DISCLOSURE DOCUMENT

<u>PROTFOLIO MANAGEMENT SERVICES</u>
WEALTH FIRST

Wealth First Portfolio Managers Ltd.
Ahmedabad

DISCLOSURE DOCUMENT OF
PORTFOLIO MANAGEMENT SERVICES
BEING OFFERED BY
WEALTH FIRST PORTFOLIO MANAGERS LIMITED

DECLARATION

a) The Disclosure Document has been filed with SEBI along with the certificate in the prescribed format in terms of Regulation 14 of the SEBI (Portfolio Managers) Regulations, 1993 as amended from time to time.

b) The purpose of the Disclosure Document is to provide essential information about the portfolio services in a manner to assist and enable the investors in making informed decision for engaging a Portfolio Manager.

c) The Disclosure Document contains the necessary information about the Portfolio Manager, required by an investor before investing, and the investors are advised to retain the document for future reference.

d) The name, phone number, e-mail address of the principal officer designated by us, a portfolio manager, is as follows

PRINCIPAL OFFICER:

Mrs. Vaidehi Bhatt,
Capitol House, 10 Paras-II,
Near Campus Corner, Prahaladnagar,
Anandnagar, Abd-380015

Tel no.: 079-40240000

Email: vaidehi@wealthfirst.biz

This disclosure document is dated March 5, 2018.

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WEALTH FIRST
PORTFOLIO MANAGERS LIMITED

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1. DISCLAIMER CLAUSE:

The Disclosure Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 1993 as amended from time to time 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.

2. DEFINITIONS:

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

'Wealth First' or 'the Company'	Means Wealth First Portfolio Managers Limited.
Advisory Services	means advisory services that would be provided to the Clients and may include management of the portfolio depending on the Clients' requirement for an agreed fee structure and for a definite period as described, entirely at the Client's risk.
Agreement	means the agreement executed between the Portfolio Manager and its clients in terms of Regulation 14 and Schedule IV of the Regulations stating therein the terms and conditions on which the Portfolio Manager shall provide portfolio management services to that client.
AUM	Assets Under Management.
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 (s) / Investor (s)	means any person/entity that enters into the Agreement with the Portfolio Manager for availing the Portfolio Management Services.
Custodial Services	means Custodial Services as defined in Securities and Exchange Board of India (Custodian of Securities) Regulations, 1996 as amended from time to time.
Custodian	means any entity appointed as Custodian by the Portfolio Manager from time to time and on case to case basis to provide custodial services and to act as a Custodian on the terms and conditions agreed between the Custodian and the Portfolio Manager.

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Depository	means depository as defined in the Depositories Act, 1996.
Depository Account	means an account opened with a Depository Participant.
Depository Participant	means any entity registered with the depositories CDSL and/or NSDL for providing depository services.
Disclosure Document	This document issued by Wealth First Portfolio Managers Limited for offering portfolio management services, prepared in terms of Schedule V of the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 as amended from time to time.
Discretionary Portfolio Management Services	means Portfolio Management Services provided by the 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.
Financial Year	means the year starting from April 1 and ending on March 31 of the following year or as per changes made by Regulator from time to time.
Funds	means the money placed by the Client with the Portfolio Manager and any accretions thereto.
Investment Amount	The money or securities accepted by the Portfolio Manager from the Client in respect of which the portfolio management services are to be rendered by the Portfolio Manager.
Investment Advisory Services	means the services, where the Portfolio Manager advises Clients on investments in general or gives specific advice required by the Clients and as agreed upon in the Agreement.
Non Discretionary Portfolio Management Services	means Portfolio Management Services where a Portfolio Manager acts on the instructions received from the client with regard to investment of the funds of the client under a contract relating to Portfolio Management and will exercise no discretion as to the investment or management of the portfolio of securities or the funds of the client, as the case may be
NRI	Non - Resident Indian
Portfolio	means the total holdings of securities belonging to any

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	person/client/investor.
Portfolio Manager	means who exercises or may exercise, under a contract relating to portfolio management entered into with the client / investor, any degree of discretion, as to the investments ormanagement of the portfolio of securities or the funds of the client / investor, as the case may be.
Portfolio Management Fees	means the fees payable by the Client of the Portfolio Manager as specified in the Agreement of the Portfolio Management Service.
Principal Officer	Employee or Officer or Director of the Portfolio Manager, who is responsible for the activities of portfolio management and has been, designated as principal officer of the Portfolio Manager.
Product	means any of the current investment plan or such plans that may be introduced at any time in future designed to suit objectives of various categories of investments according to their risk taking capabilities.
RBI	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, as amended from time to time.
Regulations	shall mean Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 read with rules, amendments, circulars, clarifications and guidelines issued by SEBI in relation thereto from time to time.
SEBI	Securities and Exchange Board of India established under Securities and Exchange Board of India Act, 1992, as amended from time to time.
Securities	shall mean Securities as defined in Securities Contracts (Regulations) Act, 1956 as amended from time to time.

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3. DESCRIPTION

i) History, Business and Background of the Portfolio Manager

Our Company was incorporated as "DSFS Securities and Broking Private Limited" on April 16, 2002 in Ahmedabad. On May 14, 2003, the name of the Company was changed to Wealth First Portfolio Managers Private Limited. Further, our Company was converted into a Public Limited on September 30, 2015 and listed on NSE Emerge Platform on 30th of March, 2016 and is now one of the Leading Financial Advisory Companies in India.

Our company is a one stop financial services provider for various types of financial products available in Indian market. Our product portfolio provides right mix of financial assets that suits financial goal in short and long term depending on client's perception and need. We offer in depth research for products that delivers compatible performance in terms of yield as well as we make sure that investments stays secure over the period, though market risk is always there which are beyond our control. Our company offers various financial instruments according to risk appetite and holding period of client that includes Government Bonds & Securities, Direct Equity, Cash Management Services, Derivative products, Mutual Funds, Insurance products, Commodities, INVITS and Market Making Services. Our company is one of the top 100 AMFI distributers of Mutual funds.

Our company is driven by the emphasis we place on building long-term relationships with our clients. We work closely with our clients to equip them with the ability to address large, fast growing market opportunities. Our emphasis on long-term relationships also means that we have a significant ongoing involvement with almost all of the clients that we work with.

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

Promoters of the Portfolio Manager:

Wealth First was formed in year 2002, a Company is a **one-stop-solution** for financial assets investment management. Our compressive service basket includes Investment strategizing, Asset research, Asset allocation, Tax Planning, Broking Service, Treasury management, Risk management and retirement planning. These services are catered to by an inclusive range of products such as **Direct Bonds-taxable, tax-free, Government securities, Mutual funds, Fixed deposits, Third Party PMS, Direct Equity, Pension Products** etc.

