JOINDRE CAPITAL SERVICES LIMITED

PORTFOLIO MANAGEMENT SERVICES

DISCLOSURE DOCUMENT

[As required under Regulation 14 of SEBI (Portfolio Managers) Regulation, 1993]

This Disclosure Document has been filed with the Securities and Exchange Board of India together with the certificate in the prescribed format in terms of Regulation 14 of the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.

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 investor before engaging Joindre Capital Services Limited as a portfolio manager.

Investors should read the Disclosure Documents carefully before deciding to appoint Joindre Capital Services Limited as a portfolio manager. Please retain this Disclosure Document for future reference.

All the intermediaries involved in the Portfolio Management Services are duly registered with SEBI as on the date of this Disclosure Document.

PRINCIPAL OFFICER:

Name:	Sunil Jain
Designation:	Whole Time Director
Address (Office):	216, Sagar Avenue S. V. Road, Above ICICI Bank, Opp Shoppers' Stop Andheri West, Mumbai 400 058
Tel No:	40334800
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JOINDRE CAPITAL SERVICES LIMITED

Registered Office: 32, Raja Bahadur Mansion, Ground Floor, Opp Bank of Maharashtra, Mumbai Samachar Marg, Mumbai 400 023

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DISCLAIMER CLAUSE

The particulars of this Disclosure Document have been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as amended till date, and this Disclosure Document 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.

1. DEFINITIONS

For the purposes of this Disclosure Document, except as otherwise expressly provided or as the context or meaning thereof otherwise required, 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) as amended from time to time.
"Agreement"	means the Discretionary Portfolio Management Services Agreement as the context may require, between the Client and the Portfolio Manager and includes any recitals, schedules, annexures or exhibits to the Agreement and any amendments made to the Agreement by all Parties in writing.
"Board"	means the Securities and Exchange Board of India (SEBI)
"Business Day"	means a day other than: (i) a Saturday and Sunday (ii) a day on which banks in Mumbai and the Reserve Bank of India (RBI) are closed for business/clearing; (iii) a day which is public holiday and/or a bank holiday in Mumbai; (iv) a day on which The Stock Exchange, Mumbai (BSE) and/or the National Stock Exchange are closed for trading; (v) a day on which business cannot be transacted because of bandhs, floods, strikes, etc. or for any other reason as the Portfolio Manager may prescribe.
"Client" or "Investor"	means any person who registers with the Portfolio Manager for availing the services of portfolio management.
"Custodian"	means the Portfolio Manager or any other custodian appointed by the Portfolio Manager, providing custodial services.
"Depository"	means Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Depository Account"	means one or more depository accounts, existing or opened in the name of each Client, which shall be maintained and

	operated by the Portfolio Manager and/ or Custodian appointed by it for the purpose of providing Discretionary Portfolio Management Services, with the Portfolio Manager itself or any other depository registered under the SEBI (Depositories and Participants) Regulations 1996.
"Disclosure Document"	means this Disclosure Document dated 30th November, 2011 filed by the Portfolio Manager with SEBI on 2-12-2011 and as may be amended by the Portfolio Manager from time to time pursuant to the Portfolio Managers Regulations.
"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 or the Funds of the Client, as the case may be.
"Financial year"	means the year starting from April 1st of a year and ending on 31st March the following year.
"Funds"	means the Cash or Cash Equivalent managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes the Cash mentioned in the Application, any further Cash placed by the Client with the Portfolio Manager for being managed pursuant to the Clause "CHANGE IN PORTFOLIO" of the Agreement, the proceeds of sales or other realization of the Portfolio, interest, dividend or other monies arising from the Portfolio, so long as the same is managed by the Portfolio Manager and as reduced by any disbursements and/or withdrawals of funds pursuant to Clause "CHANGE IN PORTFOLIO" of the Agreement.

High Watermark	means the highest value that the Portfolio has reached. Value of the Portfolio for the purpose of computation of high watermark shall be considered to be the value on the date when performance fee is charged. The frequency of charging performance fee shall not be less than quarterly or at the time of exit, whichever is earlier. The Portfolio Manager shall charge performance fee only on the increase in Portfolio value in excess of the previously achieved high watermark.
"Initial Corpus"	means the value of the Cash and the market value of readily realizable Securities, as set out in the Application cum Profiling Form submitted by the Client to the Portfolio Manager and brought in by the Client as described in the Agreement. The Securities brought in by the Client as Initial Corpus will be considered/valued as per the Clause "Valuation of Securities" of the Agreement.
"Portfolio"	"Portfolio" shall mean all Funds and Securities of the Client valued as per the Clause "Valuation of Securities" of the Agreement, as on date, that are managed by the Portfolio Manager on the Client's behalf or are under the advice of the Portfolio Manager, as the context may require, as per the Agreement.
"Portfolio Manager"	means Joindre Capital Services Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at 32, Raja Bahadur Mansion, Ground Floor, Mumbai Samachar Marg, Mumbai 400023, its Corporate Office at Botawala Building, 2nd Floor, 11/13 Horniman Circle, Fort, Mumbai 400023 and PMS Office at S. V. Road, Above ICICI Bank, Opp Shoppers' Stop, Andheri West, Mumbai 400 058

