

DISCLOSURE DOCUMENT OF
GAUVIK WEALTH MANAGEMENT LLP
PORTFOLIO MANAGEMENT SERVICES
DISCLOSURE DOCUMENT

(As required under Regulation 22 of SEBI (Portfolio Managers) Regulations, 2020)

- (i) The Document has been filed with the Board (SEBI) along with the certificate in the prescribed format in terms of regulation 22 of SEBI (Portfolio Managers) Regulation 2020.
- (ii) The purpose of the Document is to provide essential information about the Portfolio Management Services (PMS) in a manner to assist and enable the investors in making informed decision for engaging a Portfolio Manager.
- (iii) 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 designated by the Portfolio Manager is:

Name of Principal Officer : **Mr. Srihari Chintalapudy**

Address : Plot No.5 and 6, Kharkhana, Suryanagar,
Hyderabad – 500009.

Phone No(s) : 7013414160

E-mail address : compliance@gauvikwealth.com

- (v) This Disclosure Document is dated 01/12/2025.

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PART-I-Static Section

1. Disclaimer Clause

This Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 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 this Document.

The distribution of this Document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this Document are required to inform themselves about and to observe any such restrictions.

2. Definitions

In this Disclosure Document, unless the context otherwise requires, the following words and expressions shall have the meaning assigned to them:

1. **“Act”** means the Securities and Exchange Board of India Act, 1992.
2. **“Accreditation Agency”** means a subsidiary of a recognized stock exchange or a subsidiary of a depository or any other entity as may be specified by SEBI from time to time.
3. **“Accredited Investor”** means any person who is granted a certificate of accreditation by an accreditation agency who:
 - (i) in case of an individual, HUF, family trust or sole proprietorship has:
 - (a) annual income of at least two crore rupees; or
 - (b) net worth of at least seven crore fifty lakh rupees, out of which not less than three crores seventy-five lakh rupees is in the form of financial assets; or
 - (c) annual income of at least one crore rupees and minimum net worth of five crore rupees, out of which not less than two crore fifty lakh rupees is in the form of financial assets.
 - (ii) in case of a body corporate, has net worth of at least fifty crore rupees;
 - (iii) in case of a trust other than family trust, has net worth of at least fifty crore rupees;
 - (iv) in case of a partnership firm set up under the Indian Partnership Act, 1932, each partner independently meets the eligibility criteria for accreditation:

Provided that the Central Government and the State Governments, developmental agencies set up under the aegis of the Central Government or the State Governments, funds set up by the Central Government or the State Governments, qualified institutional buyers as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Category I foreign portfolio investors, sovereign wealth funds and multilateral agencies and any other entity as may be specified by the Board from time to time, shall deemed to be an accredited investor and may not be required to obtain a certificate of accreditation.
4. **“Advisory Services”** means advising on the portfolio approach, investment and divestment of individual Securities in the Client’s Portfolio, entirely at the Client’s risk, in terms of the Regulations and the Agreement.
5. **“Agreement”** or **“Portfolio Management Services Agreement”** or **“PMS Agreement”** means agreement executed between the Portfolio Manager and its Client for providing

portfolio management services and shall include all schedules and annexures attached thereto and any amendments made to this agreement by the parties in writing, in terms of Regulation 22 and Schedule IV of the Regulations.

6. **“Applicable Law/s”** means any applicable statute, law, ordinance, regulation, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument including the Regulations which has a force of law, as is in force from time to time.
7. **“Assets Under Management”** or **“AUM”** means aggregate net asset value of the Portfolio managed by the Portfolio Manager on behalf of the Clients.
8. **“Associate”** means (i) a body corporate in which a director or partner of the Portfolio Manager holds either individually or collectively, more than twenty percent of its paid-up equity share capital or partnership interest, as the case may be; or (ii) a body corporate which holds, either individually or collectively, more than twenty percent of the paid-up equity share capital or partnership interest, as the case may be of the Portfolio Manager.
9. **“Benchmark”** means an index selected by the Portfolio Manager in accordance with the Regulations, in respect of each Investment Approach to enable the Clients to evaluate the relative performance of the Portfolio Manager.
10. **“Board”** or **“SEBI”** means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.
11. **“Business Day”** means any day, which is not a Saturday, Sunday, or a day on which the banks or stock exchanges in India are authorized or required by Applicable Laws to remain closed or such other events as the Portfolio Manager may specify from time to time.
12. **“Client(s)”** / **“Investor(s)”** means any person who enters into an Agreement with the Portfolio Manager for availing the services of portfolio management as provided by the Portfolio Manager.
13. **“Custodian(s)”** means an entity registered with the SEBI as a custodian under the Applicable Laws and appointed by the Portfolio Manager, from time to time, primarily for custody of Securities of the Client.
14. **“Depository”** means the depository as defined in the Depositories Act, 1996 (22 of 1996).
15. **“Depository Account”** means an account of the Client or for the Client with an entity registered as a depository participant under the SEBI (Depositories and Participants) Regulations, 1996.
16. **“Direct on-boarding”** means an option provided to clients to be on-boarded directly with the Portfolio Manager without intermediation of persons engaged in distribution services.
17. **“Disclosure Document”** or **“Document”** means the disclosure document for offering portfolio management services prepared in accordance with the Regulations.
18. **“Distributor”** means a person/entity who may refer a Client to avail services of Portfolio Manager in lieu of commission/charges (whether known as channel partners, agents, referral interfaces or by any other name).

