

## JOINDRE CAPITAL SERVICES LTD

### Portfolio Management Services – Disclosure Document

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

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

The purpose of the Disclosure Document is to provide essential information about the Portfolio Management Services to assist and enable the investors in making informed decision for engaging a Portfolio Manager.

The Disclosure Document contains necessary information about the Portfolio Manager required by an investor before investing. The investor should carefully read the Document prior to making a decision to avail the Portfolio Management Services and retain the Disclosure Document for future reference.

#### Details of Portfolio Manager

Name	<b>JOINDRE CAPITAL SERVICES LTD</b>
SEBI Registration No. (PMS):	<b>INP000006138</b>
Address:	<b>JOINDRE CAPITAL SERVICES LTD</b> 29-32, 3 <sup>rd</sup> Floor, 9/15 Bansilal Building Homi Modi Street, Fort, Mumbai-400023  Tel No. 91-22-40334731/40334733 Email: <a href="mailto:pms@joindre.com">pms@joindre.com</a> , <a href="mailto:info@joindre.com">info@joindre.com</a> , Website: <a href="http://www.joindre.pms.com">www.joindre.pms.com</a>

#### Contact detail of the Principal Officer so designated by the Portfolio Manager

Name of the Principal Officer	<b>Mr. Jayaram Venkitasubramanian</b>
Address:	Joindre Capital Services Ltd., Shri Lakshmi, No.5, Appakannu Lane, Lakshmipuram, Royapettah, Chennai-600014 Telephone No: 044-47 862846 E-mail: <a href="mailto:pms@joindre.com">pms@joindre.com</a> , <a href="mailto:jayaram.v@joindre.com">jayaram.v@joindre.com</a> , <a href="mailto:jayaram.v1@gmail.com">jayaram.v1@gmail.com</a>

Date: 08-07-2024

Place: Mumbai



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## 1. Disclaimer Clause

The particulars given in this Disclosure Document have been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 and the same has been filed with SEBI. This Disclosure Document has neither been approved nor disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of the contents of the Disclosure Document.

Pursuant to Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020, Joindre Capital Services Ltd hereby declares that the Portfolio Management Services rendered in accordance with the content hereof, are rendered without guaranteeing or assuring, either directly or indirectly, any returns.

## 2. Definitions

"Act" means the Securities and Exchange Board of India, Act 1992 (15 of 1992).

"Advisory Services" shall mean the non-binding investment advisory services rendered by the Portfolio Manager to the Client. The Portfolio Manager shall be solely acting as an advisor to the Portfolio of the Client and shall not be responsible for the investment/disinvestment of Securities.

"Agreement" means the agreement between Portfolio Manager and its Client and shall include all schedules and documents attached thereto.

"Application" means the application made by the Client to the Portfolio Manager as more particularly described in the Agreement, for investing the monies and/or Securities mentioned therein with the Portfolio Manager for rendering the services.

"Assets" means the Portfolio and/or the Funds as the case may be.

"Bank Account" means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in the name of the Client or the Product (as may be applicable).

"Board" means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act.

"Chartered Accountant" means a Chartered Accountant as defined in Clause (b) of Sub-section (1) of Section 2 of the Chartered Accountants Act, 1949 (38 of 1949) and who has obtained a certificate of practice under Sub-section (1) of Section 6 of that Act.

"Client"/ "Investor" means the person/entity that enters into an Agreement with the Portfolio Manager for availing portfolio management service with the portfolio manager by executing the portfolio management agreement.

"Client Level" shall mean the Product under which all the Assets of the Client shall be managed on an individual basis through a separate Bank Account and Depository Account which will be opened in the name of the Client and operated by the Portfolio Manager.

"Custodian" means any person who carries on or proposes to carry on the business of providing custodial services and shall be registered with SEBI.

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

"Disclosure Document" shall mean this disclosure document filed by the Portfolio Manager with SEBI and as may be amended by the Portfolio Manager from time to time pursuant to the Regulations.



"Discretionary Portfolio Management Services" shall mean the portfolio management services rendered to the Client, by the Portfolio Manager individually and independently, exercising its full discretion and/or advising and/or directing and/or undertaking on behalf of the Client, in respect of investments or management or administration of the Portfolio of the Assets of the Client in accordance with the various provisions of the Act, Rules, Regulations and/or laws in force and amendments made therein from time to time and on the terms and conditions set out in this Agreement.

"Non-Discretionary Portfolio Management Services" shall mean service wherein Portfolio Manager shall manage the Assets in accordance with the directions of the Client under oral or written consents/ instructions.

"Fees/Advisory Fee" shall mean any consideration including lump sum payable by the Client for availing of Portfolio Manager Services.

"Funds" means the monies managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes the monies mentioned in the Application, any further monies that may be placed by the Client with the Portfolio Manager from time to time, for being managed pursuant to this Agreement, the proceeds of the sale or other realization of the Portfolio and interest, dividend or other monies arising from the Assets, so long as the same is managed by the Portfolio Manager.

"Financial year" means the year starting from April 1 and ending on 31st March of the following year.

"Net Asset Value" (NAV) for the Products shall be calculated using the following method: NAV= Market value of all investments + Cash + Balance in ledger account with broker + Dividend/interest receivable - accrued expenses including Portfolio Management Fee.

"Nonresident Indian (NRI)" shall have the meaning defined under Foreign Exchange Management Act, 1999.

"Parties" means the Portfolio Manager and the Client.

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

"Portfolio Manager" means any person who pursuant to a contract or arrangement with a Client, advises or directs or undertakes on behalf of the client the management or administration of portfolio of securities or the funds of the client, as the case maybe. For the purpose of this Disclosure Document, Portfolio Manager is Joindre Capital Services Limited.

"Portfolio" means the Securities managed by the Portfolio Manager on behalf of the Client pursuant to this Agreement and includes any Securities mentioned in the Application, any further Securities that may be placed by the Client with the Portfolio Manager from time to time, for being managed pursuant to this Agreement, Securities acquired by the Portfolio Manager through investment of Funds and bonus and rights shares in respect of Securities forming part of the Portfolio, so long as the same is managed by the Portfolio Manager.

"Principal Officer" means a director or any senior management employee of the Portfolio Manager, who is responsible for the activities of the portfolio management and has been designated as principal officer by the Portfolio Manager.

"Regulations" means the Securities and Exchange Board of India (Portfolio Managers) Regulation, 2020, and as may be amended from time to time.

"SEBI" means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act 1992.



"Product" means any current investment Products or such Products that may be introduced at any time in the future by the Portfolio Manager.

"Securities" means the securities defined in the Securities Contracts (Regulation) Act, 1956 and includes:

- i. Shares, Scrip's, Stocks, Bonds, Debentures, Debenture Stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;
- l(a) Derivative;
- l(b) Units or any other instrument issued by any collective investment scheme to the investors in such schemes;
- l(c) 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;
- l(d) Units or any other such instrument issued to the investors under any mutual fund scheme;
- l(e) Government securities;
- l(f) such other instruments as may be declared by the Central Government to be securities; and Rights or interest in securities;

Any reference to laws and regulations in this document shall be deemed to include such laws and regulations as may be amended, revised, updated and/or supplemented from time to time. Words and expressions used in this Disclosure Document and not expressly defined shall be interpreted according to their general meaning and usage.

### 3. Description

#### a) History, Present Business and Background of the Portfolio Manager:

Joindre Capital Services Ltd. was incorporated in the year 1995 by a group of professionals who had vast experience in Capital Market in their individual capacities. The Company is listed on BSE and trading cum clearing member of BSE/NSE in cash and derivative segment and trading member of MSEI in currency derivatives. The Company is also a Depository Participant of Central Depository Services Ltd. and providing depository services to the Clients. Joindre started offering Portfolio Management Service on the 5<sup>th</sup> of November 2018 and the company has a qualified and experienced team of professionals who have been successfully and efficiently managing the client's funds.

#### b) Promoters of the Portfolio Manager and Directors:

##### 1. Mr. Anil Mutha

Mr. Anil Mutha is one of the promoters of the Company and is the Whole Time Directors of the company since its inception. He is B. Com, A.C.A., LLB, M. Com and A.C.W.A., having capital market experience of more than 3 decades. He is also a director in M/s. Mutha Resources Pvt. Ltd.; M/s. Ringmen Investment & Finance Pvt. Ltd. and M/s. Mutha Industries Pvt. Ltd.

##### 2. Mr. Subhash Agarwal

Mr. Subhash Agarwal is one of the promoters of the Company and is the Whole Time Directors of the company since its inception. He is B.Com, A.C.A., having capital market experience of more than 3 decades. He is also a director in M/s. Pinky Ventures Pvt. Ltd.

