

Wellworth

Lead you to achieve financial goal

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 in a manner to assist and enable the investors in making informed decision for engaging Wellworth Share & Stock Broking Ltd. as a Portfolio Manager **SEBI Registered INP000005768**.
- iii. The Disclosure Document contains the necessary information about the Portfolio Manager, required by an investor before investing, and the investor may also be advised to retain the document for future reference.
- iv. The name, phone number, e-mail address of the principal officer so designated by the Portfolio Manager is :

Name of the principal officer	Mr. Hemant Shah
Phone	91-22-67159006/91-22-67159007
Email	hemant.shah@wellworthgroup.co
Address	501, Akruti Orion, Shraddhanand Road, Vile Parle (E), Mumbai - 400057.

For Wellworth Share & Stock Broking Ltd.

Principal Officer
(Mr. Hemant Shah)

Date : 10 October 2018

Place : Mumbai.

WELLWORTH SHARE AND STOCK BROKING LTD. (PMS)

MEMBERS: • BSE • NSE • CDSL • MSEI **SEBI Reg No. (PMS):** INP000005768

501, AKRUTI ORION, 5TH FLOOR, SHRADDHANAND ROAD, VILE PARLE (EAST), MUMBAI - 400 057, INDIA • CIN No.: U67120MH1996PLC006977
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(As required under Regulation 14 of SEBI (Portfolio Managers) Regulations, 1993)

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1) DISCLAIMER :

The particulars given in this Document have been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 1993 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:-

"Act" means the Securities and Exchange Board of India, Act 1992 (15 of 1992).

"Agreement" means agreement between Portfolio Manager and its Client and shall include all Schedules and Annexures attached thereto.

"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.

"Assets" means (i) the Portfolio and/or (ii) the Funds.

"Body Corporate" shall have the meaning assigned to it in or under clause (7) of section 2 of the Companies Act, 1956 (91 of 1956);

"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.

"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.

"Client" means the person who enters into an Agreement with the Portfolio Manager for managing its portfolio and /or funds.



"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.

"Depository" means depository as defined in the Depositories Act, 1996.

"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.

"Disclosure Document" means this Disclosure Document for offering Portfolio Management Services submitted to SEBI from time to time.

"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.

"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.

"Document" means this Disclosure Document.

"Financial Year" means the year starting from April 1 and ending on March 31 of the following year.

"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

"Funds managed" means the market value of the Portfolio of the Client as on date.

"HUF" means the Hindu Undivided Family as defined in Section 2 (31) of the Income Tax Act, 1961.

"Initial Corpus" means the value of the Funds and the market value of readily realizable Securities brought in by the Client at the time of commencing of his relationship as a Client with the Portfolio Manager and accepted by the Portfolio Manager. The Securities brought in by the



Client in the form of Securities shall be taken at the last available closing price on the day of transfer of Securities in the Depository Account. The Portfolio Manager shall not accept from client, funds or securities worth less than twenty five lakhs rupees.

"NRI" means Non Resident Indian as defined in Section 2 (30) of the Income Tax Act, 1961.

"NAV" means Net Asset Value, which is the price that the Investment would ordinarily fetch on sale, in the open market on the relevant date, less any receivables and fees due.

"Parties" means the Portfolio Manager and the Client; and "Party" shall be construed accordingly.

"Person" includes any individual, partners in partnership, central or state government, company, body corporate, cooperative society, corporation, trust, society, Hindu Undivided Family or any other body of persons, whether incorporated or not.

"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.

"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.

"Principal Officer" means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager.

"RBI" means Reserve Bank of India.

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

"Portfolio Management Services" means the Discretionary Portfolio Management Services or Non Discretionary Portfolio Management Services or Investment Advisory Services, as the context may require.

"Product / Option" means any of the current investment Product/Option or such Product/Option that may be introduced at any time in the future by Portfolio Manager.

"WSSBL" means Wellworth Share & Stock Broking Ltd.



"Rules" means the Securities and Exchange Board of India (Portfolio Managers) Rules, 1993.

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

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

"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) Government securities;
- (vii) Such other instruments as may be declared by the Central Government to be securities;
- (viii) Rights or interest in securities;

"Strategy" means any of the current investment Strategy or such Strategies / Portfolio that may be introduced at any time in future by the Portfolio Manager.

