

Portfolio Management Services Disclosure Document

INVESTORS SHOULD NOTE THAT:

This Disclosure Document has been filed with the Securities and Exchange Board of India ("SEBI") together with the certificate in the prescribed format in terms of Regulation 22 of the Securities and Exchange Board of India (Portfolio Managers) Regulations 2020.

This Disclosure Document sets forth concisely the essential information that a prospective investor ought to know about portfolio management services, to assist and enable the prospective investor before engaging a portfolio manager. Prospective investors should carefully read the Disclosure Document before making a decision of appointing a Portfolio Manager.

The particulars of this Disclosure Document have been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 and as amended till date.

No person has been authorized to give any information or to make any representations not set out in this Disclosure Document, in connection with this Disclosure Document, and any information or representations not contained herein must not be relied upon as having been authorized by Dynamic Equities Private Limited.

The following are the Details of the Portfolio Manager

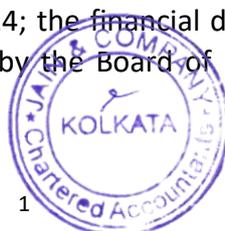
Name of the Portfolio Manager	DYNAMIC EQUITIES PVT. LTD.
SEBI Registration Number	INP000003468
Registered Office Address	Technopolis, 14th Floor, Plot No. BP-4, Sector V, Salt Lake, Kolkata- 700091
Phone	033 40099400
Website	www.valuestocks.in
Email	pms@valuestocks.in

The name, phone number, e-mail address of the Principal Officer so designated by the Portfolio Manager is:

Name of the Principal Officer	Mr. Shailesh Saraf
Registered Office Address	Technopolis, 14th Floor, Plot No. BP-4, Sector V, Salt Lake, Kolkata- 700091
Phone	9831080002
Email	shailesh@valuestocks.in

Please retain this Disclosure Document for future reference.

This Disclosure Document is dated 31st August 2024; the financial details are effective dated 31st March, 2024 and was certified by Auditor and approved by the Board of Directors of Dynamic Equities Private Limited on 02nd September 2024.



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1. DISCLAIMER

This document has been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations 2020 and it has been filed with SEBI. This document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of this Document. The performance related information is not verified by SEBI.

2. DEFINITIONS AND INTERPRETATIONS

2.1. DEFINITIONS

For the purposes of this Disclosure Document, except as otherwise expressly provided or as the context or meaning thereof otherwise requires, the following words and expressions shall have the meanings assigned to them respectively hereinafter:

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

"Agreement" means the agreement between the Client and the Portfolio Manager for providing Portfolio Management Services to that Client and stating therein the terms and conditions on which the Portfolio Manager shall provide such services to that Client;

"Client" or "Investor" means any person who registers with the Portfolio Manager for availing the services of portfolio management;

"Depository" means a Depository as defined in section 2(1)(e) of the Depositories Act, 1996 (22 of 1996);

"Depository Account" or "DP Account" means any account of the Client or for the Client with a Depository Participant as per the relevant regulations;

"Depository Participant" means a person registered as a depository participant under sub-section (1A) of section 12 of the Act, and with whom a DP Account will be maintained on behalf of the Client;

"Disclosure Document" means this disclosure document for Portfolio Management Services;

"Discretionary Portfolio Management Services" means Portfolio Management Services where the Portfolio Manager exercises or may, under a contract relating to portfolio management, exercise any degree of discretion as to the investments or management of the portfolio of securities and/or the Funds of the Client, as the case may be;

"Non-discretionary Portfolio Management Services" means Portfolio Management Services under which the Portfolio Manager, shall invest assets of the client on client's account, entirely at the Client's risk, as per express prior instructions issued by the Client from time to time for an agreed fee structure and to ensure that all benefits accrue to the Client's Portfolio

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

"Funds" means the moneys placed by the Client with the Portfolio Manager and any accretions thereto;

"Funds managed" means the market value of the Portfolio of the Client as on date;

"Initial Corpus" means the value of the Funds and/or the market value of readily realizable investments brought in by the Client at the time of registering him as a Client with the Portfolio Manager and accepted by the Portfolio Manager;

"Portfolio" means the total holdings including accretions of all investments, securities and Funds belonging to the Client with the Portfolio Manager;

"Portfolio Manager" means Dynamic Equities Private Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at Technopolis, 14th Floor, Plot No. BP-4, Sector V, Salt Lake, Kolkata- 700091

"Portfolio Management Services" means the Discretionary Portfolio Management Services or Investment Advisory Services or Structured Products, as the context may require;

"Principal Officer" means an employee of the portfolio manager who has been designated as such by the portfolio manager and is responsible for: -

- i. The decisions made by the portfolio manager for the management or administration of portfolio of securities or the funds of the client, as the case may be, and



- ii. All other operations of the portfolio manager.

"Regulations" means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 made by SEBI under the Act;

"Rules" means the Securities and Exchange Board of India (Portfolio Managers) Rules, 1993 made by the Government of India under the Act;

"Strategy" means the current investment Strategy or such other Strategy that may be introduced at any time in the future by the Portfolio Manager;

"SEBI" means the Securities and Exchange Board of India;

"Securities" means

- i. Shares, scrips, stocks, bonds, debentures, debenture stocks or other marketable securities of a like nature in or of any incorporated company or other body corporate;
- ii. Derivative;
- iii. Units or any other instrument issued by any collective investment scheme to the investors in such schemes; iv. Security receipt as defined in clause (zg) of section 2 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
- iv. Government securities;
- v. Such other instruments as may be declared by the Central Government to be securities;
- vi. Rights or interest in securities provided that with respect to NRI's, "Securities" means only those securities in which NRIs are permitted to invest under FEMA and the rules and regulations made there under and other statutes, rules and regulations as may be applicable to NRI investments in Indian companies.

"Services" means investment in securities, consultancy/management, and may include the responsibility of managing, reviewing and reshuffling the Portfolio, buying and selling or securities, keeping safe custody of securities, monitoring book closures, dividends, bonus and rights and keeping track of corporate performance and other developments to ensure that all benefits accrue to the Client's Portfolio for an agreed fee structure;

"Stock Exchange" means BSE Ltd. or National Stock Exchange of India Ltd. or such other exchange in which the Portfolio Securities are traded;

"Structured Products" means the products that the Portfolio Manager may, from time to time launch that are structured towards meeting specific needs of a particular Client and that shall be managed in accordance with the specifications provided by the Portfolio Manager to the Client;

"Taxes" means all taxes, cesses, stamp duties, registration fees and all taxes including service tax, turnover tax, securities transaction tax, withholding tax, whether direct or indirect, including any tax to be deducted at source by the Portfolio Manager or any other tax payable on the income earned on the investments made for and on behalf of the Clients by the Portfolio Manager;

The terms that are used but not defined herein shall, unless repugnant to the context or meaning thereof, have the same meanings as are assigned to them under the Act, the Regulations or the Rules.

"Related Party" in relation to a portfolio manager, means—

- i. A director, partner or his relative;
- ii. A key managerial personnel or his relative;



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

2.2. INTERPRETATIONS

- a) Reference to any gender includes any other gender;
- b) In this Disclosure Document, the headings are for convenience only and shall not constrain or affect its construction or interpretation in any way whatsoever;
- c) Where a word or phrase is defined, other parts of speech and grammatical of that word or phrase shall have corresponding meanings;
- d) A word importing the singular shall include the plural and vice versa;
- e) A reference to any statute, documents or any provision therein shall be deemed to be reference to it as amended or any replacement or substitution thereof;
- f) If by the terms of this Disclosure Document, any act would be required to be performed on a day which is Public Holiday, that act shall be deemed to have duly performed, if performed on or within the period ending on the immediately.



