



## CERTIFICATE

We have verified the Disclosure Document ("the Document") for Portfolio Management Services prepared by **Fort Capital Investment Advisory Private Limited**, a Portfolio Manager registered with SEBI under the SEBI (Portfolio Managers) Regulations, 2020 (SEBI Reg. No. INP000006031), dated August 05, 2025, having its Registered Office at 304, 3rd Floor, Hubtown Solaris, N. S. Phadke Marg, Near Flyover Bridge, Andheri East, Mumbai- 400069.

The disclosure made in the document is made on the model disclosure document as stated in Schedule V of Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulations 2020.

With regard to TWRR calculation method, we have been informed by the management that the TWRR has been calculated by their software as per the logic specified by SEBI.

Our certification is based on the audited Balance sheet of the Company for the Financial Year Ended March 31, 2024, audited by Statutory Auditors Vinod S Mehta and Company, Chartered Accountants and examination of other records, data made available and information & explanations provided to us.

Based on such examination we certify that:

- a. The Disclosure made in the document is true, fair and correct and
- b. The information provided in the Disclosure Document is adequate to enable the investors to make well-informed decisions.

The enclosed document is stamped and initialed / signed by us for the purpose of identification.

**For Shah & Ramaiya.**  
**Chartered Accountants**  
**FRN.:126489W**

**CA Shardul Shah**  
**Partner**  
**M No.: 118394**  
**UDIN No.: 25118394BMGIHA2231**

**Place: Mumbai**  
**Date: August 06, 2025**

**Portfolio Management Services (PMS)**

**Disclosure Document (DD)**

**Of**

**Fort Capital Investment Advisory Private**  
**Limited**

**Portfolio Management (PMS)**

*FORM C*

**SECURITIES AND EXCHANGE BOARD OF INDIA (PORTFOLIO MANAGERS) REGULATION, 2020 (Regulation 22)**  
**FORT CAPITAL INVESTMENT ADVISORY PRIVATE LIMITED**

SEBI REG No. INP000006031


REGD ADD: 304, 3rd Floor, Hubtown Solaris, N. S. Phadke Marg, Near Flyover Bridge, Andheri East, Mumbai- 400069 TEL: 022 - 22651109.

We confirm that:

- i) The Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;
- ii) The disclosures made in the Disclosure Document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to Fort Capital Investment Advisory Private Limited / investment through the Portfolio Manager.
- iii) The Disclosure Document has been duly certified by an independent chartered accountant on 05-08-2025.

**Name of CA and CA Firm** : **CA Shardul J. Shah**  
(SHAH & RAMAIYA CHARTERED ACCOUNTANTS)  
**Address of CA** : PLOT NO. 36/227RDP 10  
SECTOR VI, CHARKOP,  
KANDIVALI (WEST)  
MUMBAI 400 067  
**Phone Number of CA** : +91 - 9869265949  
**Membership Number** **118394**  
(Copy of Chartered Accountant's Certificate enclosed)

**Date: 05-08-2025**  
**Place: Mumbai**

  
**Signature of Principal Officer**  
**Ishan Thakkar**  
304, 3rd Floor, Hubtown Solaris, N. S.  
Phadke Marg, Near Flyover Bridge,  
Andheri East, Mumbai- 400069

## DECLARATION

- (i) The Disclosure Document has been filed with the Board along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- (ii) The purpose of the Disclosure Document is to provide essential information about the portfolio services in a manner to assist and enable the investors in making informed decision for engaging a Portfolio Manager.
- (iii) The Disclosure Document contains the necessary information about the Portfolio Manager, required by an investor before investing. The investor is advised to carefully read this entire document before making investment decision and to retain it for future reference.
- (iv) All the intermediaries involved in the Plan/Portfolio are registered with SEBI as on the date of the document.
- (v) Revised Disclosure Document filed as we are restructuring Fort Dynamic Scheme and closed the INDIA MULTI-CAP GARP scheme.
- (vi) The Principal Officer and Compliance Officer designated by the Portfolio Manager is:

**Compliance Officer:**

<b>Name</b>	Nidhi Kaji
<b>Address</b>	304, 3rd Floor, Hubtown Solaris, N. S. Phadke Marg, Near Flyover Bridge, Andheri East, Mumbai- 400069
<b>Telephone No.:</b>	022- 69973600
<b>Email ID</b>	compliance@fortcapital.in

**Principal Officer:**

<b>Name</b>	Ishan Thakkar
<b>Address</b>	304, 3rd Floor, Hubtown Solaris, N. S. Phadke Marg, Near Flyover Bridge, Andheri East, Mumbai- 400069
<b>Telephone No.:</b>	022- 69973600
<b>Email ID</b>	compliance@fortcapital.in

**FUND MANAGER:**

**Mr. Ishan Thakkar is the Fund Manager for Fort Value.**

<b>Name</b>	Ishan Thakkar
<b>Address</b>	304, 3rd Floor, Hubtown Solaris, N. S. Phadke Marg, Near Flyover Bridge, Andheri East, Mumbai- 400069
<b>Telephone No.:</b>	022- 69973600
<b>Email ID</b>	ishanthakkar@fortcapital.in

**Mr. Darshan Shah is the Fund Manager for Fort Dynamic.**

<b>Name</b>	Darshan Shah
<b>Address</b>	304, 3rd Floor, Hubtown Solaris, N. S. Phadke Marg, Near Flyover Bridge, Andheri East, Mumbai- 400069
<b>Telephone No.:</b>	022- 69973600
<b>Email ID</b>	darshan.shah@fortcapital.in

## INDEX

DECLARATION .....	3
1 Disclaimer .....	7
2 Definitions .....	7
3 Company Discription.....	11
3.1 History, Present Business and Background of the Portfolio Manager.....	12
3.2 Promoters of the Fort Capital Investment Advisory Private Limited, directors and their background.....	12
3.2.1 Promoters .....	12
3.2.2 Directors and their background .....	12
3.3 Top 10 Group companies' information / firms of the Portfolio Manager on turnover basis (latest audited accounts may be used for this purpose) .....	13
4 Details of Portfolio Management Services (PM) being offered .....	13
4.1 Portfolio Manager's Role & Service Standards .....	15
4.2 Minimum Investment Amount .....	15
4.3 Policy On Investments in Association / Group Companies of Fort Capital Investment Advisory Private Limited .....	16
4.4 Products offered/Plan/Portfolio Plan/Portfolio offered or Types of Portfolios Offered .....	16
5 Penalties, Pending Litigations .....	20
6 Risk Factors .....	20
7 Client Representation.....	23
7.1 Complete disclosure in respect of transactions with related parties as per the standards specified by the institute of chartered accountants of India .....	23



