NORTHERN ARC INVESMENT MANAGERS PRIVATE LIMITED (NAIMPL)

(Portfolio Manager: SEBI Registration no. INP200007265)

DISCLOSURE DOCUMENT

FOR THE PORTFOLIO MANAGEMENT SERVICES

(in accordance with SEBI Circular no. SEBI/HO/IMD/IMD-RAC-3/P/CIR/2025/125 dated September 9, 2025)

DISCLOSURE DOCUMENT

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

i) The Disclosure Document has been filed with the Securities & Exchange Board of India along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.

ii) The purpose of the Document is to provide key information to the investors about the Portfolio Management Services (PMS) thereby facilitating informed decision making while engaging Northern Arc Investment Managers Private Limited as a Portfolio Manager.

iii) The Disclosure Document contains the necessary information about the Portfolio Manager, required by an investor before investing, and hence, the investor may be advised to retain the document for future reference.

iv) The following are the Details of the Portfolio Manager:

Name of the Portfolio Manager	Northern Arc Investment Managers Private Limited
SEBI Registration Number	INP200007265
Registered Office Address	10th Floor-Phase 1, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai 600113
Phone	+ 91 44 6668 7000
Fax	+91 44 6668 7010
Website	www.northernarcinvestments.com

v) The following are the details of the Principal Officer designated by the Portfolio Manager:

Name of the Principal Officer	Mayank Parmar
Phone	+91 022 6668 7500
Email	im.pms@northernarc.com
Website link for PMS details	https://www.northernarcinvestments.com/our-pms/
Registered Office Address	10th Floor-Phase 1, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai 600113
Principal Place of Business- Address	604 & 605, 6th Floor, Wing A, Inspire BKC, G Block Road, Patthar Nagar, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra 400051

Disclosure document updated on: December 29, 2025

TABLE OF CONTENTS

PART I: STATIC SECTION

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.
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**	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

	Services Agreement" or "PMS Agreement"	made to this agreement by the parties in writing, in terms of Regulation 22 and Schedule IV of the Regulations. It shall also include the account opening form duly filled up by the Client. It is further clarified that a request from the Client via its registered email address regarding change in information submitted by the Client at the time of account opening with Portfolio Manager, fees, top up or redemption that has been accepted by the Portfolio Manager via its registered email address shall be considered as a valid amendment to the Agreement.
6.	**"Applicable Laws"**	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.	**"Body corporate"**	shall have the meaning assigned to it under sub-section(11) of Section 2 of the Companies Act, 2013 (18 of 2013) as amended from time to time; i.e. "body corporate" or "corporation" includes a company incorporated outside India, but does not include— (*i*) a co-operative society registered under any law relating to co-operative societies; and (*ii*) any other body corporate (not being a company as defined in Companies Act), which the Central Government may, by notification, specify in this behalf;
12.	**"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.

13.	**"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.
14.	**"Co-investment Portfolio Manager"**	means a Portfolio Manager who is a Manager of a Category I or Category II Alternative 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)
15.	**"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.
16.	**"Depository"**	means the depository as defined in the Depositories Act, 1996 (22 of 1996).
17.	**"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.
18.	**"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.
19.	**"Disclosure Document" or "Document"**	means the disclosure document for offering portfolio management services prepared in accordance with the Regulations.
20.	**"Discretionary Portfolio Management Services" (DPMS)**	means the portfolio management services rendered to the Client by the Portfolio Manager on the terms and conditions contained in the Agreement, where the Portfolio Manager exercises any degree of discretion in the investments or management of assets of the Client.
21.	**"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).
22.	**"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.
23.	**"Fair Market Value"**	means the price that the Security would ordinarily fetch on sale in the open market on the particular date.
24.	**"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.
25.	**"Financial Year"**	means the year starting from April 1 and ending on March 31 in the following year.

26.	**“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
27.	**“Group Company”**	shall mean an entity which is a holding, subsidiary, associate, subsidiary of a holding company to which it is also a subsidiary.
28.	**“HUF”**	means the Hindu Undivided Family as defined in Section 2(31) of the IT Act.
29.	**“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.
30.	**“IT Act”**	means the Income Tax Act, 1961, as amended and restated from time to time along with the rules prescribed thereunder.
31.	**“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.
32.	**“Non-Discretionary Portfolio Management Services” (NDPMS)**	means a portfolio management services under which the Portfolio Manager, subject to express prior instructions issued by the Client from time to time in writing, for an agreed fee structure and for a definite described period, invests in respect of the Client’s account in any type of security entirely at the Client’s risk and ensure that all benefits accrue to the Client’s Portfolio.
33.	**“Non-resident Investors” or “NRI(s)”**	shall mean non-resident Indian as defined in Section 2(30) of the IT Act.
34.	**“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.
35.	**“NISM”**	means the National Institute of Securities Markets, established by the Board.
36.	**“Person”**	includes an individual, a Hindu Undivided Family (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.
37.	**“Portfolio”**	means the total holdings of all investments, Securities and Funds belonging to the Client.
38.	**“Portfolio Manager”**	means Northern Arc Investment Managers Private Limited, a company incorporated under the Companies Act, 1956 registered with SEBI as a portfolio manager bearing registration number INP200007265 dated August 27, 2021, and having its registered

		office at IITM Research Park, Phase I, 10th Floor, 1 Kanagam Village, Taramani, Chennai, Tamil Nadu, India, 600113.
39.	**“Portfolio Management Services”**	means the Discretionary Portfolio Management Services or Non-Discretionary Portfolio Management Services or the co-investment services, as the context may require.
40.	**“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
41.	**“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.
42.	**“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; (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 immediately preceding Financial Year; shall be deemed to be a related party;
43.	**“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. i.e. securities”—include (i) shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company[or a pooled investment vehicle or other body corporate]; (ia) derivative; (ib) units or any other instrument issued by any collective investment scheme to the investors in such schemes; (ic) security receipt as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act,2002; (id) units or any other such instrument issued to the investors under any mutual fund scheme Explanation.—For the removal of doubts, it is hereby declared that securities" shall not include any unit linked insurance policy or scrips or any such instrument or unit, by whatever name called, which provides a combined benefit risk on the life of the persons and investment by such persons and issued by an insurer referred to in clause (9) of section 2 of the Insurance Act, 1938 (4 of 1938); (ida) units or any other instrument issued by any pooled investment vehicle;] (ie)any certificate or instrument (by whatever name called), issued to an investor by any issuer being a special purpose 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; (ii) Government securities; (iia) such other instruments as may be declared by the Central Government to be securities; and (iii) rights or interest in securities

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

3. DESCRIPTION

i) History, Present Business and Background of the Portfolio Manager- About NAIMPL

Northern Arc Investment Managers Private Limited ("NAIMPL or Portfolio Manager") is a company incorporated under the Companies Act, 1956 on 17th February 2014. having its Registered Office at IITM Research Park, Phase I, 10th Floor, 1 Kanagam Village, Taramani, Chennai, Tamil Nadu, India, 600113.

