

Elite Wealth Limited

(Formerly known as Elite Wealth Advisors Limited)

PORTFOLIO MANAGEMENT SERVICES

DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule and Regulation 22 of Securities and Exchange Board of India (Portfolio Managers) Regulation 2020)

- (i) The Disclosure Document has been filed with the Securities & Exchange Board of India 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 Document is to provide essential information about the Portfolio Management Services (PMS) in a manner to assist and enable the investors in making informed decision for engaging Elite Wealth Limited as a Portfolio Manager.
- (iii) The Disclosure Document contains the necessary information about the Portfolio Manager, required by an investor before investing, and hence, the investor may be advised to retain the document for future reference.
- (iv) **The following** are the details of Portfolio Manager and Principal Officer

Name of the Portfolio Manager	Elite Wealth Limited
SEBI Registration No.	INP000003021
Registered Office Address	Casa Picasso, Golf Course Extension, Near Rajesh Pilot Chowk, Radha Swami, Sector-61 Gurugram, Haryana 122001
Corporate Office Address	S - 8, DDA Shopping Complex, Mayur Vihar, Phase - I Delhi 110091
Phone No.	011-42445757
Fax No.	011-22795783
Email ID	compliance@elitewealth.in
Website	www.elitewealth.in

Name of Principal Officer	Mr. Ravinder Prakash Seth
Contact No	011-42445757
Email Address	raviseth@elitewealth.in
Office Address	S - 8, DDA Shopping Complex, Mayur Vihar, Phase - I Delhi 110091

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1. Disclaimer clause:

The particulars given in this Document have been prepared in accordance with SEBI (Portfolio Managers) Regulations, 2020 as amended till date and filed with SEBI. This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the document. This document is not for public distribution and has been furnished to you solely for your information and may not be reproduced or redistributed to any other person.

2. Definitions

Unless the context or meaning thereof otherwise requires, the following expressions shall have the meaning assigned to them hereunder respectively: -

- a. "Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992).
- b. "Agreement" means agreement between Portfolio Manager and its Client and shall include all Schedules and Annexures attached thereto
- c. "Application" means the application made by the Client to the Portfolio Manager to place its funds and/or securities 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.
- d. "Assets" means (i) the Portfolio and/or (ii) the Funds. e.
- e. "Body Corporate" shall have the meaning assigned to it in or under clause (11) of section 2 of the Companies Act, 2013.
- f. "Bank Account" means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in accordance with the agreement entered into with the Client.
- g. "Board" means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992.
- h. "Client" means the person who enters into an Agreement with the Portfolio Manager for managing its portfolio and /or funds.
- i. "Custodian" means custodian with whom the Portfolio Manager enters into an agreement for availing custodial Services, which for the time being is Yes Bank Ltd. and such other custodian (s) as may be appointed by Portfolio Manager from time to time in compliance of the provisions of SEBI (Portfolio Managers) Regulations, 2020. 4

- j. "Depository Account" means one or more account or accounts opened, maintained and operated by the Portfolio Manager with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations, 1996 in accordance with the agreement entered into with the Client.
- k. "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 the investments or management of assets of the Client.
- l. "Discretionary Portfolio Manager" means a Portfolio Manager who exercises or may, under a contract relating to portfolio management, exercise any degree of discretion as to the investments or management of the portfolio of securities or the funds of the Client, as the case may be.
- m. "Document" means this Disclosure Document.
- n. "Financial Year" means the year starting from April 1 and ending on March 31 of the following year.
- o. "Funds" means the monies managed by the Portfolio Manager on behalf of the Client pursuant to Portfolio Investment Management Agreement and includes the monies mentioned in the Application, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to Portfolio Investment Management Agreement, the proceeds of the sale or other realization of the Portfolio and interest, dividend or other monies arising from the Assets, so long as the same is managed by the Portfolio Manager.
- p. "Non-discretionary Portfolio Management Services" means a portfolio management services under which the Portfolio Manager, subject to express prior instructions issued by the Client from time to time in writing, for an agreed fee structure and for a definite described period, invests in respect of the Client's account in any type of security entirely at the Client's risk and ensure that all benefits accrue to the Client's Portfolio.
- q. "Parties" means the Portfolio Manager and the Client; and "Party" shall be construed accordingly.
- r. "Person" includes an individual, a Hindu Undivided Family, a corporation, a partnership (whether limited or unlimited), a limited liability company, a body of individuals, an association, a proprietorship, a trust, an institutional investor and any other entity or organization whether incorporated or not, whether Indian or foreign, including a government or an agency or instrumentality thereof. 5
- s. "Portfolio" means the Securities managed by the Portfolio Manager on behalf of the Client pursuant to the Portfolio Investment Management Agreement and includes any Securities mentioned in the Application, any further Securities placed by the Client with the Portfolio Manager for being managed pursuant to the Portfolio Investment Management Agreement, Securities acquired by the Portfolio Manager through

investment of Funds and bonus and rights shares or otherwise in respect of Securities forming part of the Portfolio, so long as the same is managed by the Portfolio Manager.

- t. "Portfolio Manager" shall have the same meaning as given in regulation 2(1)(o) of the SEBI (Portfolio Managers) Regulations, 2020 as amended from time to time.
- u. "Principal Officer" means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager.
- v. "Regulations" means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as may be amended from time to time.
- w. "SEBI" means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the SEBI Act.
- x. "Securities" includes: "Securities" as defined under the Securities Contracts (Regulation) Act, 1956 as amended from time to time and includes (Check the definition in SCR):
 - i. Shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate.
 - ii. Derivative
 - iii. Units or any other instrument issued by any collective investment scheme to the investors in such schemes.
 - iv. Security receipt as defined in clause (zg) of section 2 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
 - v. Units or any other such instrument issued to the investors under any mutual fund scheme.
 - vi. Government securities
 - vii. Such other instruments as may be declared by the Central Government to be securities.
 - viii. Rights or interest in securities

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. Description

3.1 History, Present Business and Background of the Portfolio Manager:

Elite Wealth Limited ("EWL") (Formally known as Elite Wealth Advisors Limited) is a Public Limited company incorporated under the Companies Act, 1956 on **May 29, 1990**, having its Registered Office at **Casa Picasso, Golf Course Extension, Near Rajesh Pilot Chowk, Radha Swami, Sector-61 Gurgaon, HR 122001**.

Elite Wealth Limited was registered with SEBI as a Portfolio Manager vide registration no. **INP000003021** under SEBI (Portfolio Managers) Regulations 2020.

Elite Wealth Limited is a registered with SEBI as a Stock Broker vide registration no **INZ000186539**, as Depository Participant vide SEBI Registration No. **IN-DP-133-2015** being the depository Participants of NSDL and CDSL and as a Research Entity vide SEBI Regn. No **INH100002300**.

Promoters of the Portfolio Manager, Directors, and their background:

3.1.1 Promoter:

Mr. Ravinder Prakash Seth is a Promoter of "EWL" who singly owns **87.86%** stake in the company with his family members. After working on several projects in India and abroad he founded and promoted Elite Wealth Limited (Formerly known as Elite Stock Management Private Limited) as a Stock Broking Company. His valuable experience in the Stock Market has brought the company to current heights and under his leadership "EWL" has made a mark as one of the prominent Stock Brokers in National Capital Region.

