

Date: 15/04/2026

To,  
DGM, Investment Management Department, Division of Funds  
Securities and Exchange Board of India,  
SEBI Bhavan, Plot No. C4-A, "G" Block  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051



Re: Filing of Disclosure Document of the Portfolio Manager

Respected Madam,

Milestone Capital Advisors Private Limited ("Milestone") is registered with SEBI as a portfolio manager under the SEBI (Portfolio Managers) Regulations, 1993 ("PMS Regulations") with registration No. INP000002643.

Pursuant to Regulation 14(2)(d) of the PMS Regulations, Milestone is hereby filing with the Board, a copy of the Disclosure Document.

Please find annexed with this letter, a copy of the Disclosure Document along with the certificate from an independent chartered accountant certifying the contents of the Disclosure Document.

Should you need any further information or clarification, please feel free to contact us.

Yours sincerely,  
For Milestone Capital Advisors Private Limited

  
Authorized Signatory



## DISCLOSURE DOCUMENT

*(As required under Regulation 22 read with Schedule V of SEBI (Portfolio Managers) Regulations, 2020)*

- (i) The Disclosure Document (hereinafter referred to as 'the Document') has been filed with the Securities and Exchange Board of India (SEBI) along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- (ii) The purpose of the Document is to provide essential information about the Portfolio Management Services (PMS) in a manner to assist and enable the investors in making informed decision for engaging a Portfolio Manager.
- (iii) The Document gives the necessary information about the Portfolio Manager required by an investor before investing, and the investor may also be advised to retain the document for future reference.
- (iv) All the Indian intermediaries involved in the scheme are registered with SEBI as on the date of the document. Foreign Intermediaries are registered with their respective regulatory authorities.
- (v) Details of the Principal Officer
  - Name: Mr. Mihir Parikh
  - Address: Milestone Capital Advisors Private Limited  
CoWrks Worli, PS56, 3rd Floor, Birla Centurion,  
Century Mills Compound,  
Pandurang Budhkar Marg,  
Worli, Mumbai – 400 030
  - Phone: 022-62886120
- (vi) E-mail: [compliance@milestonecapital.in](mailto:compliance@milestonecapital.in)

This Disclosure Document is dated March 31, 2026

**Portfolio Management Services  
Milestone Capital Advisors Private Limited  
SEBI Registration No. INP000002643**

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# 1 Disclaimer

This Disclosure Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 as amended from time to time and filed with SEBI. This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the Document.

## 2 Definitions

2.1	Act	The Securities and Exchange Board of India Act, 1992 (15 of 1992).
2.2	Client	anybody corporate, partnership firm, individual, HUF, association of person, body of individuals, trust, statutory authority, or any other person who enters into agreement with the Portfolio Manager for the management of his portfolio.
2.3	Company /(s)	The entities of which the Securities are contemplated to be acquired including equity shares, compulsorily convertible / optionally convertible /,non-convertible debentures by the Portfolio Manager and in any other entities in which the Portfolio Manager is permissible to deal with in accordance with the Regulations
2.4	Depository Account	means any account of the client or for the client with an entity registered as a depository participant with the relevant regulations
2.5	Discretionary Portfolio Manager	A Portfolio Manager who exercises or may, under a contract relating to portfolio management, exercises any degree of discretion as to the investments or management of the portfolio of securities or the funds of the client, as the case may be.
2.6	Financial year	Means the year starting from April 1 and ending on March 31 of the following year.
2.7	Funds	means the monies managed by the portfolio manager on behalf of the client pursuant to the portfolio management agreement and includes the monies mentioned in the application form, and any further monies placed by the client with the Portfolio Manager for being managed pursuant to the portfolio management agreement, the proceeds of the sale and or other realization of the portfolio and interest, dividend, or other monies arising from the assets so long as the same is being managed by the portfolio manager.
2.8	Non-Discretionary Portfolio Manager	a Portfolio Manager who manages the funds in accordance with the directions of the client.
2.9	Initial Corpus	means the value of funds and market value of readily realizable investment brought in by the client at the time of registering as a client with the portfolio manager and as accepted by the portfolio manager
2.10	Portfolio Management Services Agreement	includes contract entered between the Portfolio Manager and the client for the management of funds or securities of the client.
2.11	Portfolio	means the securities managed by the portfolio manager on behalf of the client pursuant to the portfolio management agreement and includes the monies mentioned in the application, and any further monies placed by the client with the Portfolio Manager for being managed pursuant to the portfolio management agreement, securities acquired by the portfolio manager through investments of funds and bonus and right shares in respect of securities forming a

		part of the portfolio, so long as the same is being managed by the portfolio manager.
2.12	Portfolio Manager	means Milestone Capital Advisors Private Limited (“MCAP”), a Company incorporated under the Companies Act, 1956 and having its registered office at PS 56, Cowrks Worli, Birla Centurion, Pandurang Budhkar Marg, Worli, Mumbai – 400 030.
2.13	Rules	The Securities and Exchange Board of India (Portfolio Managers) Rules and as may be amended by SEBI from time to time.
2.14	Regulations	The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, and as may be amended by SEBI from time to time.
2.15	Series	means any of the current investment Series or such Series as may be introduced at any time in future by the portfolio manager.
2.16	SEBI / Board	the Securities and Exchange Board of India.
2.17	Securities	‘Securities’ as per Securities Contracts (Regulation) Act, 1956 include shares, scrips, stocks, bonds, convertible and non convertible debentures, debenture stock, fixed return investments, equity linked instruments, negotiable instruments, money market instruments, commercial paper, certificate of deposits, units issued by Unit Trust of India (including venture capital fund) and/ or any other Mutual funds, mortgaged backed or any other asset backed securities, derivatives, derivative instruments, options, futures, foreign currency commitments, hedges, swaps or netting off and any other securities issued by any Company or any other body corporate, any trust, any entity, Central Government, any State Government, or any local or statutory authority and all money rights or property that may at any time be offered or accrue (whether by rights, bonus, redemption, preference, option or otherwise) and whether in physical or dematerialized form in respect of any of the foregoing or evidencing or representing rights or interests therein, and any other instruments or investments (including borrowing or lending of securities) as may be permitted by applicable law from time to time.

## 3 Description

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

Milestone Capital Advisors Private Limited (MCAP) is a private limited company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at PS 56, Cowrks Worli, Birla Centurion, Pandurang Budhkar Marg, Worli, Mumbai – 400 030.

The paid-up equity share capital of the Portfolio Manager is Rs. 8.53 crores. Milestone Fincap Services Private Limited holds 73% of the equity capital of the Portfolio Manager.

MCAP has been appointed as the Investment Advisor to three schemes of Milestone Real Estate Fund, which is a Venture Capital Fund registered with SEBI.

MCAP has obtained Certificate of Registration as Portfolio Manager from SEBI effective 20 March, 2017 with Registration No. INP000002643. The said registration certificate has been renewed by SEBI and the registration is valid till it is suspended or cancelled by the Board. Promoters of the Portfolio Manager, directors and their background

#### 3.1.1. Promoter

##### **“Milestone Fincap Services Private Limited (MFSP)”**

MFSP is the holding company of Milestone Group, which is an independent business formed in 2006 to manage investments for Indian & global investors, across various asset classes in India.

