

FORM C

Securities & Exchange Board of India (Portfolio Managers) Regulations, 1993
(Regulation 14)

Name of the Portfolio Manager : Pelican Holdings Private Ltd.
Sebi Reg No. : INP000006891
Address : New No: 31, Old No: 15, T-2, 3rd Floor,
Rajamannar Street, T.Nagar, Chennai – 600 017
Phone number : 044-48570806
Email : reachus@pelicanpms.com

We confirm that:

- i) 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;
- ii) 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;
- iii) The Disclosure Document has been duly certified by an independent Chartered Accountant whose details are provided below
 - a. Name of Chartered Accountant : R.V.KRISHNAN
 - b. Address : No.17&19, Conran Smith Road, Gopalapuram, Chennai-600086
 - c. Registration number : 028364
 - d. Certified date : 18/12/19

The copy of the certificate is enclosed herewith

For Pelican Holdings Private Ltd



Deepak Radhakrishnan
Principal Officer



PELICAN HOLDINGS PRIVATE LTD

PORTFOLIO MANAGEMENT SERVICES

SEBI REGISTRATION NUMBER INP000006891

DISCLOSURE DOCUMENT

PORTFOLIO MANAGEMENT SERVICES - DISCLOSURE DOCUMENT

(i) The document has been filed with the Board along with the certificate in the prescribed format in terms of Regulation 14 of the SEBI (Portfolio Managers) Regulations, 1993.

(ii) The purpose of the document is to provide essential information about the portfolio services in a manner to assist and enable the investors in making informed decision for engaging Pelican Holdings Private Limited as a Portfolio Manager.

(iii) The investor is advised to carefully read the Disclosure Document prior to making a decision to avail of Portfolio Management Services and retain this document for future reference.

(iv) Details of the Principal Officer

Name	: Deepak Radhakrishnan
Address	: New No: 31, Old No: 15, T-2, 3rd Floor, Rajamannar Street, T.Nagar, Chennai-17
Phone	: 044-48570806
E-mail	: Deepak@pelicanpms.com

(v) This Disclosure document is dated: 18th December 2019



Dated: Dec 18, 2019

Auditors Certificate

We have verified the books of accounts and other relevant documents of M/s. Pelican Holdings Private Ltd. located at New No: 31, Old No: 15, T-2, 3rd Floor, Rajamannar Street, T.Nagar, Chennai-17; a SEBI registered Portfolio Management Company (Reg No. INP 0000006891).

Based on our verification and the information provided, we hereby certify that the portfolio manager has followed proper accounting methods and procedures and that the portfolio manager has performed his duties in accordance with the law. The disclosures made hereto are fair, and adequate to enable the investors make a well informed decision.

The certificate is issued as per the requirement specified in Form C of Schedule I of regulation 14 of the Securities and Exchange Board (Portfolio Managers) Regulations, 1993. The Disclosure Document forms an integral part of the certificate.



Shishan
R.V. KRISHNAN
M. No: 028364
R V K & Co.,
Chartered Accountants
No. 17 & 19, (1st Floor),
Conran Smith Road,
Gopalapuram, Chennai-600 086.
FR No: 015063S

UDIN: 19028364

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1. DISCLAIMER

This Disclosure document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 1993 as amended from time to time and filed with SEBI. This document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of the document.

This document is for information only and should not be construed as an offer or solicitation of an offer for managing the portfolio of any client. It does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. Clients should seek financial advice regarding appropriateness of investing in any securities or investment strategies that may have been discussed or recommended in this report and should understand that the views regarding the future prospects may or may not be realized.

Neither this document nor the product offerings have been registered in any jurisdiction other than in India. 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

(i) Cash account – The account in which the funds handed over by the client shall be held by the Portfolio Manager on behalf of the Client.

(ii) Chartered Accountant – A Chartered Accountant as defined in clause (b) of sub section (1) of Section 2 of the Chartered Accountant Act, 1949 (38 of 1949) and who has obtained a certificate of practice under sub section (1) of section 6 of that Act.

(iii) Client – Any individual, body corporate, partnership firm, HUF, association of person, body of individuals, trust, statutory authority, or any other person who enters into agreement with the Portfolio Manager for the managing of his Portfolio. Foreign Portfolio Investors registered with the Board may avail of the services of a Portfolio Manager.

(iv) PHPL – Pelican Holdings Private Ltd.

(v) Custodian – any Custodian who is registered with SEBI as a Custodian and holds a valid license to operate as a Custodian of securities in India.

(vi) Disclosure document – means this document, which has been prepared with the objective of providing essential information about PMS to enable investors in making informed decision to engage with the Portfolio Manager.

(vii) Funds – The moneys placed by the client with the Portfolio Manager and any accretions thereto.

(viii) Net Asset Value – market value of assets in the Portfolio including equity, debt, cash and cash equivalents.

(ix) Person directly or indirectly connected – Any person being an associate, subsidiary, inter connected company or a company under the same management or in the same group.

(x) PMS Agreement – Includes contract entered between the portfolio Manager and the client for the management of funds or securities of the client.