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

WSSBL is a company registered under the Companies Act, 1956 on 6th February, 1996, having its registered office at 501, Akruti Orion, Shradhdhanand Road, Vile-Parle (E), Mumbai - 400 057.



For more than 19 years, we have been committed to providing exceptional client service through building relationships and continually working to improve investing experience of our clients. Wellworth offers the perfect blend of financial services right from Equity Broking, Portfolio Management Services, Mutual Fund Investments, Insurance and Depository Services.

WSSBL acquired the membership of the Bombay Stock Exchange of India in April 1999. Subsequently the Company acquired the membership of National Stock Exchange in April 2004 and is conducting business of Broking activity till date. WSSBL obtained the membership of the depository services i.e., CDSL in the month of May 2001 & serves more than 25000 clients as on date.

The company offers Broking, DP & PMS services to high Net worth individuals (HNI's)/ corporate/retail individuals who are resident Indians and NRI/PIO's for investment into the listed equity market as per the rules and regulations laid down by SEBI and RBI.

The Company is registered with the Securities and Exchange Board of India (SEBI) as Portfolio Manager vide Registration No.INP000005768

WSSBL is managed by professionals having expertise in the following disciplines:

- Equity Investments
- Derivatives
- Equity Research
- Portfolio Management Services
- Mutual Fund
- Insurance
- Financial Planning..
- Depository Services (CDSL)

(ii) Promoters of the Portfolio Manager, Directors and their background

Name	Qualification	Brief Experience
Mr. Bhavesh Mehta	B.Com, LLB (Gen)	Has been associated with WSSBL since 19 years and has played a major role in the growth of the Company. He has been involved in the day to day working and possesses immense knowledge regarding the markets and its functioning. He has been dealing with compliance since the past several years and is well versed with regulatory compliances. He is actively Involved in day to day activity



		of Operation, Risk Management, Compliance and overall working of the company
Mr. Ramakant Tibrewala	B.Com	He has been associated with the WSSBL since last 19 years and has played an instrumental role in the growth of the company. He is also on the Board of Roha Dyechem a company, which is a global color-manufacturing giant based out of India and having offices in 15 countries. He is an active member of the Rotary Club of Mumbai- North End.
Mr. Shrikant Tibrewala	B.Com	He has been associated with the WSSBL since last 19 years and has played an instrumental role in the growth of the company. He is also on the Board of Roha Dye chem a company, which is a global color-manufacturing giant based out of India and having offices in 15 countries.

(iii) Top Ten Group Companies

Sr. No	Name of Associate Companies/ Concern
1.	WELLWORTH COMMODITIES BROKING PRIVATE LIMITED
2.	ROHA DYE CHEM PRIVATE LIMITED
3.	JAGDISH TEXTILES PRIVATE LIMITED
4.	SAPIN CHEMICALS PRIVATE LIMITED
5.	RS GLOBAL INFOTECH LIMITED
6.	STEINMETZ OVERSEAS PRIVATE LIMITED
7.	WISDOM WELLNESS PRIVATE LIMITED
8.	ROHA INFOTECH LIMITED
9.	ROHA LEASING & FINANCING LTD
10.	WELLWORTH CAPITAL SERVICES PVT LTD

(iv) Details of the services being offered: Discretionary/ Non-discretionary/ Advisory.

Discretionary Services

Under these services, the choice as well as the timings of the investment decisions rest solely with the portfolio manager. In other words the portfolio manager shall have the sole and absolute discretion to invest clients' funds in any type of securities and in any market as it deems fit as per the executed agreement. The Securities invested/ disinvested by the portfolio manager for client in the same Strategy may differ from client to client. The portfolio managers' decision (taken in good faith) in deployment of the Clients' account is absolute and final and cannot be called in question or be open to review at any time during the currency of the agreement or any time thereafter except on the ground of malafide intent,



fraud, conflict of interest or gross negligence etc. Periodical statements in respect of client's portfolio are sent to the respective clients

Non discretionary Services

Under this Strategy Portfolio Manager manages the funds / securities in accordance with the directions of the client.

Advisory Services

The Portfolio Manager will also 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 portfolio strategy and Investment and divestment of individual securities on 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/ divestment of securities and/ or administrative activities on the client's 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. The clients of the portfolio managers could be Indian resident investors and / or offshore investors.

The services provided to clients are in accordance with the legal agreements / other documents executed with them.