19. **“Eligible Investors”** means a Person who: (i) complies with the Applicable Laws, and (ii) is willing to execute necessary documentation as stipulated by the Portfolio Manager.
20. **“Fair Market Value”** means the price that the Security would ordinarily fetch on sale in the open market on the particular date.
21. **“Foreign Portfolio Investors”** or **“FPI”** means a person registered with SEBI as a foreign portfolio investor under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 as amended from time to time.
22. **“Financial Year”** means the year starting from April 1 and ending on March 31 in the following year.
23. **“Funds”** or **“Capital Contribution”** means the monies managed by the Portfolio Manager on behalf of the Client pursuant to the Agreement and includes the monies mentioned in the account opening form, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to the Agreement, the proceeds of 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.
24. **“Group Company”** shall mean an entity which is a holding, subsidiary, associate, subsidiary of a holding company to which it is also a subsidiary.¹
25. **“HUF”** means the Hindu Undivided Family as defined in Section 2(31) of the IT Act.
26. **“Investment Approach”** is a broad outlay of the type of Securities and permissible instruments to be invested in by the Portfolio Manager for the Client, taking into account factors specific to Clients and Securities and includes any of the current Investment Approach or such Investment Approach that may be introduced at any time in future by the Portfolio Manager.
27. **“IT Act”** means the Income Tax Act, 1961, as amended and restated from time to time along with the rules prescribed thereunder.
28. **“Large Value Accredited Investor”** means an Accredited Investor who has entered into an Agreement with the Portfolio Manager for a minimum investment amount of ten crore rupees.
29. **“Non-resident Investors”** or **“NRI(s)”** shall mean non-resident Indian as defined in Section 2 (30) of the IT Act.
30. **“NAV”** shall mean 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.
31. **“NISM”** means the National Institute of Securities Markets, established by the Board.
32. **“Person”** includes an individual, a HUF, a corporation, a partnership (whether limited or unlimited), a limited liability company, a body of individuals, an association, a proprietorship, a trust, an institutional investor and any other entity or organization whether incorporated or not, whether Indian or foreign, including a government or an agency or instrumentality thereof.

33. **“Portfolio”** means the total holdings of all investments, Securities and Funds belonging to the Client.
34. **“Portfolio Manager”** means **GAUVIK WEALTH MANAGEMENT LLP**, [a company / limited liability partnership] incorporated under [the Companies Act, [2013/1956] / the Limited Liability Partnership Act, 2008], registered with SEBI as a portfolio manager bearing registration number _____ and having its registered office at **Plot No.5 and 6, Kharkhana, Suryanagar, Hyderabad – 500009.**
35. **“Principal Officer”** means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager and is responsible for:
- (i) the decisions made by the Portfolio Manager for the management or administration of Portfolio of Securities or the Funds of the Client, as the case may be; and
 - (ii) all other operations of the Portfolio Manager
36. **“Regulations”** or **“SEBI Regulations”** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, as amended/modified and reinstated from time to time and including the circulars/notifications issued pursuant thereto.
37. **“Related Party”** means –
- (i) a director, partner or his relative;
 - (ii) a key managerial personnel or his relative;
 - (iii) a firm, in which a director, partner, manager or his relative is a partner;
 - (iv) a private company in which a director, partner or manager or his relative is a member or director;
 - (v) a public company in which a director, partner or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;
 - (vi) any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director, partner or manager;
 - (vii) any person on whose advice, directions or instructions a director, partner or manager is accustomed to act:
- Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;
- (viii) any body corporate which is— (A) a holding, subsidiary or an associate company of the Portfolio Manager; or (B) a subsidiary of a holding company to which the Portfolio Manager is also a subsidiary; (C) an investing company or the venturer of the Portfolio Manager— The investing company or the venturer of the Portfolio Manager means a body corporate whose investment in the Portfolio Manager would result in the Portfolio Manager becoming an associate of the body corporate;
 - (ix) a related party as defined under the applicable accounting standards;
 - (x) such other person as may be specified by the Board:
- Provided that,
- (a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
 - (b) any person or any entity, holding equity shares:
 - (i) of twenty per cent or more; or
 - (ii) of ten per cent or more, with effect from April 1, 2023; in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding Financial Year; shall be deemed to be a related

party;

38. “**Securities**” means security as defined in Section 2(h) of the Securities Contract (Regulation) Act, 1956, provided that securities shall not include any securities which the Portfolio Manager is prohibited from investing in or advising on under the Regulations or any other law for the time being in force.

3. Description

3(i) History, Present Business and Background of the portfolio manager.

Gauvik Wealth Management LLP. (GAUVIKLLP) is a closely held limited liability Partnership firm incorporated under Section 23(4) of LLP Act, 2008 on 18 day of November 2020, having its Registered Office at Plot No.5 and 6, Kharkhana, Suryanagar, Hyderabad, Pin - 500 009.

The Philosophy of GAUVIKLLP has always been investment with full knowledge acquired by in-depth fundamental research. Keeping in view, GAUVIKLLP now desires to serve HNI's and corporate investors through the PMS route.

Under the portfolio management services offered by GAUVIKLLP, the funds of investors will be managed by team of professionals having good experience in the various facets of Equity Markets such as Research, Fund Management and Consultancy.

Gauvik Wealth Management LLP. is currently focused on providing personalized service to its client base comprising of high and middle net-worth individuals. The company has always aimed at providing value added services to the client which align with the clients long term goals of wealth creation. In pursuance of this goal, the company wishes to leverage its research capabilities to provide Portfolio Management Services with an aim to generate long term returns based on detailed fundamental research.

