

FORM C

SECURITIES AND EXCHANGE BOARD OF INDIA

(PORTFOLIO MANAGERS) REGULATIONS, 1993

(Regulation 14)

**PORTFOLIO MANAGER**

TRUSTLINE HOLDINGS (P) LTD  
39/19, 11<sup>th</sup> Floor, 'Aspen Court'  
6<sup>th</sup> Main Road, Raja Annamalai Puram,  
Chennai – 600 028.  
Ph – 044-42083877,

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 document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us / investment in the Portfolio Management Scheme;
- iii) The Disclosure Document has been duly certified on 24-10-2017 by an independent chartered accountant whose details are given below :

C.G.Ramesh Babu,  
M.No.204013  
New – 36, Basement,  
4<sup>th</sup> main Road, Gandhi Nagar,  
Adyar, Chennai – 600020  
Ph – 044 – 42117905 ,

Date : 24.10.2017

Place : Chennai

Signature of the Principal Officer :



Name of the Principal Officer :

Aruna Giri.N

Address of the Principal Officer :

No.51 , Land Marvel Building,

4th Main Road, R.A.Puram, Chennai – 600028

Tel : 044-42083877



Disclosure Document

of

Portfolio Management Services

Offered by

TrustLine Holdings Pvt Ltd

24th October 2017

## TRUSTLINE HOLDINGS (P) LTD

SEBI Registration No : INP 000002254  
Unique id under MAPIN : 100284547

### DISCLOSURE DOCUMENT FOR PORTFOLIO MANAGEMENT

- This disclosure document has been filed with SEBI along with the certificates in the prescribed format as per the terms of regulation 14 of the SEBI (Portfolio Managers) regulations 1993.
- The purpose of this document is to provide essential information about the portfolio management services of TrustLine Holdings (P) Ltd, in a manner to facilitate investors to make informed decision while evaluating TrustLine for managing their portfolio.
- The necessary information about the Portfolio Manager required by an investor before investing is given herein and the investor is advised to retain this document for future reference.
- All the intermediaries involved in this scheme are registered with SEBI as on the date of this document.
- **Details of the Principal Officer:**

Name : Mr. ArunaGiri N  
Address : No.51, LandMarvel Buildings  
4<sup>th</sup> Main Road, R.A. Puram  
Chennai – 600028  
Tel : 044 - 42083877  
Email : arun.giri@trustlineindia.com



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## 1. Disclaimer Clause

The particulars of the schemes have been prepared in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations 1993, as amended till date and filed with Securities and Exchange Board of India (SEBI). The disclosure 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

- Portfolio Manager: TrustLine Holdings (P) Ltd is hereafter referred to as the Portfolio Manager.
- Investors: Individuals, Companies, HUF, OCBs and NRIs who desire to join the PMS Scheme of TrustLine Holdings (P) Ltd will be referred to as Investors.
- Discretionary Portfolio Management: The Portfolio Manager has the absolute discretion to make all the investment, reinvestment and other decisions relating to the management of the portfolio.
- Abbreviations Used has been tabled below for reference

|             |   |
|-------------|---|
| <b>SEBI</b> | The Board established under the Securities and Exchange Board Of India Act, 1992  |
| <b>RBI</b>  | Reserve Bank of India   |
| <b>PMS</b>  | Portfolio Management Services.  |
| <b>NAV</b>  | Net Asset value means the sum total of the current value of the securities, cash, bank balance and debtors less creditors and PMS fees. |
| <b>NRI</b>  | Non-Resident Indian   |
| <b>HUF</b>  | Hindu Undivided Family  |

## 3. Description

### **(I) History, Present Business and Background of the Portfolio Manager:**

TrustLine Holdings Pvt Ltd, incorporated in March 2004, is a leading Chennai based Equity Research and Business Analytics Firm. Financial Research is the core activity of TrustLine. The company tracks and studies over 950+ businesses in the small and medium Cap sector as part of its investment research. The company took the major initiative of obtaining SEBI registration for Portfolio Management Services in April 07 and availed the registration vide Reg. NO: **INP 000002254** in July 07. As part of this business the company undertook major investments in the core areas of operations such as research and client investment management by IT enabling these functions. These investments underscore our strong commitment to grow this portfolio management services business in a focused and dedicated manner. We believe that specialization often produces very good business economics and builds durable competitive advantage. At TrustLine, Portfolio Management is our specialization and we will continue to focus on this space to grow our business. From this perspective we are a unique organization that is only into Portfolio Management with no other intermediary business like broking or any other related services. This sets us apart from competition and gives us a unique competitive advantage.



