laws of sovereign countries, including India, may not permit sharing of confidential client information by FFIs directly with US IRS, the U.S. has entered into Inter-Governmental Agreement (IGA) with various countries.

The IGA between India and USA signed on July 9, 2015, provides that the Indian FIs will file the necessary information to Indian tax authorities, who will then transmit the same to USA automatically. The IGA between India and USA became operational effective August 31, 2015.

The impact of FATCA is relevant not only at the point of ‘on-boarding’ of investors, but throughout the life cycle of the investor’s account. Any event which impacts customer tax status or change of key information may have a bearing on reporting done under FATCA. Further, FATCA due diligence is to be directed at each investor (including joint investors). Once investors are identified as a reportable person or specified US persons, all their accounts would be reported – including those where they may be joint holders. Notably, in case of accounts with joint investors, the entire account value of the investment portfolio would be attributable under each such reportable person.

### 15.2 Common Reporting System (CRS)

On similar lines as FATCA, the Organization of Economic Development (OECD), along with the G20 countries, of which India is a member, has released a “Standard for Automatic Exchange of Financial Account Information in Tax Matters”, in order to combat the problem of offshore tax evasion and avoidance and stashing of unaccounted money abroad, requiring cooperation amongst tax authorities. The G20 and OECD countries have together developed a Common Reporting Standard (CRS) on Automatic Exchange of Information (AEOI). The CRS on AEOI was presented to G20 Leaders in Brisbane on November 16, 2014. On June 3, 2015, India joined the Multilateral Competent Authority Agreement (MCAA) on AEOI.

The CRS on AEOI requires financial institutions of the “source” jurisdiction to collect and annually report information to their tax authorities about account holders “resident” in other countries. The information to be exchanged relates not only to individuals, but also to shell companies and trusts having beneficial ownership or interest in the “resident” countries.

In view of India’s commitment to implement the CRS on AEOI and also the IGA with USA, and with a view to provide information to other countries, necessary legislative changes have been made through the Finance (No. 2) Act, 2014, by amending section 285BA of the Income-tax Act, 1961. Similarly, Income-tax Rules, 1962 were amended vide Notification No. 62 of 2015 dated August 7, 2015 by inserting Rules 114F to 114H and Form 61B to provide a legal basis for the Reporting Financial Institutions (RFIs) for maintaining and reporting information about reportable accounts.

Sanctum is registered as a RFI and in order to comply with its FATCA/CRS obligations, is required to obtain certain information from its clients so as to ascertain their tax status. If the client is a specified person, or does not provide the requisite documentation, Sanctum would be compelled to report information on these clients to the appropriate tax authority, as permitted legally.

Further, Sanctum may at its discretion enter into any supplemental agreements with third parties without the consent of clients to provide for any measures that it deems appropriate or necessary to comply with FATCA/CRS, subject to this being legally permitted under the IGA and Indian laws and regulations.

Clients should consult their own tax advisors regarding the FATCA/CRS requirements with respect to their own situation.

## **16. Registered Office Change**

Please note that Sanctum has recently relocated to a new office at 1401, Tower 2, 14th Floor, One International Center, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013. This update has been communicated to clients through a separate email and also reflects on our website.

## **Disclaimer**


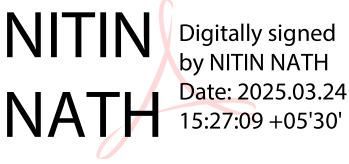
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For the updated Disclosure Document dated March 10, 2025 to be filed with SEBI

Signature document:

Name	Signature
Mr. Shivaashish Madhukar Gupta Director and Chief Executive Officer	 SHIVAASHISH SH GUPTA Digitally signed by SHIVAASHISH GUPTA Date: 2025.03.24 14:41:07 +05'30'
Mr. Nitin Nath Director	 NITIN NATH Digitally signed by NITIN NATH Date: 2025.03.24 15:27:09 +05'30'

**Sanctum Wealth Private Limited**

AMFI registered Mutual Fund Distributor | Stock Broker | Depository Participant | Portfolio Manager | Research Analyst  
(Formerly, Sanctum Wealth Management Private Limited)

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