3.(ii) Promoters of the portfolio manager, directors and their background.

- 1. Mr. Gautam Chand Jain, Designated Partner.**
- 2. Mr. Ansh Jain, Designated Partner.**

3.(iii) Top 10 Group companies/firms of the portfolio manager on turnover. basis (latest audited financial statements may be used for this purpose) – NIL.

3.(iv) Details of the services being offered:

The Portfolio Manager intends to offer services of discretionary portfolio management, non-discretionary portfolio management and that of investment advisory as set out in the details provided below. All clients will have the option to be on boarded directly to avail these services, without intermediation of persons engaged in distribution services.

a) Discretionary:

Under these services, the choice as well as the timing of the investment decisions rest solely with the portfolio manager. The portfolio manager shall have the sole and absolute discretion to invest in respect of the clients account as per the agreement and

make such changes in the investments and invest some or all of the clients funds in such manner and in such markets as it deems fit. The portfolio managers decision in investment of the clients account will be absolute and final.

b) Non-discretionary:

Under these services, the client decides their own investment with the portfolio manager. The portfolio managers role is limited to providing research, investment advise and trade execution at the client's request. The portfolio manager shall execute orders as per the mandate receive from the client.

c) Advisory:

Portfolio Manager gives advice to the client regarding investment/disinvestment in Securities. However, discretion lies with the client whether to act upon it or to ignore the advice.

4. Penalties, pending litigation or proceedings, findings of inspection or investigation 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 regulations made there under. **NONE**
- (ii) The nature of the penalty/direction. **NONE**
- (iii) Penalties/fines imposed for any economic offence and/ or for violation of any securities laws. **NONE**
- (iv) Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any. **NONE**
- (v) Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency. **NONE**
- (vi) Any enquiry/ adjudication proceedings initiated by the Board against the portfolio manager or its directors, principal officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or rules or regulations made there under. **NONE.**

5. Services Offered

- (i) The present investment objectives and policies including the types of securities in which it generally invests shall be clearly and concisely stated in the document for easy understanding of the potential investor.
- (ii) Investment Approaches of the Portfolio Manager
- (iii) The policies for investments in associates/group companies of the portfolio manager and the maximum percentage of such investments therein subject to the applicable laws/regulations/ guidelines.

Investment Approach – The Sumeru Strategy by Gauvik

1. Name of the Investment Approach

The Sumeru Strategy

2. Investment Objective

The objective of *The Sumeru Strategy* is to achieve long-term capital appreciation while preserving wealth through disciplined, research-based investing. The approach aims to deliver consistent, risk-adjusted

returns across market cycles by combining top-down macroeconomic insights with bottom-up fundamental analysis.

3. Investment Philosophy

The strategy is inspired by *Mount Meru* (also known as *Sumeru*), the mythological cosmic mountain symbolizing balance, stability, and permanence.

At Gauvik Wealth Management LLP, we believe that enduring wealth is built on balance — anchoring ambition with clarity, and growth with discipline.

Accordingly, the strategy emphasizes a thoughtful equilibrium between capital preservation and opportunity-seeking, guided by independent research and long-term conviction.

4. Investment Process

The Sumeru Strategy follows a structured and evidence-based process comprising the following stages:

1. **Universe Screening:** Identification of securities with strong business fundamentals, sound management quality, and sustainable growth potential.
2. **Research & Analysis:** Integration of fundamental research, technical trend evaluation, and macroeconomic context to establish conviction.
3. **Portfolio Construction:** Diversified allocation across sectors and market capitalizations, guided by valuation discipline and liquidity considerations.
4. **Risk Management:** Continuous monitoring of portfolio exposure, drawdowns, and deviation from benchmark parameters, supported by predefined risk thresholds.
5. **Review & Rebalancing:** Periodic assessment of portfolio constituents to ensure alignment with strategy objectives and evolving market conditions.

5. Risk Management Framework

Risk management forms an integral part of *The Sumeru Strategy*. The framework incorporates position limits, sectoral caps, liquidity screens, and stop-loss measures. Regular stress testing and scenario analyses are undertaken to mitigate downside risks and maintain portfolio integrity.

6. Benchmark

The performance of *The Sumeru Strategy* will be benchmarked against the **Nifty 500 Total Return Index (TRI)**, representing broad market exposure across large-cap, mid-cap, and small-cap segments.

7. Investment Horizon

The recommended investment horizon is **three years or longer**, in line with the strategy's long-term philosophy and objective of compounding wealth through sustainable growth.

8. Indicative Asset Allocation

Asset Class	Indicative Allocation (%)
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Asset Class	Indicative Allocation (%)
Listed Equity & Equity-related instruments	80% – 100%
Debt, Liquid Funds & Money Market Instruments	0% – 20%

9. Expected Outcome

The Sumeru Strategy seeks to deliver superior risk-adjusted returns through disciplined participation in equity markets, with an emphasis on **preserving capital during adverse cycles** and **compounding wealth across generations**.

Investment in Derivatives

The Portfolio Manager may invest in derivatives through recognized stock exchanges for the purpose of hedging and portfolio rebalancing. The type of derivative instruments will be of all the kinds including Stock futures, index futures, stock option and index option those that are traded on the floor of the recognized stock exchanges namely National Stock Exchange of India Limited and BSE Limited, in the Derivative Market Segment. Similarly, all or any type of derivative positions will be adopted.