Milestone’s investors consist of institutions, family offices, government organizations, and high net worth individuals in India and abroad. The Milestone business attributes its success to constantly listening to investors and responding to their needs with innovative investor friendly products. The Milestone business continues to develop based on a platform of research, investor feedback and need structuring.

##### Board of Directors

##### Independent Directors:

##### (i) **Nawshir D. Khurody**

- Executive career largely with the Tata Group.
- Managing Director of Voltas Limited -1997-2001.
- Independent Director of several companies, including HSBC Asset Management Limited (2001-Sept 2008), AFCONS Infrastructure Limited.
- MA (Econ. Hons)-Trinity College, Cambridge.

##### (ii) **Raj Narain Bhardwaj**

- Ex-Member, Securities Appellate Tribunal, Govt. of India.
- Ex-Managing Director / Chairman of Life Insurance Corporation of India.
- Director, Samvridhi Advisor Pvt. Ltd.
- Member of Board of Directors of various companies including SBI Life Insurance Company Limited, Reliance Communications Limited, Reliance Infratel Ltd., Jai Prakash Associates Ltd,

Jaiprakash Power Ventures Ltd., Invent Assets Securitisations and Reconstruction Pvt Ltd., Religare Invesco Trustee Company Ltd. etc

- B.A. (Hons), MA (Economics), Delhi School Economics.

**(iii) V. K. Chopra**

- Ex Whole Time Member of Securities and Exchange Board of India for two years till March 2008.
- 37+ years of banking experience
- Ex-Chairman and Managing Director of Corporation Bank and SIDBI,
- Ex Executive director of Oriental Bank of Commerce.
- Independent Director on the Board of number of Companies such as India Infoline Finance Limited, PNB Metlife India Insurance Company Limited, Future Value Retail Limited, Reliance Capital Pension Fund Limited, , Rolta India Limited, Dewan Housing & Finance Limited, , Future Capital Financial Services Limited, Havells India Limited, , Invesco Asset Management (India) Private Limited, , Pegasus Assets Reconstruction Private Limited etc

Non- Independent Directors:

**(iv) Ms. Rubi Arya**

- Ms. Rubi Arya is the Executive Vice Chairperson of Milestone Capital Advisors Private Limited, which is one of India's first independent real estate investing platforms, having invested and exited 9 funds in sectors such as real estate, education & healthcare and precious metals. Milestone has the distinction of launching India's first private REIT like fund and has complete life cycle experience of managing and exiting 57 investments pan India focused on real estate development, commercial office, warehousing and affordable housing projects.
- Prior to Milestone Capital Advisors Private Limited she has several years of rich and diversified experience in services, FMCG, consulting and manufacturing industries. A known veteran in the field of People Change Management, she has worked for leading companies such as Asian Paints, PricewaterhouseCoopers. Ms. Rubi Arya has set high standards in HR systems policies by strategic thinking and excels in HR processes;
- Ms. Rubi Arya has done PGDPM IR from XLRI, Jamshedpur and BE (Electronics) from BITS MESRA.
- Other directorships are with IL&FS Milestone Realty Advisors Private Limited, Milestone Strategy Consultants Private Limited etc.

**(v) Mr. Ashwein Arya**

- Mr. Ashwein Arya is a career banker having spent several years in the various roles in banking industry. He was Director, FICC sales (Fixed Income, Currency and Commodities) with The Royal Bank of Scotland (formerly ABN Amro Bank).

- He was actively involved in handling corporate relationships, structured trade finance, Bullion trading & providing risk solutions to the corporates for the bank. Apart from this he also handled bullion marketing during a short stint at Bank of Nova Scotia.
- Mr. Ashwein Arya is an MBA from IIFT, Delhi and a B. Tech (civil engineering) from NIT Warangal, Andhra Pradesh.
- Other directorships are with Milestone Fincap Services Private Limited.

### **3.2 *Top 3 Group companies/firms of the Portfolio Manager in India on turnover basis***

1. Milestone Finvest Limited
2. Milestone Fincap Services Private Limited
3. IL&FS Milestone Realty Advisors Private Limited

*(The above are the top 3 Group companies in India based on turnover, however they are not listed as per turnover)*

### **3.3 *Details of the services being offered: Discretionary/ Non-discretionary/ Advisory.***

The Portfolio Manager offers Discretionary, Non – discretionary and Advisory services as per Individual Client Agreement.

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

### **4.1 All cases of penalties imposed by the SEBI or directions issued by SEBI under the Act or Rules or Regulations made thereunder. The nature of the penalty/direction. Penalties imposed for any economic offence and/ or for violation of any securities laws**

No penalties have been imposed on the Portfolio Manager by SEBI and no directions have been issued by SEBI under the Act or Rules or Regulations made thereunder for FY-2025-2026. There are no penalties imposed on the Portfolio Manager for any economic offence and / or for violation of any securities laws.

### **4.2 *Any pending material litigation / legal proceedings against the Portfolio Manager / key personnel with separate disclosure regarding pending criminal cases, if any.***

There are no pending material litigation / legal proceedings or criminal cases against the Portfolio Manager / key personnel.

### **4.3 *Any deficiency in the systems and operations of the Portfolio Manager observed by SEBI or any regulatory agency.***

No deficiency has been observed by SEBI or any other regulatory agencies during this period.

**4.4 *Any enquiry/ adjudication proceedings initiated by SEBI against the Portfolio Manager or its directors, principal officer or employee or any person directly or indirectly connected with the Portfolio Manager or its directors, principal officer or employee, under the Act or Rules or Regulations made thereunder.***

There are no pending enquiry/ adjudication proceedings initiated by SEBI against the Portfolio Manager or its directors, principal officer or employee or any person directly or indirectly connected with the Portfolio Manager or its directors, principal officer or employees, under the Act or Rules or Regulations made thereunder.

The above information has been disclosed in good faith as per the information available to the Portfolio Manager.

## 5 Services Offered

The Portfolio Manager offers the following three types of services:

- 5.1 Discretionary – *the portfolio account of the client is managed at the full discretion and liberty of the Portfolio Manager.*
- 5.2 Non - Discretionary – *the portfolio, which the Portfolio Manager manages in accordance with the directions and permission of the client.*
- 5.3 Advisory – *the client is advised on buy/ sell decision within the overall risk profile without any back-office responsibility for trade execution, custody or accounting functions.*
- 5.4 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.
- 5.5 **Investment Objective**

The investment objective is to seek capital appreciation over the long term. The endeavour is wealth creation through long term compounding.

### **PMS Portfolio – Discretionary Portfolio Management Services**

#### **A. Milestone Real Estate High Yield Debt Series**

##### *Investment Objective:*

The investment objective of the Portfolio Manager under its PMS is to provide superior and consistent risk adjusted returns for the Client. The Portfolio Manager may invest primarily in debt instruments including non-convertible debt Securities/instruments, listed debt securities/instruments, partially convertible debt securities/instruments, compulsory convertible debt securities/instruments or other form of debt including debt with equity linked returns and equity or equity linked Securities/instruments and/or any other Securities permissible under Applicable laws of Portfolio Entities primarily engaged in Real Estate Projects. The Portfolio Manager would seek to generate capital appreciation as well as returns on Client's capital by such investments.

