

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

| Kotak Alternate Asset Managers Limited | |
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| <i>Key Information and Disclosure document for Portfolio Management Services by Kotak Alternate Asset Managers Limited (formerly known as Kotak Investment Advisors Limited)</i> | |
| <ul style="list-style-type: none">• This Disclosure 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 SEBI (Portfolio Managers) Regulations, 2020.• The purpose of the Document is to provide essential information about the portfolio management services in a manner to assist and enable the investors in making informed decisions for engaging Kotak Alternate Asset Managers Limited “KAAML” as a Portfolio Manager.• This disclosure document sets forth concisely the necessary information about KAAML that is required by a prospective investor before investing.• The investor should carefully read the entire disclosure document prior to making a decision to avail of the Portfolio Management Services and should retain this Disclosure document for future reference. | |
| Principal Officer | Portfolio Manager |
| Mr. Nishant Kumar Address: 27 BKC, 7 th Floor, Plot No. C-27, “G” Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051. Phone: +91-22-43360770 Fax: +91 22 67132423 Mobile: +91- 8657310920 Email: nishant.kumar4@kotak.com | Kotak Alternate Asset Managers Limited (formerly known as Kotak Investment Advisors Limited) Registered Office: 27 BKC, 7 th Floor, Plot No. C-27, “G” Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051. Tel No: 43360706 |
| Dated: December 3, 2025 | |

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

Table of Contents

| Sr. No. | Particulars | Page No |
|---------|---|---------|
| | Part I – Static Section | |
| 1 | Disclaimer Clause | 3 |
| 2 | Definitions | 3 |
| 3 | Description | 8 |
| 4 | Penalties, pending litigations or proceedings, findings or Inspections or Investigations for which action may be taken or initiated by any regulatory authority | 14 |
| 5 | Services Offered | 15 |
| 6 | Risk Factors | 18 |
| 7 | Nature of Expenses | 22 |
| 8 | Taxation | 24 |
| 9 | Accounting Policies | 30 |
| 10 | Investor services | 32 |
| 11 | Details of the diversification policy of the portfolio manager | 33 |
| | PART II Dynamic Section | |
| 12 | Client Representation | 34 |
| 13 | Financial Performance of the Portfolio Manager | 35 |
| 14 | Performance of Portfolio Manager | 35 |
| 15 | Audit Observations (of the Preceding 3 Years) | 35 |
| 16 | Details of investments in the securities of related parties of the portfolio manager | 35 |
| 17 | FORM “C” | 37 |
| 18 | Annexure A- Related party details | 38 |

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

1. Disclaimer Clause

This Document has been prepared 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 this Document.

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

In this Disclosure Document, unless the context otherwise requires, the following words and expressions shall have the meaning assigned to them:

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

Provided that the Central Government and the State Governments, developmental agencies set up under the aegis of the Central Government or the State Governments, funds set up by the Central Government or the State Governments, qualified institutional buyers as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Category I foreign portfolio investors, sovereign wealth funds and multilateral agencies and any other entity as may be specified by the Board from time to time, shall deemed to be an accredited investor and may not be required to obtain a certificate of accreditation

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

4. **“Advisory Services”** means advising on the portfolio approach, investment and divestment of individual Securities in the Client’s Portfolio, entirely at the Client’s risk, in terms of the Regulations and the Agreement.
5. **“Agreement”** or **“Portfolio Management Services Agreement”** or **“PMS Agreement”** means agreement executed between the Portfolio Manager and its Client for providing portfolio management services and shall include all schedules and annexures attached thereto and any amendments made to this agreement by the parties in writing, in terms of Regulation 22 and Schedule IV of the Regulations.
6. **“Applicable Law/s”** means any applicable statute, law, ordinance, regulation, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument including the Regulations which has a force of law, as is in force from time to time.
7. **“Assets Under Management”** or **“AUM”** means aggregate net asset value of the Portfolio managed by the Portfolio Manager on behalf of the Clients.
8. **“Associate”** means (i) a body corporate in which a director or partner of the Portfolio Manager holds either individually or collectively, more than twenty percent of its paid-up equity share capital or partnership interest, as the case may be; or (ii) a body corporate which holds, either individually or collectively, more than twenty percent of the paid-up equity share capital or partnership interest, as the case may be of the Portfolio Manager.
9. **“Benchmark”** means an index selected by the Portfolio Manager in accordance with the Regulations, in respect of each Investment Approach to enable the Clients to evaluate the relative performance of the Portfolio Manager.
10. **“Board”** or **“SEBI”** means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.
11. **“Business Day”** means any day, which is not a Saturday, Sunday, or a day on which the banks or stock exchanges in India are authorized or required by Applicable Laws to remain closed or such other events as the Portfolio Manager may specify from time to time.
12. **“Client(s)”** / **“Investor(s)”** means any person who enters into an Agreement with the Portfolio Manager for availing the services of portfolio management as provided by the Portfolio Manager.
13. **“Co-Investment Portfolio Manager”** means a Portfolio Manager who is a Manager of a Category I or Category II Alternate Investment Fund(s); and:
 - i) provides services only to the investors of such Category I or Category II Alternative Investment Fund(s); and
 - ii) makes investment only in unlisted securities of investee companies where such Category I or Category II Alternative Investment Fund(s) make investments:

Provided that the Co-investment Portfolio Manager may provide services to investors from any other Category I or Category II Alternative Investment Fund(s) which are managed by them and are also sponsored by the same Sponsor(s)

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

14. **“Custodian(s)”** means an entity registered with the SEBI as a custodian under the Applicable Laws and appointed by the Portfolio Manager, from time to time, primarily for custody of Securities of the Client.
15. **“Depository”** means the depository as defined in the Depositories Act, 1996 (22 of 1996).
16. **“Depository Account”** means an account of the Client or for the Client with an entity registered as a depository participant under the SEBI (Depositories and Participants) Regulations, 1996.
17. **“Direct on-boarding”** means an option provided to clients to be on-boarded directly with the Portfolio Manager without intermediation of persons engaged in distribution services.
18. **“Disclosure Document” or “Document”** means the disclosure document for offering portfolio management services prepared in accordance with the Regulations.
19. **“Distributor”** means a person/entity who may refer a Client to avail services of Portfolio Manager in lieu of commission/charges (whether known as channel partners, agents, referral interfaces or by any other name).
20. **“Eligible Investors”** means a Person who: (i) complies with the Applicable Laws, and (ii) is willing to execute necessary documentation as stipulated by the Portfolio Manager.
21. **“Fair Market Value”** means the price that the Security would ordinarily fetch on sale in the open market on the particular date.
22. **“Foreign Portfolio Investors” or “FPI”** means a person registered with SEBI as a foreign portfolio investor under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 as amended from time to time.
23. **“Financial Year”** means the year starting from April 1 and ending on March 31 in the following year.
24. **“Funds” or “Capital Contribution”** means the monies managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes the monies mentioned in the account opening form, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to the Agreement, the proceeds of sale or other realization of the portfolio and interest, dividend or other monies arising from the assets, so long as the same is managed by the Portfolio Manager.
25. **“Group Company”** shall mean an entity which is a holding, subsidiary, associate, subsidiary of a holding company to which it is also a subsidiary.
26. **“HUF”** means the Hindu Undivided Family as defined in Section 2(31) of the IT Act.
27. **“Investment Approach”** is a broad outlay of the type of Securities and permissible instruments to be invested in by the Portfolio Manager for the Client, taking into account factors specific to Clients and Securities and includes any of the current Investment Approach or such Investment Approach that may be introduced at any time in future by the Portfolio Manager.

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

28. **“IT Act”** means the Income Tax Act, 1961, as amended and restated from time to time along with the rules prescribed thereunder.
29. **“Large Value Accredited Investor”** means an Accredited Investor who has entered into an Agreement with the Portfolio Manager for a minimum investment amount of ten crore rupees.
30. **“Non-resident Investors”** or **“NRI(s)”** shall mean non-resident Indian as defined in Section 2 (30) of the IT Act.
31. **“NAV”** shall mean Net Asset Value, which is the price; that the investment would ordinarily fetch on sale in the open market on the relevant date, less any receivables and fees due.
32. **“NISM”** means the National Institute of Securities Markets, established by the Board.
33. **“Person”** includes an individual, a HUF, a corporation, a partnership (whether limited or unlimited), a limited liability company, a body of individuals, an association, a proprietorship, a trust, an institutional investor and any other entity or organization whether incorporated or not, whether Indian or foreign, including a government or an agency or instrumentality thereof.
34. **“Portfolio”** means the total holdings of all investments, Securities and Funds belonging to the Client.
35. **“Portfolio Manager”** means Kotak Alternate Asset Managers Limited (**“KAAML”**) a company incorporated under [the Companies Act, 1956, registered with SEBI as a portfolio manager bearing registration number **INP000004987** and having its registered office at **27 BKC, 7th Floor, Plot No C-27, G Block, Bandra Kurla Complex, Bandra East Mumbai: 400051**
36. **“Principal Officer”** means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager and is responsible for:
- i. the decisions made by the Portfolio Manager for the management or administration of Portfolio of Securities or the Funds of the Client, as the case may be; and
 - ii. all other operations of the Portfolio Manager
- “Regulations”** or **“SEBI Regulations”** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended/modified and reinstated from time to time and including the circulars/notifications issued pursuant thereto.
37. **“Related Party”** means-
- i) a director, partner or his relative;
 - ii) a key managerial personnel or his relative;
 - iii) a firm, in which a director, partner, manager or his relative is a partner;
 - iv) a private company in which a director, partner or manager or his relative is a member or director;

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

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

38. “**Securities**” means security as defined in Section 2(h) of the Securities Contract (Regulation) Act, 1956, provided that securities shall not include any securities which the Portfolio Manager is prohibited from investing in or advising on under the Regulations or any other law for the time being in force.