The usage of Derivative Products and transactions will be for the purpose of hedging and portfolio rebalancing. The quantum of exposure to derivatives will be maximum up to 100 % the aggregate assets (net of existing derivatives investments) of the Client at the disposal of the Portfolio Manager.

Client level position limits and market wide position limits as specified by SEBI from time to time will be observed.

The terms of valuing and liquidating derivative contracts in the event of liquidation of portfolio management Product, will be at the best rate on the floor of the stock exchanges, namely, National Stock Exchange of India Limited and the BSE Limited, in the Derivatives Market Segment. On termination of the portfolio management services, the portfolio manager shall unwind the positions in the derivative segment as soon as possible.

The derivative positions will not be held for Non Resident Indian, and accordingly the NRI's portfolio may differ to that extent with the other persons in this Product.

Prior permission of investors will be obtained if derivatives are used for any other purpose (other than those mentioned above).

*Portfolio Manager may take position in derivatives with an allocation of 0% to 10%.

6. Risk factors

A. General Risks 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 the Portfolio:

- i) Securities investments are subject to market risk and there is no assurance or guarantee that the objectives of the investment will be achieved.
- ii) Past performance is not an indication that returns in the future with regard to either the same scheme or any other future scheme that may be launched by the Portfolio Manager, will be achieved. Investors are not being offered any assurance, insurance or guarantee either that the objective of the scheme will be achieved or of any indicative returns or of protection of initial corpus or of appreciation of the Portfolio through these Products and the names of the product do not, in any manner, indicate their prospects or returns.
- iii) The Portfolio Manager is neither responsible nor liable for any losses resulting from the operations of the Portfolio Products.
- iv) The Client stands a risk of loss due to lack of adequate external systems for transferring, pricing, accounting, and safekeeping or record keeping of Securities. Transfer risk may arise due to the process involved in registering the shares, physical and Demat, in the Portfolio Manager's name, while price risk may arise on account of availability of share price from stock exchanges during the day and at the close of the day.
- v) The value of the Portfolios may be affected by changes in the, general market conditions and factors and forces affecting the capital markets, in particular, the level of interest rates, various market related factors, trading volumes, settlement periods, transfer procedures, currency exchange rates, foreign investments, changes in government policies, taxation, political, economic and other developments, closure of stock exchanges, etc.
- vi) The Portfolio Manager may invest in the shares, mutual funds, debt instruments, deposits and other financial instruments of affiliates / companies, subject to the relevant regulatory requirements. Such decisions will be on an arm's length basis.
- vii) The investment made by the Portfolio Manager is subject to risk arising out of non – diversification, if any.
- viii) The names of the products do not in any manner indicate their prospects and returns.
- ix) The Portfolio Manager may, considering the overall level of risk of the portfolio, invest in lower rated/unrated securities that offer higher yield, which may increase the risk to the portfolio. Such investments shall be subject to the scope of investments laid down in the executed Agreement.
- x) The Portfolio Manager may appoint advisors and consultants for the purpose of investment advice/recommendation. The advice rendered by the advisor or consultant may or may not be followed by the Portfolio Manager. The appointment of such an advisor or consultant and the advice received, whether followed or not, may or may not give the desired result sought to be achieved. If the advice rendered by the consultant is not appropriate or is not executed in time or even if the advice is satisfactory and successfully implemented but due to market conditions, the desired results may not be achieved.
- xi) The Clients may not be able to avail of securities transaction tax credit benefit and/or tax deduction at source (TDS) credit and this may result in an increased incidence of tax on the Clients. The Client may incur a higher rate of TDS/Dividend Distribution Tax in case the investments are aggregated in the name of the Portfolio Management plan.
- xii) The investments of the fund and resultant investment are subject to a very wide range of risks which include amongst others inter alia:
 - a) Overall economic slowdown, unanticipated bad corporate performance, environmental or political (including changes in tax laws and rates), changes in government policies and regulations with regards to industry and exports.
 - b) Act of state, sovereign action, Acts of God, Acts of war, civil disturbance.
 - c) Delisting or market closure, relatively small number of scrips accounting for a large proportion of trading volume.

- d) Misjudgment of Portfolio Manager, unsystematic settlement procedures, refusal or delay in registration of securities, non receipt of interest or dividend etc.
- xiii) The portfolio manager shall take all reasonable steps to invest the funds in a prudent manner such decisions shall not always prove to be profitable or correct. Consequently, any loss arising from such decisions shall be a risk assumed by the client.
- xiv) Limited liquidity in the market, settlement risk, impeding readjustment of portfolio composition, highly volatile stocks money markets in India. There is also risk of total loss of value of an Asset, possibilities of recovery of loss in investments only through expensive legal process. Such loss could arise due to factors which by way of illustration, include, default or non – performance of a third party, company’s refusal to register a security due to legal stay or otherwise, disputes raised by third parties. Thus the investment in Indian Capital Money Market involves above average risk for investors compared with other types of investment opportunities. Investments will be of a longer duration compared to trading in securities. There is a possibility of the value of investment and the income there from falling as well as rising depending upon the market situation.
- xv) Performance of the Portfolios may be impacted as a result of specific investment restrictions provided by the client.
- xvi) The Portfolio Manager is not guaranteeing or assuring any return on investment.
- xvii) Risk factor specifically while using Options: The Portfolio Manager might buy options to enhance yield. In buying options the profit potential is unlimited, whereas the maximum risk is the premium paid to buy the options. The Portfolio Manager may use Derivatives instruments like equity futures & options, or other Derivative instruments as permitted under the Regulations and guidelines. Usage of Derivatives will expose the strategies to liquidity risk, open position risk, and opportunities risk etc. Such risks include the risk of mispricing or improper valuation and the inability of Derivatives to correlate perfectly with underlying assets, rates and indices. In case of the Derivative strategies, it may not be possible to square off the cash position against the corresponding Derivative position at the exact closing price available in the Value Weighted Average Period.
- xviii) Risk factors associated with Derivatives: Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the Investor. Execution of such strategies depends upon the ability of the Portfolio Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Portfolio Manager involve uncertainty and the decision of Portfolio Manager may not always be profitable. No assurance can be given that the Portfolio Manager will be able to identify or execute such strategies. The risks associated with the use of Derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Trading in derivatives has the following risks: (i) An exposure to Derivatives in excess of the hedging requirements can lead to losses.
(ii) An exposure to Derivatives, when used for hedging purpose, can also limit the profits from a genuine investment transaction. (iii) Derivatives carry the risk of adverse changes in the market price. (iv) Illiquidity Risk i.e. risk that a Derivative trade may not be executed or reversed quickly enough at a fair price, due to lack of liquidity in the market.