<b>7.2 Transactions with related parties .....</b>	<b>23</b>
<b>7.2.1 List of Related Parties with whom transactions have taken place and relationship .....</b>	<b>25</b>
<b>7.2.2 Statement of profit and loss items.....</b>	<b>24</b>
<b>8 Financial Performance of Fort Capital.....</b>	<b>24</b>
<b>8.1 Balance Sheet As On 31st March Ending Of 2024.....</b>	<b>25</b>
<b>8.2 Income Statement Of 31st March Ending Of 2024.....</b>	<b>26</b>
<b>9 Performance Of Portfolio Manager .....</b>	<b>28</b>
<b>10 Audit Observation.....</b>	<b>29</b>
<b>11 Nature Of Expenses .....</b>	<b>29</b>
<b>12 Taxation .....</b>	<b>29</b>
<b>13 Accounting Policies:.....</b>	<b>38</b>
<b>14 Custodian Services and Fund Accounting Services .....</b>	<b>40</b>
<b>15 Investors Services .....</b>	<b>40</b>

# CONTENTS

## **1 DISCLAIMER**

This Document has been prepared in accordance with the Securities and Exchange Board of India (Portfolio Manager) Regulations 2020 India (SEBI) and filed with Securities and Exchange Board of India. This document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the Document.

## **2 DEFINITIONS**

In this Disclosure Document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

- i) **"ACT"** means the Securities and Exchange Board of India Act, 1992.
- ii) **"AGREEMENT"** means the agreement executed between the Portfolio Manager and its clients and shall include all modifications, alterations or deletions thereto made in writing upon mutual consent of the parties there to, in terms of Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020 issued by the Securities and Exchange Board of India.
- iii) **"APPLICATION"** means the application made by the Client to the Portfolio Manager to place the monies and/or securities therein mentioned with the Portfolio Manager for Portfolio Management Services. Upon execution of the Agreement by the Portfolio Manager, the Application shall be deemed to form an integral part of the Agreement. Provided that in case of any conflict between the contents of the Application and the provisions of the Agreement, the provisions of the Agreement shall prevail.
- iv) **"ASSETS"** means (i) the Portfolio and/or (ii) the Funds.



- v) **“AUM”** means Asset Under Management.
- vi) **“BANK ACCOUNT”** means one or more accounts opened, maintained and operated by the Portfolio Manager in the name of the Clients or in the name of the portfolio manager, as the case may be, maintained in terms of the Power of Attorney given by the Clients for the purpose of managing funds on behalf of the investors with any of the Scheduled Commercial Banks.
- vii) **“FORT CAPITAL INVESTMENT ADVISORY PRIVATE LIMITED”** or **“Portfolio Manager”** or **“Company”** or **“FORT CAPITAL”** means a company incorporated under the Companies Act, 1956 and registered with SEBI to act as a Portfolio Manager in terms of SEBI (Portfolio Managers) Regulations, 1993 *vide* Registration No. INP000006031 dated 13.06.2018.
- viii) **“BOARD”** or **“SEBI”** means the Securities and Exchange Board of India.
- ix) **“BODY CORPORATE”** shall have the meaning assigned to it or under clause (7) of section 2 of the Companies Act
- x) **“CLIENT”** or **“INVESTOR”** means any person who registers with the Portfolio Manager for availing portfolio management services.
- xi) **“DEPOSITORY ACCOUNT”** means one or more account or accounts opened, maintained and operated by the Portfolio Manager in the name of the Clients or in the name of portfolio manager, as the case may be, maintained in terms of the Power of Attorney given by the Clients for the purpose of managing custody on behalf of the investors with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations 1996.
- xii) **“DISCLOSURE DOCUMENT”** means a document issued by FORT CAPITAL INVESTMENT ADVISORY PRIVATE LIMITED for

offering portfolio management services, prepared in terms of Schedule V of the SEBI (Portfolio Managers) Regulations 2020.

- xiii) **“DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES”** means the portfolio management services rendered to the client, by the Portfolio Manager on the terms and conditions contained in the agreement, where under the Portfolio Manager exercises any degree of discretion in investments or management of the assets of the client.
- xiv) **“FUNDS”** means the monies managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes the monies mentioned in the Application, the proceeds of the sale or other realization of the Portfolio and interest, dividend or other monies arising from the Assets, so long as the same is managed by the Portfolio Manager.
- xv) **“INVESTMENT AMOUNT”** shall mean the funds deployed/securities introduced by the Client for investment in Securities by the Portfolio Manager in accordance with the provisions of the Agreement.
- xvi) **“NRI”** Non-Resident Indian or Persons of Indian Origin
- xvii) **“NRO”** Non-Resident Ordinary Account
- xviii) **“PARTIES”** means the Portfolio Manager and the Client; and “Party” shall be construed accordingly.
- xix) **“PERSON”** includes any individual, partners in partnership, central or state government, company, body corporate, cooperative society, corporation, trust, society, Hindu Undivided Family or any other body of persons, whether incorporated or not.
- xx) **“PORTFOLIO”** means the total holdings of all investments, securities and funds belonging to the client.

- xxi) **“PORTFOLIO MANAGER”** shall mean FORT CAPITAL INVESTMENT ADVISORY PRIVATE LIMITED or short name as FORT CAPITAL.
- xxii) **“PORTFOLIO MANAGEMENT FEES”** shall have the meaning attributed thereto in Clause 10 below.
- xxiii) **“RBI”** means Reserve Bank of India, established under the Reserve Bank of India Act, 1934.
- xxiv) **“REGULATIONS”** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.
- xxv) **“RULES”** means Securities and Exchange Board of India (Portfolio Managers) Rules, 2020.
- xxvi) **Product:** Product offered by Portfolio Manager
- xxvii) **“SCHEDULED COMMERCIAL BANK”** means any bank included in the second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934), as amended from time to time.
- xxviii) **“SEBI”** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992, as amended from time to time.
- xxix) **“SECURITIES”** includes: -
  - i. “Securities” as defined under sec 2(h) of the Securities Contracts (Regulation) Act, 1956;

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

-----

### **3 COMPANY DESCRIPTION:**

#### **3.1 HISTORY, PRESENT BUSINESS AND BACKGROUND OF THE PORTFOLIO MANAGER:**

- Fort Capital is an agile Investment Advisory Firm. Our aim is to achieve superior risk-adjusted returns. We come from an Equity culture. Our pedigree and our very DNA lies in the financial markets. We strive passionately to build innovative products that reflect our founding principles of wealth through discipline. As a firm, we endeavor to bring these traditionally inaccessible products to our clients.