The focus of the Portfolio Manager is to acquire securities of entities with residential projects through a prudential mix of structured debt and equity/equity linked instruments with objective of primary earning interest income. The objective of the Portfolio Manager is to generate superior and consistent risk adjusted returns through engaging in acquisition of securities of Portfolio Entities either in complete residential projects or mixed used projects with a dominant residential component. The Portfolio Manager will leverage its experience and relationship to identify trends and take advantage of these trends by partnering with like-minded developers. Residential projects, being self-liquidating assets, offer higher level of certainty of exit to the investors.

*Investment Strategy:*

The Portfolio Manager will primarily engage in acquiring Securities of Companies in residential projects in key growth geographies located in the target markets, including but not limited to:

- Bengaluru,
- Chennai,
- Mumbai Metropolitan Region (MMR),
- National Capital Region (NCR) and
- Pune
- Kolkata
- Hyderabad
- Ahmedabad

These identified target markets are the key drivers as well as beneficiaries of economic growth and rise in disposable incomes. A favorable demographic scenario including rising income levels, growing middle class and desire to stay in nuclear families creates a strong growth enabler for residential real estate in these markets. The increased demand for residential projects in these target markets will also result in developers seeking funds for their projects.

As a part of investment strategy, the Portfolio Manager with respect to Milestone Real Estate High Yield Debt Series will invest in the Companies alongside some other funds/vehicles/entities of which the Portfolio Manager is also an investment manager/advisor.

- 5.6 The policies for investments in associates/ group companies of the Portfolio Manager and the maximum percentage of such investments therein would be subject to the applicable laws /regulations/ guidelines.

Subject to the applicable laws/regulations/ guidelines, MCAP may invest up to 30% of assets under management in any of its associate or group companies.

## 6 Risk Factors

### **General Risk Factors applicable to all Portfolios:**

- 6.1 Securities investments are subject to market risk and there is no assurance or guarantee that the objectives of the Portfolio will be achieved.
- 6.2 Past performance of the Portfolio Manager does not indicate the future performance of the same Portfolio or performance of any other future portfolio(s) of the Portfolio Manager.
- 6.3 The investments made by the Portfolio Manager are subject to risks arising from the investment objective, investment strategy and asset allocation.
- 6.4 The investments made by the Portfolio Manager are subject to risks arising out of non- diversification etc.
- 6.5 Securities investments are subject to market and other risks and there can be no guarantee in any of the Portfolios mentioned in this Disclosure Document against loss resulting from investing in the Portfolio(s) of the Portfolio Manager. The various factors which may impact the value of the Portfolios' investments include, but are not limited to, fluctuations in the equity and bond markets, fluctuations in interest rates, prevailing political and economic environment, changes in government policy, factors specific to the issuer of the securities, tax laws, liquidity of the underlying instruments, changes in the real estate market etc.
- 6.6 Investment decisions made by the Portfolio Manager may not always be profitable.
- 6.7 The tax benefits described in this Disclosure Document are as available under the present taxation laws and are available subject to conditions. The information given is included for general purpose only and is based on advice received by the Portfolio Manager regarding the law and practice in force in India and the investors should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Portfolio will endure indefinitely. In view of the individual nature of tax consequences, each investor is advised to consult his/ her own professional tax advisor.
- 6.8 Prospective investors should review / study this Disclosure Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale or conversion into money) of Portfolio and to the treatment of income (if any), capitalisation, capital gains, any distribution, and other tax consequences relevant to their portfolio, acquisition, holding, capitalisation,

disposal (sale, transfer or conversion into money) of portfolio within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to purchase/gift portfolio of securities are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding portfolio of securities before making an investment.

- 6.9 Investments are subject to certain risks viz. limited liquidity in the market, settlement risk, impeding readjustment of portfolio composition, highly volatile stock markets in India etc. Such loss could arise due to factors which by way of illustration, include, default or non-performance of a third party, company's refusal to register a security due to legal stay or otherwise, disputes raised by third parties. Mis-judgment by the Portfolio Manager or his incapacitation due to any reason however remote is also a risk. Thus the investment in Indian capital markets involves above average risk for investors compared with other types of investment opportunities. Investments will be of a longer duration compared to trading in securities. There is a possibility of the value of investment and the income there from falling as well as rising depending upon the market situation. There is also risk of total loss of value of an Asset, possibilities of recovery of loss in investments only through legal process.
- 6.10 The investments made are subject to external risks such as war, natural calamities, policy changes of Local / International Markets which affects stock markets.
- 6.11 Any policy change / technology change / obsolescence of technology would affect the investments made in a particular industry.
- 6.12 The Client has perused and understood the disclosures made by the Portfolio Manager in the Disclosure Document before entering into any Agreement.
- 6.13 The Portfolio Manager is neither responsible nor liable for any losses resulting from the operations of the Portfolios.
- 6.14 Clients are not being offered any guarantee / assured returns.
- 6.15 Changes in Applicable Law may impact the performance of the Portfolio.

**Risk factors :**

- I. Political and Social Risks: The value of the investments may be adversely affected by potential political, legal, economic and social uncertainties in India such as the possibility of nationalization, expropriations, confiscatory taxation, political changes, terrorism, Government regulation, social instability, diplomatic disputes, regional conflicts or other similar developments. The Indian market and the Indian economy are in turn influenced by economic and market conditions in other countries, and financial instability in other countries may cause increased volatility in Indian financial markets. Although economic conditions are different in each country, investors' reactions to

developments in one Asian country may have adverse effects on the securities of companies in other countries, including India.

- II. Government Approvals:** Certain Indian governmental approvals are required to be obtained to make investments. It is likely that such approvals may not continue in the future and though the Portfolio Manager expects the existing approvals to continue, the Portfolio Manager cannot be certain that these approvals will so continue. If policy announcements or regulations are made subsequent to this offering, which warrant retrospective changes in the structure or operations, these may adversely impact the performance of the Portfolio.
- III. Legal Considerations:** Many of the fundamental laws in India have only recently come into force, which increases the risk of ambiguity and inconsistency in their application, interpretation and enforcement. This risk is additionally increased as adequate procedural safeguards have often not been developed. Due to the developing nature of the Indian legal and regulatory system, laws often refer to regulations which have not yet been introduced, leaving substantial gaps and the regulatory framework is often poorly drafted and incomprehensible. These uncertainties can lead to difficulties in obtaining or renewing necessary licenses or permissions and can lead to substantial delays and costs for the companies subject to them, all of which can ultimately adversely affect the performance of the Portfolio. Changes in laws and regulations (or in the interpretation thereof) occurring from time to time in India are possible and may worsen the legal and tax constraints within which the Portfolio PMS will operate and, as a result, may require structuring and financing alternatives to be identified and implemented and lead to increased legal costs and reduced returns. In particular, tax laws and regulations or their interpretation may change and there can be no assurance that the structure of the Portfolio Investments will be tax efficient. Further, India is subject to rapid changes in legislation, many of which are extremely difficult to predict. Existing laws are often applied inconsistently and new laws and regulations, including those which purport to have retroactive effect, may be introduced with little or no prior consultation.
- IV. Investment and Repatriation Restrictions:** Foreign investment in, and liquidation of securities of, Indian companies may be restricted or controlled in certain circumstances. Investments in and exits from Indian Portfolio Companies may require the approval of the RBI and/or other governmental entities. Sale of securities by a person resident outside India to another person resident outside India, may also require the prior approval of government entities and the RBI. Further, investments in the Portfolio Companies may also require the approval of the government of India through the Foreign Investment Promotion Board in certain circumstances. Such restrictions may limit or preclude foreign investment or exit or increase the costs and expenses of the Portfolio.
- V. Litigation Risk:** The Portfolio Investments may be governed by a complex series of legal documents and contracts. As a result, the risks of a dispute over interpretation or enforceability of the documentation and consequent costs and delays may be higher than for other types of investments. In addition, there may be claims by third parties