NAIMPL is a wholly owned subsidiary of Northern Arc Capital Limited ("NACL").

NAIMPL is one of the group companies of the reputed Northern Arc group. As a part of the mission to promote financial inclusion, the group companies have played an important role in providing access to funding towards the development of the Indian financial services sector. The group's work in the Indian financial services sector provides NAIMPL with a strategic outlook on the sector and the Trust has been conceived based on this outlook. NAIMPL's sole holding company, Northern Arc Capital Limited (Northern Arc Capital) has been a pioneer in capital market innovations, having been associated with the first ever listing of a securitised paper on the Bombay Stock Exchange.

NAIMPL obtained registration from SEBI to act as Portfolio manager vide SEBI Registration no: INP200007265 on August 27, 2021, in accordance with SEBI (Portfolio Managers) Regulations, 2020.

As of March 31, 2025, the Net worth of NAIMPL as calculated under SEBI (Portfolio Managers) Regulations, 2020, stood at INR. 48.76 crores.

As of March 31, 2025, the paid-up share capital of NAIMPL stood at INR 3.61 crore and the details of shareholding of the Company are provided below:

Sr. no.	Name of Shareholder	% of Shareholding
1.	Northern Arc Capital Limited along with its nominees	100

Apart from offering Portfolio management services, NAIMPL has also experience in advising and managing pools of capital. It is also Sponsor and Investment Manager for the following SEBI Registered Alternative Investment Funds (AIFs):

Sr. no.	Name of the Trust	Category of AIF	SEBI Registration no.
1.	IFMR Finance for Freedom Social Venture Fund*	Category I	IN/AIF1/14-15/0110
2.	IFMR Finance for Freedom Fund#	Category II	IN/AIF2/15-16/0192
3.	IFMR Finance for Freedom Fund II*	Category II	IN/AIF2/15-16/0210
4.	IFMR Finance for Freedom Fund III	Category II	IN/AIF2/16-17/0296
5.	IFMR Finance for Freedom Fund IV#	Category II	IN/AIF2/16-17/0311
6.	IFMR Finance for Freedom Fund V#	Category II	IN/AIF2/16-17/0510
7.	Northern Arc Money Market Alpha Trust	Category III	IN/AIF3/18-19/0601
8.	Northern Arc India Impact Trust	Category II	IN/AIF2/18-19/0661
9.	Northern Arc Income Builder Trust (Series II) #	Category II	IN/AIF2/19-20/0767
10.	Northern Arc Emerging Corporate Bond Trust	Category II	IN/AIF2/22-23/1039
11.	Northern Arc Investment Managers Trust I	Category II	IN/AIF2/23-24/1430
12.	Northern Arc Investment Managers Trust II	Category II	IN/AIF2/23-24/1448

**Matured and Wound-up funds.*
#Fund under winding up process.

The latest and detailed information on all the above AIFs are available at the NAIMPL's website at https://www.northernarcinvestments.com/our-funds/.

NAIMPL as an Investment Manager to SEBI Registered AIFs inter alia carries on the business of management, advisory activities, consultation, counselling, planning and facilities of every description in investment related activities to alternative investment funds, social venture funds, venture capital funds, private equity funds, institutional investors, investment funds, hedge funds, High Net worth Individuals or any other investor (whether private or public and whether local or offshore), for the purpose of investing funds from time to time in various forms of investments.

The directors and key investment team of the Investment Manager have vast experience in advising or managing pools of capital or in fund or asset or wealth or portfolio management or in the business of buying, selling & dealing of securities or other financial assets.

The comprehensive profiles of the company's director and the team can be accessed at https://www.northernarcinvestments.com/meet-our-team/

ii) Promoters of the portfolio manager, directors and their background

a) Promoter:

Northern Arc Investment Managers Private Limited is a wholly owned subsidiary of Northern Arc Capital Limited ("NACL").

NACL was incorporated on March 9, 1989, in Madras, India, as Highland Leasing & Finance Private Limited under the Companies Act, 1956. Following its acquisition by IFMR Trust in 2008, it was renamed as IFMR Capital Finance Private Limited. The company became a public limited entity on December 12, 2017, as IFMR Capital Finance Limited. In February 2018, it was rebranded as Northern Arc Capital Limited, and in September 2024, its equity shares were listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

Details of Promoter as on March 31, 2025

NACL provides a diversified financial services platform focused on serving the credit needs of under-served households and businesses across India. Since 2009, NACL has facilitated over INR 2 trillion in financing through a wide distribution network of 360 branches. 50+ digital and retail lending partners, 350 originator partners and 1,300+ investors, impacting over 118 million lives. The Company operates through a dual channel model Direct to customer and credit solutions to originator partners to address key credit gaps in India with a focus on inclusion, scale and sustainability.

b) Directors of NAIMP and their background:

Name	Qualification	Brief Experience
Dr. Kshama Fernandes	i) Ph. D in Finance, ii) M.B.A in Finance iii) Bachelor's degree in mathematics and	Dr. Fernandes is a Non-Executive Director of Northern Arc Investment Managers Private Limited. She has been associated with Northern Arc Capital Limited ("Northern Arc Capital") since its inception in 2008 and is currently its Non-Executive Director. She has extensive experience in capital markets, and has been previously involved in financial advisory, consulting and academia. Prior to joining Northern Arc Capital, she was a Professor and Head of Finance at the