3.1.2 Directors and their background:

Name	Qualification	Brief Experience
Mr. Ravinder Parkash Seth, Managing Director	Electronics Engineering Graduate	Mr. Ravinder Parkash Seth, CEO & Managing Director of the Elite Wealth Limited. He has an experience of more than 3 decades in the Securities Market. He has worked with ECIL (Electronic Corporation of India Ltd.) as a Computer Engineer for 5 years and with the Ministry of Health Saudi Arabia at Dammam as Bio Medical Engineer for 7 years. After working on several projects in India and abroad, he founded and promoted "EWL" as a Stock Broking Company. His valuable experience in the Stock Market has brought the company to current heights and under his leadership "EWL" has made a mark as one of the prominent Stock Brokers in National Capital Region.

Mr. Ankur Seth, Director	MBA	Mr. Ankur Seth is a Director of Elite wealth Limited. He has rich and varied experience of more than 12 years in the field of Securities and Commodities Market etc.
Mr. Tarun Gera, Director	MBBS	Mr. Gera is a Director of Elite Wealth Limited. He possesses 25 years of experience as an investor in the Securities
Mr. Vikram Luthra, Director	B. Tech	Mr. Luthra is the Director & COO of Elite Wealth Limited. He has more than 17 years of varied experience in operational, Financial, technical Regulatory in the Capital Market Industry at various levels from the Junior post to the senior level at present. Having in depth knowledge about the controlling of a wealth management/ broking company.
Mr. Dheeraj Bhatia, Director	B. Com and Chartered Accountant	Mr. Bhatia is a Director and Finance Manager of Elite Wealth Limited. He has more than 10 Years of experience in finance, Taxation and Corporate Affairs.

3.2 Top 10 Group companies/firms of the portfolio manager on turnover basis as on 31st March 2022

1. Elite Insurance Brokers Pvt Ltd.-Subsidiary (Wholly Owned Subsidiary-Registered with IRDA)

3.3 Details of the services being offered:

3.3.1 Discretionary Services:

Under these services, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. The Portfolio Manager's decision (taken in good faith) in deployment of the Client's fund's is absolute and final and can never be called in question or be open to review at any time during the currency of the agreement or at any time thereafter except on the ground of fraud, malafide, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant Acts, Regulations, guidelines and notifications in force from time to time. Periodical statements in respect to Client's Portfolio shall be sent to the respective Client.

Based on the Client's profile, overall investment objective and other relevant factors, the Portfolio of the Clients are at present managed under one or more pre-defined Investment Strategies.

3.3.2 Non - Discretionary Services

Under these services, the Client decides their own investments, with the Portfolio Manager, wherein the portfolio manager facilitates only with research/recommendation and execution of transactions. The Portfolio Manager's role would include but not limited to providing research, structuring of client's portfolios, investment advice, and guidance and trade execution at the Client's request. The Portfolio Manager shall execute orders as per the mandate received from Clients. Portfolio manager and client will have an agreed fee structure and for a definite described period, entirely at the Client's risk.

3.3.3 Advisory Services

The Portfolio Manager will provide Advisory Portfolio Management Services, in terms of the Regulations, which shall be in the nature of investment advisory and shall include the responsibility of advising on the investment and disinvestment of individual securities in the client's portfolio, for an agreed fee structure, entirely at the Client's risk.

The Portfolio Manager shall be solely acting as an advisor to the Portfolio of the client and shall not be responsible for the Investment/Disinvestment of Securities and /or administrative activities of the clients Portfolio. The Portfolio Manager shall provide advisory services in accordance with such guidelines and / or directives issued by the regulatory authorities and/or the client from time to time in this regard. It will be the discretion/responsibility of the client whether to execute trades based on the advice of Portfolio Manager.

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

- 4.1 All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Regulations made there under:
NIL
- 4.2 The nature of the penalty/direction:
Not Applicable
- 4.3 Penalties imposed for any economic offence and/ or for violation of any securities laws.
NIL
- 4.4 Any pending material litigation/legal proceedings against the portfolio Manager /key personnel with separate disclosure regarding pending criminal cases, if any
NIL
- 4.5 Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency.
NONE

- 4.6 Any enquiry/ adjudication proceedings initiated by the Board as on date 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 thereunder:

NIL

5. Services Offered

5.1 Discretionary Portfolio Management Services ('DPMS'):

The Portfolio Manager may design and develop various products keeping in mind market conditions and may customize for Client's specific need / profile. The Portfolio in all cases will be guided strictly by the relevant SEBI Regulations and circulars prevailing in force from time to time. The instrument may be principal protected or non- protected, which may have fixed or variable pay-offs. The investment objective of the Portfolio Manager shall be preservation and growth of capital, and at the same time endeavour to reduce the risk of capital loss. However, while the aforesaid is the objective, it needs to be reiterated that there can be no assurance and/or guarantee of such growth or even as regards preservation of capital or of there being no capital loss. The Portfolio Manager shall provide Portfolio Management Services to all eligible category of investors who can invest in Indian market including resident Indians, NRIs, FPIs, etc.

All the below mentioned strategies are used under the discretionary portfolio management services as per the SEBI Regulations, circulars etc. issued from time to time.

The main features under Discretionary Portfolio Management Services are:

- Any Strategy/ product under Discretionary Portfolio Management Services shall not
- invest in primary market issues including Offer for Sale (OFS) of EWL group Companies.
- Minimum Portfolio Size: Rs. 50 Lakhs or any amount not less than the statutory minimum as may be specified by the SEBI from time to time.
- EWL may provide an option of Systematic Transfer Plan (STP) or Systematic Withdrawal Plan (SWP) for the purpose of investment in portfolio.

The Portfolio Manager manages the Assets of the Client using the following portfolios:

a) Elite Opportunity Fund

Investment objective	To generate capital appreciation across market capitalization by investing concentrated set of high conviction companies. The scheme is suited for investors who seek long term capital appreciation with high risk.
Description of types of securities	Listed Equity, Liquid Funds, Listed Investment Trust, Mutual Funds
Basis of selection of such types of securities as part of the investment approach	Based on the economic scenario where industries leading in that situation Based on CANCLIM approach, major focus on quality business (Old economy/New economy sector and stocks) Volatility is high in the portfolio

Allocation of portfolio across types of securities*	80%-100% Equity and 0-20% Cash and Cash equivalent
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>BSE 500</p> <p>We are selecting stocks on basis of multi cap approach where portfolio combination remain in Large and Mid cap stocks</p> <p>Portfolio remain between 15-25 companies at any point of time.</p> <p>Build a focused portfolio with exposure to conviction ideas with buy and hold approach. For investors who look forward for long term wealth creation.</p> <p>The selection of the stocks will be based on the criteria of strategy at the time of initial ideation and investment made as per the model portfolio of the strategy</p>
Indicative tenure or investment horizon	Investment horizon of 3 years and above
Risks associated with the investment approach	The investment strategy is across the segment to capture alpha in the market so risk is slightly on higher side
Other salient features, if any	Nil

*Change in allocation of portfolio: Subject to regulation, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially, depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Investors. Such changes in the investment pattern will be for short term and defensive considerations.