7. Nature of expenses

The following are indicative types of charges. The exact basis of charge relating to each of the following services shall be annexed to the PMS Agreement and the agreements in respect of each of the services availed at the time of execution of such agreements.

1. *Investment Management and Advisory Fees:*

- i) The Portfolio Management Fees relate to the portfolio management services offered to the Clients. The fee may be a fixed charge or a percentage of the quantum of the funds being managed or linked to portfolio returns achieved or a combination of any of these with high watermark.
- ii) Upfront Fees:
No upfront fees will be collected from the clients

2. *Custodian fee / Depository Charges & Fund Accounting Charges:*

Charges relating to custody and transfer of shares, bonds, and units, opening and operation of demat account, dematerialization and/or any other charges in respect of the investment etc. The actual fees levied by the custodian for custody, demat charges and fund accounting shall be charged to the client as mentioned in the agreement with the client and as agreed between the Portfolio Manager and the Custodian from time to time.

3. *Registration and transfer agents' fees:*

Fees payable for the Registrars and Transfer Agents in connection with effecting the transfer of any or all of the securities and bonds including stamp duty, cost of affidavits, notary charges, postage stamps, and courier charges.

4. *Brokerage, transaction costs, and other services:*

The brokerage and other charges like stamp duty, transaction cost and statutory levies such as GST, securities transaction tax, turnover fees, and such other levies as may be imposed upon from time to time. Brokerage / or Transaction Cost on transactions would be levied at the prevailing rates charged by the brokers and / or any such other intermediary (+) applicable Service Tax (+) Transaction Charges (+) Stamp Duty (+) Securities Transaction Tax (+) Turnover Tax (+) any other levies thereon, as may be applicable from time to time.

5. *Securities lending and borrowing charges:*

The charges pertaining to the lending of securities, costs associated with transfer of securities connected with the lending and borrowing transfer operations as permitted by SEBI for time to time

6. *Fees for Technical Services:*

- a) Investment management fee i.e. a fixed fee is charged as agreed with the client vide terms and conditions mentioned in the agreement.
- b) Performance management fee i.e. performance fee based on profit slabs provided in the portfolio agreement is charged as agreed with the client vide terms and conditions mentioned in the agreement.

7. *Depository Charges:*

The actual fees levied by the DP like Dematerialization, Annual Maintenance charges (AMC) and transfer of securities, etc. shall be charged to the client as mentioned in the agreement with the client.

8. *Certification charges or professional charges:*

The charges payable for outsourced professional services like accounting, taxation and any legal services, notarizations, etc. shall be borne by the Clients.

9. *Registration and transfer agents' fees:*

Fees payable for the Registrars and Transfer Agents in connection with effecting transfer of any or all of the securities and bonds including stamp duty, cost of affidavits, notary charges, postage stamps and courier charges.

10. *Fees, entry/exit loads and charges in respect of investment in mutual funds:*

Mutual Funds shall be recovering expenses or management fees, entry/exit loads and other incidental expenses along with services tax, if any, on such recoveries and such fees, entry /exit loads and charges including services tax on such recoveries shall be paid to the Asset Management Company of these Mutual Funds on the Clients' account. Such fees and charges are in addition to the Portfolio Management fees described above.

11. *Any other incidental or ancillary expenses:*

All incidental and ancillary expenses not covered above but incurred by the Portfolio Manager on behalf of the Client shall be charged to the Client.

12. *Other Charges:*

Over and above the Portfolio Management fees and the transaction cost as mentioned above, the portfolio manager would recover audit fees for auditing and reporting of individual client's accounts; and other charges that the portfolio manager may have to incur while running Portfolio Management Services.

Charges pertaining to partial withdrawal / closure would be levied as per the terms provided in Agreement entered into between Portfolio Manager and Client.

13. The portfolio manager shall deduct / withdraw directly from the cash account of the client all the fees / costs specified above. Other expenses, which could be attributable to the Portfolio Management, would also be directly deducted and the client would be sent a statement about the same.