	iv) Certified Financial Risk Manager	Goa Institute of Management. She has worked on consulting assignments for the World Bank, the Chicago Mercantile Exchange, the Government of India (Ministry of Finance), and NSE.IT, and was a core committee member of the Percy Mistry Committee on 'Making Mumbai an International Financial Centre'. She has also developed the SEBI mandated certification programme for derivatives for the National Stock Exchange and NCDEX.
Mr. Chaitanya Pande	i) Post Graduate Diploma in Business Management ii) Bachelor of Science (Mathematics)	Mr. Pande is a Non-Executive Director of Northern Arc Investment Managers Private Limited. He is the founder of Polymath Capital Advisors and has over 18 years of experience in Investment management with specialization in Fixed Income and Structured Products as well as valuation and portfolio risk management. He started his career with Jardine Fleming before joining ICICI Prudential AMC, where he had an award-winning stint of 10 years as CIO & Head of Fixed Income. His efficiency in fund management also won him the title India's Most Astute Bond Investor by Asset Magazine for the year 2007 and the coveted Business Standard Fund Manager of the Year (Debt) – 2011 in addition to several other fund awards.
Mr. Ashish Mehrotra	i) M.B.A from IMS, DAVV, Indore, and ii) Bachelor's degree in business management	Mr. Mehrotra is a Non-Executive Director of Northern Arc Investments Pvt. Ltd. He is also the Managing Director and Chief Executive Officer of our holding company i.e. Northern Arc Capital Limited and serves as the Non-Executive Chairperson of Pragati Finserv, rural finance arm of Northern Arc Group. Ashish has over 25 years of experience across Retail & Commercial Banking, Wealth Management and Insurance. In his last role, he was the MD & CEO of Niva Bupa Health Insurance (previously known as Max Bupa Health Insurance). Before that, Ashish spent over 20 years at Citibank. He was previously a Managing Director and also the Retail Bank Head for Citibank India. Ashish holds a Master of Business Administration Degree.
Mr. Pardhasaradhi Rallabandi	i) B-Tech in Mechanical Engineering and ii) Post Graduate Diploma in Management from IIM, Calcutta.	Mr. Rallabandi is a Non-Executive Director of Northern Arc Investment Managers Private Limited. He has been associated with our holding company i.e. Northern Arc Capital Limited as Chief Risk Officer since July 2018 whereby he oversees risk management and risk mitigation in relation to Company's operations. Prior to joining Northern Arc Capital, he was associated with Standard Chartered Bank for over 13 years where he last served as the Senior Credit Officer, Commodities Risk for South Asia region. He has a total work experience of over 27 years and has also worked at

		Allahabad Bank, Globsyn Technologies Limited, Global Trust Bank Limited and IDBI Bank.

iii) Top 10 Group companies/firms of the portfolio manager on turnover basis (as per the audited financial statements for the year ending March 31, 2025)

S. No	Group Companies of the Applicant	Registered With	Category	Registration reference
1	Northern Arc Capital Limited	a) Reserve Bank of India b) Pension Fund Regulatory and Development Authority (PFRDA) c) Ministry of Corporate Affairs with shares listed on BSE and NSE d) Insurance Regulatory and Development Authority of India (IRDAI)	Non-Banking Financial Company (NBFC)	a) RBI: B-07.00430 RBI Factoring License: N-07-00916 b) PFRDA: POP39092018 c) CIN: L65910TN1989PLC017021 d) IRDAI: CA0951 (Corporate Agent- Composite)
2	Northern Arc CrediTech Solutions Private Limited (formerly known as Northern Arc Investment Adviser Services Private Limited)	MCA	Private limited Company	U62099TN2012PTC087839
3	Northern Arc Securities Private Limited	a) MCA b) SEBI Registration c) AMFI Registered d) Mutual Fund Distributor	Private limited Company	a) U66120TN2023PTC158583 b) INZ000318831(OBPP) c) ARN 311499
4	Pragati Finserv Private Limited	MCA	Private limited Company	U65990TG2021PTC148992
5	Northern Arc Foundation	MCA	Section 8 Company	U80904TN2019NPL127426

iv) Details of the services being offered: Discretionary/ Non-discretionary/Co-investment Services.

The Portfolio Manager intends to offer services of discretionary portfolio management and non-discretionary portfolio management as set out in the details provided below.

A. Discretionary Services:

Under these services, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager, and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities to be invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. The portfolio managers' decision (taken in good faith) in deployment of the Clients' account is absolute and final and cannot be called in question or be open to review at any time during the currency of the agreement or at any time thereafter except on the grounds of malafide, fraud, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant Acts, Regulations, guidelines and notifications in force from time to time. Periodical statements in respect to Client's Portfolio shall be sent to the respective Client.

B. Non - Discretionary Services:

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

Investors willing to avail themselves of the Portfolio management services also have the option for direct onboarding. Requests for the same can be submitted to im.pms@northernarc.com.

C. Co-investment Services

Under this service, the Co-investment Portfolio Manager shall provide co-investment services to investors of Category I and II Alternative Investment Funds (AIFs) managed by it from time to time. Co-investments services and advise for the same shall be provided in accordance with and subject to the provisions under applicable SEBI Regulations viz, SEBI (Portfolio Managers) Regulations, 2020 and SEBI (Alternative Investment Funds) Regulations, 2012 and circulars and guidelines issued thereunder, as amended from time to time. Co-investments shall only be made in unlisted securities of investee companies where such Category I or Category II AIFs make investments.

4. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTION OR INVESTIGATION FOR WHICH ACTION MAY HAVE BEEN TAKEN OR INITIATED BY ANY REGULATORY AUTHORITY.

Sr. no.	Particulars	Details
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.	None
2.	The nature of the penalty/direction.	None
3.	Penalties/fines imposed for any economic offence and/ or for violation of any securities laws.	None
4.	Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosures regarding pending criminal cases, if any.	None
5.	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	Deficiency letter dated July 25, 2025, citing incomplete submission of certain offsite inspection data as Portfolio Manager. The revised data was submitted to SEBI along action taken report via letter dated August 13, 2025.
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

A) DISCRETIONARY PORTFOLIO:

The present investment objectives and policies including the types of securities in which it generally invests shall be clearly and concisely stated in the Document for easy understanding of the potential investor.

