

Catalytic Solution & Management Services Pvt. Ltd.

Portfolio Management Services

SEBI Registration Number INP000006004

**DISCLOSURE
DOCUMENT**

FORM C

Securities & Exchange Board of India (Portfolio Managers) Regulations, 1993

(Regulation 14)

Name of the Portfolio Manager:	Catalytic Solution and Management Services Private Limited
Address:	503, Peninsula Towers, Peninsula Corporate Park, GK Marg, Lower Parel, Mumbai 400013
Phone:	022 – 46722222
E-mail:	ashustosh@catalystfin.com

We confirm that:

The Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 1993 and the guidelines and directives issued by the Board from time to time;

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

The Disclosure Document has been duly certified by an independent Chartered Accountant as on 3rd October 2018. The details of the Chartered Accountant are as follows:

Name of the Firm : Hemal Parikh & Co. LLP
Partner : Hemal Parikh
Membership No. : 129411
Address : Lodha Supremus II, North wing, Office No. 231, Road no. 22, Wagale Estate, Thane West, 400604
Telephone No. : 022-49753300

The copy of the certificate is enclosed herewith.

For **Catalytic Solution and Management Services Private Limited**



Ashutosh Maheshvari

Principal Officer and Director

Date: 4 Oct 2018

Place: Mumbai





Hemal Parikh & Co. LLP
Chartered Accountants

Date - 3rd October 2018

Ref. No. - HPC/CCD/18-19/53

To,
Catalytic Solution and Management Services Private Limited,
503, Peninsula Towers,
Peninsula Corporate Park,
GK Marg, Lower Parel,
Mumbai 400013

Certificate

We hereby certify that the disclosures made in the enclosed Disclosure Document dated 1 Oct 2018, prepared and forwarded by Catalytic Solution and Management Services Private Limited in terms of the Fifth Schedule of Regulation 14 of the Securities and Exchange Board of India (Portfolio Managers) Regulations 1993 and the guidelines and directives issued by the Board from time to time, are true, fair and adequate to enable the investors to make a well informed decision.

This certificate is issued on the basis of the information and documents given / produced before us and on the basis of representations made by Catalytic Solution and Management Services Private Limited.

For Hemal Parikh & Co. LLP
Chartered Accountants



CA Hemal Parikh
Partner
Membership No. 129411
Firm Reg. No. 133155W/W100297

customer.care@laabdhi.com

Lodha Supremus II, North Wing, Office No.231, Road No.22, Next to New Passport Office,
MIDC, Wagle Estate, Thane (West)-400604
Board # 022-49753300

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

This Document (as defined herein after) has been filed with the Securities and Exchange Board of India (SEBI) along with the certificate in the prescribed format in terms of Regulation 14 of the SEBI (Portfolio Managers) Regulations, 1993.

The purpose of this Document is to provide essential information about the Portfolio Management Services to assist and enable you in making informed decision for engaging Catalytic Solution and Management Services Private Limited as a Portfolio Manager.

This Document gives necessary information about Catalytic Solution and Management Services Private Limited as a 'Portfolio Manager' required by you as an investor before investing. You are advised to read this Document and retain this Document for future reference.

The following are the details of the Portfolio Manager

Name of the Portfolio Manager:	Catalytic Solution and Management Services Private Limited
Address:	503, Peninsula Towers, Peninsula Corporate Park, GK Marg, Lower Parel, Mumbai 400013
SEBI Registration Number:	INP000006004
Phone:	022 – 46722222
Website	www.catalystfin.com

The details of Principal Officer are as follows:

Name of the Principal Officer:	Ashutosh Maheshvari
Address:	503 Peninsula Towers, Peninsula Corporate Park, GK Marg, Lower Parel, Mumbai 400013
Phone number:	022 – 46722222
E-mail address:	ashutosh@catalystfin.com

The Disclosure Document is dated 1 October 2018.

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1. Disclaimer

This Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 1993 and filed with SEBI. This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of this Document.

This Document is not for public distribution and has been furnished to you solely for your information and may not be reproduced or redistributed to any other person.

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:

Act- means the Securities and Exchange Board of India Act, 1992.

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

Application Form – means the application made by the Client to the Portfolio Manager to place its funds and / or securities with the Portfolio Manager for Portfolio Management Services. Upon execution of the Agreement by the Portfolio Manager, the Application Form shall be deemed to form an integral part of the Agreement. Provided that in case of any conflict between the contents of the Application Form and the provisions of the Agreement, the provisions of the Agreement shall prevail.

