



2POINT2 CAPITAL ADVISORS LLP

PORTFOLIO MANAGEMENT SERVICES

DISCLOSURE DOCUMENT

UDIN: 23039157BGYQZM9708

FORM C

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

2Point2 Capital Advisors LLP
D/907, Oberoi Splendor, Opp. Majas Depot, J V Link Road, Andheri East, Mumbai – 400060.
Telephone No: +91 72080 02358

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 Scheme;
- (iii) the Disclosure Document has been duly certified by an Independent Chartered Accountants, a copy of Chartered Accountant certificate is enclosed

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Signature of the Principal Officer

Date: 12th May, 2023

Place: Mumbai

Name : **Amit Mantri**

Designation : **Principal Officer**

Address : **914, The Summit Business Bay,
Near W.E. Highway Metro Station,
Next to Guru Nanak Petrol Pump,
Andheri – East
Mumbai - 400 093.**

For **Manohar Chowdhry & Associates**
Chartered Accountants
Firm No. 001997S

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Ameet N Patel
Partner
M. No.: 039157
UDIN: 23039157BGYZM9708

Key Information

- 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 services in a manner to assist and enable the investors in making informed decisions for engaging 2Point2 Capital Advisors LLP as a Portfolio Manager.
- This disclosure document sets forth concisely the necessary information about 2Point2 Capital Advisors LLP that is required by a prospective investor before investing.
- All the intermediaries involved in the scheme are registered with SEBI as on date of the document.
- 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.

<p>Principal Officer Mr. Amit Mantri</p> <p>914, The Summit Business Bay, Near W.E. Highway Metro Station, Next to Guru Nanak Petrol Pump, Andheri - East Mumbai - 400 093</p> <p>Email: amit@2point2capital.com</p>	<p>PORTFOLIO MANAGER 2Point2 Capital Advisors LLP</p> <p>914, The Summit Business Bay, Near W.E. Highway Metro Station, Next to Guru Nanak Petrol Pump, Andheri - East Mumbai - 400 093</p> <p>Tel no. +91 72080 02358</p>
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The Disclosure Document is dated 12th May, 2023

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1. Disclaimer Clause

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

2. Definitions

In this disclosure document, the following words and expressions shall have the meanings specified herein, unless the context otherwise requires:

2.1 “Agreement” means the contract entered between the Portfolio Manager and the client for the management of funds or securities of the client.

2.2 “Act” means the Securities and Exchange Board of India Act, 1992 (15 of 1992)

2.3 “Assets” means (i) the portfolio and/or (ii) the Funds

2.4 “Bank Account” means one or more accounts opened maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in the name of the Client

2.5 “Custodian” means any Indian based Custodian who is registered with SEBI as a Custodian and holds a valid license to operate as a Custodian of securities in India

2.6 “Depository Account” means one or more account or accounts opened, maintained and operated by the Portfolio Manager in the name of the Client with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations 1996

2.7 “Disclosure Document” means this document issued by 2Point2 Capital Advisors LLP for offering Portfolio Management Services, prepared in terms of Regulations 22 of SEBI (Portfolio Managers) Regulations, 2020

2.8 “Funds” means the monies managed by the Portfolio Manager on behalf of the client pursuant to an Agreement and includes the monies mentioned in the Application, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to an Agreement, the proceeds of the sale or other realization of the portfolio and interest, dividend or other monies arising from the Assets, so long as the same is managed by the Portfolio Manager

2.9 “Net Asset Value” (NAV) means the market value of assets in portfolio consisting of equity, debt, index derivatives, cash & cash equivalents

2.10 The Client and the Portfolio Manager here-in-after are individually referred to as **“Party”** and collectively referred to as **“Parties”**

2.11 “Person” includes any individual, partners in partnership, central or state government, company, body corporate, co-operative society, corporation, trust, society, Hindu Undivided Family or any other body of persons, whether incorporated or not

2.12 “Portfolio” means the total holdings of funds/securities belonging to any person / investor

2.13 “Portfolio Manager” means 2Point2 Capital Advisors LLP who obtained a certificate of registration from SEBI to act as a Portfolio Manager vide Registration No. INP000005190

2.14 “Regulations” means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as may be amended from time to time