Investment Approaches:

Here, the portfolio manager shall have sole and absolute discretion to invest on behalf of the client as per the executed agreement and make such changes in investments and invest some or all of the funds in such manner and in such markets as it deems fit. The portfolio manager's decision (taken in good faith) in deployment of the client's fund is absolute and final. The following are the investment approaches offered:

Strategy	Investment Approach	Benchmark
Debt	Northern Arc Income Builder Series A*	Crisil Credit Index
Debt	Northern Arc Income Builder Series B*	Crisil Credit Index
Debt	Northern Arc Credit Opportunities	Crisil Credit Index
Debt	Northern Arc Income Builder Series C	Crisil Credit Index

*Note: * This series has completed its lifecycle (matured) and is no longer offered.*

I. Northern Arc Credit Opportunities

Name of the Portfolio	Northern Arc Credit Opportunities	
Investment Objective	The broad objective/purpose of the Scheme is to earn higher risk-adjusted returns by investing in a diversified pool of securities of manufacturing entities and financial institutions such as microfinance institutions, affordable housing finance companies, small business loans finance companies, vehicle finance companies, corporate finance companies and agri-business finance companies.	
Basis of selection of such types of securities as part of the investment approach	The portfolio will predominantly invest in Listed Non-Convertible Debentures, Commercial Papers, Certificate of Deposit in identified sectors and may comprise of Low to moderate yield debt, which will be senior secured, which may be rated AAA to A- and above by credit rating agencies.	
Type of Securities	-Listed NCDs, Money Market Instruments, Units of Liquid, Money Market and Overnight Mutual Fund Schemes and Cash & Cash Equivalents	
Allocation of portfolio across types of securities	Type of security	Allocation in portfolio
	Senior Secured Listed NCDs, rated A- and above by credit rating agencies	70% to 100%
	Money Market Instruments, Units of Liquid, Money Market and Overnight Mutual Fund Schemes and Cash & Cash Equivalents	0% to 30%
Benchmark & Basis of Benchmark Section	CRISIL Credit Index	
Indicative tenure or investment horizon	Short to Medium Term	
Risks associated with the investment approach	The debt investments and other fixed income securities involved in the strategy may be subject to interest rate risk, liquidity risk, default risk, credit risk, reinvestment risk etc. Liquidity in these	

	investments may be affected by trading volume, settlement period etc. The risks involved are elaborated in point 6 – Risk Factors.
Other salient features, if any.	Not Applicable

II. Northern Arc Income Builder Series C

<table>
<tr><th>Name of the Portfolio</th><th colspan="2">Northern Arc Income Builder Series C</th></tr>
<tr><td>Investment Objective</td><td colspan="2">The broad objective/purpose of the Scheme is to earn higher risk-adjusted returns with lower tax incidence by investing in a diversified pool of securities of institutions such as microfinance institutions, affordable housing finance companies, small business loans finance companies, vehicle finance companies, corporate finance companies and agri-business finance companies that provide credit to financially underserved end-customers.</td></tr>
<tr><td>Basis of selection of such types of securities as part of the investment approach</td><td colspan="2">The portfolio will predominantly invest in Listed securities of originators in identified sectors and may comprise of moderate to high yield debt, which will be senior secured, which may be rated A- and above by credit rating agencies.</td></tr>
<tr><td>Type of Securities</td><td colspan="2">-Listed securities, Money Market Instruments, Units of Liquid, Money Market and Overnight Mutual Fund Schemes and Cash & Cash Equivalents</td></tr>
<tr><td rowspan="3">Allocation of portfolio across types of securities</td><td>Type of security</td><td>Allocation in portfolio</td></tr>
<tr><td>Senior Secured Listed securities, rated A- and above by credit rating agencies</td><td>80% to 100%</td></tr>
<tr><td>Money Market Instruments, Units of Liquid, Money Market and Overnight Mutual Fund Schemes and Cash & Cash Equivalents</td><td>0% to 20%</td></tr>
<tr><td>Benchmark & Basis of Benchmark Section</td><td colspan="2">CRISIL Credit Index</td></tr>
<tr><td>Indicative tenure or investment horizon</td><td colspan="2">Medium Term</td></tr>
<tr><td>Risks associated with the investment approach</td><td colspan="2">The debt investments and other fixed income securities involved in the strategy may be subject to interest rate risk, liquidity risk, default risk, credit risk, reinvestment risk etc. Liquidity in these investments may be affected by trading volume, settlement period etc.

The risks involved are elaborated in point 6 – Risk Factors.</td></tr>
<tr><td>Other salient features, if any.</td><td colspan="2">Not Applicable</td></tr>
</table>

NOTE:

- Investment under Portfolio Management Services will be only as per the SEBI Regulations on PMS.
- The un-invested amounts forming part of the Client's Assets may be at the discretion of the

Portfolio Manager be held in cash or deployed in Liquid fund schemes, Exchange Traded IndexFunds, debt-oriented schemes of Mutual funds, Gilt schemes, Bank deposits and other short-termavenues for Investment.

- Portfolio Manager, will, before investing in the securities of its associate / group companies, evaluate such investments, the criteria for the evaluation being the same as is applied to other similar investments to be made under the Client's Portfolio. The investments in securities of the associate / group companies including in schemes of AIFs managed by NAIM would be within the overall framework of Regulations and in terms of PMS Agreement executed with the Client.

Apart from Discretionary Portfolio Management Services, the Portfolio Manager also offers Non-Discretionary Portfolio Management Services wherein the choice as well as the timings of the investment decisions rest solely with the Client. The Portfolio Manager manages the Assets of the Client in accordance with the directions given by the Client. Further the Portfolio Manager also offers Advisory Portfolio Management Services wherein the Portfolio Manager only renders investment advice to the Client in respect of securities. Discretion to execute the transactions and responsibility for execution /settlement of the transactions lies solely with the Client.

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

Direct on-boarding of clients: The Portfolio Manager shall provide the facility to the Client for direct boarding without any involvement of a broker/distributor/agent engaged in distribution services. Requests for the same can be submitted to im.pms@northernarc.com.