8. Taxation

The following information is based on the law in force in India at the date hereof. This information is neither a complete disclosure of every material fact of the Income-tax Act, 1961 nor does constitute tax or legal advice. This information is based on the Portfolio Manager's understanding of the Tax Laws as of this date of Disclosure Document. Investors / clients should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely. In view of the individual nature of the tax consequences, each investor / client is advised to consult his/ her/its own professional tax advisor. The information/data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy and should not be construed as investment advice.

Income on Investment in Securities is subject to tax in the following manner:

- a) Dividends declared by Indian companies will be taxed at the applicable income slab rate from FY 2020-21 onwards. Further, such dividend received by a recipient will also attract tax deduction at source (TDS) at 10* per cent, if it exceeds INR 5,000 in a financial year. Further, dividends declared by all mutual funds are also taxable in the hands of Investors in the same manner.
- b) Interests on Investment are taxable except in certain cases where it is exempted from tax under Income Tax Act 1961.
- c) In case the securities are sold within one year (for listed securities except for units other than units of equity oriented mutual funds) or within two years (for unlisted securities) from the date of purchase, the resultant gains or losses are termed as short-term capital gains or losses. Short term gains arising out of transfer of equity shares if the securities are sold on a recognized stock exchange in India and on which securities transaction tax has been paid are taxed at a concessional rate of 15% (as increased by surcharge plus education cess), in other cases they would be taxed at the slab rate applicable to the respective PMS client type.

In case the securities are sold after one year (for listed securities) or two years (for unlisted securities) and three years for units other than units of equity oriented mutual funds from the date of purchase, the resultant gains or losses are termed as long term capital gains or losses and the gain is arising out of transfer of equity shares which are sold on a recognized stock exchange in India and on which securities transaction tax has been paid would be taxed at 10% (as increased by surcharge plus education cess) in case of listed securities and 20% (as increased by surcharge plus education cess) in case of unlisted securities and units other than units of equity oriented mutual funds.

From A.Y. 2019-20, Long Term capital gain (where STT is paid) in excess of Rs. 1 Lakh will be chargeable at the rate of 10% and on the balance amount of the total income, the tax will be computed as if it were the total income of the assessee.

Note: "Listed Securities" as defined under the explanation to section 112(1) of Income Tax Act, means the securities as defined in clause 2(h) of Securities Contract (Regulations) Act, 1956 and listed on any recognized stock exchange in India.

"Unlisted Securities" means securities other than listed securities.

"Units" shall have the meaning assigned to it in clause (b) of explanation to section 115AB of Income Tax Act, 1961.

The following are the tax provisions presently applicable to clients investing in the Portfolio Management Products under the Income Tax Act, 1961.

Tax on Long Term Capital Gain:

If the capital asset, which is transferred, is equity share or units of equity oriented mutual funds and the transaction is subject to Securities Transaction Tax, the Long-Term Capital Gain in excess of Rs. 1 Lakh is chargeable to tax @ 10%.

In other cases, the tax will be calculated as follows:

Capital Asset	If it is not subject to Securities Transaction Tax		
	Long Term		Short Term
	Without Indexation	With Indexation	
1. Deventure Listed	10 %	Not Applicable	Normal
2. Deventure Non-Listed	20 %	Not Applicable	Normal
3. Government Securities	10 %	20 %	Normal
4. Bonds Listed	10%	Not Applicable	Normal
5. Bonds Non-Listed	20%	Not Applicable	Normal

TDS

If any tax is required to be withheld on account of any future legislation, the portfolio manager shall be obliged to act in accordance with the regulatory requirements in this regard. Interest would be subject to tax as per prevailing provisions of the Income Tax Act, 1961.

Advance Tax Obligations

It shall be the client's responsibility to meet the advance tax obligations payable on the due dates as per the Income Tax Act, 1961.

Provisions of Income Tax Act 1961, undergoes change frequently and is also based on the status of the client, thus the client is advised to consult his/her tax consultant for appropriate advice on the tax treatment of income indicated herein.

The fees charged to the client for PMS come under the ambit of "fees for technical services" under Section 194J of the Income Tax Act, 1961("the Act"). As the section calls for withholding tax, the client is required to withhold tax @ 10 % excluding service tax, on the fees that the client pays to the Portfolio Manager if he/she falls under the following two categories:

- a) An Individual / HUF whose total sales / gross receipt or turnover from business or profession carried on by him exceed the monetary limit specified under clause (a) or clause (b) of Sec. 44AB during the previous year immediately preceding the financial

year.

In respect to the above TDS provision please note that in the Act No 23 of Finance Act, 2019 a new section i.e 194M has been inserted with effect from 01.09.2019 which specifies that:

Any Person being individual or a Hindu undivided family other those required to deduct income tax as per the provision of section 194J mentioned in (a) above shall at the time of credit of such sum or at the time of payment of such sum in cash or by issue of cheque or draft or by any other mode whichever is earlier, deduct an amount equal to five percent of such sum as income tax thereon if aggregate of sum, credited or paid to a resident during the financial year exceeds fifty lakh rupees.

b) Corporate/ Partnership Firms / LLP

This implies the Client (as mentioned in point „a“ and „b“ above) while making payment of the fees would deduct tax at Source. The taxes payable on any transactions entered into or undertaken by the Portfolio Manager on behalf of the client, whether by way of deduction withholding, payment or other, shall be fully borne by the client. Payment of the tax shall be the personal responsibility and liability of the client. In case the client deducts and pay the withholding tax, the client shall provide Tax Deduction Certificate in Form No. 16A as prescribed under the Income Tax Rules, 1962 to the Portfolio Manager within 30 days from the date of filing return or due date of filing TDS Return for the quarter whichever is earlier. The Portfolio Manager is not by law, contract or otherwise required to discharge any obligation on behalf of the client to pay any taxes payable by the clients.