##### 3. Mr. Dinesh Khandelwal

Mr. Dinesh Khandelwal is one of the promoters of the Company and is the Whole Time Directors of the company since its inception. He is B.Com, having capital market experience of more than 3 decades.

##### 4. Mr. Paras Bathia

Mr. Paras Bathia is one of the promoters of the Company and is the Whole Time Directors of the company since 9<sup>th</sup> July 1998. He is B.Com, having capital market experience of more than 3 decades.



## PRINCIPAL OFFICER

**Mr.V.Jayaram –is the Principal Officer, CIO and Fund Manager.**

A Chartered Accountant with more than 30 years of experience in Equity Research and Funds Management. Prior to founding the PMS business at Joindre, he had been the Fund Manager managing the PMS funds for investors at Shreyas Stocks Pvt Ltd. He was instrumental in generating winning ideas and market beating returns for investors across different business and market environment which covers bull and bear markets, interest rates and inflation cycles, energy prices, various political formations etc. his experience and in-depth understanding of markets and financial ensure that each investment decision will be in the utmost interest of the client portfolio.

### C) Group company information (i.e. information related to top 10 Group Companies / firms of the Portfolio Manager on turnover basis):

The company has one wholly owned subsidiary

Sr. No.	Name of the Group Company
1	Joindre Commodities Limited (Subsidiary Company)

### D) Details of services offered by the Portfolio Manager:

#### a) Discretionary Services

Under the category of Discretionary Services, the Portfolio Manager shall have the sole and absolute discretion to invest the Client's funds/assets in any type of securities as per the Agreement with the client and make such changes in the investments and invest some or all of the Client's funds in such manner as it deems fit and would benefit the Client. The Securities invested/disinvested by the Portfolio Manager for Clients in the same category may vary from Client to Client.

The Discretionary Services offered by the Portfolio Manager shall be in the nature of investment management. This would include the responsibility of managing, renewing and reshuffling the portfolio, buying, selling the securities. Further the Portfolio Manager will, keeping safe custody of the securities and monitoring book closures, rights, dividend, bonus etc. and any other benefits that accrue to the Client's Portfolio for an agreed fee and for a definite period as described in the agreement.

The Portfolio Manager shall be acting in a fiduciary capacity, both, as an agent as well as a trustee, with regard to the Client's assets and accretions thereto, account consisting of investments, accruals and monetary and non monetary corporate action and benefits if any.

The decision of the Portfolio Managers(taken in good faith) in respect of deployment of the Clients' funds/assets is absolute and final and cannot be called in question or be open to review at any time during the continuity of the agreement or anytime thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence.

#### b) Non-Discretionary Services:

Under the category of Non-Discretionary Services, the Portfolio Manager shall provide investment management and administrative services for the funds/securities put in by the Client in accordance with the provisions of the Agreement with the Client. The Portfolio manager shall be responsible for rendering such services in accordance with the Act, Rules, Regulation, and Guidelines issued under the Act and any other Laws, Regulations, Rules, and Guidelines etc as may be applicable from time to time. The investments will be with the client's oral and/or written consents and Client will be wholly responsible for the decisions on the investments.



The Portfolio Manager will provide Non-Discretionary Portfolio Management Services which shall be in the nature of investment management. This would include the responsibility of managing, renewing, reshuffling the portfolio, buying and selling the securities with the client's oral and/or written consent. Further the Portfolio Manager will keep the safe custody of the securities and monitor book closures, dividend, bonus, rights etc. and any other benefits that accrue to the Client's Portfolio, for an agreed fee and for a definite period as described in the agreement.

The Portfolio Manager shall be acting in a fiduciary capacity, both, as an agent as well as a trustee, with regard to the Client's funds/assets and accretions thereto; account consisting of investments, accruals and monetary and non monetary corporate action and benefits, if any.

**c) Advisory Services:**

The Portfolio Manager will provide Advisory Services which shall be in the nature of non-binding investment advice, and may include the responsibility of inter alia advising for renewing and reshuffling the portfolio, buying and selling the securities. Further, the Portfolio Manager may advise on the safe custody of the securities and monitor book closures, dividend, bonus, rights etc. and any other benefits that accrue to the Client's Portfolio, for an agreed fee and for a definite period as described in the agreement, entirely at the Client's risk.

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

**i.**

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Status of Payment of Fine or Request of Waiver Made
1.	BSE	The 27th AGM of the listed entity was scheduled to be held on 10th September, 2022. The annual report together with the notice of AGM was posted to the shareholders by email on 16th August, 2022. The same was filed with BSE Limited on 18th August, 2022. There was a delay of 2 days in filing the annual report with BSE Limited	Fine of Rs. 4,000 + 18% GST imposed by BSE Limited.	The listed entity has paid the fine to BSE Limited on 07th November, 2022
2.	BSE	The Board of Directors of listed entity comprised of 5 Executive Directors and 5 Independent Directors. Ms. Sonali Chaudhary resigned as an Independent Director of the Company w.e.f. 16th May, 2022. Ms. Pooja Bajaj as an Independent Director w.e.f. 22nd October, 2022. As per Regulation 25 (6) of SEBI (LODR) Regulations, 2015, an Independent Director who resigns or is removed from the Board of Directors of the listed entity shall be replaced by a new independent director by the listed entity at the earliest but not later than the immediate next meeting of the board of directors or three months from the date of such vacancy whichever is later: Provided that where the listed entity fulfils the requirement of independent directors in its board of directors without filling the vacancy created by such resignation or removal, the requirement of replacement by a new independent director shall not apply. The Company has appointed. Ms. Sonali Chaudhary resigned as an Independent Director of	Fine of Rs. 2,30,000 + 18% GST for the quarter ended 30th September, 2022.	The listed entity has paid the fine to BSE Limited on 2nd December, 2022.



		the Company w.e.f. 16th May, 2022. The Company was required to appoint a new Independent Director in place of Ms. Sonali Chaudhary within 3 months w.e.f. 16th May, 2022 i.e. 15th August, 2022. The Company has appointed Ms. Pooja Bajaj as an Independent Director w.e.f. 22nd October, 2022. There was a delay of 67 days. (46 days in September quarter and 21 days in December quarter)		
3.	BSE	Same as above	Fine of Rs. 1,05,000 + 18% GST for the quarter ended 31st December, 2022.	The listed entity has paid the fine to BSE Limited on 04th March, 2023
4.	BSE	The statement on half yearly related party transactions as on 31st March, 2022 was filed with BSE on 4th July, 2022. The audited annual financial results for the financial year ended 31st March, 2022 were approved by the Board on 30th May, 2022. There was a delay of 20 days.	Fine of Rs. 1,00,000 + 18% GST was imposed.	The Company has paid the fine to BSE Limited on 29th July, 2022

ii. Penalties imposed for any economic offence and/or for violation of any Securities laws: **NIL**

iii. Any pending material litigation/legal proceedings against the Portfolio Manager/Key personnel with separate disclosure regarding pending criminal cases if any: **NIL**

iv. Any deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency: **NIL**

v. Any enquiry/adjudication proceedings initiated by the Board against the Portfolio Manager or its Directors, Principal officer or employees or any person directly or indirectly connected with the Portfolio Manager or its Directors, Principal officer or employee, under the Act or Rules or Regulations made there under: **NIL**

#### 5. SERVICES OFFERED:

The Portfolio Manager provides Discretionary Portfolio Management Services and Advisory Services subject to the scope of investments as agreed upon by the Portfolio Manager and the Client in the Portfolio Management Agreement and the Product application which forms part of the agreement

#### **Investment Objectives:**

The objective is to create superior long term returns for our clients by investing in quality stocks listed on the stock exchanges.

#### **Investment Approach**

**JOINDRE VALUE FUND** is a discretionary "EQUITY STRATEGY" PMS product offered by Joindre Capital Services Ltd.

The "Investment Approach" is to pursue a robust and disciplined investment process to generate superior absolute returns consistently over the long term by investing in "EQUITIES listed on the registered stock



exchanges in India". The fund management and research team at Joindre PMS follow a bottom up approach to stock selection while adhering to its five-pronged investment principles of

- Value Hunting
- Margin of Safety
- Shield of Quality
- Capital Efficiency and
- Business Scalability with a Competitive Advantage.

We believe that "Value" and "Growth" are two sides of the same coin. Companies that grow without value (profitability) and profitable companies (Value) without future growth potential cannot sustain valuations.

**"Value Hunting"** The Portfolio Manager typically looks to invest in stocks which are available at reasonable valuations and which has a potential upside on account of a potential re-rating. In practicality intrinsic value of stocks tends to differ from its market price. It could be either trading at fair value or at a premium or discount to its fair value.

The valuation measures typically used are P/E, Price/Book Value, Price/sales, EV/EBITA etc and other evaluation matrices. These ratios are read in conjunction to other company and industry parameters. Valuations vary depending on the market perception about the quality of management, future growth and profitability potential of the company and other macro factors.