2.15 “Scheduled Commercial Bank” means any bank included in the second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934)

2.16 “SEBI” means Securities and Exchange Board of India established under time to time of the Securities and Exchange Board of India Act, 1992 as amended from time to time

2.17 “Securities” shall mean and include all marketable securities including equity shares, quasi equity shares, preference shares, debentures, convertible securities, depository receipts, bonds, secured premium notes, government, pass-through certificates, treasury bills, units, derivatives, equity linked product, debt, hybrid debt products, mortgage-backed securities, commercial papers, notes, and any other instrumental included within the definition of ‘security’ under section 2(h) of the Securities Contract (Regulation) Act, 1956

2.18 “Stock Exchange” shall have the meaning assigned to it under Securities Contract (Regulation) Act, 1956

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”

2.19 “Applicable Laws” means any applicable Indian statute, law, ordinance, regulation including the SEBI Regulations, rule, order, by law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument which has a force of law in India, as is in force from time to time.

2.20 “Capital Contribution” means the amounts contributed by the Client for investments in accordance with the terms of the Agreement from time to time during the Term.

2.21 "Chartered Accountant" as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949) and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act

2.22 "Client / Investor" means domestic resident Indian individuals, company/body corporate, partnership firm, trust, society, association of persons, limited liability partnership, and such other persons as may be deemed by the Portfolio Manager, to be eligible to avail of the services of the Portfolio Manager from time to time under the PMS.

2.23 "Financial Year" shall be the period of 12 months commencing on 1st of April and ending on the 31st March of the succeeding year or such other year as may be prescribed by Applicable Law from time to time.

2.24 "Management Fee" means the management fee payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document.

2.25 "Performance Fee" means the performance-linked fee payable to the Portfolio Manager in accordance with the terms of the Agreement and this document.

2.26 "Portfolio Entity" means companies, enterprises, entities, bodies corporate, venture capital funds, trusts, limited liability partnerships, partnership firms or any other entities in the Securities in which the monies of the Portfolio are invested subject to Applicable Laws.

2.27 "Principal Officer" means an employee of the Portfolio Manager who is designated as the Principal Officer under Regulations by the Portfolio Manager.

2.28 "PMS" means the portfolio management services provided by the Portfolio Manager in accordance with the terms and conditions set out in the Agreement entered with its Client/Investor and in accordance with the terms of this Document.

2.29 "PML Laws" means the Prevention of Money Laundering Act, 2002, Prevention of Money-laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005, the guidelines/circulars issued by SEBI thereto as amended and modified from time to time.

2.30 "Product / Option" means the investment products/options with the respective investment strategy/ features, introduced by the Portfolio Manager from time to time.

2.31 "Entry Fee" means a fee payable by the Client (only if applicable under the terms of the Agreement) in accordance with the terms of the Agreement and this Document.

2.32 "Term" means the term of the Agreement as reflected in the respective Agreement entered with the Client by the Portfolio Manager.

2.33 "Termination Fee" means the withdrawal charge/s payable to the Portfolio Manager in accordance with the terms of the Agreement and this Document.

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3. Description

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

2Point2 Capital Advisors LLP is engaged in the business of rendering fund management services to funds, alternative investment funds, individuals, corporate, institutions and all such classes of investors. 2Point2 Capital Advisors LLP has received approval from SEBI for rendering Portfolio Management Services on 30th June 2016 vide registration number INP000005190.