We have the world of investment options at our fingertips, but we create **tailor-made solutions** for every client. We have a knack for being inclusive yet exclusive in our approach. We don't believe in short-cuts, because there are none. We don't advice for quick returns, because they aren't permanent. Rome wasn't built in a day and so wasn't our **all-round investment expertise** and knack **for market analysis**. Our 25 years of experience is invested in ensuring **consistent growth** of our **client's investments** and that's why **WEALTH FIRST** is considered as one of the most trusted **client centric financial asset management advisors** in India.

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Directors of Portfolio Manager and their background:

Name	Mr. Ashish Shah
Age	54 years
Address	501, Gardenia, 20, Shanti Sadan Society, B/H Doctor House, Ellisbridge, Abd-380006
Experience	24 years
Professional Summary	He is having 24 years of experience in the field of financial management and bond market. He has pioneered in various areas of Fixed Income Market and created the market of G-SECS, PSU BONDS, UTI and Mutual Funds in the interior areas of Gujarat, Rajasthan and Madhya Pradesh. Currently Managing Director of Wealth First Portfolio Managers Ltd and has managed investments of banks like Co-op banks; trust like charitable, religious, provident fund, gratuity fund; dairies etc. Under his leadership the Company Wealth First Portfolio Managers Ltd. received All India Best Financial Advisor Award 2008 of CNBC TV 18.
Name	Mrs. Hena Shah
Age	53 years
Address	501, Gardenia, 20, Shanti Sadan Society, B/H Doctor House, Ellisbridge, Abd-380006
Experience	16 years
Professional Summary	16 Years Experience in Financial Market i.e. Mutual Funds, Equity Markets, Government Bonds and Securities Distribution. She is the Founder and Whole-Time Director of Wealth First Portfolio Managers Limited.
Name	Mrs. Binal Gandhi
Age	47 years
Address	G/79, Gujarati Soc, 3rd Floor, Nehru Rd, Vile Parle (E), Mumbai
Experience	20 years
Professional Summary	Mrs. Binal Gandhi is the founder of the Learning Curve Academy. Prior to starting the Learning Curve Academy, Mrs. Binal Gandhi worked for close

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	to 20 years in the areas of Corporate Finance, Mergers & Acquisitions, and Corporate Strategy in senior roles at companies like GE Capital and Wells Fargo, in the USA. As Senior Vice President, she led the Mergers and Acquisitions team at Wells Fargo, USA. After moving back to India, Mrs. Binal Gandhi was an Executive Director at MAPE Advisory Group, a leading boutique financial services advisory firm in India. She is a visiting faculty at SP Jain and NMIMS, teaching courses in Corporate Finance, Valuation, and Strategic Financial Management. She has a Masters degree in Electrical Engineering from Purdue University, USA and an MBA from Purdue University, USA.
Name	Mr. Rajan Mehta
Age	54 years
Address	401, Swati Mitra Bldg, Gulmohar X-AR X Rd No. 7 JVPD Scheme, Vile Parle (W), Near Cole Mondial School, Mumbai 400049
Experience	25 years
Professional Summary	Experience of more than 25 years in Finance, Equity, Mutual Funds, Capital Market etc.
Name	Mr. Devanshu Mehta
Age	55 years
Address	B-20, Siddhi Sarjan Apartment, Vejalpur, Abd-380051
Experience	25 years
Professional Summary	More than 25 Years Experience as a Technical Manager.

Key Personnel for Portfolio Management Services and their background:

Name	Mr. Nikhil Jain
Age	33
Address	A-41.Nirman Tower, Sattadhar Cross Road, Abd-380061
Experience	9 Years

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Professional Summary	Equity and Commodity
Name	Mr. Manish Kansara
Age	45 years
Address	402, Arham Flats, 39 Jagabhai Park, Maninagar, Abd-380008
Experience	Over 20 Years
Professional Summary	He is very proficient in the equity market. Since he has been working in this field for more than 20 years he has a very clear streamlined version of the market and has been an expert in stock analyzation. As our Chief Financial Officer, he also manages financial and administrative operations of our Company.

iii) Top Ten Group companies/ firms of the Portfolio Manager on turnover basis :

The details of top ten group companies of the Portfolio Manager on turnover basis in India for the financial year 2016-17 are as follows:

Sr. No.	Name of the Company	Registration Number	Business Area
1.	Dalal and Shah Fiscal Services Limited	U65916GJ1992PLC018062	Financial Activities.
2.	Oraculo Stockbrokers Pvt. Ltd	U67120GJ2002PTC041499	Financial Activities.
3.	Wealth First Commodities Pvt. Ltd	U74140GJ2002PTC040801	Financial Activities.
4.	DSFS Shares and Stockbroking Pvt. Ltd	U67120GJ2002PTC040634	Financial Activities.
5.	Wealth First Investment Advisers Pvt. Ltd	U74999GJ2016PTC093213	SEBI Registered Investment Adviser and as a Retirement Adviser.

iv) Details of the services being offered: Discretionary Services/ Non-Discretionary Services/ Advisory Services/ Structured Products

a. Discretionary Services:

The Portfolio Manager shall be acting in a fiduciary capacity with regard to the Client's account consisting of investments, accruals, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions and/or replacements or any other beneficial interest including dividend, interest, rights, bonus as well as residual cash balances, if any (represented both by quantity and in monetary value). The Portfolio Manager shall be acting both as an agent as well as a trustee of the Client's account.

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The Portfolio Manager will provide Discretionary Portfolio Management Services which shall be in the nature of investment management, and may include the responsibility of managing, renewing and reshuffling the portfolio, buying and selling the securities, keeping safe custody of the securities and monitoring book closures, dividend, bonus, rights etc. so that all benefits accrue to the Client's Portfolio, for an agreed fee structure and for a definite period as described, entirely at the Client's risk.

The Portfolio Manager shall have the sole and absolute discretion to invest in respect of the Client's account in any type of security as per executed agreement and make such changes in the investments and invest some or all of the Client's account in such manner and in such markets as it deems fit that would benefit the Client. The Portfolio Manager's decision (taken in good faith) in deployment of the Clients account is absolute and final and cannot be called in question or be open to review at any time during the currency of the agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence.