Assets – shall mean the Securities and Funds entrusted by the Clients to the Portfolio Manager, relating to the Securities/investments/funds handed over from time to time and held by the Portfolio Manager for and on behalf of the Clients.

Body Corporate – shall have the meaning assigned to it in or under the Companies Act, 2013.

Bank Account – means one or more accounts opened, maintained and operated by the Portfolio Manager with any of the Scheduled Commercial Banks in accordance with the Agreement.

Board or SEBI -means the Securities and Exchange Board of India.

Catalyst – means Catalytic Solution and Management Services Pvt. Ltd., a Private Limited Company incorporated under the Companies Act, 2013 on 3 July 2014.

Catalyst Group – means Catalyst and any other Group Company.

Client- 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.

Custodian – means any person who carries on or proposes to carry on the business of providing custodial services in accordance with the regulations issued by SEBI from time to time.

Depository Account- means one or more account of the Client or for the Client opened, maintained and operated by Portfolio Manager with an entity registered as a depository participant under the SEBI (Depositories and Participants) Regulations, 1996.

Document - Document refers to this Disclosure Document.

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

Funds- means the moneys managed by the Portfolio Manager on behalf of the Client pursuant to Agreement and includes the moneys mentioned in the Application Form, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to the Agreement, the proceeds of the sale or other realization of the Portfolio and interest, dividend or other monies arising from the Assets, so long as the same is managed by the Portfolio Manager

Group Company- Group Company in relation to the Portfolio Manager, shall include any company, body corporate, individual or other person who or which is an affiliate of or who or which is in any manner associated with or related to the Portfolio Manager or any holding company or subsidiary of the Portfolio Manager or any company under control as the Portfolio Manager.

HUF- shall mean the Hindu undivided family as defined in Section 2(31) of the Income Tax Act, 1961

Initial Corpus- means the value of the Funds and the market value of Securities brought in by the Client and accepted by the Portfolio Manager at the time of entering into an Agreement with the Portfolio Manager to avail its portfolio management services.

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.

NRI - shall mean Non-resident Indian as defined in Section 2 (30) of the Income Tax Act, 1961.

Portfolio- means the total holdings of all investments, Securities and Funds belonging to the Client.

Portfolio Manager- means Catalytic Solution and Management Services Private Limited, a company incorporated under the Companies Act, 2013 and registered with SEBI as a portfolio manager.

PMS- PMS shall mean Portfolio Management Services offered by Catalytic Solution and Management Services Private Limited.

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

Words and expressions used in this Disclosure Document and not expressly defined shall be interpreted according to their usage in the Regulations and the SEBI Act, 1992. The definitions are not exhaustive. They shall also carry the meaning assigned to them in the Regulations governing Portfolio Management Services.

3. Description

3.1 History, Present Business and Background of the Portfolio Manager

Catalyst has its Registered Office situated at 503 Peninsula Towers, Peninsula Corporate Park, GK Marg, Lower Parel, Mumbai 400013

Present business activities:

Catalyst is currently engaged in three different businesses:

a. Corporate Finance and Strategic Advisory Services

- The corporate finance and strategic advisory business is conducted by Catalyst under the umbrella of IMAP India.
- IMAP India is an exclusive India Partner of International Mergers and Acquisition Partners (IMAP) which is the leading global M&A network with 35+ offices worldwide and more than 400+ M&A professionals.
- Globally, IMAP ranks amongst top 10 in number of closed transactions in the mid-market league of advisors.
- IMAP India team comprises of M&A and corporate finance professionals with track record of 200+ transaction closures and corporate relationships spanning from small to large across the country.

b. Credit Fund Management

- Launched in 2017, Catalyst has formed a joint venture with Samena Capital, a Dubai based fund manager for managing a credit fund for offshore and domestic investors and family offices investing in credit instruments of corporates in India.
- The fund typically invests in senior secured debt instruments of industrial companies to meet their specific requirements and structured solution.

c. PMS (Discretionary and Non-Discretionary Services)

- Catalyst has a valid certificate of registration with SEBI as a Portfolio Manager under the Regulations (Registration Code INP000006004). Catalyst provides Portfolio Management Services to its Clients.