(ii) **Designated Partners of the Portfolio Managers and their background**

- I. Name of Partner :** Amit Mantri
- Address :** 914, The Summit Business Bay,
Near W.E. Highway Metro Station,
Next to Guru Nanak Petrol Pump,
Andheri – East,
Mumbai - 400 093
- Qualification :** Amit Mantri is a B. Tech in Computer Science and Engineering from the Indian Institute of Technology, Kharagpur and a CFA® Charterholder from the CFA Institute, USA. He has done his Post Graduate Diploma in Management from Indian Institute of Management, Bangalore.
- Experience :** Amit Mantri has 13 years of investing experience in listed and unlisted equities. He was part of the 3-member investment team at Hornbill Capital, Mumbai which advises the Mauritius-based Hornbill Orchid India Fund for investments in India. Prior to Hornbill Capital, Amit was part of the investment teams at IDFC Private Equity and Zephyr Peacock India. At Zephyr Peacock India, Amit was responsible for making several private equity investments in unlisted companies in India. In his roles at Hornbill, IDFC PE and Zephyr Peacock, Amit has been responsible for investment idea generation, research and due diligence, financial modeling, and portfolio construction and risk management activities.
- II Name of Partner :** Savi Jain
- Address :** 914, The Summit Business Bay,
Near W.E. Highway Metro Station,
Next to Guru Nanak Petrol Pump,
Andheri - East
Mumbai - 400 093
- Qualification :** Savi Jain is a B. Tech in Industrial Engineering from IIT Kharagpur and a CFA® Charterholder from the CFA Institute, USA.
- Experience :** Savi has 14 years of experience in the Financial Services Sector. In his last role, he was an Associate Director at Tano Capital for more than 4 years. Tano Capital is a private equity fund managing more than USD 210 mn. He made several investments in sectors such as Financial Services, Pharmaceuticals, Consumer and Agriculture. Before Tano Capital, he worked at Frontline Ventures, another private equity fund, where he made a couple of investments and also achieved an exit. He was at Frontline for close to 2 years. His first job was as a Manager at ICICI Prudential Life Insurance in their Actuarial Team where he worked on Risk Management, Asset Liability Management and Strategic Asset Allocation. He worked here for close to 2 years.

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(iii) Top 10 Group companies/firms of the Portfolio Manager on turnover basis

Not applicable

(iv) Details of services being offered:

2Point2 Capital Advisors LLP will provide Discretionary and Non-Discretionary Portfolio Management and Advisory services. Kindly refer to Point 5 for more details.

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

(i)	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made there under	Nil
(ii)	The nature of the penalty/direction	Not Applicable
(iii)	Penalties imposed for any economic offence and/or for violation of any securities laws	Nil
(iv)	Any pending material litigation/legal proceedings against the Portfolio Manager/key personnel with separate disclosure regarding pending criminal cases, if any	Nil
(v)	Any deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency	Nil
(vi)	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 there under.	Nil

5. Services Offered

DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES

Under the Discretionary Portfolio Management Services, the Portfolio Manager will have the sole and absolute discretion to deploy assets brought in by a client in any type of security as per the Agreement. This may include the responsibility of managing and reshuffling the portfolio, buying and selling securities, keeping safe custody of the securities and monitoring book closures, dividend, bonus, rights etc. so that all benefits accrue to the Client's portfolio, for an agreed fee structure and for a definite period as described, entirely at the Client's risk.

The Portfolio Manager shall have full and absolute discretion to make investment decisions on the client's behalf in any type of security as per executed Agreement. The Portfolio Manager's decision in deployment of the Clients account is absolute and final and can never be called in question or be open to review at any time during the currency of the Agreement or any time thereafter except in the ground of conflict of interest, fraud, malafide intent or gross negligence by the Portfolio Manager. This right 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.

The portfolio of a client may differ from that of another client in the same scheme as per the discretion of the Portfolio Manager.

Investment Approach

The Portfolio Manager currently offers only one distinct investment approach: 2Point2 Long Term Value Fund

1) The investment objective is to generate capital appreciation predominantly through investments in equities with a medium to long-term perspective.

2) Types of securities: Investment would be made primarily in listed equities. In a situation where we do not find sufficiently attractive opportunities, the excess funds would be invested in bank deposits or money market / bond mutual fund / liquid mutual funds.

3) Basis of Selection of Securities:

- The Portfolio Manager will seek to invest in companies with strong competitive moats, high governance standards and which are available at a reasonable price.
- The Portfolio Manager will select securities after detailed due diligence including on-ground research and forensic analysis.

4) Allocation of Portfolio across types of securities:

Proportion % of Net Assets	Minimum	Maximum
Equity Exposure	0%	100%
Other Investable Securities	0%	100%

5) Appropriate benchmark: 2Point2 Long Term Value Fund benchmarks itself to NIFTY 500.

6) Basis of Selection of Benchmark: The NIFTY 500 represents the kind of businesses that the manager seeks to invest in. Hence, NIFTY 500 Index has been selected as the benchmark for comparing performance.