This right of the Portfolio Manager shall be exercised strictly in accordance with the relevant acts, rules and regulations, guidelines and notifications in force from time to time.

b. Non-Discretionary Services

The Portfolio Manager will provide Non-discretionary Portfolio Management Services as per express prior instructions issued by the client from time to time, in the nature of investment consultancy/management and may include the responsibility of managing, renewing and reshuffling the portfolio, buying and selling the securities, keeping safe custody of the securities and monitoring book closures, dividend, bonds, rights, etc. so as to ensure that all benefits accrue to the Client's Portfolio, for an agreed fee structure and for a definite described period, entirely at the Client's risk. Under nondiscretionary services the Portfolio Manager will subscribe to equity shares, debentures, non-convertible redeemable debentures where coupon payment will be limited to the investors participation only on the underlying assets.

The deployment of the Clients account by the Portfolio Manager on the instructions of the Client is absolute and final and can never be called in question or shall not be open to review at any time during the currency of the agreement or any time thereafter. The rights and obligations of the Portfolio Manager shall be exercised strictly in accordance with the relevant Acts, rules and regulations, guidelines and notifications in force from time to time.

c. Advisory Services

The Portfolio Manager will provide Advisory Portfolio Management Services, in terms of the SEBI (Portfolio Manager) Regulations 1993, 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 clients portfolio, for an agreed fee structure and for a period hereinafter described, entirely at the Client's risk; to all eligible category of investors who can invest in Indian market including NRIs, FIIs, etc.

The Portfolio Manager shall be solely acting as an advisor to the portfolio of the client and shall not be responsible for the investments / divestments of securities and / or administrative activities on 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.

Minimum Investment Amount:

Pursuant to SEBI notification dated February 10, 2012, the minimum amount to be invested under the portfolio is Rs. 25,00,000/- (Rupees Twenty five lakhs only) unless specified otherwise. The minimum investment amount for different portfolios / products shall be communicated by the Portfolio Manager from time to time. The minimum investment amount per client shall be applicable for new clients and fresh investments by existing clients.

4. PENALTIES, PENDING LITIGATIONS OR PROCEEDINGSINDINGS OF INSPECTION OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR INITIATED BY ANY REGULATORY AUTHORITY

(i)	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or	Nil
(ii)	The nature of the penalty/direction.	Not Applicable
(iii)	Penalties imposed for any economic offence and/ or for violation of any securities laws.	Nil
(iv)	Any pending material litigation/legal proceedings against the Portfolio Manager / key personnel with separate disclosure regarding pending criminal cases, if any.	Nil
(v)	Any deficiency in the systems and operations of the Portfolio Manager observed by the Board or any regulatory agency.	Nil
(vi)	Any enquiry/ adjudication proceedings initiated by the Board against the Portfolio Manager or its directors, principal officer or employee or any person directly or indirectly connected with the Portfolio Manager or its directors, principal officer or employee, under the Act or Rules or Regulations made there under.	Nil

The above information has been disclosed in good faith as per the information available and only with respect to the Portfolio Manager.

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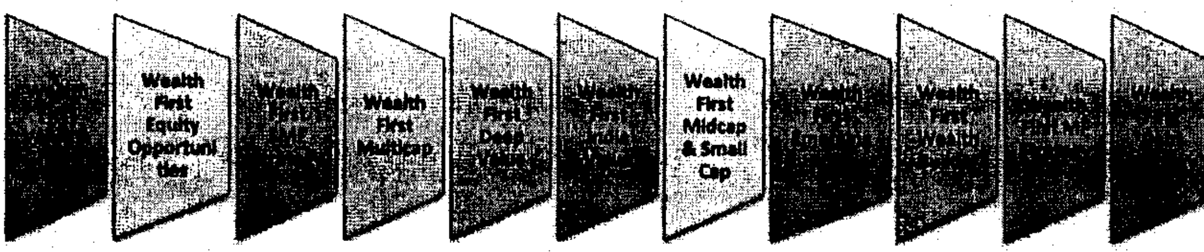
5. SERVICES OFFERED

The following services will be offered by the Portfolio Manager:

- ✓ **Discretionary Services**
- ✓ **Non-Discretionary Services**
- ✓ **Advisory Services**
- ✓ **Structured Product**

Under the Discretionary Portfolio Management Services Wealth First offers the following investment strategies to the Client:



I. WEALTH FIRST Value & Growth Strategy

Performance Benchmark:

CNX 500

Investment Objective:

The objective of the strategy is to maximize returns from diverse equity portfolio.

Strategy Composition

This strategy shall typically comprise of25-35 stocks with appropriate diversification.

- Investments shall be predominantly across all sector
- Stock/ Sector exposure limit criteria:
  - Stock exposure limit <= 10%

Client Suitability

For investors with an investment horizon of 3 -5 years and high risk appetite.

II. Wealth First Equity Opportunities Strategy

Performance Benchmark:

CNX 500

Investment Objective:

The objective of the strategy is to generate capital appreciation in diversified portfolio.

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Strategy Composition

- Strategy shall typically comprise of around 10 stocks with appropriate diversification.

95-100% of the strategy would be invested in stocks across market.

- Stock/ Sector exposure limit criteria:
  - Stock exposure limit <=10%

Client Suitability

Investors with an investment horizon of 4-5 years seeking steady moderate market returns with moderate to high risk appetite.

III. Wealth First SME Strategy

Performance Benchmark:

BSE and NSE SME index

Investment Objective:

The objective of the strategy is to generate capital appreciation in SME portfolio.

Strategy Composition

- Strategy shall typically comprise of around 10-20 stocks with appropriate diversification.

95-100% of the strategy would be invested in stocks across market.

- Stock/ Sector exposure limit criteria:
  - Stock exposure limit <=20%

Client Suitability

Investors with an investment horizon of 4-5 years seeking aggressive market returns with very high risk appetite.

IV. Wealth First Multicap Strategy

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Performance Benchmark:

BSE 200

Investment Objective:

The Strategy aims to generate long term capital appreciation by investing in high growth stocks.

Strategy Composition:

- Strategy shall comprise of around 15-20 stocks
- The money shall predominantly be invested in Indian stocks across all market cap
- Stock/ Sector exposure limit criteria:
  - Not more than 12% in a single stock. Sector limit - 35% in a sector

Client Suitability

Investors who like to invest with a Long-term wealth creation view with investment horizon of more than 3 years.

V. Wealth First Deep Value Strategy

Performance Benchmark:

CNX Nifty

Investment Objective:

Wealth First Deep Value Strategy seeks to generate returns by investing in value stocks for long term wealth creation.