Catalyst Group may undertake any other business activities including activities in the nature of management and advisory services to offshore funds, financial consultancy and research.

3.2 Promoters and Directors of the Portfolio Manager and their background

3.2.1 Promoters of Catalyst

Ashutosh Maheshvari, Managing Director:

Ashutosh is co-founder of Catalytic Solution and Management Services. He has over 20 years of experience in the corporate finance and investment banking business and has served more than 200 Indian corporates across the country. He bagged the "India M&A Investment Banker award" at the ASIA-PACIFIC M&A ATLAS AWARDS 2010 by Global M&A Network.

Prior to founding Catalyst, he was CEO and founder of Investment Banking business at Motilal Oswal Financial Services for 11 years. He has earlier worked with Rabo Bank in India for 6 years and CRISIL for 5 years.

He is a chemical engineer from IIT, Kharagpur and an MBA from FMS, Delhi.

Amit Khosla, Director:

Amit is co-founder of Catalyst Solution and Management Services. Amit is also Director of SC India Manager Private Limited, a SEBI registered Category II AIF. He has ~17 years of principal investing and banking experience in India and the Asia Pacific region. He was Managing Director of AB Capital Advisors Private Limited, which was an adviser to Asiabridge Capital Partners, since its inception in 2007. He was also Chief Representative of Hana Bank in India from 2009 to 2013 and brings over 14 years of experience having worked in New York, Hong Kong and India.

Previously, he established the India office for D.B. Zwirn & Co in New Delhi covering private equity, real estate and special situations. Prior to that, he was with CDC / Actis Capital and was part of a team that was setting up the business of acquisition of distressed debt. He has worked in global investment banks JP Morgan Chase & Co and Fox-Pitt, Kelton in New York and Hong Kong.

He holds a Bachelor's degree in Economics (with honors) from Delhi University and a Master's degree in Business Administration from Kellogg Graduate School of Management, Northwestern University, Illinois, USA.

Siddharth Bhargava, Director:

Siddharth is co-founder of Catalyst Solution and Management Services. Siddharth is also Chief Investment Officer of SC India Manager Private Limited, a SEBI registered Category II AIF. Siddharth has over 13 years of principal investing and trading experience in India and the Asia Pacific region. He has worked with Goldman Sachs (2008-2016) in Hong Kong heading credit trading and investing in India (managed the FPI and NBFC entities for Goldman) and special situations & illiquid investments in Asia Pacific region.

Previously he worked with the Principal Credit Group at Merrill Lynch (2007-2008) and D.B. Zwirn & Co, a global special situations hedge fund (2004-2007) focused on investing in India and South East Asia. He also worked with GE Capital in their structured finance business in India. He started his career as a corporate finance investment banker with ANZ Investment Bank in Mumbai and London. Subsequently he joined ABN AMRO in Hong Kong and focused on M&A in the telecoms, media and technology sector.

Siddharth holds a Bachelors' degree in Chemical Engineering with honours from the Indian Institute of Technology, Roorkee (1989-1993) and MBA from Indian Institute of Management, Ahmedabad (1994-1996).

Suraj Warriar

Suraj has about 19 years of work experience in structured finance and investment banking with Motilal Oswal (2006-2016), GE Capital Services (2004-2006), Rabo India Finance (2000-2004) and CRISIL (1997-2000). Suraj has been instrumental in structuring and syndicating acquisition finance, project finance, asset-based financing, securitization, equity linked solutions and vanilla term loans & working capital facilities. He has extensive deal experience on debt solutions for cross-border acquisitions in FMCG and energy services, domestic acquisitions in telecom,

publication, engineering and services and project financing for major mobile telecom operators in India.

Suraj holds an engineering degree from Indian Institute of Technology, New Delhi (1991-1995) and an MBA from Indian Institute of Management, Ahmedabad (1995-1997).