Words and expressions used in this disclosure document and not expressly defined shall be interpreted according to their general meaning and usage. The definitions are not exhaustive. They have been included only for the purpose of clarity and shall in addition be interpreted according to their general meaning and usage and shall also carry meanings assigned to them in regulations governing Portfolio Management Services.

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

3. Description

3.1 History, present business and background of the Portfolio Manager

Kotak Alternate Asset Managers Limited (“KAAML”), is a company incorporated under the Companies Act, 1956, on March 31, 1994 under the name Kotak Mahindra Securities Limited. The name was changed from Kotak Mahindra Securities Limited to Kotak Investment Advisors Limited on August 20, 2007 and further from Kotak Investment Advisors Limited to Kotak Alternate Asset Managers Limited on July 27, 2023. The certificate for commencement of business was obtained on May 24, 1994. It is a wholly owned subsidiary of Kotak Mahindra Bank Ltd. KAAML acts as an Investment Manager for various funds operating under alternate asset domain. KAAML is also a SEBI Registered Investment Advisor.

An approval by the Division of Funds, Investment Management Department under the SEBI (Portfolio Manager) Regulations, 1993 has been granted to the Company for undertaking Portfolio Management Services.

3.2 Promoters of the Portfolio Manager, Directors and their background

3.2.1 Promoter - Kotak Mahindra Bank Limited

Kotak Group (i.e. the Kotak Mahindra Bank Limited (“**Kotak Bank**”), together with its subsidiaries and affiliates, the “**Kotak Group**” or “**Kotak**”) was founded in 1985 by Uday Kotak, S.A.A. Pinto, Harish Mahindra and Anand Mahindra. Kotak Group is one of India’s leading financial institutions, offering commercial banking, stock broking, asset management, life and general insurance, investment banking, private equity, real estate and infrastructure advisory. The Kotak Group offers complete financial solutions that encompass every sphere of life and caters to the diverse financial needs of individuals and corporates.

As on March 31, 2025, the net worth of Kotak Bank is Rs.116,897.69 crores. The Sponsor and its subsidiaries/associates offer wide ranging financial services such as loans, lease and hire purchase, consumer finance, home loans, commercial vehicles and car finance, investment banking, stock broking, mutual funds, primary market distribution of equity and debt products, life insurance and general insurance. Kotak Bank has a large distribution network of branches, franchisees, representative offices and satellite offices across various cities and towns in India and offices in New York, London, Dubai, Abu Dhabi, Singapore, Mauritius etc.

3.2.2 Particulars of Directors in KAAML

Mr. Dipak Gupta – Non-Executive Director & Chairman

Mr. Dipak Gupta was the Managing Director & CEO of Kotak Mahindra Bank Limited, up to December 31, 2023. He has had over three decades of experience in the financial services sector, with the last two and half decades having been spent with the Kotak Mahindra Group. At the Bank, in the past, he has overseen the functions of IT (including Cyber Security and Digital Initiatives), Internal Audit, Human Resources, Marketing, Compliance, Administration, Infrastructure and Operations as well as Treasury, Wealth Management and the Consumer Finance businesses. He was also responsible for setting up the retail business following the conversion of Kotak Mahindra Finance Limited (KMFL) into a bank.

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

Mr. Dipak Gupta has also played a key role in building various businesses for Kotak Mahindra Group. He was instrumental in forging the partnership between KMFL and Ford Credit International. He was the first CEO of the KMFL–Ford Credit joint venture, Kotak Mahindra Primus Limited.

He is director on the boards of Kotak Mahindra Life Insurance Limited, Kotak Infrastructure Debt Fund Limited and Kotak Mahindra (UK) Limited.

Mr. Srinivasan Subramanian – Managing Director

S. Srinivasan (Srini) heads Kotak Alternate Asset Managers Limited. He is also a part of the Group Management Council that drives Kotak Mahindra Group’s growth charter.

Srini has played a crucial role in setting up and building the different asset classes in KAAML including Real Estate, Infrastructure, Special Situations & Credit, Private Equity and Investment Advisory. Overall, KAAML has raised / advised ~ USD 9.3 billion in funds across these asset classes. As one of the earliest fund managers to raise and invest capital in India, Srini has introduced significant financing, financial structuring and negotiating skills in the alternate assets industry. Srini joined the Kotak Mahindra Group in 1993.

Prior to KAAML, he was a part of Kotak’s investment banking joint venture with Goldman Sachs from inception in 1995, and was co-head of Kotak Investment Banking until 2005. At Kotak Investment Banking, Srini advised leading domestic and international companies on capital raising, M&A and strategic divestitures.

Srini is a member of the Confederation of Indian Industry (CII) subcommittee on Capital Markets. He is also a Board member of Asia Pacific Real Estate Association Limited (APREA) & Co-Chairman of the India Chapter. He is also a member of the Governing Council of Global Real Estate Institute (GRI) – India Chapter. He was a Member of the Executive Committee at the Indian Private Equity & Venture Capital Association (IVCA) and is a Member of the Private Credit Council at Emerging Markets Private Equity Association (“EMPEA”).

Srini holds a Bachelor's degree in Commerce from Delhi University and an MBA from the Institute of Management Technology (IMT), Ghaziabad.

Mr. Eshwar Karra - Deputy Managing Director

Eshwar Karra is Deputy Managing Director of Kotak Alternate Asset Managers Limited, bringing over two decades of extensive financial services experience to the role. He is a key member of the core leadership team at Kotak Alternate Asset Managers, a prominent player in the Indian alternative investment landscape.

Eshwar also serves as the CEO of Kotak Special Situations Fund, where he is responsible for overseeing investments across special situations, credit, and stressed asset opportunities. His expertise lies in

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

identifying distressed opportunities, structuring and executing complex financial transactions, and securing profitable exits.

Earlier in his career, Eshwar was the CEO of Phoenix Asset Reconstruction Company (a Kotak-sponsored ARC) for five years, managing an AUM of USD 1 billion and successfully resolving investments across major sectors. He was also a founding member of Kotak's distressed assets business, contributing to the successful investment of over INR 2,500 crores (USD 417 million) of proprietary capital.

Eshwar holds a Bachelor's degree in Commerce from the University of Pune and is a Management graduate from the Institute of Management Development and Research, Pune. In his current capacity, he is instrumental in driving strategic initiatives across the firm, reinforcing Kotak Alternate Asset Managers' position as a leading force in India's alternatives ecosystem.

Mr. Rajeev Saptarshi – Whole-time Director & Chief Operating Officer

Rajeev Saptarshi joined Kotak Alternate Asset Managers Limited as the Chief Operating Officer in November 2013. He is a whole-time Director on the Board of Kotak Alternate Asset Managers Limited. He is responsible for the Finance, Compliance, Operations and Investor Relations functions of the entire alternate assets practice of the Kotak Mahindra Group.

Rajeev brings with him a wealth of experience in dealing with the regulatory authorities and is well versed with fund structuring and compliance matters. Rajeev has been with the Kotak Mahindra Group for over 30 years during which he has held several senior management roles across different businesses. In his earlier roles, Rajeev was the Chief Operating Officer of the Institutional Equities business at Kotak Securities Limited, where he led Technology initiatives and also headed the Operations and Finance functions. He was also the Chief Financial Officer of Kotak Mahindra Capital Company, the Investment Banking arm of the group where he managed finance and operations.

Rajeev is a Chartered Accountant and a Company Secretary.

Mr. Gaurang Shah – Non-Executive Director

Gaurang Shah is a non-executive director on the Boards of Insurance, Asset Management and International subsidiaries of Kotak Mahindra Bank.

Prior to this, Gaurang was whole time director on the Board of Kotak Mahindra Bank heading the credit risk function and overseeing the Insurance, Asset Management including Alternate Assets and Asset Reconstruction businesses.

Gaurang has over 40 years of experience largely in financial services, of which over 27 years have been with the Kotak Mahindra Group. He has played a key role in building the Group's consumer banking and life insurance businesses, and has held several positions of responsibility, including Head of Retail Assets at Kotak Mahindra Bank. He was also the Head of Kotak Mahindra Primus (a joint venture between Kotak

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

Mahindra Group and Ford Credit International), which became Kotak Mahindra Prime Ltd (in 2006) - one of India's leading automobile finance companies.

Gaurang is a Chartered Accountant (CA) from ICAI and M.Com from Gujarat University.