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- 7) Clients Investment Horizon: We expect the client to have an Investment Horizon of at least 4 years + in the Scheme.
- 8) Risks associated with the investment approach: Please refer to Point 6 - Risk Factors.

The Portfolio Manager will have a market capitalization and benchmark agnostic strategy with a flexibility to invest across the market capitalization spectrum (i.e. large, mid and small cap companies) and across industries/sectors. The Portfolio Manager will seek to generate superior risk adjusted returns by superior stock selection based on fundamental research of companies, their businesses and the valuations at which they are quoting.

NON-DISCRETIONARY SERVICES

The Portfolio Manager will provide Non-discretionary Portfolio Management Services as per express prior Instructions issued by the Client from time to time, in the nature of investment consultancy/management, and may include the responsibility of managing, renewing and reshuffling the portfolio, buying and selling the securities, keeping safe 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.

ADVISORY SERVICES

The Portfolio Manager will provide Advisory Portfolio Management Services, in terms of the SEBI (Portfolio Manager) Regulations, 2020. The Portfolio Manager's responsibility shall include advising on the portfolio strategy, sectoral allocation and investment and divestment of individual securities on the client portfolio, for an agreed fee structure, 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 on the client's portfolio.

MINIMUM INVESTMENT AMOUNT

The Client shall deposit with the Portfolio Manager, an Initial Corpus consisting of funds of an amount prescribed by the Portfolio Manager for a specific portfolio, subject to minimum amount as specified under SEBI Regulations, as amended from time to time. The client may on one or more occasion or on a continual basis, make further placement of funds under the service.

POLICY FOR INVESTMENT IN ASSOCIATE/GROUP COMPANIES

The Portfolio Manager will not invest in its subsidiary or associate companies.

DIRECT ONBOARDING OPTION

Investors have the option to invest directly with us without an intermediary.

6. Risk Factors

- Securities investments are subject to market risks and there is no assurance or guarantee that the objectives of investments will be achieved.
- Past performance of the Portfolio Manager is not indicative of its future performance.
- Investors are not being offered any guaranteed or assured return/s i.e. either of Principal or appreciation on the portfolio.
- Investors may note that Portfolio Manager's investment decisions may not be always profitable, as actual market movements may be at variance with anticipated trends.
- The liquidity of the portfolio's investments is inherently restricted by trading volumes in the securities in which it invests.
- The valuation of the portfolio's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. There will be no prior intimation or prior indication given to the Clients when the composition/asset allocation pattern changes.
- Risk Arising from Investment Objective, Investment Strategy and Asset Allocation Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the portfolio. Different segments of the financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the portfolio to make intended securities purchases due to settlement problems could cause the portfolio to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the portfolio due to the absence of a well-developed and liquid secondary market for debt securities would result, at time, in potential losses to the portfolio, in case of a subsequent decline in the value of securities held in the portfolio.
- The Portfolio Manager may, considering the overall level of risk of the portfolio, invest in lower rated/unrated securities offering higher yields and/or higher capital appreciation potential. This may increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.
- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options

to the investor, including a put option. The Portfolio Manager may choose to invest in unlisted securities that offer attractive yields and/or higher capital appreciation potential. This may however increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.

- While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the portfolio(s) and may lead to the investments incurring losses till the security is finally sold.
- The Portfolio Manager may, subject to authorization by the Client in writing, participate in securities lending. The Portfolio Manager may not be able to sell/lend out securities, which can lead to temporary illiquidity. There are risks inherent in securities lending, including the risk of failure of the other party, in this case the approved intermediary to comply with the terms of the Agreement. Such failure can result in a possible loss of rights to the collateral, the inability of the Approved Intermediary to return the securities deposited by the lender and the possible loss of corporate benefits accruing thereon.
- To the extent that the portfolio will be invested in securities denominated in foreign currencies, the India Rupee equivalent of the net assets, distributions and income may be adversely affected by fluctuations in foreign exchange rates caused by changes in regulations concerning exchange controls, political circumstances or other restrictions on investment.
- **Interest Rate Risk:** Changes in interest rates may affect valuation of the portfolio. Debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby of possible movements in the valuations of portfolios.
- **Liquidity or Marketability Risk:** Certain securities may become impossible to sell or not marketable due to the absence of any potential buyers. In such situations, the investment in the securities may be lost or its realization may be inordinately delayed.
- **Derivative Risk:** Derivatives are specialized instruments that require an understanding not only of the underlying interest but of derivatives itself. Schemes using derivatives/futures and Options products are affected by risks different from those associated with stock and bonds.