4) PENALTIES, PENDING LITIGATION OR PROCEEDINGS ETC.

1.	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made there under relating to Portfolio Management Services.	N.A.
2.	The nature of the penalty/ direction.	N.A.
3.	Penalties imposed for any economic offence and/or for violation of any securities laws relating to Portfolio Management Services.	N.A.
4.	Any pending material litigation/legal proceedings against the Portfolio Manager/key personnel with separate disclosure regarding pending criminal cases, if any.	N.A.
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.	N.A.
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.	N.A.



No penalties / directions have been issued by the SEBI under the SEBI Act or Regulations made there under relating to Portfolio Management Services. There are no pending material litigations or legal proceedings, findings of inspections or investigations for which action has been taken or initiated by any regulatory authority against the Portfolio Manager or its Directors, principal officers or employees or any person directly or indirectly connected with the Portfolio Manager under the SEBI Act and Regulations made there under relating to Portfolio Management Services.

Being an experienced player in Broking field, Wellworth Share and Stock Broking Ltd (PMS) has appointed M/s. Wellworth Share and Stock Broking Ltd. as its broker.

5) SERVICES OFFERED :

- (i) The portfolio Manager may provide Discretionary, Non-Discretionary and Advisory Portfolio Management services.

As per SEBI Regulations Minimum Investment Value Rs. 25 Lacs

Discretionary Portfolio Management indicate that, the portfolio manager has full discretion to manage the clients portfolio, however investment will be made taking in consideration the risk profile of the client. In case of non-discretionary portfolio, the client directs the portfolio manager to the avenues of investments while the portfolio manager passively manages and executes transaction based on the client's decision.

Under a Non-Discretionary Portfolio, the portfolio manager executes the investment instructions and follows up with the payments, settlements, custody and other back office function.

Under the Advisory option the portfolio manager, based on the risk profile of the client, offers his advice from time to time, however the final decision and execution of the transaction rests with the client.

Our investment management team follows a much disciplined process of fundamental and technical analysis of equity instruments to create a comprehensive range of disciplined strategies. Each open position is closely monitored on daily basis. The investments are made using a sophisticated stock selection methodology.

- (ii) The Portfolio funds will not be invested in any of the Wellworth Share & Stock Broking Ltd. group companies or its associates so as to avoid any conflict of interest.



WW Voyage Strategy :

Investment Objective:

- The portfolio management product proposes to offer portfolio management services to high Net worth Individuals (HNI's)/ corporate who are resident Indians and NRI/PIO's from investment into the listed equity market as per the rules and regulations laid down by SEBI and RBI.
- The primary investment objective of the proposed portfolio management product would be to generate capital appreciation over the medium term to long term by investing in equity/ equity related instruments of companies listed in the Indian equity market. This will ensure stability of the funds for investing into the markets and also give the portfolio manager the ability to stay invested over the medium to long term to ensure adequate generation of returns to investors.
 - The WW Voyage Strategy will follow a bottom up approach for picking stocks and construct a portfolio representing the highest conviction ideas of the organization.
 - The portfolio will essentially invest in high quality companies with good corporate governance track record.
 - The endeavor of the portfolio manager will be to identify and pick stocks in companies which have return ratios higher than the market and at valuations lower than market valuations.
 - The portfolio's will invest in high quality small-cap, mid-cap and large-cap stocks and will consider all appropriate risks while constructing the portfolio.
 - The portfolios are expected to be fairly concentrated up to 25 stocks which will provide adequate diversification and at the same time ensure meaningful holdings to maximize returns from individual holdings.

Indicative Asset Allocation:

Equities	: 0 - 100%
Cash & Cash Equivalents	: 0 - 100%

Benchmark:

Benchmark Indices	: S&P BSE 500.
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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 guarantee 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.
- 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.
- The Net Asset Value may be affected by changes in settlement periods and transfer procedures.
- Decisions regarding investments in the scheme are made only after careful analysis and research by the WSSBL research team. Such investment decisions are taken keeping the SEBI Rules and Regulations in mind. Investment in the equity markets are subject to



market risks. WSSBL gives no assurance or guarantee that the objectives of the scheme will be achieved.

- Performance of the equity portion of the scheme may be adversely affected by price fluctuation risks, company or sectoral risks or other macro-economic factors. The debt instrument and fixed income securities portion may be affected by interest rate risk, liquidity risk, credit risk and reinvestment risk.