Strategy Composition:

- The strategy shall comprise of around 15-20 stocks
- Investments shall be predominantly in Indian stocks across all market cap
- Stock/ Sector exposure limit criteria:
    - Not more than 20% in a single stock. Sector limit - 35% in a sector

Client Suitability

This strategy is suitable for investors with investment horizon of at least 3 years

VI. Wealth First India Value Strategy

Performance Benchmark:

S&P BSE Midcap

Investment Objective:

The Strategy aims to generate long term capital appreciation by focusing on value identification of mid-sized companies

Strategy Composition:

- The strategy shall comprise of around 8-15 stocks
- The investment shall predominantly be in mid-sized companies with growth orientation.
- Stock/ Sector exposure limit criteria:
    - Not more than 15% in a single stock

Client Suitability

Ideal for investors with investment horizon of 3-5 years

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VII. Wealth First Midcap & Small Cap Strategy

Performance Benchmark

CNX Midcap Index

Investment Objective

The aim is to predominantly invest in Small and Mid Cap equity stock.

Strategy Composition:

- The strategy shall comprise of around 15-20 stocks
- The money shall predominantly be invested in Indian mid cap and small cap stocks.
- Stock/ Sector exposure limit criteria:
  - 10% for Midcaps & 5 % for Small caps

Client Suitability

Investors who like to invest with a Long-term wealth creation view with investment horizon of more than 3 years.

VIII. Wealth First Emerging Businesses Strategy

Performance Benchmark: S&P BSE Small Cap Index

Investment Objective: The Portfolio objective is to generate capital appreciation across market cycles by investing in concentrated set of emerging business stocks.

Investment Philosophy

The portfolio typically invests in stocks of emerging businesses entities listed on SME Exchange as well as on Main Board including IPOs with reasonable valuations based on our analysis of fair value. The strategy is designed for investors who actively seek a high growth approach with a concentrated set of emerging business stocks that exhibit high growth characteristics.

Portfolio Composition

- Portfolio shall typically comprise of up to 15 stocks with appropriate diversification.

- 0-100% of the portfolio would be invested in stocks of emerging small business listed on the SME Exchange and/or Main Board including IPOs.

- Stock/ Sector exposure limit criteria:
  - Stock exposure limit <=25%

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Client Suitability

Investors with an investment horizon of 4-5 years seeking steady moderate market returns with moderate to high risk appetite.

IX. Wealth First Wealth Builder Strategy

Performance Benchmark: NIFTY 500 Index

Investment Objective: The Portfolio objective is to generate capital appreciation across market cycles by investing in growing, fundamentally strong and reliable businesses.

Investment Philosophy

Investing in a universe consisting of non-cyclical companies

–Which are likely to grow at 1.5x to 3x volume growth consistently across all cycles

–Which are debt free/ have a very low debt

–Having low draw downs and faster recovery

Confidential Portfolio Composition

Portfolio shall typically comprise of 6 to 10 stocks with appropriate sectorial diversification.

- 0-100% of the portfolio would be invested in NIFTY 500 Index stocks
- No Stock/ Sector exposure limit criteria

Client Suitability

Investors with an investment horizon of 4-5 years seeking steady moderate market returns with moderate to high risk appetite.

X. Wealth First MF Strategy

Performance Benchmark

For Equity MF: NSE 500

For Debt MF: CRISIL Debt Fund Index

Investment Objective

The aim is to predominantly invest in various scheme of MFs.

Strategy Composition:

- The strategy shall comprise of around 8-10 schemes.
- Stock/ Sector exposure limit criteria:
  - Not more than 20% in particular scheme.

Client Suitability

Investors who like to invest with a Long-term wealth creation view with investment horizon of more than 3 years.

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XI. Wealth First Debt Strategy

Investment Objective

To maximize post tax returns.

Strategy Composition:

- The strategy shall comprise of around 10 bonds.
- The money shall be invested in sovereign bonds, corporate bonds and PSU Bonds.
- Stock/ Sector exposure limit criteria:
  - Based on market situation

Client Suitability

Investors who like to invest with a Long-term wealth creation view with investment horizon of more than 3 years.

LIST OF BROKERS INVOLVED IN PMS ACTIVITIES

Sl. No.	Category	Broker for Pool Account
1	Equity& Debt	Wealth First Portfolio Managers Ltd.

Sl. No.	Category	Broker for trading in Individual a/c as per client's choice
1	Equity & Debt	Wealth First Portfolio Managers Ltd.

CUSTODIAN AND FUND ACCOUNTING SERVICES

Wealth First has outsourced custody, trade settlement, portfolio accounting, reporting and allied services presently to Orbis Financial Corporation Ltd. under a comprehensive arrangement with a view to extend a high standard of service to portfolio clients.

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6. RISK FACTORS:

The Portfolio Manager is not responsible for the loss if any, incurred or suffered by the Client. The following are the inherent risks associated in the management of Portfolio:

General Risk Factors applicable to all portfolios:

i. Securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Portfolio will be achieved.

ii. Past performance of the Portfolio Manager or any of its Group Companies do not indicate the future performance of the portfolio.

iii. Investors are not being offered any guaranteed or assured return/s i.e. either of principal or appreciation on the portfolio.

iv. 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.

v. The liquidity of the Portfolio's investment is inherently restricted by trading volumes in the securities in which the Portfolio invests.

vi. 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 the individual securities, a specific sector or all sectors including equity and debt markets. There may be no prior intimation or prior indication given to the clients when the composition/ asset allocation pattern changes.

vii. 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 which may result in decline in the value of securities held in the Portfolio.

viii. The Portfolio Manager may, considering the overall level of risk of the portfolio, invest in lower rated 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.

ix. 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. This may increase the risk of the portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.

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x. While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market securities & fixed income securities lack a well-developed secondary market, which may restrict the selling ability of the Portfolio and may lead to the investment incurring losses till the security is finally sold.

xi. **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 rate 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.

xii. **Liquidity or Marketability Risk:** This refers to 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.

xiii. **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 or honor its contractual obligations). Because of this risk corporate debentures are sold at 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.

xiv. **Reinvestment Risk:** Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

xv. The Portfolio Manager may change the Fund Manager in the interest of the product(s) at any time without any reason assigning to it and / or without any information to the investors.

xvi. The Employee of the Portfolio Manager may also subscribe to any of the product(s) offered by the Portfolio Manager.

xvii. Investment decisions made by the Portfolio Manager are subject to the risks arising from the investment objective, investment strategy and asset allocation.

xviii. **Non Diversification Risk:** This risk arises when the Portfolio is not sufficiently diversified by investing in a wide variety of instruments, The Portfolio Manager will attempt to maintain a diversified Portfolio in order to minimize this risk.

xix. The Portfolio Managers have no previous experience or track record.