3. DESCRIPTION

3.1. HISTORY, PRESENT BUSINESS AND BACKGROUND OF THE PORTFOLIO MANAGER - DYNAMIC EQUITIES PRIVATE LIMITED

Dynamic Equities Private Limited (hereinafter referred to as "DEPL") is a company incorporated under the Companies Act, 1956 on 16-Aug-1999 and is a SEBI Registered Stockbroker in NSE, BSE and MCX, Portfolio Manager (PMS), Investment Advisor (IA), NSDL Depository Participant and AMFI registered Mutual Fund Distributor. Our head office is in Kolkata and branch office in Mumbai.

3.2. PROMOTERS AND DIRECTORS OF THE PORTFOLIO MANAGER AND THEIR BACKGROUND IN BRIEF

Name	Designation, Age (yrs.), Qualification	Experience
Mr Shailesh Saraf	Managing Director, 50 Years, B.Com., 50% Shareholder	Mr. Saraf has over 25 years of experience in the stock market and holds Certification on Value Investing from Columbia University. Mr. Shailesh Saraf focuses on generating high alpha at substantially lower risk through his excellently devised strategies and stocks. His emphasis on long term quality and growth as foundational principles for equity investing has greatly benefited the investor community.
Mr. Shridhar Bhuwalka	Managing Director, 38 Years, B.Com., 50% Shareholder	Mr. Bhuwalka has around 20 years of experience in the stock market and has overseen many critical areas of the organisation like finance, risk and operations. He has ably partnered in the growth of moral and material progress of the company's various stakeholders like clients, associates and employees.

3.3. TOP GROUP COMPANIES/ FIRMS OF THE PORTFOLIO MANAGER ON TURNOVER BASIS

No.	Company
1	Dynamic Commodities Pvt. Ltd.
2	Dynamic Credit Finance Pvt. Ltd.
3	Chandra Vyapaar Pvt. Ltd.
4	Shailesh Real Estate Pvt. Ltd.
5	Divine Spark Pvt. Ltd.
6	Dynamic Equities (IFSC) Pvt. Ltd.
7	Bhuwalka & Co. Pvt. Ltd.



3.4. DETAILS OF SERVICES BEING OFFERED: DISCRETIONARY/ NON-DISCRETIONARY/ ADVISORY

The services offered by the Portfolio Manager have been detailed at length in section 5 of this document pertaining to 'Services Offered'.

4. PENALTIES, PENDING LITIGATIONS OR PROCEEDINGS AS ON 31th AUGUST, 2024.

There has been no instance of penalty imposed or direction issued or proceeding initiated by SEBI under the Act or Rules or Regulations or by any Regulatory authority against the Portfolio Manager for any economic offence and/or for violation of any securities laws or for any deficiency in the systems and operations of the Portfolio Manager during the period ended June 30, 2023. There are no pending legal proceedings, civil or criminal initiated against the Portfolio Manager or its key personnel by any entity, nor there have been any cases of enquiry/ adjudication proceedings initiated by SEBI against any persons or group entities either directly or indirectly connected with the Portfolio Manager under the Act or Rules.

5. SERVICES OFFERED

5.1. Discretionary Services:

Under these services, the choice as well as the timings of the investment decision rest solely with the Portfolio Manager in consultation with the investment committee. The Portfolio Manager shall have the sole and the absolute discretion to invest in respect of the Client's account in any type of security as per the agreement and make such changes in the investments and invest some or all of the Client's account in such a manner and in such a market as it deems fit. However, the final decision rests with the Portfolio Manager. The securities invested/disinvested by the Portfolio Manager for the Clients in the same Strategy may differ from Client to Client. The Portfolio Manager's decision taken in good faith in deployment of the Client's account is absolute and final and cannot be called in question or be open to review at any time during the currency of the agreement or at any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence. This right of Portfolio Manager shall be exercised strictly in accordance with the relevant acts, Rules, and Regulations, guidelines and notification in force from time to time. The Portfolio Manager shall not invest the funds of the Client in the units of schemes of mutual fund, which may be sponsored by Portfolio Manager and other short-term products, if any, of other group Companies. Based on the Client's profile, overall investment objective and other relevant factors, the Portfolio of the Clients are at present managed under one or more of the following Investment Strategies:

Equity Strategy

1. Bluechip
2. Smallcap
3. Emerging
4. PSU
5. Multicap



5.2. Non-Discretionary Portfolio Management Services:

Under this category, the investment decisions of the Portfolio Manager are guided by the instructions received from the Client under an agreement executed between the Portfolio Manager and the Client. The deployment of Funds is the sole discretion of the Client and is to be exercised by the Portfolio Manager in a manner that strictly complies with the Client's instruction. The decision of the Client in deployment of Funds and the handling of his / her / its Portfolio is absolute and final. The role of the Portfolio Manager apart from adhering to investments or divestments upon instructions of the Client is restricted to providing market intelligence, research reports, trading strategies, trade statistics and such other material which will enable the Client to take appropriate investment decisions. However, the Portfolio Manager will continue to act and be strictly guided by relevant guidelines, acts, rules, regulations and notifications in force from time to time. For the purpose of acting on the Client's instructions, the Portfolio Manager shall take instructions in writing or recorded lines or through any other media mutually agreed such as email or suitable and secured message and may include managing, renewing and reshuffling the portfolio, buying and selling the securities, keeping safe custody of the securities and monitoring book closures, dividend, bonus, rights etc. so that all benefits accrue to the Client's Portfolio, for an agreed fee structure, entirely at the Client's risk. The portfolio shall be constructed on the basis of client direction, as per the terms of the nondiscretionary portfolio agreement. Under the non-discretionary portfolio management service, the portfolio manager manages the funds in accordance with the directions of the client. The asset allocation range mentioned may change based on client direction for actual client portfolios. The Portfolio Manager shall be acting in a fiduciary capacity, both as an agent as well as a trustee, with regard to Client's assets and accretions thereto pertaining to the client account consisting of investments, accruals and monetary and non-monetary corporate actions and benefits, if any.

Under the Non-discretionary portfolio mandate, the portfolio manager may recommend a multi-asset class approach with investments across securities listed or unlisted* as permissible under the definition of 'securities' under the Securities Contracts (Regulation) Act, 1956, and also by SEBI Portfolio Managers Regulations 2020 and Master Circular SEBI/HO/IMD/IMD-POD-1/P/CIR/2023/38 dated March 20, 2023, and circulars issued from time to time.

*Investment in Unlisted securities: Under Non-Discretionary Portfolio Management Services (NDPMS), the Portfolio Manager may invest up to 25% of the AUM of a client (other than large value accredited investor) in unlisted securities, in addition to the securities permitted for discretionary portfolio management.

"Unlisted securities" shall include units of Alternative Investment Funds (AIFs), Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), debt securities, shares, warrants, etc. which are not listed on any recognized stock exchanges in India.

The portfolio manager may offer non-discretionary portfolio management services for investment up to hundred percent of the assets under management of the large value accredited investors in unlisted securities subject to the terms agreed between the client and the portfolio manager.



5.3. Advisory Services:

Under these services, the Portfolio Manager advises the Client on investments in general or any specific advice required by the Clients and agreed upon in the Client agreement. The Portfolio Manager will render the best possible advice to the client having regard to the client's needs and the environment, and his own professional skills. The same can be binding or non-binding in nature or in such terms as mentioned in the Client agreement. For such services, the Portfolio Manager charges the Client a fee for services rendered mentioned in the Client agreement. The advice may be either general or specific in nature and may pertain to a particular portfolio. Entry/exit timing, execution and settlement are solely the Client's responsibility.