FATCA Guidelines

According to the Inter-Governmental Agreement read with the Foreign Account Tax Compliance Act (FATCA) provisions and the Common Reporting Standards (CRS), foreign financial institutions in India are required to report tax information about US account holders and other account holders to the Indian Government. The Indian Government has enacted rules relating to FATCA and CRS reporting in India. A statement is required to be provided online in Form 61B for every calendar year by 31 May. The reporting financial institution is expected to maintain and report the following information with respect to each reportable account:

- (a) the name, address, taxpayer identification number and date and place of birth;
- (b) where an entity has one or more controlling persons that are reportable persons:
 - (i) the name and address of the entity, TIN assigned to the entity by the country of its residence; and
 - (ii) the name, address, date of birth, place of birth of each such controlling person and TIN assigned to such controlling person by the country of his residence.
- (c) account number (or functional equivalent in the absence of an account number);
- (d) account balance or value (including, in the case of a cash value insurance contract or annuity contract, the cash value or surrender value) at the end of the relevant calendar year; and
- (e) the total gross amount paid or credited to the account holder with respect to the account during the relevant calendar year.

Further, it also provides for specific guidelines for conducting due diligence of reportable accounts, viz. US reportable accounts and other reportable accounts (i.e. under CRS).

I. Goods and Services Tax on services provided by the portfolio manager

Goods and Services Tax (GST) will be applicable on services provided by the Portfolio Manager to its Clients. Accordingly, GST at the rate of 18% would be levied on fees if any, payable towards portfolio management fee.

Disclaimer:-

In view of the individual nature of tax consequences, each client is advised to consult his/her/its tax advisor with respect to the specific tax consequences to him/her/it of participation in the products.

The portfolio manager shall not be responsible for assisting in or completing the fulfillment of the client's tax obligations.

Note: Provisions of Income Tax Act, 1961 undergoes changes frequently thus the client is advised to consult his / her / its tax consultant for appropriate advice on tax treatment of income indicated herein.

9. Accounting policies

1. Following are the key accounting policies.

- a) All Investments will be marked to market.
- b) Investment in shares will be valued on the basis of closing market prices of the National Stock Exchange Ltd. If securities are not listed on the National Stock Exchange Ltd., then the closing market values on the Bombay Stock Exchange Ltd or on any other exchange on which the securities are listed will be considered for valuation.
- c) Investment in units of Mutual Funds will be valued on the basis of closing NAV declared by the respective Mutual Funds.
- d) All debt instruments will be valued using CRISIL Bond Valuer and Government Securities will be valued based on FIMDA Yield.
- e) Realized gains/losses will be on the basis of FIFO (First in First out) principle. For example, the earliest purchased quantity will be reckoned for the current / most recent sale at the respective prices at both points in time.
- f) The equity shares of Private Limited Companies will be valued on the fair value at the year / period end based on the valuation certificates of qualified Chartered Accountants.
- g) Transactions relating to equity instruments will be recognized as of the trade date and not as of the settlement date so that the effect of all investments traded during the year are recorded and reflected in the financial statement for that year.
- h) The costs of investments acquired or purchased would include brokerage, service tax, transaction charges, stamp charges and any charge customarily included in the brokers' contract note / trade confirmation or levied by any statute.
- i) For derivative transactions (if any) unrealized gains and losses on open positions will be calculated by the mark to market method.
- j) For Corporate Actions Ex date accounting will be followed. Dividend income earned on Equity by the Portfolio shall be recognized on the date intimation is received from the Custodian. In case of Mutual Funds declares dividend then the same would be accounted on the day Funds Accounting team receives the intimation from the respective Mutual Funds. Same procedure will be followed for bonus and Spilt.

k) Interest (if any) shall be accounted on accrual basis.

2. ***Basis of accounting***

- a. Books and Records for each product will be separately maintained in the Back-office software (with Fund Accountant) 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 Management) Regulations, 2020, and SEBI (Investment Advisers) Regulations, 2013 as amended from time to time.
- b. Accounting under the respective portfolios will be done in accordance with Generally Accepted Accounting Principles except with Point (a) of Income/Expenses.
- c. Transactions for purchase and sale of investments are recognized as of the trade date. In determining the holding cost of investments and the gain or loss on sale of investment, the first-in-first-out method is followed. The same is done at the product level. The cost of the investments acquired or purchased would include brokerage, stamp charges, and any charges customarily included in the broker's contract note or levy by any statute except STT (Securities Transaction Tax). Securities Transaction Tax incurred on buying and selling of securities is charged to revenue account.
- d. Realized Gains/Losses are calculated by applying the First in/ First Out method.
- e. Where eligible securities have been received from the client towards corpus, the closing market value of the previous day of activation of account/receipt of securities (in case of the additional corpus) is considered as a capital contribution and deemed to be the cost of investments for the purpose of tracking performance.
- f. Unrealized gains/losses are the differences in between the current market values/NAV and the historical cost of the securities.