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7. CLIENT REPRESENTATION

(i) The details of the Client Representation as on December 31, 2017 are as under:

Wealth First Portfolio Managers Limited:

Sr. No.	Category of Clients	No. of clients	No. of clients	Discretionary/ Non-Discretionary/ Advisory Services (Rs in Cr)		
		As on 31st December, 2017	As on 30th September, 2017	As on 31st December, 2017	As on 30th September, 2017	
A	Associates /group companies	0	0	0	0	
B	Non- Associates /group companies					
1	**Non-Individual**					
	Resident	0	0	0	0	
	Non- Resident	-				
2	**Individual**					
	2a. Resident Individual	0	0	0	0	
	2b. Non- Resident Individual	0	0	0	0	
	TOTAL	**0**	**0**	**0**	**0**	

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

There have been no transactions with related parties with respect to Portfolio Management Activities of the Company.

However, below is the list of related parties with whom the transactions (other than with regard to portfolio management activities) have taken place.

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Related parties only where transactions have taken place (other than with regard to portfolio management activities)		
Name of Related Party	**Relation**	**Transaction**
Ashish Shah	Director	Salary, Rent, Seating Fees, Loan Given, Loan Taken
Hena Shah	Director	Salary and Seating Fees
Manish Kansara	CFO	Salary
Rupal Kansara	Wife of CFO	Salary
Aayush Shah	CS	Salary
Dalal and Shah Fiscal Services Ltd	Sister Concern	Purchase and Sale
Rajan Mehta	Director	Seating Fees
Devanshu Mehta	Director	Seating Fees
Harish Gandhi	Director	Seating Fees

- Mr. Nikhil Jain and Mr. Manish Kansara are designated as the Key Personnel for the PMS business pursuant to Regulation 6(2)(d) of SEBI (Portfolio Managers) Regulations, 1993.

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8. THE FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER (BASED ON AUDITED FINANCIAL STATEMENTS)

(Amount in Lakhs.)

Financial Statement – Balance Sheet	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Equity & Liabilities			
Shareholders' Fund	1957.19	1555.68	511.29
Non-current liabilities	35.03	28.89	22.43
Current liabilities	2139.55	2920.28	598.52
Total	4131.77	4504.85	1132.24
Assets			
Non-current Assets	393.37	640.54	174.69
Current Assets	3738.39	3864.30	957.55
Total	4131.76	4504.84	1132.24
Statement of P&L			
Total Revenue	19917.88	15091.24	16966.68
Total Expenses	19316.59	14763.49	16725.30
PBDT	606.54	340.08	289.70
Depreciation	5.25	12.32	48.32
Profit Before Tax	601.29	327.76	241.38
Provision for Tax	117.45	67.00	48.50
Deferred Tax	2.07	0.39	(9.53)
Profit After Tax	481.77	260.37	202.41

a) The transaction of such sale is entered into in a recognized stock exchange; and

9. **PORTFOLIO MANAGEMENT PERFORMANCE OF THE PORTFOLIO MANAGER FOR THE LAST THREE 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) REGULATIONS, 1993, AS AMENDED FROM TIME TO TIME.**
   - NIL

10. NATURE OF EXPENSES

The Portfolio Manager may charge fees and expenses connected with managing the portfolios. The exact nature of these fees and expenses would form part of the Client Agreement. The fees and expenses could vary depending on the asset class / type of portfolio and not all these fees may apply to all portfolios.

(i) Investment management and advisory fee:

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. The fee would be charged as a percentage of the invested amount or the assets under management. The fee could include a performance linked fee which is charged depending on the portfolio return exceeding an agreed benchmark.

Performance shall be computed on the basis of high water mark principle over the life of the investment for charging of performance / profit sharing fee. 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 quarterly. The portfolio manager shall charge performance based fee only on increase in portfolio value in excess of the previously achieved high water mark.

(ii) Custodian fee / Depository fee:

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. For Resident Indian clients as well as Non-Resident Indian and Foreign clients, a custody fee as mentioned in the agreement shall be charged. These are current rates of charges, but may vary in future depending on the fees that may be charged by the Custodian from time to time. Custody fees would be subject to tax applicable at prevailing rates.

(iii) Registrar and Transfer agent fee:

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

b) The contract for the sale of such share or unit is settled otherwise than by the actual delivery or transfer of such share or unit.		
Derivatives: Futures	0.01%	Seller
Derivatives: Options a) Where Option is not exercised – b) Where Option is exercised-	 0.05% of option premium. 0.125% on settlement price	 Seller Buyer
Sale of unlisted equity shares under an offer for sale to public (or, w.e.f June 1, 2015, sale of unlisted units of a business trust by a unit holder which were acquired in consideration of a transfer referred to in section 47(xvii))	0.2%	Seller

C. Tax Implications to Different Categories of Investors

The intent of the client at the time of the agreement in terms of the portfolio management style could determine the character of the investment portfolio. For example, depending on the business profile of the client, the portfolio gain could be treated as 'business gain' rather than 'capital gains' and tax treatment in such cases would be different than that applicable in taxation of normal capital gains.

D. Tax Implications where Transaction in Securities are in the nature of Investments

The listed equity portfolio gains in an account will be in the nature of capital gains, either short-term or long-term depending upon the holding period.

Short-Term Capital Gains

In respect of shares held in a listed company, units of equity oriented Mutual Fund, Units of Unit Trust of India, Zero coupon bonds and any other listed securities (other than units) held for a period less than or equal to 12 months, such gain is treated as short term capital gain. Securities other than mentioned above held for a period of less than or equal to 36 months are treated as short term capital gain.

Equity Shares in a Company, units of an equity oriented fund and units of a business trust which are chargeable to Securities transaction tax under Chapter VII of the Finance (No. 2) Act, 2004 would be subject to tax @ 15% (plus applicable surcharge and education cess) pursuant section 111A of the Income tax Act, 1961.

Short term capital gain on securities other than above would be added to the total income. Total income including such short-term capital gains is chargeable to tax as per the relevant slab rates.