b) Elite Value Fund

Investment objective	<p>To generate capital appreciation across market capitalization by investing concentrated set of high conviction companies.</p> <p>The scheme is suited for investors who seek long term capital appreciation with moderate risk</p>
Description of types of securities	Listed Equity, Liquid Funds, Listed Investment Trust, Mutual Funds
Basis of selection of such types of securities as part of the investment approach	<p>Based on the economic scenario where industries leading in that situation</p> <p>Based on CANCLIM approach, major focus on quality business (Old economy/New economy sector and stocks)</p> <p>Volatility is Moderate in the portfolio</p>

Allocation of portfolio across types of securities*	80%-100% Equity and 0-20% Cash and Cash equivalent
Appropriate benchmark to compare performance and basis for choice of benchmark	<p>RSF 200</p> <p>Selection of the stocks is on basis of multi-cap approach where portfolio combination remains in Large, Mid & Small cap stocks</p> <p>The portfolio remains between 15-20 companies at any point of time.</p> <p>Build a focused portfolio with exposure to conviction ideas with buy and hold approach. For investors who look forward for long-term wealth creation.</p> <p>The selection of the stocks will be based on the criteria of strategy at the time of initial ideation and investment made as per the model portfolio of the strategy</p>
Indicative tenure or investment horizon	Investment horizon of 3 years and above
Risks associated with the investment approach	The investment strategy is across the segment to capture alpha in the market so risk is moderate
Other salient features, if any	Nil

*Change in allocation of portfolio: Subject to regulation, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially, depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Investors. Such changes in the investment pattern will be for short term and defensive considerations.

5.2 . Non-Discretionary Portfolio Management Services ('NDPMS')

The main features under Non-Discretionary Portfolio Management Services are:

Any Strategy/ product under Non-Discretionary Portfolio Management Services shall invest in primary market issues including Offer for Sale (OFS) subject to regulations.

- Minimum Portfolio Size: Rs.50 Lakhs or any amount not less than the statutory minimum as may be specified by the SEBI from time to time.
- Non-binding advice from Portfolio Manager.
- Investment in unlisted securities, if any, will not exceed 25% of the assets under management.
- EWL may provide an option of Systematic Transfer Plan (STP) or Systematic Withdrawal Plan (SWP) for the purpose of investment in portfolio.

NOTE for DPMS and NDPMS:

- Investment under Portfolio Management Services will be in compliance of SEBI (Portfolio Manager) Regulations, 2020.
- The uninvested amounts forming part of the Client's Assets may be at the discretion of the Portfolio Manager be held in cash or deployed in Liquid fund schemes, Exchange Traded Index Funds, debt oriented schemes of Mutual funds, Gilt schemes, Bank deposits and other short term avenues for Investment.
- The Portfolio Manager, with the consent of the Client, may lend the securities through an Approved Intermediary.
- Client would have to select stock from model portfolio of respective strategies under NDPMS.
- For the purpose of complying with the provision of clause A(3)(vi) of the SEBI circular no. SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020, Elite Wealth Ltd, as portfolio manager may appoint non-associate broker (s), custodian (s), depository (s) or such other intermediaries as it may think fit.
- The Portfolio Manager may move between asset classes i.e. equity and fixed income and cash depending upon market conditions. This is done mainly with an objective of protecting capital when markets are uncertain or have a downward bias.
- The use of derivatives will vary from portfolio to portfolio which shall be in accordance with applicable regulations. In the pure equity portfolios, derivatives will be used primarily for hedging and portfolio rebalancing purposes. Hedging will be used with an objective of attempting to preserve capital in uncertain times, while portfolio rebalancing would include investing in derivatives instead of a direct investment in the cash market if the Portfolio Manager feels a certain position can be more effectively created using derivatives.
- As per Regulation 24 (5) of the SEBI (Portfolio Managers) Regulations, 2020, portfolio manager may invest in units of Mutual Funds only through direct plans.
- Trading in derivative

SEBI in terms of Securities and Exchange Board of India (Portfolio Managers) Amendment Regulations, 2020 and pursuant to circular no. SEBI/RPM circular no. (2002- 2003) dated February 5, 2003 and circular no. MFD/CIR/21/ 25467/2002 dated December 31, 2020, has permitted all the Portfolio Managers to participate in the derivatives trading subject to observance of guidelines issued by SEBI in this behalf.

Pursuant to this, the Portfolio Managers may use various derivative and hedging products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance the clients' interest.

Accordingly, the Portfolio Manager may use derivatives instruments like Stock Index Futures, Options on Stocks and Stock Indices, or other such derivative instruments as may be introduced from time to time and as permitted by SEBI.

The following table provides information relating to the nature of the equity derivative instruments proposed to be used by the Portfolio Manager: -

Sr.No.	Type of Derivative	Type of Position/action	Purpose/ Description	Limit
1	Index futures	Sell	Hedging of portfolio against expected market Downturn	Up to 100% of equity portion of the portfolio
2	Index Options- Call	Sell	Covered Call against Existing portfolio	Up to 100% of equity portion of the portfolio
3	Index Options - Put	Buy	Buy index puts to hedge existing portfolio	Up to 100% of equity portion of the portfolio
4	Index Options – Put Spread	Buy near the money Put and Sell out of money Put(s)	Buy and Sell index put strikes to hedge existing portfolio	To the extent of cash/equivalents in the portfolio. Maximum limit 100% of portfolio
5	Index Options – Bear Call Spread	Sell near the money Call and Buy out of money Call(s)	Covered Call against Existing portfolio	To the extent of cash/equivalents in the portfolio. Maximum limit 100% of portfolio
6	Stock futures	Sell	Sell against existing stock– Hedging against downside on existing stock in the face of expected volatility in the stock price	To the extent of cash/equivalents in the portfolio. Maximum limit 100% of portfolio
7	Stock options– Call	Sell	Covered Call against existing stock position	To the extent of cash/equivalents in the portfolio. Maximum limit 100% of portfolio
8	Stock options – Put	Buy	Purchase against existing stock. Hedging against downside on existing stock in the face of expected volatility in the stock price	To the extent of cash/equivalents in the portfolio. Maximum limit 100% of portfolio
9	Stock options - Put Spread	Buy near the money Put and Sell out of money Put(s)	Buy and Sell Stock put strikes to hedge existing portfolio	To the extent of cash/equivalents in the portfolio. Maximum limit 100% of portfolio
10	Stock options- Bear Call Spread	Sell near the money Call and Buy out of money Call(s)	Covered Call against Existing Stock	To the extent of cash/equivalents in the portfolio. Maximum limit 100% of portfolio

The total exposure of the client 's portfolio will not exceed his funds placed with the portfolio manager and the maximum loss in the worst case scenario will be limited to the client 's portfolio. In case of all the above-mentioned strategies the downside will be restricted to the client 's portfolio. Given the use of futures in the portfolio, the notional value of all the portfolio positions under the product may exceed the amount invested.

5.3 Investment in associates / group companies: -

The Portfolio Manager will, before investing in the securities of associate/group companies, will evaluate such investments, the criteria for the evaluation being the same as is applied to other similar investments to be made under the Portfolio. Investments under the Portfolio in the securities of the group companies will be subject to the limits prescribed under agreement executed with the respective client and the same would be subject to the applicable laws/regulations/guidelines issued by SEBI from time to time.

Details of conflicts of interest related to services offered by group companies or associates of the Portfolio Manager: -

The Portfolio Manager and its group companies/associates are engaged in a broad spectrum of activities in the financial services sector. The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the Portfolio Manager shall endeavour to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm's length basis.