Such products are highly leveraged instruments and their use requires a high degree of skill, diligence and expertise. Small price movements in the underlying security may have a large impact on the value of the derivatives and Futures and Options. Some of the risks relate to mispricing or the improper valuation of derivatives and the inability to correlate the positions with underlying assets, rates and indices, counter party risk. Also, the market for derivatives market is nascent in India.

- **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 carry lower 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.
- **Risks arising out of Non Diversification**
Diversification of portfolio across asset classes, investment themes, sectors and securities is normally construed to be less risky for investors. It is to be noted that the portfolio is likely to be more focused on a single asset class, i.e. equities which inherently can be volatile. Further the portfolio could be subject to more risk on account of its concentration of investments into a few sectors or a limited number of securities. In addition to limited/inadequate diversification across asset classes, themes and sectors, the portfolio could be prone to higher risk on account of non-diversification across capitalizations, particularly if the portfolio has a bias towards mid-cap and small-cap companies
- **Specific Risk factors pertaining to Unlisted Securities**
In case of a Company's IPO, the investments maybe subject to regulatory lock in, if any, as prescribed by SEBI from time to time. Many of such investments made by the Portfolio Manager may be illiquid, and there can be no assurance that the Portfolio Manager will be able to realize value from such investments in a timely manner. Since such investment may involve a high degree of risk, poor performance by such investments could lead to adverse effects on investor portfolios.

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7. Client Representation

2Point2 Capital Advisors LLP does not have any interest in any other intermediation business like brokerage, depository, custody, etc. Its revenues are linked only to the portfolios that it manages.

2Point2 Capital Advisors LLP will make best efforts to manage client accounts in the best interest of the client. 2Point2 Capital Advisors LLP shall not benefit from individual client account in any other manner apart from the management and performance linked fee charged to the client.

Category of clients	Discretionary / Non Discretionary / Advisory	No. of clients*	Funds Managed (Rs. Cr)*
Associates	NA	NIL	NIL
Others:-			
(i) Corporate	Discretionary	30	88.60
(ii) Individual	Discretionary	514	574.47
(iii) Others	Discretionary	34	54.81
Total		578	717.88

*As on 31st March, 2023

7.1 Name of Related Parties where there were transactions during the period ended 31st March, 2023

Sr. No.	Name of Related Party	Nature of Relationship
1	2Point2 Capital Advisors LLP	Self
2	Amit Mantri, Savi Jain	Key Management Personnel (KMP)
3	Sarita Devi Jain, Shritie Jain, Juhi Dhaniwal, Piyush Dhaniwal Jointly With Juhi Dhaniwal, Mantri Vikash	Relatives of KMP
4	Neena Projects Pvt. Ltd., Rajnish Goods Pvt. Ltd.	Companies where Partners are Directors

7.2 Details of related party transactions during the period ended 31st March, 2023

Nature of Transaction	Self	KMP	Relatives of KMP	Companies where Partners are Director	Total
AUM as on 31 st Mar 2022 (In Rs.)	-	78,44,687	4,76,76,507	10,03,18,534	15,58,39,728
Investment / (Redemption) during the year	6,28,28,531	1,23,84,188	50,13,204	-1,00,00,000	7,02,25,923
AUM as on 31 st March 2023 (In Rs.)	7,11,24,698	2,14,38,541	6,10,07,311	9,91,22,510	25,26,93,060
Fees paid to 2Point2 Capital Advisors LLP (In Rs.)	3,152	4,804	2,07,929	9,15,953	11,31,838

8. Financial Performance of the Portfolio Manager

As per SEBI requirement, a Portfolio Manager is supposed to have a Net Worth of over Rs 5 Crores and 2Point2 Capital Advisors LLP satisfies this requirement. More detailed financial accounts of 2Point2 Capital Advisors LLP are attached in Annexure 1.