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Long Term Capital Gains

Under section 10(38) the Income Tax Act, 1961, long term capital gain on transaction in equity shares of the company or units of an equity oriented fund or a unit of a business trust which are chargeable to Securities transaction tax under Chapter VII of the Finance (No. 2) Act, 2004 would be exempt from tax. In respect of capital gains not exempted under section 10(38), the provisions for taxation of long-term capital gains for different categories are explained hereunder:

Long-term Capital Gains in respect of shares of an unlisted company and units of Mutual Fund (other than equity oriented mutual fund) held for a period of more than 36 months will be chargeable to tax under section 112 of the Act at the rate of 20% plus surcharge and cess, as applicable. Capital gains would be computed after taking into account the Cost of Acquisition as adjusted by Cost Inflation Index notified by the Central Government and expenditure incurred wholly and exclusively in connection with such transfer.

In respect of listed securities or units or zero coupon bond, it is further provided that an assessee has an option to apply tax the long term capital gain at the rate of 10% plus applicable surcharge and cess, provided the long term capital gains are computed without substituting indexed cost in place of cost of acquisition.

Under Section 112 of the Act, tax on Long term Capital gains for Non-Resident (not being a company) or a foreign company, the amount of income tax calculated on long term capital gains arising from the transfer of a capital asset, being unlisted securities, calculated at the rate of 10% plus surcharge, as applicable and cess on the capital gains in respect of such assets as computed without giving effect to first & second proviso to section 48 of the Income-tax Act would be leviable.

For assets other than specified above rate of income tax would be 20% plus surcharge, as applicable and cess. In case of a Resident, Capital gains would be computed after taking into account cost of acquisition as adjusted by Cost Inflation Index notified by the Central Government and expenditure incurred wholly and exclusively in connection with such transfer.

Under section 115E of the Act, income of a non-resident Indian by way of long term capital gains in respect of specified assets purchased in foreign currency as defined under section 115C (which includes shares of an Indian company, debentures issued by an Indian company not being a private company, and security issued by Central Government) is chargeable to tax at the rate of 10% plus applicable surcharge and cess. Such long-term capital gains would be calculated without indexation of cost of acquisition.

Income by way of dividends referred to in section 115-O of the Act will be exempt under section 10(34). However, the Company which declares dividend shall pay Dividend Distribution Tax ("DDT") at the rate of 15% plus surcharge and cess on the gross amount of profits distributed, i.e. profit distributed after reduction of tax is increased to such amount, as would after reduction of tax be equal to the net distributed profits.

Income by way of dividends other than that referred to in section 115-O and interest income from securities (considering the same is not taxable under the head Profits and Gains from Business or Profession) will be taxed under the head Income from Other Sources.

Income received in respect of units of Mutual Funds specified under clause 10(23D) is exempt from tax under section 10(35) of the Act. The Mutual Fund which declares the income will have to pay tax on the gross amount of profit distributed i.e. profit distributed after reduction of tax is increased to such amount, as would after reduction of tax be equal to the net distributed profits. The rates of distribution tax to be paid by mutual funds under section 115R are as follows:

Status of person	Distribution tax on income distributed by Money Market Mutual Fund or Liquid Fund	Distribution tax on income distributed by a fund other than Money Market Mutual Fund or Liquid Fund
Individual or HUF	25%	25%
Any other person	30%	30%

Non-resident	Distribution tax on income distributed by Infrastructure Debt Fund
Other than Company	5%
Company	5%

Surcharge and cess will be added to the above rates. The aforesaid rates shall be applicable to the gross amount of the distributed income i.e. profit distributed after reduction of tax is increased to such amount, as would after reduction of tax be equal to the net distributed profits.

No distribution tax under section 115R of the Income-tax Act is applicable in case of equity oriented funds.

Further, it has been clarified that income arising from transfer of units of Mutual Fund (Other than long term capital asset being equity oriented unit subject to STT) shall not be exempt under section 10(38).

As per Section 94(7) of the Act, if

- The securities or units purchased within three months prior to the record date
- are sold within three months after the record date
- Dividend/Income received on such securities or units received or receivable is exempt from tax

then the capital loss arising on account of purchase and sale of such securities to the extent of dividend/income received/receivable would not be available for set off against capital gains.

Tax treatment in case of sale of units of Mutual Fund u/s. 94(8) of the act is on similar lines. In case of units of mutual funds

- Purchase by any person within three months of the record date
- Such person is allotted additional units without payment (on the basis of holding of such units on such date)
- and such person sells all or any of the units within nine months after the record date while continuing to hold the additional units

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then the loss arising on transfer of such purchased units shall be ignored for the purpose of computing the income chargeable to tax, unlike Section 94(7) wherein the loss ignored is to the extent of the dividend/income received/receivable. However, the loss so ignored shall be treated as cost of acquisition of such additional units allotted.

Changes applicable from April 1, 2018 as proposed in The Finance Bill, 2018 (Bill No. 4 of 2018):
Section 10:
In clause (38), after the third proviso, the following proviso shall be inserted, namely:—
"Provided also that nothing contained in this clause shall apply to any income arising from the transfer of long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust, made on or after the 1st day of April, 2018."

Insertion of section 112A:

(1) Notwithstanding anything contained in section 112, the tax payable by an assessee on his total income shall be determined in accordance with the provisions of sub-section (2), if—
 (i) the total income includes any income chargeable under the head "Capital gains";
 (ii) the capital gains arise from the transfer of a long-term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust;
 (iii) securities transaction tax under Chapter VII of the Finance (No.2) Act, 2004 has,—
  (a) in a case where the long-term capital asset is in the nature of an equity share in a company,
  been paid on acquisition and transfer of such capital asset; or
  (b) in a case where the long-term capital asset is in the nature of a unit of an equity oriented fund or a unit of a business trust, been paid on transfer of such capital asset.

(2) The tax payable by the assessee on the total income referred to in sub-section (1) shall be the aggregate of—
 (i) the amount of income-tax calculated on such long-term capital gains exceeding one lakh rupees at the rate of ten per cent.; and
 (ii) the amount of income-tax payable on the balance amount of the total income as if such balance amount were the total income of the assessee:
Provided that in the case of an individual or a Hindu undivided family, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, the long-term capital gains, for the purposes of clause (i), shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax.

(3) The condition specified in clause (iii) of sub-section (1) shall not apply to a transfer undertaken on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transfer is received or receivable in foreign currency.

(4) The Central Government may, by notification in the Official Gazette, specify the nature of acquisition in respect of which the provisions of sub-clause (a) of clause (iii) of sub-section (1) shall not apply.

(5) The capital gains under sub-section (1) shall be computed without giving effect to the provisions of the first and second provisos to section 48.