6. Risk Factors

A. General Risk Factors applicable to investments:

- Securities investments are subject to market risks and there is no assurance or guarantee that the objective of investments will be achieved.
- Past performance of the portfolio manager does not indicate its future performance.
- Investors are not being offered any guaranteed or assured return/s i.e. either of Principal or appreciation on the portfolio.
- Investors may note that Portfolio Manager's investment decisions may not be always profitable, as actual market movements may be at variance with anticipated trends.
- Investors may not be able to voluntarily withdraw from the portfolio. In addition, they may not be able to transfer any of the interests, rights, or obligations with regard to the Portfolio except as may be provided in the client agreement and the applicable regulations.
- The portfolio may be affected by settlement periods and transfer procedures.
- The Portfolio Management Service is subject to risk arising from the investment objective, investment strategy and asset allocation.
- The Portfolio Manager carries out risk profiling of investors at the time of initial investment. In case investor doesn't inform the changes in the

profile, there is a risk of investment advice on the basis of incorrect risk profiling of the client.

- The investor should read the disclosure document and terms and conditions of the product properly before making any investment decision. The Portfolio Manager would be acting on the advice of experts in the relevant fields but would not be responsible for any loss occasioned by any act or omission on the part of such persons.
- A portfolio which tends to concentrate on a specific asset class or a specific sector could carry the risk with regard to non-diversification of the portfolio and hence, the scope for diversification could be limited at times. There could be instances when the portfolio might have an unusually high exposure to a few stocks.
- The investments are vulnerable to movements in the prices of securities invested by the portfolio, which could have a material bearing on the overall returns from the portfolio. The value of the portfolio investments, may be affected generally by factors affecting securities markets, such as price and volume, volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets.
- All transactions of purchase and sale of securities by portfolio manager and its employees who are directly involved in investment operations shall be disclosed if found having conflict of interest with the transactions in any of the client's portfolio.
- The Portfolio Manager and its group companies/associates are engaged in a broad spectrum of activities in the financial services sector. The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the Portfolio Managers shall endeavor to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm's length basis.

B. Risks related to Equity and Equity Linked Investments:

- The liquidity of the Portfolio's investments is inherently restricted by trading volumes in the securities in which it invests.
- The valuation of the Portfolio's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. There will be no prior intimation or prior indication given to the Clients when the composition/asset allocation pattern changes.
- Trading volumes, settlement periods and transfer procedures may restrict

the liquidity of the investments made by the Portfolio. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio to make intended securities purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the portfolio due to the absence of a well-developed and liquid secondary market for debt securities would result, at times, in potential losses to the Portfolio, in case of a subsequent decline in the value of securities held in the Portfolio.

- In case of Dividend Yield Portfolios, returns of the Portfolio could depend on the dividend earnings and capital appreciation, if any, from the underlying investments in various dividend yield companies. The dividend earnings of the portfolio may vary from year to year based on the philosophy and other consideration of each of the high-dividend yield companies. Further, it should be noted that the actual distribution of dividends and frequency thereof by the high-dividend yield companies in future would depend on the quantum of profits available for distribution by each of such companies. Dividend declaration by such companies will be entirely at the discretion of the shareholders of such companies, based on the recommendations of its Board of Directors. Past track record of dividend distribution may not be treated as indicative of future dividend declarations. Further the dividend yield stocks may be relatively less liquid as compared to growth stocks.
- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The Portfolio Manager may choose to invest in unlisted securities that offer attractive yields. This may however expose the Client's portfolio to liquidity risk. Such investments shall be subject to the scope of investments as laid down in the Agreement.
- While securities that are listed on the stock exchange carry relatively lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Portfolio(s) and may lead to the investment(s) incurring losses till the security is finally sold.

The Portfolio Manager may, subject to authorization by the Client in writing, participate in securities lending. The Portfolio Manager may not be able to sell/lend out securities, which can lead to temporary illiquidity. There are risks inherent in securities lending, including the risk of failure of the other party, in this case the approved intermediary to comply with the terms of the agreement. Such failure can result in a possible loss of rights to the collateral, the inability of the Approved Intermediary to return the securities deposited by the lender and the possible loss of corporate benefits accruing thereon.

- To the extent that the portfolio will be invested in securities

denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

C. Risks related to investments in debt and debt related instruments:

- Interest Rate Risk: As with all debt securities, changes in interest rates may affect valuation of the Portfolios, as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than prices of short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the valuations of Portfolios.
- Liquidity or Marketability Risk: This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristic of the Indian fixed income market.
- Credit Risk: Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.
- Reinvestment Risk: This risk refers to the interest rate levels at which cash flows.
- Received from the securities under a particular Portfolio are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
- The Portfolio Manager may, considering the overall level of risk of the portfolio, invest in lower rated/ unrated securities offering higher yields. This may increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.

D. Risks related to investments in derivatives instruments:

- The Portfolio Manager may use derivatives instruments like index futures, stock futures and options contracts, warrants, convertible securities, swap agreements or any other derivative instruments for the purpose of hedging and portfolio balancing, as permitted. Under the Regulations and guidelines. Usage of derivatives will expose the Portfolio to certain risks inherent to such derivatives. As and when the Portfolio Manager deals in the derivatives market on behalf of the Client, there

are risk factors and issues concerning the use of derivatives that investors should understand.

- Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value.

E. Risks specific to investments in mutual fund schemes

- Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Schemes will be achieved. The various factors which impact the value of the Scheme's investments include, but are not limited to, fluctuations in markets, interest rates, prevailing political and economic environment, changes in government policy, tax laws in various countries, liquidity of the underlying instruments, settlement periods, trading volumes, etc.
- As with any securities investment, the Net Asset Value (NAV) of the Units issued under the Schemes can go up or down, depending on the factors and forces affecting the capital markets.
- Past performance of the Sponsors, Asset Management Company (AMC)/Fund does not indicate the future performance of the Schemes of the Fund.
- The Portfolio Manager shall not be responsible for liquidity of the Scheme's investments which at times, be restricted by trading volumes and settlement periods. The time taken by the Scheme for redemption of units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the Schemes.
- The Portfolio Manager shall not be responsible, if the AMC/ Fund does not comply with the provisions of SEBI (Mutual Funds) Regulations, 1996 or any other circular or acts as amended from time to time. The Portfolio Manager shall also not be liable for any changes in the offer document(s)/Scheme Information Document(s) of the scheme(s), which may vary substantially depending on the market risks, general economic and political conditions in India and other countries globally, the monetary and interest policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial

markets in India and globally.

- The Portfolio Manager shall not be liable for any default, negligence, lapse error or fraud on the part of the AMC/the Fund.
- While it would be the endeavor of the Portfolio Manager to invest in the schemes in a manner, which will seek to maximize returns, the performance of the underlying schemes may vary which may lead to the returns of this portfolio being adversely impacted.
- The scheme specific risk factors of each of the underlying schemes become applicable where the Portfolio Manager invests in any underlying scheme. Investors who intend to invest in this portfolio are required to and are deemed to have read and understood the risk factors of the underlying schemes.
- The Portfolio Manager does not offer any guaranteed or assured returns to the investors.