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**(II) Promoters of the Portfolio Manager, Directors and their Background:**

**1. Mr. ArunaGiri . N , Director ( Principal Officer)**

Mr. ArunaGiri, (Passport No. **E3741128** ) , a resident Indian National is the promoter–director cum Principal Officer . Arun is an Engg Graduate from REC , Trichy with additional qualification in “Business Finance and Financial Analysis” from ICFAI. He has to his credit a background of rich Industry experience spanning over 29+ years. Significant part of his career was with one of the most admired IT services co in India. Here he held various senior positions across diverse functions. He brings with him an enviable track record in Equity and Financial Research. In addition to portfolio management responsibility, Mr.ArunaGiri also handles the responsibility for business development and client relationship.

**2. Mr. Ulaganathan. N, Director (Domain Consultant)**

Mr. Ulaganathan, (Passport No. **Z116947**), a resident Indian National is the co-founder cum domain consultant. Nathan is a post-graduate in Engg from IIT, Chennai with over 26+ years of Industry experience. He brings with him required domain skills for certain sectors like IT (Process Control), Petrochemicals, Industry Automation, Engineering, Oil & Gas and other related sectors. Company actively seeks his guidance and his consulting inputs with respect to above sectors as part of investment research.

**3. Mr. Vijay Kumar. S (Research Consultant)**

Mr. Vijay Kumar, a resident Indian National is a major shareholder in the company . Vijay is a Post-Graduate Diploma in Management (MBA) and an Engg. Graduate with over 23+ years of Industry experience. Significant part of his career was with **Dun & Bradstreet** where he gained rich experience in security analysis and equity markets. He also brings in rich experience in Business Development from his tenure in a **leading Telecom Service Provider in India**.

**(III) Group Companies/ Firms:**

NIL

**(IV) Details of Services Offered:**

The Portfolio Manager offers only Discretionary Portfolio Management Services currently.



#### **4. Penalties , litigations , proceedings etc.**

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

|       |   |                |
|-------|---|----------------|
| (i)   | Cases of penalties imposed by SEBI or the directions issued by SEBI Act or Rules or Regulations made there under.   | None           |
| (ii)  | The nature of the penalty/direction   | Not applicable |
| (iii) | Penalties imposed for any economic offence and/ or for violation of any securities laws   | None           |
| (iv)  | Any pending material litigation /legal proceedings against the Portfolio Manager / key Personnel with separate disclosure regarding pending criminal cases, if any.   | None           |
| (v)   | Any deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency.   | None           |
| (vi)  | 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           |

#### **5. Services Offered**

##### **Discretionary Portfolio Management**

This service provides discretionary portfolio management to clients. The key objective of this service is to grow the investor's capital at an above-average long-term return through our unique Research and Margin of Safety based long-term investment approach. Any Individual, NRI and corporate can join PMS with a minimum initial **investment of Rupees Twenty Five lakhs**. We have currently two investment schemes details of which is given in the Annexure I.

##### **PMS Objective/Policy**

- Portfolio may comprise of shares, bonds, cash, in accordance with an agreed strategy between the Portfolio Manager and client
- The Portfolio Manager has absolute discretion to make investment decisions on the client's behalf.
- Potential for long – term capital growth thro focus on Margin-Of-Safety.
- Ensures efficient management and swift reaction as circumstances dictate
- Quarterly performance reports and Monthly transaction reports.

The investments under the Portfolio Management Services (PMS) are made on behalf of the investors. The Portfolio Manager maintains a common pool account for handling the funds of the investors. For this purpose, the Portfolio Manager has opened a common bank account styled “TrustLine Holdings (P) Ltd - A/C PMS.” However listed securities will be held in client’s DMAT account (non-pool operation). For this purpose, separate DMAT accounts will be opened in the name of the investors, which will be operated by the Portfolio Manager duly authorized by investor through a Power of Attorney.

