

PMS DISCLOSURE DOCUMENT

(As per the requirement of Fifth Schedule of Regulation 14 of Securities and Exchange Board of India (Portfolio Managers) Regulation 1993)

- 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 14 of the SEBI (Portfolio Managers) Regulations, 1993.
- 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 Advisors Limited** as a Portfolio Manager (**Popularly known as “EWAL”**).
- 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. This Document supersedes the Disclosure Document dated **31.03.2017**, filed with SEBI.
- v. The following are the Details of the Portfolio Manager:-

Name of the Portfolio Manager	Elite Wealth Advisors Limited
SEBI Registration No.	INP000003021
Registered Office Address	Casa Picasso, Golf Course Extension, Near Rajesh Pilot Chowk, Radha Swami, Sector-61 Gurgaon Gurgaon HR 122001
Corporate Office Address	S - 8 , DDA Shopping Complex, Mayur Vihar, Phase - I Delhi 110091
Phone No.	011-43035545
Fax No.	011-22795783
Email ID	compliance@elitewealth.in
Website	www.elitewealth.in

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

Name of Principal Officer	Mr. Ravinder Prakash Seth
Contact No.	+91 9810126072
Email Address	raviseth@elitewealth.in
Office Address	S - 8 , DDA Shopping Complex, Mayur Vihar, Phase - I Delhi 110091

Dated: March 31, 2018

Index of Contents

Item No.	Contents	Page No.
1	Disclaimer clause	3
2	Definitions	3
3	Description	6
4	Penalties, pending litigations or proceedings, findings of inspections or investigations for which actions may have been taken or initiated by any regulatory authority.	8
5	Services offered	9
6	Risk Factors	11
7	Client Representation	12
8	The Financial Performance of Portfolio Manager	14
9	Portfolio Management Performance of the Portfolio Manager	14
10	Nature of Expenses	15
11	Taxation	16
12	Accounting Policies	18
13	Investor Services	18

1) Disclaimer clause:

The particulars given in this Document have been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 1993 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) “**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 any person who carries on or proposes to carry on the business of providing custodial services in accordance with the regulations issued by SEBI from time to time.

(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.

(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(cb) of the SEBI (Portfolio Managers) Regulations, 1993 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) **“Qualified Client”** means any Person (being over the age of 18 in the case of a natural person) (i) who is a fit and proper person, (ii) complies with know your client (KYC/CKYC) norms stipulated by the Investment Manager and SEBI, (iii) has not been convicted of any offence, (iv) has a sound financial standing and credit-worthiness, and (v) is willing to execute necessary documentation as stipulated by the Portfolio Manager and other than any Person, which cannot subscribe to the strategy without being in breach of any law or requirement of any country or governmental authority in any jurisdiction whether on its own or in conjunction with any other relevant circumstances.

(w) **“Regulations”** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as may be amended from time to time.

(x) **“Scheduled Commercial Bank”** means any bank included in the second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934).

(y) **“SEBI”** means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the SEBI Act.

(z) **“Securities”** includes: “Securities” as defined under the Securities Contracts (Regulation) Act, 1956 as amended from time to time and includes:

- (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 Securitisation 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) any certificate or instrument (by whatever named called), issued to an investor by any issuer being a special purpose distinct entity which possesses any debt or receivable, including mortgage debt, assigned to such entity, and acknowledging beneficial interest of such investor in such debt or receivable, including mortgage debt;
- (vii) Government securities;
- (viii) such other instruments as may be declared by the Central Government to be securities;
- (ix) 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:

i. History, Present Business and Background of the Portfolio Manager:

Elite Wealth Advisors Limited (“EWAL”) is a 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 Advisors Limited was registered with SEBI as a Portfolio Manager vide registration no. **INP000003021** under SEBI (Portfolio Managers) Regulations 1993.

Elite Wealth Advisors 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:

a. Promoter:

Mr. Ravinder Prakash Seth is a Promoter of “EWAL” who singly owns **75.29%** stake in the company with his family members. After working on several projects in India and abroad, he founded and promoted Elite Wealth Advisors 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 “EWAL” has made a mark as one of the prominent Stock Brokers in National Capital Region.