3.2.2 Directors of Catalyst

As on September 30, 2018, directors of Catalyst are as under:

Name	Designation	Date of appointment	Other Directorships
Ashutosh Maheshvari	Managing Director	03 July 2014	Suradha Hospitality Services Private Limited
Amit Khosla	Director	30 June 2016	Metam Trading LLP SC India Manager Pvt. Ltd
Siddharth Bhargava	Director	30 June 2016	NA

3.2.3 Shareholding pattern of Catalyst

Shareholding pattern of Catalyst as on 30 September 2018 is as under:

Name	Shareholding (%)
Ashutosh Maheshvari	30%
Siddharth Bhargava	30%
Amit Khosla	24%
Suraj Warriar	10%
Praveen Nair	3%
Paresh Raja	2%
Venkatesh S	1%
Total	100%

3.3 Group Companies

Details of the group companies areas under:

Name of Company /firm	Address/ phone numbers	Type of activity handled	Ownership details	Nature/ Quantum of financial dealing	Nature of interest of promoter /director	Nature of interest of Catalyst
SC India Manager Private Limited	B - 1 / 18, First Floor, Vasant Vihar, New Delhi 110057	SEBI registered Category II AIF Manager	49%	Investment in Shares	NIL	Shareholder

3.4 Services being offered

Catalyst provides Portfolio Management Services and Advisory Services to following client category:

Client Category	Nature of Services
Resident Individual, Non-Resident Indian, Resident Corporate, HUF, LLP, Trust	Discretionary/ Non-Discretionary/Advisory
Foreign Portfolio Investors	Discretionary/ Non-Discretionary/Advisory

The Portfolio Manager offers the following three types of services:

- i. **Discretionary Services**—The Portfolio Manager exercises its discretion in managing the Funds /Securities in the Client's portfolio. Subject to such investment objective and restrictions as may be contained in the Agreement, the Portfolio Manager will have complete discretion to manage, invest and re-invest the Client's account, including to buy, sell or otherwise deal in any Securities, as permissible under the Regulations, effect transactions in such manner and in such markets, as it deems fit, and take day to day decisions in respect of the portfolio of the Client. The Client may, under these services, authorize or restrict the Portfolio Manager to invest the Client's Portfolio in specific financial instruments or securities or a mix of specific instruments or securities. The Portfolio Manager, may at its discretion, adhere to the views of the Client pertaining to the investment/ disinvestment decisions of the Client's Portfolio. The Portfolio Manager's decision in deployment of the Client's Portfolio is absolute and final and is not open to review or question by the Client during the currency of the Agreement or at any time thereafter, except on the grounds of *malafide*, fraud, conflict of interest or gross negligence. The Portfolio Manager shall send periodical statements to the Client.
- ii. **Non-Discretionary Services:** Under the Non-Discretionary Portfolio Management Services, the Portfolio of the Client shall be managed in consultation with the Client. Under this service the Assets will be managed as per express prior instructions issued from the Client from time to time. The Client will have complete discretion to decide on the investment (Stock Quantity and Price or amount). The Portfolio Manager inter-alia manages transaction execution, accounting, recording of corporate benefits, valuation and reporting aspects on behalf of the Client entirely at Client's risk.
- iii. **Advisory Services**— The Portfolio Manager may provide investment advisory services, in terms of the Regulations, which 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 defined period, 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 investment / divestment of Securities and / or any administrative activities on the Client's portfolio. The Portfolio Manager shall provide advisory services in accordance with such guidelines and / or directives issued by the regulatory authorities and / or the Client, from time to time, in this regard.

4. Penalties, pending litigation or proceedings, findings of inspection or investigations

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

a)	All cases of penalties imposed by the Board or the directions issued by the Board under the Act or Rules or Regulations made thereunder.	None
b)	The nature of penalty/direction.	Not Applicable
c)	Penalties imposed for any economic offence and/or for violation of any securities laws.	None
d)	Any pending material litigation/legal proceedings against the portfolio manager/key personnel with separate disclosure regarding pending criminal cases, if any	None
e)	Any deficiency in the systems and operations of the portfolio manager observed by the Board or any regulatory agency	None
f)	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 thereunder.	None

5. Services Offered by the Portfolio Manager

5.1 Investment Objectives and Policies

The investment objective is to seek long term capital appreciation through various strategies by investing in asset classes of equities, fixed income products, mutual funds, private equity and venture capital denominated in local/foreign currencies and any other asset classes and securities as permissible under the Regulations. Though reasonable endeavour will be made to achieve the objectives of each strategy, there is no guarantee or assurance that the investment objective will be achieved. No guaranteed returns are being offered under these services.

5.2 Catalyst Investment Strategy

The strategy aims to invest in fundamentally sound companies with good corporate governance that can benefit from earnings growth and from changes in a company's valuation which reflects a significant change in the markets view of the company over a period.