## **6. Portfolio Risks**

- The portfolio Management Scheme will be implemented strictly in accordance with Securities and Exchange Board of India (Portfolio Managers) Rules 1993 and amendments there to. Investors should familiarize themselves with these regulations.
- Securities investments are subject to market risks and the NAV of the scheme may go up and go down depending upon the factors affecting the securities market. There can be no assurance or guarantee that the objectives of the scheme will be achieved.
- The past performance of the previous scheme, sponsor or its group affiliates is not indicative of and does not guarantee future performance of the scheme. The Portfolio Manager does not give any assurance or guarantee that the objectives of the scheme will be achieved as investment in equity market is subject to market risks.
- The achievement of the objective of the scheme is subject to the macro and micro economic factors affecting the capital markets and the rules and regulations that may be enacted to govern the various sectors and industries.
- The normal risk of volatility and loss of capital applicable to concentration of investment in one category of security in one sector or industry is applicable to the investments made under PMS.
- The Portfolio Manager has started the PMS activities from the month of Sep’ 2007.

## **7. Redressal of Investor Grievances:**

- The Investors have the option to escalate their grievances, if any, against Portfolio Manager by visiting [www.scores.gov.in](http://www.scores.gov.in), which facilitates them to lodge their complaint online with SEBI and subsequently view its status.

## **8. Client Profile**

Our client base is predominantly from the IT sector. We believe that we have a natural advantage from our promoter’s rich experience in the IT industry in terms of strong network of senior professionals in that sector that we can tap into for building our client base . Over the years, we have built a very strong client following of senior management professionals from leading organizations in our PMS business. Today, our client base has grown to over **370+ and figures** CEOs, CFOs, Vice-Presidents from globally admired organizations. This gives us a unique positioning and durable competitive edge.





## **9. Financial Performance of the Portfolio Manager**

(A) Abstract of Profit and Loss A/C for the half year ended 30/09/2017 and for the last three Financial Years:

| <b>PARTICULARS</b>                             | <b>FY 2014-15</b><br><i>[Audited]</i> | <b>FY 2015-16</b><br><i>[Audited]</i> | <b>FY 2016-17</b><br><i>[Audited]</i> | <b>FY 2017-18</b><br><i>[Till Sep 2017]</i> |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---|
| <b><u>INCOME:-</u></b>                         |                                       |                                       |                                       |   |
| Portfolio Management Fee                       | 37,855,713                            | 16,687,699                            | 32,956,114                            | 31,760,857                                  |
| Net Gain on Sale of Investments                | 10,321,984                            | 11,395,505                            | 5,196,307                             | 23,696,087                                  |
| Dividends & Other Income                       | 1,401,892                             | 4,113,558                             | 17,97,160                             | 14,36,886                                   |
| Miscellaneous Income                           | 414,631                               | 653,629                               | 698,972                               | 385,067                                     |
| <b>Total Income</b>                            | <b>49,994,220</b>                     | <b>32,850,391</b>                     | <b>40,648,553</b>                     | <b>57,278,897</b>                           |
| <b><u>EXPENDITURE:-</u></b>                    |                                       |                                       |                                       |   |
| Administrative & Selling Expenses              | 12,000,906                            | 9,501,068                             | 13,953,270                            | 71,31,906                                   |
| <b>Profit Before Depreciation and Taxation</b> | <b>37,993,314</b>                     | <b>23,349,323</b>                     | <b>26,695,283</b>                     | <b>50,146,991</b>                           |
| Less: Depreciation                             | 580,413                               | 346,240                               | 628,335                               | 216,273                                     |
| <b>Profit After Depreciation</b>               | <b>37,412,901</b>                     | <b>23,003,083</b>                     | <b>26,066,948</b>                     | <b>49,930,718</b>                           |
| Less: Provision for Tax                        | 7,204,993                             | 4,000,000                             | 5,016,210                             | 13,750,000                                  |
| FBT Payable                                    | -                                     | -                                     | -                                     | -   |
| Deferred Tax Liability / (Asset)               | (25,691)                              | 44,958                                | (83,215)                              | 28397                                       |
| Extra Ordinary Item                            | -                                     | -                                     | -                                     | -   |
| Income/ (Expenses)                             | -                                     | -                                     | -                                     | -   |
| Interim Dividend Paid                          | -                                     | -                                     | -                                     | 8,879,000                                   |
| <b>Profit Carried to Balance Sheet</b>         | <b>30,233,599</b>                     | <b>18,958,125</b>                     | <b>21,133,953</b>                     | <b>27,273,321</b>                           |