(either public or private). If any of the Portfolio Investment becomes involved in material or protracted litigation, the litigation expenses and the liability threatened or imposed could have a material adverse effect on the Portfolio.

- VI. Enforcement Risk:** While Indian laws provide for specific performance of contractual obligations as well as claims for damages in the event of breach of contract, laws regarding the rights of creditors are generally significantly less developed in India than in the other developed countries and may be less protective of rights and interests. It may be difficult to obtain swift and equitable enforcement of such laws or to obtain enforcement of a judgment in a local court.
- VII. Enforcement of Foreign Awards in India:** Indian legal system has certain limitations in respect of enforcement of foreign awards in India. Courts in India may not enforce a provision of securities laws of any jurisdiction that is either penal in nature or contrary to public policy. An action brought pursuant to a public or penal law, the purpose of which is the enforcement of a sanction, power or right at the instance of the state in its sovereign capacity, is unlikely to be entertained by Indian courts. Specified remedies available under any jurisdiction, if they are considered to be contrary to Indian public policy, would not be available under Indian law or enforceable by Indian Courts. Further, foreign judgments rendered by a superior court in any country or territory outside of India may only be recognized in India if such territory has been notified and/or declared to be a reciprocating territory by the Government of India. The enforceability of such judgments is subject to certain exceptions under the Civil Procedure Code as regards its conclusiveness on any matter directly adjudicated upon.

If a judgment of a foreign court is not enforceable, a suit would have to be filed based on the judgment. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under the Foreign Exchange Management Act, 1999, as amended, to repatriate any amount recovered pursuant to such enforcement. Any judgment in a foreign currency would be converted into Indian rupees on the date of judgment and not on the date of payment.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with public policy or practice in India. It is difficult to predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to untimely delay.

Since, the level of legal and regulatory protections customary in countries with developed securities markets to protect investors and securities transactions, and to ensure market discipline, may not be available in India, enforcement of civil rights under the laws of a jurisdiction other than India may be adversely affected considering that they may have significant assets in India and the enforcement of the rights against such assets in India will be subject to the delays and other limitations of the Indian judicial system.

- VIII. Regulatory Risk:** The value and marketability of the Portfolio Investments may be affected by changes or developments in the legal and regulatory climate in India. SEBI regulates the securities market in India and legislates from time to time on matters affecting the stock market. SEBI has issued regulations that affect investment in India including regulations on takeovers, preferential allotments of shares and insider dealing. The regulations affect the pricing, cost of a transaction and the ability to conduct due diligence. SEBI and/or the Indian Ministry of Finance may make changes to regulations which could affect the ability of the Portfolio to make, or exit, Portfolio Investments.
- IX. Government Regulation and Information Flow:** In cases where the investments are made in privately held companies that are in the IPO or pre-IPO stage, such privately held companies generally maintain less comprehensive financial information than listed companies. There is substantially less publicly available information about Indian privately held unlisted companies than there is in other markets which may adversely affect realisations.
- X. Liquidity:** The Indian securities markets are smaller and potentially more volatile than securities markets in more developed economies, and the Indian securities markets could experience problems that could affect the market price and liquidity of the securities of Indian companies.
- XI. Inflationary Pressures in India:** Inflation in India has recently risen to very high levels. High inflation may lead to the adoption of corrective measures designed to moderate growth, regulate prices of staples and other commodities and otherwise contain inflation, and such measures could inhibit economic activity in India and thereby possibly adversely affect the investments.
- XII. Deflationary Pressures Globally and in India:** Although neither India nor the global economy as a whole has experienced excessively low relative inflation over the last 10 years, there is no assurance that inflation rates in India or globally will not decrease below zero percent annually. Negative inflation, or deflation, in India or globally, could inhibit economic activity and thereby possibly adversely affect the investments.
- XIII. Quality of Infrastructure:** India faces substantial problems owing to the lack of, or inadequate condition of, physical infrastructure and poor environmental standards, including, but not limited to, in the sectors of electricity (both generation and transmission), transport, communication, water, sewage and healthcare. The lack, or inadequate condition, of physical infrastructure damages the Indian economy, disrupts the transportation of goods and supplies, increases the cost of doing business, can interrupt business operations and, in general, has an on-going adverse impact on the ability to manage and grow businesses in India.
- XIV. Regulatory and Accounting Practices:** Accounting, auditing, disclosure and regulatory standards applicable to India differ from other developed countries and in some

respects may be less stringent and there may be less information available about Portfolio Investments.

**XV. Real Estate/Commercial Assets Returns Risk:** Real estate/commercial assets historically have experienced significant fluctuations and cycles in value and market conditions may result in reductions in the value of Portfolio Investments. The returns available from such Portfolio Investments depend to a large extent on the amount of income earned and capital appreciation generated by the relevant properties as well as expenses incurred. If properties do not generate revenues sufficient to meet operating expenses, including debt service (if any) and capital expenditure, the income from the investments will be adversely affected. Income from properties may be adversely affected by factors beyond the control of the Portfolio Manager including changes in the general economic climate, local conditions such as oversupply of properties or a reduction in demand for properties, the attractiveness of the properties to tenants, the quality and philosophy of management, competition from other available properties, and increased operating costs (including real estate taxes). Other factors which may adversely affect the income include the promulgation and enforcement of governmental regulations relating to land-use and zoning restrictions; environmental protection and occupational safety; unavailability of mortgage funds that may render the sale of a property difficult; the financial condition of buyers and sellers of properties; changes in real estate tax rates and other operating expenses; the imposition of rent controls or tenants' rights to new leases, energy shortages, supply shortages, risk of adverse political or social developments, including nationalization, expropriation of assets, confiscatory taxation, economic or political instability, acts of terrorism and war; various uninsured or uninsurable risks and acts of God, natural disasters and uninsurable losses. In addition, income from properties and real estate values also are affected by such factors as the cost of regulatory compliance, interest rate levels and the availability of financing. The investment income would be adversely affected if a significant number of tenants were unable to pay rent or its properties could not be rented on favorable terms. Certain significant expenditures associated with each equity investment in real estate/commercial assets (such as external financing costs, real estate taxes and maintenance costs) generally are not reduced when circumstances cause a reduction in income from the property.