Stock selection will be market cap agnostic. We understand that "Price" and "Value" are two different things.

**"Margin of Safety"** - The fund manager assess the potential mispricing in stock valuations

Relative valuation with regards to the peer group and industry is studied to assess the potential mispricing. Companies having sustainable and high growth visibility, high profitability and good Corporate Governance, tend to enjoy a higher valuation compared to its peer group.

**"Shield of Quality"** - Corporate Governance and Quality and the Credibility of the Promoters & Management of the Company is the foremost consideration during any stock selection process. This evaluation is done through both secondary and primary sources. This evaluation ensures companies are selected where Promoters /Management keep the interest of the minority shareholders in mind at all time. This evaluation parameter will supersede the valuation and other investment principles at the time of stock selection.

We are comfortable investing in companies at reasonable valuations and with impeccable corporate governance which are going through tough times due external economic environment rather than investing in companies declaring great numbers belying the underlying business environment.

**"Capital Efficiency"** - Capital efficiency plays an important role in assessing the long-term sustainable revenue growth of companies. It reflects the mindset of the Promoters/Management with regards to prudent and strategic spending of financial resources for maximized returns to its shareholders. Growth at sustainable costs will lead to efficient returns which in turns attract investors and leads to better valuation for its shareholders. Capital efficient companies operating business which are scalable tend to generate sustainable profits and enjoy better valuations.

Capital is a scarce resource and for investors who are the owners of the capital, it is imperative to ensure the companies efficiently utilize the same to generate wealth for the shareholder. Key metrics like Returns on Capital Employed (ROCE) and Return on Assets (ROA) are studied while considering investment options.

**"Business Scalability with a Competitive Advantage"**

Scalable companies with a business moat can withstand the pressures of growth without hindering its capital efficiency and business structure tend to generate superior returns for its shareholders in the long term. Investments will be preferred in companies which can create sustainable shareholder value.



Minimum investment under the product is Rs.50/- Lakhs. The client is free to add any amounts of Rs.1 lakhs and above to the portfolio.

Ideal investment period envisaged under the product is a minimum period of 3 years and above.

It is primarily a BUY and HOLD, strategy and so there will be minimum churning in the portfolio.

The Portfolio Manager shall endeavor that the portfolios will have investments in a basket of stocks with no undue concentration in any stock or sector. The Portfolio Manager will actively track around 50 to 70 companies across various sectors which can be considered for investments.

Holdings in individual client portfolios would differ based on the time of entry of clients and the investment corpus into the Portfolio. Factors like availability of stock at a fair valuation, relative valuation of individual stocks to be included in the portfolio, availability of new sector opportunity or company due to factors like fresh listing etc will also result in portfolios having different holdings.

Intensive research and analysis, stock selection with valuations giving a high margin of safety, long term approach and very low portfolio churn are the cornerstones of Joindre Value Fund

The Portfolio Manager may hold invest surpluses in cash or deploy the same in Liquid Fund / Overnight Fund and similar Funds of Mutual Funds. This is done mainly to park investable surpluses pending investments in Equity Markets.

Though the approach to investments is long term the portfolio manager would take note of any short-term investment opportunity that may arise in the markets due to events which may cause mispricing of stocks, thus offering a short-term opportunity. The fund manager may book profits in the short term, in the interest of the client's portfolio, when the investments made deliver the desired returns or has reached or surpassed its fair valuation sooner than the projected time frame.

The Portfolio Manager at his discretion will pay our 'PROFITS BOOKED' on individual stocks in the portfolio after adhering to the SEBI guidelines of having a minimum portfolio value of Rs.50 lakhs.

**The portfolio manager does not envisage investments in derivative products.**

#### **BENCHMARK**

**The JOINDRE VALUE FUND IS BENCHMARKED AGAINST S&P BSE 500 TRI from 1st April 2023.**

SEBI, vide circular SEBI/HO/IMD/IMD-PoD-2/P/CIR/2022/172 dated December 16, 2022 specified various modalities related to performance benchmarking, valuation of securities and reporting of performance by the Portfolio Managers. Association of Portfolio Managers of India (APMI) vide its circular APMI/2022-23/02 dated 23rd March 2023 had made recommendations with regards to the benchmark options available as per Annexure 1 of the said circular, for each strategy that can be used by the Portfolio Managers.

Pursuant to the implementation of the aforesaid circular and guidelines Joindre Value Fund has been benchmarked against S&P BSE 500 TRI as against NSE 500.

Since the Investment philosophy of Joindre Value Fund tries to capture opportunities in companies across sectors and across market capitalization the best alternative to the existing benchmark of NSE 500 is S&P BSE 500 (TRI).

The S&P BSE 500 TRI index is designed to be a broad representation of the Indian market. Consisting of the top 500 companies listed at BSE Ltd., the index covers all major industries in the Indian economy. BSE-500 index represents nearly 93% of the total market capitalization on BSE. BSE-500 covers all 20 major industries of the economy. Total Return Index (TRI) factors in the capital appreciation as well as the dividend payouts to show the true picture of the performance of the fund.



The Joindre Value Fund is a Multi Cap Equity Strategy with no Market Capitalization or Sector bias.

The Sector Composition of the Joindre Value Fund will broadly track the S&P BSE 500 TRI.

The portfolios and returns of individual client will vary depending upon the time of entry under the same portfolio strategy. Investment decisions are as per the discretion of the Portfolio Manager. This being an Equity product, the risk profile would be medium to high. There would be 'Nil' exposure in derivatives in the investment of the said product.

#### **Advisory**

JOINDRE PMS ADVISORY will be an exclusive offering for high net worth individuals, corporate or funds having investments with large direct equity portfolio and would like to seek consultative advice for managing their portfolio.

The objective will be to adopt a consultative approach, where in Joindre PMS will advise the clients on equity selection for investments based on its research ideas. The objective will be to advise clients for creating long term capital appreciation by investing in equities following the Value Investing philosophy.

The fund management and research team at Joindre PMS follow a bottoms up approach to stock selection while adhering to its five pronged investment principles of Value Hunting, Margin of Safety, Shield of Quality, Capital Efficiency and Business Scalability with a Competitive Advantage.

Under the Advisory Model the client the portfolio manager will only engage with the client for investment advice. The client will actively participate in the investment process by acting on the Portfolio Manager's advice and executing the transactions and maintain his investment portfolio. The client thus has ultimate control over the investment decision. The Advisory service enables the client to calibrate his overall investment portfolio to achieve his desired objective of diversification, risk adjustment and returns maximization. The client will also benefit from the expert advice of the portfolio manager in managing his equity investments.

#### **Policies for investment in associates/ group companies of the Portfolio Manager:**

The policies for investments in associates/ group companies of the Portfolio Manager and the maximum percentage of such investments therein subject to the applicable laws / regulations / guidelines. The Portfolio Manager will, before advising the client in investing in the securities of 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 Portfolio. No such investments are envisaged. The same shall be always subject to the scope of investment objective as agreed upon between the Portfolio Manager and the Client in the Portfolio Management Agreement.

#### **6. Risk Factors**

All investments under the portfolio are subject to market related risks and there is no assurance or guarantee that the objective of the investment will be achieved. The value of or return on the investments made may appreciate, or it could depreciate to an unpredictable extent. The Portfolio Manager is neither responsible nor liable for any losses resulting from the Client availing the Portfolio Manager's Products.

The risks disclosures mentioned are only the estimates and could be materially different from what actually occurs in the future. Given below are some of the common risks associated with investments in securities.

- i. Securities and/or Mutual Funds' investments are subject to market and other risks and consequently, no guarantee or assurance that the objectives set out in the Agreement shall be accomplished.
- ii. The value of the Portfolio may increase or decrease depending upon various market forces and factors affecting the Capital Markets such as de-listing of Securities, market closure, relatively small number of scrip's accounting for large proportion of trading volume. Consequently, the Portfolio Manager makes no assurance of any guaranteed returns on the Portfolio.