Features:

Investment Horizon: Primarily medium to long term

Sectors: Sector agnostic

Benchmark: Nifty Free Float Midcap 100

5.3 Policies for investments in Group Companies of the Portfolio Manager

- Portfolio Manager shall not invest any of the funds of the Client in shares, mutual funds, debt, deposits and other financial instruments of its Group Companies.
- Investment under PMS will only be as per the SEBI Regulations on PMS.
- The uninvested amount forming part of the Client's Assets may be at discretion of the Portfolio Manager be held in cash or deployed in liquid / debt fund schemes, exchange traded index funds, bank deposits and other short-term liquid investments.

6. Risk Factors

- Investment in securities, whether based on fundamental or technical analysis or otherwise, is subject to market risks which include price fluctuations, impact cost, basis risk etc.
- The Portfolio Manager does not assure that the objectives of any of the model strategies will be achieved and investors are not being offered any guaranteed returns. The investments may not be suitable to all the investors.
- The Portfolio Manager has no previous track record. Although the Company has no previous experience of portfolio management, the Principal Officer and other key management personnel of the Company have rich individual experience. However, past performance does not indicate any future performance.
- The names of the model portfolios do not in any manner indicate their prospects or returns.
- Debt and other fixed income investments may be subject to changes in interest rates and/or liquidity, credit and reinvestment risks.
- Industry specific stocks, like technology stocks, may be subject to volatility, high valuations, obsolescence and low liquidity.
- Appreciation in any of the model portfolio can be restricted in the event of a high asset allocation to cash when stock appreciates. The performance of any model portfolio may also be affected due to any other asset allocation factors.
- When investments are restricted to a particular or few sector(s) under any model portfolio; there arises a risk called non-diversification or concentration risk. If the sector(s), for any reason, fails to perform, the portfolio value will be adversely affected.
- In the case of stock lending, risks relate to the defaults from counterparties with regards to securities lent and the corporate benefits accruing thereon. The Portfolio Manager is not responsible for any loss resulting from stock lending.
- Each portfolio will be exposed to various risks depending on the investment objective, investment strategy and the asset allocation. The investment objective, investment strategy and the asset allocation may differ from client to client. However, generally, highly concentrated portfolios with lesser number of stocks will be more volatile than a portfolio with a larger number of stocks.
- The values of the portfolio may be affected by changes in the general market conditions and factors and forces affecting the capital markets, including, 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, changes in credit rating, closure of stock exchanges, etc. Investors are not being offered any guaranteed returns.
- The Portfolio Manager may invest in non-publicly offered debt securities and unlisted equities. This may expose the Client's portfolio to liquidity risks.

- Risk may also arise due to an inherent nature/risk in the stock markets such as, volatility, market scams, circular trading, price rigging, liquidity changes, de-listing of Securities or market closure, relatively small number of scrip's accounting for a large proportion of trading volume among others.

7. Client Representation

i. Fund management business details:

Category of Clients	No. of Clients	Funds Managed (Rs. Cr)	Discretionary / Non-Discretionary
Associates/ Group Companies			
F.Y 2017-2018	N.A	N.A	N.A
F.Y 2016-2017	N.A	N.A	N.A
F.Y 2015-2016	N.A	N.A	N.A
Others			
F.Y 2017-2018	N.A	N.A	N.A
F.Y 2016-2017	N.A	N.A	N.A
F.Y 2015-2016	N.A	N.A	N.A

ii. DISCLOSURES IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES AS PER ACCOUNTING STANDARD 18 "RELATED PARTY DISCLOSURE" ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

Transactions with Related Parties (based on audited Accounts for the year ended March 31, 2018)

RELATED PARTY DISCLOSURES

A. List of Related Parties and Relationship

Sr.	Name of the Related Party	Relationship
1	Ashutosh Maheshvari	Key Management Person
2	Amit Khosla	Key Management Person
3	Siddharth Bhargava	Key Management Person
4	Suraj Warriar	Shareholder
5	SC India Manager Private Limited (formerly known as Catalytic Management Advisers Private Limited)	Affiliate Company

B. Related Party Transaction

Name of the Related Party	Nature of Transactions	Amount (Rs)
Ashutosh Maheshvari	Remuneration	1,35,70,681
	Reimbursement of Expenses	4,62,281
Amit Khosla	Professional Fees	45,00,000
	Reimbursement of Expenses	3,54,852