9. Portfolio Management Performance

The following table provides details of the Number of Investors, Total Assets under Management (AUM) and the Weighted Average Performance:

FY – March ending	FY 2017*	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Cumulative*
Portfolio Performance	26.8%	16.6%	14.4%	-24.6%	73.9%	17.8%	10.0%	187.6%
BSE 500	12.2%	13.2%	9.7%	-26.5%	78.6%	22.3%	-0.9%	121.8%
Number of Investors	27	83	272	574	567	571	578	578
AUM in Rs. Cr.	12.2	38.8	122.6	311.6	587.5	634.4	717.88	717.88

*FY17 returns are for an 8-month period. Cumulative returns are from 20th July 2016 to 31st March 2023. Returns are net of expenses and fees. Performance related information provided here is not verified by SEBI.

10. Audit Observations

For the last three preceding years, no major audit observations have been found.

11. Nature of Expenses

The following are indicative types of costs and expenses for clients availing the Portfolio Management Services. The fees charged may be a performance based fee or a combination of management and performance fee. The exact basis of charge relating to each of the following services shall be annexed to the Agreement or the Agreements for each of the services availed by the client at the time of execution of such Agreements.

(a) Entry Fees

There is no entry load.

(b) Management Fees

The client pays a management fee up to 1.5% p.a. of AUM (To be accrued on daily closing AUM and charged on monthly basis). Management Fee carries all indirect taxes as applicable.

(c) Performance Fees

The client pays a performance fee up to 20% of the return over and above a hurdle rate of 8% p.a. to be charged annually or upon withdrawal of funds by the client, on High Watermark basis.

(d) Termination Fees

The client pays an exit load of 3% of the amounts withdrawn only in case where withdrawal is made within one year.

(e) Custodian/ Depository Participant Fee

The charges relating to opening and operation of demat accounts, custody and transfer charges of shares, bonds and units, custodian charges etc. will not be exceeding 10bps of the average daily assets under management of the client. Taxes including GST are charged on the fees as applicable.

(f) Brokerage and transaction cost

The brokerage and other charges like Service tax, Stamp Duty, Security Transaction Tax, SEBI fees, Exchange fees, Settlement charges, Bank charges, Turnover tax, Foreign Tax, GST and other charges (if any), as per the rates existing from time to time, will be charged on actual. The investment by Portfolio Manager will be done by any SEBI Registered stock broker only and would be as per the rates negotiated between Portfolio Manager and the broker. The charges relating to brokerage will be recovered on actual by Portfolio Manager.

(g) Registrar and transfer agent fee

Charges payable to the Registrar and Share Transfer Agents in connection with effecting transfer of securities and bonds, units, etc. including stamp charges, cost of affidavit, notary charges, postage and courier charges and other related charges will be recovered on actual.

(h) Certification charges and Professional fees

Any charges payable for outsourced professional services like taxation, auditing and any legal services, franking charges and notarization, etc. incurred on behalf of the client by the Portfolio Manager, will be charged to the client on actual.

(i) Out of Pocket and Other Incidental Expenses

Charges in connection with day to day operations like courier expenses, stamp duty, document franking charges, notary charges, service tax, other statutory levies, opening of bank, trading and demat accounts and any other out of pocket expenses incurred by the Portfolio Manager, on behalf of the client, would be recovered from the client. Any other charges and levies by the Government or other regulatory authorities, such as GST and other charges levied by third parties in connection with transactions executed by the Portfolio Manager on behalf of the client. All aforementioned expenses would be the account of the client on the basis of actual expenses.

12. Tax Provisions

Clients will be responsible and liable for all taxes under the provisions of the Income Tax Act, 1961 for any income generated out of the investment made in the Portfolio Management Scheme including advance tax obligations. In view of the individual nature of tax consequences on any income, capital gains or otherwise, each Client is advised to consult his/her/its tax advisor with respect to the specific tax consequences to him/her/it with respect to participation in the Portfolio Management Services.

The Portfolio Manager will provide adequate statements to the client for accounting and tax purposes. The Portfolio Manager shall not be responsible for assisting in or completing the fulfillment of the client's tax obligations.