Mr. Jaideep Hansraj – Non-Executive Director

Mr. Jaideep Hansraj, a Commerce graduate, is associated with the Kotak Mahindra Group since 1993 and quickly rose through the ranks. He oversees the Affluent customer segment and the Human Resource function, aiming to enhance service offerings and drive the People agenda. Additionally, as the head of 'One Kotak', he promotes collaboration across the Kotak Mahindra Bank (“Bank”) and its subsidiaries.

Prior to joining the Bank, Mr. Hansraj was the Managing Director and CEO of Kotak Securities Limited (a Wholly-Owned Subsidiary of the Bank), focusing on digitization and innovation, which led to significant business improvements. Before that, he was the Chief Executive Officer of Kotak Mahindra International Limited (a Wholly-Owned Subsidiary of the Bank) and later led Kotak Securities' private client function. In 2004, he moved to build the Wealth Management portfolio at the Bank, earning numerous accolades, including being ranked No. 1 in the Asian Private Banker's India 2017 AUM League Table.

Mr. Hansraj is the Whole-time Director of Kotak Mahindra Bank Limited. He is also a Director on the Boards of Kotak Securities Limited, Kotak Mahindra Life Insurance Company Limited, Kotak Mahindra Asset Management Company Limited, Zurich Kotak General Insurance Company (India) Limited (Formerly Kotak Mahindra General Insurance Company Limited), Anukriya Foundation (Section 8 company).

Ms. Oisharya Das – Non-Executive Director

Oisharya Das heads the Private Banking business at Kotak Mahindra Bank Limited and has been an integral part since its inception. She has played an important role in the growth of the business, both in India and overseas. She is part of the Bank's Group Management Council that drives and oversees Kotak Mahindra Group's growth charter.

Prior to taking over as CEO, Oisharya was the National Director where she spearheaded client relations at a national level and established the non-resident business's as well.

She started her career with the Kotak Mahindra Group in 1994. From 1999 to 2004, she led the private client services business for the eastern region at Kotak Securities. Thereafter, she was responsible for the North, East and the West Regions of the Private Banking business.

Oisharya is a graduate in Political Science, and has done her Masters in International Relations. She has completed her MBA from IIM Calcutta.

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

3.2.3 Top 10 Group Companies / Firms of Portfolio Manager on turnover basis, as on March 31, 2025:

The following details are appearing as per the audited financial statements as of March 31, 2025

| | |
|----|---|
| 1 | Kotak Mahindra Bank Limited |
| 2 | Kotak Mahindra Life Insurance Company Limited |
| 3 | Kotak Mahindra Prime Limited |
| 4 | Kotak Securities Limited |
| 5 | Kotak Mahindra Investments Limited |
| 6 | Kotak Mahindra Asset Management Company Limited |
| 7 | BSS Microfinance Limited |
| 8 | Kotak Mahindra Capital Company Limited |
| 9 | Kotak Alternate Asset Managers Limited |
| 10 | Sonata Finance Private Limited |

Note: Turnover is the total income reported by each of the entities in their financial statements

3.2.4 Details of the services being offered: Discretionary/Non-discretionary/Co-Investment Portfolio Management /Advisory.

The Portfolio Manager broadly offers services under the following categories.

Discretionary Services

Under these services, the choice as well as the timing of the investment decisions rests solely with the Portfolio Manager. The Portfolio Manager may at times and at its own discretion, adhere to the views of the Client pertaining to the investment / disinvestment decisions of the Client's Portfolio.

The Portfolio Manager shall have the sole and absolute discretion to invest in respect of the Client's account in any type of security as per the executed agreement and make such changes in the investments and invest some or all of the Client's account in such manner and in such markets at it deems fit. The Client may give informal guidance to customize the portfolio, however the final decision rests with the Portfolio Manager. The securities invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. The Portfolio Manager's decision (taken in good faith) in deployment of the Client's account is absolute and final and cannot be called in question or be open to review at any time during the currency of the agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence. This rights of the Portfolio Manager, shall be exercised strictly in accordance with the relevant Acts, Rules, and Regulations, guidelines and notifications in force from time to time.

Under these services, the Clients may authorise the Portfolio Manager to invest their Portfolio funds in specific financial instruments or a mix of specific financial instruments or restrict the Portfolio Manager from investing in specific financial instruments or securities. Periodical statements in respect of Client's Portfolio shall be sent to the respective Client.

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

Non-Discretionary Services

The Portfolio Manager will provide Non-discretionary Portfolio Management Services as per prior Instructions issued by the Client from time to time, in the nature of investment consultancy/management, and may include the responsibility of buying, selling and custody of the securities and monitoring book closures, dividend, bonus, rights, etc. so as to ensure that all benefits accrue to the Client's Portfolio, for an agreed fee structure and for a definite described period, entirely at the Client's risk.

The Portfolio Manager shall execute transactions and orders as per the mandate received from Clients.

The Portfolio manager may identify investment opportunities and showcase the same to the client. The client on the basis of the information and such other checks which he may wish to carry on, could decide to participate in the opportunity. On obtaining his consent the Portfolio manager may process the instruction and execute the deal in the interest of the client. The client is fully aware that the risks and rewards belong to the client and portfolio manager shall not be held responsible for such decisions of the client.

The Portfolio Manager's actions (taken in good faith) pursuant to the above cannot be called in question or be open to review at any time during the currency of the agreement or any time thereafter except on the ground of malafide fraud, conflict of interest or gross negligence. The rights and obligations of the Portfolio Manager shall be exercised strictly in accordance with the relevant Act, rules and regulations, guidelines and notifications in force from time to time.

Co-Investment Portfolio Management Services

The Portfolio Manager may offer co-investment services to the investors of Category I or Category II Alternate Investment Funds for which the Portfolio Manager acts as the Investment Manager and Sponsor, pursuant to the relevant provisions of SEBI (Portfolio Managers) Regulations, 2020 and SEBI (Alternate Investment Funds) Regulations, 2012

Advisory Services

The Portfolio Manager will for an agreed fee structure, provide Advisory Portfolio Management Services, in terms of the Regulations, which shall be in the nature of investment advisory and shall include the responsibility of advising on the portfolio strategy and investment and divestment of individual securities on the client's portfolio, entirely at the Client's risk.

The Portfolio Manager shall be solely acting as an advisor to the Portfolio of the client and shall not be responsible for the Investment/Divestment of Securities and /or administrative activities of the clients Portfolio. The Portfolio Manager shall provide advisory services in accordance with such guidelines and / or directives issued by the regulatory authorities and/or the client from time to time in this regard. It will be the discretion/responsibility of the client whether to execute trades based on the advice of Portfolio Manager.

The advisory services offered to clients may be for investment up to 25% of the assets under management of such clients in unlisted securities, in addition to the securities permitted for discretionary portfolio management.

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

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

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| <p>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</p> | <p>KAAML, Kotak SEAF India Fund and Kotak Mahindra Trusteeship Services Ltd. (“KMTSL”) had received a show cause notice dated December 07, 2023 from SEBI in the matter of India Growth Fund (“IGF”), a scheme of Kotak SEAF India Fund (Venture Capital Fund) managed by KAAML and for which KMTSL was acting as Trustee, in which SEBI had alleged that IGF was wound up beyond the term specified in IGF’s Private Placement Memorandum (“PPM”). The Term of IGF was extended with the consent of the Super Majority of the Contributors in accordance with the terms of the Contribution Agreement read with the Private Placement Memorandum of the Scheme. However, SEBI had treated this extension as a violation under Regulation 23(1) (a) of SEBI (Venture Capital Funds) Regulations read with Regulation 39 of SEBI AIF Regulations and levied a penalty of Rs.3,00,000/- jointly and severally on KAAML, Kotak SEAF India Fund and KMTSL vide adjudication order dated February 21, 2024. An appeal has been preferred before the Securities Appellate Tribunal against the aforesaid adjudication order and the matter is sub-judice. In the interim, the penalty amount has been paid to SEBI under protest, pending final adjudication of the dispute.</p> |
| <p>2. The nature of the penalty/direction.</p> | <p>None</p> |
| <p>3. Penalties imposed for any economic offence and/ or for violation of any securities laws.</p> | <p>None</p> |
| <p>4. Any pending material litigation/legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any.</p> | <p>None</p> |
| <p>5. Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.</p> | <p>None</p> |

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

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|---|------|
| 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. | None |
|---|------|

5. Services Offered

5.1 Investment Objective and Policy – Discretionary Services/ Non-Discretionary Services/ Co-Investment Portfolio Management Services/ Advisory Services/

KAAML in its capacity as Discretionary Portfolio Manager/ Non-Discretionary Portfolio Manager/ Co-Investment Portfolio Manager/Advisory Services Portfolio Manager would manage the funds of each client in accordance with the needs and investment objective of the client. Accordingly, various portfolio investment approaches may be advised to the clients, which will limit the discretion of the portfolio manager over the portfolio, based on the portfolio investment approach opted by the client. The Client, based on his/her understanding of the portfolio objective and the clarifications/explanations offered by the portfolio manager, may give informal guidance to customize the portfolio, which may be different than the portfolio investment approaches offered by the portfolio manager. Portfolio Manager endeavors to customize the portfolio of client to the extent practicable within the broad framework of the portfolio strategy opted by the client. In the case of Discretionary Portfolio Management the final decision with respect to shaping of the portfolio for the client rests with the Portfolio Manager. In the case of Non Discretionary Portfolio Management the final decision with respect to shaping of the portfolio for the client rests with the client.