- iii. Past performance of the Portfolio Manager does not guarantee the future performance of the same.
- iv. The Client stands a risk of loss due to lack of adequate external systems for transferring, pricing, accounting and safekeeping or record keeping of Securities. Transfer risk may arise due to the process involved in registering the shares, physical and Demat, while price risk may arise on account of availability of share price from Stock Exchanges during the day and at the close of the day. Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or sell side or if trading is halted in a security due to any action on account of unusual trading activity or stock hitting circuit filters or for any other reason
- v. **Equity, Mutual Funds and Related Risks:** Equity and/or Mutual Funds instruments carry both company specific and market risks and hence no assurance of returns can be made for these investments. While the Portfolio Manager shall take all reasonable steps to invest the funds in a prudent manner in such instruments, such decisions shall not always prove to be profitable or correct. Consequently, the Client shall assume any loss arising from such decisions.
- vi. **Macro-Economic risks:** Overall economic slowdown, unanticipated corporate performance, environmental or political problems, changes to monetary or fiscal policies, changes in government policies and regulations with regard to industry and exports may have direct or indirect impact on the investments, and consequently the growth of the Portfolio.
- vii. **Liquidity Risk:** Liquidity of investments in equity and equity related securities are often restricted by factors such as trading volumes, settlement periods and transfer procedures. If a particular security does not have a market at the time of sell, then the strategy may have to bear an impact depending on its exposure to that particular security. While Securities that are listed on a Stock Exchange generally carry a lower liquidity risk, the ability to sell these investments is limited by overall trading volume on the Stock Exchange. Money market securities, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of such securities thereby resulting in a loss to the Portfolio until such securities are finally sold.
- viii. **Credit Risk:** Debt securities are subject to the risk of the issuer's inability to meet the principal and interest payments on the obligations and may also be subject to the price volatility due to such factors as interest sensitivity, market perception, or the credit worthiness of the issuer and general market risk.
- ix. **Interest Rate Risk:** is associated with movements in interest rates, which depend on various factors such as government borrowing, inflation, economic performance etc. The value of investments will appreciate/depreciate if the interest rates fall/rise. Fixed income investments are subject to the risk of interest rate fluctuations, which may accordingly increase or decrease the rate of return there on.
- x. The Client stands the risk of total loss of value of an asset which forms part of the Portfolio or its recovery only through an expensive legal process due to factors which by way of illustration include default or nonperformance of a third party, company's refusal to register a Security due to legal stay or otherwise, disputes raised by third parties.
  - a. **Reinvestment Risk:** This risk arises from the uncertainty in the rate at which cash flows from an investment may be reinvested. This is because the bond will pay coupons, which will have to be reinvested. The rate at which the coupons will be reinvested will depend upon prevailing market rates at the time the coupons are received.
  - b. **Non-Diversification Risk:** The risk arises when the portfolio is not sufficiently diversified by investing in a wide variety of instruments.
  - c. **Mutual Funds Risk:** This risk arises from investing in units of Mutual funds. Risk factors inherent to equities and debt securities are also applicable to investments in mutual funds units. In addition, events like change in fund manager of the scheme, take over and mergers of mutual funds, foreclosure of schemes or plans, change in government policies could affect performance of the investment in mutual funds units.



- xi. System/ Network Congestion: Trading on exchange is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place/execute orders on the respective stock exchanges. On certain occasions there may be a possibility of communication failure/system problems or slow or delayed response from system or trading halt/glitches or any such other problem whereby not being able to establish access to the trading system/ network, which may be beyond the control of Portfolio Manager. This may result in delay in processing or not processing buy or sell orders/execution of order, whether in part or in full.

## 7. Client Representation

### i) Details of client's accounts activated during last 3 years

Category Of clients	No of Clients	Funds Managed (Rs. in Crs)	Discretionary/ Non Discretionary
Associates/ Group Companies*			
As on 30/06/2024	1	7.68	Discretionary
As on 31/03/2024	1	6.76	Discretionary
As on 31/03/2023	1	5.39	Discretionary
As on 31/03/2022	1	5.15	Discretionary
Others (Active)			
As on 30/06/2024	46	54.35	Discretionary
As on 31/03/2024	45	45.95	Discretionary
As on 31/03/2023	46	34.82	Discretionary
As on 31/03/2022	47	35.03	Discretionary
Associates/ Group Companies	NA	NA	Non-Discretionary
Others (Active)	NA	NA	Non-Discretionary

### ii) Transactions with related parties are as under:

Complete Disclosure in respect of the transactions with the Related Parties (as per March 2024) as per the Standards specified by the Institute of Chartered Accountants of India are as per the **Annexure A** attached herewith

## 8. The financial performance of Portfolio Manager. (Based on audited financial statements)

The Company is debt free and profit making and listed on BSE. It has no carried forward losses of the past. As on the date there is no deferred expenditure.

Particulars	Year Ended	Quarter ended	Year ended
	31st March 2024	30th June 2023	31st March 2023
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
Total Revenue	4,151.00	699.67	2,897.31
Expenses	3039.56	547.62	2380.16
Finance Cost	41.96	14.85	43.07
Depr/Depreciation	56.23	13.02	47.21
Profit / (Loss) before tax	312.25	519.75	426.87
Provision for Current Tax	262	37.5	113.25
Provision for earlier year Tax	4.12	-	0.91
MAT credit entitlement	-	-	-
Deferred Tax	-3	-3.25	4.47
Profit/(Loss)for the year after tax	49.13	479	308.24
Other Comprehensive Income	184.38	102.63	59.37
Total Comprehensive Income for the year	233.51	192.56	367.61



#### 9. Portfolio Management performance of the Portfolio Manager for the last 3 years

The performance of the Portfolio Manager is calculated using **Time Weighted Rate of Return (TWRR)** method in accordance with the Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.

	Current Year 01-04-2024 to 30-06-2024	(YEAR 1) 2023-2024	(YEAR 2) 2022-2023	(YEAR 3) 2021-2022
<b>Portfolio Performance (%), Net of all fees and charges levied by the portfolio Manager</b>	15.92%	33.03%	24.36%	11.21%
<b>Benchmark Performance (%)</b>	11.66%	38.28%	30.91%	19.94%

#### 10. Audit Observations

There have been no audit observations in preceding 3 years.

#### 11. Nature of expenses Portfolio Management Fees

##### i) Management Fees and advisory fees:

Management Fees or Advisory Fees is payable by the client for the Portfolio Management Services offered to the Clients by the Portfolio Manager.

This fee may be a fixed charge (on the initial corpus) or a percentage on quantum of funds managed (on AUM) or a combination of any of these.

**Fixed Fee Structure:** The Fixed fees charged will not exceed 4% per annum on the periodic AUM or on the amount invested. Additionally, applicable taxes shall be charged on the amount of fees.

**Combination of Fixed and Variable Fee Structure:** The Fixed fees portion charged will not exceed 4% per annum on the periodic AUM or on the amount invested. The Variable portion will be Performance fee payable annually on the incremental profit above the Hurdle Rate. The percentage of variable fees will not be more than 40% of the incremental profits above the Hurdle rate. The Hurdle rate will be specified in the product application High Water Marking is applicable at the time of application of Performance fees. Additionally, applicable taxes shall be charged on the amount of fees.

The details of the Management Fees charged are set out in the Portfolio Management Service Agreements or annexure/ schedules attached thereto and executed between the client and the Portfolio Manager.

Management Fees -JOINDRE VALUE FUND		
	Direct	Distributor
<b>Option -1 ( Fixed fees)</b>	2.4% p.a.	2.5% p.a.
<b>Option-2 (Variable fees)</b>	1.5% p.a. + 20% of profits over Hurdle rate	1.6% p.a. + 20% of profits over Hurdle rate
<b>Hurdle rate</b>	11% to be calculated on high watermark	
<b>Exit Load</b>	Up to 12 months -1.5% Beyond 12 months up to 36 months -1% Above 36 months- Nil	



ii) Depository and Custodian charges

These charges relate to opening and maintenance of Depository Accounts and/or custody fee and charges paid to the Custodians and/or Depository Participants, dematerialization of scrips, Securities & their transfer charges in connection with the operation and management of the Client's Portfolio account. The details of the same is set out in the Portfolio Management Service Agreements or annexure/ schedules attached thereto and executed between the client and the Portfolio Manager

iii) Brokerage and transaction cost

It relates to the charges payable to the broker for execution of transactions on the stock exchange or otherwise on purchase and sale of other instruments and includes charges like service charges, stamp duty, service tax, turnover tax, transaction cost, security transaction tax, entry and/ or exit load on sale or purchase of mutual fund etc. as applicable from time to time. The details of the same is set out in the Portfolio Management Service Agreements or annexure/ schedules attached thereto and executed between the client and the Portfolio Manager

iv) Certification and professional charges

The charges incurred and payable by the Portfolio Manager for out sourced 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. may be charged and recovered from the Client.

v) Exit load to be charged when client portfolio is redeemed in part or in full:

As per SEBI guidelines 2020, the maximum exit load that can be charged is as follows:

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

The exit load charged on the products will be specified in the Portfolio Management Agreement and the annexure thereto which is executed between the client and the Portfolio Manager

vi) Fees, entry/exit loads and charges in respect of investment in mutual funds:

Generally, the Mutual Fund shall be recovering expenses or management fees, entry/exit loads and other incidental expenses along with service tax, if any, on such recoveries and such fees, entry/exit loads and charges including services tax on such recoveries shall be paid to the Asset Management Company of these Mutual Funds on the Clients' account. Such fees and charges are in addition to the Portfolio Management fees described above. Investments in mutual funds will mostly comprise of Liquid Fund / Overnight Fund and similar Funds of Mutual Funds. This is done mainly to park investable surpluses pending investments in Equity Markets.

vii) Incidental expenses

Expenses in connection with account opening stamp duty charges, notary charges, postal charges or any other out of pocket expenses as may be incurred by the Portfolio Manager. Currently a one-time charge of Rs. 2000/- is charges to defray the above expenses.