12.1 Tax deduction at source

Tax is required to be deducted at source for non-residents by the authorized dealer under section 195 of the Income Tax Act, 1961 (the Act'). If required, tax will be withheld for non-residents. 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.

Any person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XVIIIB, shall furnish his Permanent Account Number to the person responsible for deducting such tax, failing which tax shall be deducted at the higher of the following rates, namely:

- (i) at the rate specified in the relevant provision of this Income Tax Act; or
- (ii) at the rate or rates in force; or
- (iii) at the rate of twenty per cent.

Health and Education cess @ 4% is applicable.

12.2 Advance tax installment obligations

It shall be the Client's responsibility to meet the obligation on account of advance tax installments payable on the due dates under the Act.

13. Accounting Policies

- A. 2Point2 Capital Advisors LLP shall maintain a separate portfolio record in the name of the client to account for the assets of the client and any receipts, income and expenses in connection therewith as provided under SEBI Regulations (Portfolio Managers Regulations 2020).
- B. For every Client portfolio, 2Point2 Capital Advisors LLP shall keep and maintain proper books of accounts, records and documents, for the Client, on mercantile system of accounting, so as to explain its transactions and to disclose at any point of time the financial position of the Client portfolio and Financial Statements and in particular give a true and fair view of the state of affairs.
- C. The following Accounting Policies are proposed to be followed for the purpose of maintaining books of accounts, records for the client.
 - 1. For the purposes of the financial statements, 2Point2 Capital Advisors LLP shall carry all investments in the balance sheet at cost.
 - 2. Investments introduced by the client in his portfolio will be booked at the market value as of the date of introduction to the portfolio.
 - 3. Dividend income earned by a client shall be recognized not on the date the dividend is declared, but on the date the shares are quoted on an ex-dividend basis. For investments which are not quoted on a stock exchange, dividend income shall be recognized on the date of actual receipt.
 - 4. In respect of all interest-bearing investments, income shall be accrued on a day-to-day basis as it is earned. Therefore, when such investments are purchased, interest paid for the period from the last interest due date up to the date of purchase shall not be treated as a cost of purchase but shall be debited to Interest Recoverable Account.

Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale shall not be treated as an addition to sale value but shall be credited to Interest Recoverable Account.
 - 5. In determining the holding cost of investments and the gains or loss on sale of investments, the First-in-First-out (FIFO) method shall be followed.
 - 6. Transactions for purchase or sale of investments shall be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year is recorded and reflected in the financial statements for that same year.
 - 7. Bonus shares to which the Client becomes entitled shall be recognized only after the ex-date of the bonus issuance of the original shares.
 - 8. Rights entitlement shall be recognized after the allotment of the new shares as per the rights entitlement.
 - 9. The cost of investments acquired or purchased shall include brokerage, GST, securities transaction tax, stamp duty and any other charges customarily included in the broker's contract note.
 - 10. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment.
 - 11. All other income & expenses shall be accounted on accrual basis.

12. Investments in equities and exchange traded funds will be valued at the closing market prices at the stock exchange (Bombay Stock Exchange (BSE) or National Stock Exchange (NSE) as the case may be). In case any securities are not traded on the valuation date, the last available traded price shall be used for the valuation of those securities. Debt instruments will be valued at the clean price.
13. Investments in units of Mutual Funds shall be valued at the repurchase price or the NAV published by the Mutual Fund Houses on the date of the report. Where no NAV is published for a particular day, the last working day's published NAV will be taken for valuation purpose.
14. Open positions in derivative transactions, will be marked to market on the valuation date.
15. Pending listing on BSE/NSE, securities relating from a demerger are valued at their apportioned costs as per the ratios/values in terms of the scheme.
16. Private equity/Pre IPO placements will be valued at cost or at an available last deal price at which the company has placed similar securities to other inventors.
17. Unrealized gain/losses is the difference, between the current market value/Net Asset Value and the historical cost of the securities.
18. The Portfolio Manager and the client can adopt any specific norms or methodology for valuation of investments or accounting, if the same is mutually agreed between them.

14. Investor Services

i. Name, Address and Telephone Number of the Investor Relation Officer, who shall attend to the investor queries and complaints.