Type of securities where investments will be made: -

The Client's funds may be invested in any of the following securities/ instruments and such other securities which will inter-alia, include:

(a) Equity and equity related instruments:

Investments can be made in various equity and equity related securities including convertible/nonconvertible and/or cumulative/non-cumulative preference shares, convertible and/or cumulative/noncumulative debentures, bonds and warrants carrying the right to obtain equity shares, units of mutual funds, ETFs and other eligible modes of investment as may be permitted by the Regulations from time to time. The Portfolio Manager may from time to time invest the idle cash balance in units of Liquid Schemes of Mutual Funds. Investments could also be acquired through secondary market purchases, RBI auctions, open market sales conducted by RBI etc., Initial Public Offers (IPOs), other public offers, bilateral offers, placements, rights, offers, negotiated deals, etc.

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

(b) Debt & Money Market Instruments:

- Certificate of Deposits (CDs) Fixed Deposits with Banks
- Commercial Paper (CPs)
- Treasury Bills (T-Bills)
- Triparty Repos
- Government Securities
- Non Convertible Debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies
- Floating rate debt instruments
- Repo (Repurchase Agreement) or Reverse Repo
- Securitised Debt including Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS)
- Pass Through Certificate (PTC)
- Equity Linked Debentures
- Debt derivative instruments including Interest Rate Swaps and Forward Rate Agreement
- Loan against shares

(c) Others:

- Units of Schemes of mutual fund registered with SEBI including schemes of Kotak Mutual Fund.
- Shares, scrips, stocks, bonds, debentures, debentures stock or other marketable securities of a like nature in or of any incorporated company or other body corporate.
- Derivatives
- Units or any other instrument issued by any collective investment scheme to the investors in such schemes.
- Any certificate or instrument (by whatever name called), issued to any investor by any issuer being a special purposes distinct entity which possesses any debt or receivable, including mortgage debt, assigned to such entity, and acknowledging beneficial interest of such investor in such debt or receivable, including mortgage debt, as the case may be.
- Rights or interest in securities.

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

Investments can be made in various equity and equity related securities including convertible/non-convertible and/or cumulative/non-cumulative preference shares, convertible and/or cumulative/non-cumulative debentures, bonds and warrants carrying the right to obtain equity shares, units of mutual funds, ETFs and other eligible modes of investment as may permitted by the Regulations from time to time. The

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

Portfolio Manager may from time to time invest the idle cash balance in units of Liquid Schemes of Mutual Funds. Investments could also be made in listed, unlisted, convertible, non-convertible, secured, unsecured, rated or unrated or of any maturity, and acquired through secondary market purchases, RBI auctions, open market sales conducted by RBI etc., Initial Public Offers (IPOs), other public offers, bilateral offers, placements, rights, offers, negotiated deals, etc.

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

5.2 Investment Approaches:

Currently, the Portfolio Manager is not offering any Investment Approaches. This Document will be updated as and when the Portfolio Manager commences the portfolio management activities by on-boarding clients.

5.3 Minimum Investment Amount

The Client shall deposit with the Portfolio Manager, an initial corpus consisting of Securities and /or funds of an amount prescribed by Portfolio Manager for a Portfolio, subject to minimum amount as specified under SEBI Regulations, as amend from time to time. The Client may on one or more occasion(s) or on a continual basis, make further placement of Securities and / or funds under the service. The minimum amount of investment shall be Rs. 50,00,000/- (Rupees Fifty Lacs only), provided that the minimum investment amount per client shall be applicable for new clients and fresh investments by existing clients.

5.4 Policies for investments in Associates/ Group Companies of the Portfolio Manager

Portfolio Manager will, before investing / advising in the securities of its associate / group companies, evaluate such investments, the criteria for the evaluation being the same as is applied to other similar investments to be made under the Client's Portfolio. The investment in associate / group companies at the time of investments may be as per Client's consent and as permitted by SEBI from time to time. The investment in securities of the associate / group companies under any type of portfolio management services could also include unlisted securities and in the schemes of Alternative Investment Funds sponsored by KAAML which would be within the overall framework of Regulations and in terms of PMS Agreement executed with the Client. The said investment if made will be subject to applicable guidelines of SEBI from time to time.

5.4 Details of conflict of interest related services offered by group companies or associates of the portfolio manager

Each group/associate companies have independent management and transaction, if any are entered into on arm's length basis and all the regulatory requirements pertaining to the same will be adhered.

1. The Portfolio Manager may invest the funds of the Clients in the units of Alternative Investment Funds of Kotak Alternate Asset Managers Limited.
2. The Portfolio Manager may invest the funds of the Clients in the units of Schemes of mutual fund of Kotak Mahindra Asset Management Company and other short term products of other group companies.

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

3. The Portfolio Manager may open the bank account(s) of the clients as per the requirement of each investment approach, with Kotak Mahindra Bank Limited and for this purpose the Portfolio Manager may be required to maintain a minimum balance with the Bank.
4. The Portfolio Manager may invest un-invested amounts in Kotak Mahindra Bank Limited as deposits.
5. The Portfolio Manager may engage brokers from time to time to execute the trades, including Kotak Securities Limited, which is a group company of the Portfolio Manager.
6. Kotak Mahindra bank may be appointed as Depository participant.

The portfolio manager shall comply with the provisions of the PMS regulations while managing or administering clients' portfolio.

5.5 Transactions of purchase and sale of securities by portfolio manager and its employees who are directly involved in investment operations:

Employees in Investment operations of PMS operations are “Designated Persons” as per the Policy on Prohibition of Insider Trading, adopted by the Portfolio manager. The Portfolio Manager shall ensure that there is no conflict of interest with the transactions in any of the client’s portfolio since permissions to trade in shares are given in accordance with Restricted/Grey list applicable to Designated Persons.

6. Risk factors:

A. General Risks Factors

- (1) Investment in Securities, whether on the basis of fundamental or technical analysis or otherwise, is subject to market risks which include price fluctuations, impact cost, basis risk etc.
- (2) The Portfolio Manager does not assure that the objectives of any of the Investment Approach will be achieved and investors are not being offered any guaranteed returns. The investments may not be suitable to all the investors.
- (3) [Past performance of the Portfolio Manager does not indicate the future performance of the same or any other Investment Approach in future or any other future Investment Approach of the Portfolio Manager. [OR] The Portfolio Manager has no previous experience/track record in the field of portfolio management services. However, the Principal Officer, directors and other key management personnel of the Portfolio Manager have rich individual experience.]
- (4) The names of the Investment Approach do not in any manner indicate their prospects or returns.
- (5) Appreciation in any of the Investment Approach can be restricted in the event of a high asset allocation to cash, when stock appreciates. The performance of any Investment Approach may also be affected due to any other asset allocation factors.
- (6) When investments are restricted to a particular or few sector(s) under any Investment Approach; there arises a risk called non-diversification or concentration risk. If the sector(s), for any reason, fails to perform, the Portfolio value will be adversely affected.

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

(7) Each Portfolio will be exposed to various risks depending on the investment objective, Investment Approach and the asset allocation. The investment objective, Investment Approach and the asset allocation may differ from Client to Client. However, generally, highly concentrated Portfolios with lesser number of stocks will be more volatile than a Portfolio with a larger number of stocks.

(8) The values of the Portfolio may be affected by changes in the general market conditions and factors and forces affecting the capital markets, in particular, level of interest rates, various market related factors, trading volumes, settlement periods, transfer procedures, currency exchange rates, foreign investments, changes in government policies, taxation, political, economic and other developments, closure of stock exchanges, etc.

(9) The Portfolio Manager shall act in fiduciary capacity in relation to the Client's Funds and shall endeavour to mitigate any potential conflict of interest that could arise while dealing in a manner which is not detrimental to the Client.

B. Risk associated with equity and equity related instruments

(10) Equity and equity related instruments by nature are volatile and prone to price fluctuations on a daily basis due to macro and micro economic factors. The value of equity and equity related instruments may fluctuate due to factors affecting the securities markets such as volume and volatility in the capital markets, interest rates, currency exchange rates, changes in law/policies of the government, taxation laws, political, economic or other developments, which may have an adverse impact on individual Securities, a specific sector or all sectors. Consequently, the value of the Client's Portfolio may be adversely affected.

(11) Equity and equity related instruments listed on the stock exchange carry lower liquidity risk, however the Portfolio Manager's ability to sell these investments is limited by the overall trading volume on the stock exchanges. In certain cases, settlement periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio Manager to make intended Securities purchases due to settlement problems could cause the Client to miss certain investment opportunities. Similarly, the inability to sell Securities held in the Portfolio may result, at times, in potential losses to the Portfolio, should there be a subsequent decline in the value of Securities held in the Client's Portfolio.