Siddharth Bhargava	Professional Feses	8,10,000
Suraj Warriar	Remuneration	23,70,250
	Reimbursement of Expenses	91,120
SC India Manager Private Limited (formerly known as Catalytic Management Advisers Private Limited)	Asset Purchased	2,30,633

8. Financial Performance of the Portfolio Manager

Financial highlights of Portfolio Manager – Catalytic Solution and Management Services Private Limited for the last 2 years is given below. Balance Sheet for last two years:

(Amount in Rupees)	As at 31 March, 2017	As at 31 March, 2018
Share capital	8,00,00,000	8,00,00,000
Reserves and surplus	3,55,747	52,31,880
Non-Current Liabilities	10,900	-
Current Liabilities	23,40,239	78,83,843
TOTAL LIABILITIES	8,27,06,886	9,31,15,723
Fixed Assets	46,22,867	33,96,516
Deferred Tax Assets (net)	3,28,370	4,67,846
Non-Current Investment	6,23,50,210	6,05,84,346
Other non-current assets	62,77,440	62,77,440
Cash and cash equivalents	48,61,861	23,05,903
Other current assets	42,66,137	2,00,83,632
TOTAL ASSETS	8,27,06,886	9,31,15,723

The net worth of the portfolio manager is Rs. 8.52 crs. as on 31-03-2018 based on audited accounts, thereby complying with the capital adequacy requirements of SEBI.

Abstract of Profit and Loss Statement for past two years:

(Amount in Rupees)	For the year ended 31st March 2017	For the year ended 31st March 2018
Total Revenue	5,60,48,571	10,81,39,393
Total Expenses	5,54,87,700	10,14,98,472
Employee benefit Expense	3,52,71,718	7,11,31,496
Depreciation and Amortisation Expense	7,75,606	16,86,927
Other Expenses	1,94,40,376	2,86,80,050
PROFIT / (LOSS) BEFORE TAX	5,60,871	66,40,922
PROFIT AFTER TAX	4,24,951	48,76,133

9. Portfolio Management Performance

Portfolio Management Performance of the Portfolio Manager for last 3 Financial Years:

Product Name-	FY 17-18	FY 16-17	FY 15-16
Type of Client	NA	NA	NA
Product Performance (%)	NA	NA	NA

Benchmark Returns (%) - NIFTY Midcap 100	NA	NA	NA
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Note: The Company received registration in May 2018. Hence the requirement of submission of data relating to Portfolio Management performance as required under Regulations for last three years is not applicable for this period.

10. Nature of expenses

The following are indicative types of expenses to be borne by the Clients for availing the services of the Portfolio Manager. The exact basis of charge relating to each of the following services shall be annexed to the Agreement which will be entered into between the Portfolio Manager and the Client, and the agreements in respect of each of the services availed at the time of execution of such agreements.

Management Fees

Management Fees relates to the portfolio management services offered to Clients. For managing an investment portfolio, a fixed management fee or a variable charge will be negotiated and agreed with the Client in the Agreement.

Performance Fee

Performance fees may be charged upon exceeding a hurdle rate or benchmark as specified in the Agreement between the Client and the Portfolio Manager.

Entry Fees

Entry fees relates to entry charges payable to the Portfolio Manager at the time of subscription or additional subscription.

Exit Fees

Exit fees relate to exit charge(s) payable to the Portfolio Manager at the time of withdrawal or partial withdrawal.

Other Expenses (To be based on actuals)

- i. **Custodian/ Depository Fees**-The charges pertaining to opening and operation of dematerialized accounts, custody and transfer charges for shares, bonds and units, dematerialisation, rematerialisation and other charges in connection with the operation and management of the Depository Accounts.
- ii. **Registrar and Transfer Agent Fee**-Charges payable to registrar and transfer agents in connection with effecting transfer of Securities, including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges, etc.
- iii. **Brokerage and transaction costs**-The brokerage charges and other charges like service tax, securities transaction tax, service charges, stamp duty, transaction costs, turnover tax, exit and entry loads on the purchase and sale of shares, stocks, bonds, debt, deposits, units and other financial instruments.
- iv. **Certification and Professional Charges**- Charges payable for outsourced professional services like accounting, taxation and legal services, notarization, etc. for certification, attestation required by bankers, intermediaries and regulatory authorities.
- v. **Incidental Expenses**- Courier charges, stamp duty, service tax, postal stamps, opening and operation of bank accounts, etc.

vi. **Fund accounting & Audit fees:** Charges payable to fund accounting services and statutory auditors in connection with PMS.

vii. **Goods and Service Taxes** will be extra as per Government rates, as applicable from time to time.