B) NON-DISCRETIONARY PORTFOLIO:

Here, the investment selection will be at the discretion of the Portfolio Manager, and its execution will be done after taking express consent of Clients. The Portfolio Manager proposes to manage the Assets of the Client using the following Portfolio:

Strategy	Investment Approach	Benchmark
Debt	Northern Arc Non-Discretionary Portfolio Management Services	Crisil Credit Index

Investment Approach:

Name of the Portfolio	Northern Arc Non-Discretionary Portfolio Management Services
Investment Objective	The broad objective/purpose of the Scheme is to earn higher risk-adjusted returns by investing in a diversified pool of securities of institutions such as microfinance institutions, affordable housing finance companies, small business loans finance companies, vehicle finance companies, corporate finance companies, agri-business finance companies and manufacturing entities

Basis of selection of such types of securities as part of the investment approach	The portfolio will predominantly invest in a mix of Money Market instruments and/or NCD (both Listed and Unlisted), which will be tailor-made for an investor by aligning with their risk, return and tenure requirements. It may comprise of moderate to high yield debt, which may be rated BBB- and above -by credit rating agencies.
Type of Securities	-NCD and/or Money Market Instruments, Units of Liquid, Money Market and Overnight Mutual Fund Schemes and Cash & Cash Equivalents
Allocation of portfolio across types of securities	100% allocation would be made to Debt Securities across a mix of Money Market, Medium Term, and Long-Term Instruments.
Benchmark & Basis of Benchmark Section	Crisil Credit Index
Indicative tenure or investment horizon	Short to Medium Term
Risks associated with the investment approach	The debt investments and other fixed income securities involved in the strategy may be subject to interest rate risk, liquidity risk, default risk, credit risk, reinvestment risk etc. Liquidity in these investments may be affected by trading volume, settlement period etc. The risks involved are elaborated in point 6 – Risk Factors.
Other salient features, if any.	Not Applicable

Direct on-boarding of clients: The Portfolio Manager shall provide the facility to the Client for direct boarding without any involvement of a broker/distributor/agent engaged in distribution services. Requests for the same can be submitted to im.pms@northernarc.com.

C) CO-INVESTMENT SERVICES

The Portfolio Manager may, in accordance with applicable laws, rules, regulations, circulars, guidelines and directions issued by the Securities and Exchange Board of India ("SEBI"), permit and facilitate co-investment alongside the Client's Portfolio by eligible persons, including but not limited to the Portfolio Manager, its investment manager, sponsor, trustees, directors, partners, officers, employees, affiliates, group entities, associates, connected persons, clients and/or any other persons or entities as may be permitted under applicable regulations from time to time ("Permitted Co-Investors").

Without limiting the generality of the above, the Portfolio Manager may propose to offer and provide co-investment portfolio management services to investors of schemes launched under one or more trusts, vehicles or structures managed and/or advised by the Portfolio Manager, including Category I and Category II Alternative Investment Funds ("AIFs"), in accordance with the provisions of the SEBI (Alternative Investment Funds) Regulations, 2012 and the SEBI (Portfolio Managers) Regulations, 2020, as amended from time to time.

Where co-investments are undertaken in connection with Category I or Category II AIFs, the Portfolio Manager (acting as a Co-Investment Portfolio Manager, where applicable) shall make investments only in unlisted securities of investee companies in which the relevant AIF has made or proposes to make investments, and strictly in accordance with the regulatory framework prescribed by SEBI from time to time.

The Portfolio Manager shall endeavour to manage any actual or potential conflicts of interest arising from such co-investments in a fair, transparent and commercially reasonable manner, and shall ensure that investment decisions for the Client's Portfolio are taken independently, in good faith and in the best interests of the Client, subject to applicable regulatory constraints.

The Client expressly acknowledges and agrees that:

- co-investment activities may result in differences in execution price, timing, allocations, rights, entitlements and performance among different investors;
- market, liquidity, legal, tax, regulatory and operational factors may lead to differential treatment between the Client's Portfolio and that of Permitted Co-Investors;
- co-investments shall be undertaken only to the extent permitted under applicable laws, regulations and SEBI directions, and may be modified, restricted or discontinued based on regulatory developments; and
- where required under applicable law, material conflicts of interest arising from such co-investment activities shall be disclosed in the manner prescribed by SEBI.

All co-investment activities shall be subject to such disclosures, approvals, consents and documentation as may be required under applicable laws and as the Portfolio Manager may consider necessary to ensure regulatory compliance.

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.

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.

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) Investments in debt instruments and other fixed income securities are subject to default risk, liquidity risk and interest rate risk.

14) 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 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.

15) 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.

16) 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.

17) 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.

18) Prepayment risk: There may be unscheduled return of principal on a particular Security, which may result in a reinvestment risk.

19) There are inherent risks arising out of investment objectives, investment approach, asset allocation and non-diversification of portfolio.

D) RISK ASSOCIATED WITH DERIVATIVES INSTRUMENTS

20) 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.

21) 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 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

22) 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.

23) 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.

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

25) 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.

26) The Portfolio Manager shall not 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 monitory 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.

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

28) 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.

29) 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.

30) In case of investments in mutual fund, the Client bear the recurring expenses of the Portfolio Manager in addition to the expenses of the underlying mutual fund schemes. Hence, the Client may receive lower pre-tax returns compared to what the Client may have received had he invested directly in the underlying Securities of the mutual fund schemes.

31) After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be a delay in deployment. In such a situation the Client may suffer opportunity loss.

F) RISK ARISING OUT OF NON-DIVERSIFICATION

32) 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 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

33) 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.

34) 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.

35) 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.

H) OTHER RISKS

36) Risk Associated with Securitized Debt: Securitized debt may suffer credit losses in the event of the delinquencies and credit losses in the underlying pool exceeding the credit enhancement provided. As compared to the normal corporate or sovereign debt, securitized debt is normally exposed to a higher level of reinvestment risk.

37) Risk associated with investments in Market Linked Debentures: The Portfolios may invest in Market Linked Debentures, which are securities linked to index(s) and/ or underlying stocks or commodities and this could result in negligible returns or no returns over the entire tenor or part thereof. Further, at any time during the tenor of the Portfolio, value of the Market Linked Debentures may be substantially less than the actual value of the Market Linked Debentures at the end of tenor. Further, the Market Linked Debentures and the return and/or maturity proceeds of the Market Linked Debentures.

38) Debentures are not guaranteed or insured in any manner by any entity. In case of occurrence of any event caused by a Force Majeure, the Portfolio may be liquidated at a date much before the tenor of the Portfolio at a fair value.

39) Portfolios investing in debentures linked to silver/ gold may be affected by the prices of silver / gold. The prices of silver/ gold may be affected by several factors such as demand and supply in India and in the global market, change in political, economical environment and government policy, inflation trends, currency exchange rates, interest rates, perceived trends in bullion prices, restrictions on the movement/trade of gold by RBI, GOI or by the country importing/ exporting silver/ gold in/ out of India etc.