- (i) **Land Acquisition Risk:** The right to own property in India is subject to restrictions that may be imposed by the Government of India. Particularly, the government has the right to acquire any land or a part thereof if such acquisition is for a "public purpose" after paying the owner some compensation. However, this compensation may not be the rate that such a property might have obtained had it been sold in the market.
- (ii) **Land Laws Risk:** In India, certain lands are designated as agricultural lands, on which only agricultural activities may be carried out. To carry out non-agricultural activities, prior permission is required from the local authorities, the grant of which is discretionary in nature. Various Indian states do not permit use of agricultural land for non-agricultural purposes and thus in such cases approval may be denied altogether. Therefore, if the Portfolio Investments that plan to carry out non-agricultural activities on agricultural land, and if such a Portfolio Investment is unable to obtain relevant

authorisation then it is likely this will have a substantial negative impact on the value of the Portfolio Investment.

- (iii) **Taxes and Fees Risk:** Real estate in India is subject to various local and municipal taxes and fees in addition to the central and state level taxes and fees. Those taxes and fees may be substantial and are subject to change. Increase in taxes and fees after a Portfolio Investment is made have a substantial negative impact on the value of the Portfolio Investment.
- (iv) **Zoning and Land Use Risk:** Land use in India is subject to various municipal legislation and zoning laws which sometimes contradict each other or are subject to revision and change from time to time. Therefore, Portfolio Investments may be adversely impacted by such restrictions, reducing the value of such Portfolio Investments.
- (v) **Rent Control Risk:** If Portfolio Investments are governed by the Transfer of Property Act, 1882 (a central legislation), there would be no restrictions on the returns that the Portfolio may obtain from leasing out such property. However, in India, various states have enacted rent control laws, which, among other things, place restrictions on the amount of monthly rent that may be collected from tenants and stipulates standard rent and permitted increases which is substantially lower than market rent for leases. In the event the Portfolio Investments come under the purview of rent control laws, the performance of the Portfolio Investment may be adversely impacted.
- (vi) **Property Litigation Risk:** Property litigation in India is generally very time consuming, complicated and cumbersome. If any of the Portfolio Investments are subject to litigation, there could be an adverse impact on the investment.
- (vii) **Risks in relation to Title Investigation and Lack of Title Insurance:** Registration of title documents have not been computerized in many parts of the country, and hence title investigations are often cumbersome and there are significant risks in relation to ensuring that the issuers of the assets possess good and marketable title to real estate assets. Additionally, certain interests which could have priority over registered interests, but are not required to be registered under law (such as right of unborn children, pre-emption rights, right of divorced spouse over sale proceeds of real property) may not be discovered at the time of Portfolio Investments. Whilst due diligence will be carried out on the real estate assets of the Portfolio Investments, no formal title insurance policies, as are available in the developed economies, are available in India. Hence it is not possible for those Portfolio Investments to obtain any form of title insurance.

## **XVI. Investment Risks related to Investments in Equity:**

- (i) **Investment in Equity Shares:** Equity shares of a company entitle the holder to a pro rata share of the profits of the company, if any, without preference over any other shareholder or class of shareholders, including holders of that company preference shares, or other senior equity. Equity share usually carries with it the right to vote and

frequently an exclusive right to do so. Equity shares do not represent an obligation of the issuer, and do not offer the degree of protection of debt securities. The issuance of debt securities or preference shares by an issuer will create prior claims which could adversely affect the rights of holders of equity shares with respect to the assets of the issuer upon liquidation or bankruptcy. The market price for convertible bonds, which are typically bonds offering a stated interest rate that are convertible into equity shares at a specified price or conversion ratio, will tend to fluctuate in relationship to the price of the equity shares into which they are convertible.

- (ii) **Private Equity Risk:** Private equity investments involve a high degree of business and financial risk and can result in substantial or complete losses. Some Portfolio Companies may be operating at a loss or with substantial variations in operating results from period to period and may need substantial additional capital to support expansion or to achieve or maintain competitive positions. Such Portfolio Companies may face intense competition, including competition from companies with greater financial resources, extensive development, production, marketing and service capabilities and a larger number of qualified managerial and technical personnel. The Portfolio Manager can offer no assurance that the marketing efforts of any particular Portfolio Company will be successful or that its business will succeed.

#### **XVII. Other Investment Risks applicable to Portfolio Investments:**

- (i) **Limited Liquidity of Investment Instruments:** Some of the Portfolio Investments made by the Fund may be in unlisted companies, whose securities should be considered illiquid, and as a result there will be no readily available secondary market for the interests in such Portfolio Companies, and those interests will be subject to legal restrictions on transfer. Moreover, these unlisted companies are not regulated by the same disclosure and investment protection norms that apply to listed companies.
- (iii) **Long Term Nature of Investments:** The investment opportunity under this is intended only for those investors who understand the long term nature of the Portfolio Investments. Instruments used to execute Portfolio Investments, such as debt, equity and options, warrants and other instruments, will be illiquid and are unlikely to have realizable value for a lengthy period of time. Further, the costs of disposing of shares in a privately held company may be substantial.
- (ii) **Portfolio Risk:** The investments may spread by geographic region or asset type with varying exit horizons. Poor performance by even a few of these investments could lead to adverse effects on the overall returns. There could be significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.
- (iii) **Small Company Risk:** In case of investments in securities of small or medium-size companies, there is a risk that such Portfolio Investment would be more susceptible to market downturns and the prices of which may be more volatile than Portfolio Investment in larger companies. Smaller companies generally have narrower markets

and more limited managerial and financial resources than larger, established companies.

- (iv) **Indian Securities Market:** Some of the Portfolio Companies being companies, may eventually have their securities listed on an Indian or overseas stock exchange as a means of creating liquidity for that investment. Stock markets are volatile and may decline significantly in response to adverse issuer, political, regulatory, market or economic developments. Different parts of the market and different types of equity securities may react differently to these developments. For example, small cap stocks may react differently than large cap stocks. Issuer, political or economic developments may affect a single issuer, issuers within an industry, sector or geographic region, or the market as a whole. Securities listed on Indian stock exchanges may have low market capitalization and trading volume. Factors like these could adversely affect the investments.
- (v) **Due Diligence Risk:** The Portfolio Manager intends to conduct due diligence to the extent it deems reasonable and appropriate based on the facts and circumstances applicable to each investment and will discuss any material issues raised by the due diligence process. The objective of the due diligence process will be to identify attractive investment opportunities based upon the facts and circumstances surrounding an investment. When conducting due diligence, the Portfolio Manager will evaluate a number of important issues in determining whether or not to proceed with a Portfolio Investment. These issues will vary depending on the kind of investment opportunity presented, but may include business, financial, tax, accounting and legal issues. The Portfolio Manager will be required to rely on outside resources for the conduct of due diligence, including information provided by the target of the investment and, in some circumstances, third party investigations, and there can be no assurance that the information provided will be accurate or complete. In case of Portfolio Investments which are listed, the Portfolio Manager may not be able to conduct a detailed due diligence exercise as one is not permitted to trade based on price sensitive exercises and due diligence may be restricted only to the extent the information is available in public domain. Furthermore, for certain investments, only limited information may be available. In light of the foregoing, there can be no assurance that the due diligence investigations undertaken by the Portfolio Manager will reveal or highlight all relevant facts that may be necessary or helpful in evaluating a particular investment opportunity. In particular, the Portfolio Manager may not conduct due diligence in certain areas, including, for example, environmental due diligence or pending litigation in all courts across India (which is not commonly conducted in India). If the Portfolio Manager's due diligence investigation does not reveal a material fact that impacts the valuation of a particular investment, the overall rate of return on its Portfolio Investments could be materially adversely affected.
- (vi) **Possibility of Failure of Realization Plans:** The Portfolio Manager shall frame a realisation plan for Portfolio Investments prior to their acquisition. Implementation of the plan might entail cash realisation over a period of time. The quantum and timing of the cash flows to the investors would depend on the success of such plans. Further, to enable recovery, the plans that may have been framed / implemented might be partially or substantially or completely modified subsequently. Such modifications in the plans