**NOTE: Operating expenses excluding brokerage, over and above the fees charged for Portfolio Management Service, shall not exceed 0.50% per annum of the client's average daily Assets under Management (AUM).**



**Direct On boarding:**

**Clients can open the account with us directly or through intermediary. Please contact us for direct on boarding on 022-40334731/33 or write to us on [pms@joindre.com](mailto:pms@joindre.com)/contactpms@joindre.com and we will get in touch with you.**

**12. Taxation**

For taxation, please refer Annexure- B

**13. Accounting Policies**

The following Accounting policy will be applied for the investments of clients:

- A) Accounting of investments:
  - i) The Books of Account of the Client is maintained on an historical cost basis.
  - ii) Realized gains/losses will be calculated by applying the first in/first out method.
  - iii) For derivatives/futures and options, unrealized gains and losses will be calculated by marking all the open positions to market.
  - iv) Unrealized gains/losses are the differences between the current market values/NAV and the historical cost of the securities/price at which securities are valued on the date of admitting as a Corpus.
  - v) All income will be accounted on accrual or receipt basis, whichever is earlier.
  - vi) All expenses will be accounted on due or payment basis, whichever is earlier.
  - vii) The Portfolio Manager and the Client can adopt any specific norms or methodology for valuation of investment or for accounting the same, as may be mutually agreed between them on a case-by-case basis.
  - viii) Purchase and Sale transactions are accounted for on contract date basis.
  - ix) Purchases are accounted at the cost of acquisition inclusive of brokerage, stamp duty, transaction charges and entry load in case of units of mutual fund. 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.
  - x) Securities Transaction Tax paid on purchase/sale of securities including derivatives, during the financial Year is recognized as an expense in the books of accounts.
  - xi) Bonus shares are recorded on the ex-benefit date (ex-date).
  - xii) Dividend income is recorded on the ex-dividend date (ex-date).
  - xiii) Interest on Debt instruments/ Fixed Deposit with banks are accounted on accrual basis.
  - xiv) Tax deducted at source (TDS) on interest on Fixed Deposits is considered as withdrawal of Portfolio and debited accordingly.
  - xv) For derivatives including futures and options, unrealized gains and losses will be calculated by marking to market the open positions.
- B) Valuation of Investments:
 

Investments in Equities, Mutual Funds and Debt Instruments will be valued at the closing price of the exchanges or the Repurchase Net Asset Value declared for the relevant Product on the date of the report or any cutoff date or the market value of the debt instrument at the cutoff date. Alternatively, the last available prices on the exchange or the most recent NAV will be reckoned.

Realized gains/losses will be calculated by applying the first in/first out and/or weighted average principle. The Portfolio Manager and the client can adopt any specific norms or methodology for Valuation of investments or accounting the same as may be mutually agreed between them on a case specific basis. For derivatives including futures and options, unrealized gains and losses will be calculated by marking to market the open positions. Unrealized gains/losses are the differences in between the current market values/NAVs and the historical cost of the securities. Dividends on shares and units in mutual funds, interest etc, shall be accounted on receipt basis. The interest on debt instruments shall be accounted on accrual basis.

**C) Valuation of, Valuation of Suspended, Unlisted Share:**

**Valuation of Suspended/Non traded Share:** If a listed share is suspended for a certain period, then up to 30 days the last traded price would be used for valuation and after 30 days the valuation methodology would be decided on a case to case basis. Shares awaiting listing due to IPO would be valued at allotment price.

**Unlisted Shares:** Unlisted shares would be valued at cost of acquisition in the portfolio till the shares get



listed on a recognized stock exchange. (There will be no investment in Unlisted Shares)

#### 14. Audit

The Portfolio Manager shall maintain separate client-wise portfolio account and get the transactions duly audited annually by an independent Chartered Accountant and provide a copy of Audit Report to the client. It is clarified that the aforesaid is not applicable to clients who have availed only Advisory Portfolio Management Services.

If any client intends to get these transactions audited at its end, such appointment of an independent Chartered Accountant will be at the cost of the client and the Portfolio Manager shall be entitled to a copy of the Audit Report. It is clarified that the aforesaid is not applicable to clients who have availed only Advisory Portfolio Management Services.

#### 15. Investor Services

The Portfolio Manager has appointed the Investor Relation Officer and his contact details are as under:

Name	Mr. Ayodhya Prasad Shukla
Designation	President and Compliance Officer
Address	Joindre Capital Services Ltd., 29-32, 3 <sup>rd</sup> Floor, 9/15 Bansilal Building Homi Modi Street Fort, Mumbai-400023
Tel No	91-22-40334728 91-22-40334567
Email	<a href="mailto:shuklaap@joindre.com">shuklaap@joindre.com</a> , <a href="mailto:pms@joindre.com">pms@joindre.com</a> , <a href="mailto:info@joindre.com">info@joindre.com</a>

#### 16. Grievance redressal and dispute settlement mechanism of PMS Clients

The objective of grievance redressal system is to ensure that all clients are treated fairly at all times and that any complaints raised by the clients are dealt with courtesy and in time. The Portfolio Manager shall Endeavour to address all complaints regarding services, deficiencies or causes for grievances, for whatsoever reason, in a reasonable and timely manner.

- Investors are entitled to register their complaint to the designated person of the Portfolio Manager from their registered email ID.
- Investors can reach Joindre PMS through email at: [pms@joindre.com](mailto:pms@joindre.com)
- Investors can call/write the following officers at Joindre Capital Services Ltd.

Name	Mr. AYODHYA PRASAD SHUKLA	Mr. M.A. PARAMESWAR
Designation	Compliance Officer	Vice President
Address	Joindre Capital Services Ltd., 29-32, 3 <sup>rd</sup> Floor, 9/15 Bansilal Building Homi Modi Street Fort, Mumbai-400023	
Tel No	9987553388	9821124999
Email	<a href="mailto:shuklaap@joindre.com">shuklaap@joindre.com</a> ,	<a href="mailto:pms@joindre.com">pms@joindre.com</a> , <a href="mailto:parameswar.ma@joindre.com">parameswar.ma@joindre.com</a>

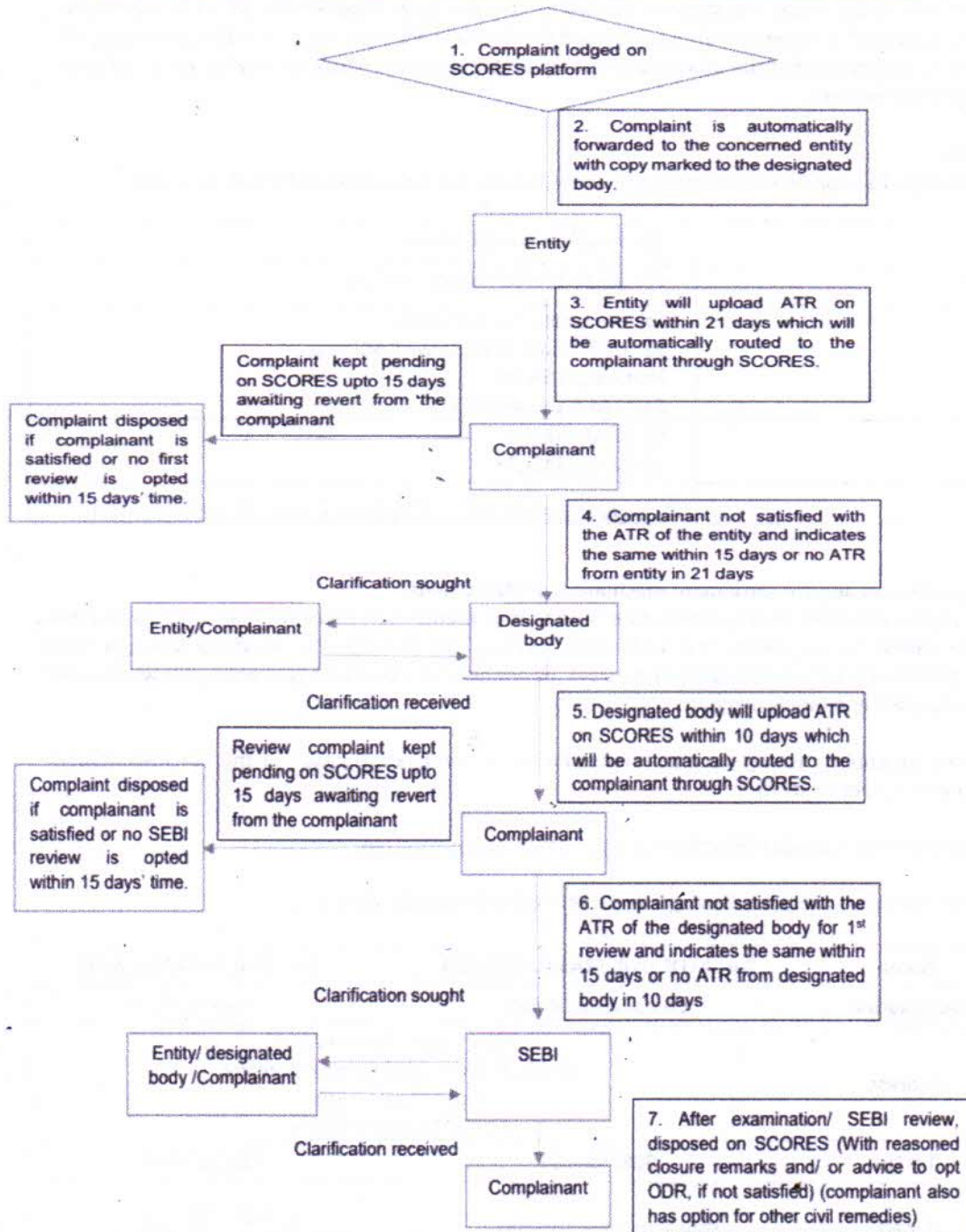
- If Investors are not satisfied with the response from JOINDRE PMS, they can lodge their grievances with SEBI at <https://scores.gov.in/scores/Welcome.html> or may also write to any of the offices of SEBI