(6) The cost of acquisition for the purposes of computing capital gains referred to in sub-section (1)

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in respect of the long-term capital asset acquired by the assessee before the 1st day of February, 2018, shall be deemed to be the higher of—

(i) the actual cost of acquisition of such asset; and

(ii) the lower of—

(a) the fair market value of such asset; and

(b) the full value of consideration received or accruing as a result of the transfer of the capital asset.

(7) Where the gross total income of an assessee includes any long-term capital gains referred to in sub-section (1), the deduction under Chapter VI-A shall be allowed from the gross total income as reduced by such capital gains.

(8) Where the total income of an assessee includes any long-term capital gains referred to in sub-section (1), the rebate under section 87A shall be allowed from the income-tax on the total income as reduced by tax payable on such capital gains.

Explanation.—For the purposes of this section,—

(a) "equity oriented fund" means a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10 and,—

(i) in a case where the fund invests in the units of another fund which is traded on a recognised stock exchange,—

(A) a minimum of ninety per cent. of the total proceeds of such fund is invested in the units of such other fund; and

(B) such other fund also invests a minimum of ninety per cent. of its total proceeds in the equity shares of domestic companies listed on a recognised stock exchange; and

(ii) in any other case, a minimum of sixty-five per cent. of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognised stock exchange:

Provided that the percentage of equity shareholding or unit held in respect of the fund, as the case may be, shall be computed with reference to the annual average of the monthly averages of the opening and closing figures;

(b) "fair market value" means,—

(i) in a case where the capital asset is listed on any recognised stock exchange, the highest price of the capital asset quoted on such exchange on the 31st day of January, 2018:

Provided that where there is no trading in such asset on such exchange on 31st day of January, 2018, the highest price of such asset on such exchange on a date immediately preceding the 31st day of January, 2018 when such asset was traded on such exchange shall be the fair market value;

(ii) in a case where the capital asset is a unit and is not listed on a recognised stock exchange, the net asset value of such asset as on the 31st day of January, 2018;

(c) "International Financial Services Centre" shall have the meaning assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005;

(d) "Recognised Stock Exchange" shall have the meaning assigned to it in clause (ii) of Explanation 1 to clause (5) of section 43.'

In section 115R of the Income-tax Act, in sub-section (2),—

(A) for clause (i) to clause (iii), the following clauses shall be substituted, namely:—

"(i) twenty-five per cent. on income distributed to any person being an individual or a Hindu undivided family by a money market mutual fund or a liquid fund;

(ii) thirty per cent. on income distributed to any other person by a money market mutual fund or a liquid fund;

(iii) ten per cent. on income distributed to any person by an equity oriented fund;

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(iv) twenty-five per cent. on income distributed to any person being an individual or a Hindu undivided family by a fund other than a money market mutual fund or a liquid fund or an equity oriented fund; and

(v) thirty per cent. on income distributed to any other person by a fund other than a money market mutual fund or a liquid fund or an equity oriented fund:";

(B) in the second proviso, clause (b) shall be omitted.

E. Profits and Gains of Business or Profession

If the investment under the Portfolio Management Services is regarded as "Business / Trading Asset" then the gain / loss arising there from is likely to be taxed as Profits or gains from business or profession.

Dividend from securities referred to in section 115-O, will be exempt under section 10(34) of the Act. **Provided** that nothing in this clause shall apply to any income by way of dividend chargeable to tax in accordance with the provisions of section 115BBDA. As per section 115BBDA, If an assessee being an individual, a Hindu undivided family or a firm earns dividend exceeding rupees ten lakh from a domestic companies then it will be taxable at the rate of ten percent. Dividends other than that referred to in section 115-O will be taxable as Income from Other Sources. Income by way of interest on securities would be chargeable to tax under Profits or gains from business or profession.

Income received in respect of units of Mutual Funds specified under clause 10(23D) is exempt from tax under section 10(35) of the Act. Further, it has been clarified that income arising from transfer of units of Mutual Fund (Other than long term capital asset being equity oriented unit subject to STT) shall not be exempt under section 10(38).

F. Losses under the head Profits and Gains of Business or Profession

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

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

Disclaimer: The tax information provided above is generic in nature and the actual tax implications for each client could vary substantially from what is mentioned above, depending on residential status, the facts and circumstances of each case. The client would therefore be best advised to consult his or her tax advisor/consultant for appropriate advice on the tax treatment of his income or loss and the expenses incurred by him as a result of his investment in the PMS offered by the Portfolio Manager.

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12. ACCOUNTING POLICIES

The accounting Policies to be followed by the Portfolio Manager should be in line with the generally accepted principal followed in the similar kind of industry segment. PMS should allocate the securities of the client at the end of the day & no positions shall be carried over in the pool account overnight.

In general, following Accounting Policies are to be followed for the purpose of maintaining books of accounts& records of the Client.

A) Books and Records are separately maintained in the name of the client to account for the assets and any additions, income, receipts and disbursements in connection therewith, as provided by the SEBI (Portfolio Managers) Regulations, 1993 as amended from time to time. Accounting under the respective portfolios will be done in accordance with Generally accepted Accounting principles followed in India. In addition to listed securities, each client's holding in unlisted securities has been segregated in separate accounts by the Portfolio Manager. As SEBI (Portfolio Management) Regulations, 1993, do not explicitly lay down detailed accounting policies, such policies which are laid down under SEBI (Mutual Fund) Regulations would be followed, in so for as accounting and valuations for equities/equity related instruments, Fixed Income securities and other securities are concerned and as applicable.

B) For every Client Portfolio, the Portfolio Manager 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's 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 of the Client.
   1. Investments are stated at cost of acquisition by the Portfolio Manager.
   2. Dividend income earned 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 upto 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 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.

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9. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment.
10. All other expenses payable by the Client shall be accrued as and when Liability is incurred.
11. Investments in listed equity and debt instruments will be valued at the closing market prices on the National Stock Exchange (NSE)/Bombay Stock Exchange (BSE)- (Principal Stock Exchange). In case of the securities are not traded on the valuation date, the last available traded price shall be used for the valuation of securities. Investments in units of Mutual Funds shall be valued at the Net Asset Value of the previous day declared for the relevant Scheme on the date of the report.
12. Open positions in derivative transactions, will be marked to market on the valuation day.
13. 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.
14. Unrealised gain/losses are the differences, between the current market value/ Net Asset Value and the historical cost of the securities.
15. Where investment transactions 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.
16. Securities brought in or withdrawn by the Client shall be valued at the closing price of the Security at BSE. If closing price on BSE is not available, NSE price would be 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.
17. All expenses shall be accounted on an accrual basis for each financial year.