7. NATURE OF EXPENSES

The following are indicative types of costs and expenses for clients availing the portfolio management services. The exact quantum of fees / expenses relating to each of the services shall be annexed to the Agreement executed between the Client and the Portfolio Manager. The expense charged may vary from Client to Client. The expenses incurred shall be directly debited on actual expense incurred basis to the Client's Portfolio as and when the same becomes due for payment.

i. INVESTMENT MANAGEMENT AND ADVISORY FEES

Investment Management and advisory fees relate to portfolio management services offered to Clients. The fees may be in the form of a percentage of the assets under management or linked to portfolio returns achieved or a combination of both. Fees linked to portfolios returns shall be computed on the basis of high water mark principle over the life of the investment.

An indicative table of the Investment Management and advisory fees that may be charged by the Portfolio Manager for each scheme is given hereunder.

Northern Arc Credit Opportunities

Nature of Fees	Particulars
Fixed Management Fees	Up to 2.61% per annum on daily average market value of the Portfolio
Performance Linked Management Fee	The fees will be a percentage of the returns generated for the Portfolio as may be agreed by the client in a PMS Agreement

Northern Arc Income Builder Series C

Nature of Fees	Particulars
Fixed Management Fees	Up to 2.00% per annum on daily average market value of the Portfolio
Performance Linked Management Fee	Zero

Co-Investment Services

Nature of Fees	Particulars
Fixed Management Fees	Up to 2.00% per annum on daily average market value of the Portfolio

The actual fees charged by the portfolio manager for each client shall be determined separately and the fees may vary from Client to Client. Further, the fees chargeable for new portfolio introduced by the portfolio manager shall be given separately.

ii. CUSTODIAN FEE

The charges relate to opening and operation of depository accounts, custody and transfer charges for securities, dematerialization and rematerialisation and other charges in connection with the operation and management of the depository accounts.

iii. REGISTRAR AND TRANSFER AGENT FEE

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

iv. **BROKERAGE AND TRANSACTION COST**

The brokerage charges and other charges like Goods and Services Tax, stamp duty, transaction charges, turnover tax, securities transaction tax or any other tax levied by statutory authorities on the purchase and sale of securities and exit load (if any) on units of Mutual Funds.

v. **SECURITIES LENDING RELATED EXPENSES**

The charges pertaining to lending of securities and costs associated with transfers of securities connected with the lending operations.

vi. **AUDIT FEES, CERTIFICATION AND PROFESSIONAL CHARGES**

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

vii. **SERVICES RELATED EXPENSES**

Charges in connection with day-to-day operations like courier expenses, stamp duty, Goods and Services Tax, postal, telegraphic, any other out of pocket expenses as may be incurred by the portfolio manager would be recovered.

viii. **EXIT LOAD**

In case client portfolio is redeemed in part or full, the Portfolio Manager may charge Exit Load as follows:

a) In the first year of investment, up to 3% of the amount redeemed.
b) In the second year of investment, up to 2% of the amount redeemed.
c) In the third year of investment, up to 1% of the amount redeemed.
d) After a period of three years from the date of investment, no exit load.

Goods and Services tax and statutory levies would be levied separately as per the prevailing rates from time to time.

Apart from the above, the exit load for Northern Arc Income Builder Series C will be as follows:

a) If redeemed within 1 year from the date of investment: up to 2.00% of the redemption amount
b) If redeemed after 1 year from the date of investment: Nil

Redemption proceeds will be transferred within 10 days from the date of redemption.

Goods and Services tax and other statutory levies would be levied separately as per the prevailing rates from time to time.

ix. **ANY OTHER INCIDENTAL AND ANCILLARY EXPENSES**

All expenses not covered above but incurred by the Portfolio Manager on behalf of the Client for Portfolio Management and expenses incurred by the Portfolio Manager in terms of the Agreement shall be charged to the Client.

Details of the Fee schedule along with the illustration is also available on our website at https://www.northernarcinvestments.com/our-pms/ under 'Resources' tab.

8. TAXATION

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. Further, TRC is mandatory for claiming benefits under Double Taxation Avoidance Agreement (DTAA); in the absence of TRC, TDS shall be withheld at the applicable higher rate under the IT Act.

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. The above provision was applicable until March 31, 2025, and has been omitted effective April 1, 2025 under Budget 2025.

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.

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:

Sr. No	Securities	Position up to 22 July 2024 Period of Holding	Position on or after 23 July 2024 Period of Holding	Characterization
1	Listed Securities (other than unit) and unit of equity	More than twelve (12) months	More than twelve (12) months	Long-term capital asset

	oriented mutual funds, unit of UTI, zero coupon bonds	Twelve (12) months or less	Twelve (12) months or less	Short-term capital asset
2	Unlisted shares ofa company	More than twenty-four (24) months	More than twenty-four (24) months	Long-term capital asset
		Twenty-four (24) or less	Twenty-four (24) or less	Short-term capital asset
3	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 capital asset
		Thirty-six (36) months orless	Twenty-four (24) months or less	Short-term capital asset
4	Specified Mutual Fund or Market Linked Debenture acquired on or after 1 April 2023	Any period	Any period	Short-term capital asset
5	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
(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.*

1. 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 up to 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 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.

2. 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.

3. 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. 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. This tax rate will be increased from 10% to 12.5% with effect from 01 April 2026 as per Finance Act, 2025.

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.

4. 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 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.

As per Section 115AD, short term capital gains in the hands of FPI, 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 15%. This tax rate has been increased from 15% to 20% with effect from 23 July 2024.

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. This applies to gains arising in the hands of FPI as well.

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. 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:

i. The arrangement creates rights or obligations which are ordinarily not created between parties dealing at arm's length;
ii. It results in directly / indirectly misuse or abuse of the IT Act;
iii. It lacks commercial substance or is deemed to lack commercial substance in whole or in part; or
iv. 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:

i. Disregarding or combining or recharacterising any step in, or a part or whole of the arrangement;
ii. Ignoring the arrangement for the purpose of taxation law;
iii. 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;
iv. Looking through the arrangement by disregarding any corporate structure; or
v. 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:

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

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.

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.

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. INVESTORS SERVICES

i. Details of Investor Relation Officer who shall attend to the investor queries andcomplaints is mentioned herein below:

Name of the person	Mr. Dhiraj Gupta
Designation	Compliance Officer
Correspondence Address	604 & 605, 6th Floor, Wing A, Inspire BKC, G Block Road, Patthar Nagar, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra 400051
Email	im.pms@northernarc.com
Telephone	+91 22 6668 7500

ii. Grievance Redressal and dispute settlement mechanism:

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

a) The Investor Relation Officer(s) will be the interface between the Portfolio Manager and the Client. In case of non-redressal of the complaint by the Portfolio Manager, investors can approach SEBI for redressal of their complaints. Investors may lodge their complaints through SCORES (SEBI Complaints Redress System - https://scores.gov.in/scores/Welcome.html).