"Regulations"	means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.
"Rules"	means the Securities and Exchange Board of India (Portfolio Managers) Rules, 1992.
"Structure" or "Plan"	means any of the current investment structures/plans or such structures/ plans that may be introduced at any time in the future by the Portfolio Manager.
"Securities"	means any instrument(s) included within the definition of "security" under Section 2(h) of the Securities Contracts (Regulation) Act, 1956 and includes (i) shares, scrips, stocks, bonds, warrants, convertible and non-convertible debenture, fixed return investments, equity linked instruments, negotiable instruments, structured products, deposits, American/Global or other depository receipts representing underlying Securities, money market instruments, commercial paper, certificates of deposit, units issued by the Unit Trust of India and/or by any mutual funds, mortgage backed or other asset backed securities, derivatives, derivative instruments, options, futures, foreign currency commitments, hedge, swaps or netting off and any other securities issued by any company or other body corporate, any trust, any entity, the Central Government, any State Government or any local or statutory authority and all money rights or property that may at any time be offered or accrue (whether by rights, bonus, redemption, preference, option or otherwise) and whether in physical or dematerialized form in respect of any of the foregoing or evidencing or representing rights or interest therein; and any other instruments or investments (including

	borrowing or lending of securities) as may be permitted by applicable law from time to time; (ii) 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.
"Term"	shall have the meaning assigned to such term in the Clause "Term and Termination" of the Agreement.
"Termination Fee"	means the termination fee as set forth in the Agreement.

Any word or phrase used and not defined in this Disclosure Document, but defined in the SEBI Act or the Portfolio Managers Regulations shall carry the same meaning assigned to them in the SEBI Act or the Portfolio Managers Regulation.

2.1 HISTORY, PRESENT BUSINESS AND BACKGROUND OF THE PORTFOLIO MANAGER

Joindre Capital Services Ltd (JCSL) is a Public Limited Company incorporated under the Companies Act, 1956 and a member of Bombay Stock Exchange Ltd, National Stock Exchange of India, and many regional exchanges in India. It is also a Depository Participant registered with Central Depository Services (India) Ltd.

The company is registered with SEBI as a Portfolio Manager under SEBI (Portfolio Managers) Regulations, 1993, vide Registration No.INP000002205.

A pioneer in the field of Retail Broking, JCSL was incorporated in 1995 by a group of professionals with vast and rich experience in Indian Capital Market.

JCSL, provides broking services to Corporates, High Net worth Individuals and retail clients through a network of investment centers spread across the entire country. JCSL is also empanelled with all major Indian Financial Institutions and Banks.

The Services provided to retail investors, resident Indians as well as the NRIs, are classified as under:

Facilitate investment in secondary market at leading stock exchanges in India based on Fundamental and Technical Analysis.

Trading at the Future & Options segment as an effective tool for hedging the risk.

Efficient Depository Services including dematerialization, re-materialisation, pledge & other allied activities.

2.2 Promoters and Director of the Portfolio Manager and their background in brief

a. Particulars of Promoters

The promoters of the Portfolio Manager are:

Name	Age	Educational Qualification	Experience
Mr. Anil Mutha	50 yrs	Chartered Accountant and Cost Accountant	He has more than 23 years experience in stock market
Mr. Subhash Agarwal	54 yrs	Chartered Accountant	He has more than 18 years experience in stock market
Mr. Paras Bathia	55 yrs	B. Com	He has more than 23 years experience in stock market
Mr. Ranjit Baradia	50 yrs	Chartered Accountant	He has more than 21 years experience in stock market.
Mr. Dinesh Khandelwal	49 yrs	B. Com	He has more than 23 years experience in stock market.
Mr. Sunil Jain	46 yrs	Chartered Accountant	He has more than 15 years experience in stock market.

b. Particulars of Directors

The Directors of the Portfolio Manager are:

Name	Age	Qualification	Experience	Status
Mr. Anil Mutha	50 yrs	Chartered Accountant and Cost Accountant	He has more than 23 years experience in stock market	Whole Time Director
Mr. Subhash Agarwal	54 yrs	Chartered Accountant	He has more than 18 years experience in stock market	Whole Time Director
Mr. Paras Bathia	55 yrs	B. Com	He has more than 23 years experience in stock market	Whole Time Director

Mr. Ranjit Baradia	50 yrs	Chartered Accountant	He has more than 21 years experience in stock market.	Whole Time Director
Mr. Dinesh Khandelwal	49 yrs	B. Com	He has more than 23 years experience in stock market.	Whole Time Director
Mr. Sunil Jain	46 yrs	Chartered Accountant	He has more than 15 years experience in stock market.	Whole Time Director
Mr. Mahendrakumar Jain	51 yrs	Chartered Accountant	He has more than 18 years experience as Practicing Chartered Accountant	Director
Mr. Shankar Khandelwal	41 yrs	B. com	He has more than 15 years business experience in electronics and construction	Director
Mr. Veepin Thokal	48 yrs	Law Graduate	He has more than 22 years experience as a practicing advocate	Director
Mr. Haresh Mehta	44 yrs	Chartered Accountant	He has more than 17 years experience as Practicing Chartered Accountant	Director
Mr. Ravi Sant Jain	45 yrs	Commerce Under Graduate	He has more than 12 years experience in plantation business	Director
Mrs. Sonali Chaudhary	31 yrs	Chartered Accountant	She has more than 6 years experience in organization rendering financial services	Director

2.3 Group Companies / Firms of the Portfolio Manager (As per Audited data available for the year ended on 31st March 2011) :

M/s. Joindre Commodities Ltd
M/s Joindre Finance Pvt. Ltd.

2.4 DETAILS OF SERVICES OFFERED BY THE PORTFOLIO MANAGER

Discretionary Portfolio Management Services as detailed in point No. 4 a below.