Directors and their background:

Name	Qualification	Brief Experience
Mr. Ravinder Parkash Seth, Managing Director	Electronics Engineering Graduate	<p>Mr. Ravinder Parkash Seth, CEO & Managing Director of the Elite Wealth Advisors 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 Damman as Bio Medical Engineer for 7 years.</p> <p>After working on several projects in India and abroad, he founded and promoted “EWAL” as a Stock Broking Company. His valuable experience in the Stock Market has brought the company to current heights and under his leadership “EWAL” has made a mark as one of the prominent Stock Brokers in National Capital Region.</p>

Mr. Ankur Seth, Director	MBA	Mr. Ankur Seth is a Director of Elite Wealth Advisors 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 Advisors Limited. He possesses 25 years of experience as an investor in the Securities Market.
Mr. Vikram Luthra, Director	B. Tech	Mr. Luthra is the Director & COO of Elite Wealth Advisors 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 Advisors Limited. He has more than 10 years of experience in finance, Taxation and Corporate Affairs.

ii. **Group company information (i.e. information related to top 10 Group Companies / firms of the Portfolio Manager on turnover basis) (as per the audited financial statements for the year ended March 2018:**

1. Elite Comtrade Pvt Limited-Subsidiary (Engaged in dealing the Commodity Derivatives)
2. Elite Insurance Brokers Pvt Ltd.-Subsidiary (Wholly Owned Subsidiary- Registered with IRDA)

iii. **Details of the services being offered:**

a. **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.

b. Non - Discretionary Services:

Under the Non-Discretionary Portfolio Management Services, the portfolio of the Client shall be managed in consultation with the Client. Under this service, the Assets will be managed as per express prior instructions issued by the Client from time to time. The Client will have complete discretion to decide on the investment (Stock Quantity and Price or amount). The Portfolio Manager inter alia manages transaction execution, accounting, recording or corporate benefits, valuation and reporting aspects on behalf of the Client entirely at the Client's risk.

c. Advisory Services:

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

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

1. All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Regulations made there under relating to Portfolio Management Services.

None

2. The nature of the penalty/direction.

NOT APPLICABLE

3. Penalties imposed for any economic offence and/or for violation of any securities laws relating to Portfolio Management Services.

None

4. Any pending material litigation/legal proceedings against the Portfolio Manager/key personnel with separate disclosure regarding pending criminal cases, if any.

None

5. Any deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency in relation to Portfolio Management Services for which action may have been taken or initiated.

None

6. Any enquiry/adjudication proceedings initiated by the Board against the Portfolio Manager or its directors, principal officer or employee or any person directly or indirectly connected with the Portfolio Manager or its directors, principal officer or employee, under the Act or Regulations made there under relating to Portfolio Management Services.

Details as on 31.03.2018 are provided as per Annexure -

5) Services Offered

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

Elite Opportunity Fund:

Fund Manager: Mr. Vindhyachal Prasad

Benchmark: Nifty Mid cap 200

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.

Key features:

- Build a focused portfolio with exposure to conviction ideas with buy and hold approach.
- Multi-cap story with higher exposure towards mid-cap & small-cap
- Investment Horizon: 3 Years+
- For investors who look forward for long term wealth creation.
- 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

Elite Value Fund:

Fund Manager: Mr. Vindhyachal Prasad

Benchmark: Nifty Mid cap 100

Objective:

The scheme is suited for investors who seek long term capital appreciation with moderate risk.

Key features:

- Moderate Risk Moderate Return
- Multi-cap story with higher exposure towards Mid-cap and Large cap
- Focus on well run companies that leaders in their field of operations or are in the top quartile of their peer groups
- Investment Horizon: Long term
- For investors who look forward for long term wealth creation
- 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
-

Elite Growth Fund:

Fund Manager: Mr. Vindhyachal Prasad

Benchmark: BSE Top 100

Objective:

To generate capital appreciation by investing in concentrated companies along with futuristic businesses model. The scheme is suited for investors who seek long term capital appreciation with moderate risk.

Key features:

- Build a focused portfolio with exposure to conviction ideas with buy and hold approach.
- Large cap and some mid and small cap companies with futuristic business model
- Investment Horizon: 3 Years+
- For investors who look forward for long term wealth creation.
- 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.
- Follows a valuation based stock selection strategy.

NOTE:

- Investment under Portfolio Management Services will be only as per the SEBI Regulations on PMS.
- 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, for interest.
- The Portfolio Manager will not invest any of the funds of the Client in the shares, debt, deposits and other financial instruments of group companies of the Portfolio Manager.

Apart from Discretionary Portfolio Management Services, the Portfolio Manager also offers Non-Discretionary Portfolio Management Services wherein the choice as well as the timings of the investment decisions rest solely with the Client. The Portfolio Manager manages the Assets of the Client in accordance with the directions given by the Client. Further the Portfolio Manager also offers Advisory Portfolio Management Services wherein the Portfolio Manager only renders investment advice to the Client in respect of securities. Discretion to execute the transactions and responsibility for execution /settlement of the transactions lies solely with the Client.