6. INVESTMENT STRATEGIES OFFERED

Equity Strategy:

6.1 Strategy Name: Bluechip

i. **Fund Manager:** Mr. Shailesh Saraf

ii. **Investment Objective:**

To create long term wealth by investing in portfolio of quality stocks with good valuation and generate alpha both in rising and falling markets

iii. **Description of types of securities**

Listed equities

iv. **Basis of selection of such types of securities as part of the investment approach**

This Strategy has quality large and midcap stocks with high sales & profit growth and low valuation

v. **Allocation of portfolio across types of securities**

Defining the Universe: Market Cap ranks 1 to 250 on the National Stock Exchange of India are included in the universe. • Research: The stocks are selected based on the criteria of High growth and Low valuation. • Historical back testing: The Value Stocks research team conduct historical back testing to ensure that only consistently outperforming strategies are selected. • Constituent Screening: The research team does individual stock picking after going through company reports and financials and decides on a host of qualitative and quantitative parameters. • Weighting: Stocks are equally weighted to reduce risk and mitigate individual biases.

vi. **Benchmark to compare performance: NIFTY 50 TRI and Nifty LargeMidcap 250**

vii. **Basis for choice of benchmark**

The strategy is compulsorily benchmarked against NIFTY 50 TRI as per recent SEBI and APMI norms related to benchmarking. Also, since strategy aims to invest in companies from Market Cap rank 1 to 250 on the National Stock Exchange of India the strategy will be benchmarked against Nifty LargeMidcap 250 to accurately reflect the core philosophy of the strategy.

viii. **Indicative tenure or investment horizon**

The objective of the strategy is to generate alpha and create wealth over the long term, using an adaptive investment approach to navigate the dynamic business and market cycles that last 3-5 years. Thus the ideal investment time horizon should range between 3 to 5 years and above.



ix. Risks associated with the investment approach:

Being primarily a long only equity strategy, the strategy may invest substantially in equity and equity related securities which are prone to market volatility and price fluctuations, and hence the strategy bears both systematic market risks and unsystematic stock specific risks. The performance in the equity portfolios may be adversely affected by the performance of individual companies, due to company specific, industry specific, macroeconomic and regulatory factors. The past performance of the Portfolio Manager is not indicative of the future performance. The inability of the portfolio to make intended securities purchase due to settlement problems could cause the portfolio to miss certain investment opportunities, while the inability to sell securities, held in the strategy's portfolio may result, at times, in potential losses to the portfolio, should there be a subsequent decline in the value of securities held in the strategies portfolio. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the portfolio management services. Investment decisions made by the Portfolio Manager may not always be profitable. After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be delay in deployment. In such situations, the clients may suffer opportunity loss. Frequent rebalancing of Portfolio will result in higher brokerage/transaction cost. Investments in equity and equity related securities involve a degree of risk and investors should not invest in the strategy unless they are willing to take the risk of losing their investment.

6.2. Strategy Name: Smallcap

i. Fund Manager: Mr. Shailesh Saraf

ii. Investment Objective:

To create long term wealth by investing in portfolio of quality stocks with good valuation and generate alpha both in rising and falling markets

iii. Description of types of securities

Listed equities

iv. Basis of selection of such types of securities as part of the investment approach

This Strategy has quality Smallcap Stocks with high Sales & Profit growth and low valuation

v. Allocation of portfolio across types of securities

Defining the Universe: Market Cap ranks 251 to 600 on the National Stock Exchange of India are included in the universe. • Research: The stocks are selected based on the criteria of High growth and Low valuation. • Historical back testing: The Value Stocks research team conduct historical back testing to ensure that only consistently outperforming strategies are selected. • Constituent Screening: The research team does individual stock picking after going through company reports and financials and decides on a host of qualitative and quantitative parameters. • Weighting: Stocks are equally weighted to reduce risk and mitigate individual biases.

vi. Benchmark to compare performance: NIFTY 50 TRI and Nifty Smallcap 100

vii. Basis for choice of benchmark

The strategy is compulsorily benchmarked against NIFTY 50 TRI as per recent SEBI and APMI norms related to benchmarking. Also, since strategy aims to invest in companies from Market Cap rank 251 to 600 on the National Stock Exchange of India the strategy will be benchmarked against Nifty Smallcap 100 to accurately reflect the core philosophy of the strategy.



viii. Indicative tenure or investment horizon

The objective of the strategy is to generate alpha and create wealth over the long term, using an adaptive investment approach to navigate the dynamic business and market cycles that last 3-5 years. Thus the ideal investment time horizon should range between 3 to 5 years and above.

ix. Risks associated with the investment approach:

Being primarily a long only equity strategy, the strategy may invest substantially in equity and equity related securities which are prone to market volatility and price fluctuations, and hence the strategy bears both systematic market risks and unsystematic stock specific risks. The performance in the equity portfolios may be adversely affected by the performance of individual companies, due to company specific, industry specific, macroeconomic and regulatory factors. The past performance of the Portfolio Manager is not indicative of the future performance. The inability of the portfolio to make intended securities purchase due to settlement problems could cause the portfolio to miss certain investment opportunities, while the inability to sell securities, held in the strategy's portfolio may result, at times, in potential losses to the portfolio, should there be a subsequent decline in the value of securities held in the strategies portfolio. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the portfolio management services. Investment decisions made by the Portfolio Manager may not always be profitable. After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be delay in deployment. In such situations, the clients may suffer opportunity loss. Frequent rebalancing of Portfolio will result in higher brokerage/transaction cost. Investments in equity and equity related securities involve a degree of risk and investors should not invest in the strategy unless they are willing to take the risk of losing their investment.

6.3 Strategy Name: Emerging

i. Fund Manager: Mr. Shailesh Saraf

ii. Investment Objective:

To create long term wealth by investing in portfolio of quality stocks with good valuation and generate alpha both in rising and falling markets

iii. Description of types of securities

Listed equities

iv. Basis of selection of such types of securities as part of the investment approach

This Strategy has quality Microcap Stocks with high Sales & Profit growth and low valuation

v. Allocation of portfolio across types of securities

Defining the Universe: Market Cap ranks 601 to 1100 on the National Stock Exchange of India are included in the universe. • Research: The stocks are selected based on the criteria of High growth and Low valuation. • Historical back testing: The Value Stocks research team conduct historical back testing to ensure that only consistently outperforming strategies are selected. • Constituent Screening: The research team does individual stock picking after going through company reports and financials and decides on a host of qualitative and quantitative parameters. • Weighting: Stocks are equally weighted to reduce risk and mitigate individual biases.

vi. Benchmark to compare performance: NIFTY 50 TRI and Nifty Microcap 250



vii. Basis for choice of benchmark

The strategy is compulsorily benchmarked against NIFTY 50 TRI as per recent SEBI and APMI norms related to benchmarking. Also, since strategy aims to invest in companies from Market Cap rank 601 to 1100 on the National Stock Exchange of India the strategy will be benchmarked against Nifty Microcap 250 to accurately reflect the core philosophy of the strategy.

viii. Indicative tenure or investment horizon

The objective of the strategy is to generate alpha and create wealth over the long term, using an adaptive investment approach to navigate the dynamic business and market cycles that last 3-5 years. Thus the ideal investment time horizon should range between 3 to 5 years and above.

ix. Risks associated with the investment approach:

Being primarily a long only equity strategy, the strategy may invest substantially in equity and equity related securities which are prone to market volatility and price fluctuations, and hence the strategy bears both systematic market risks and unsystematic stock specific risks. The performance in the equity portfolios may be adversely affected by the performance of individual companies, due to company specific, industry specific, macroeconomic and regulatory factors. The past performance of the Portfolio Manager is not indicative of the future performance. The inability of the portfolio to make intended securities purchase due to settlement problems could cause the portfolio to miss certain investment opportunities, while the inability to sell securities, held in the strategy's portfolio may result, at times, in potential losses to the portfolio, should there be a subsequent decline in the value of securities held in the strategies portfolio. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the portfolio management services. Investment decisions made by the Portfolio Manager may not always be profitable. After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be delay in deployment. In such situations, the clients may suffer opportunity loss. Frequent rebalancing of Portfolio will result in higher brokerage/transaction cost. Investments in equity and equity related securities involve a degree of risk and investors should not invest in the strategy unless they are willing to take the risk of losing their investment.