Portfolio Manager will not charge any mark-up on "other expenses" and these will be a complete pass through. Moreover, Catalyst will endeavour to keep the cost minimal.

11. Taxation

Disclaimer: The tax information provided below 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 because of his investment as offered by the Portfolio Manager.

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

- **Income Tax:**

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

Resident individual & HUF	30% + surcharge & cess
Partnership Firms & Indian Companies (other than specified companies below)	30% + surcharge & cess
Indian Companies having turnover less than 50 crores during the financial year 2016-17	25% + surcharge & cess
Non-resident Indians	30% + surcharge & cess
Foreign companies	40% + surcharge & cess

W.e.f.1st April 2018 Health & Education Cess is 4%.

Assesses	Rate of surcharge & Cess applicable
Individuals (including NRIs/PIOs), HUFs, Non- Corporate FIs	A surcharge of 10% on income tax if income is above Rs. 50 lakhs but below Rs. 1 crore. For income above Rs. 1 crore surcharge shall be 15 % on income tax (on income above 1 crore). Health & Education cess of 4% is payable on the total amount of tax including surcharge.
Companies where the taxable income more than Rs. 1 crores and up to Rs. 10 crores	A surcharge of 7% on income tax and Health & Education cess of 4% is payable on the total amount of tax including surcharge. (A surcharge of 2% in case of foreign companies).
Companies where the taxable income is more than Rs. 10 Crore	A surcharge of 12% on income tax (on income above 10 crores) and Health & Education cess of 4% is payable on the total amount of tax including surcharge. (a surcharge of 5% in case of foreign companies).

The Dividend received in respect of the shares and units of Mutual Fund held in the Products offered under the Portfolio Management Services are exempt from tax in the hands of investor. However, if the aggregate dividend income accrued/ received by an individual or a firm (from domestic companies only) resident in India, exceeds Rs. 10 lakhs, such excess of the aggregate dividend income accrued/ received shall be chargeable to tax at the rate of 10% (plus applicable surcharge and education cess).

However, the dividend/income distribution on securities and units received by Products offered under the Portfolio Management Services will be after distribution tax on the amount of dividend/income distribution declared.

The rates of tax on the dividend/ income distribution on units would be as under:

Rate of Tax (%) #			
	Type of Payer		
	Mutual Fund		
	Money Market Liquid Fund	Debt Scheme	Infrastructure Debt Fund
Individuals / H.U.F.	25%	25%	25 %
NRI	25%	25%	5%
Others	30%	30%	30%

+Applicable Surcharge+ Health & Education Cess (4% w.e.f 01.04.2018) as applicable

- **Capital Gains Tax**

(a) Long Term

For Individuals, HUF, Partnerships Firm and Indian Companies

From April 2018, in case of listed equity shares and securities and units of equity-oriented schemes sold on a recognized stock exchange, which are subject to Securities Transaction Tax (currently 0.001% for units of equity-oriented scheme and 0.1% on equity shares), the tax on Long Term Capital Gain would be 10% if Capital gain is more than Rs.1Lac with a grandfathering clause. Long term capital gains in respect of other listed securities or units would be subject to tax at the lower of 20% (plus surcharge and education cess) of the gains computed after cost indexation, or 10% (plus surcharge and education cess) of the gains computed without cost indexation.

(b) Short Term

For Resident Individuals, HUF, Partnerships Firm and Indian Companies

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

- **Provisions regarding Dividend income and Bonus**

According to the provisions of Section 94(7) of the Act, losses arising from the sale/redemption of units purchased within 3 months prior to the record date (for entitlement of dividends) and

sold within 9 months after such date, is disallowed to the extent of income on such units (claimed as tax exempt).