7. Client Representation

S. No	Category of Client	Total No of Clients	Assets Under Management (Rs in Cr.)	Discretionary / Non-Discretionary
i)	Associate/Group Co.	NIL	NIL	N.A
ii)	Others: (for last 3 Years) (Individual R/NR/Corporate R/NR)			
	2019-20	18	4.56 CR	Discretionary
	2020-21	13	6.37 CR	Discretionary
	2020-22	8	6.21 CR	Discretionary

"Funds Managed" indicates market value of Asset under Management.

The above figures are given in compliance with SEBI (Portfolio Managers) Regulations, 2020

Complete disclosure in respect of transactions with related parties as per the standards specified by the Institute of Chartered Accountants of India

The disclosure on related party transactions as per the information provided in the Audited Accounts of Elite Wealth Limited for the financial year ended on March 31, 2022.

7.1 Transactions with related parties are as under:

- The Portfolio Manager uses the broking services of M/s. Elite Wealth Limited who is member of BSE and NSE in Cash, Derivatives & Currency.

Names of related parties and nature of relationship (as on March 31, 2022) are as under: -

7.1.1 Enterprises where control Exists- Nil.

7.1.2 Subsidiaries - Elite Insurance Brokers Private Limited

7.1.3 Key Management Personnel

1. Mr. Ravinder Parkash Seth
2. Mr. Ankur Seth
3. Mr. Tarun Gera
4. Mr. Vikram Luthra
5. Mr. Dheeraj Bhatia

7.1.4 Enterprises over which KMP's have Significant influence

1. GSU E Consulting LLP
2. Elite Realty Consultants Private Limited
3. Tradexpan (India) Private Limited
4. Era Resorts Private Limited

Transaction with Related Parties

S. No.	Transaction Type	Name of Related Party/Entity	Relation	Transaction Value for the year 2021-2022	Transaction Value for the year 2020-2021	Transaction Value for the year 2019-2020
1.	Remuneration	Ravinder Parkash Seth	Director	2135000	20,00,000	20,00,000
		Vikram Luthra	Director	1256452	12,50,000	12,50,000
		Dheeraj Bhatia	Director	1197545	9,31,323	9,11,000
		Ankur Seth	Director	500000	-	-
2.	Rent Paid	Ravinder Parkash Seth	Director	-	5,40,000	7,92,000
3.	Rent Paid	Era Resorts Pvt. Ltd.	Enterprises over which KMP's have Significant influence	42000	-	-
4.	Rent Paid	Elite Realty Consultants Pvt. Ltd.	Enterprises over which KMP's have Significant influence	1032000	-	-
5.	Rent Received	Elite Comtrade Private Limited	Subsidiary	-	-	2,40,000

6.	Interest Received	Elite Comtrade Private Limited	Subsidiary	-	-	2,50,438
7.	Loan Received	Elite Comtrade Private Limited	Subsidiary	-	-	4,70,00,000
8.	Loan Received	Ravinder Parkash Seth	Director	48500000	60,00,000	-
9.	Loan Repaid	Ravinder Parkash Seth	Director	48500000	60,00,000	-
10.	Interest Paid	Ravinder Parkash Seth	Director	163383	62,165	-
11.	Brokerage Charged	Vikram Luthra	Director	1938	467.10	-
		Ankur Seth	Director	5410	61865.14	-
		Priyanka Seth	Relative of Director	-	274.87	-
		Ravinder Parkash Seth	Director	330331	354000.33	-
		Dheeraj Bhatia	Director	0	-	-
		Tarun Gera	Director	18058	-	-
12.	Sale of building	Elite Realty Consultants Pvt. Ltd.	Enterprises over which KMP's have Significant influence	4800000	-	-
13.	Sale of Motor Car	Elite Realty Consultants Pvt. Ltd.	Enterprises over which KMP's have Significant influence	735000	-	-
14.	Security Deposits	Elite Realty Consultants Pvt. Ltd.	Enterprises over which KMP's have Significant influence	120000	-	-
15.	Recoveries/ Reimbursement	Elite Realty Consultants Pvt. Ltd.	Enterprises over which KMP's have Significant influence	206216	-	-
16.	Recoveries/ Reimbursement	Elite Insurance Brokers Private Limited	Subsidiary	2000	-	-

* The Elite Comtrade Private Limited is Merged with its holding Company i.e. Elite wealth Limited Pursuant to the provisions of the Section 233 of the Companies Act, 2013 and with the approval of the Regional Director (North) Through its order Dated on 8th day of June, 2021.

8. The Financial Performance of Portfolio Manager (Based on audited Financial Statements) Financial highlights of Elite Wealth Limited for the last 3 years are given as under:

Particulars	Year Ended 31 st March 2022	Year Ended 31 st March 2020	Year 31 st March 2019
Profit/(Loss) before depreciation & Tax & after Exceptional & Extraordinary Items (Net of Tax)	29604442	20201737	13240423
Less: Depreciation	4925292	4598674	3823302
Less: Provision for Tax	5919100	2907468	2386700
Less/(Add): MAT Credit Entitlement	-	-	-
Less/(Add): Deferred Tax	(247272)	37172	202585
Less/(Add): Provision for Tax (for previous Years)	30657	140379	235955
Profit/(Loss) for the Year after tax	18976665	12518043	6591881
Add/(Less): Balance B/F from previous Year	38940734	36402690	35826278
Add/(Less): Appropriations	11976000	9980000	6015468
Balance Carried to Balance Sheet	45941400	38940734	36402691

9. Portfolio Management performance of the Portfolio Manager for the last 3 years and in case of discretionary Portfolio Manager Disclosure of performance indicators calculated using time weighted rate of return method in terms of regulation 22 of the SEBI (Portfolio Managers) Regulation, 2020.

Portfolio Performance (Net of all Cost and Fees)	FY 2021-22	FY 2020-21	FY 2019-20
	01/04/2021 to 31/03/2022	01/04/2020 to 31/03/2021	01/04/2019 to 31/03/2020
Scheme 6 - ELITE VALUE	33.03%	43.29%	-29.65%
BSE 200	19.87%	74.25%	-26.44%

Portfolio Performance (Net of all Cost and Fees)	FY 2021-22	FY 2020-21	FY 2019-20
	01/04/2021 to 31/03/2022	01/04/2020 to 31/03/2021	01/04/2019 to 31/03/2020
Scheme 7 -ELITE OPPORTUNITY	23.97%	43.37%	-30.96%
BSE 500	20.88%	76.62%	-27.48%

10. Audit Observation

There have been no Audit observations by the statutory auditors in the preceding 3 years.

11. Nature of Expenses

1. Investment Management & Advisory Fees:

Investment Management and Advisory fees charged may be a fixed fee or a return based fee or a combination of both as detailed in the Schedule to the Portfolio Management Services agreement. The Fees may be charged upfront and/or at the end of a specified tenure as agreed between the Client and the Portfolio Manager.

2. Custodian/Depository Fees:

As may be decided between the Client and the Portfolio Manager

3. Registrar & Transfer Agent Fees:

Charges payable to registrars and transfer agents in connection with effecting transfer of securities and bonds including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges.

4. Brokerage & Transaction Cost:

The investments under Portfolio Management would be done through registered members of the Stock Exchange(s) who charge brokerage up to a maximum of 2.5% of contract value. In addition to the brokerage, transaction cost like network charges, turnover charges, stamp duty, transaction costs, 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 (including Elite Wealth Limited). Exit loads (if any) on units of Mutual Funds will also be charged from Clients.