6.4 Strategy Name: Multicap

i. **Fund Manager:** Mr. Shailesh Saraf

ii. Investment Objective:

To create long term wealth by investing in portfolio of quality stocks with good valuation and generate alpha both in rising and falling markets

iii. Description of types of securities

Listed equities

iv. Basis of selection of such types of securities as part of the investment approach

This Strategy has quality Multi Cap Stocks with Super Sales & Profit growth and high momentum



v. Allocation of portfolio across types of securities

Defining the Universe: Market Cap ranks 1 to 1,100 on the National Stock Exchange of India are included in the universe, Research: The stocks are selected based on the criteria of Super growth and High Momentum, Historical back testing: The Value Stocks research team conduct historical back testing to ensure that only consistently outperforming strategies are selected, Constituent Screening: The research team does individual stock picking after going through company reports and financials and decides on a host of qualitative and quantitative parameters, Weighting: Stocks are equally weighted to reduce risk and mitigate individual biases.

vi. Benchmark to compare performance: NIFTY 50 TRI and Nifty 500

vii. Basis for choice of benchmark

The strategy is compulsorily benchmarked against NIFTY 50 TRI as per recent SEBI and APMI norms related to benchmarking. Also, since strategy aims to invest in only Multicap stocks listed on the National Stock Exchange of India the strategy will be benchmarked against Nifty 500 to accurately reflect the core philosophy of the strategy.

viii. Indicative tenure or investment horizon

The objective of the strategy is to generate alpha and create wealth over the long term, using an adaptive investment approach to navigate the dynamic business and market cycles that last 3-5 years. Thus the ideal investment time horizon should range between 3 to 5 years and above.

ix. Risks associated with the investment approach:

Being primarily a long only equity strategy, the strategy may invest substantially in equity and equity related securities which are prone to market volatility and price fluctuations, and hence the strategy bears both systematic market risks and unsystematic stock specific risks. The performance in the equity portfolios may be adversely affected by the performance of individual companies, due to company specific, industry specific, macroeconomic and regulatory factors. The past performance of the Portfolio Manager is not indicative of the future performance. The inability of the portfolio to make intended securities purchase due to settlement problems could cause the portfolio to miss certain investment opportunities, while the inability to sell securities, held in the strategy's portfolio may result, at times, in potential losses to the portfolio, should there be a subsequent decline in the value of securities held in the strategies portfolio. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the portfolio management services. Investment decisions made by the Portfolio Manager may not always be profitable. After accepting the corpus for management, the Portfolio Manager may not get an opportunity to deploy the same or there may be delay in deployment. In such situations, the clients may suffer opportunity loss. Frequent rebalancing of Portfolio will result in higher brokerage/transaction cost. Investments in equity and equity related securities involve a degree of risk and investors should not invest in the strategy unless they are willing to take the risk of losing their investment.



GENERAL RISK

- a) **Market risk:** The value of a financial instrument may fluctuate dramatically due to different market factors including the price or level of any underlying reference asset, level of interest rates, credit quality of the issuer and guarantor (where applicable), foreign exchange rates, volatility, liquidity and tenor remaining on the financial instrument (if relevant). Such financial instrument may depreciate in value as quickly as it may appreciate and can also become valueless. Investing in such financial instrument is as likely to incur losses as it is to make profit. Past performance should not be used as an indicator of future performance.
- b) **Underperformance risk:** This is not a deposit. There is no guarantee from Dynamic Equities or any other party that you will be able to earn returns under any type of investment that will be greater than or at least equal to any potential return you may have earned from a bank deposit or direct investment in any nonstructured fixed coupon bond. There is also a risk that you may not receive any returns and may in fact incur losses on your investment.
- c) **Small and medium sized companies:** The prices of securities of small and medium sized companies tend to be more volatile than those of larger sized companies due to the lower prices of their shares, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- d) **Changes in investment policy:** The manager of a fund typically has the authority to alter its investment policy within certain parameters (set out in its constitutional document) by amending the fund's prospectus. This could represent a fairly significant change in the nature and risk profile of the fund from the one in which you originally invested.
- e) **Standard Risk Factors:** Investment in mutual fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk, including the possible loss of principal. As the price / value / interest rates of the securities in which the Scheme invest fluctuates, the value of your investment in the Scheme may go up or down. In addition to the factors that affect the value of individual investments in the Scheme, the NAV of the Scheme can be expected to fluctuate with movements in the broader equity and bond markets and may be influenced by factors affecting capital and money markets in general, such as, but not limited to, changes in interest rates, currency exchange rates, changes in Governmental policies, taxation, political, economic or other developments and increased volatility in the stock and bond markets due to any force majeure causes. Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.



7. RISK FACTORS

- a) Investments in Securities are subject to market risks and include price fluctuation risks. There are no assurances or guarantees that the objectives of investments will be achieved. The investments may not be suited to all categories of investors.
- b) The past performance of the Portfolio Manager does not indicate its future performance.
- c) The names of the Strategies do not indicate in any manner their prospect or returns, nor does it guarantee the performance or returns on the Strategy. The performance in the equity Strategies may be adversely affected by the performance of individual company's changes in the market place and industry specific and macro-economic factors.
- d) The investment strategy will be drawn up considering the current and expected market movement and trends. Though all endeavours shall be made by the Portfolio Manager to diversify the risk, the risk of below market performance is not ruled out.
- e) If the Portfolio has a high/lower exposure to any particular sector or company, there is an additional risk due to over/under dependence on one sector/company.
- f) Technology stocks and some of the investments in niche sectors run the risk of volatility, high valuation, obsolescence and low liquidity.
- g) The Client who is an NRI or an FII, shall at all times keep the Portfolio Manager well informed about all the investments made by the Client in India, in each of the companies, and each time when he/it proposes to invest in any company it shall be the responsibility of the Client to ensure that his/its existing investments including investment made by the Portfolio Manager on his/its behalf together with proposed investments in the Issuer/Company, in which investment is proposed, are within the permitted limits, prescribed under FEMA and rules and regulations made there under.
- h) Each Portfolio will be exposed to various risks depending on the investment objective, investment strategy and the asset allocation. The investment objective, investment strategy and the asset allocation may differ from Client to Client.
- i) Highly concentrated portfolios with lesser number of stocks generally will be more volatile than a Portfolio with a larger number of stocks. Portfolios with higher allocation to equities, will be subject to higher volatility than Portfolios with low allocation to equities.
- j) Risk arising out of non-diversification, if any. Diversified portfolios (allocated across companies and broad sectors) may be less volatile than non-diversified portfolios.



8. CATEGORIES OF CLIENTS SERVICED

Details of Clients serviced by Portfolio Manager for portfolio management up to the date of disclosure document (i.e. 31st August, 2024) are as follows.