6) Risk Factors:

The investments made in securities are subject to market risk and there is no assurance or guarantee that the objectives of investments will be achieved. Following are the risk factors as perceived by management:

- Investment in equities, derivatives and mutual funds and Exchange Traded Index Funds are subject to market risks and there is no assurance or guarantee that the objective of investments will be achieved.
- As with any investment in securities, the Net Asset Value of the portfolio can go up or down depending upon the factors and forces affecting the capital markets.
- The performance of the portfolio may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems in equity and debt markets.
- The past performance of the Portfolio Manager does not indicate its future performance. Investors are not being offered any guaranteed returns.
- The performance of the Assets of the Client may be adversely affected by the performance of individual securities, changes in the market place and industry specific and macro economic factors. The investment strategies are given different names for convenience purpose and the names of the Strategies do not in any manner indicate their prospects or returns.
- Investments in debt instruments and other fixed income securities are subject to default risk, liquidity risk and interest rate risk. Interest rate risk results from changes in demand

and supply for money and other macroeconomic factors and creates price changes in the value of the debt instruments. Consequently, the Net Asset Value of the portfolio may be subject to fluctuation.

- Investments in debt instruments are subject to reinvestment risks as interest rates prevailing on interest amount or maturity due dates may differ from the original coupon of the bond, which might result in the proceeds being invested at a lower rate
- The Portfolio Manager may invest in non-publicly offered debt securities and unlisted equities. This may expose the Client's portfolio to liquidity risks.
- Engaging in securities lending is subject to risks related to fluctuations in collateral value/settlement/liquidity/counter party.
- 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.
- There are inherent risks arising out of investment objectives, investment strategy, asset allocation and non-diversification of portfolio.
- The Net Asset Value may be affected by changes in settlement periods and transfer procedures.

7) Client Representation

Sl No	Category of Client	Total No of Clients	Assets Under Management (Rs in Cr.)**	Discretionary / Non Discretionary
i)	Associate /Group Companies	NIL	NIL	N.A
ii)	Others : (for last 3 Years) (Individual R/NR/Corporate R/NR)			
	2015-16	24	11.75 Cr	Discretionary
	2016-17	23	13.17 Cr	Discretionary
	2017-18	37	17.00 Cr	Discretionary

“Funds Managed” indicates market value of Asset under Management.

The above figures are given in compliance with amendment to the SEBI (Portfolio Managers) Regulations, 1993 dated August 11, 2008.

i. **Transactions with related parties are as under:**

- The Portfolio Manager uses the broking services of **M/s. Elite Wealth Advisors Limited** who is member of BSE and NSE in Cash, Derivatives & Currency.
- Names of related parties and nature of relationship (as on March 31, 2018) are as under:-
 - a. **Enterprises where control exists-Nil**
 - b. **Subsidiaries**
 - Elite Comtrade Private Limited
 - Elite Insurance Brokers Private Limited
 - c. **Key management personnel**
 - 1. Mr. Ravinder Parkash Seth
 - 2. Mr. Ankur Seth
 - 3. Mr. Tarun Gera
 - 4. Mr. Vikram Luthra
 - 5. Mr. Dheeraj Bhatia

Transactions with Related Parties

Sl	Transaction Type	Name of Related Entity	Relation	Transaction Value for the year 2017-18	Transaction Value for the year 2016-17
1	Remuneration	Ravinder Prakash Seth	Director	19,20,000	19,20,000
		Vikram Luthra	Director	10,88,000	8,78,400
		Dheeraj Bhatia	Director	7,38,000	6,12,000
2	Rent Paid	Ravinder Parkash Seth	Director	460356	541612
3	Sharing of Common cost	Elite Comtrade Pvt Ltd	Subsidiary	1320740	1558261
4	Rent Received	Elite Comtrade Pvt Ltd	Subsidiary	720000	600000
5	Interest Received	Elite Comtrade Pvt Ltd	Subsidiary	323288	0
6	Loan Received	Elite Comtrade Pvt Ltd	Subsidiary	19500000	0
7	Loan Repayment	Elite Comtrade Pvt Ltd	Subsidiary	0	19500000

8) The Financial Performance of Portfolio Manager (Based on audited financial Statements)

Financial highlights of Elite Wealth Advisors Limited for the last 2 years are given as under:

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Profit/(Loss) before depreciation & tax & After Exceptional & Extraordinary Items (Net of Tax)	13048065	14455272
Less: Depreciation	4768318	5579916
Less: Provision for tax	2339913	3031760
Less/(Add): MAT credit entitlement	-	-
Less/(Add): Deferred Tax	352532	(304279)
Less/(Add): Provision for Tax (for previous years)	-	-
Profit/(Loss) for the year after tax	5587302	6147876
Add/(Less): Balance B/F from Previous year	31626511	34437020
Add/(Less): Appropriations	5673928	8958384
Balance carried to Balance Sheet	31539885	31626512

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 weighted average method in terms of regulation 14 of the SEBI (Portfolio Managers) Regulation 1993

Portfolio Performance in percentage (%)

	Index	Portfolio
FY15-16	-7.942	-2.741
FY16-17	17.571	22.840
FY17-18	10.508	2.748

10) Nature of expenses:

i) 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.

ii) Custodian Fees: As may be decided between the Client and the Portfolio Manager

iii) Registrar & Transfer Agent Fees: NIL

iv) 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 Advisors Limited). Exit loads (if any) on units of Mutual Funds will also be charged from Clients.

v) Goods and Service Tax:

As applicable from time to time.

vi) Depository Charges:

As may be applicable from time to time.

vii) 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

viii) 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.

ix) 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.