5. Securities lending charges:

The charges pertaining to the lending of securities and costs associated with transfers of securities

6. Goods and Service Tax:

As applicable from time to time.

7. Depository Charges:

As may be applicable from time to time.

8. Exit Load

As may be mutually agreed to between the Client and the Portfolio Manager

Upto 12 months- 1.50% of the withdrawal

More than 12 months- Nil

9. Certification and professional charges:

Charges payable for out sourced professional services like accounting, auditing, taxation and legal services etc. for documentation, notarisations, certifications, attestations required by bankers or regulatory authorities including legal fees etc.

10. Incidental expenses:

- Charges in connection with day-to-day operations like courier expenses, stamp duty, service tax, postal, telegraphic, opening and operation of bank account, distribution charges or any other out of pocket expenses as may be incurred by the Portfolio Manager.

Expenses Schedule	
Fixed Management Fees	-2.5 % p.a on portfolio value on day, charged quarterly. OR Fixed Management Fee: -1.5 % p.a on portfolio value on day, charged quarterly. & Variable Fee: -For Return upto 10% p.a. - NIL -For Returns above 10% p.a upto 25% fee on excess returns annually. OR
Hybrid Fee (High Water Mark Principal)	
Performance Based Fee	
Custody Fees	Account Opening Charges INR 300 per account Depository Charges: On Actuals (currently INR 15 per debit to client account) Out of Pocket Expenses - On Actuals (Including courier charges, legal expenses, stamp duties payable)
Brokerage on Trading	Brokerage Rate as applicable on the trade value of every buy and sell transaction.
Exit Load	In first year: 1.5% of amount redeemed. After 1 year: no exit load

The investor may note that may be charged to Clients mentioned below are indicative only. The same will vary depending upon the exact nature of the services to be provided to investors

Portfolio Value:

Fresh Clients: Investment Amount (Securities + Cheque Value) Existing Clients: Value of the Portfolio on Renewal date

Note:

- a. Average daily portfolio value means the value of the portfolio of each client determined in accordance with the relevant provisions of the agreement executed with the client and includes both realized and unrealized gains/losses.
- b. The Portfolio Manager may also be entitled to recover transaction fee, brokerage charges, demat fees, and/or disbursement made in respect of the investments (and/or disbursements) and/or any incidentals in the form of stamp duties, registration charges, professional fees, legal fees, consultancy charges, service charges etc. and such other expenses, duties, charges incurred on behalf of the Client on account of the Service provided to him/her/it.

12. Taxation (Based on Finance Act, 2021)

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

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

Sr. No.	Particulars	Rate
1	Resident individual or HUF or AOP or BOI or any other artificial juridical person (Refer Note: 1)	30%*+ surcharge & cess
2	Foreign companies	30% + surcharge & cess
3	Partnership Firms	30% + surcharge & cess
4	Domestic Company	
	(i) Where its total turnover or gross receipt during the previous year 2018-19 does not exceed Rs. 400 crore	25%+ surcharge & cess
	(ii) Where it opted for Section 115BA	25%+ surcharge & cess
	(ii) Where it opted for Section 115BAA	22%+ surcharge & cess
	(iv) Where it opted for Section 115BAB (Set up and registered after 1st Oct 2019)	15%+ surcharge & cess
	(v) Any other domestic company	30%+ surcharge & cess
5	Non-resident Indians	30%+ surcharge & cess
6	Foreign companies	40% + surcharge & cess

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

Note 1: Union budget 2020, have proposed new section 115BAC to give an option to Individual and HUF to opt for concessional rate of tax provided they do not claim certain exemptions and deductions.

Assesses	Rate of Surcharge & Cess Applicable
Individuals (including NRIs/PIOs), HUFs, Non-Corporate FIs	<ul style="list-style-type: none"> - at the rate of 10% on income tax if income is above Rs. 50 lakh but below Rs. 1 crore - at the rate of 15% on income tax if income is above Rs. 1 crore but below Rs. 2 crore - at the rate of 25% on income tax if income is above Rs. 2 crore but below Rs. 5 crore - at the rate of 37% on income tax if income is above Rs. 5 crore. <p>Health & Education cess of 4% is payable on the total amount of tax including surcharge.</p> <p>The Finance (No. 2) Act, 2019 has been amended to withdraw the enhanced surcharge, i.e., 25% or 37%, as the case maybe, from income chargeable to tax under section 111A and 112A. Hence, the maximum rate of surcharge on tax payable on such incomes shall be 15%. However, where other income of a person does not exceed Rs. 2 crores but after including the incomes as referred to in section 111A and 112A, the total income exceeds Rs. 2 crores then irrespective of the amount of other income, surcharge shall be levied at the rate of 15% on the amount of tax payable on both normal income as well as income referred to in section 111A and 112A.</p>
Firms/ Co-operative society/ local authority	A surcharge of 12% on income tax if income is above Rs. 1 crore. Health & Education cess of 4% is payable on the total amount of tax including surcharge
Companies of following categories: i) Where its total turnover or gross receipt during the previous year 2018-19 does not exceed Rs. 400 crore ii) Where it opted for Section 115BA iii) Any other company other than section 115BAA and 115BAB	<p>Taxable income more than Rs. 1 crores and up to Rs. 10 crore: A surcharge of 7% on income tax and Health & Education cess of 4% is payable on the total amount of tax including surcharge. (A surcharge of 2% in case of foreign companies)</p> <p>Companies where the taxable income is more than Rs. 10 Crore: A surcharge of 12% on income tax and Health & Education cess of 4% is payable on the total amount of tax including surcharge (a surcharge of 5% in case of foreign companies).</p>
Companies option for Section 115BAA and 115BAB	Surcharge rate shall be 10% irrespective of amount of Income and Health & Education cess of 4% is

	payable on the total amount of tax including surcharge.
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Capital Gains Tax

(a) Long Term

For Individuals, HUF, Partnerships Firm and Indian Companies

In case of listed equity shares and securities and units of equity oriented schemes sold on a recognized stock exchange, which are subject to Securities Transaction Tax (currently 0.001% for units of equity oriented scheme and 0.1% on equity shares), the tax on Long Term Capital Gain would be 10% if Capital gain is more than Rs. 1 Lac with a grandfathering clause. Long term capital gains in respect of other than listed securities or units would be subject to tax at the lower of 20% (plus surcharge and education cess) of the gains computed after cost indexation, or 10% (plus surcharge and education cess) of the gains computed without cost indexation.

(b) Short Term

For Resident Individuals, HUF, Partnerships Firm and Indian Companies

Short-term Capital Gains (other than shares or units of equity oriented funds on a recognized stock exchange, which are subject to Securities Transaction Tax) is added to the total income.

Total income including short-term capital gain is chargeable to tax as per the relevant slab rates. However, tax on short term capital gains on sale of shares and units of equity oriented funds on a recognized stock exchange, which are subject to Securities Transaction Tax, would be @ 15% (plus applicable surcharge and an education cess).

Provisions regarding Dividend income and Bonus

According to the provisions of Section 94(7) of the Act, losses arising from the sale/redemption of securities or units purchased within 3 months prior to the record date (for entitlement of dividend or income) and sold within 9 months (3 months in case of securities) after such date, is disallowed to the extent of income on such units (claimed as tax exempt).