(12) Risk may also arise due to an inherent nature/risk in the stock markets such as, volatility, market scams, circular trading, price rigging, liquidity changes, de-listing of Securities or market closure, relatively small number of scrip's accounting for a large proportion of trading volume among others.

C. Risk associated with debt and money market securities

(13) Interest Rate Risk

Fixed income and money market Securities run interest-rate risk. Generally, when interest rates rise, prices of existing fixed income Securities fall and when interest rate falls, the prices increase. In case of floating rate Securities, an additional risk could arise because of the changes in the

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

spreads of floating rate Securities. With the increase in the spread of floating rate Securities, the price can fall and with decrease in spread of floating rate Securities, the prices can rise.

(14) Liquidity or Marketability Risk

The ability of the Portfolio Manager to execute sale/purchase order is dependent on the liquidity or marketability. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. The Securities that are listed on the stock exchange carry lower liquidity risk, but the ability to sell these Securities is limited by the overall trading volumes. Further, different segments of Indian financial markets have different settlement cycles and may be extended significantly by unforeseen circumstances.

(15) Credit Risk

Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on government.

Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

(16) Reinvestment Risk

This refers to the interest rate risk at which the intermediate cash flows received from the Securities in the Portfolio including maturity proceeds are reinvested. Investments in fixed income Securities may carry re-investment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the debt security. Consequently, the proceeds may get invested at a lower rate.

D. Risk associated with derivatives instruments

(17) The use of derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Portfolio Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Portfolio Manager involve uncertainty and decision of Portfolio Manager may not always be profitable. No assurance can be given that the Portfolio Manager will be able to identify or execute such strategies.

(18) Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price of interest rate movements correctly. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Other risks include

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

settlement risk, risk of mispricing or improper valuation and the inability of the derivative to correlate perfectly with underlying assets, rates and indices, illiquidity risk whereby the Portfolio Manager may not be able to sell or purchase derivative quickly enough at a fair price.

E. Risk associated with investments in mutual fund schemes

(19) Mutual funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the schemes will be achieved. The various factors which impact the value of the scheme's investments include, but are not limited to, fluctuations in markets, interest rates, prevailing political and economic environment, changes in government policy, tax laws in various countries, liquidity of the underlying instruments, settlement periods, trading volumes, etc.

(20) As with any securities investment, the NAV of the units issued under the schemes can go up or down, depending on the factors and forces affecting the capital markets.

(21) Past performance of the sponsors, asset management company (AMC)/fund does not indicate the future performance of the schemes of the fund.

(22) The Portfolio Manager shall not be responsible for liquidity of the scheme's investments which at times, be restricted by trading volumes and settlement periods. The time taken by the scheme for redemption of units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the schemes.

(23) The Portfolio Manager shall not be responsible, if the AMC/ fund does not comply with the provisions of SEBI (Mutual Funds) Regulations, 1996 or any other circular or acts as amended from time to time. The Portfolio Manager shall also not be liable for any changes in the offer document(s)/scheme information document(s) of the scheme(s), which may vary substantially depending on the market risks, general economic and political conditions in India and other countries globally, the monetary and interest policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally.

(24) The Portfolio Manager shall not be liable for any default, negligence, lapse error or fraud on the part of the AMC/the fund.

(25) While it would be the endeavor of the Portfolio Manager to invest in the schemes in a manner, which will seek to maximize returns, the performance of the underlying schemes may vary which may lead to the returns of this portfolio being adversely impacted.

(26) The scheme specific risk factors of each of the underlying schemes become applicable where the Portfolio Manager invests in any underlying scheme. Investors who intend to invest in this portfolio are required to and are deemed to have read and understood the risk factors of the underlying schemes.

F. Risk arising out of Non-diversification

(27) The investment according to investment objective of a Portfolio may result in concentration of investments in a specific security / sector/ issuer, which may expose the Portfolio to risk arising out of non-diversification. Further, the portfolio with investment objective to invest in a specific sector / industry would be exposed to risk associated with such sector / industry and

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

its performance will be dependent on performance of such sector / industry. Similarly, the portfolios with investment objective to have larger exposure to certain market capitalization buckets, would be exposed to risk associated with underperformance of those relevant market capitalization buckets. Moreover, from the style orientation perspective, concentrated exposure to value or growth stocks based on the requirement of the mandate/strategy may also result in risk associated with this factor.

G. Risk arising out of investment in Associate and Related Party transactions

(28) All transactions of purchase and sale of securities by portfolio manager and its employees who are directly involved in investment operations shall be disclosed if found having conflict of interest with the transactions in any of the client's portfolio.

(29) The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the Portfolio Manager shall endeavor to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm's length basis.

(30) The Portfolios may invest in its Associates/ Related Parties relating to portfolio management services and thus conflict of interest may arise while investing in securities of the Associates/Related Parties of the Portfolio Manager. Portfolio Manager shall ensure that such transactions shall be purely on arms' length basis and to the extent and limits permitted under the Regulations. Accordingly, all market risk and investment risk as applicable to securities may also be applicable while investing in securities of the Associates/Related Parties of the Portfolio Manager.

7. Expenses

Nature of expenses

The following are indicative types of costs and expenses for clients availing the Portfolio Management Services.

The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Agreement and the agreements in respect of each of the services availed at the time of execution of such agreements. The below mentioned fees, charges and expenses shall be directly debited to the clients account as and when the same becomes due for payment.

a. Management Fees

Management fees relate to the portfolio management services offered to clients. The fee may be in the form of an entry or exit charge or a recurring charge in the nature of a fixed charge (which can be an absolute amount or a percentage of the quantum of funds managed) or in the nature of a variable charge that are linked to portfolio returns achieved or a combination of all or any of these.

Management fees as an entry or exit charge or as a percentage of the quantum of funds managed or variable charge that are linked to portfolio returns achieved or a combination of all or any of these shall each be charged, at such rate as may be agreed between the Portfolio Manager and the Client from time to time.

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

These charges, not exceeding the rate specified, will be applicable irrespective of whether the clients' funds are managed for the whole year or part of the year. Where the management fees is a percentage of the quantum of funds managed, the Portfolio Manager may charge management fees based on the annual opening value of portfolio or on the average value of portfolio (calculated on a daily/ weekly/ monthly or quarterly basis) or in such other manner, as agreed between the client and the Portfolio Manager. Management fees can vary from client to client, in the same portfolio strategy or in different portfolio strategy.

b. Transaction cost

In addition to the Management Fees, the Portfolio Manager may charge a transaction cost on every purchase and sale transaction on actual basis i.e. the actual charges levied by various service providers would be passed on to the clients suitably.

c. Custodian / Depository Fees

The charges relating to opening and operation of demat accounts, custody and transfer charges for shares, bonds and units, dematerialisation, rematerialisation and other charges in connection with the operation and management of the depository/custody accounts.

d. Registrar and transfer agent fee

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

e. Brokerages and transaction costs

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

f. Bank and Depository charges

For availing the Portfolio Management Service the Clients will have to open the bank account and demat account and in this regard the clients will have to pay charges as per schedule of charges forming part of the account opening forms signed by them.

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

8. Taxation

The Client shall be liable for all tax liabilities arising out of his investments in Securities and availing services hereunder. In view of the individual nature of tax consequences the Client is best advised to consult his / her / their tax advisor /consultant for appropriate advice on tax treatment. The Portfolio Manager shall not be responsible for assisting in or completing the fulfillment of the client tax obligations.

A. General

The following information is based on the tax laws in force in India as of the date of this Disclosure Document and reflects the Portfolio Manager's understanding of applicable provisions. The tax implications for each Client may vary significantly based on residential status and individual circumstances. As the information provided is generic in nature, Clients are advised to seek guidance from their own tax advisors or consultants regarding the tax treatment of their income, losses, and expenses related to investments in the portfolio management services. The Client is responsible for meeting advance tax obligations as per applicable laws.

B. Tax deducted at source

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

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

The Finance Act, 2021 introduced a special provision to levy higher rate for TDS for the residents who are not filing income-tax return in time for previous two years and aggregate of TDS is INR 50,000 or more in each of these two previous years. This provision of higher TDS is not applicable to a non-resident who does not have a permanent establishment in India and to a resident who is not required to furnish the return of income.

C. Long term capital gains

Where investment under portfolio management services is treated as investment, the gain or loss from transfer of Securities shall be taxed as capital gains under section 45 of the IT Act.