#### **Why FORT CAPITAL?**

- Part of a Financial Services Group with over 7 Decades expertise.
- Management with combined experience of several decades in Financial Markets.
- Philosophy of value based, long term wealth creation and investment.
- Corporate member of BSE, NSE & MCX'SX – Capital Markets, Futures & Options, Currency Derivates\*
- Depository Participant of CDSL\*
- Corporate member of MCX & NCDEX\*
- Empanelment with Indian & Foreign Financial Institution, FIIs, Banks, Insurance Cos, Mutual Funds, Corporate, Non- Resident HNIs\*

*\* Activities / services / products offered through group companies of Fort Capital Investment Advisory Private Limited.*

### **3.2 PROMOTERS OF THE FORT CAPITAL INVESTMENT ADVISORY PRIVATE LIMITED, DIRECTORS AND THEIR BACKGROUND:**

#### **3.2.1 PROMOTERS:**

Mr. Yuvraj Ashok Thakker along with his relatives are holding 100% of the equity share capital of the Company as on 31st March 2025 who form promoter and promoter group of the Company.

#### **3.2.2 DIRECTORS AND THEIR BACKGROUND:**

FORT CAPITAL is steered by a highly talented and motivated team. FORT CAPITAL is committed to customer fulfillment in an extremely professional, transparent and ethical environment. Our highly professional and trained personnel are devoted to their customers and are readily available for personalized attention.

##### **a. Mr. Swapnil Shah**

More than 15 years of experience in research and investment and advised a large number of Indian businesses across sectors on various capital market transactions. A Chartered Accountant, Mr. Swapnil Shah has built a strong fundamental research team.

##### **b. Mr. Ashish Thanvi**

Mr. Ashish Thanvi enjoys 18+ years of strong experience navigating the capital markets with expertise in developing and deploying algorithmic trading strategies for various derivatives across diverse desks, and has showcased proven ability to manage large funds

### 3.3 TOP 4 GROUP COMPANIES INFORMATION / FIRMS OF THE PORTFOLIO MANAGER ON TURNOVER BASIS (LATEST AUDITED ACCOUNTS MAY BE USED FOR THIS PURPOSE)

Sr. No.	Name of the Group Company
1	BP Equities Pvt. Ltd.
2	BP Comtrade Pvt. Ltd.
3	BP Wealth Management Pvt. Ltd.
4	Green Peaks Enterprises LLP

#### 4 **DETAILS OF PORTFOLIO MANAGEMENT SERVICES (PM) BEING OFFERED:**

Fort Capital offers discretionary Portfolio Management to meet the overall goal of maximizing yield and capital appreciation within predefined risk parameters.

#### **Functions / Responsibilities of the Portfolio Manager includes some or all of the following:**

1. Help determine investment objective and constraints (e.g. return goals, risk tolerance) and develop a Portfolio that is consistent with client's expectations.
2. Diversify Portfolio to eliminate unsystematic risk.
3. Maintain Portfolio diversification within desired risk class while allowing flexibility so that one can shift between alternative investment instruments as desired.
4. Attempt to achieve a risk – adjusted Performance level that is superior to that of relevant benchmark.



5. Administer the account, keep record of costs and transactions, provide timely information for tax purposes and reinvest dividends if desired.
6. Maintain ethical standards of behavior at all times.

The above responsibilities shall be performed for an agreed fee structure and the portfolio management shall be at client's risk.

In the discharge of above duties and responsibilities, the portfolio manager shall act in a fiduciary capacity with regard to the client account. The portfolio Manager shall have the sole and absolute discretion to invest client's funds and securities in a manner as he deems fit in accordance with the terms of the agreement for the benefit of the client.

The Portfolio manager shall exercise due care and diligence for due adherence to the relevant Acts, Rules and Regulations, guidelines and notifications in force from time to time. The choice and timing of investment decisions will rest solely with the portfolio manager. The portfolio managers' decision (taken in good faith) in deployment of the Clients' account is absolute and final and cannot be called in question or be open to review at any time during the currency of the agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence.

The current service offering of the Portfolio Manager is

- Discretionary Portfolio Management Services

**DIRECT ON-BOARDING OF CLIENTS:** Fort Capital provides the facility for direct on-boarding of clients i.e. on-boarding of clients without intermediation of distributors.

**4.1 PORTFOLIO MANAGER'S ROLE & SERVICE STANDARDS:**

- Discretionary management of the portfolio.
- Valuation Report (NAV Report) consisting the composition and the value of the portfolio, description of security, number of securities, value of each security held in the portfolio, cash balance and aggregate value of the portfolio as on the date of report on monthly basis.
- Transaction Statement consisting transactions undertaken during the period of report including date of transaction and details of purchases and sales on monthly basis.
- Statement consisting beneficial interest received during the period in respect of interest, dividend, bonus shares, rights shares and debentures on monthly basis.
- Statement consisting expenses incurred in managing the portfolio of the client on monthly basis.
- Statement consisting details of risk foreseen by the portfolio manager and the risk relating to the securities recommended by the portfolio manager for investment or disinvestment on monthly basis

**4.2 MINIMUM INVESTMENT AMOUNT:**

The minimum amount to be invested by new clients and fresh investment by existing clients under portfolio management is Rs. **50,00,000/- (Rupees Fifty Lakh Only)** as per SEBI (Portfolio Managers) Regulations,

2020. However, for the existing client's investment amount may continue as **Rs.25,00,000/- (Rupees Twenty-Five Lakh Only)** till the maturity of the investment.

#### **4.3 POLICY ON INVESTMENTS IN ASSOCIATION / GROUP COMPANIES OF FORT CAPITAL INVESTMENT ADVISORY PRIVATE LIMITED**

Portfolio Manager will not invest in the equity shares, mutual funds, debt, deposits and other financial instruments, wherever applicable, of associate and group companies.

#### **4.4 PRODUCTS OFFERED/PLAN/PORTFOLIO PLAN/PORTFOLIO OFFERED OR TYPES OF PORTFOLIO OFFERED:**

##### **4.4.1 PRODUCT/PLAN/PORTFOLIO 1 – VALUE BASED PLAN/PORTFOLIO**

#### **Investment Objective**

- To invest in companies with sustainable business models, backed by strong management capabilities.
- Create a market cap-agnostic portfolio, with higher allocation to smaller Capitalized re-rating prospects.

#### **Investment Philosophy**

- Invest in companies with sustainable business models backed by strong management credentials.
- The portfolio would attempt to identify and invest in under-researched, un-researched companies, conduct extensive due diligence and invest in promising re-rating candidates/prospects till objective are met.