Investors may note that, the fees/ expenses 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.

	Nature of Expenses (Indicative)	Maximum Indicative Rate of Fee (%)
I	Investment Management and Advisory fee**	
	1 Fixed Fee	Up to 10%
	2 Fixed Upfront fee	Up to 10%
	3 Performance Linked Fee as permitted under the Regulations	Up to 50% of the Returns
	4 Exit Loads	Up to 20%
II	Custodian Fee**	Up to 1%
III	Brokerage and transaction costs	Maximum of 2.5% of contract value
IV	Fund Accounting Charges	Up to 1%
	***Basis of Charge – Indicative (any one or a combination of the below)	
	1 On Average Daily Assets Under Management	
	2 On Capital Invested	
	3 On Capital Committed	
	4 On Average Daily of the Portfolio ***	

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.

11) Taxation

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.

Income Tax:

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

Resident individual & HUF 30% + surcharge & cess

Partnership Firms & Indian Companies 30% + surcharge & cess

(other than specified companies below)

Indian Companies having turnover less than 50 crores during the financial year 2017-18

25% + surcharge & cess

Non-resident Indians 30% + surcharge & cess

Foreign companies 40% + surcharge & cess

Health & Education Cess is 3%.

Assesses	Rate of surcharge & Cess applicable
Individuals (including NRIs/PIOs), HUFs, Non-Corporate FIIs	A surcharge of 10% on income tax if income is above Rs. 50 lakh but below Rs. 1 crore. For income above Rs. 1 crore surcharge shall be 15 % on income tax (on income above 1 crore). Health & Education cess of 3% is payable on the total amount of tax including surcharge.
Companies where the taxable income more than Rs. 1 crores and upto Rs. 10 crore	A surcharge of 7% on income tax and Health & Education cess of 3% is payable on the total amount of tax including surcharge. (A surcharge of 2% in case of foreign companies).
Companies where the taxable income is more than Rs. 10 Crore	A surcharge of 12% on income tax (on income above 10 crores) and Health & Education cess of 3% is payable on the total amount of tax including surcharge.(a surcharge of 5% in case of foreign companies).

Capital Gains Tax

(a) Long Term

For Individuals, HUF, Partnerships Firm and Indian Companies

From October 1, 2004 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 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 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 units purchased within 3 months prior to the record date (for entitlement of dividends) and sold within 9 months 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.

Tax Deduction at Source

TDS is deductible on interest income and would be deducted by the issuer of such security.

12) Accounting Policies:

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

Investments in Equities, Exchange Traded Funds and Debt instruments will be valued at closing market prices of the exchanges (BSE or NSE as the case may be) or the Repurchase Net Asset Value declared for the relevant scheme on the date of the report or any cut-off date or the market value of the debt instrument at the cut off date. Alternatively, the last available prices on the exchange or the most recent NAV will be reckoned. In case of structured products, the portfolio will be valued at the face value of the product until the expiry of the tenure.

a) Realized gains/ losses will be calculated by applying the first in / first out principle. The Portfolio Manager and the Client can adopt any specific norms or methodology for valuation of investments or accounting the same as may be mutually agreed between them on a case specific basis.

b) For derivatives and futures and options, unrealised gains and losses will be calculated by marking to market the open positions.

c) Unrealised gains/losses are the differences in between the current market values/NAV and the historical cost of the securities.

d) Dividend on equity shares and interest on debt instruments shall be accounted on accrual basis. Further Mutual Fund dividend shall be accounted on receipt basis. Other income like bank interest, interest on FD etc. shall also be accounted on receipt basis.

e) Bonus shares shall be recognised only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.

f) Right entitlement shall be recognized only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.

g) The cost of investment acquired or purchased shall include brokerage, stamp duty and any charge customarily included in the brokers cost note/bought note.

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.

13) 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. Sanjay Dutt Sharma
Contact No.	+91 9650391805
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 1993 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 endeavour to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time. If the Investor remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, the investor and the Portfolio Manager shall abide by the following mechanisms:-

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

For Gyan Praveen & Associates

For Elite Wealth Advisors Limited

**Sd/-
Deepanker Seth
Membership No.: 078731**

**Sd/-
(Mr. Vikram Luthra)
Director**

**Sd/-
(Mr. Dheeraj Bhatia)
Director**

**Date:15.05.2018
Place: Delhi**