would impact both the quantum and the timing of the cash flows. There is a possibility that the plans may not ultimately be viable. Such plans may fail partially or fully on account of various factors, including but not limited to defaults by Portfolio Companies, failure to enforce the security etc.

- (vii) Illiquidity of Portfolio Investments due to corporate actions: The profitability of the investment is largely dependent upon the liquidity of our Portfolio Investments. There could be potential risks on account of the illiquidity of any of its Portfolio Investments, which may arise from time to time, on account of various statutory or regulatory restrictions or restrictions pursuant to corporate actions undertaken by the Portfolio Companies which may include restrictions on transferability of the securities of such Portfolio Companies pursuant to applicable law. Any such restrictions on the disposition of the Portfolio Investments may disrupt the profitability and have an adverse effect on the net asset value of the investment.
- (viii) Valuation: As the Portfolio Investments may not be in listed securities, ascertaining the value of the same may prove difficult. Therefore, valuations of Portfolio Investments are inherently subjective to a certain extent. There may be no public market for the securities of the Portfolio Companies, being companies. Thus, portfolio valuation inherently is highly subjective and imprecise. In establishing the value of the Portfolio Investments, accounting firms, investment banks and other consulting firms, when needed, may be consulted to assist with the valuation of Portfolio Investments. The value set by the Portfolio Manager may not reflect the price at which the investor could dispose of its interests in a particular Portfolio Companies at any given time.
- (ix) Availability of Insurance against Certain Catastrophic Losses: Certain losses of a catastrophic nature, such as wars, earthquakes, typhoons, terrorist attacks or other similar events, may be either uninsurable or insurable at such high rates that to maintain such coverage would cause an adverse impact on the related Portfolio Investments. If a major uninsured loss occurs, the investment could lose both the Portfolio Investment and anticipated profits from such affected Portfolio Investment and thereby it could result in adverse impact on the returns of the investors.

**XVIII. Distributions in kind:** distributions by the Portfolio Manager may be in kind and, upon liquidation of the Portfolio, could consist of securities or other properties for which there is no readily available public market. Some distributions may include securities listed with an Indian stock exchange but may suffer from low trading volumes and low market capitalization at the time of intended disposal. There can be no assurance that the listing of these securities will provide a viable exit mechanism. In addition, there can be no assurance that an investor will be able to dispose of any property or securities distributed in kind and therefore receive a return on capital or recover its capital contributed to the Portfolio Manager.

## 7 Complete disclosure in respect of transactions with related parties

Complete disclosure in respect of transactions with related parties as per standards specified by the Institute of Chartered Accountants of India during FY 2025-26. Disclosure as required by the Accounting Standard 18 "Related Party Disclosure" is given below:

<b>Related Party relationship-where control exists</b>	
Milestone Fincap Services Private Limited	Ownership of more than one half of the voting power
Milestone Finvest Limited	Subsidiary
Epark Places Pvt Ltd	Subsidiary
<b>Other Related Parties: (with whom there were transactions)</b>	
IL&FS Milestone Realty Advisors Private Limited	Joint Venture
Ms. Rubi Arya	Key Management Personnel

## 8 Net Worth of Portfolio Manager of PMS

The Net worth of Portfolio Manager of PMS as on 31 March 2026 is as under:

<b>Scheme</b>	<b>Closing Balance as on 31.03.2026</b>
High Yield Debt Series I	0
High Yield Debt Series II	0
Grand Total	0

## **9 Nature of expenses (to be based on actual)**

The following are the general costs and expenses to be borne by the client availing the services of the Portfolio Manager. However, the exact quantum and nature of expenses relating to each of the following services is annexed to the Portfolio Management Agreement in respect of each of the services provided.

## **10 Audit Observations**

There have been no audit observations by the statutory auditor pertaining to PMS activities for the preceding three financial years.

# **11 Fees and other charges**

## **11.1 Portfolio Management Fees:**

The Portfolio Management Fees relate to the Portfolio Management Services offered to the Clients. The fee may be a fixed fee or performance based fee or a combination of both, as may be agreed by the client in the PMS Agreement.

## **11.2 Services related to regular communication, account statements, etc.:**

Charges pertaining to regular reporting and communication with the Clients viz. Dispatch of Account Statements, Portfolio Reports etc.

## **11.3 Depository / Custodian fee:**

Charges relating to custody and transfer of shares, bonds and units, opening and operation of demat account, dematerialization and rematerialization, and / or any other charges in respect of the investment etc.

## **11.4 Registration and transfer agents' fees:**

Fees payable for the Registrars and Transfer Agents in connection with effecting transfer of any or all of the securities and bonds including stamp duty, cost of affidavits, notary charges, postage stamps and courier charges

## **11.5 Brokerage, transaction costs and other services:**

The brokerage and other charges like stamp duty, transaction cost and statutory levies such as Goods and Service Tax, securities transaction tax, turnover fees and such other levies as may be imposed upon from time to time.

## **11.6 Fees and charges in respect of investment in mutual funds:**

Mutual Funds shall be recovering expenses or management fees and other incidental expenses and such fees and charges shall be paid to the Asset Management Company of the Mutual Funds on behalf of the Client. Such fees and charges are in addition to the portfolio Management fees described above.

## **11.7 Certification charges or professional charges:**

The charges payable to outsourced professional services like accounting, taxation and any legal services, notarization etc.

## **11.8 Securities lending and borrowing charges:**

The charges pertaining to the lending of securities, costs of borrowings and costs associated with transfer of securities connected with the lending and borrowing transfer operations.

**11.9 Any other incidental and ancillary charges:**

All incidental and ancillary expenses not recovered above but incurred by the Portfolio Manager on behalf of the client shall be charged to the Client.

The Portfolio Manager shall deduct directly from the cash account of the client all the fees/costs as specified above and shall send a statement to the client for the same.