## **Investment Strategy**

- Buy and hold a basket of 25-30 companies with a medium to long term horizon
- De-risked strategy through diversification
- Target companies in sustainable business Models.
- Stocks that may offer trigger events creating potential for unlocking of latent valuation over longer term
- The portfolio shall constitute of companies with market capitalization in the range from Rs 50 Cr to 24000 Cr.
- The portfolio composition shall be optimized in market capitalization mix as well as sectoral exposure
- The Portfolio would essentially target to invest in Small and Micro Cap Opportunities that have the potential of delivering above-average growth over the next 3-5 years.
- **Investment Strategy - Equity**

## **Portfolio Characteristics**

- Investments in Small and Micro-cap Stocks
- BottomUp Stock Picking Approach
- Maximum Allocation: 12% for Single Stock
- **Investment Horizon - Long term (3 to 5 Yrs)**
- **Bench mark:- S&P BSE 500 TRI**
- Buy and Hold Philosophy – low portfolio churn.

## **Diversification Policy**

We endeavor to have around 25-30 stocks in our portfolio to strike a balance between diversification and sizable allocation to best-performing stocks. subject to regulations, asset allocation patterns may change from time to time, keeping in view the market conditions and opportunities. The portfolio manager may take cash calls and increase cash level according to market conditions as well as seems to valuation mismatch.

# Ishan Thakkar – Fund Manager

-----

#### **4.4.2     PRODUCT/PLAN/PORTFOLIO 2 – FORT DYNAMIC/PORTFOLIO**

##### **Investment Objective**

- To deliver superior risk-adjusted returns exceeding the stated benchmark by constructing a diversified, actively managed portfolio that capitalizes on fundamental and tactical opportunities across market capitalizations and sectors.

##### **Investment Philosophy**

- Prioritize ethical management teams with strong execution, capital allocation track records, and alignment with minority shareholders for value creation.
- Invest in cash flow-generating companies with minimal or no debt, avoiding capital-intensive businesses.
- Target companies with strong, sustainable cash flows and minimal working capital leakage.
- Prefer companies with competitive advantages, such as proprietary technology or strong brands.
- Buy high-quality companies at reasonable valuations, particularly during market downturns, adhering to the principle of "quality at a reasonable price."

##### **Investment Strategy**

- Sector and market capitalization agnostic investment strategy.
- Construct the portfolio using a combination of top-down and bottom-up approaches. It does not seek to allocate based on a predetermined sectoral weighting. Therefore, each position is held based upon its own individual merits. Blend fundamental analysis with tactical adjustments
- Focus on companies with strong balance sheets, competitive advantages, and sustainable growth prospects.
- Actively monitor market trends, macroeconomic shifts, and company-specific developments to adjust holdings opportunistically.
- Buying and selling decisions are influenced by valuations, earnings, management changes, changes to the fundamental thesis, geopolitical events, changing macros, regulatory changes, and their anticipated impact on individual stocks, sectors, or the broader economy.
- Extreme market reactions to any given event may also trigger buying and selling decisions

- To maximize returns and capture alpha, adopt a disciplined yet flexible approach to profit-taking. When stock prices rise rapidly, may book profits earlier than the estimated fair value to lock in gains.
- Strategically exit positions to capture excess returns when market conditions or tactical opportunities align.
- At least 20% of the portfolio in highly liquid large-cap stocks to ensure flexibility.

### **Portfolio Characteristics**

- Sector and market capitalization agnostic portfolio.
- Portfolio will be constructed to generate high alpha (excess over the benchmark) which can result into shorter holding period.
- No single stock will exceed 15% of the portfolio to mitigate concentration risk.
- No single sector will account for more than 45% of the portfolio.
- The holding period is contingent upon a lot of variables including domestic macros, global macros, geopolitical situation, industry dynamics, valuation, company specific developments etc.
- **Investment Horizon - 1 Year plus**
- **Benchmark: - NIFT 50 TRI**

### **Diversification Policy**

- Maintain a broad-based equity portfolio with a higher number of stocks distributed across multiple sectors to reduce concentration risk.
- Balance extensive diversification with selective, meaningful exposure to high-conviction investment ideas.
- Dynamically adjust asset allocation in response to evolving market conditions, emerging opportunities, and regulatory developments.
- Manage cash levels strategically to take advantage of valuation discrepancies or to navigate changing market environments.

# Darshan Shah – Fund Manager



## 5 PENALTIES, PENDING LITIGATIONS ETC:

Penalties, Pending Litigations or Proceedings, findings of inspection or investigations for which action may have been taken or initiated by any regulatory authority:

1.	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made there under.	None
2.	The nature of the penalty/direction.	None
3.	Penalties imposed for any economic offence and/ or for violation of any securities laws.	None
4.	Any pending material litigation/legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any.	None
5.	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.	None
6.	Any enquiry/ adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or Rules or Regulations made there under.	None

## 6 **RISK FACTORS:**

- (i) Investment in securities, whether on the basis of fundamental analysis or technical analysis or otherwise, is subject to market risks which include price fluctuations impact cost, basis risk etc.

The Portfolio Manager does not assure or guarantee that the objectives of any of the model portfolios will be achieved. The investments may not be suitable to all the investors.

- (ii) Past performance of the Portfolio Manager does not indicate the future performance of the same or any other model portfolio in future or any other future model portfolio of the Portfolio Manager. There is no assurance that the past performances will be repeated. Investors are not being offered any guaranteed or assured returns through any of the model portfolio.
- (iii) Risk arising from the investment objective, investment strategy and asset allocation. Investments in equity may be adversely affected by the performance of companies, changes in the economy, government policy, the market place, credit ratings and industry specific factors.
- (iv) Liquidity in the investments and performance of portfolio may be affected by trading volumes, settlement periods and transfer procedures.
- (v) Stocks, may be subject to volatility, high valuations, obsolesce and low liquidity.
- (vi) Appreciation in any of the model portfolio can be restricted in the event of a high asset allocation to cash, when stock appreciates. The performance of any model portfolio may also be affected due to any other asset allocation factors.
- (vii) When investments are restricted to a particular or few sector(s) under any model portfolio; there arises a risk called non-diversification or concentration risk. If the sector(s), for any reason, fails to perform, the portfolio value will be adversely affected.
- (viii) In the case of stock lending, risks relate to the defaults from counterparties with regard to securities lent and the corporate benefits accruing thereon. The Portfolio Manager is not responsible for any loss resulting from stock lending.
- (ix) 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. However, generally, highly concentrated

portfolios with lesser number of stocks generally will be more volatile than a portfolio with a larger number of stocks.