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

Period of Holding

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

| Securities | Position upto 22 July 2024 Period of Holding | Position on or after 23 July 2024 Period of Holding | Characterization |
|--|---|--|--------------------------|
| Listed Securities (other than unit) and unit of equity oriented mutual funds, unit of UTI, zero coupon bonds | More than twelve months (12) | More than twelve months (12) | Long-term asset capital |
| | Twelve (12) months or less | Twelve (12) months or less | Short-term capital asset |
| Unlisted shares of a company | More than twenty-four (24) months | More than twenty-four (24) Months | Long-term asset |
| | Twenty-four (24) or less | Twenty-four (24) or less | Short-term capital asset |
| Other Securities (other than Specified Mutual Fund or Market Linked Debenture acquired on or after 1 April 2023; or unlisted bond or unlisted debenture) | More than Thirty six (36) months | More than twenty-four (24) Months | Long-term asset capital |
| | Thirty-six (36) months or less | Twenty-four (24) or less | Short-term capital asset |
| Specified Mutual Fund or Market Linked Debenture acquired on or after 1 April 2023 | Any period | Any period | Short-term capital asset |
| Unlisted bond or unlisted debenture | More than 36 months | | Long-term capital asset |
| | 36 months or less | Any period | Short-term capital asset |

• **Definition of Specified Mutual Fund:**

Before 1st April 2025:

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

On and after 1st April 2025:

“**Specified Mutual Fund**” means, —

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

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

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

- **Definition of debt and money market instruments:**

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

- **Definition of Market Linked Debenture:**

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

- **For listed equity shares in a domestic company or units of equity oriented fund or business trust**

The Finance Act 2018 changed the method of taxation of long-term capital gains from transfer of listed equity shares and units of equity oriented fund or business trust.

As per section 112A of the IT Act, long term capital gains exceeding INR 1 lakh arising on transfer of listed equity shares in a company or units of equity oriented fund or units of a business trust is taxable at 10% , provided such transfer is chargeable to STT. This exemption limit has been increased from INR 1 lakh to INR 1.25 lakh and tax rate has been increased from 10% to 12.5% with effect from 23 July 2024. Further, to avail such concessional rate of tax, STT should also have been paid on acquisition of listed equity shares, unless the listed equity shares have been acquired through any of the notified modes not requiring to fulfil the pre-condition of chargeability to STT.

Long term capital gains arising on transaction undertaken on a recognized stock exchange located in any International Financial Services Centre and consideration is paid or payable in foreign currency, where STT is not chargeable, is also taxed at a rate of 10%. This benefit is available to all assessees. This tax rate is increased from 10% to 12.5%.

The long term capital gains arising from the transfer of such Securities shall be calculated without indexation. In computing long term capital gains, the cost of acquisition (COA) is an item of deduction from the sale consideration of the shares. To provide relief on gains already accrued upto 31 January 2018, a mechanism has been provided to “step up” the COA of Securities. Under this mechanism, COA is substituted with FMV, where sale consideration is higher than the FMV. Where sale value is higher than the COA but not higher than the FMV, the sale value is deemed as the COA.

Specifically in case of long term capital gains arising on sale of shares or units acquired originally as unlisted shares/units upto 31 January 2018, COA is substituted with the “indexed COA” (instead of FMV) where sale consideration is higher than the indexed COA. Where sale value is higher than the COA but not higher than the indexed COA, the sale value is deemed as the COA. This benefit is available only in the case where the shares or units, not listed on a recognised stock exchange as on

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

the 31 January 2018, or which became the property of the assessee in consideration of share which is not listed on such exchange as on the 31 January 2018 by way of transaction not regarded as transfer under section 47 (e.g. amalgamation, demerger), but listed on such exchange subsequent to the date of transfer, where such transfer is in respect of sale of unlisted equity shares under an offer for sale to the public included in an initial public offer.

The CBDT has clarified that 10% withholding tax will be applicable only on dividend income distributed by mutual funds and not on gain arising out of redemption of units.

No deduction under Chapter VI-A or rebated under Section 87A will be allowed from the above long term capital gains.

- **For other capital assets (securities and units) in the hands of resident of India**

Long-term capital gains in respect of capital asset (all securities and units other than listed shares and units of equity oriented mutual funds and business trust) is chargeable to tax at the rate of 20% plus applicable surcharge and education cess, as applicable. The capital gains are computed after taking into account cost of acquisition as adjusted by cost inflation index notified by the Central Government and expenditure incurred wholly and exclusively in connection with such transfer. This tax rate is reduced from 20% to 12.5%; but no indexation benefit will be available with effect from 23 July 2024.

As per Finance Act, 2017, the base year for indexation purpose has been shifted from 1981 to 2001 to calculate the cost of acquisition or to take Fair Market Value of the asset as on that date. Further, it provides that cost of acquisition of an asset acquired before 1 April 2001 shall be allowed to be taken as Fair Market Value as on 1 April 2001.

- **For capital assets in the hands of Foreign Portfolio Investors (FPIs)**

Long term capital gains, arising on sale of debt Securities, debt oriented units (other than units purchased in foreign currency and capital gains arising from transfer of such units by offshore funds referred to in section 115AB) are taxable at the rate of 10% under Section 115AD of the IT Act. This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024. Such gains would be calculated without considering benefit of (i) indexation for the COA and (ii) determination for capital gain/loss in foreign currency and reconversion of such gain/loss into the Indian currency.

Long term capital gains, arising on sale of listed shares in the company or units of equity oriented funds or units of business trust and subject to conditions relating to payment of STT, are taxable at 10% as mentioned in para 12.10.2 above. This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024.

- **For other capital asset in the hands of non-resident Indians**

Under section 115E of the IT Act, any income from investment or income from long-term capital gains of an asset other than specified asset as defined in Section 115C (specified assets include shares of Indian company, debentures and deposits in an Indian company which is not a private

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

company and Securities issued by Central Government or such other Securities as notified by Central Government) is chargeable at the rate of 20%. Income by way long-term capital gains of the specified asset is, however, chargeable at the rate of 10% plus applicable surcharge and cess (without benefit of indexation and foreign currency fluctuation). This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024.

D. Short term capital gains

Section 111A of the IT Act provides that short-term capital gains arising on sale of listed equity shares of a company or units of equity oriented fund or units of a business trust are chargeable to income tax at a concessional rate of 15% plus applicable surcharge and cess, provided such transactions are entered on a recognized stock exchange and are chargeable to Securities Transaction Tax (STT). This tax rate has been increased from 15% to 20% with effect from 23 July 2024. However, the above shall not be applicable to transaction undertaken on a recognized stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in foreign currency. Further, Section 48 provides that no deduction shall be allowed in respect of STT paid for the purpose of computing Capital Gains.

Short term capital gains in respect of other capital assets (other than listed equity shares of a company or units of equity oriented fund or units of a business trust) are chargeable to tax as per the relevant slab rates or fixed rate, as the case may be.

The Specified Mutual Funds or Market Linked Debentures acquired on or after 1 April 2023 will be treated as short term capital asset irrespective of period of holding as per Section 50AA of the IT Act. The unlisted bonds and unlisted debentures have been brought within the ambit of Section 50AA of the IT Act with effect from 23 July 2024.

E. Profits and gains of business or profession

If the Securities under the portfolio management services are regarded as business/trading asset, then any gain/loss arising from sale of such Securities would be taxed under the head “Profits and Gains of Business or Profession” under section 28 of the IT Act. The gain/ loss is to be computed under the head “Profits and Gains of Business or Profession” after allowing normal business expenses (inclusive of the expenses incurred on transfer) according to the provisions of the IT Act.

Interest income arising on Securities could be characterized as ‘Income from other sources’ or ‘business income’ depending on facts of the case. Any expenses incurred to earn such interest income should be available as deduction, subject to the provisions of the IT Act.

F. Losses under the head capital gains/business income

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

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

A long-term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during the subsequent 8 assessment years.

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

G. General Anti Avoidance Rules (GAAR)

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

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

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

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

The GAAR provisions would override the provisions of a treaty in cases where GAAR is invoked. The necessary procedures for application of GAAR and conditions under which it should not apply, have been enumerated in Rules 10U to 10UC of the Income-tax Rules, 1962. The Income- tax Rules, 1962 provide that GAAR should not be invoked unless the tax benefit in the relevant year does not exceed INR 3 crores.

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

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

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

crores cannot be read in respect of a single taxpayer only.

H. FATCA Guidelines

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

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

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

I. Goods and Services Tax on services provided by the portfolio manager

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

9. ACCOUNTING POLICIES

Following accounting policies are followed for the portfolio investments of the Client:

A. Client Accounting

- (1) The Portfolio Manager shall maintain a separate Portfolio record in the name of the Client in its book for accounting the assets of the Client and any receipt, income in connection therewith as provided under Regulations. Proper books of accounts, records, and documents shall be maintained to explain transactions and disclose the financial position of the Client's Portfolio at any time.
- (2) The books of account of the Client shall be maintained on an historical cost basis.

KOTAK ALTERNATE ASSET MANAGERS LIMITED

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

- (3) Transactions for purchase or sale of investments shall be recognised as of the trade date and not as of the settlement date, so that the effect of all investments traded during a Financial Year are recorded and reflected in the financial statements for that year.
- (4) All expenses will be accounted on due or payment basis, whichever is earlier.
- (5) The cost of investments acquired or purchased shall include brokerage, stamp charges and any charges customarily included in the broker's contract note. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment. Sales are accounted based on proceeds net of brokerage, stamp duty, transaction charges and exit loads in case of units of mutual fund. Securities transaction tax, demat charges and Custodian fees on purchase/ sale transaction would be accounted as expense on receipt of bills. Transaction fees on unsettled trades are accounted for as and when debited by the Custodian.
- (6) Tax deducted at source (TDS) shall be considered as withdrawal of portfolio and debited accordingly.