7) CLIENT REPRESENTATION :

i. Client & AUM details

Category of clients	No of Clients			Funds Managed (Rs in Cr.)			Discretionary/ Non Discretionary (if available)
	As on Mar 31' 2017*	As on Mar 31' 2018	As on Sept 30' 2018	As on Mar 31' 2017*	As on Mar 31' 2018	As on Sept 30' 2018	
Associates/ group companies (Last 3 years)	NIL	1	1	NIL	0.36	0.34	DISCRETIONARY
Others (Last 3 years)	NIL	20	26	NIL	7.24	8.26	DISCRETIONARY
Others (Last 3 years)	NIL	NIL	NIL	NIL	NIL	NIL	NON DISCRETIONARY
Others (Last 3 years)	NIL	NIL	NIL	NIL	NIL	NIL	ADVISORY
Total	NIL	21	27	NIL	7.60	8.60	

* PMS started from Nov 2017

- Complete disclosure as per audited Balance sheet as on 31/03/2018 in respect of transactions with related parties as per the standards specified by the Institute of Chartered Accountants of India.



Note: The Following shall be treated as related party:

Related Parties Disclosure:

Mr. Bhavesh Ramniklal Mehta, Director of the Wellworth Share and Stock Broking Ltd has invested Rs. 35.77 lacs (Initial Amount) in Portfolio Management Service since 2017, in the capacity of Mr. Bhavesh Ramniklal Mehta HUF.

1. Key Management Personnel
2. Relative of Key Management Personnel
3. Enterprise in which Key Management Personnel and their relatives/companies are able to exercise significant influence in the enterprise
4. Subsidiaries of enterprise specified at (iii) above

Related Party Disclosure:

Transaction	Name	Associates	Key Personnel	Relative of Key Personnel
Interest Paid	Roha Dyechem Pvt Ltd	17,95,013/-		
	Wellworth Capital Services Pvt Ltd	7,37,261/-		
	Steinmetz Overseas Pvt Ltd	5,48,630/-		
	Ramakant J. Tibrewala		16,04,109/-	
Salary / Director Remuneration	Bhavesh R. Mehta		84,00,000/-	
	Mansi B.Mehta			7,20,000/-
	Maitri C. Mehta			4,80,000/-
Rent Paid	Bhavesh R. Mehta		1,50,000/-	
	Sushma R. Tibrewala			3,00,000/-
	Mahesh R. Tibrewala			3,00,000/-
	Chetan R. Mehta			1,50,000/-
Unsecured Loan Received	Wellworth Capital Services Pvt Ltd	2,60,00,000/-		
	Steinmetz Overseas Pvt Ltd	2,00,00,000/-		
	Roha Dyechem Pvt Ltd	5,00,00,000/-		
	Ramakant J. Tibrewala		2,00,00,000/-	
	Bhavesh Mehta		3,18,00,000/-	
Unsecured Loan Repaid	Wellworth Capital Services Pvt Ltd	2,60,00,000/-		



	Wellworth Commodities Broking Pvt Ltd	50,00,000/-		
	Steinmetz Overseas Pvt Ltd	2,00,00,000/-		
	Roha Dyechem Pvt Ltd	9,15,00,000/-		
	Ramakant J. Tibrewala		5,20,00,000/-	
	Bhavesh Mehta		1,68,00,000/-	

8) FINANCIAL PERFORMANCE OF PORTFOLIO MANAGER :

FINANCIAL INFORMATION:

(Rs. in Lakhs)

Particulars	F.Y. 2017-18	F.Y. 2016-17	F.Y. 2015-2016
Income	1024.45	962.87	667.00
Expenditure	559.04	613.97	444.32
NP before Tax	465.41	348.89	222.68
Prov. For Tax	122.44	116.71	72.70
Profit after Tax	342.97	232.17	149.98

9) PERFORMANCE OF THE PORTFOLIO MANAGER FOR THE LAST 3 YEARS :

The Consolidated Portfolio Performance of PMS Clients is as under:-

Discretionary Services :

Particulars	Return as on 31.03.17 (%)	Return as on 31.03.18 (%)	Return as on 30.09.18 (%)
Portfolio Return	N A	0.09%	-7.09%
S&P BSE MID CAP (17-11-2017 to 31-03-2018)	N A	-3.28%	N A
S&P BSE 500 (From 01 April 2018 to 30-09-2018)	N A	N A	2.27%