Additionally, pursuant to Clause 4.4.2 of the Master Circular dated July 16, 2025, the Investor Charter has been made available on our website under the 'Resources' tab at https://www.northernarcinvestments.com/our-pms/ . The Charter specifies, the range of services provided to investors together with their indicative timelines along with the details of the grievance redressal mechanism in place.

b) Pursuant to the SEBI Circular Ref No SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, w.r.t Online Resolution of Disputes in the Indian Securities Market, the investor can also raise their complaints on the SMART ODR portal.

The Smart ODR link has been provided on our website at https://www.northernarcinvestments.com/ >> Smart ODR.

c) Grievances, if any, that may arise pursuant to the Portfolio Investment Management Agreement entered into shall as far as possible be redressed through the administrative mechanism by the Portfolio Manager and are subject to SEBI (Portfolio Managers) Regulations 2020 and any amendments made thereto from time to time. However, all the legal actions and proceedings are subject to the jurisdiction of court in Chennai only and are governed by Indian laws.

The Portfolio Manager will endeavor to address all complaints regarding service deficienciesor causes for grievance, for whatever reason, in a reasonable manner and time.

11. DETAILS OF THE DIVERSIFICATION POLICY OF THE PORTFOLIO MANAGER

Portfolio diversification is a strategy of risk management used in investing, which allows to reduce risks by allocating the funds in multiple asset types. It helps to mitigate the associated risks on the overall investment portfolio.

NAIM will diversify the investor portfolio across multiple sectors, issuers and instruments as well as from time to time on an opportunistic basis, may also choose to invest in money market instruments, units of mutual funds, ETFs or other permissible securities/products in accordance with the Applicable Laws.

With respect to investments in debt and hybrid securities, the Portfolio Manager shall not make any investment in unrated and below investment grade securities.

PART II: DYNAMIC SECTION

12. CLIENT REPRESENTATION

i)

Category of clients	No. of clients	Funds managed (Rs. Cr.)	Discretionary / Non-Discretionary (if available)
Associates / group companies			
As at March 31, 2023	NIL	NIL	Not Applicable
As at March 31, 2024	NIL	NIL	Not Applicable
As at March 31, 2025	1	88.75	Non-Discretionary
Others			
As at March 31, 2023	188	272.66	Discretionary
As at March 31, 2023	6	65.22	Non-Discretionary
As at March 31, 2024	60	147.87	Discretionary
As at March 31, 2024	8	54.81	Non-Discretionary
As at March 31, 2025	52	139.218	Discretionary
As at March 31, 2025	5	158.612	Non-Discretionary

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

A. Names of related parties and nature of relationship (as on March 31, 2025) are as under:

Enterprises where control exists	Northern Arc Capital Limited (Holding company)
Subsidiaries	Nil
Fellow Subsidiaries	i. Northern Arc CrediTech Solutions Private Limited (formerly known as Northern Arc Investment Adviser Services Private Limited) ii. Northern Arc Foundation iii. Pragati Finserv Private Limited iv. Northern Arc Securities Private Limited
Member of Group (Associate of holding company)	i. Northern Arc Emerging Corporates Bond Fund
Managed Alternative Investment Funds	i. IFMR FImpact Long Term Multi Asset Class Fund ii. IFMR FImpact Long Term Credit Fund iii. Northern Arc Money Market Alpha Fund iv. Northern Arc India Impact Fund v. Northern Arc Income Builder Fund (Series II) vi. Northern Arc Emerging Corporates Bond Fund vii. Northern Arc Finserv Fund viii. Northern Arc Fintech NBFC Fund I
Directors and Key Management Personnel of the Company	i. Kshama Fernandes, Executive Non-Independent Chairperson ii. Ashish Mehrotra, Non-Executive Director

	iii. Chaitanya Pande, Non-Executive Director iv. Pardhasaradhi Rallabandi, Non-Executive Director v. Theodoor Brouwers, Non-Executive Director up to October 20, 2024 vi. Nicolas Anthony Moon, Non-Executive Director up to May 1, 2024 vii. Bhavdeep Bhatt, Chief Executive Officer since June 12, 2024 viii. Ravi Vukkadala, Chief Executive Officer up to June 11, 2024 ix. Vishal Garg, Chief Financial Officer* *Remuneration is paid by the holding company to the Chief Financial Officer

B. Transaction with related parties during the year (All amounts are in Indian Rupees in lakhs):

Related Party	**Transaction**	**As at March 31, 2025**	**As at March 31, 2024**
Northern Arc Capital Limited Northern Arc Foundation	Interest expense	624.67	363.07
	Fee expenses	368.48	404.12
	Reimbursement of expenses	74.03	130.10
	Loans taken	3,421.77	14,261.28
	Loans repaid	13,226.02	4,332.41
	ESOP issued	1.29	39.97
	Purchase of Class A units of IFMR FImpact Long Term Credit Fund	-	2,070.43
	Purchase of Class A units of Northern Arc India Impact Fund	-	6,514.14
	Purchase of Class A units of Northern Arc Income Builder Fund- Series II	-	1,437.63
	Corporate social responsibility (“CSR”) expenditure	23.98	24.00
Northern Arc Emerging Corporate Bond Fund	Investment in Class A4 units	200.00	100.00
	Investment in Class A5 units	2,000.00	-
	Investment in Class A7 units	2,150.00	1,500.00
	Investment in Class B units	-	500.00
	Fee income	865.59	443.63
	Income from investment in AIF	65.84	53.69
	Fund operating fee	126.65	63.01
Kshama Fernandes	Remuneration*	200.00	130.30
Bhavdeep Chandrakant Bhatt	Remuneration*	135.08	-
Ravi Vukkadala	Remuneration*	29.85	201.54

* Amount attributable to post-employment benefits have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