B. Recognition of portfolio investments and accrual of income

- (7) In determining the holding cost of investments and the gains or loss on sale of investments, the "first in first out" (FIFO) method will be followed.
- (8) Unrealized gains/losses are the differences, between the current market value/NAV and the historical cost of the Securities. For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.
- (9) Dividend on equity shares and interest on debt instruments shall be accounted on accrual basis. Further, mutual fund dividend shall be accounted on receipt basis.
- (10) Bonus shares/units to which the security/scrip in the portfolio becomes entitled will be recognized only when the original share/scrip on which bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.
- (11) Similarly, right entitlements will be recognized only when the original shares/security on which the right entitlement accrues is traded on the stock exchange on the ex-right basis.
- (12) In respect of all interest-bearing Securities, income shall be accrued on a day-to-day basis as it is earned.
- (13) Where investment transactions take place outside the stock exchange, for example, acquisitions through private placement or purchases or sales through private treaty, the transactions shall be recorded, in the event of a purchase, as of the date on which the scheme obtains an enforceable obligation to pay the price or, in the event of a sale, when the scheme obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

C. Valuation of portfolio investments

- (14) Investments in listed equity shall be valued at the last quoted closing price on the stock exchange. When the Securities are traded on more than one recognised stock exchange, the Securities shall be valued at the last quoted closing price on the stock exchange where the security is principally traded. It would be left to the portfolio manager to select the appropriate stock exchange, but the reasons for the selection should be recorded in writing. There should, however, be no objection for all scrips being valued at the prices quoted on the stock exchange where a majority in value of the investments are principally traded. When on a particular valuation day, a security has not been traded on the selected stock exchange, the value at which it is traded on another stock exchange may be used. When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the selected stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than thirty days prior to the valuation date.
- (15) Investments in units of a mutual fund are valued at NAV of the relevant scheme. Provided investments in mutual funds shall be through direct plans only.
- (16) Debt Securities and money market Securities shall be valued as per the prices given by third party valuation agencies or in accordance with guidelines prescribed by Association of Portfolio Managers in India (APMI) from time to time.
- (17) Unlisted equities are valued at prices provided by independent valuer appointed by the Portfolio Manager basis the International Private Equity and Venture Capital Valuation (IPEV) Guidelines on a semi-annual basis.
- (18) In case of any other Securities, the same are valued as per the standard valuation norms applicable to the mutual funds.

The Investor may contact the customer services official of the Portfolio Manager for the purpose of clarifying or elaborating on any of the above policy issues.

The Portfolio Manager may change the valuation policy for any particular type of security consequent to any regulatory changes or change in the market practice followed for valuation of similar Securities. However, such changes would be in conformity with the Regulations.

10. Investor Services

10.1 Contact information

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

Name: Ms. Namrata Dhanavade
Address: 27 BKC, 7th Floor, Plot No. C-27, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

Telephone: +91-22-65292518
Email: irteam@kotak.com

10.2 Grievance Redressal and dispute settlement mechanism

The Portfolio Manager will endeavor to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. If the investor remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the investor and the Portfolio Manager shall abide by the following mechanisms.

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

Client or Investor can register their grievance/complaint through SCORES (SEBI Complaints Redress System) at <http://scores.sebi.gov.in>. For any queries, feedback or assistance, the client can also contact SEBI office on toll-free helpline at 1800227575 / 18002667575.

If the investor/client is not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

10.3 General

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

11. Details of the diversification policy of the portfolio manager

The Portfolio Manager aims to provide optimal diversification based on the investment strategy of the Investment approach, to minimize the concentration risk in the client portfolio. The Portfolio Manager shall endeavour to achieve diversification of the portfolio at a company/stock level by allocating investment ideas based on the stated investment strategy. Portfolio managers may also book profits from time to time, to lower the weight in the portfolio, if the stock price increases significantly and weight in the portfolio increases disproportionately high, and investment strategy calls for such an approach.

The Portfolio Manager will also make endeavour to achieve diversification across various sectors based on assessment of macro-economic outlook and the investment strategy. We shall avoid taking aggressive sector concentration risk, unless the portfolio strategy allows us to do so. e.g. diversification across sectors may not be needed for sectoral / thematic /opportunistic strategies, due to the nature and stated objective of the strategies. In a customised & advisory type client mandates, the diversification is a per the clients need and approval from time to time.

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

PART II Dynamic Section

12. Client Representation

(i)

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

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

- The disclosure on related party transactions as per the information provided in the Audited Accounts of Kotak Alternate Asset Managers Limited for the financial year ended on March 31, 2025 is attached as Annexure A.
- List of Related Parties and their relationships (Based on the Audited Financial Statement for March 31, 2025) is attached as Annexure A.
- There are no transactions with related parties with respect to PMS Activities as per Audited accounts for the year ended March 31, 2025:
- Details of investments in the securities of related parties of the Portfolio Manager:

Details of investment of clients' funds in the securities of associate/related parties are as follows:

| Sr. No. | Investment Approach, if any | Name of the associate/related party | Investment amount (cost of investment) as on last day of the previous 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 | NIL | NIL | NIL | NIL | NIL |

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

13. The Financial Performance of the portfolio manager (based on audited financial statements)

KAAML has not provided any portfolio management services in past, therefore no performance is disclosed based on the past investments.

Given below is a brief summary of KAAML's financials:

| Particulars | Amount (Rupees in lacs) | | |
|---|------------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2025 | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Total Revenue | 58,261 | 47,966 | 31,753 |
| Profit Before Tax | 17,931 | 14,539 | 5,228 |
| Profit After Tax | 14,632 | 11,585 | 4,252 |
| Free Reserves | 78,231 | 64,767 | 52,763 |
| CRR | 55 | 55 | 55 |
| Net Worth -Without Preference capital and CRR | 119,051 | 104,487 | 92,901 |
| Earnings per share (In Rs.) | 163 | 129 | 47 |
| Paid up Capital (Equity) | 897 | 897 | 897 |
| Application of Funds | | | |
| Fixed Assets | 1,452 | 1,924 | 1,944 |
| Investments | 178,730 | 145,076 | 132,146 |
| Net current Assets | -32,044 | -14,541 | -12,358 |

Free Reserves include General Reserve & Surplus in Profit & Loss Account.

14. Performance of the Portfolio Manager

The Portfolio Manager has not commenced Portfolio Management Activities. Thus, the Portfolio Manager does not have any performance track record.

15. Audit Observations



No PMS activities have been carried out by the Company in the last 3 years and therefore there has been no Statutory Audit observations with regard to PMS activities.

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

KAAML has not invested in the securities of its related parties or associates.

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

Name and Signatures of Directors of Kotak Alternate Asset Managers Limited

| Sr. No. | Name of the Director | Signature |
|---------|----------------------------|---|
| 1 | Mr. Rajeev Saptarshi |  |
| 2 | Mr. Srinivasan Subramanian |  |

KOTAK ALTERNATE ASSET MANAGERS LIMITED
PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

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

Kotak Alternate Asset Managers Limited
Registered Office: 27 BKC, 7th Floor, C-27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai –
400051

Principal place of business: Same as above
Telephone No: +91 22 43360000
Fax: +91 22 67132423

We confirm that:

- (i) the Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;
- (ii) the disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio Management;
- (iii) the Disclosure Document has been duly certified by an Independent Chartered Accountant, M/s Dharmesh L Trivedi & Co., Chartered Accountants, Mumbai, Registration Number: 148007W, Phone number: 022-2200 0025 on December 9, 2025.

Date: December 9, 2025
Place: Mumbai



Sanjay Mitra
Compliance Officer
7th Floor, 27 BKC, Plot No. C-27,
“G” Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400051



DHARMESH L TRIVEDI & CO.

CHARTERED ACCOUNTANTS

REGISTERED VALUERS – Securities or Financial Assets

CERTIFICATE

In the matter of: **Kotak Alternate Asset Managers Limited**
27 BKC, 7th Floor, Plot No. C-27, "G" Block,
Bandra Kurla Complex, Bandra (East) Mumbai - 400051

On the basis of verification of Disclosure Document and other documents, record, audited Financial Statements as on March 31st, 2025 of Kotak Alternate Asset Managers Limited and the information and explanation given to us, it is confirmed that:

The disclosure made in the Disclosure documents dated December 3rd, 2025, copy enclosed herewith, as required by the SEBI (Portfolio Managers) regulations, 2020, as amended from time to time and the guidelines and the directives issued by SEBI from time to time are true, fair and adequate to enable the investors to make a well-informed decision.