**(A) Balance Sheet as at 30/09/2017 and for the last three Financial Years:**

| <b>PARTICULARS</b>                | <b>FY 2014-15</b><br><i>[Audited]</i> | <b>FY 2015-16</b><br><i>[Audited]</i> | <b>FY 2016-17</b><br><i>[Audited]</i> | <b>FY 2017-18</b><br><i>[As at 30/09/2017]</i> |
|-----------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|
| <b>SOURCES OF FUNDS:-</b>         |                                       |                                       |                                       |  |
| <u>SHAREHOLDERS FUNDS:</u>        |                                       |                                       |                                       |  |
| Equity Share Capital              | 1,229,530                             | 1,229,530                             | 1,229,530                             | 1,229,530                                      |
| Reserves & Surplus                | 83,461,775                            | 106,087,869                           | 125,987,250                           | 153,260,571                                    |
| Deferred Tax Liability            | -                                     | -                                     | -                                     | -  |
| <u>BORROWED FUNDS:</u>            |                                       |                                       |                                       |  |
| Secured Loan                      | 726,126                               | 586,042                               | 430,522                               | 302,448  |
| <b>TOTAL</b>                      | <b>85,417,431</b>                     | <b>107,903,441</b>                    | <b>127,647,302</b>                    | <b>154,792,549</b>                             |
| <b>APPLICATION OF FUNDS:-</b>     |                                       |                                       |                                       |  |
| <u>FIXED ASSETS:</u>              |                                       |                                       |                                       |  |
| Net Block                         | 1,769,607                             | 1,547,938                             | 1,157,567                             | 1,065,571                                      |
| Goodwill                          | 62,390                                | 62,390                                | 62,390                                | 62,390   |
| <u>INVESTMENTS:</u>               | 81,722,722                            | 100,901,777                           | 122,555,224                           | 153,403,626                                    |
| <u>CURRENT ASSETS:</u>            |                                       |                                       |                                       |  |
| Cash & Bank Balances              | 89,059                                | 1,099,625                             | 1,189,187                             | 536,461  |
| Advances & Deposits /Others       | 9,618,865                             | 5,227,677                             | 6,587,777                             | 12,376,877                                     |
| Sundry Debtors/Receivables        | 2,216,464                             | 73,604                                | 120,599                               | 6,171,121                                      |
| Other Current Assets              | -                                     | 3,198,922                             | 2,025,959                             | 2,139,830                                      |
| <b>Sub Total</b>                  | <b>95,479,107</b>                     | <b>112,111,933</b>                    | <b>133,698,703</b>                    | <b>175,755,876</b>                             |
| <b>Less : Current Liabilities</b> | <b>10,090,233</b>                     | <b>4,192,091</b>                      | <b>6,118,215</b>                      | <b>20,868,116</b>                              |
| <b>Deferred Tax Asset</b>         | <b>85,388,874</b><br>28,557           | <b>107,919,842</b><br>(16,401)        | <b>127,580,488</b><br>66,814          | <b>154,887,760</b><br>(95,211)                 |
| <b>TOTAL</b>                      | <b>85,417,431</b>                     | <b>107,903,441</b>                    | <b>127,647,302</b>                    | <b>154,792,549</b>                             |

## 10. Client Representation

The Portfolio Manager has commenced operations w.e.f Sep' 2007.

Details of Clients are as below:

| Category of Clients        | 30-Sep-17      |                         | 31-Mar-17      |                         | 31-Mar-16      |                         |
|----------------------------|----------------|-------------------------|----------------|-------------------------|----------------|-------------------------|
|                            | No. of clients | Funds Managed (Rs. Cr.) | No. of clients | Funds Managed (Rs. Cr.) | No. of clients | Funds Managed (Rs. Cr.) |
| <b>Individual-Resident</b> | 338            | 234.89                  | 314            | 194.08                  | 212            | 110.48                  |
| <b>Non Resident Indian</b> | 21             | 14.23                   | 16             | 10.56                   | 11             | 5.13                    |
| <b>Non Individuals</b>     | 11             | 9.19                    | 7              | 4.4                     | 4              | 2.22                    |
| <b>Total</b>               | <b>370</b>     | <b>258.31</b>           | <b>337</b>     | <b>209.04</b>           | <b>227</b>     | <b>117.83</b>           |

## 11. Related Party Transactions

- Mr. N. ArunaGiri, director of the company was paid remuneration of Rs.5,21,004 /- towards his services rendered for the half year ended 30<sup>th</sup> September 2017.
- The following are the funds of related parties that are managed by TrustLine Holdings Private Limited under PMS Scheme.