- e. The Online dispute resolution mechanism will be as per Schedule III of SEBI PMS Regulations circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 Dated September 20, 2023.
- f. Schedule III of SEBI PMS circular for Online Dispute Resolution Mechanism is as follows.

**Online Dispute Resolution Mechanism introduced by SEBI**





**DISCLAIMER**

This document is purely for the purpose of providing information and every effort has been made to truly represent the facts and circumstances herein. Incorrect information if any is by accident and the publisher of this document will not be liable in any manner whatsoever and in any circumstances whatsoever for the same.

Notwithstanding anything contained in this Disclosure Document, the provisions of SEBI (Portfolio Managers) Regulations 2020 and the rules shall be applicable.

Date:

Place: Mumbai

For Joindre Capital Services Ltd

  
\_\_\_\_\_  
(DIRECTOR)



For Joindre Capital Services Ltd

  
\_\_\_\_\_  
(DIRECTOR)





**Annexure – A**  
**Details of related party transactions during the year ended on 31st March 2024.**

**( Rupees In Lakhs )**

Particulars	Key Managerial Persons		Relative of Key Managerial Persons		Companies/ Firms/ controlled by Key Managerial Persons / Relatives		Total	
	Current year	Previous year	Current year	Previous Year	Current year	Previous year	Current year	Previous year
Brokerage received	3.75	1.99	29.62	18.37	61.03	47.60	94.40	67.96
Interest received	-	-	0.37	0.69	-	-	0.37	0.69
Brokerage paid	-	-	7.78	5.39	539.35	383.70	547.13	389.09
Remuneration paid	90.66	108.83	-	-	-	-	90.66	108.83
Rent paid	2.40	2.40	0.90	0.90	1.46	1.46	4.76	4.76
Interest paid	-	-	-	-	0.63	-	0.63	-
PMS fees received	0.92	0.92	3.42	4.19	6.83	1.41	11.17	6.52
Loan taken	-	375.00	-	140.00	-	391.50	-	906.50
Loan repaid	-	375.00	-	140.00	-	391.50	-	906.50
<b>Outstanding balance at the end of the year 31st March, 2024.</b>								
Trade receivables	-	-	-	-	-	-	-	-
Trade payables	14.73	-	238.25	37.00	268.22	59.37	521.20	96.37

**e) Disclosure in respect of major related party transactions during the year:**

Particulars	Relationship	Current year	Previous year
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**1) Brokerage received**

M/s. Mumbai Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	41.02	31.40
M/s. Nalanda Mercantile Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	8.55	6.91
M/s. Shree Swati Investments	Companies/Firms/controlled by Key Managerial Persons/Relatives	6.75	6.92

**2). Brokerage paid**

M/s. Deity Commercial Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	35.97	22.13
M/s. Esam Share & Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	129.96	98.68
M/s. Mumbai Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	119.52	87.33
M/s. Nalanda Mercantile Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	109.89	80.68
M/s. Neharaj Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	144.61	94.89





### 3) Remuneration paid

Mr. Anil Mutha	Key Managerial Persons	<b>43.09</b>	43.04
Mr. Dinesh Khandelwal	Key Managerial Persons	<b>19.30</b>	19.26
Mr. Paras Bathia	Key Managerial Persons	<b>13.56</b>	13.56
Mr. Subhash Agarwal	Key Managerial Persons	<b>13.16</b>	13.13
Mr. Sunil Jain	Key Managerial Persons	<b>1.55</b>	19.85

### 4) Rent paid

Mr. Anil Mutha	Key Managerial Persons	<b>2.40</b>	2.40
M/s. Good luck Enterprises	Companies/Firms/controlled by Key Managerial Persons/Relatives	<b>1.46</b>	1.46
Mr. Pravin Mutha	Relative of Key Managerial Persons	<b>0.90</b>	0.90

### 5) Interest Paid

M/s. Shree Swati Investments	Companies/Firms/controlled by Key Managerial Persons/Relatives	<b>0.63</b>	0.63
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### 6) Interest Received

Mr. Sanjay M. Shah	Relative of Key Managerial Persons	<b>0.37</b>	0.69
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### 7) PMS Fees Received

Mr. Anil Mutha	Key Managerial Persons	<b>0.92</b>	0.92
M/S. Mutha Resources Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	<b>6.83</b>	1.41
Mr. Neeraj Mutha	Relative of Key Managerial Persons	<b>1.03</b>	0.92
Mr. Paras Bathia Huf	Relative of Key Managerial Persons	<b>1.81</b>	1.74
Mr. Pravin Mutha	Relative of Key Managerial Persons	<b>0.31</b>	0.41
Ms. Seema Mutha	Relative of Key Managerial Persons	<b>0.28</b>	1.13

### 8) Trade payables

M/s. Esam Share & Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	<b>13.26</b>	11.50
M/s. Deity Commercial Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	<b>16.50</b>	15.68
M/s K. C. Jain Huf	Relative of Key Managerial Persons	<b>107.42</b>	-
M/s. Mumbai Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	<b>44.26</b>	8.15
M/s. Neharaj Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	<b>94.21</b>	10.18
M/s. Nalanda Mercantile Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	<b>20.28</b>	13.20





Ms Sandhya Subhash Agarwal	Relative of Key Managerial Persons	<b>10.19</b>	12.32
M/s. Shree Swati Investments	Companies/Firms/controlled by Key Managerial Persons/Relatives	<b>79.71</b>	0.67
M/s Subhash Agarwal Huf	Relative of Key Managerial Persons	<b>36.38</b>	12.60

#### 9) Loan taken

M/s. Esam Share & Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	-	141.50
M/s. Neharaj Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	-	250.00
Mr. Neeraj Mutha	Relative of Key Managerial Persons	-	50.00
Mr. Sunil Jain	Key Managerial Persons	-	330.00
Mr. Seema Mutha	Relative of Key Managerial Persons	-	50.00

#### 10) Loan repaid

M/s. Esam Share & Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	-	141.50
M/s. Neharaj Stock Brokers Pvt. Ltd.	Companies/Firms/controlled by Key Managerial Persons/Relatives	-	250.00
Mr. Neeraj Mutha	Relative of Key Managerial Persons	-	50.00
Mr. Sunil Jain	Key Managerial Persons	-	330.00
Mr. Seema Mutha	Relative of Key Managerial Persons	-	50.00





## Annexure - B Taxation

The following information stated is based on the general understanding of income tax laws in force as of the date of the Disclosure Document and is provided only for general information to the Client. There is no guarantee that the tax position prevailing as on the date of the Disclosure Document / the date of making investment in any of the portfolio / service shall endure indefinitely. Further statements with regard to benefits mentioned herein are expressions of opinion and not representations of the Portfolio Manager to induce any Client, prospective or existing, to invest in any of the PMS services. The Client should not treat the contents of this section of the Disclosure Document as advice relating to legal, taxation, investment or any other matter. In view of individual nature of tax benefits, the Client is advised to consult with his or her own tax consultant, with respect to the specific tax implications arising out of his or her portfolio managed by the Portfolio Manager. Tax implications of the following income received/ to be received by the client during the financial year from investments in securities held as capital asset are discussed as follows:

- a. With effect from April 1, 2020, dividends received on investment in shares of Indian company or companies are taxable in the hands of investor. Company paying dividend shall be liable to deduct TDS @ 10% under section 194(7.5%, paid during the period from 14.5.20 to 31.3.2021 vide press release dated May 13, 2020\*) if the aggregate of the amount of dividend exceeding ₹ 5000/- is payable to an individual investor who is resident in India.
- b. With effect from April 1, 2020, dividends received on investment in units of a mutual fund are taxable in the hands of investor. Any mutual fund paying dividend shall be liable to deduct TDS @ 10% under section 194K (7.5%, paid during the period from 14.5.20 to 31.3.2021 vide press release dated May 13, 2020\*) if the aggregate of the amount of dividend exceeding ₹ 5000/- is payable to an investor who is resident in India.
- c. It is provided in section 57 of the Act that no deduction of any expenses shall be allowed from dividend income referred in (a) and (b) above in any previous year other than deduction on account of interest expense. However, such deduction shall not exceed 20% of the dividend income included in the total income for that year, without deduction under section 57
- d. Capital assets are categorized into short-term and long-term capital asset based on the period of holding. Securities (other than units) listed on a recognized stock exchange in India or units of an equity oriented fund (as referred to in section 115T of the Act) or Zero Coupon Bonds are considered as long-term capital assets if they are held for a period exceeding 12 months immediately preceding the date of its transfer. A share of a company not listed on a recognized stock exchange in India would be considered as long-term capital asset if held for a period exceeding 24 months preceding the date of its transfer. Other securities would be considered as long-term capital assets if held for a period exceeding 36 months.
- e. Long Term Capital Gain u/s 112A of the Act
  - (i) Long term capital gain (LTCG) in excess of Rs 1 lakh arising on transfer of a long term capital asset being listed equity share in a company on which securities transaction tax (STT) has been paid on both acquisition as well as transfer of the share or being a unit of an equity oriented mutual fund on which STT has been paid on transfer of the unit is chargeable to tax @ 10% plus surcharge where applicable and health and education cess ("cess") of 4% on the income tax and surcharge. No benefit of indexation will be available on such gains.
  - (ii) The Central Government vide notification no 60/2018/F No.370142/9/2017 dated 01/10/2018 issued u/s 112A (4) has specified the nature of acquisition in respect of equity share on which STT is not paid at the time of acquisition or transfer of equity share to avail the benefit of this section.
  - (iii) The CBDT vide circular No. 370149/20/2018 dated 04/02/2018 in the FAQs issued therein have explained the applicability of provisions of section 112A with examples in different scenarios.
  - (iv) Section 112A provides that where gross total income of an assessee includes LTCG from a specified asset, the deduction under Chapter VI-A shall be allowed from the gross total income as reduced by such capital gains.





- (v) Section 112A provides that where total income of an assessee includes LTCG from section 112A, the rebate u/s 87A will be allowed from income tax on total income as reduced by the tax payable on such LTCG.
- (vi) Applicability of section 112 to LTCG which is not covered by section 112A:  
In case of transfer of LTCA of nature other than covered in (i) or (ii) above or covered under other special provisions in chapter XII /XIIA of the Income Tax Act then LTCG shall be subject to tax under section 112 wherein the assesses shall :
  - (a) Not be able to substitute fair market value of equity share/unit as on January 31, 2018 as its cost of acquisition..
  - (b) be eligible to obtain benefit of indexation of cost of acquisition and
  - (c) Be liable to pay tax @ 20% with indexation or 10% without indexation.
- f. Short Term Capital Gains  
Under section 111A of the Act, income from short-term capital gains arising from the transfer of equity shares in a company listed on a recognized stock exchange or a unit of equity oriented fund, on which Securities Transaction Tax (STT) is paid, are taxable at the rate of 15% (plus the applicable surcharge and cess @ 4% on income tax and surcharge. Short term capital gains (other than those referred to above) is taxed at normal tax rates (plus surcharge where applicable) and cess of 4% on such income tax and surcharge.
- g. Any securities transaction tax paid is neither allowed as a deduction in computing the income chargeable under the head "capital gains" nor allowed as a deduction from the amount of income tax payable on capital gains.
- h. Tax treatment in case of fixed income securities depend on the specific features of the particular securities. A general illustration of taxation in case of fixed-income securities, taxation of non-convertible debentures issued by a company which are redeemable at par on maturity (plain vanilla bond) is as under:
  - (i) Interest income is taxable in the hands of a Debenture holder.
  - (ii) No indexation benefit is available to a Debenture holder on redemption of debentures on maturity.
  - (iii) Tax as applicable to be deducted at source by a company on interest income payable to a debenture holder who is resident in India in the manner provided under section 193 of the Act subject to certain exemptions provided therein. The taxation treatment would differ according to the specific features of the debentures.
- i. Special Provisions relating to Avoidance of Tax
  - (a) Dividend Stripping  
Under section 94(7) of the Act, loss arising on sale of securities or units purchased within 3 months prior to the record date for entitlement of dividends and sold within 3 months (9 months in case of unit of a mutual fund) after such record date, shall be ignored to the extent of dividend received or receivable on such securities or units which is exempt from income tax.
  - (b) Bonus Stripping  
Under section 94(8) of the Act, for units purchased within a period of three months prior to the record Date of entitlement of bonus and sold within a period of nine months after this date the loss arising on the transfer of the original units (while continuing to hold the additional bonus units) shall be ignored for the purpose of computing the income chargeable to tax.  
The amount of loss so ignored shall be deemed to be the cost of purchase / acquisition of the additional units as are held on the date of such sale or transfer.
  - (c) Additional income-tax on buy-back of shares by companies  
Under section 115QA an additional income-tax is levied in the hands of companies at the rate of 20% plus surcharge @ 12% and cess @ 4% on income tax and surcharge on distributions by such companies made to its shareholders in the form of buy-back of shares. The corresponding income in the hands of the shareholders would be exempt from tax.



j. **Capital Losses**

Losses under the head capital gains cannot be set off against income under any other head. Furthermore, within the head capital gains, losses arising from the transfer of long-term capital assets cannot be adjusted against gains arising from the transfer of a short-term capital asset. However, losses arising from the transfer of short-term capital assets can be adjusted against gains arising from the transfer of either a long-term or a short-term capital asset.

Unabsorbed long-term capital loss can be carried forward and set off against the long-term capital gains arising in any of the subsequent eight assessment years. Unabsorbed short-term capital loss can be carried forward and set off against the income under the head capital gains in any of the subsequent eight assessment years.

k. **Special Provisions applicable to Incomes of Non-Resident Indians (NRI)**

i. Sections 115C to 115I under Chapter X11A of the Income Tax Act, 1961(Act) contain special provisions governing computation and taxation of the total income of NRIs.

ii. As per these provisions, investment income and long-term gains from foreign exchange asset would be subject to tax at the rate of 20% and 10% respectively plus surcharge and health and education cess of 4% of such income tax and surcharge. Other income and short-term capital gains would be subject to tax at the rates prescribed in the Schedule to the Finance Act for the relevant year. Short term capital gains arising on transfer of a short-term capital asset, being an equity share in a company or a unit of an equity oriented fund, is subject to tax at a rate of 15 % plus surcharge and health and education cess of 4% of such income tax and surcharge, if the transaction of sale of such equity share or unit is chargeable to securities transaction tax.

iii. In computing the Investment income, no deduction of any expenditure or allowance is permissible under any provisions of the Act. Further, where the gross total income consists only of investment income or income by way of long-term capital gains or both no deductions are permissible under Chapter VIA in respect of investment income or long-term capital gains of the NRI. The long-term capital gains on transfer of shares or debentures of an Indian company acquired in convertible foreign exchange would be computed, without indexation benefit, in the prescribed manner and shall be subject to conditions specified under first proviso to section 48 of the Act.

iv. As per section 115F, the long term capital gains arising from transfer of any foreign exchange asset would be exempt from tax to the extent the net proceeds realized on such transfer are reinvested or re-deposited within six months after the date of such transfer in any specified asset or saving certificates notified under section 10(4B) for a period of three years.

v. NRI may opt not to be governed by these special provisions contained in Chapter XII A of the Act, for any assessment year by filing the Return of Income under section 139 of the Act and declaring therein that these special provisions shall not apply to him. Accordingly, the whole of the total income of NRI will be charged to tax in accordance with the other provisions of the Act.

vi. (i). Tax to be deducted at source under section 195 of the Act from income and capital gains arising to NRI:

Investment income	Tax @20% plus applicable surcharge on income tax given in (ii) below and health and education cess @ of 4% on income tax and surcharge
Long term capital gains from specified asset referred to in section 115 E	Tax @ 10% plus applicable surcharge on income tax given in (ii) below and health and education Cess @ of 4% on income tax and surcharge.
Long term capital gains from unlisted securities or shares of a company not being a company in which public are substantially interested referred to in section 112(1)(c)(iii)	Tax @10% plus applicable surcharge on income tax given in (ii) below and health and education Cess @ of 4% on income tax and surcharge.