According to the provisions of Section 94(8) of the Act, if an investor purchases units within 3 months before the record date (for entitlement of bonus) and sells/redeems the units within 9 months after that date, and by virtue of holding the original units, he becomes entitled to bonus units, then the loss arising on transfer of original units shall be ignored for the purpose of computing his income chargeable to tax. In fact, the loss so ignored will be treated as cost of acquisition of such bonus units.

Switching from one scheme to another

As stated in the respective Scheme Information Documents, switching from one Scheme / option to another Scheme / option will be effected by way of redemption of units of the relevant Scheme / option and reinvestment of the redemption proceeds in the other Scheme/ option selected by the unit holder. Hence, switching will attract the same implications as applicable on transfer of such units.

Consolidation of Schemes

Transfer of units upon consolidation of mutual fund schemes of two or more schemes of mutual fund in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains. Further, transfer of units upon consolidation of plans within mutual fund schemes in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains. Provided that consolidation is of two or more schemes of equity oriented fund or of two or more schemes of funds other than equity oriented fund.

Segregation of Portfolio

No Capital gain shall arise on transfer of units from total portfolio to segregated portfolio as there is no sale of units from the total portfolio. However, if there is sale of units of segregated portfolio then the resultant gain or loss will be considered as short term or long term capital gain depending on the holding period. Holding period of less than 36 months is treated as short term capital gain and the gains will be taxed as per slab rate whereas any holding for more than 36 months will be considered as long term capital gain and the gain will be taxed at the rate of 20% with indexation benefit. Period of holding in the segregated portfolio shall be reckoned from the date when the units were originally allotted to the assessee in the main portfolio and not from the date when such segregated portfolio was created.

Tax withholding:

Resident Investors

As per Circular no. 715 dated August 8, 1995 issued by the CBDT in case of resident Unit holders, no tax is required to be deducted at source from capital gains arising at the time of repurchase or redemption of the units. However, income (other than above) received from Mutual fund specified under section 10(23), units from the administrator of the specified undertaking or units from the specified company will be liable for tax deduction at the rate of 10% if the said amount payable to a person exceeds rupees five thousand during a financial year.

Foreign Portfolio Investors

Under section 196D of the Act, tax is required to be deducted at source at the rate of 20% on dividend income earned by a FPI. No Tax is required to be deducted on capital gain earned by FPI. The remittance to a country with which a Double Tax Avoidance Agreement ('DTAA') is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee.

Non-resident Investors other than FPI's

Under Section 195 of the Act, tax is required to be deducted at source at the rate of 20%/10% (without indexation) on any long-term capital gains arising to non-resident investors from units other than units of an equity oriented scheme. Long term capital gains from equity oriented schemes & listed equity shares are liable to be withheld @10% if the capital gain exceeds Rs. 1 Lakh during the financial year starting from April 1, 2018.

In respect to short-term capital gains from units other than units of an equity oriented scheme, tax is required to be deducted at source at the rate of 30% (Assuming Highest tax bracket for investor) if the payee unit holder is a non-resident non-corporate and at the

rate of 40% if the payee unit holder is a foreign company. In case of equity oriented schemes, tax is required to be deducted at the rate of 15% for both corporate and non-corporate non-resident unit holders.

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

As per circular no. 728 dated October 30, 1995 issued by the CBDT, in the case of a remittance to a country with which a Double Tax Avoidance Agreement ('DTAA') is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee.

Please note:

The tax incidence to investors could vary materially based on residential status, characterization of income (i.e. capital gains versus business profits) accruing to them. The Information provided here is general in nature. Please consult your financial planner before taking decision.

13. Accounting Policies

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

- A. The Portfolio Manager shall maintain a separate Portfolio record in the name of the Client in its book for accounting the assets of the Client and any receipt, income in connection therewith as provided under SEBI (Portfolio Managers) Regulations, 2020.
- B. For every Client Portfolio, the Portfolio Manager shall keep and maintain proper books of accounts, records and documents, for the Client, so as to explain its transactions and to disclose at any point of time the financial position of the Client's Portfolio.
- C. Following Accounting Policies are followed for the purpose of maintaining books of account and record of the clients
 1. The Books of Account of the Client is maintained on an historical cost basis.
 2. Investments are stated at cost of acquisition by the Portfolio Manager.
 3. Dividend income earned shall be recognized, on the date the share is quoted on an ex-dividend basis. For investments, which are not quoted on a stock exchange, dividend income shall be recognized on the date of receipt.
 4. Tax on Dividend from equity will be accounted as below
 - a) In case of Pool client - dividend income will be booked at gross value on ex-date and outflow posted at gross value on same day.
 - b) In case of Non-Pool client - dividend income will be booked at gross value on ex-date, on actual receipt of dividend income will be settled at gross value and separate Tax deduction will be shown under TDS ledger as per the Tax deducted by the company.
 5. Tax Deducted at source will be shown as corpus withdrawal in portfolio.

In case of NRI clients, clients shall open a PINS Bank N e, on such terms as agreed between the bank and the client. Such charges are not for the portfolio management service and accordingly, shall not be reckoned to determine the limit of PMS operating expenses charged. The same will be shown as corpus withdrawal in portfolio.

6. In determining the holding cost of investments and the gains or loss on sale of investments, the First-in-First-out (FIFO) method shall be followed.
7. Transactions for purchase or sale of investments shall be recognized as of the trade date, so that the effect of all investments traded during a financial year is recorded and reflected in the financial statements for that year.
8. Bonus shares shall be recognized when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.
9. For Rights Issue, Rights Entitlement (REs) shall be recognized at NIL cost, when the original shares on which the rights entitlement accrues are traded on the stock exchange on an ex-rights basis. These REs shall be valued at available closing price on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE). In case, closing price of NSE and BSE are unavailable, same will be valued at fair value basis as per Fund Manager's discretion. These REs (if applied for issue), will be converted to original shares on allotment of shares into investor's demat accounts.
10. Traded equity securities and warrants are valued at the last quoted closing price on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE). However, if the equity securities and warrants are not listed/traded on NSE/BSE, as the case may be the securities are valued at the last quoted closing price on the exchange where it is principally traded. When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on NSE or any other stock exchange as the case may be, on the earliest previous day is used, provided that such day is not more than thirty days prior to the valuation date.
11. Private equity/Pre IPO placements will be valued at cost or at a last deal publicly available price at which company has placed shares to other investors till it is listed.
12. In respect of all interest-bearing securities, income shall be accrued on a day-to-day basis as it is earned. Therefore when such investments are purchased, interest paid for the period from last interest due date upto date of purchase shall not be treated as cost of purchase but shall be debited to Interest Recoverable Account. . Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale shall not be treated as an addition to sale value but shall be credited to Interest Recoverable Account.
13. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment.
14. All other expenses payable by the Client shall be accrued as and when Liability is incurred.

Unrealized gain/losses are the differences, between the current market value/ Net Asset Value and the historical cost of the securities (Acquisition)/price at which securities are valued on the date of admitting as a Corpus.

Where investment transaction take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction should 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.

15. Debt securities shall be valued as per the prices given by third party valuation agencies like ICRA, CRISIL or any other recognized valuation agencies.