| Sl. No       | Client Name               | NAV as on 30-09-2017, in INR. |
|--------------|---------------------------|-------------------------------|
| 1            | MRS. SOMASUNDARI N.A.     | 1,74,71,302.12                |
| 2            | MR. BAGAVATHYAPPAN S.     | 43,31,581.82                  |
| 3            | MR. SUBBIAH M.            | 62,11,110.65                  |
| 4            | MRS. SHANMUGAM B.         | 64,06,650.75                  |
| 5            | MRS. GOMATHI ULAGANATHAN  | 54,36,147.24                  |
| 6            | MR. NALLASIVAM N.         | 33,72,623.08                  |
| 7            | MRS. SATHYA N.            | 41,41,075.51                  |
| 8            | MR. THIRUGNANASAMBANDAM S | 28,04,416.58                  |
| 9            | MR. VIVEK ARUNAGIRI       | 29,05,945.07                  |
| 10           | Mr. CHOCKLINGAM NAINAR    | 24,56,913.13                  |
| 11           | Mrs. ESWARI               | 49,98,900.65                  |
| <b>Total</b> |                           | <b>6,05,36,666.60</b>         |

## 12. Portfolio Management Performance of the Portfolio Manager

Cumulative return performance (since inception) of Intrinsic (Value Fund) for the period from 1st Jan 2008 to 30<sup>th</sup> September 2017 (117 months) is as under:

| Relative Performance<br>(as on 30 <sup>th</sup> September 2017) |            | Intrinsic<br>Value Fund | BSE Small<br>Cap Index |
|---|------------|-------------------------|------------------------|
|   |            | Returns %               | Returns %              |
| <b>3 Month Returns</b>  | Absolute   | 0.81                    | 4.62                   |
| <b>6 Month Returns</b>  | -do-       | 8.59                    | 11.53                  |
| <b>1 Year Returns</b>   | -do-       | 23.20                   | 26.00                  |
| <b>2 Year Returns</b>   | Annualized | 26.09                   | 20.84                  |
| <b>3 Year Returns</b>   | Annualized | 21.48                   | 15.39                  |
| <b>Since Inception (Jan 2008)</b>                               | Annualized | 23.09                   | 1.69                   |

**Note:**

- 1: Fund returns are computed as an average of "Client-returns" of select clients who have come in at a particular timeline
- 2: Small cap index return shown is on time weighted basis to account for corpus inflows/ outflows at different points of timeline.

The return performance of Intrinsic Floater (Arbitrage Fund) for the period from Ist Jul' 2012 to 30<sup>th</sup> September 2017 (63 months) is as under:

| Floater Performance<br>(as on 30 <sup>th</sup> September 2017) |                 | Intrinsic<br>Floater |
|--|-----------------|----------------------|
|  |                 | Returns %            |
| <b>1 Month Returns</b>   | Absolute ret.   | 1.02                 |
| <b>3 Month Returns</b>   | -do-            | 0.84                 |
| <b>6 Month Returns</b>   | -do-            | 3.90                 |
| <b>1 Year Returns</b>  | -do-            | 11.44                |
| <b>2 Year Returns</b>  | Annualized ret. | 12.61                |
| <b>3 Year Returns</b>  | Annualized ret. | 13.31                |
| <b>Since Inception( Jul' 2012)</b>                             | Annualized ret. | 12.90                |

**Note:**

Fund returns are computed as an average of "Client-returns" of select clients who have come in at a particular timeline.

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### **13. Nature of expenses**

#### **PMS FEE**

##### **Fixed Fee:**

Not exceeding 3% per annum of the Daily Average Portfolio Value. This is payable on a quarterly basis at the end of each financial quarter.

##### **Performance Fee:**

Not exceeding 25% of the profits in excess of hurdle rate of minimum 8%. This is payable at the end of every client year. Performance fee is computed applying high-water-mark principles. For the purpose of computing returns in the subsequent year, value of the portfolio at the beginning of the year would be value of the portfolio before charging of the performance fees previous year.

#### **OTHER EXPENSES**

Brokerage on buying/selling, depository charges, legal charges, custodial and other transaction related expenses would be charged at actuals.

### **14. Taxation**

**Income Tax:** Under the portfolio management scheme, responsibility of the income tax payment on the income earned from PMS activities is on the investors. However the Portfolio Manager will provide adequate statements required for the accounting purpose.

**Securities Transaction Tax:** Securities Transaction Tax (STT) at the applicable rate on delivery-based trade in equity shares or units of an equity oriented fund entered into in a recognized stock exchange from the 1<sup>st</sup> of June 2005. STT is to be equally split between the buyer and the seller. STT paid is eligible for rebate U/S 88E of the Income Tax Act, subject to such conditions prescribed therein.