Thanking You,

Yours faithfully

For Dharmesh L Trivedi & Co

DHARMESH Digitally signed by
DHARMESH
LALITKUMAR TRIVEDI
Date: 2025.12.09
11:40:45 +05'30'
R TRIVEDI

Chartered Accountants

Proprietor

Membership No – 040961

FRN – 148007W

Date: 9th December, 2025

Place: Mumbai

UDIN: 25040961BMHZXI7164

25, 1st Floor, Lawyers Chambers, Picket Road, Mumbai 400002
Tel.: 022-2200 0025 • Mobile: 9987580170
Email: dltvaluer@gmail.com

Kotak Alternate Asset Managers Limited (Formerly known as Kotak Investment Advisors Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2025

Note 40: RELATED PARTY DISCLOSURES
Related party disclosures are given below:

A. Names of Related Parties

| Sr. No. | Particulars | Country of Incorporation | Proportion of ownership interest |
|--|---|--------------------------|----------------------------------|
| a) | Holding company: Kotak Mahindra Bank Limited 2025 2024 Mr. Uday S. Kotak along with persons/entities forming part of the Promoter Group, holds 25.90% of the paid-up share capital of Kotak Mahindra Bank Limited as on March 31, 2025 | India | 58.63% 58.63% |
| b) | Entity exercising significant influence over the company Kotak Mahindra Capital Company Limited | India | 41.37% |
| c) | Fellow subsidiaries with whom transactions have taken place during the year: Kotak Mahindra Bank Limited Kotak Mahindra (International) Limited Kotak Mahindra Asset Management (Singapore) Pte. Ltd Kotak Securities Limited Kotak Securities Limited (Institutional Equities) Kotak Mahindra Life Insurance Company Limited Kotak Mahindra Trusteeship Services Limited Zurich Kotak General Insurance Company India Limited (Formerly known as Kotak General Insurance Company India Limited) (upto 17th June 2024) Kotak Mahindra Prime Limited Kotak Mahindra Asset Management Company Limited Kotak Mahindra Investments Limited Kotak Mahindra UK (Singapore) Kotak Mahindra Inc. | | |
| d) | Entity controlled or jointly controlled by relatives of individual having significant influence over the company (Entity having significant influence) Aero Agencies Limited | India | |
| e) | Associates Kotak Infrastructure Debt Fund Limited | India | |
| f) | Key Management Personnel/Director Mr. Dipak Gupta, Director * Mr. Jaimin Bhatt, Director Mr. Gaurang Shah, Director Ms. Oisharya Das, Director * Mr. Srinivasan Subramanian, Managing Director Mr. Rajeev Saptaishi, Whole Time Director Ms. Lakshmi Iyer, Director Mr. Jaideep Hansraj, Director (w.e.f 10th May 2024) Mr. Devang Saliya, Company Secretary | | |
| * No transactions during the year ended March 31, 2025 and year ended March 31, 2024 | | | |
| g) | Key Management Personnel and their relatives/Director of holding company and their entity KF Trust (Formerly known as USK Benefit Trust - II) Mr. Uday Shankar Mr. C Jayaram Uday Shankar Amil K Desai HUF R Manian Trust K V Subramanian Ishita Bhatt Jay Uday Kotak Pallavi Uday Kotak Labumum Adarsh Trust | | |

B. Transactions with related parties

i. Key management personnel / Director compensation*

| Sr. No. | Particulars | ₹ in lakhs | |
|---------|-------------------------------|-----------------------------------|-----------------------------------|
| | | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| I. | Remuneration and Sitting Fees | 1,753.30 | 1,101.53 |

*The above figures do not include provisions for gratuity and compensated absences, as separate actuarial valuations are not available.

ii. Transactions with Key management personnel / Key management personnel of the holding company and their entity

| Sr. No. | Particulars | ₹ in lakhs | |
|---------|-------------------|----------------------|----------------------|
| | | As at March 31, 2025 | As at March 31, 2024 |
| I. | Advisory Fees | 101.88 | 138.26 |
| II. | Trade Receivables | - | 11.18 |



Kotak Alternate Asset Managers Limited (Formerly known as Kotak Investment Advisors Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2025

Note 40: RELATED PARTY DISCLOSURES (CONTD.)

iii. Transactions with other related parties

Note 40A above provides the information about the Company's structure including the details of the subsidiaries and the holding company. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

| Nature of Transaction | Year ended March 31 | Follow Subsidiaries: | | | | | | | | | | Total | | | | | | |
|--------------------------------|---------------------|----------------------|--|-----------------------------|--|--------------------------------------|--|--------------------------|---|--|--|-------|---|---|---|--|--|------------|
| | | Holding company | Entity exercising significant influence over the company | Kotak Mahindra Bank Limited | Kotak Mahindra Finance Private Limited | Kotak Mahindra International Limited | Kotak Mahindra Asset Management Company Pvt. Ltd | Kotak Securities Limited | Kotak Mahindra Life Insurance Company Limited | Kotak Mahindra Investment Services Limited | Kotak Mahindra Trustee Company Limited | | Kotak Mahindra Asset Management Company Limited | Kotak Mahindra Financial Services Limited | Kotak Mahindra UK (Singapore) Pte. Ltd. | Kotak Mahindra Insurance Company Limited | Kotak Mahindra Insurance Company Limited | Associates |
| Finance | | | | | | | | | | | | | | | | | | |
| Fixed deposit placed | 2025 | 85,128.02 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 85,128.02 |
| | 2024 | 29,573.28 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 29,573.28 |
| Fixed deposit matured | 2025 | 74,137.72 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 74,137.72 |
| | 2024 | 29,238.38 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 29,238.38 |
| Interest on Fixed Deposit | 2025 | 294.72 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 294.72 |
| | 2024 | 72.64 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 72.64 |
| Bank Guarantees | 2025 | 1,000.00 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,000.00 |
| | 2024 | 50.00 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 50.00 |
| Debentures issued | 2025 | - | 10,000.00 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 10,000.00 |
| | 2024 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Debentures Redeemed | 2025 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 6,500.00 |
| | 2024 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 11,800.00 |
| Interest expense on debentures | 2025 | - | 132.74 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 846.80 |
| | 2024 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,970.46 |



Kotak Alternate Asset Managers Limited (Formerly known as Kotak Investment Advisors Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2025

Note 40: RELATED PARTY DISCLOSURES (CONTD.)

iii. Transactions with other related parties

Note 40A above provides the information about the Company's structure including the details of the subsidiaries and the holding company. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

| Nature of Transaction | Year ended March 31 | Follow Subsidiaries | | | | | | | | | | Total | | | | |
|--|---------------------|---------------------|--|-----------------------------|--|--|---|--|---|------------------------------------|--|--------|--------------------------------------|--|------------|-------------------------------------|
| | | Holding company | Entity exercising significant influence over the company | Kotak Mahindra Bank Limited | Kotak Mahindra Asset Management (Singapore) Pte. Ltd | Kotak Mahindra Insurance Company Limited | Kotak Mahindra Trustee Services Limited | Zenith Kotak Capital Expense Company Ltd | Kotak Mahindra Asset Management Company Limited | Kotak Mahindra Investments Limited | Kotak Securities (International) Limited | | Kotak Securities UK (Singapore) Pte. | Kotak Mahindra Investment Management Limited | Associates | Entity having significant influence |
| Other Receipts and Payments | | | | | | | | | | | | | | | | |
| Purchase of Property, Plant & Equipment | 2025 | 34.36 | - | - | - | - | - | - | - | - | - | - | - | - | - | 34.36 |
| | 2024 | 0.43 | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.43 |
| Sale of Property, Plant & Equipment | 2025 | 17.43 | - | - | - | 0.05 | - | - | - | - | - | - | - | - | - | 17.48 |
| | 2024 | 29.57 | - | - | - | - | - | - | - | - | - | - | - | - | - | 29.57 |
| Travelling expenses | 2025 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 34.01 |
| | 2024 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 80.53 |
| Reimbursement of expenses from other companies | 2025 | 71.73 | - | - | - | 1.50 | - | 2.55 | - | 0.84 | - | - | - | - | - | 75.78 |
| | 2024 | 72.53 | - | - | - | 1.79 | - | - | - | - | - | 194.47 | - | - | - | 294.44 |
| Other Income | 2025 | 381.87 | - | - | - | - | - | 25.00 | - | - | - | - | - | - | - | 406.89 |
| | 2024 | 37.06 | - | - | - | - | - | 100.00 | - | - | - | - | - | - | - | 137.06 |
| Shared Services / Other expenses | 2025 | 10,934.90 | 38.94 | - | - | 167.54 | 19.44 | 0.07 | - | - | 60.00 | - | - | - | - | 11,342.93 |
| | 2024 | 7,363.11 | 43.45 | - | - | 121.45 | 24.03 | 113.00 | - | 0.55 | - | - | - | - | - | 7,685.59 |
| Advisory Fees | 2025 | - | - | 20.00 | - | - | - | - | - | - | - | - | - | - | - | 130.00 |
| | 2024 | - | - | 137.00 | - | - | - | - | - | - | - | - | - | - | - | 307.00 |
| Reimbursement of expenses paid | 2025 | 592.04 | 12.63 | - | - | - | 3.27 | 0.62 | - | - | 0.66 | - | - | - | - | 609.12 |
| | 2024 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance Outstanding | | | | | | | | | | | | | | | | |
| Bank Accounts | 2025 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 12,356.62 |
| - Fixed deposit account | 2024 | 12,356.62 | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,347.59 |
| - Current account/ Book overdraft | 2025 | 575.41 | - | - | - | - | - | - | - | - | - | - | - | - | - | 575.41 |
| | 2024 | 304.41 | - | - | - | - | - | - | - | - | - | - | - | - | - | 304.41 |