* PMS started from 17th Nov 2017

Advisory Services

Particulars	Return as on 31.03.17 (%)	Return as on 31.03.18 (%)	Return as on 30.09.18 (%)
Portfolio Return	NA	NA	NA
S&P BSE 500	NA	NA	NA



Performance depicted above is based on aggregate all the clients' portfolios as on such date, using weighted average method in terms of Regulation 14 of the SEBI (Portfolio Managers) Regulations, 1993. Past performance is no guarantee of future returns. The above portfolio performances are net of expenses. Please note that the actual performance for a client portfolio may vary due to factors such as expenses charged, timing of additional flows and redemption, individual client mandate, specific portfolio construction characteristics or other structural parameters. These factors may have impact on client portfolio performance and hence may vary significantly from the performance data depicted above

10) NATURE OF EXPENSES :

a. Management and Performance Fees

Management Fees relate to the Portfolio Management Services offered to clients. The fee may be fixed charge or a percentage of the quantum of funds managed or linked to portfolio returns achieved or a combination of any of these, as agreed by the client in the Client Agreement. performance shall be computed on the basis of high water mark principle over the life of the investment, for charging of performance sharing fee.

b . High Water Mark Principle: High Water Mark shall be the highest value that the portfolio/account has reached. Value of the portfolio for computation of high watermark shall be taken to be the value on the date when performance fees are charged. For the purpose of charging performance fee, the frequency shall not be less than year. The portfolio manager shall charge performance based fee only on increase in portfolio value in excess of the previously achieved high water mark.

In the event of it being a fixed charge or a percentage of the quantum of funds managed, it shall not exceed 20% p.a. of the Client's portfolio corpus. With regard to the management fees linked to portfolio returns achieved, the terms will be decided as per the Client agreement.

c. Exit Fees

Exit fees relates to exit charges payable to the Portfolio Manager at the time of withdrawal of partial withdrawal, if any.

a. Custodian/Depository Fees

The charges relating to opening and operation of dematerialized accounts, custody and transfer charges for shares, bonds and units, dematerialization and other charges in connection with the operation and management of the depository accounts.

b. Registrar and 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.



c. Brokerage and transaction costs

The brokerage charges and other charges like GST, service charge, stamp duty, transaction costs, turnover tax, exit and entry loads on the purchase and sale of shares, stocks, bonds, debt, deposits, units and other financial instruments.

d. Certification and Professional charges

Certification and Professional Charges payable for out sourced professional services like portfolio accounting, taxation, legal services, notarizations etc. for certifications, attestations required by bankers or regulatory authorities.

e. Incidental Expenses

Incidental Expenses are in connection with the courier expenses, stamp duty, service tax, postal, telegraphic, opening and operation of bank accounts etc.

All fees and charges shall be levied on the actual amount of clients' assets under management. In case of interim contributions/ withdrawals by clients, performance fees may be charged after appropriately adjusting the high water mark on proportionate basis.

(Illustration for Management Fees & Performance Fees Charges Calculations)

- Size of sample portfolio: Rs. 25 lakhs over
- Period: 1 year
- Hurdle Rate: 10% p.a. of amount invested.
- Management fee (e.g. 2% p.a)
- Performance fee (e.g. 10% p.a. on NAV as on date over hurdle rate)
- The frequency of calculating of performance fees will be charged annually and management fees will be charged monthly.

Illustration - Fees calculation	Gain of 20%	Loss of 20%	No Change
Initial Capital Contribution	25,00,000	25,00,000	25,00,000
Realised/Notional P&L during the Year	5,00,000	-5,00,000	0
Gross value of portfolio after Year (NAV)	30,00,000	20,00,000	25,00,000
Fixed Management fees @ 2% p.a	-50,000	-50,000	-50,000
Performance fees @ 10% per annum after considering hurdle rate*	-25,000	0	0
Net portfolio value at the end of Year	29,25,000	19,50,000	24,50,000
% change over capital contributed	17.00%	-22.00%	-2.00%



	Calculation of Performance fees*	Amount in Rupees
A	Performance for the Year	5,00,000
B	Less: Minimum Performance level (Hurdle rate @ 10% p.a on NAV OR as per high watermark.	-250,000
C	Amount on which Performance fees to be calculated.	2,50,000
D	Performance fees @ 10% of C	25,000

Note : Performance fees will be charged on PRO-RATA basis if agreement is terminated and also at the end of the first year to streamline the operations.