3. **PENALTIES, PENDING LITIGATIONS OR PROCEEDINGS**

As per Annexure -A

4. **SERVICES OFFERED**

Categories of Services

a. **Discretionary Portfolio Management Services**

Under these services, the choice as well as the timing of the investment decisions rests solely with the Portfolio Manager. The Portfolio Manager may at times, and at its own discretion, adhere to the views of the Client pertaining to the investment/ disinvestments decisions of the Client's Portfolio.

The Portfolio Manager shall have the sole and 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 Funds in the Client's account in such manner and in such market as it deems fit. The Client may give informal guidance to customize the portfolio structures; however, the final decision rests with the Portfolio Manager. The securities invested/disinvested by the Portfolio Manager for Clients in the same Structure may differ from one Client to another Client. The Portfolio Manager's decision (taken in good faith) in development of the Client's Fund 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 the Portfolio Manager shall be exercised strictly in accordance with the relevant Acts, Rules, and Regulations, guidelines and notification in force from time to time.

Under these services, the Portfolio Manager endeavours to generate capital appreciation by taking long term positions in select companies and sectors. It would offer a diversified investment portfolio across large cap, mid cap and small cap stocks.

Mode of Operations of the Discretionary Portfolio Management Services Plans

The Plans will be operated on a Pool Basis. The listed securities of clients will be held in separate demat accounts of the clients and funds of all clients will be held in a bank account earmarked separately for client funds with a clear segregation of each client's funds through proper and clear maintenance of back office records. The Portfolio Manager may from time to time invest the idle cash balance in units of Mutual Funds.

4.2 Investment Objectives and Policies

a. Equity Investment Strategy

In our opinion, equities as an asset class provides the maximum risk adjusted return over a long period of time. Therefore, we intend to identify businesses that have shown and are likely to sustain a healthy growth rate. Equity investments are proportionate ownership of the business. In essence, our approach to valuing a company will be similar to that in making a private investment in an operating business.

The Portfolio Manager would identify companies for investments, based on one or more factors including sound management, track record of the company, potential for future growth, industry economic scenario, among others. Besides a portion of the funds may also be invested in initial offerings, unlisted securities and other primary market offerings.

The Portfolio Manager attempts, under normal circumstances, to achieve the Portfolio's investment objective by investing in a focused Portfolio of equity and fixed-income securities. The proportion of the Portfolio's assets invested in each type of asset class will vary from time to time based upon the Manager's assessment of general market and economic conditions. The Portfolio may invest in and may shift frequently among the asset classes and market sectors.

b. Debt Investment Philosophy

The Portfolio Manager will take an active view of the interest rate movement by keeping a close watch on various parameters of the Indian economy as well as developments in global markets.

Investment views/decisions will be taken on the basis of the following parameters:

1. Prevailing interest rate scenario
2. Quality of the Security/Instrument (Including the financial health of the issuer)
3. Maturity profile of the instrument

4. Liquidity of the security
5. Growth prospects of the company/industry
6. Any other factors in the opinion of the portfolio management team

The Portfolio Manager would endeavour to maintain a consistent performance in the structure by maintaining a balance between safety, liquidity and profitability aspects of various structures/ options. They would also endeavour to develop a well diversified quality portfolio in order to minimize the credit and liquidity risk. The duration of the debt portfolio would primarily be managed with a view to generate coupon income with a minimized interest rate risk. The Portfolio Manager would endeavour to mitigate the risk associated with debt securities by diversification and effective use of hedging techniques.

As per the Regulations, the Portfolio Manager shall not deploy the clients' funds in bill discounting, badla financing or for the purpose of lending or placement with corporate or non-corporate bodies. The aim of the Portfolio Manager is to generate optimal returns within appropriate risk parameters.

c. Trading in Derivatives

SEBI in terms of the Securities and Exchange Board of India (Portfolio Managers) Amendment Regulations, 2002 has permitted all the Portfolio Managers to participate in the derivatives trading subject to observance of guidelines issued by SEBI in this behalf. Pursuant to this, the Portfolio Managers may use various derivative products for hedging and rebalancing Portfolio from time to time

d Securities Lending Scheme

The Portfolio Manager may also participate in the Securities Lending Scheme, to enhance the return of the Portfolio. No leverage will be created in the Port folio.

4.3 Risk Management

The portfolio shall be structured so as to keep risk at acceptable levels. This shall be done through various measures including:

a. Broad diversification of portfolio

b. Ongoing review of relevant market, industry, sector and economic parameters.
c. Investing in companies which have been researched

Besides, the asset allocation by the Portfolio Manager would be done keeping in view the investment objective, risk profile and investment horizon of the client.

For investment in debt, the fund manager will try to achieve an optimal risk return balance for management of the fixed income portfolios.

As per the above strategy, the Portfolio Manager shall invest in respect of the Client's Portfolio in such capital and money market instruments or in fixed income securities or variable securities of any description, by whatever name called including:

a. Equity and Equity related securities, Convertible Stock and Preference Shares of Indian Companies.
b. Debentures, Bonds and Secured Premium Notes, Swaps. Options Futures, Tax-exempt Bonds of Indian Companies and Corporations
c. Government and Semi Government Securities
d. Units, Magnums and other instruments of Mutual Funds
e. Bank Deposits/Post Office Saving Schemes
f. Treasury Bills
g. Commercial Papers, Certificates of Deposit and other similar Money Market instruments
h. Derivatives, both equity and fixed income as permitted under the Regulations
i. Units of Venture Funds
j. Securitisation Instruments
k. Foreign Securities
l. Other eligible modes of investment and/or forms of deployment within the meaning of the Regulation issued by SEBI as amended from time to time.