- (x) There is an inherent risk in investing in certain countries. These risks could be in the nature of economic slowdown, economic risks currency risks, sanctions, military coups, political instability among others.
- (xi) The values of the Portfolio may be affected by changes in the general market conditions and factors and forces affecting the capital markets, in particular, level of interest rates, various market related factors, trading volumes, settlement periods, transfer procedures, currency exchange rates, foreign investments, changes in government policies, taxation, political, economic and other developments, closure of stock exchanges etc.
- (xii) Risk may also arise due to an inherent nature / risk in the stock markets such as, volatility, market scams, circular trading, price rigging, liquidity changes, de-listing of Securities or market closure, relatively small number of scrip's accounting for a large proportion of trading volume among others.
- (xiii) Fort capital Investment Advisory Private Limited is registered as a portfolio manager from 13<sup>th</sup> June, 2018.
- (xiv) There is no conflict of interest with the transactions in any of the client's portfolio between portfolio manager and its employees who are directly involved in investment operations.
- (xv) There is no conflict of interest related to services offered by group companies of the portfolio manager.

## 7 CLIENT REPRESENTATION

Category of clients	No. of clients	Funds Managed (Rs. Cr.)	Discretionary/ Non Discretionary(if available)
Associates /group companies (as on 30 <sup>th</sup> June,2025)	-	-	-
Domestic clients (as on 30 <sup>th</sup> June,2025)	85	139.96	Discretionary
NRI clients (as on 30 <sup>th</sup> June,2025)	5	6.46	Discretionary
<b>Total</b>	<b>90</b>	<b>146.42</b>	

“Funds Managed” indicates market value of Assets under Management

### 7.1 COMPLETE DISCLOSURE IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES AS PER THE STANDARDS SPECIFIED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA.

- The Portfolio Manager uses the broking services of its own broking company (holding company) having membership of BSE and NSE in cash, derivatives & currency.
- Names of Related Parties and nature of the relationship (as on 31<sup>st</sup> March 2024).
  - **Related Parties where control exists:**  
Group Company: B.P. Equities Private Limited
- **KEY MANAGEMENT PERSONNEL:**
- Mr. Yuvraj Thakker – Director  
Mr. Rajeev Menon - Director
- **Other related parties where transaction have occurred during the period.**

### 7.2 TRANSACTIONS WITH RELATED PARTIES:

**Related Party Disclosures for the year ended 31st March, 2024**  
 (Forming a Part of Annual Accounts)

### 7.2.1 LIST OF RELATED PARTIES WITH WHOM TRANSACTIONS HAVE TAKEN PLACE AND RELATIONSHIP

Name of the Related Party	Relationship
BP Equities Pvt. Ltd.	Group Company

### 7.2.2 STATEMENT OF PROFIT AND LOSS ITEMS

NATURE OF TRANSACTION	NAME OF RELATED PARTY	March 31, 2024
DEPOSITORY CHARGES	BP EQUITIES PVT. LTD.	10,782
AUCTION FEES	BP EQUITIES PVT. LTD.	1,400
Brokerage paid	BP EQUITIES PVT. LTD.	14,632

### CLIENT REPRESENTATION THROUGH DISTRIBUTORS

Client can be on boarded through distributors. The commission paid to the distributors will be as per the MOU agreement signed between Fort Capital Advisory Private Limited (PMS Division) and the specific distributors.

## 8 FINANCIAL PERFORMANCE OF FORT CAPITAL

### 8.1 BALANCE SHEET AS ON 31ST MARCH ENDING OF 2024

(Rs. in '000)

Particulars		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
I.	EQUITY AND LIABILITIES		
1	Shareholders' Fund		
	(a) Share Capital	69,000	39,000
	(b) Reserves & Surplus	(7,979.15)	(10,063.11)
2	Current Liabilities		
	(a) Other Current Liabilities	6748.76	2157.54
	(b) Trade Payables	184.47	78.87
3	Non – Current Liabilities		
	(c) Deferred Tax Liability	45.70	44.30
	<b>TOTAL</b>	<b>67,999.78</b>	<b>31,217.61</b>
II.	<b>ASSETS</b>	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>
1	<b>Non-Current Assets</b>		
	<b>(a) Fixed Assets</b>		
	(i) Tangible Assets	649.58	272.50
	(ii) Intangible Assets	-	-
	<b>(b) Long Term Loans and Advances</b>	<b>1418.11</b>	<b>2417.75</b>



2	<b>Current Assets</b>		
	<b>(a)Cash and cash Equivalent</b>	19,217.56	4,062.48
	<b>(b)Sundry Debtors</b>	5,899.75	23,248.37
	<b>(c) Inventories</b>	37,725.05	728.03
	<b>(d)Other Current Assets</b>	3,089.74	488.48
	<b>TOTAL</b>	<b>67,999.78</b>	<b>31,217.61</b>

## 8.2 INCOME STATEMENT OF 31ST MARCH ENDING OF 2024

(Rs. in '000)

	Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
1	Revenue from operations	23,700.63	13,619.34
2	Other Income	655.32	240.69
3	<b>Total Revenue(1+2)</b>	<b>24,355.95</b>	<b>13,860.04</b>
4	Expenses		
	Employee Benefits Expense	18,013.34	9,256.13
	Depreciation	176.51	71.79
	Other Expenses	4,078.75	3,785.11
	<b>Total Expenses</b>	<b>22,268.6</b>	<b>13,113.03</b>
5	<b>Profit Before Exceptional and Extraordinary items and Tax(3-4)</b>	<b>2,087.35</b>	<b>747.01</b>
6	Exceptional Items	-	-
7	<b>Profit Before Extra Ordinary Items and Tax (5-6)</b>	<b>2,087.35</b>	<b>747.01</b>
8	Extra Ordinary Items	-	-
9	<b>Profit Before Tax (7-8)</b>	<b>2,087.35</b>	<b>747.01</b>
10	Tax Expenses		
	1)Current Tax	2	-
	2)Deferred Tax	1.40	12.90
	3)Excess provision of	-	-
11	<b>Profit (Loss)for the period from continuing operations (9-10)</b>	<b>2,083.95</b>	<b>734.11</b>

12	<b>Profit(Loss) from Discontinuing Operations(after tax)</b>	<b>2,083.95</b>	<b>734.11</b>
13	Profit(Loss) for the period	<b>2,083.95</b>	<b>734.11</b>
14	Earning per Equity Share		
	1)Basic	0.38	0.19
	2)Diluted	0.38	0.19

Net worth amounts as on March 31, 2024 – Rs. 560.24 (in Rs. Lakhs)

#### NOTES:

- Above figures are based on audited financial Statements
- The audited financial statement shall be available on request.