Performance fees will be charged on High Watermark basis as per SEBI Guidelines.

11) TAXATION :

Investment in securities is subject to the provisions of the Indian Income Tax Act, 1961. Special reference needs to be made in respect of provisions related to capital gains, business income and all other provisions of the Income Tax Act. Provisions related to tax deduction at source shall also apply, wherever applicable. Interest and dividends would be subject to tax as per the provisions of the Income Tax Act 1961.

As is the case with any interpretation of any law, there can be no assurance that the tax position or the proposed tax position prevailing at the time of an investment in the Offering / Option will be accepted by the tax authorities or will continue to be accepted by them indefinitely. In view of the above, it is advised that the investors appropriately consult their investment / tax advisors in this regard.

12) ACCOUNTING POLICIES :

- A. The company 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 1993).
- B. For every Client Portfolio, the Company shall keep and maintain proper books of accounts, records and documents, for the Client, on mercantile system of accounting, so as to explain its transactions and to disclose at any point of time the financial position of the Client Portfolio and Financial Statements and in particular give a true and fair view of the state of affairs.



- C. Following Accounting Policies are proposed to be followed for the purpose of maintaining books of accounts, records for the client.
1. Investments are stated at cost or fair market value whichever is lower.
 2. Dividend income earned by a Client shall be recognized, not on the date the dividend is declared, but on the date the share is quoted on an ex-dividend basis. For investments, which are not quoted on a stock exchange, dividend income shall be recognized on the date of receipt.
 3. In respect of all interest-bearing investments, 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 the last interest due date up to the date of purchase shall not be treated as a 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.
 4. 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.
 5. Transactions for purchase or sale of investments shall be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year is recorded and reflected in the financial statements for that year.
 6. Bonus shares to which the Client becomes entitled shall be recognized only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.
 7. Rights entitlement shall be recognized only when the original shares on which the rights entitlement accrues are traded on the stock exchange on an ex-rights basis.
 8. The cost of investments acquired or purchased shall include brokerage, stamp duty and any charge customarily included in the broker's bought note.
 9. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment.
 10. Accounting of Portfolio Management fees payable by the client would be on the basis of daily average assets under management. It shall be charged at the end of each month on the date informed by the Company.
Performance fees shall be charged on completion of one year of the portfolio account or financial year end of portfolio manager whichever is earlier. However if the client terminates the agreement during the year, the returns from the previous financial year till the date of termination will be calculated and performance fees will be levied



accordingly at the time of termination. Performance fees shall be subject to high-watermarking.

11. All other expenses payable by the client shall be accrued as and when Liability is incurred.

13) AUDIT :

Wellworth Share And Stock Broking Ltd. is/shall maintaining separate client-wise portfolio accounts. The PMS Accounts of the Clients are duly audited annually by an independent Chartered Accountant appointed by Wellworth Share And Stock Broking Ltd. and there on a copy of the Audit Report provided to client. It is Clarified that the aforesaid is not applicable to clients who have availed only Advisory Portfolio Management Services. If any client wants to get PMS Account audited at his end such appointment of an Independent Chartered Accountant will be at the cost of the client and Wellworth Share And Stock Broking Ltd shall be entitled to a copy of the Audit Report.

14) FIRM'S POLICY OF PREVENTION OF MONEY LAUNDERING &
FINANCIAL INTELLIGENCE UNIT INDIA (FIU- IND) :

The Prevention of Money Laundering Act, 2002 (PMLA) came into force with effect from 2nd July, 2005, forming the core of the legal framework to combat money laundering. As per the Provisions of the Act, Intermediaries, including portfolio managers, have certain obligations regarding verification of the identity of their clients, maintaining records and furnishing information to the Financial Intelligence Unit - India (FIU - IND). SEBI has vide various circulars issued directed all Intermediaries, including portfolio managers to formulate and implement policies and procedures for dealing with money laundering and adoption of 'Know Your Customer' (KYC) Policy. The client should ensure that the amount invested in the Portfolio Management Service is through legitimate sources only and does not involve and is not designed for the purpose of any contravention or evasion of any Act, Rules, Regulations, Notifications or Directions of the provisions of The Prevention of Money Laundering Act, 2002, The Prevention of Money Laundering Rules, 2005, Income Tax Act, Anti Money Laundering Guidelines, Anti-Corruption Act, SEBI Act and or any other applicable laws enacted by the Government of India from time to time.