PMS Type		Discretionary Clients		Non-Discretionary Clients		Advisory Clients	
		Associates / group companies	Others	Associates / group companies	Others	Associates / group companies	Others
31 st Aug 2024	No. of Clients	-	109	-	-	-	-
	Fund Managed (Rs. Crs)	-	78.6237	-	-	-	-
31 st Mar 2024	No. of Clients	-	10	-	-	-	-
	Fund Managed (Rs. Crs)	-	11.6908	-	-	-	-
31 st Mar 2023	No. of Clients	-	4	-	-	-	-
	Fund Managed (Rs. Crs)	-	7.0281	-	-	-	-
31 st Mar 2022	No. of Clients	-	6	-	-	-	-
	Fund Managed (Rs. Crs)	-	8.4093	-	-	-	-
31 st Mar 2021	No. of Clients	-	7	-	-	-	-
	Fund Managed (Rs. Crs)	-	8.0201	-	-	-	-

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

Sr. No	Investment Approach, if any	Name of the associate/ related party	Investment amount (Cost of investment) as on last day of the previous calendar quarter (INR in crores).	Value of investment as on last day of the previous calendar quarter (INR in crores).	Percentage of total AUM as on last day of the previous calendar quarter.
NA					



10. PERFORMANCE OF STRATEGIES OF THE PORTFOLIO MANAGER

EQUITY

Strategy Name: BLUECHIP

Inception Date: 19/03/2024

Investment Category- Discretionary Services	Period 19-Mar-24 to 31-Aug-24				
Portfolio Performance (%), Net of all fees and charges levied by the portfolio manager.	35.23				
NIFTY 50 TRI Benchmark Performance %	16.64				

Strategy Name: EMERGING

Inception Date: 29/04/2024

Investment Category- Discretionary Services	Period 29-Apr-24 to 31-Aug-24				
Portfolio Performance (%), Net of all fees and charges levied by the portfolio manager.	17.21				
NIFTY 50 TRI Benchmark Performance %	12.39				

Strategy Name: MULTICAP

Inception Date: 29/04/2024

Investment Category - Discretionary Services	Period 29-Apr-24 to 31-Aug-24				
Portfolio Performance (%), Net of all fees and charges levied by the portfolio manager.	14.05				
NIFTY 50 TRI Benchmark Performance %	12.39				

Strategy Name: PSU

Inception Date: 14/03/2024

Investment Category - Discretionary Services	Period 14-Mar-24 to 31-Aug-24				
Portfolio Performance (%), Net of all fees and charges levied by the portfolio manager.	7.6				
NIFTY 50 TRI Benchmark Performance %	12.39				



Strategy Name: SMALLCAP

Inception Date: 09/01/2024

Investment Category - Discretionary Services	Period 09-Jan-24 to 31-Aug-24				
Portfolio Performance (%), Net of all fees and charges levied by the portfolio manager.	29.71				
NIFTY 50 TRI Benchmark Performance %	18.33				

Note: The above returns are calculated on the basis of Time Weighted Rate of Return (TWRR unitized) method. These performance records are not verified by SEBI or any other regulatory authority.

11. DISCLOSURES IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES

Details of Transactions with Related Parties during the year ended on 31st March, 2024 as per the Accounting Standard 18-Related Party Disclosures:

Name of related parties with whom transactions have taken place during the year: 2023-2024

(i) List of related parties and relationships:	
Relationship	Names of parties
subsidiary	Dynamic Equities (IFSC) Pvt. Ltd.
Associates	Dynamic Credit Finance Private Limited
Key management personnel	Mr. Shailesh Saraf - Managing Director Mr. Shridhar Bhuwalka - Joint Managing Director
Relatives of key management personnel	Aneeta Saraf Megha Bhuwalka
Enterprises owned or significantly influenced by key management personnel	Dynamic Commodities Pvt. Ltd. Dynamic Credit Finance Pvt. Ltd. Chandra Vyapaar Pvt. Ltd. Shailesh Real Estate Pvt. Ltd. Divine Spark Pvt. Ltd. Dynamic Equities (IFSC) Pvt. Ltd. Bhuwalka & Co. Pvt Ltd

Dynamic Equities Private Limited

Significant accounting policies and Notes to the financial statements



28.1 Related Party's Transactions for the year ended 31st March 2024

(ii) Transactions carried out with related parties in (i) above, in ordinary course of business: (Rs.in Crores)

Nature of Transaction	Subsidiary Company	Key Management Personnel	Others	Total
Loans/Advances Given	0.01184	-	8.4115	8.4233
	(0.06151)	-	(15.5900)	(15.65151)
Loans/Advances Received Back	-	-	8.4233	8.4233
	-	-	(15.6515)	(15.6515)
Director Remuneration	-	0.4800	-	0.4800
	-	(0.4800)	-	(0.4800)
Salary	-	-	0.0285	0.0285
	-	-	(0.0540)	(0.0540)
Interest Income	-	-	0.00	0.00
	-	-	(0.6150)	(0.6150)
Service Charges Paid	-	-	0.0550	0.0550
	-	-	(0.0600)	(0.0600)

(Figures in brackets relate to previous year)

12. FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER

(In crores)

Particulars	Year ended 31st Mar 2024	Year ended 31st Mar 2023	Year ended 31st Mar 2022	Year ended 31st Mar 2021
Total Income	20.4785	20.6820	21.2558	20.2992
Total Expenditure	20.1900	20.3304	20.3320	20.2375
Profit/ (Loss) before depreciation & tax	0.5215	0.5777	1.1502	0.2695
Less: Depreciation	0.2330	0.2194	0.2264	0.2139
Provision for tax	0.1422	0.0026	0.0023	0.0087
Deferred Tax Asset	0.0798	0.2055	0.2555	-0.0462
Profit/ (Loss) after	0.0665	0.1502	0.6660	0.0931

13. TRANSACTIONS WITH CONFLICT OF INTEREST

The Portfolio Manager and its employees directly involved in investment operations may trade in securities in their personal account which may result in a conflict with transactions in any of the Client's portfolio. However, to mitigate the said conflict in relation to employees, the Portfolio Manager has implemented the Staff Trading Policy and quarterly undertaking of Conflict of Interest. The employees of the Portfolio Manager are required to abide by the said policy as may be applicable to them. Based on said Policy and Quarterly Undertaking the Portfolio Manager shall be managing conflicts of interest in place to achieve and maintain discipline and transparency in all investment activities and to avoid any potential or actual conflict of interests.



14. GROUP COMPANIES TRANSACTIONS WITH CONFLICT OF INTEREST

Each group/associate companies have independent management and transaction, if any are entered into on arm's length basis and all the regulatory requirements pertaining to the same will be adhered. The portfolio manager shall comply with the provisions of the PMS regulations while managing or administering clients' portfolio with services offered by group companies of the portfolio manager. Dynamic Equities Private Limited has been appointed as a one of the brokers for execution of trades. Dynamic Equities Private Limited has been appointed as one of the Depository participant.

15. AUDIT OBSERVATIONS

There are no audit observations by Statutory Auditor pertaining to PMS for the preceding three financial years.

16. SIZE OF THE PORTFOLIO

- a. The Portfolio Manager shall not provide Portfolio Management Services for Portfolio value of less than Rs.50,00,000/- (Rupees Fifty Lakhs only) for its prospective Clients with effect from 21st January, 2020, as prescribed by SEBI vide SEBI press release dated 20 January 2020 and Notification no. SEBI/HO/IMD/DF1/CIR/P/2020/26 dated 13th February, 2020. However, different Strategies may have different Portfolio value under management.
- b. Subject to the minimum Portfolio value, mentioned in the clause hereinabove, the Portfolio Manager shall be entitled to revise the minimum Portfolio value in respect of which it shall provide Portfolio Management Services to the Clients, and in such a case, the Client shall be required to suitably enhance the portfolio value within such days, as may be mutually agreed between the parties hereto.