D.) Investment securities transactions are accounted for on a trade date basis. The cost of investments acquired or purchased would include brokerage, stamp charges and any charges customarily included in the brokers contract note or levied by any statute except STT (Securities Transaction Tax). Similarly, in case of Sale transactions, the above mentioned charges will be deducted from the sale price. Realised Gains/Losses will be calculated by applying the First in/First out method. It may be noted that for Income Tax purposes, STT is deductible only when the gains are treated as Business Income. All other taxes, if any and as applicable shall be accounted on an actual basis by making necessary provisions at the end of each financial year.

E) The portfolio manager shall furnish periodic reports to the client and as and when required by the client and such report shall contain the following details, namely:-

(a) the composition and the value of the portfolio, description of security, number of securities, value of each security held in the portfolio, cash balance and aggregate value of the portfolio as on the date of report;

(b) transactions undertaken during the period of report including date of transaction and details of purchases and sales;

(c) beneficial interest received during that period in respect of interest, dividend, bonus shares, rights shares and debentures;

(d) expenses incurred in managing the portfolio of the client;

(e) details of risk foreseen by the portfolio manager and the risk relating to the securities recommended by the portfolio manager for investment or disinvestment.

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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. IMPORTANT NOTE ON PREVENTION OF MONEY LAUNDERING & KNOW YOUR CUSTOMER (KYC) REQUIREMENTS:

The Government of India has put a policy framework to combat money laundering through the Prevention of Money Laundering Act, 2002 (PMLA 2002). PMLA 2002 and the Rules notified there under (PMLA Rules) came into effect from July 1, 2005. Director, FIU-IND and Director (Enforcement) have been conferred with exclusive and concurrent powers under relevant sections of the Act to implement the provisions of the Act. Consequently, SEBI has mandated that all registered intermediaries to formulate and implement a comprehensive policy framework on anti money laundering and adopt 'Know Your Customer' (KYC) norms. Further, SEBI vide Circular No.CIR/ISD/AML/3/2010 dated December 31, 2010 (which supersedes all the earlier circular) issued a 'Master Circular for Anti Money Laundering (AML) Standards/Combating the Financing of Terrorism (CFT)/Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002' consolidating all the requirements/instructions/obligations of Securities Market Intermediaries.

Accordingly, the investors should ensure that the amount invested by them is through legitimate sources only and does not involve and are not designed for the purpose of any contravention or evasion of any Act, Rules, Regulations, Notifications or Directions of the provisions of Income Tax Act, Prevention of Money Laundering Act, Anti Corruption Act and or any other applicable laws enacted by the Government of India from time to time. The Portfolio Manager is committed to complying with all applicable anti money laundering laws and regulations in all of its operations. Accordingly, the Portfolio Manager reserves the right to reject or refund or freeze the account of the client if the client doesn't comply with the internal policies of the Portfolio Manager or any of the Applicable Laws including the KYC requirements. Further, the Portfolio Manager has put in place client due diligence measures including screening procedures whereby names of the investors will be screened against such database considered appropriate by the Portfolio Manager. Further, the Portfolio Manager shall take necessary action including rejection of application / refund of application money / freezing of investor account for future transactions / submitting Suspicious Transactions Report (STR) to law enforcement authorities if the Portfolio Manager has reasonable grounds to believe / suspect that the transactions involve Money Laundering or Terrorist Financing or proceeds of crime.
The Portfolio Manager shall not be held liable in any manner for any claims arising whatsoever on account of freezing the account / rejection or refund of the application etc due to non compliance with the provisions of any of the aforesaid Regulations or Applicable Laws.

Investors are requested to note that KYC is mandatory for all investors. SEBI vide circular no. MIRSD/SE/Cir -21/2011 dated October 5, 2011 and CIR/MIRSD/ 11 /2012 dated September 5, 2012 has mandated that the uniform KYC form and supporting documents shall be used by all SEBI registered intermediaries in respect of all new clients from January 1, 2012. Further, SEBI vide circular no. MIRSD/Cir -23/2011 dated December 2, 2011, has developed a mechanism for centralization of the KYC records in the securities market to bring about uniformity in securities

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markets. Accordingly, KYC registration is being centralised through KYC Registration Agencies (KRA) registered with SEBI. Thus each investor has to undergo a uniform KYC process only once in the securities market and the details would be shared with other intermediaries by the KRA. Applications shall be liable to be rejected if the investors do not comply with the aforesaid KYC requirements.

Ministry of Finance (Dept. of Revenue) in consultation with Reserve Bank of India (RBI) has issued the notification for Prevention of Money Laundering (Maintenance of Records) [PMLA] Rules, 2005. As per these amendments rules, Mutual Funds/ Asset Management Companies are mandated to collect Aadhaar Number from their customers, authenticate with UIDAI database and link the same in all their accounts.

14. INVESTOR SERVICES

(i) Name, address and telephone number of the investor relation officer who shall attend to the investor queries and complaints.

Name	:	Mr. Manish Kansara
Address	:	Capitol House, 10 Paras-II, Near Campus Corner, Prahaladnagar, Anandnagar, Abd-380015
Tel no.	:	079-40240000
Email ID	:	manish@wealthfirst.biz

Grievance redressal and dispute settlement mechanism.

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

b. All Clients' complaints are escalated to the Compliance Department immediately on receipt of complaint.

c. The Compliance Department reviews and monitors the status of Clients' complaints and take necessary action for quick resolution of the same.

d. If during the review of complaints, it is noticed that the complaint is due to some procedural lapses or due to any other identifiable reasons, then necessary corrective steps shall be taken immediately.

e. Complaints shall be generally resolved within 30 days from the date of receipt and any complaint which is pending for more than 30 days is escalated to Senior Management for discussion and resolution.

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

Investor may also register/ lodge their complaints to SEBI through its online portal SCORES (SEBI COMPLAINTS REDRESS SYSTEM). The link to access SCORES is ***http://scores.gov.in*** and investors can file complaints by clicking "Complaint Registration" under "Investor Corner".

SCORES facilitates investors to lodge their complaint online with SEBI and subsequently view its status.

Wealth First Portfolio Managers Ltd. Ahmedabad

Approved by the Directors of Wealth First Portfolio Managers Limited:

Name of Director	Signature
Mr. Ashish Shah (DIN 00089075)	
Mrs. Hena Shah (DIN 00089161)	
Mr. Rajan Mehta (DIN 03548180)	
Mrs. Binal Gandhi (DIN 02740504)	
Mr. Devanshu Mehta (DIN 07265777)	

DATE: 05/03/2018

PLACE: AHMEDABAD