5. DECLARATION REGARDING BROKING SERVICES

The Portfolio Manager will deal in Securities on behalf of the Client through a member broker of The Stock Exchange, Mumbai (BSE), or a member broker of the National Stock Exchange of India or through any other registered member of recognized Stock Exchange. It is clarified that the Portfolio Manager will itself act as a broker and/or may deal through any other Brokers as deemed fit by the Portfolio Manager.

6. RISK FACTORS

An indicative list of the risks associated with investing through the Services is set out below:

(i) Securities investments are subject to market and other risks and the Portfolio Manager provides no guarantee or assurance that the objectives set out in the Disclosure Document and/or 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, but not limited to, de-listing of securities, market closure, or relatively small number of scrips accounting for large proportion of trading volume. The Portfolio Manager provides no assurance of any guaranteed returns on the Portfolio.

(iii) The past performance of the Portfolio Manager in any Structure is not indicative of the future performance in the same Structure or in any other structure; either existing or that may be offered. Investors are not offered any guaranteed or indicative returns through any of the Structures.

iv) In addition to the factors that affect the value of individual securities, the value of the Portfolio can be expected to fluctuate with movements in the broader equity and bond markets and may be influenced by factors affecting capital markets in general, such as, but not limited to, price and volume volatility in the capital market, interest rates, currency exchange rates, changes in law/ policies of the governments, taxation laws and political, economic or other developments which may have an adverse bearing on individual securities, a specific sector or all sectors.

v) Investments made by the Portfolio Manager are subject to risks arising from the investment objective, investment strategy and asset allocation.

vi) The benchmark index may not be truly representative of the Services offering due to the unique nature of the Services wherein inter alia : (a) the number of Securities may be lower in comparison to the benchmark index; and (b) the weightages of individual stocks may vary from weightages in the benchmark index.

vii) Equity and Equity Related Risks: Equity 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 may not always prove to be profitable or correct. Consequently, the Client shall assume any loss arising from such decisions made by the Portfolio Manager. Further, equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis. Investments in such securities involve a degree of risk and the possibility of loss of the amount invested.

viii) 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 various factors including industry, export and taxation may have direct or indirect impact on the investments, and consequently the growth of the Portfolio.

ix) Liquidity Risk: Liquidity of investments in Securities is 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 sale, then the Portfolio 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. Even upon termination of the Agreement, the Client may receive illiquid Securities and finding a buyer for such Securities may be difficult. Further, different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the scheme are un-invested no return is earned thereon. The inability of the Portfolio Manager to make intended Securities purchases, due to settlement problems, could cause the Portfolio to miss certain investment opportunities.

x) 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.

xi) Interest Rate Risk: This is associated with movements in interest rates, which depend on various factors such as government borrowing, inflation, economic performance, among others. The value of investments could 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 thereon. When interest rates decline, the value of a portfolio of fixed income securities can be expected to rise. Conversely, when interest rates rise, the value of a portfolio of fixed income securities can be expected to decline.

xii) Acts of State, or sovereign action, acts of nature, acts of war, civil disturbance are extraneous factors which can impact the Portfolio.

xiii) Reinvestment Risk: This risk arises from the uncertainty in the rate at which cash flows from an investment may be reinvested. With respect to bonds, 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.

xiv) Non-Diversification Risk: This risk arises when the Portfolio is not sufficiently diversified by investing in a wide variety of instruments. As mentioned above, the Portfolio Manager will attempt to maintain a diversified Portfolio in order to minimize this risk.

xv) Mutual Fund 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 fund units. Further, Scheme specific risk factors of each such underlying scheme, including performance of their underlying stocks, derivatives instruments, stock lending, off-shore investments etc., will be applicable in the case of investments in mutual fund units. In addition, events like change in fund manager of the scheme, take over, mergers and other changes in status and constitution of mutual funds, foreclosure of schemes or plans, change in government policies could affect performance of the investment in mutual fund units.

xvi) Derivatives: Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions and the embedded market risks that a derivative adds to the portfolio. Besides the price of the underlying asset, the volatility, tenure and interest rates affect the pricing of derivatives. Other risks in using derivatives include, but are not limited to : (a) Credit Risk, when a counterparty defaults on a transaction before settlement and the Portfolio Manager is compelled to negotiate with another counter party, at the then prevailing (possibly unfavourable) market price, in order to maintain the validity of the hedge. For exchange traded derivatives, the risk is mitigated as the exchange provides guaranteed settlement but the Portfolio takes the performance risk on the exchange; (b) Market Liquidity Risk, where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices; (c) Model Risk, the risk of mis-pricing or improper valuation of derivatives; and (d) Basis Risk arises when the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risks may also be inter-related; for e.g. Interest rate movements can affect equity prices, which could influence specific issuer/industry assets.

xvii) The Client may not be able to avail of Securities Transaction Tax credit benefit and/or tax deduction at source (TDS) credit and this may result in an increase incidence of tax on the Clients. The Client may incur a higher rate of TDS/Dividend Distribution Tax in case the investments are aggregated.

xviii) In case of Investments in Mutual Fund units, the Client shall bear the recurring expenses of the Portfolio Management Services in addition to the expenses of the underlying mutual fund schemes. Hence, the Client may receive lower pre-tax returns compared to what he may receive had he invested directly in the underlying mutual fund scheme, in the same proportions.