#### **9 Performance of Portfolio Manager**

Performance calculated using “Time weighted Rate of Return’ method interms of Regulation 22(4) (e) of the SEBI (Portfolio Managers) Regulations, 2020 (Discretionary)

##### **Fort Value**

	<b>Current Year</b> (April 01 – June 30)	<b>Year 1</b> (2024-25)	<b>Year 2</b> (2023-2024)	<b>Year 3</b> (2022-2023)
<b>Portfolio Performance (%)</b> , Net of all fees and charges levied by the portfolio manager.	17.17%	6.70%	21.90%	8.48%
<b>Benchmark Performance %</b>	10.77%	5.96%	40.16%	-0.91%

### Fort Dynamic

	<b>Current Year</b> (April 01 – June 30)	<b>Year 1</b> (2024-25)	<b>Year 2</b> (2023-2024)	<b>Year 3</b> (2022-2023)
<b>Portfolio Performance (%)</b> , Net of all fees and charges levied by the portfolio manager.	10.98%	19.31%	6.92%	0%
<b>Benchmark Performance %</b>	10.77%	5.96%	4.56%	0%

### 10 Audit Observation

For FY 2022-23 and FY 2023-24

1. Regarding appointment of Principal Officer-Ishan Thakker is new PO
2. Regarding issuance of certificate by the Principal Officer-corrective measure done.

For FY 24-25 audit is under process

### 11 NATURE OF EXPENSES

Fees/expenses mentioned below are the general cost and expenses for clients availing Portfolio Management Services. However, the exact nature of expenses relating to each of the following services shall be annexed to the Portfolio Management Agreement in respect of each of the services availed at the time of execution of such Agreement.

<b>Sr. No.</b>	<b>Fees and Expenses Payable</b>	<b>Nature</b>
<b>A.</b>	<b>Investment Management &amp; Advisory Fees</b>	Management fees and Performance fees charged will be based on Assets under Management (AUM)

<b>B.</b>	<b>Custody fees and Depository Participants Charges</b>	Depository Participant charges primarily include to opening and operation of Demat account, dematerialization and rematerialisation of security etc
<b>C.</b>	<b>Registrar &amp; Transfer Agent Fees</b>	Fees payable to the Registrar and Transfer Agents in connection with effecting transfer of any or all securities and bonds including stamp duty cost of affidavits, notary charges, postage stamp and courier charges.
<b>D.</b>	<b>Brokerage &amp; Transaction Cost</b>	For all Plan/Portfolio the Brokerage charged to clients for Discretionary Portfolio Management Services would be in the range of 0.25% to maximum allowed by Exchange of the contract value. In addition to the brokerage any transaction cost, stamp duty, turnover tax, Securities transaction tax or any other tax levied by statutory authority (ies), foreign transaction charges (if any) and other charges on the purchase and sale of shares, stocks, bonds, debt, deposits, other financial instruments would also be levied by the broker
<b>E.</b>	<b>GST</b>	As applicable from time to time.
<b>F.</b>	<b>Certification and professional charges</b>	Charges payable for out sourced professional services like accounting, auditing, taxation and legal services etc. for documentation, notarizations, certifications, attestations required by bankers or regulatory authorities including legal fees etc.
<b>G.</b>	<b>Incidental expenses</b>	Any charges incidental in connection to day to day operations like courier expenses, postal, telegraphic, opening and operation of bank account or any other out of pocket expenses as may be incurred by the Portfolio Manager.

## **12 TAXATION:**

Tax implications are detailed in this document for general purposes, which are based on the law and practice currently in force in India. Client should be aware that the fiscal rules and their interpretation may change. There can be no guarantee that the tax position or the proceed tax position prevailing at the time of investment in the portfolio will endure indefinitely in view of Individual nature of tax consequences, each client is advised to consult his /her own professional advisor.

### **TAX IMPLICATIONS TO THE DIFFERENT CATEGORIES OF INVESTORS**

#### **General**

- Investment in securities is subject to the provisions of the Indian Income Tax Act.1961, particularly provisions with regard to Capital Gain under section 45-50 is of special relevance, and the incomes earned out of the securities investment are subject to deduction of tax at source.
- In view of the individual nature of tax consequences on the income, capital gains or otherwise, arising from investments under the Plan/Portfolio, the client are advised to consult their tax advisors with respect to the specific tax liabilities/exemptions applicable, as a result of participation in the Plan/Portfolio Plan/Portfolio.
- Income to clients either in the form of gains from investments or interests or dividends shall be subject to applicable rates of tax under the Income Tax Act, 1961, in force from time to time
- Portfolio Manager shall not be responsible for assisting in, or completing the fulfillment of the clients' tax obligations.

#### **Tax deduction at source**

- Presently, tax is withheld at source for non-residents and residents. If any tax is required to be withheld on account of any future legislation, the Portfolio Manager shall be obliged to act in accordance with the regulatory requirements in this regard.

#### **Advance tax installment obligations.**

- It shall be the clients' responsibility to meet the obligation on account

of advance tax installments payable on the due dates under the Income tax Act, 1961.

### **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 Mutual Funds or Exchange Traded Funds (ETFs) entered into on a recognized stock

### **Tax Implication where Transaction in Securities is in nature of trade or business:**

Income arising from purchase and sale of shares (for the sake of brevity, the term “shares” has been used below as an illustration but the same includes other types of 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 are held as Business/Trading assets or on Capital Account. Based on judicial decisions, all 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 the length of period of holding of the shares.
- Treatment of the shares and profit or loss on their sale in the accounts of the assesses.
- Source of funds out of which the shares were acquired – borrowed or own.
- Existence of an objects clause permitting trading in shares - relevant only in the case of corporate.
- Acquisition of the shares – from primary market or secondary market.
- Infrastructure employed for the share transactions by the client including the appointment of managers, etc.

- 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 vs. a trader in shares) would also be a relevant factor in determining the nature of the shares.
- Considering the above, the profits or gains arising from transaction in securities could be taxed either as “Profits or Gains of Business or Profession” under section 28 of the Act or as “Capital Gains” under section 45 of the Act.

### **Profit and Gains of Business or Profession:**

Various income streams that may arise from securities held under PMS:

- Profit/Gains on sale of securities
  - Dividend income on shares income distribution on units
  - Interest income on debt securities
- a) If the investment under the Portfolio Management Services is regarded as “Business/Trading Asset” then the gain/loss arising there from is likely to be taxed as income from business.
  - b) Dividend from securities referred to in section 115-O, will be exempt under section 10(34) of the Act. Dividends other than that referred to in section 115-O and interest income will be taxable as Income from Other Sources.
  - c) Income from units of Mutual Funds specified under clause 10(23D) is exempt from tax under section 10(35) of the Act. Further, it has been clarified that income arising from transfer of units of Mutual Fund shall not be exempt under section 10(35).
  - d) As per section 40(a) (ib) of the Act any sum paid on account of STT will not be allowed as deduction in computing the income under the head “Profit and gains of business or profession”.
  - e) Finance Act 2005 has inserted proviso (d) to Section 43(5), whereby transactions in respect of trading in derivatives shall not be considered as a Speculative Transaction, provided the transaction is carried out electronically on screen based systems through a stock broker or sub-



broker or intermediary registered under SEBI or by banks or mutual funds on a recognized stock exchange and is supported by time stamped contract note.