### **15. Accounting Policies**

- Value of shares brought in, if any, for PMS activity or taken out of the activity, if any, are taken at the rate quoted at Bombay Stock Exchange/National Stock Exchange on the day of the transaction.
- Profit or loss on sale of securities is calculated on the “First-In-First-Out” method.

The investments under the Portfolio Management Services (PMS) are made on behalf of the investors. The Portfolio Manager maintains a common pool account for handling the funds of the investors. For this purpose, the Portfolio Manager has opened a common bank account styled “TrustLine Holdings (P) Ltd - A/C PMS.” However listed securities will be held in client’s DMAT account (non-pool operation). For this purpose, separate DMAT accounts will be opened in the name of the investors, which will be operated by the Portfolio Manager duly authorized by investor through a Power of Attorney.



## **16. Investor Services**

- **Name, address and telephone number of the investor relations officer**

**Mr. Siddharthan S K**  
Compliance Officer  
TrustLine Holdings (P) Ltd  
39/19, Aspen Court, II Floor,  
6<sup>th</sup> Main Road, R.A.Puram,  
Chennai – 600 028  
Ph – 044 - 42083877

- **Grievances redressal and dispute settlement mechanism**

All grievances and disputes will be received at the corporate office of the Portfolio Manager (as mentioned in SEBI Portfolio Manager Regulation clause 14) and the Portfolio Manager will ensure timely and prompt redressal of the grievances and disputes.

## **17. Conflict of Interest**

The portfolio manager has conflict of Interest under two sources as listed below:

1. Proprietary Investments
2. Related Party Transactions

The portfolio manager shall ensure fair treatment to all his customers while providing unbiased services and render high standards of service and ensure that he shall not put his Interest above those of his Clients.

The details of related party transactions are listed out in detail in Para 11 above.

The company hereby confirms that neither the company nor its Key Managerial Personnel have any kind of Interest in any other businesses.

**for TrustLine Holdings (P) Ltd**



**ArunaGiri . N**  
Managing Director

**for TrustLine Holdings (P) Ltd**



**UlagaNathan . N**  
Director

| <b>Annexure-I</b>  |  |   |
|--|--|---|
| Annexure to point 5 : Details of the various Investment plans offered by TRUSTLINE |  |   |
| Investment Plan  | <i><b>Intrinsic (Deep Value )</b></i>  | <i><b>Intrinsic Floater</b></i>   |
| Investment Objective   | Aims to generate capital appreciation by investing in a concentrated basket of stocks from the universe of small and mid cap space to earn superior risk-adjusted returns.   | Aims to provide the Investor with returns through a primary focus on event-driven low risk arbitrage opportunities. Corporate events include only already announced and confirmed events.                                 |
| Investment Style   | Bottom up identification of undervalued stocks from small and medium cap using fundamental analysis. Invest in high growth companies with high incremental return on equity and generating sustained free cash flows over forecast period resulting in value appreciation. | Stocks selected from the universe of event-driven / corporate action based opportunities (e.g. stocks of companies undergoing corporate actions such as delisting, demerger, buy-back, open-offer, right issues etc).     |
| Client Profile   | Targeted at experienced clients seeking capital appreciation despite the risk of poor diversification. Must be willing and able to assume high volatility in the portfolio.  | Clients looking for return profile similar to FD/FMP debt instruments by investing in low risk event driven equity opportunities aiming for at least 200 to 300 basis points alpha from above mentioned debt instruments. |
| Investment Portfolio   | Limited number of well researched stock positions enhances probability of success. Number of stocks ideally in the rang of 20-25. Exposure in single stock < 20%.  | Stocks selected from the universe of event-driven / corporate action based opportunities (e.g. stocks of companies undergoing corporate actions such as delisting , demerger, buy-back , open-offer , right issues etc).  |
| Investor's expected horizon  | 36+ months   | 12-18 months  |
| Portfolio Turnover   | Very low turn-over likely  | Medium turnover is most likely.   |
| Client's risk and asset allocation   | Since it is concentrated equity portfolio. It is assumed that the client has done his asset allocation. Under this plan, the portfolio may not be diversified.   | This is targeted towards client's low risk debt allocation portfolio.   |
| Use of hedging Instruments   | NO   | NO  |
| Minimum Portfolio Size   | Rs.25 Lakh cash or equivalent value of approved securities per client.   | Rs.25 lakh cash or equivalent value of approved securities per client.  |