xix) After accepting the Initial Corpus and/or further Funds for management, the Portfolio Manager may not get an opportunity to deploy such Initial Corpus and/or further Funds or there may be delay in deployment. In such a situation the Clients may suffer opportunity loss.

xx) Subsequent to the investment in the portfolio companies, these companies may admit other new investors at a price, which may be at a discount to the prevailing asset value of the Portfolio's investment. This may result in dilution of the value of the holding of the Clients. The valuation of such investments is subjective in nature and the value arrived at by the Portfolio Manager or an independent auditor may not reflect the actual worth of the investments.

xxi) Clients will not be permitted to dispose of, sell, acquire, and withdraw the Funds/Client Securities from the Portfolio (except to the extent permitted under the Agreement). In addition, they are not allowed to transfer any of the interests, rights or obligations with regard to the Portfolio except as may be provided in the Agreement and in the Regulations.

xxii) Changes in Applicable Law may impact the performance of the Portfolio.

xxiii) Approvals of the Government or regulatory bodies or local authorities may be required before certain investments can be made. The Portfolio Manager cannot be certain that these approvals will be obtained or be aware of the timeline for such approvals.

xxiv) Persons who are associated with or related to the Portfolio Manager, including its promoters and/or any direct or indirect shareholders of the Portfolio Manager may from time to time become clients of the Portfolio Manager. Consequent to the above, the Portfolio Manager may manage Portfolios of these entities, together with the Portfolios of its other clients. While the Portfolio Manager will endeavour to avoid any situations where a conflict of interest may arise, in the event that the Portfolio Manager faces any such situation of conflict, then the Portfolio Manager shall exercise due care and professional judgment in order to ensure fair treatment to its clients.

xxv) There is a possibility of the Client, the Portfolio Manager and/or other clients of the Portfolio Manager being treated as persons acting in concert in terms of the Takeover Regulations and consequently, the securities acquired/held by all such persons may be clubbed to determine the applicability of requirements under the Takeover Regulations, including disclosure requirements and the requirement to make an open offer for acquiring securities from the public. It should be noted that in terms of the Takeover Regulations, a portfolio manager and its clients are deemed to be persons acting in concert unless the contrary is established.

(xxvi) Prospective clients should review/study the Disclosure Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation or financial/investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale or conversion into money) of Portfolio and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their Portfolio, acquisition, holding, capitalisation, disposal (sale, transfer or conversion into money) of Portfolio within their jurisdiction of nationality, residence, incorporation, domicile, etc. or under the laws of any jurisdiction to which they or any managed funds to be used to purchase/gift portfolio of securities are subject, and also to determine possible legal, tax, financial or other consequences of subscribing/gifting, purchasing or holding portfolio of securities before making an investment.

(xxvii) The Portfolio Manager is neither responsible nor liable for any loss resulting from the Services.

(xxviii) Clients are not being offered any guaranteed/assured returns.

(xxix) The investments of the Portfolio Manager and/or its clients, officers, directors, associated, brokers or Custodians may be similar or dissimilar to holdings in the Client's account and such investments may be made at different times and/or at different prices as compared to the portfolio of the clients. Further the Portfolio Manager and/or its clients, offices, directors, associates, brokers or Custodians may be a selling party in a specific stock at the time of investment of the Client's funds or vice versa.

xxx) The Securities lending activity, if any, by the Portfolio Manger on behalf of the Client will have the inherent probability of collateral value drastically falling in time of strong downward market trends or due to it being comprised of tainted/forged securities, resulting in inadequate value of collateral until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and/or the approved intermediary may suddenly suffer severe business setback and become unable to honor its commitments. This along with a simultaneous fall in value of collateral would render potential loss to the respective Products. Also the risk could be in the form of non-availability of ready stock for sale during the period stock is lent.

(xxxi) The Client has perused and understood the disclosures made by the Portfolio Manager in the Disclosure Document and the risks disclosed therein.

7. FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER

The following exhibit states the key financial data pertaining to the Portfolio Manager as per the audited financial statements for the year ended 31st March 2011:

Summarized Financial Position	As at 31st March 2011 (audited) Rupees in Crores	As at 31st March 2010 (audited) Rupees in Crores	As at 31st March 2009 (audited) Rupees in Crores
Total Income	10.73	12.74	10.46
Total Expenses	6.81	6.32	6.93
Profit before Depreciation & Tax	3.92	6.42	3.53
Depreciation	0.39	0.38	0.39
Profit before Tax	3.53	6.04	3.14
Provision for Tax	1.16	2.04	1.11
Profit after Tax	2.37	4.00	2.03
Net Worth	38.54	37.46	34.76

PORTFOLIO MANAGEMENT PERFORMANCE OF THE PORTFOLIO MANAGER FOR THE LAST THREE YEARS, AND IN CASE OF DISCRETIONARY PORTFOLIO MANAGER DISCLOSURE OF PERFORMANCE INDICATORS CALCULATED USING WEIGHTED AVERAGE METHOD IN TERMS OF REGULATION 14 OF THE SEBI (PORTFOLIO MANAGERS0REGULATIONS, 1993.

Nil

DISCLOSURE IN RESPECT OF TRANSCATIONS WITH RELATED PARTIES

As per Annexure – B enclosed.

8. NATURE OF COSTS AND EXPENSES FOR CLIENTS

The following are indicative types of costs and expenses for clients availing the Portfolio Management services.