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

- **Tax Deduction at Source**

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

- **Details under FATCA/Foreign Tax Laws**

Tax regulations require us to collect information about each investor's tax residency. If you have any questions about your tax residency, please contact your tax advisor. Foreign Account Tax Compliance provisions (commonly known as FATCA) are contained in the US Hire Act 2010. Applicants (Including joint holders, Guardian, POA holder) are required to refer and mandatorily fill/sign off a separate "FATCA declaration form". Applications without this information /declaration being filled/signed off will be deemed as incomplete and are liable to be rejected. Investors are requested to note that the contents of the information to be provided/declaration in the application form may undergo a change on receipt of communication/guidelines from SEBI.

12. Accounting Policy

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

- i. Investment in Equities, Mutual Funds, Exchange Traded Funds and Debt instruments will be valued at closing market prices of the exchanges (BSE or NSE as the case may be) or the Repurchase Net Asset Value declared for the relevant scheme on the date of the report or any cut-off date or the market value of the debt instrument at the cut-off date. Alternatively, the last available prices on the exchange or the most recent NAV will be reckoned. In case of structured products, the portfolio will be valued at the face value of the product until the expiry of the tenure
- ii. Realized gains / losses will be calculated by applying the first in / first out principle. The portfolio Manager and the Client can adopt any specific norms or methodology for valuation of investments or accounting the same as may be mutually agreed between them on a specific case basis
- iii. For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions
- iv. Unrealized gains / losses are the differences in between the current market values / NAV and the historical costs of securities.
- v. Dividend on equity shares and interest on debt instruments shall be accounted on accrual basis. Further Mutual Fund dividend shall be accounted on receipt basis. Other income like bank interest on FD etc shall be accounted on receipt basis.

- vi. 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.
- vii. Right entitlement shall be recognized only when the original shares on which the right entitlement accrues are traded on the stock exchange on ex-rights basis.
- viii. The cost of investment acquired or purchased shall include brokerage, stamp duty and any charge customarily included in the brokers cost note / bought note.

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

13. Investor Services

Catalyst shall ensure timely and prompt redress of any grievances or dispute with the Client.

1. Name, address and telephone number of the investor relations officer who shall attend to the Client's queries and complaints:

Name	Paresh Raja
Address	503, Peninsula Towers, Peninsula Corporate Park, Lower Parel, Mumbai 400013
Telephone	022 – 46722222
E-mail	paresh@catalystfin.com

2. Grievance Redressal and Dispute Settlement mechanism

- i. The Portfolio Manager will endeavour to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time.
- ii. Portfolio Manager has designated Mr. Paresh Raja to receive and redress all the queries. A designated e-mail address has been created paresh@catalystfin.com
- iii. The internal deadline for resolving the complaints will be as follows:
 - a. Matters relating to Portfolio Manager's office, i.e., regarding portfolio performance and funds allocation: within 3 working days
 - b. Matters regarding to custodian: within 7 working days
 - c. Matters regarding dividend and other corporate actions: will be followed up vigorously with the agencies concerned under intimation to Clients.
- iv. Portfolio Manager will ensure that every complaint is attended to as expeditiously as possible and an acknowledgement will be given immediately.
- v. The Register of complaint and Grievance will be made available to the Internal/External Auditors during the time of Audit and to the Regulatory Authorities.
- vi. The soft copies / hard copies of the complaints received from the customers are preserved by the Client Relations Department for future reference, if required.

3. SEBI SCORES PLATFORM

SEBI has launched a centralized web-based complaints redress system (SCORES), which enable investors to lodge and follow up their complaints and track the status of redressal of such

complaints from anywhere. This also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities starting from lodging of a complaint till its disposal by SEBI would be carried online in an automated environment and the status of every complaint can be viewed online at any time. An investor, who is not familiar with SCORES or does not have access to SCORES, can lodge complaints in physical form. However, such complaints would be scanned and uploaded in SCORES for processing.

Investors can register/ lodge complaints online on the SCORES (SEBI Complaints Redress System) portal <http://scores.gov.in/> by clicking on "complaint registration" <http://scores.gov.in/Complaint.aspx?flag=n> under "Investors Corner".

Records that will be maintained:

Complaints Register: where the date of receipt of complaint and action taken will be recorded and time taken for resolving the complaints will be mentioned.

A detailed report of complaints received and resolved and reasons for delay if any for resolution will be recorded.

The particulars given in this Document have been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 1993 and filed it 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. You are requested to retain the document for future reference.

For Catalytic Solution and Management Services Pvt. Ltd



Ashutosh Maheshvari
Principal Officer and Managing Director



Date: 1 Oct 2018

Place: Mumbai