In respect of Foreign Institutional Investors (FIIs) fulfilling conditions laid down under section 115AD of the Act, income (other than the dividend referred to in section 115-O) received in respect of securities (other than units referred to in section 115AB) will be chargeable at the rate as may be applicable.

### **Losses under the head business income:**

In the case of loss under the head 'Profits and Gains of Business or Profession', it can be set off against the income from any other source under the same head or income under any other head (except income from Salary) in the same assessment year.

Further, if such loss cannot be set off against any other head in the same assessment year, then it will be carried forward and shall be set off against the profits and gains of the business, within the period of eight subsequent assessment years.

According to section 94(7) of the Act, if any person buys or acquires shares 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 three months from such record date, then losses arising from such sale to the extent dividend or income received or receivable on such shares, which are exempt under the Act, will be ignored for the purpose of computing his income chargeable to tax.

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.

Further, sub-section (8) of Section 94 provides that, where additional

-----

units have been issued to any person without any payment, on the basis of existing units held by such person then the loss on sale of original units shall be ignored for the purpose of computing income chargeable to tax, if the original units were acquired within three months prior to the record date fixed for receipt of additional units and sold within nine months from such record date. However, the loss so ignored shall be considered as cost of acquisition of such additional units held on the date of sale by such person.

### **Tax Implication where transaction in Securities is in the nature of Investments:**

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 Act.

Dividends referred to in section 115-O will be exempt under section 10(34). Dividend other than that referred to in section 115-O and interest income from securities will be taxed under the head Income from Other Sources.

Income from units of Mutual Funds specified under clause 10(23D) is exempt from tax under section 10(35) of the Act. Further, it has been clarified that income arising from transfer of units of Mutual Fund shall not be exempt under section 10(35).

#### **i) Long Term Capital Gains:**

Under Section 10(38), Long Term Capital Gains on sale of Equity Shares in a company or units of Equity Oriented Fund are exempt from income tax provided such transactions are entered into a recognized stock exchange or such units are sold to the Mutual Fund and such transactions are chargeable to STT.

In respect of capital gains not exempted under section 10(38), the provisions for taxation of long-term capital gains for different categories of assesses are explained hereunder:

##### **a) For Individuals and HUFs**

Long-term Capital Gains in respect of listed security and units of

-----

Mutual Fund held for a period of more than 12 months will be

chargeable under section 112 of the Act at the rate as applicable. Capital gains would be computed after taking into account cost of acquisition as adjusted by Cost Inflation Index notified by the Central Government and expenditure incurred wholly and exclusively in connection with such transfer. In case, where taxable income as reduced by long term capital gains is below the exemption limit, the long term capital gains will be reduced to the extent of the shortfall and only the balance long term capital gains will be charged at the rate as applicable.

In the case of listed securities and units of Mutual Fund, an assessee will have an option to apply concessional rate as applicable, provided the long term capital gains are computed without substituting indexed cost in place of cost of acquisition.

Long-term Capital Gains in respect of shares of an unlisted company held for a period of more than 12 months and any other non-listed security (other than units of Mutual Fund) held for a period of more than 36 months will be chargeable under section 112 of the Act at the rate as applicable.

**b) For Indian Companies**

Long-term Capital Gains in respect of listed securities and units of Mutual Fund held for a period of more than 12 months will be chargeable under section 112 of the Act at the rate as may be applicable. Capital gains would be computed after taking into account cost of acquisition as adjusted by Cost Inflation Index notified by the Central Government and expenditure incurred wholly and exclusively in connection with such transfer.

It is further provided that an assessee will have an option to apply concessional rate as applicable, provided the long-term capital gains are computed without substituting indexed cost in place of cost of acquisition.

Long-term Capital Gains in respect of shares of an unlisted company held for a period of more than 12 months and any other non-listed

security (other than units of Mutual Fund) held for a period of more than 36 months will be chargeable under section 112 of the Act at the rate as applicable.

**c) For Non-resident Indians**

Non-resident Indians are permitted to be governed by the general provisions of the Act or the special provisions contained under 115 E of the Act.

Under section 115E of the Act for non-resident Indians, income by way of long-term capital gains in respect of specified assets purchased in foreign currency as defined under section 115C (which includes shares, debentures, deposits in an Indian Company and security issued by Central Government) is chargeable at the rate as applicable. Such long-term capital gains would be calculated without indexation of cost of acquisition.

**d) For Foreign Institutional Investors (FIIs) fulfilling conditions laid down under section 115AD**

Under section 115AD of the Act, income by way of long-term capital gains (other than the gains exempted under section 10(38)) in respect of securities (other than units referred to in section 115AB) will be chargeable at the rate as may be applicable. Such gains would be calculated without indexation of cost of acquisition.

**ii) Short Term Capital Gains:**

Section 111A of the Act provides that short-term capital gains arising on sale of Equity Shares of a company or units of Equity Oriented Fund entered into a recognized stock exchange and on sale of units of Equity Oriented Fund to the Mutual Fund are chargeable to income tax at a concessional rate as applicable surcharge, provided such transactions are entered on a recognized stock exchange and are chargeable to STT. Further, Section 48 provides that no deduction shall be allowed in respect of STT paid for the purpose of computing Capital Gains.

In respect of capital gains not chargeable under section 111A, the provisions for taxation of short-term capital gains for different categories of assesses are explained hereunder:

Short Term Capital Gains in respect of shares of a company, units of Mutual Fund and any other listed securities held for a period of not more than 12 months and unlisted securities (other than shares of a company and units of Mutual Fund) held for a period of not more than 36 months is added to the total income. Total income including short-term capital gains is chargeable to tax as per the relevant slab rates.

In respect of FIIs fulfilling conditions under section 115AD of the Act, income by way of short-term capital gains in respect of securities (other than units referred to in section 115AB) will be chargeable at the rate as applicable.

### **iii) Capital Loss:**

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

Under Section 10(38) of the Act, Long Term Capital Gains on sale of equity shares in a company and units of Equity Oriented Fund are exempt from income tax provided such transactions are entered on a recognized stock exchange or such units are sold to the Mutual Fund and are chargeable to STT. Hence, losses arising from such transactions of sale of equity shares of a Company and units of Equity Oriented Fund entered into a recognized stock exchange and sale of units of Equity Oriented Fund to the Mutual Fund would not be eligible for set-off against taxable capital gains.

Unabsorbed long-term capital loss (other than that relating to sale of equity shares and units of Equity Oriented Fund as stated in para above) can be carried forward and set off against the long-term capital

gains arising in any of the subsequent eight assessment years.