Long term capital gains referred to in section 112A	Tax @ 10% plus applicable surcharge on income tax given in (ii) below and health and education Cess @ of 4% on income tax and surcharge.
Any other long-term capital gains not covered under section 10(33), 10(36) and 112A	Tax @ 20% plus applicable surcharge on income tax given in (ii) below and health and education Cess @ of 4% on income tax and surcharge.
Short Term capital gains on sale of equity shares or units of an equity-oriented fund chargeable to securities transaction tax referred to in section 111A	Tax @ 15 % plus applicable surcharge on income tax given in (ii) below and health and education Cess @ of 4% on income tax and surcharge.
Income by way of dividend	Tax @ 20% plus applicable surcharge on income tax given in (ii) below and health and education Cess @ of 4% on income tax and surcharge.
Other Income	Tax @ 30% plus applicable surcharge on income tax given in (ii) below and health and education Cess @ of 4% on income tax and surcharge.

In cases where valid PAN is not provided, higher rates will apply as provided under section 206 AA of the Act/as per the applicable provisions of the Income Tax law.

(ii). Tax to be deducted on above income or the aggregate of such income paid or likely to be paid shall be increased by a rate of surcharge prescribed in the Finance Act for the relevant year as under:

	Rate of Surcharge	
Total Income (in Rupees)	Income other than dividend and Capital gains covered under section 111A and section 112A	Dividend income and Capital gains covered under section 111A and section 112A
Upto Fifty lakh	NIL	NIL
Fifty lakh - One crore	10%	10%
One crore - Two crore	15%	15%
Two crore - Five crore	25%	15%
Above Five crore	37%	15%

#### I. Taxation of derivatives transactions in securities

Clause (d) of section 43(5) of the Income Tax Act, 1961, and explanation thereto, provides that, an eligible transaction as defined in the aforesaid section, carried out in respect of trading in derivatives on a recognized stock exchange, shall not be treated as speculative transaction. Accordingly, the profit or loss on such derivative transactions would form part of profits and gains of business of the client. For the purposes of the aforesaid section, the currently notified recognized stock exchanges are National Stock Exchange and Bombay Stock Exchange.

#### m. Advance Tax Obligations

It shall be the responsibility of the client to meet its advance tax obligations payable on the due dates as per the Income Tax Act, 1961(the Act”).

#### n. Tax deduction at source Obligations

The fees charged to the client by the Portfolio Manager for PMS falls under the ambit of "fees for technical services" for the purpose of withholding tax provisions of the Act. Accordingly, the client while making payment of fees to the Portfolio Manager shall withhold tax @ 10 % on amount of fees (excluding Goods & Service Tax on the fees) if the client is so liable to deduct under sections 194J or 194M of the Act. The withholding tax rate is 7.5% for the period from 14.5.20 to 31.3.2021 vide press release dated May13, 2020. Press release is subject to legislative amendments to this effect.



**o. Securities Transaction Tax (STT):**

Securities Transaction Tax (STT) is the tax leviable on the taxable securities transactions i.e. transaction of:

- i. Purchase or sale of an equity share of listed companies, entered into in recognized stock exchange and settled by the actual delivery. The STT on such transaction is payable by the purchaser/seller, as the case may be, @ 0.1% (i.e. 1-07-2012)
- ii. Sale of a unit of an equity oriented fund, entered into in recognized stock exchange and settled by the actual delivery. The STT on such transaction is payable by the seller, as the case may be, @ 0.001% (i.e. 1-06-2013)
- iii. Sale of an equity share of listed companies or a unit of an equity oriented fund, entered into in a recognized stock exchange and settled otherwise than by actual delivery. The STT on such transaction is payable by the seller @ 0.025%.
- iv. STT on a sale of an options in securities is payable by the seller @ 0.05%. STT on sale of an option in securities, where option is exercised, is payable by the purchaser @ 0.125% of the settlement price of the option.
- v. STT on a sale of a futures in securities is payable by the seller @ 0.01%
- vi. In case of unlisted equity shares under an offer for sale referred to in sub clause (as) of clause (13) of section 97, the seller will pay STT @ 0.2% (from 01-07-2012)
- vii. If the total income of an assessed in a previous year includes any income, chargeable under the head "Profits and gains of business or profession", and if it is arising from taxable securities transactions, the Securities Transaction Tax paid would be allowed as a deduction under Section 36(1)(xv).

**p. Tax treatment if STT is not paid:**

The income arising from the securities transactions shall be taxed at applicable rates in force under the Income Tax Act, 1961, if, transaction is not through recognized Stock Exchange and STT is not paid in respect of such transactions.

**q. Tax treatment on Interest Income:**

Pursuant to Section 56 (2) (id) of Income Tax Act, 1961, income by way of Interest, if not chargeable to income-tax under the head "Profit and Gains of Business or Profession", shall be chargeable to Income Tax under the head 'Income from other sources'. The same shall be taxed at applicable rates in force under the Income Tax Act, 1961.

Payment of the withholding shall be the personal responsibility and liability of the client. In case the client deducts and pays the withholding tax, the client shall provide Tax Deduction Certificate in Form No. 16A as prescribed under the Income Tax Rules, 1962 to the Portfolio Manager. The Portfolio Manager is not by law, contract or otherwise required to discharge any obligation on behalf of the client to pay any taxes payable by the clients.

*\* Press release is subject to legislative amendments to this effect*





**JOINDRE****JOINDRE CAPITAL SERVICES LTD****FORM C****SECURITIES AND EXCHANGE BOARD OF INDIA  
(PORTFOLIO MANAGERS) REGULATIONS, 2020  
(Regulation 22)****Joindre Capital Services Limited**

3rd Floor, 9/15 Bansilal Building,  
Homi Modi Street,  
Fort, Mumbai 400023,  
Phone no.022 – 40334732/31, 044 – 24992244

Email Id: pms@joindre.com  
jayaram.v@joindre.com, jayaram.v1@gmail.com  
shuklaap@joindre.com

It is confirmed:

1. The Disclosure Documents 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;
2. 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 Joindre Capital Services Limited, in its Portfolio Management Services;
3. The Disclosure Document has been duly certified by an Independent Chartered Accountant, K.H. ASSOCIATES, 511, Centre Square 174, S.V.Road, Andheri (West), Mumbai – 400058, Membership No 114133.

**For Joindre Capital Services Limited**

  
**V JAYARAM**  
Principal Officer

Date: 08-07-2024  
Place: Chennai





**Partners :**

**CA Shyam T. Karnani**  
**CA Jagdish S. Karnani**  
**CA Janki J. Karnani**



**K. H. Associates**  
**Chartered Accountants**

Date: :9<sup>th</sup> July 2024

**The Board of Directors,**  
**Joindre Capital Services Limited,**  
29-32, 3rd Floor,  
9/15 Bansilal Building  
Homi Modi Street  
Fort, Mumbai– 400023.

We have reviewed the Disclosure Document dated 8<sup>th</sup> July 2024, for Portfolio Management prepared in accordance with Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020 by Joindre Capital Services Limited having its corporate office at 29-32, 3rd Floor, 9/15 Bansilal Building, Homi Modi Street, Fort, Mumbai– 400023.

Based on our examination of attached Disclosure Document, audited / unaudited financial and other relevant records and information furnished by Management, we certify that the disclosures made in the attached Disclosure Document for Portfolio Management are true, fair and adequate to enable the investors to make a well-informed decision.

This certificate has been issued on request of Joindre Capital Services Limited for submission to Securities and Exchange Board of India under SEBI (Portfolio Management) regulations, 2020 and should not be used or referred to for any other purpose without our prior written consent.

**For K. H. ASSOCIATES**  
Chartered Accountants  
Firm Reg. No.: 104480W



**JAGDISH S. KARNANI**  
Partner  
Membership No. 114133  
UDIN: 24114133BKAUUY5155  
Place: Mumbai



**Partners :**

**CA Shyam T. Karnani**  
**CA Jagdish S. Karnani**  
**CA Janki J. Karnani**



**K. H. Associates**  
**Chartered Accountants**

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**For K. H. ASSOCIATES**

Chartered Accountants  
Firm Reg. No.: 104480W



**JAGDISH S. KARNANI**

Partner

Membership No. 114133

UDIN: 24114133BKAUUY5155

Place: Mumbai