The exact basis of charge relating to each of the following services shall be annexed to the Agreement.

a. Management, Performance-linked Fees

- Management Fee relates to the Portfolio Management Services offered to clients. The fee may be a fixed charge or a percentage of the Portfolio as agreed by the Client in the Agreement. In the event of it being a fixed fee or a percentage of the Portfolio. it shall not exceed 5% p.a. of the Client's Portfolio.
- Performance linked fee related to returns achieved by the Portfolio, the terms of which will be determined as per the Agreement. Profit/ performance shall be computed on the basis of high watermark principle over the life of the investment, for charging of performance/profit sharing fee. In case of interim contributions/withdrawals by clients, performance fees may be charged after appropriately adjusting the high watermark on proportionate basis.

All the above fees charged by the Portfolio Manager shall be exclusive of the Service tax and/or other taxes or levies chargeable as per the provisions law.

b. Termination Fees

In the event of any Early Termination or if the Client decides to withdraw any cash or Client Securities during the Lock In Period (defined in the Agreement), the Client will be liable to pay a termination fee, which will be determined as per the Agreement.

The Termination Fees charged by the Portfolio Manager shall be exclusive of the Service Tax and/or other taxes or levies chargeable as per the provisions of law.

c. Administrative and custodian/depository charges

For the Portfolio Management Services, the Portfolio Manager itself will provide custodian and/or depository services. However the Portfolio Manager may appoint such other custodian and/or depository participant as it may deem fit. The charges relating to audits and administrative expenses, opening and operation of dematerialized accounts, custody and transfer charges for shares, bonds and units, dematerialization and other charges in connection with the operation and management of the depository accounts, etc. and would be charged by Portfolio Manager and /or Custodian as agreed by the client in the Agreement, on a quarterly basis.

d. Brokerage and transaction costs

The brokerage charges would on the market price of securities purchased /sold in the secondary market, exclusive of Service Tax, Security Transaction Tax (STT) and other charges. The brokerage charges will be included in the cost of purchase/sale of securities. Other charges like service charge, stamp duty, transaction costs, turnover tax, STT, exit and entry loads on the purchase and sale of units and other financial instruments would be at actual charges and included in the cost of purchase/sale of securities.

e. **Registrar and transfer agent charges**
Charges payable to registrars and transfer agents in connection with effecting transfer of securities and bonds including stamp charges, cost of affidavits, notary charges, postage charges, among others, would be at actuals charged by service provider, on a quarterly basis.

f. Certification and professional charges
Charges payable for in house or outsourced professional services like accounting, taxation and legal services, notarization etc. for certifications, attestations required by bankers or regulatory authorities would be at actuals charged.

g. Incidental expenses
Charges in connection with the courier expenses, stamp duty, service tax, postal, telegraphic, opening and operation of bank accounts etc. would bank at actuals charged.

h. **Fees and charges in respect of investment in mutual funds:**
Mutual Funds shall be recovering expenses or management fees and other incidental expenses and such fees and charges shall be paid to the Asset Management Company of the Mutual Funds on behalf of the Client. Such fees and charges are in addition to the Portfolio Management fees described above.

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

j. Other expenses/Charges
Other incidental costs, fees, expenses not specifically covered above and arising out of or in the course of managing or operating the portfolio would be at actual charged, on a quarterly basis.

9. AGREEMENT

9.1 The portfolio Manager, before taking up an assignment of managing or advising on funds or portfolio of securities on behalf of a client, enters into an Agreement in writing with such Client clearly defining the inter se relationship and setting out their mutual rights, liabilities and obligations, containing such details as per the Regulations.

9.2 The Funds or securities accepted/advised on by the Portfolio Manager is not invested or managed/advised on by the Portfolio Manager except in terms of the Agreement between the Portfolio Manager and the Client.

9.3 The Portfolio Manager shall not change any Terms of the agreement without prior consent of the client.

10. TAX IMPLICATIONS

It may be noted that the information given hereinafter is only for general information purposes and is based on the advice received by the Portfolio Manager regarding the law and practice currently in force in India and the Investors should be aware that the relevant fiscal rules or their interpretation may change or it may not be acceptable to the tax authorities. As is the case with any interpretation of any law, there can be no assurance that the tax position or the proposed tax position prevailing at the time of an investment in the structure/option will be accepted by the tax authorities or will continue to be accepted by them indefinitely. Further, statements with regard to tax benefits mentioned herein below are mere expressions of opinion and are not representations of the Portfolio Manager to induce any investor to invest whether directly from the Portfolio Manager or indirectly from any other operations by the Secondary Market operations. In view of the above, and since the individual nature of tax consequences may differ in each case on its merits and facts, each Investor is advised to consult his/her or its own professional tax advisor with respect to the specific tax implications arising out of its participation in the PMS Structure/option, as an investor. In view of the above, it is advised that the investors appropriately consult their investment/tax advisors in this regard.

The following provisions are as per the existing Income Tax Act, 1961 ("the Act")

The Portfolio Manager shall not be responsible for assisting in or completing the fulfillment of the client's tax obligations.

10.1 Securities Transaction Tax

Securities Transaction Tax (STT) is applicable on transactions of purchase or sale of equity shares in a company or a derivative or units of Equity Oriented Fund entered into on a recognized stock exchange and sale of units of Equity Oriented Fund to the Mutual Fund. The STT rates shall be as specified in the Finance Act.