Wellworth Share And Stock Broking Ltd. reserves all the rights to take all steps and actions, including recording clients' telephonic calls, and /or obtain and retain Documentation for establishing the identity of the client, proof of residence, source of funds, etc. in accordance with the applicable laws, form the client/custodian, as may be required to ensure appropriate identification / verification/ re-verification of the client, the sources of fund etc. under the KYC policy. If at any time Wellworth Share And Stock Broking Ltd. believes that the transaction is suspicious in nature within applicable laws, Wellworth Share And Stock Broking Ltd. shall have the absolute discretion to report the suspicious transaction to FIU - IND and/or to reject any application from the account.



compulsorily close the account of the client and the termination proceeds shall be paid to the client at NAV subject to payment of fees and expenses, if any, of the Portfolio Manager. Wellworth Share And Stock Broking Ltd. shall have no obligation to inform /advise the client or its agents / power of attorney holder of such reporting.

Wellworth Share And Stock Broking Ltd. and its directors, employees, agents and persons acting on its behalf shall not be responsible/liable for any loss to the client in any manner whatsoever due to reporting to the FIU-IND, the rejection of any application or freezing of the accounts or compulsory closure of a the account or termination of the agreement entered into between the client and Wellworth Share And Stock Broking Ltd., due to non-compliance by the client with the provisions of the laws, rules, regulations, KYC policy etc. and / or where Wellworth Share And Stock Broking Ltd makes reporting to FIU - IND of suspicious transaction.

15) INVESTOR SERVICES :

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

Name of the person:	Mr.Bhavesh R. Mehta
Designation:	Compliance Officer
Address:	501, Akruti Orion, Shraddhanand Road, Vile Parle (E), Mumbai - 400057
Email:	bhavesh.mehta@wellworthgroup.co
Telephone:	91-9821721162

- (ii) Grievance redressal and dispute settlement mechanism:

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.

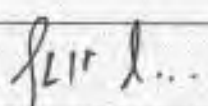
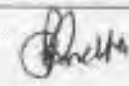


Complaint	Escalation	Time frame
The Client complaints over phone or email or in person.	Complaint Solved at operational level.	Within 1-2 days.
Complaint could not be resolved at Operation level hence escalated to Compliance Officer.	Complaint Solved at Compliance Officer level.	15 working days.
Complaint could not be resolved at Compliance Officer level.	Hence escalated to Principal Officer Complaint Solved at Principal Officer level.	Within a month.
If the complaints is not resolved at principal office level.	then it is put before the board for discussion.	Solved with in 45 Days.

b) If still the complaints is not resolved by the board the client can file arbitration in respective Jurisdiction.

c) The client can directly complaint to Securities Exchange Board of India (SEBI) through SCORE's Mechanism (www.sebi.gov.in) .(SEBI COMPLAINTS REDRESS SYSTEM) portal or contact SEBI office on toll free helpline at 180227575/18002667575.

Name and Signature of two Directors of the Portfolio Manager

Sr. No.	Name of Director	Signatures
1	Mr Shrikant Tibrewala	
2	Mr Bhavesh Mehta	

Place: Mumbai

Date: 10.10.2018



CERTIFICATE

We hereby certify that the disclosures made in the enclosed Disclosure Document dated 10th October 2018, prepared and forwarded by **Wellworth Share & Stock Broking Ltd. (INP000005768)** in terms of the Fifth Schedule of Regulation 14 of the Securities and Exchange Board of India (Portfolio Managers) Regulations 1993 and the guidelines and directives issued by the Board from time to time, are true, fair and adequate to enable the investors to make a well informed decision.

This certificate is issued on the basis of the information and documents given/produced before us and on the basis of representations made by **Wellworth Share & Stock Broking Ltd.**

This certificate has been issued as per the request made by the company for the purpose of submitting the same to SEBI

For KMS & Associates
Chartered Accountants

Kinjal Shah

CA Kinjal Shah

Proprietor

M. No. 111420

Firm Reg. No. 130048W

Mumbai, October 12, 2018