## 12 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.

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

### C. Long term capital gains

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

## Period of Holding

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

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

- **Definition of Specified Mutual Fund:**

**Before 1st April 2025:**

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

**On and after 1st April 2025:**

“Specified Mutual Fund” means, —

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

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

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

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

- **Definition of Market Linked Debenture:**

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

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

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

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

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

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

Specifically in case of long term capital gains arising on sale of shares or units acquired originally as unlisted shares/units upto 31 January 2018, COA is substituted with the “indexed COA” (instead of FMV) where sale consideration is higher than

the indexed COA. Where sale value is higher than the COA but not higher than the indexed COA, the sale value is deemed as the COA. This benefit is available only in the case where the shares or units, not listed on a recognised stock exchange as on the 31 January 2018, or which became the property of the assessee in consideration of share which is not listed on such exchange as on the 31 January 2018 by way of transaction not regarded as transfer under section 47 (e.g. amalgamation, demerger), but listed on such exchange subsequent to the date of transfer, where such transfer is in respect of sale of unlisted equity shares under an offer for sale to the public included in an initial public offer.

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

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

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

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

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

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

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

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

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

Under section 115E of the IT Act, any income from investment or income from long-term capital gains of an asset other than specified asset as defined in Section 115C (specified assets include shares of Indian company, debentures and deposits in an Indian company which is not a private company and Securities issued by Central Government or such other Securities as notified by Central Government) is chargeable at the rate of 20%. Income by way long-term capital gains of the specified asset is, however, chargeable at the rate of 10% plus applicable surcharge and cess (without benefit of indexation and foreign currency fluctuation). This tax rate has been increased from 10% to 12.5% with effect from 23 July 2024.

#### **D. Short term capital gains**

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

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

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

#### **E. Profits and gains of business or profession**

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

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

## **F. Losses under the head capital gains/business income**

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

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

## **G. General Anti Avoidance Rules (GAAR)**

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

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

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

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

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

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

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

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.

## 13 Accounting policies- Disclose the accounting policy followed by the Portfolio Manager while accounting for the portfolio investments of the clients.

### *13.1 Basis of accounting*

Books and Records would be separately maintained in the name of the client to account for the assets and any additions, income, receipts and disbursements in connection therewith, as provided by the SEBI (Portfolio Management) Regulations, 1993, as amended from time to time. Accounting under the respective portfolios will be done in accordance with Generally Accepted Accounting Principles. However, for administrative convenience, in case of Non-segregated accounts, Bank, Depository, Broking, Mutual Fund Investments etc., are maintained at Pool Level in the name of Milestone Capital Advisors – PMS Account. As SEBI (Portfolio Management) Regulations, 1993, do not explicitly lay down detailed accounting policies, such policies which are laid down under SEBI (Mutual Fund) Regulations would be followed, in so far as accounting and valuation for equities or equity related instruments are concerned.

### *13.2 Portfolio Valuation*

- Investments in Equity or Equity Related instruments and Debt Securities listed on a recognized stock exchange are valued at the last quoted closing price on the National Stock Exchange of India Limited (NSE). If on a particular valuation date, a security is not traded on NSE, the value at which it is traded on The Stock Exchange, Mumbai (BSE) is used or any recognized stock exchange. If a particular security is not listed on the NSE, then it is valued at the last quoted closing price on the BSE on the valuation date or on a recognized stock exchange as the case may be.
- Non-traded and thinly traded equity securities, including those not traded within thirty days prior to the valuation date are valued at fair value as determined by Milestone Capital Advisors Private Limited. Non-traded and thinly traded Fixed Income Instruments, including those not traded within seven days prior to the valuation date will be valued at cost plus interest accrual till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instrument.
- Equity securities awaiting listing are valued at fair value as determined in good faith by Milestone Capital Advisors Private Limited. Fixed Income Instruments that are awaiting listing will be valued at cost plus interest accrual till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instrument.
- Instruments bought on 'repo' basis are valued at the resale price after deduction of applicable interest up to the date of resale.
- Investments in Mutual funds will be valued at the repurchase NAV declared for the relevant schemes on the date of the report or the most recent NAV will be reckoned.
- In the Derivatives segment, the unrealized gains/losses for Futures and Options will be calculated by marking all the open positions to market.

### ***13.3 Securities Transaction***

Investment securities transactions are accounted for on a trade date basis. The cost of the investments acquired or purchased would include brokerage, stamp charges and any charges customarily included in the broker's contract note or levied by any statute except STT (Securities Transaction Tax). Similarly, in case of Sale Transaction, the above-mentioned charges will be deducted from the sale price. STT will be treated as an expense in case of clients treating it as capital Gains. However, in case the gains arising are treated as Business Income it will be shown as Current Asset to claim deduction under section 88E. Realised Gains/Losses will be calculated by applying the First in/ First Out method.

### ***13.4 Income/expenses***

All investment income and Expenses will be accounted on accrual basis. Dividend will be accrued on the Ex-date of the securities and the same will be reflected in the clients books on the ex-date. Similarly, bonus shares will be accrued on the ex-date of the securities and the same will be reflected in the clients books on ex-date. In case of Fixed income instruments, purchased/sold at Cum-interest rates, the interest component upto the date of purchase /sale will be taken to interest receivable/payable account and net of interest will be the cost/sale for the purpose of calculating realized gains/losses;

## 14 Investors services

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

Name: Rupak Shah  
Address: CoWrks Worli, PS56, 3rd Floor, Birla Centurion,  
Century Mills Compound,  
Pandurang Budhkar Marg,  
Worli, Mumbai – 400 030  
Tel 022-62886120  
E-mail: [compliance@milestonecapital.in](mailto:compliance@milestonecapital.in),

*Grievance redressal and dispute settlement mechanism.*

The Portfolio Manager shall attend to and address any client query or concern as soon as possible to mutual satisfaction.

All disputes, differences, claims and questions whatsoever which shall arise either during the subsistence of the agreement with a client or afterwards with regard to the terms thereof or any clause or thing contained therein or otherwise in any way relating to or arising therefrom or the interpretation of any provision therein shall be, in the first place settled by mutual discussions, failing which the same shall be referred to and settled by arbitration in accordance with and subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force. The arbitration shall be held in Mumbai and be conducted in English language.

The agreement with the client shall be governed by, construed and enforced in accordance with the laws of India. Any action or suit involving the agreement with a client or the performance of the agreement by the either party of its obligations will be conducted exclusively in courts located within the city of Mumbai in the State of Maharashtra.

Without prejudice to anything stated above, the Client can also register its grievance/complaint through SCORES ([SEBI Complaints Redress System](#)), post which SEBI may forward the complaint to the Portfolio Manager and the Portfolio Manager will suitably address the same.

## **15 The details of investment of client's funds by the portfolio manager in the securities of its related parties or associates**

There is no investment made by the portfolio manager in the securities of its related parties or associates.

## **16 Details of Diversification policy for portfolio manager**

The Portfolio Manager aims to provide optimal diversification based on the investment strategy of the Investment approach, to minimize the concentration risk in the client portfolio. The Portfolio Manager will also strive to achieve diversification of constituents across various sectors based on assessment of macro-economic outlook and the investment strategy. Diversification across sectors may not be optimal for sectoral / thematic strategies due to the nature of the strategies.