C. **Outstanding balances with related parties as on balance sheet date (All amounts are in Indian Rupees in lakhs):**

Related Party	Outstanding balances	As at March 31, 2025	As at March 31, 2024
Northern Arc Capital Limited Northern Arc Foundation	Equity share capital	361.00	361.00
	Payable towards shared service cost	201.94	225.86
	Borrowings	-	10,098.31
	Other receivables	19.71	58.50
	ESOP payable	1.29	37.49
Northern Arc Emerging Bond Fund	Investment in class B(FV)	523.18	524.28
	Fee income receivable	183.55	172.88
	Fund operating fee receivable	28.37	24.53
Bhavdeep Chandrakant Bhatt	Employee stock option (in units)	1,10,000	-
Ravi Vukkadala	Employee stock option (in units)	-	2,16,568
Kshama Fernandes	Employee stock option (in units)	8,11,037	4,38,666

13. FINANCIAL PERFORMANCE

Financial highlights of Northern Arc Investment Managers Private Ltd. for the last 2 years are given as under (based on the audited financial statements)

Statement of Profit and Loss (All amounts are in Indian Rupees in lakhs, unless otherwise stated)		
Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Revenue		
Revenue from operations		
Interest income	1,539.07	712.35
Fee and commission income	3,078.04	2,989.88
Net gain on fair value changes	-	121.54
Total revenue from operations	**4,617.11**	**3,823.77**
Other income	623.58	758.56
Total income	**5,240.69**	**4,582.33**
Expenses		
Finance costs	1,126.47	363.07
Fee and commission expense	641.54	918.40
Net loss on fair value changes	1,759.54	-
Employee benefit expenses	1,134.52	1,033.13
Depreciation and amortisation expense	-	0.12
Other expenses	1,259.86	1,250.20
Total expenses	**5,921.93**	**3,564.92**
Profit / (Loss) before tax	**(681.24)**	**1,017.41**
Tax expense		
Current tax	299.43	225.30
Adjustment of tax relating to earlier periods	-	25.49
Deferred tax charge / (credit)	(467.77)	48.62
	(168.34)	**299.41**
Profit / (Loss) for the year	**(512.90)**	**718.00**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of gain / (loss) for defined benefit plan	4.22	12.94
Deferred tax charge / (credit) on remeasurement of the defined benefit plan	(1.06)	(3.26)
Other comprehensive income for the year	**3.16**	**9.68**
Total comprehensive income / (loss) for the year	**(509.74)**	**727.68**
Earnings per equity share (Nominal Value - INR 100/ Share)		
Basic (in rupees)	(142.08)	198.89
Diluted (in rupees)	(142.08)	198.89

The company's detailed financial statements and annual reports are available on its website under the "Annual Report" tab at https://www.northernarcinvestments.com/statutory-compliances/

14. PERFORMANCE OF PORTFOLIO MANAGER

Portfolio Management performance of the portfolio manager for the last three years, and in case of discretionary portfolio manager disclosure of performance indicators calculated using 'Time Weighted Rate of Return' method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.

Disclosure of Performance of the Portfolio Manager for the last 3 years (Regulation 22(4)(e) of SEBI (Portfolio Managers) Regulations, 2020)

Sr. No.	Investment Approach	01.04.2022 to 31.03.2023	01.04.2023 to 31.03.2024	01.04.2024 to 31.03.2025
1	Northern Arc Income Builder Series A#	8.79%	10.1%	Matured
2	Northern Arc Income Builder Series B#	NA*	10.32%	10.09%
3	Northern Arc Credit Opportunities	-	NA*	10.74%

Note: #This series has completed its lifecycle (matured) and is no longer offered.
**One Year has not completed*

15. AUDIT OBSERVATIONS

There are no audit observations by Statutory Auditor of NAIMPLfor the preceding three Financial Years.

16. DETAILS OF INVESTMENTS IN THE SECURITIES OF RELATED PARTIES OF THE PORTFOLIO MANAGER

NIL

For Northern Arc Investment Managers Private Limited

Kshama Fernandes Non-Executive Director	KSHAMA FERNANDES Digitally signed by KSHAMA FERNANDES Date: 2025.12.29 18:15:16 +05'30'
Chaitanya Pande Non-Executive Director	CHAITANYA PANDE Digitally signed by CHAITANYA PANDE Date: 2025.12.29 17:55:20 +05'30'

Place: Mumbai
Date: December 29, 2025

FORM C

Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020
Regulation 22

Northern Arc Investment Managers Private Limited,

Registered Office Address:	Principal Place of Business Address:
10th Floor-Phase 1, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai 600113	604 & 605, 6th Floor, Wing A, Inspire BKC, G Block Road, Patthar Nagar, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra 400051

Phone: +91 022 6668 7500
Fax: +91 44 6668 7010
Email: im.pms@northernarc.com

We confirm that:

i) the Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020and 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 through the Portfolio Manager.

iii) the Disclosure Document has been duly certified by an independent chartered accountant- M/s Mukesh M. Gangar & Co., Chartered Accountants (Firm Registration no.106621W), F/15-16, Dadar Manish Market, 1st Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028. (Email ID: info@mgcgroup.in, Mobile no.: 8591357633) on December 29, 2025. A copy of the same is enclosed herewith.

Mayank Parmar

Mr. Mayank Parmar
(Principal Officer)
604 & 605, 6th Floor, Wing A, Inspire BKC, G Block Road, Patthar Nagar,
Bandra Kurla Complex, Bandra (East),
Mumbai, Maharashtra 400051

Date: December 29, 2025
Place: Mumbai

Mukesh M. Gangar & Co.

CHARTERED ACCOUNTANTS

F/15-16, Dadar Manish Market, 1st Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028.Email ID: info@mgcgroup.in, Cell no.: 8591357633

We hereby certify that the disclosures made in the enclosed Disclosure Document, prepared and forwarded by Northern Arc Investment Managers Private Limited in terms of the SEBI Circular No. SEBI/HO/IMD/IMD-RAC-3/P/CIR/2025/125 dated 9 September 2025 and the guidelines and directives issued by the Board from time to time, are true, fair and adequate to enable the investors to make a well informed decision.

This certificate is issued on the basis of the information and documents given/produced before us and on the basis of representations made by Northern Arc Investment Managers Private Limited.

Place:- Mumbai Date:- 29/12/2025	For Mukesh M. Gangar & Co. Chartered Accountants Mukesh M. Gangar Membership No: 034096 F No: 106621W UDIN:25034096SRTJGC5344

MUKESH M. GANGAR & CO.
MANISH MARKET
DADAR (W)
MUMBAI - 28.
CHARTERED ACCOUNTANTS