16. Open positions in derivative transactions, will be marked to market on the valuation day.
17. In case of listed investments in mutual fund, valuation shall be at the last quoted closing price at the principal stock exchange. If the traded price is not available, then last declared net asset value of the schemes by the respective fund house will be considered for valuation. Investments in unlisted mutual fund schemes are valued based on the last declared net asset value of the schemes by the respective fund house.
18. In case of Scheme of Arrangements like demergers, Spin offs etc. cost ratio of the existing and new scrip/s will be adjusted on the basis of Cost Apportionment ratio shared by respective companies. In case of exceptional circumstances, valuation shall be done on a fair value basis as determined by the AMC. Such fair valuation principles could be the difference between the price as existed on the date previous to the ex-date and the ex-date price of the existing equity shares, duly adjusted for discount, if any. Any unlisted / pending listing resultant / new scrip arising out of such corporate action will be valued at cost, till the time, it is listed on recognized exchange/s.
19. The securities received toward corpus and added to the portfolio are valued and accounted at the previous day closing rate of NSE & the securities withdrawn as corpus are valued and accounted at the closing rate of NSE as on the date of withdrawal.

In case closing rate of NSE as mentioned above is not available on the transaction date, the latest available price on the BSE/ NSE is considered.

The accounting policies and standards as outlined above are subject to changes made from time to time by Portfolio Manager. However, such changes would be in conformity with the Regulations.

14. Investors Services:

- (i) Details of investor relation officer who shall attend to the investor queries and complaints is mentioned herein below:

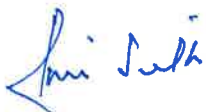
Name of Investor Relation Officer	Mr. Diwan Singh
Contact No.	011-42445757
Email Address	compliance@elitewealth.in and investorquery@elitewealth.in
Office Address	S-8, DDA Shopping Complex, Mayur Vihar, Phase-I, Delhi-110091

- (ii) Grievance redressal and dispute settlement mechanism:
- a The Investment Relation Officer(s) will be the interface between the Portfolio Manager and the Client. In case the Client is not satisfied with the redressal by the Portfolio Manager or otherwise, the Client may lodge the complaint on SEBI's web-based complaints redress system (SCORES).
 - b Grievances, if any, that may arise pursuant to the Portfolio Investment Management Agreement entered into shall as far as possible be redressed through the administrative mechanism by the Portfolio Manager and are subject to SEBI (Portfolio Managers) Regulations, 2020 and any amendments made thereto from time to time. However, all the legal actions and proceedings are subject to the jurisdiction of court in Mumbai only and are governed by Indian laws.

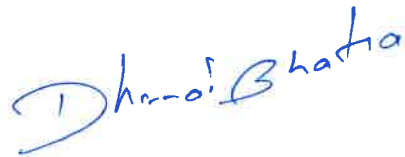
The Portfolio Manager will endeavor to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. If the Investor remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the investor and the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

All disputes, differences, claims and questions whatsoever arising between the Client and the Portfolio Manager and/or their respective representatives shall be settled through Arbitration process as described in the Portfolio Investment Management Agreement or any Supplemental Agreement thereto.

**For and on behalf of
Elite Wealth Limited**



**Mr. Ravinder Prakash Seth
Managing Director**



**Mr. Dheeraj Bhatia
Director**

Date: 09.11.2022

Place: New Delhi

FORM C

Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020
[Regulation 22]

ELITE WEALTH LIMITED

S-8, DDA Shopping Complex, Mayur Vihar Phase-1, Delhi-110091

Tel: 011-42445701, Fax: 22793402, E-mail: compliance@elitewealth.in

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 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 through the Portfolio Manager.
- iii) the Disclosure Document has been duly certified by an independent chartered accountant (MAPSS AND COMPANY (FRN: 012796C), AT-512 MIG Flat G-8, 3rd Floor, Rajori Garden, Delhi-110027, Phone No: 0120-4375193) on 09.11.2022

(Enclose a copy of the chartered accountant's certificate to the effect that the disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision)

Date: 12.12.2022

Place: Delhi



Ravinder Parkash Seth

Principal Officer

C-4 Sector-44, Near Amity School

Gautam Buddha Nagar, Noida

UP-201301

Elite Wealth Limited

(Formerly known as Elite Wealth Advisors Ltd.)

(MEMBER : NSE, BSE, DP : NSDL / CDSL)

Corporate Office : S-8, DDA Shopping Complex, Mayur Vihar, Phase-1, Delhi-110091

Tel.: 011-42445757, 43035555, 43035517, 22758145 • Fax : 011-22793402 • E-mail : info@elitewealth.in

Regd. Office : Casa Picasso, Golf Course Extension Road, Near Rajesh Pilot Chowk, Sector-61, Gurgaon-122001 (Haryana)

Corporate Identity Number : U74899HR1990PLC035764





MAPSS AND COMPANY

Chartered Accountants

CERTIFICATE

To
The Board of Directors
Elite Wealth Limited
Cassa Picaso, Golf Course Extn. Road,
Near Rajesh Pilot Chowk,
Radha Swami, Sector -61,
Gurugram - 122001

You have requested us to provide a certificate on the Disclosure document for Portfolio Management Services ("The Disclosure Document") of Elite Wealth Ltd ("the Company"). We understand that the disclosure document is required to be submitted to the Securities and Exchange Board of India ("SEBI")

1. The Disclosure Document and compliance with the Securities and Exchange Board of India (Portfolio Managers) Regulation 2020 ("the SEBI Regulation") and the Guidelines issued by SEBI dated 13th Feb 2020 is the responsibility of the management of the Company. Our responsibility is to report in accordance with the Guidance Note on Audit and Certificates for Special Purpose issued by the Institute of Chartered Accountants of India. Further, our scope of work did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statement taken as a whole. We have not performed an audit, the objectives of which would be the expression of opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.
2. In respect to the information given in the Disclosure Document, we state that:-
 - a. The list of persons classified as Associate or Group Companies and list of related Parties are relied upon as provided by the company.
 - b. The Promoter's and Director's qualification, experience, ownership details are as declared by them and have been accepted without further verification.
 - c. We have relied on the representation given by the management of the company in respect of penalties or litigations against the Portfolio Manager mentioned in Disclosure Document
 - d. We have relied upon the representation of the management of the company in respect of Assets under Management of Rs 6.37 Cr as on 31st March 2021 and Rs 6.21 as on 31st March 2022.
3. Read with above and on the basis of our examination of books of accounts, records, statements produced before us and to the best of our knowledge and according to the information, explanations and representations given to us, we certify that the disclosure made in Disclosure Document dated 9th Nov 2022 are true and fair in accordance with

AT-512 MIG Flat G-8, 3rd Floor, Rajori Garden, Delhi – 110027
Email : gpaca001@gmail.com; Phone : 0120-4375193





MAPSS AND COMPANY

Chartered Accountants

the disclosure requirements laid down in Regulation 22 read with Schedule V of the SEBI Regulations. A management certified copy of disclosure document is enclosed herewith.

This certificate is intended solely for the use of the management of the company for the purpose specified in the paragraph 1 above.

For : M/s MAPSS AND COMPANY
Chartered Accountants
Firm Reg No. : 012796C



(Deepankar Seth)
Partner

Membership No. : 078731

UDIN : **22078731BFENRS2977**

Date : 9th Nov 2022

Place : Delhi