17. DIRECT ONBOARDING OF CLIENT ACCOUNT

Client can avail portfolio management services directly from Dynamic Equities, Portfolio Manager, all relevant information is available on our website.

18. LIST OF THIRD PARTY SERVICES AVAILED

Dynamic Equities Pvt. Ltd. PMS can avail third party service for providing Depository, Custodian or any other services to Client as required from time to time.

19. PORTFOLIO DIVERSIFICATION POLICY

- a) Portfolio diversification is a strategy of risk management used in investing, which allows to reduce risks by allocating the funds in multiple asset types. It helps to mitigate the associated risks on the overall investment portfolio.
- b) The Portfolio Manager shall focus through a collection of core holdings and may or may not seek diversification across the various sectors of the equity market. Securities shall be chosen amongst a wide spectrum of market capitalizations, from SME to large capitalization equities. However, from time to time on opportunistically basis, may also choose to invest in money market instruments, units of mutual funds, ETFs or other permissible securities/products in accordance with the Applicable Laws. The Portfolio Manager may also, from time to time, engage in hedging strategies by investing in derivatives and permissible securities / instruments as per Applicable Laws.

c) For investments in securities of Associates/ Related Parties, the Portfolio Manager shall comply with the following:

i. The Portfolio Manager shall invest up to a maximum of 30% of the Client’s AUM in the securities of its Associates/Related parties. The Portfolio Manager shall ensure compliance with the following limits:

Security	Limit for investment in single Associate /related party (as percentage of Client’s AUM)	Limit for investment across multiple Associates /related parties (as percentage of Client’s AUM)
Equity	15%	25%
Debt and hybrid securities	15%	25%
Equity + Debt + Hybrid securities*		30%

- ii. *Hybrid securities includes units of Real Estate Investment Trusts (REITs), units of Infrastructure Investment Trusts (InvITs), convertible debt securities and other securities of like nature.
- iii. The aforementioned limits shall be applicable only to direct investments by Portfolio Manager in equity and debt/hybrid securities of its Associates/Related parties and not to any investments in the Mutual Funds.
- iv. With respect to investments in debt and hybrid securities, the Portfolio Manager shall ensure compliance with the following:
- v. Under discretionary portfolio management services, the Portfolio Manager shall not make any investment in unrated and below investment grade securities.
- vi. Under non-discretionary portfolio management services, the Portfolio Manager shall not make any investment in unrated below investment grade listed securities.



20. NATURE OF COSTS AND EXPENSES FOR CLIENTS

The costs and expenses for Clients availing the Portfolio Management Services are indicative.

d. Management Fees

Management Fees relate to the Portfolio Management Services offered to Clients. The fee may be a percentage of the quantum of funds managed or linked to portfolio returns achieved or a combination of any of these.

- viii. Fixed Fee: This will be charged as a percentage of the quantum of funds managed up to 5% p.a. of the client's portfolio corpus.
- ix. Performance based Fee: In the event of profit, this is will be shared up to 50% or other profit sharing ratio or as may be mutually agreed between the Client and Portfolio Manager from time to time. Under no circumstances, the Portfolio Manager will share any loss. Total loss, if any, will have to be borne by the Client only. The fees are payable on quarterly basis or as decided by the Portfolio Manager and the Client.

e. Brokerage and transaction costs

Apart from the Portfolio management fees, Clients will be required to bear other costs like brokerage charges upto 0.50% of contract value to be charged at actuals and other charges like stamp duty, securities transaction tax, transaction costs etc. at applicable rate on sale/ purchase of Securities. Additionally, Goods & Services Tax @ 18% shall be levied on the above charges except stamp duty and securities transaction tax.

f. Early Exit Termination Fees:

Exit Load charges, if applied, it will be applicable on redemption of amount as per following slabs described below on partial exit of funds or full closure. Exit load will be subject to portfolio manager discretion not exceeding rates mentioned below

- i. Between 0 and 12 months 3% of AUM
- ii. Greater than 12 months and up to 24 months 2%
- iii. Greater than 24 months and up to 36 months 1%
- iv. Greater than 36 Months 0%

g. Custody Charges

These charges are to be paid at actual levied by custodian for maintaining Asset Under Management in Cash and Securities form and acting on the transaction in connection with the operation and management of clients portfolio account and is expected up to 0.50% of AUM. Additionally, Goods & Services Tax @ 18% shall be levied as per regulation.

h. Depository Charges

Every transaction in depository account may apply charges as per fees slab defined along with annual maintenance charges with applicable goods & services tax.

i. Audit Fees

Every client account may apply audit fees charges as defined and mentioned in fees tariff with applicable goods & services tax.



j. Operating Expenses

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).

21 INDEMNITY AND LIEN

- a. An Investor may be required to indemnify and keep indemnified the Portfolio Manager and its officials from and against any charges arising out of payment of stamp duties, registration fees or any taxes, including income tax and other direct taxes and from and against all cost, charges, expenses, damages, losses etc incurred / suffered / sustained by and/or levied on the Portfolio Manager as a result of the Portfolio Manager acting as an agent of the Investor.
- b. The Portfolio Manager shall have a first and paramount lien on the Portfolio and the exclusive right thereon for the purpose of indemnifying as aforesaid and reimbursing all unpaid dues (including, but without limitation, professional fees, transaction charges, taxes, duties, costs and expenses) in connection with the management, operation and administration of Portfolio.

22 TAX IMPLICATIONS FOR CLIENTS

- a. All or any Taxes payable on any transaction entered into or undertaken by the Portfolio Manager on behalf of Investors or with respect to any Securities, whether by way of deduction, withholding, payment or otherwise, shall be fully borne by Investors. Payment of the Taxes shall be the personal responsibility and liability of the Investors. The Portfolio Manager is not required, to discharge any obligation on behalf of any Investor to pay any Taxes payable by such Investor. If, however, the Portfolio Manager to any tax authority on behalf of an Investor pays any Tax, that Investor shall reimburse the Portfolio Manager for the same. The Portfolio Manager shall have an unconditional and irrevocable authority to deduct or appropriate the same from any amount or Securities held by the Portfolio Manager on behalf of the Investor.
- b. Subject to applicable taxation laws, in force from time to time, the Portfolio Manager may at its own accord deduct the required amount of Tax at source while effecting disbursements / payments of amounts interim or otherwise to an Investor.
- c. Prospective Investors are advised to consult their tax practitioners with respect to tax consequences that may be faced by them on account of their participation in any of the Strategies of the Portfolio Manager. The Portfolio Manager shall not be responsible for assisting or completing the fulfilment of the obligations of an Investor. Wherever required by the relevant Act, rules and regulations, tax will be deducted at source by the Portfolio Manager. The obligation of paying Advance Tax instalment shall lie on the Investors.
- d. If the Portfolio Manager deals in shares, securities etc. on average basis for its PMS Clients, the Securities Transaction Tax charged by broker in its contract shall be apportioned among its concerned PMS Clients based on transaction value or any other appropriate basis, and will be informed to the concerned PMS Clients along with transaction details/other details. Based on the documents and as per advice of PMS Client's tax advisor, the Client shall claim applicable tax benefit under Income Tax Act, 1961. In case, the Client does not get tax benefit under Income Tax Act, 1961, the tax liability will be entirely borne by the Client only.

e. The following information is based on the law in force in India at the date hereof. The information set forth below is based on the Portfolio Manager's understanding of the Tax Laws as of this date of Disclosure Document. The client should seek advice from his/her/its own professional advisor if he/she/it is in any doubt regarding the taxation consequences of investing in the Products offered under Portfolio Management Services.

f. Income Tax Slabs :

The maximum tax rates applicable to different categories of assessee are as follows:

Resident Individual & HUF	30%* + surcharge & cess
Partnership Firms & Indian Companies (Other than specified companies below)	30% + surcharge & cess
Indian Companies having turnover less than 400 crores during the financial year 2022-23.	25% + surcharge & cess
Non-resident Indians	30% + surcharge & cess
Foreign companies	40% + surcharge & cess

Maximum slab rate is 30%, although generally taxed @ slab Rate for income other than Capital Gain.