3. ***Income/expenses***

- a. All investment income and Expenses are accounted on accrual basis except Custodian, Fund Accounting, audit fees & Depository charges which are accounted on cash basis.
 - b. The dividend is accrued on the Ex-date of the securities and the same is reflected in the clients' books on the ex-date.
 - c. Similarly, bonus shares are accrued on the ex-date of the securities and the same are reflected in the clients' books on ex-date.
 - d. In case of fixed income instruments, purchased/sold at Cum-interest rates, the interest component up to the date of purchase/sale is taken to interest receivable/payable account.
 - e. Further, Mutual Fund dividend shall be accounted on receipt basis.
4. Books of accounts would be separately maintained in the name of the client as are necessary to account for the assets and any additions, income, receipts and disbursements in connection therewith as provided under SEBI (Portfolio Managers) Regulations, 2020.

5. ***Audit***

- a. The Portfolio accounts of the Portfolio Manager shall be audited annually by an independent chartered accountant and a copy of the certificate issued by the chartered accountant shall be given to the client.
- b. The client may appoint a chartered accountant to audit the books and accounts of the Portfolio Manager relating to his transactions and the Portfolio Manager shall co-operate with such chartered accountant in course of the audit.

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.

10. Investors services

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

Name : Mr. Rhythm Jalan
Address : Plot No.5 and 6,
Kharkhana,Suryanagar,Hyderab
ad 500009.
Phone -7013414160
Email address : compliance@gauvikwealth.com

The official mentioned above will ensure prompt investor services. The portfolio manager will ensure that this official is vested with the necessary authority, independence and the means to handle investor complaints.

(ii) *Grievance redressal and dispute handling mechanism.*

The portfolio manager will endeavor to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable, amicable manner and within 30 days time. If the client remains dissatisfied with the remedies offered, the client and the portfolio manager shall abide by the following mechanisms:

All disputes, differences, claims and questions whatsoever arising between the client and the portfolio manager and/or their respective representatives shall be settled in accordance with the provisions of The Arbitration and Conciliation Act, 1996 or any statutory requirement, modifications or re-enactment thereof for the time being in force. Such arbitration proceedings shall be held at **HYDERABAD** or such other place as the portfolio manager thinks fit.

There will be occasions when investors have a complaint against intermediary registered with **SEBI**. In the event of such complaint investor should first approach the concerned intermediary against whom investor has a complaint. However, if investor may not be satisfied with their response, then investor may lodge their complaint online with SEBI in SCORES. The following is the link of the same: <http://scores.gov.in/>

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

11. Details of the diversification policy of the portfolio manager

The details of the diversification policy of the portfolio manager for the portfolio of the clients.

The Portfolio Manager invests the funds of the clients in accordance with the stated investment objectives of the respective strategy. Further, the no investments are made into associate/related parties of the Portfolio Manager. Hence, the Portfolio Manager has not instituted Diversification policy for investments in securities of associate/related parties.

Part-II- Dynamic Section

12. Client Representation: NIL

(i)

Category of clients	No. of clients	Funds managed (Rs. Cr.)	Discretionary / NonDiscretionary (if available)
Associates / group companies (Last 3 years)	0	0	0
Others (last 3 years)	0	0	0
Total	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.

13. Financial Performance

The Financial Performance of the portfolio manager based on audited financial statements and in terms of procedure specified by the Board for assessing the performance.

The financial performance of the company for the financial years ended 31st March 2025 (audited), are as follows.

8.1 Capital Structure (Rs. in lakhs)

Particulars	As on 31 March 2025(Audited)
a) Total Partners capital	
b) Total Partners current capital	503.29
c) Total (a) + (b)	503.29

8.2 Deployment of Resources (Rs. in lakhs)

Particulars	As on 31 March 2025 (Audited)
a) Plant & Machinery & Office Equipment's	-
b) Investments	-
c) Cash and Bank	3,49,905
Total	3,49,905

8.3 Major Sources of Income: (Rs. in lakhs)

Particulars	As on 31 March 2025 (Audited)
• Revenue from Operations	20,000
• Other Income	-
Total	20,000

8.4 Net Profit (Rs. In lakhs)

Particulars	As on 31 March 2025 (Audited)
Profit Before Tax	(1,63,095)
Profit After Tax	(1,63,095)

Latest Net worth of Portfolio Manager as on 07th January, 2026: Rs.5,99.46,906/-

14. Performance of Portfolio Manager

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 'Time Weighted Rate of Return' method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020 - **NA**

15. Audit Observations

Audit observations of the preceding 3 years:

There are no observations made by the statutory auditor of the Portfolio Manager for the preceding 3 years.

16. Details of investments in the securities of related parties of the portfolio manager

The details of investment of client's funds by the portfolio manager in the securities of its related parties or associates - **NIL**.

For Gauvik Wealth Management LLP

For Gauvik Wealth Management LLP

Ansh Jain
Designated Partner

Gautam chand Jain
Designated Partner

Date:

Place: Hyderabad.

FORM C

*SECURITIES AND EXCHANGE BOARD OF INDIA (PORTFOLIO MANAGERS)
REGULATIONS, 2020*

(Regulation 22)

We confirm that:

The Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time;

The disclosure made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us / investment through the Portfolio Management;

The Disclosure Document has been duly certified by J B B & Co., Chartered Accountants Firm registration number 028123S represented by partner Mr.Rahul Jain Pincha, Partner (Membership No.: 268040) having office at #14&15 Bermecha House D.No.3-1-298 Nimboliadda, Hyderabad – 500027. Tel.No. +91 7702133880 on 01/12/2025.

Date: 01/12/2025

Signature of the Principal Officer

Place:Hyderabad

Name: Mr. Srihari Chintalapudy

Address:Plot No.5 and 6,
Kharkhana, Suryanagar,
Hyderabad-500009.