Name : Bhavit Visaria

Address : 914, The Summit Business Bay, Near W.E. Highway Metro Station,
Next to Guru Nanak Petrol Pump, Andheri – East.
Mumbai - 400 093

Telephone : +91 72080 02358

Email : bhavit@2point2capital.com

ii. Grievance redressal and dispute settlement mechanism

The Investment Relation Officer(s) will be the interface between the Portfolio Manager and the Client. The Investment Relation Officer(s) shall be responsible for redressing the grievances of the Clients.

All disputes, differences, claims and questions whatsoever arising from (i) the Agreement between the Client and the Portfolio Manager and (ii) the services to be rendered by the Portfolio Manager and/or their respective representatives shall be attempted to be resolved by discussions between the parties and amicable settlement. In case the disputes remain unsettled, the same shall be referred to a sole arbitrator and such arbitration shall be in accordance with and subject to the provisions of The Arbitration and Conciliation Act, 1996, or any statutory modification or re-enactment thereof for the time being in force.

Such Arbitration proceedings shall be held at Mumbai.

In addition to the above, the clients can also Login to the SEBI SCORES website www.scores.gov.in to register their grievances/complaints.

Name and Signature of the designated partners of the Portfolio Manager:

Sr No.	Name of Partners	Signature
1.	Amit Mantri	AMIT MANTRI Digitally signed by AMIT MANTRI Date: 2023.05.12 15:42:44 +05'30'
2.	Savi Jain	Savi Kumar Jain Digitally signed by Savi Kumar Jain Date: 2023.05.12 15:46:06 +05'30'

Date: 12th May, 2023
Place: Mumbai

PATEL
AMEET
NAVINCHA
NDRA
Digitally signed by PATEL AMEET NAVINCHANDRA
Date: 2023.05.12 16:04:52 +05'30'

Annexure 1

Summary of Financial Statements

Financial Statements	As on 31.03.22 (Rs.)	As on 31.03.21 (Rs.)	As on 31.03.20 (Rs.)
<u>Profit & Loss Statement</u>			
<u>Income</u>	26,24,34,813.00	7,90,90,510.00	4,54,22,034.00
<u>Expenditure</u>	10,60,72,645.00	4,49,75,592.00	2,86,93,869.00
Profit/(Loss) before Tax	15,63,62,168.00	3,41,14,918.00	1,67,28,165.00
Provision for Tax Expense	5,08,30,931.00	1,11,45,700.00	61,44,054.00
Profit/(Loss) after Tax	10,55,31,237.00	2,29,69,218.00	1,05,84,111.00
<u>Balance Sheet</u>			
<u>A. SOURCES OF FUNDS</u>			
1) Partners Capital	15,11,99,717.00	7,56,42,157.00	6,25,66,872.00
2) Non Current Liabilities	-	-	-
3) Current Liabilities	1,04,62,311.00	1,66,98,254.00	58,73,428.00
Total	16,16,62,028.00	9,23,40,411.00	6,84,40,300.00
<u>B. APPLICATION OF FUNDS</u>			
1) Non Current Assets	36,93,136.00	18,13,740.00	4,94,717.00
2) Current Assets	15,79,68,892.00	9,05,26,671.00	6,79,45,583.00
Total	16,16,62,028.00	9,23,40,411.00	6,84,40,300.00

Auditor:

M/S. H. Singhvi & CO
Chartered Accountants,

Address:

R. No. 43/44, 3rd Floor,
Gopal Bhavan,
199, S.G. Marg (Princess Street),
Mumbai-400002

**AMIT
MANTRI** Digitally signed
by AMIT MANTRI
Date: 2023.05.12
15:44:04 +05'30'

Date: 12th May, 2023

Name : **Amit Mantri**

Place: Mumbai

Designation : **Principal Officer**

Address : **914, The Summit Business Bay,
Near W.E. Highway Metro Station,
Next to Guru Nanak Petrol Pump,
Andheri - East
Mumbai - 400 093.**

For **Manohar Chowdhry & Associates**
Chartered Accountants
Firm No. 001997S

PATEL Digitally signed
AMEET by PATEL AMEET
NAVINCANDRA
NAVINCANDRA Date: 2023.05.12
DRA 16:05:14 +05'30'

Ameet N Patel
Partner
M. No.: 039157
UDIN: 23039157BGYZM9708