Assesses	Rate of surcharge & Cess applicable
Individuals (including NRIs/PIOs), HUFs, Non- Corporate FIs	10% - For Total Income above Rs. 50 lakh and up to Rs. 1 crore; 15% - For Total Income above Rs. 1 crore and up to Rs. 2 crore; 25% - For Specified Income above Rs. 2 crore and up to Rs. 5 crore; 37% - For Specified Income above Rs. 5 crore. Health & Education cess of 4% is payable on the total amount of tax including surcharge.
Companies where the taxable income more than Rs. 1 crores and upto Rs. 10 crore	A surcharge of 7% on income tax and Health & Education cess of 4% is payable on the total amount of tax including surcharge. (A surcharge of 2% in case of foreign companies).
Companies where the taxable income is more than Rs. 10 Crore	A surcharge of 12% on income tax (on income above 10 crores) and Health & Education cess of 4% is payable on the total amount of tax including surcharge.(a surcharge of 5% in case of foreign companies).

g. Dividend Income:

The Dividend received in respect of the shares and units of Mutual Fund held in the Products offered under the Portfolio Management Services are subject to tax in the hands of investor. However, the dividend/income distribution on securities and units received by Products offered under the Portfolio Management Services will be after distribution tax on the amount of dividend/income distribution declared. The rates of tax on the dividend/ income distribution on units would be as stated in Para f above (# +Surcharge+ Health & Education Cess (4% w.e.f 1.04.2018) as applicable).



h. Long Term Capital Gains Tax

From July 23, 2024 in case of all capital assets the tax on Long Term Capital Gain arising to resident and non-resident, is raised @ 12.5% if Capital gain is more than Rs.1.25 Lacs with a grandfathering clause only for listed equities and MF. Further, w.e.f. 23rd July, 2024 indexation will not be provided for any asset which is treated as long term capital asset. The holding period of all the long-term capital assets are now reduced to 24 months from earlier 36 months, and in case of all securities including listed units shall be now 12 months, whereas earlier for units other than equity oriented units and units of UTI all other units, like AIF, hybrid MFs, etc. were 24 months.

i. Short Term Capital Gains Tax

Short-term Capital Gains is added to the total income is chargeable to tax as per the relevant slab rates. However, tax on short term capital gains on sale of shares and units of equity oriented funds on a recognized stock exchange, which are subject to Securities Transaction Tax, would be @ 15% (plus applicable surcharge and an education cess). W.e.f. 23rd July, 2024 any listed securities where STT is deducted is now increased to 20% Taxability on debt schemes (Invest in debt securities, money market instruments, G-secs, corporate bonds and municipal bonds), Floater funds (Invest minimum 65% in debt instruments) and conservative hybrid fund (Invest 10% to 25% in equity and 75% to 90% in debt instruments) would be considered as short term capital gain irrespective of holding period if purchase on or after 01-April-2023. As per newly inserted section 50AA, Capital gain on redemption of MLD instruments will be taxed as short term capital gain at applicable tax rate which is previously taxed at 10% without indexation as long term capital gain.

j. Losses Under the Head Business Income

In terms of section 70 read with section 74 of the 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.

k. Dividend Income

According to section 94(7) of the Act, if any person buys or acquires units within a period of three months prior to the record date fixed for declaration of dividend or distribution of income and sells or transfers the same within a period of nine months from such record date, then capital losses arising from such sale to the extent of income received or receivable on such units, which are exempt under the Act, will be ignored for the purpose of computing his income chargeable to tax. The Finance Act, 2020 has abolished DDT and tax dividend income in the hands of shareholders in respect of dividend declared, distributed or paid on or after 1 April 2020 and therefore, in such cases the provisions of section 94(7) would not apply.

l. Bonus Income

Where any person buys or acquires any units of a mutual fund or the Unit Trust of India within a period of three months prior to the record date (i.e., the date that may be fixed by a Mutual Fund or the Administrator of the specified undertaking or the specified company, for the purposes of entitlement of the holder of the units to receive additional unit without any consideration) and such person is allotted additional units (without any payment) on the basis of holding of the aforesaid units on the record date, and if such person sells or transfers all or any of the original units within a period of nine months after the record date while continuing to hold all or any of the additional units, then any loss arising to him on account of such purchase and sale of all or any of the units would be ignored for the purpose of computing his income chargeable to tax. Further, the loss so ignored would be deemed to be the cost of acquisition of such additional units as are held by him on the date of sale or transfer of original units.

m. Tax withholding:

i. **Resident Investors :**

Also w.e.f. 1st April 2020 mutual fund shall be required to deduct TDS at 10 per cent only on dividend payment (Above Rs. 5000) & No tax shall be required to be deducted by the mutual fund on income which is in the nature of capital gain.

ii. **Foreign Portfolio Investors :**

Under section 196D of the Act, no tax is required to be deducted at source on income way of capital gains earned by a FII/FPI. As per recent amendments, dividends received by FII from Indian companies post April 1, 2020 would be liable to pay tax at the rate of 20% (plus applicable surcharge and cess) and the Indian portfolio companies would be liable to withhold taxes at such rates. to withhold tax at 20% or rate specified in tax treaty, whichever is lower, subject to availability of tax residency certificate.

iii. **Non-resident Investors other than FPI's**

Under Section 195 of the Act, the Mutual Fund is required to deduct tax at source at the rate of 12.50% on any long-term capital gains arising to non-resident investors from units other than units of an equity oriented scheme. Long term capital gains from equity oriented schemes & listed equity shares are liable to be withhold @10.50% if the capital gain exceed Rs 1.25Lakh during the financial year w.e.f 23rd July 2024.

In respect to short-term capital gains from units other than units of an equity oriented scheme, tax is required to be deducted at source at the rate of 30% if the payee unit holder is a non-resident non-corporate and at the rate of 40% if the payee unit holder is a foreign company. In case of equity oriented schemes, tax is required to be deducted at the rate of 15% for both corporate and non-corporate non-resident unit holders.

Further, the aforesaid tax to be deducted is required to be increased by surcharge and Health & Education Cess, as applicable.

As per circular no. 728 dated October 30, 1995 issued by the CBDT, in the case of a remittance to a deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee.

Please note:

The tax incidence to investors could vary materially based on residential status, characterization of income (i.e. capital gains versus business profits) accruing to them. The Information provided here is general in nature & can be changed in future by Department or Govt. Please consult your financial planner/ Advisor before taking decision.