10.2 Tax Implications where transaction in securities is in the nature of trade or business

The following are the provisions of the Act applicable to resident individuals, Hindu Undivided Family, partnership firms and companies.

10.2.1 Income arising from purchase and sale of shares or securities can give rise to business income or capital gains in the hands of the investor.

The issue of income characterization as above is essentially a question of fact and dependent on whether the shares as held as business/trading asset or on capital account. Based on judicial decisions, all or some of the following factors and principles need to be considered while determining the nature of assets as above:

- Motive for the purchase of shares
- Frequency of transactions and period of holding
- Treatment of shares and the profit or loss on the sale in the accounts of the investor.
- Source of funds out of which securities are purchased-own or borrowed
- Existence of object clause permitting trading in shares
- Acquisition of shares – from primary or secondary market
- Infrastructure employed by the Client for the share transactions

Any single factor discussed above in isolation cannot be conclusive to determine the exact nature of the shares. All factors and principles need to be construed harmoniously. Further, the background of the investor (professional v/s trader in shares) would also be a relevant factor in determining the nature of shares.

10.2.2 If the investment under the Portfolio Management Services is regarded as "Business/Trading Asset" then the gain/loss arising therefrom is likely to be taxed as income from business.

10.2.3 Securities Transaction Tax (STT) in respect of purchase and sale of shares considered in the nature of business or trade would be eligible as an allowable expense from such business income of the investor in whose hands such transactions are entered into.

10.3 Dividend from securities referred to in Section 115-0 and the income from units of Mutual Funds under clause 10 (23D) are exempt from tax. However, income on transfer of units of Mutual Funds not falling under the provisions of Section 10(23D) is not exempt.

10.4 Tax Implications where transactions in securities are in nature of investments

10.4.1 Income from Capital Gains

Where investment under the Portfolio Management Services is treated as investment, then the profit or loss from transfer of securities shall be taxed as Capital Gains under Section 45 of the Income Tax Act, 1961. The Capital Gains shall be bifurcated between long term and short term according to the period of holding of securities as specified under the Income Tax Act. The rates of taxes on Capital Gains are as prescribed under the Income Tax Act

10.4.2 Interest Income

Interest income would be characterized as "business income' or 'income from other sources'. Expenses incurred to earn such interest income would be available to deduction. Interest income would be taxable at the prevailing rate, plus surcharge and cess, as applicable in the hands of the investors. Tax would be deducted at source by the portfolio companies at 10 percent. Credit for tax deducted at source would be allowed against the tax liability of the investor.

10.5 Income from derivative instruments

Any profits or gains arising from dealing in derivatives may be treated as income from business or profession. Derivative transactions traded on stock exchange are excluded from being treated as speculative transaction subject to fulfillment of specified conditions.

10.**6** Tax implications for non-residents other than companies

Income tax is deductible on long-term capital gains (other than long-term capital gains on which exemption under Section 10 (38) is applicable) and on short term capital gains arising on sale of equity shares or repurchase of units at the applicable rate.

11. ACCOUNTING POLICIES AND VALUATIONS

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

a. Investment in listed equities, mutual funds and listed debt instruments will be valued at the closing market prices of National Stock Exchange, and if not listed on the National Stock Exchange then the closing market prices on the Stock Exchange, Mumbai (BSE), or the Repurchase Net Asset Value declared for the relevant mutual fund scheme on the date of the report or any cut-off date or the market value of the debt instrument at the cut-off date. Alternatively, the last available prices on the Stock Exchange or the most recent Net Asset Value will be reckoned.

b. Realised gains/losses will be calculated by applying the First in First out Principle.

c. Open positions in derivative transactions, will be marked to market on the valuation day.

d. Unrealized gains/losses are the differences, between the current market value/Net Asset Value and the historical cost of the securities.

e. Dividends on shares shall be accounted on ex-dividend date and dividends on units in mutual funds shall be accounted on receipt of information from the Mutual Fund House and interest, stock lending fees earned etc., shall be accounted on accrual basis. The interest on debt instruments shall be accounted on accrual basis.

f. Transactions for purchase or sale of investments would he recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year are recorded and reflected in the individual client account for that year.

g. If the value of the Securities cannot be calculated as mentioned in clause 11 (a) for the reason the date of the report not being a Business Day, then for the purpose of valuation of securities, the closing market prices on the immediately preceding Business Day to such date of report shall be considered.

h. The listed securities brought in by the Client as Initial Corpus instruments will be valued at the closing market prices of National Stock Exchange and if not listed on the National Stock Exchange, then the closing market prices on the Stock Exchange, Mumbai (BSE), on a Business Day prior to the date the securities are credited to the Depository Account.

i. The cost of investments acquired or purchased would include brokerage, stamp charges and any charge customarily included in the broker's contract note or levied by any Statute.

12. INVESTOR SERVICES

a. Contact information

Name, address and telephone number of the Investor Relations Officer who shall attend to the investor queries and complaints.