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

According to section 94(7) of the Act, if any person buys or acquires shares 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 three months from such record date, then capital losses arising from such sale to the extent dividend or income received or receivable on such shares, which are exempt under the Act, will be ignored for the purpose of computing his income chargeable to tax.

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.

Further, sub-section (8) of Section 94 provides that, where additional units have been issued to any person without any payment, on the basis of existing units held by such person then the loss on sale of original units shall be ignored for the purpose of computing income chargeable to tax, if the original units were acquired within three months prior to the record date fixed for receipt of additional units and sold within nine months from such record date. However, the loss so ignored shall be considered as cost of acquisition of such additional units held on the date of sale by such person.

### **13 ACCOUNTING POLICIES:**

SEBI (Portfolio Managers) Rules and Regulations do not explicitly lay down detailed accounting policies. The accounting policies followed are as under:

- i. The Portfolio Manager shall keep in safe custody the Funds / Securities

of the clients in a separate Bank Account and Depository Account.

- ii. The management and administration of the said accounts are subject to periodical inspection and audit by an independent auditor.
- iii. The Company follows “Accrual” method of accounting.
- iv. All incomes and expenses are accounted as per Accounting Standard as prescribed under the Companies (Accounting Standards) Rules 2006, referred to in section 211(3C) of the Companies Act 1956.
- v. Dividend income earned by the Portfolio shall be recognized, not on the date the dividend is declared, but on the date the share is quoted on an ex-dividend basis. For investments, which are not quoted on the stock exchange, dividend income would be recognized on the date of declaration of dividend (date of annual general meeting)
- vi. In determining the holding cost of investments and the gains or loss on sale of investments, the “First in First Out” method shall be followed for each security.
- vii. Transactions for purchase or sale of investments shall be 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 financial statements for that year. Where investment transactions take place outside the stock market, for example, acquisition through private placement or purchases or sales through private treaty, the transaction would be recorded, in the event of a purchase, as of the date on which the portfolio obtains an enforceable obligation to pay the price or, in the event of a sale, when the portfolio obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.
- viii. Bonus shares to which the portfolio becomes entitled shall be recognized only when the original shares on which the bonus entitlement accrues are traded on the National Stock Exchange on an ex- bonus basis or the Stock Exchange, Mumbai (if the scrip is not traded on the valuation date on the National Stock Exchange) as the case may be. Cost of bonus shares are taken as Zero. Similarly, rights entitlements shall be recognized only when the original shares on which the right entitlement accrues are traded on



the stock exchange on an ex- right basis.

- ix. The cost of investments acquired or purchased shall include grossed-up brokerage, stamp charges and any charge customarily included in the broker's bought note. In respect of privately placed debt instruments any front-end discount offered may be reduced from the cost of the investment.
- x. The Investments in Equity, Mutual Fund and Exchange Traded Funds will be valued at the closing market price of Exchange (NSE or BSE) as they may be or at the Repurchase Net Asset Value declared for the relevant Plan/Portfolio on the date of the report or any cutoff date or the market value of the debt instrument at the cutoff date or at the last available price on the exchange or the most recent will be reckoned.
- xi. Profits/Losses on Derivative transactions are accounted in books as "Profit/loss on Derivatives" only on closing of the derivative position. As such margins paid to the broker in respect of open position in derivative margin is reflected as "Margin Money Account" as receivable from broker under current assets till such position remains open.
- xii. The Portfolio Manager and the clients may adopt any specific norms or methodology for valuation of investments or accounting the same, as may be mutually agreed between them on a casebycase basis
- xiii. As far as possible the portfolio Manager is complying with the relevant Accounting Standards issued By ICAI investments are valued in accordance with the accounting standard 2 on Valuation of inventories.
- xiv. Revenue arising from interest and dividends is accounted for in accordance with Accounting Standard 13 on accounting for investments.
- xv. The books of accounts, records and documents are maintained at 304, 3rd Floor, Hub-town Solaris, N. S. Phadke Marg, Near Flyover Bridge, Andheri East, Mumbai- 400069.

#### **14 CUSTODIAN SERVICES AND FUND ACCOUNTING SERVICES:**

We have appointed ORBIS Financial Corporation Ltd for the custodian



and fund accounting services.

## **15 INVESTORS SERVICES:**

### **INVESTMENT RELATIONSHIP OFFICER**

The details of Investor Relationship Officer who shall attend to the investor queries and complaints are as follows:

<b>Name</b>	Mrs. Nidhi Kaji
<b>Address</b>	304, 3rd Floor, Hub town Solaris, N. S. Phadke Marg, Near Flyover Bridge, Andheri East, Mumbai- 400069
<b>Telephone No. / Mobile Number</b>	022- 69973600
<b>Email id</b>	compliance@fortcapital.in

### **GRIEVANCE REDRESSAL AND DISPUTE SETTLEMENT MECHANISM:**

#### **Grievance Redressal:**

The aforesaid personnel of the Portfolio Manager shall attend to and address any client query or concern as soon as practicably possible.

#### **Dispute Settlement Mechanism:**

1. In the unlikely event that client is not satisfied with our services, client may register their grievances by:
  - a. Visiting our website at [www.fortcapital.in](http://www.fortcapital.in). or
  - b. Calling our Investor Grievance Officer / Branch Manager
2. In all your communications to us, you are requested to kindly indicate your PMS client code.
3. Portfolio Manager agrees that it shall co-operate in redressing grievances of the client in respect of transaction routed through it under the Portfolio Management Services.
4. For any unresolved grievances client is advised to communicate the same to the Compliance Officer – Nidhi Kaji, Fort Capital Investment Advisory Private Limited (Portfolio Management Services) within 30 days from

the date of registration of grievances.

5. If the Portfolio Manager fails to resolve the grievance, the Portfolio Manager / client will take forward the grievances through the ODR portal)
6. Client and the Portfolio Manager agrees to refer any claims and / or disputes to Arbitration as per the Rules, Byelaws and Regulations of the SEBI and circulars issued there under as may in force time to time.
7. Portfolio Manager hereby agrees that it shall ensure faster settlement of any arbitration proceedings, any grievances / disputes arising out of transactions entered into between itself and the client and that he shall be liable to implement the arbitration award made in such proceedings.

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

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

Alternatively, client may raise complaint before Securities and Exchange Board of India by visiting website: <https://smartodr.in/investor/login>

*APPROVED BY THE DIRECTORS OF Fort Capital Investment Advisory Private Limited*

Sr. No.	Name of the Director	Signature
1	Swapnil Shah	
2	Ashish Thanvi	
Place: Mumbai		
Date: 05/08/2025		