Further, the investments made by the Portfolio Manager into associate/related parties of the Portfolio Manager shall be with prior positive consent of the Investor and in accordance to the SEBI circular SEBI/HO/IMD/IMD-I/DOF1/P/CIR/2022/112 dated August 26, 2022 or as notified by SEBI from time to time.

## 17 General

### Prevention of Money Laundering

Prevention of Money Laundering Act, 2002 ('PML Act') came into effect from July 1, 2005 vide Notification No. GSR 436(E) dated July 1, 2005 issued by Department of Revenue, Ministry of Finance, Government of India. Further, SEBI vide its circular No. ISD/CIR/RR/AML/1/06 dated January 18, 2006 and Master Circular dated December 31, 2010 has mandated that all intermediaries including Portfolio Managers should formulate and implement a proper policy framework as per the guidelines on anti money laundering measures and also to adopt a "Know Your Customer" (KYC) policy. The intermediaries may, according to their requirements specify additional disclosures to be made by Clients for the purpose of identifying, monitoring and reporting incidents of money laundering and suspicious transactions undertaken by Clients. SEBI has further issued circular no. ISD/CIR/RR/AML/2/06 dated March 20, 2006 advising all intermediaries to take necessary steps to ensure compliance with the requirement of section 12 of the PML Act requiring *inter alia* maintenance and preservation of records and reporting of information relating to cash and suspicious transactions to Financial Intelligence Unit-India (FIU-IND). SEBI has further strengthened the KYC and client risk assessment requirements under its circular no. CIR/MIRSD/1/2014 dated March 12, 2014. The PMLA, Prevention of Money-laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 as amended and modified from time to time, the guidelines/circulars issued by SEBI thereto, as amended from time to time, are hereinafter collectively referred to as 'PML Laws'.

The Client(s), including guardian(s) where Client is a minor, should ensure that the amount invested through the services offered by the Portfolio Manager is through legitimate sources only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the Income Tax Act, 1961, PML Laws, Prevention of Corruption Act, 1988 and/or any other applicable law in force and also any laws enacted by the Government of India from time to time or any rules, regulations, notifications or directions issued there under.

To ensure appropriate identification of the Client(s) under its KYC policy and with a view to monitor transactions in order to prevent money laundering, the Portfolio Manager (itself or through its nominated agency as permissible under applicable laws) reserves the right to seek information, record investor's telephonic calls and/or obtain and retain documentation for establishing the identity of the investor, proof of residence, source of funds, etc. It may re-verify identity and obtain any incomplete or additional information for this purpose, including through the use of third party databases, personal visits, or any other means as may be required for the Portfolio Manager to satisfy themselves of the investor(s) identity, address and other personal information.

The Client(s) and their attorney(ies), if any, shall produce reliable, independent source documents such as photographs, certified copies of ration card/passport/driving license/PAN card, etc. and/or such other documents or produce such information as may be required from time to time for verification of the personal details of the Client(s) including *inter alia* identity, residential address(es), occupation and financial information by the Portfolio Manager. The Portfolio Manager shall also, after application of appropriate due diligence measures, have absolute discretion to report any transactions to FIU-IND (and any other competent authorities and self-regulating bodies), that it believes are suspicious in nature within the purview of the PML Laws and/or on account of deficiencies in the documentation provided by the Client(s) and the Portfolio Manager shall have no obligation to advise investors or distributors of such reporting. The KYC documentation requirements shall also be complied with by the persons becoming the Client by virtue of operation of law e.g. transmission, etc.

The Portfolio Manager will not seek fresh KYC from the Clients who are already KRA compliant and the ones who are not KRA compliant, the information will be procured by the Portfolio Manager and uploaded.

The Portfolio Manager, and its directors, employees, agents and service providers shall not be liable in any manner for any claims arising whatsoever on account of freezing the client account/rejection of any application or mandatory repayment/returning of funds due to non-compliance with the provisions of the PML Laws and KYC policy and/or where the Portfolio Manager believes that transaction is suspicious in nature within the purview of the PML Laws and/or for reporting the same to FIU-IND.

#### **Client Information**

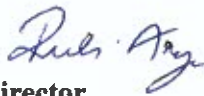
The Portfolio Manager shall presume that the identity of the Client and the information disclosed by the Client is true and correct. It will also be presumed that the funds invested by the Client through the services of the Portfolio Manager come from legitimate sources / manner and the investor is duly entitled to invest the said funds. The Portfolio Manager shall also ensure that it has subscribed to SEBI and other web based alerts to keep a track on any adverse order/findings being made against any of its Clients and keep a regular check on the same. The Portfolio Manager may stop all the trading activities for such Client/s and take such actions as may be required under the Regulations and the Agreement, including closure of account.

Where the funds invested are for the benefit of a person (beneficiary) other than the person in whose name the investments are made and/or registered, the Client shall provide an undertaking that the Client is holding the funds/Securities in his name is legally authorized/entitled to invest the said funds through the services of the Portfolio Manager, for the benefit of the beneficiaries.

Notwithstanding anything contained in this Document, the provisions of the Regulations, PML Laws and the guidelines thereunder shall be applicable. Clients are advised to read the Disclosure Document carefully before entering into an agreement with the Portfolio Manager.

By and on behalf of Board of Directors of

**Milestone Capital Advisors Private Limited**  
CIN: U67190MH2005PLC153819



**Director**

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

**Milestone Capital Advisors Private Limited**

Address: Milestone Capital Advisors Private Limited, CoWrks Worli, PS56, 3rd Floor, Birla Centurion,  
Century Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 030.  
Phone: 022-62886120 E-mail: compliance@milestonecapital.in

It is confirmed that:

- i) The Disclosure Document being forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;
- ii) The disclosures made in the Disclosure 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 viz. Bakliwal & Co, Chartered Accountants, (Registration no. 130381W) having its office at 513, Atlanta Estate, Near Virwani Estate, Goregaon East, Mumbai – 400 063.

*Rupak Shah*



Name : Rupak Shah

Place : Mumbai

Designation : Compliance Officer

Address: CoWrks Worli, PS56, 3rd Floor, Birla Centurion, Century Mills Compound,  
Pandurang Budhkar Marg, Worli, Mumbai – 400 030.

### CHARTERED ACCOUNTANT CERTIFICATE

We have been requested by Milestone Capital Advisors Limited to certify the contents and information provided in the Disclosure Document required to be filed with the Securities and Exchange Board of India (SEBI) as per Regulation 22, Schedule I of SEBI (Portfolio Managers) Regulations, 2020.

We have verified the data from the relevant documents and Management Information System reports provided by the Management. We have relied on various representations made to us by the Management of the Company wherever necessary.

Based on my verification of the records and information provided to me, we hereby certify that the contents and information provided in the Disclosure Document dated March 31, 2026 are true, fair, and adequate as required under Regulation 22 and Schedule I of SEBI (Portfolio Managers) Regulations, 2020.

For Bakliwal & Co.  
Chartered Accountants  
Firm Registration No.130381W

Gokul

Gokul Kumar  
Partner (M.No.172619)  
Place: Mumbai  
Date: 15/04/2026  
UDIN: 26172619NEXAGR8143