23 ACCOUNTING POLICY/ VALUATIONS

DEPL PMS follow an accounting and reporting system that is consistent with the Global Investment Performance Standards methodology. The important accounting policies are:

- a. Client Accounts: All client accounts will be maintained separately on an accrual basis based on market values. Accounting will be trade date based (not settlement data based).
- b. Income Accrual: Dividend income shall be recognized on the ex-dividend date. Interest income shall be accrued on due dates. Profit or loss on the sale of investments shall be recognized on trade dates. Bonus shares/units to which the security/scrip in the portfolio becomes entitled will be recognized only when the original share/scrip on which bonus entitlement accrues are traded

on the stock exchange on an ex-bonus basis. Similarly, right entitlements will be recognized only when the original shares/security on which the right entitlement accrues is traded on the stock exchange on the ex-right basis.

- c. Recognition: Transactions for purchase or sale of investments shall be recognised as of the trade date and not as of the settlement date, so that the effect of all investments traded during a Financial Year are recorded and reflected in the financial statements for that year. Purchase/Sale consideration will be calculated by applying the "weighted average cost" method. Where investment transactions take place outside the stock exchange, for example, acquisitions through private placement or purchases or sales through private treaty, the transactions shall be recorded, in the event of a purchase, as of the date on which the scheme obtains an enforceable obligation to pay the price or, in the event of a sale, when the scheme obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.
- d. Cost of investments: The cost of investments acquired or purchased shall include brokerage, stamp charges and any charge customarily included in the broker's contract note. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment.
- e. Portfolio Management Fees: Portfolio management fees could include a fixed management fee and a variable performance fee. The amount of fixed and variable fees will be as agreed with the client and defined in the Client Agreement. Issues related to the frequency at which fees are charged and how they are calculated will also be as defined in the Client Agreement with each individual client. The fixed management fee will be as agreed in the Client Agreement terms and conditions and is payable quarterly. The performance fees as agreed with the client in the Client Agreement will be based on returns over a hurdle rate as agreed in the Client Agreement, with a high watermark. Performance fees will be charged on performance over the hurdle rate, management fee and any costs of trading charged annually.
- f. Brokerage: The client understands that PI PMS shall conduct all securities transactions with its registered brokers or any registered broker at a brokerage/commission in line with market practices upto 0.50% of the value of each transaction.
- g. Other Expenses: Besides this the client will be liable for custodian fees annual. The custodian fees will be upto 0.50% of the assets under management annually (paid in monthly increments) and fixed rupees or % of each transaction as stated exactly in the Client Agreement. All relevant taxes apply.
- h. Valuation of Investments: Investments in Equities, Mutual Funds and Debt instruments will be valued at the closing market prices of BSE or NSE as the case may be, or the Repurchase Net Asset Value declared for the relevant Strategy 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 Net Asset Value will be reckoned. In the event of this date being a holiday at the exchange, the rates as on the immediately preceding trading day shall be adopted. If no such quote is available, the security may be considered non-traded. Government securities shall be valued at the prices released by an agency recommended by the AMFI. Unlisted, not traded and all other securities, where a valued cannot be ascertained shall be valued as determined in good faith by the Portfolio Manager.
- i. Aggregation of trades: In the event of aggregation of purchases or sales for economy of scale inter se, the Portfolio Manager shall do allocation on pro rata basis at weighted average price of the day's transaction. The Portfolio Manager will not keep open position in respect of allocation of sales or purchases in a day.

- j. Holding cost: In determining the holding cost of investments and the gains or loss on sale of investments, the “first in first out FIFO” method will be followed. For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions. Unrealized gains/losses are the differences, between the current market value/Net Asset Value and the historical cost of the Securities.
- k. Dividends: Dividends on shares and units in mutual funds shall be accounted on ex-dividend date, interest, stock lending fees earned etc., shall be accounted on receipt basis. The interest on debt instruments shall be accounted on receipt basis.

The Portfolio Manager can adopt any specific norms or methodology for valuation of investments or accounting the same at its discretion.

24 SECURITY

The Client shall not disclose to any person, firm, company or institution whomsoever (except with the authority of the Portfolio Manager or except as required by the law; or unless ordered to do so by a court of competent jurisdiction on any relevant regulatory authority) any information relating to the business, investments, finances or other matters of a confidential nature of the Portfolio Manager of which it may in the course of its duties hereunder or otherwise become possessed and each party shall use all reasonable endeavours to prevent any such disclosure as aforesaid.

25 INVESTOR SERVICES

a. Contact Information

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

Name : Mr. Debashis Ray

Address : Technopolis, 14th Floor, Plot No. BP-4, Sector V, Salt Lake, Kolkata- 700091

Telephone: +913340099400

Email : debashisray@valuestocks.in/pms@valuestocks.in

The official mentioned above will ensure prompt investor services. The Portfolio Manager will ensure that this official is invested with the necessary authority, independence and the wherewithal to handle investor complaints.

b. Grievance Redressal and dispute settlement mechanism

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

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

c. Scores

SCORES is a web based centralized grievance redress system of SEBI (<https://scores.sebi.gov.in/>). SCORES enables investors to lodge and follow up their complaints and track the status of redressal of such complaints online from the above website from anywhere. To register a complaint online on SCORES portal, click on “Complaint Registration” under “Investor Corner”.

JAIN & CO.

Chartered Accountants

P 21/22 Radha Bazar Street, Kolkata – 700 001

Phones: 2242-7215 / 4005-1025

Email: jainandco.audit@gmail.com

TO WHOM IT MAY CONCERN

This is to certify that the contents of the Disclosure Document in respect of Portfolio Management Services, as annexed hereto, and as provided by M/s. Dynamic Equities Private Limited having its registered office at Technopolis, 14th Floor, Plot No. BP4, Sector V, Salt Lake, Kolkata-700091, have been checked and verified by us on the basis of the information and explanations as provided as well as the relevant documents produced. Accordingly, we hereby confirm that the disclosures made in such Document are true, fair and adequate as to the requirements of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 to enable the investors to make a well-informed decision.

For Jain & Co.
Chartered Accountants
Firm Registration No:302023E



Pradeep Kumar Jain
Partner

(Membership No.052018)

UDIN No: 24052018BKBKEB7078

Date: 2nd September, 2024

Place: Kolkata





Form C
Securities & Exchange Board of India
(Portfolio Managers) Regulation 2020,
Regulation 22

Name of the Portfolio Manager: Dynamic Equities Private Limited

Registered Office Address: Technopolis, 14th Floor, Plot No. BP-4, Sector V, Salt Lake, Kolkata- 700091

Phone no: 033-40099400 **Email Id:** pms@valuestocks.in

We confirm that:

- i) The Disclosure Document forwarded to the Securities & Exchange Board of India (SEBI) is in Accordance with the SEBI (Portfolio Managers) Regulation, 2020 and the guidelines and directives issued by SEBI from time to time;
- ii) The disclosures made in the documents are true, fair and adequate to enable the investors to make well informed decision regarding entrusting the management of the portfolio to us/ investment through Portfolio Manager;
- iii) The Disclosure Document has been duly certified by an independent Chartered Accountant, Mr. Pradeep Kumar Jain, a Partner of M/s. Jain & Co., Chartered Accountant, having membership no. 52018 and Firm Reg No.302023E and office at P-21/22, Radha Bazar Street Kolkata-700001 on August 31, 2024.

For and on behalf of
Dynamic Equities Private Limited

Shailesh Saraf
Principal Officer

Technopolis, 14th Floor, Plot No. BP-4,
Sector V, Salt Lake, Kolkata- 700091

Date: 31-08-2024

Dynamic Equities Private Limited

Technopolis, 14th Floor, Plot No. BP 4, Sector V, Salt Lake, Kolkata-700 091

CIN : U67190WB1999PTC090087, Tel. : +91 33 4009 9400

E-mail : it_compliance@valuestocks.in Website : www.valuestocks.in

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