Name: Mr. Balram B. Chilveri **- Investor Relations-PMS**
216, Sagar Avenue, S. V. Road, Above ICICI Bank Opp: Shoppers Stop, Andheri West, Mumbai 400 058

Tele: (91 22) 40334800
Fax: (91 22) 40334816
E-mail: balram@joindre.com

Mr. Vijay Pednekar – Compliance Officer- PMS
Botawala Building, 2nd Floor, 11/13, Horniman Circle, Fort, Mumbai 400 023

Tele: (91 22) 40334567
Fax: (91 22) 40334568
E-mail: pednekar@ joindre.com

Mr. Sunil Jain – Principal Officer-PMS
216, Sagar Avenue, S. V. Road, Above ICICI Bank, Opp. Shopper's Stop, Andheri West, Mumbai 400 058

Tele: (91 22) 40334800
Fax: (91 22) 40334816
E-mail: sunilmj@joindre.com

The officials mentioned above will ensure prompt investor services. The Portfolio Manager will ensure that these officials are entrusted with the necessary authority, independence and the wherewithal to handle investor complaints.

b Investor Grievance Redressal and Dispute Settlement Mechanism

The Portfolio Manager of the company will endeavor to address all complaints regarding service deficiencies or cause of grievance for whatever reason. The Investor Grievance/Disputes will be redressed as under:

Level –1: Any complaint received from the PMS client of the company would be redressed by the Investor Relations Officer within 3 working days from the date of receipt. Mr. Balram B. Chilveri has been appointed as Investor Relations – PMS. The contact details of the Investor Relations Officer- PMS:

Name: Mr. Balram B. Chilveri **- Investor Relations Officer-PMS**
216, Sagar Avenue, S. V. Road, Above ICICI Bank Opp: Shoppers Stop,
Andheri West, Mumbai 400 058

Tele: (91 22) 40334800
Fax: (91 22) 40334816
E-mail: balram@joindre.com

Level –II: If the complaint is not resolved at Level – 1, it will be referred to the Compliance Officer for PMS of the company, who would try to redress the same within next 3 working days. The contact details of Compliance Officer for PMS:
Mr.Vijay Pednekar

Tele No: 40334567 Fax: 40334568

Email: pednekar@joindre.com

Level –III: If the complaint is not resolved at Level- II, it will be referred to the Principal Officer for PMS of the company. The contact details of Principal Officer for PMS:

Mr. Sunil Jain

216, Sagar Avenue, S. V. Road, Above ICICI Bank Opp: Shoppers Stop,
Andheri West, Mumbai 400 058

Tele No: (91 22) 40334800

Fax No: (91 22) 40334816

Email: sunilmj@joindre.com

Level – IV: If the client is not satisfied with outcome at the Level –III, the matter shall be referred to the Arbitration. The arbitration proceedings shall be held at Mumbai.

<u>Dispute Resolution and Arbitration</u>

1) If there is any dispute arising out or in connection with this Agreement, the Parties shall endeavor to settle such dispute through amicable discussions.

2) If the Parties fail to resolve the dispute through amicable discussions within fifteen (15) working days of the date of commencement of such discussions, the

dispute shall be referred to arbitration by a sole arbitrator to be appointed by the Parties by mutual consent. If the Parties are unable to agree upon the appointment of the sol arbitrator within a period of fifteen (15) working days from the closure of discussions pursuant to the above Clause (a) of Dispute Resolution and Arbitration, the sole arbitrator shall be appointed in accordance with the procedures specified in the Arbitration and Conciliation Act, 1996, as amended.

All the proceedings under such Arbitration shall be held in Mumbai and would be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment's thereof and shall be conducted in English. It is agreed and understood that the High Court of Mumbai shall have exclusive jurisdiction to entertain any Applications or Petition pertaining to the arbitration arising hereunder and / or any other proceedings arising pursuant to this clause.

3) Each Party shall pay its own legal fees and expenses. The cost and expenses incurred in conducting the arbitration proceedings, including the cost and expenses of the sole arbitrator shall be borne equally by the Parties.

4) The arbitrator's award shall be in writing. The arbitral award shall be final and binding on the Parties, and any judgment upon such award may be entered and enforced in any court of competent jurisdiction and the Parties agree to be bound thereby and to act accordingly.

c. General

The Portfolio Manager and the Client can mutually agree to be bound by specific terms through a written two-way agreement between themselves in addition to the standard agreement for Portfolio Management Services.

Date : 30 /11 /2011
Place : Mumbai

Names and Signatures of all the Directors of the Portfolio Manager

Sr. No.	**Name of the Director**	Designation	Signature
1	Anil Mutha	Whole Time Director	Sd/-
2	Subhash Agarwal	Whole Time Director	Sd/
3	Sunil Jain	Whole Time Director	Sd/
4	Paras Bathia	Whole Time Director	Sd/
5	Ranjit Baradia	Whole Time Director	Sd/
6	Dinesh Khandelwal	Whole Time Director	Sd/
7	Mahendrakumar Jain	Independent Director	Sd/
8	Shankar Khandelwal	Independent Director	Sd/
9	Veepin Thokal	Independent Director	Sd/
10	Haresh Mehta	Independent Director	Sd/
11	Ravi Jain	Independent Director	Sd/
12	Sonali Chaudhary	Independent Director	Sd/

Form C

SECURITIES AND EXCHANGE BOARD OF INDIA (PORTFOLIO MANAGERS) REGULATIONS 1993) (Regulation 14)

Dear Investor

We confirm that

i) the Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 1993 and the guidelines and directives issued by the Board from time to time.

ii) the disclosures made in the Disclosure Document are true, fair and adequate to enable the investors to make a well informed decisions regarding entrusting the management of the portfolio to us/investment in the Portfolio Management Structure.

iii) the Disclosure Document has been duly certified by an independent Chartered Accountant.

FOR JOINDRE CAPITAL SERVICES LIMITED

Sd/-
(Sunil Jain)
Whole Time Director

Date:30 /11 /2011
Place: Mumbai