(xi) Portfolio – The total holdings of securities belonging to the client managed by the Portfolio Manager on behalf of the client pursuant to an agreement, and includes initial monies and accretions thereof.

(xii) Portfolio Manager – Portfolio Manager means any person who pursuant to a contract or arrangement with a client, advises, or directs or undertake on behalf of the client (whether as a discretionary portfolio manager or otherwise) the management or administration of a portfolio of securities or the funds of the client as the case may be.

(xiii) PMS – Portfolio Management services offered by PHPL

(xiv) Principal officer – Principal Officer means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager.

(xv) Rules and regulations – The Securities and Exchange Board of India (Portfolio Managers) Rules, 1993 as may be amended by SEBI from time to time.

(xvi) SEBI – The Securities and Exchange Board of India.

3. DESCRIPTION

(i) History, Present Business and Background of the Portfolio Manager

Pelican Holdings Pvt Ltd. (PHPL) was established in the year 2003 as part of the multi-faceted Pelican Group which has interests across Capital markets and Corporate advisory. For nearly two decades the Pelican Group and its Partners have served as successful advisors to clients investing across various asset classes. Pelican prides itself in its relationship based approach and has served the needs of both Corporate and Ultra High Networth Individuals alike. Our history and clientele are testimony to the quality of our service and performance.

Pelican PMS is the portfolio management service offered by PHPL (SEBI Reg No. INP000006891). The Portfolio Management strategy is developed based on the strong understanding of trends and solid backing of temperament. The robust process aims to reduce the component of subjectivity and minimizes the conventional errors committed by investors, while at the same time offering significantly higher risk adjusted returns.

(ii) Promoters of the Portfolio Manager, Directors, Key Personnel and their backgrounds

K.V.Prakash - Promoter

Prakash heads the Pelican Group that focus on turnkey Real Estate Development projects. He is instrumental in raising capital, acquisition of land and project conceptualization. He brings his negotiation skills across these various areas and holds true to the core values of the Group. Prakash is key to establishing and enabling the strategic direction for the Group.

Kanu K Warriar – Founder, CEO, Director

Mr. Kanu, is the Founder and is on the Board of Directors of the company. He has over two decades of experience across merchant banking, broking and wealth management and is the driving force behind the idea of Pelican PMS. He created the proprietary framework based on Nifty PE for investing in a concentrated portfolio of market leaders, which is used by Pelican PMS. He is also the Founder of Pelican Holdings Pvt Ltd.

S. Jnaneshwar - Director

Jnaneshwar has over two decades of experience in managing relationships with UHNWI individuals and large corporates. He has advised major corporate houses like Mahindra, Godrej, Raheja, DLF, RMZ, Prestige, etc. on their real estate portfolios. As an able administrator he has been an integral part of Pelican Reality which has successfully developed marquee projects across Tamil Nadu.

(iii) Top 10 Group companies/Firms of the Portfolio Manager on turnover basis (Latest audited financial statements may be used for this purpose).

There are no associate/group companies for the Portfolio Manager.

(iv) Details of the services being offered

PHPL seeks to provide Discretionary/Non-Discretionary/Advisory services to its clients in India and abroad.

4. PENALTIES, LITIGATIONS, PROCEEDINGS ETC.

(i) There have been no penalties imposed on the Portfolio Manager by SEBI and no directions have been issued by SEBI under the Act, Rules or Regulations made thereunder.

(ii) There have been no penalties imposed for any economic offence and /or for violation of any securities laws.

(iii) There are no pending material litigation / legal proceedings against the Portfolio Manager / key personnel.

(iv) There has been no deficiency in the systems and operations of the Portfolio Manager observed by SEBI or any regulatory agency.

(v) There are no enquiry/ adjudication proceedings initiated by SEBI against the Portfolio Manager, its directors, principal officer or employees or any other person connected directly / indirectly with the portfolio manager, its directors, principal officer or its employees, under the Act/Rules/ regulations made there under.

5. SERVICES OFFERED

(i) PHPL offers Discretionary, Non-Discretionary and Advisory Services to its clients in India and abroad. The minimum investment amount per Client as prescribed by SEBI under the Regulations is Rs. 25 lakhs.

The investment objective is to seek long term capital appreciation by investing in a portfolio of listed companies, debt and derivative instruments.

The investment strategy will focus on capital preservation, high risk-adjusted returns, low costs and high liquidity. In order to attain the investment objective, the Portfolio Manager will focus on large cap market leaders from sectors that are witnessing growth and offer opportunity.

6. RISK FACTORS

(i) Share price of companies move higher or lower due to various factors subjecting the investment to market risk. The Portfolio Manager does not provide any assurance or guarantee that the objectives of the investments will be achieved.

(ii) As the market is affected by continuously shifting scenarios such as changes in geo-politics, policy related, macroeconomic etc. the past performance of the Portfolio Manager does not indicate that there will be a similar performance in future.

(iii) In order to mitigate any risk to the Investment objective, investment strategy and asset allocation, it is important to have a realistic approach which is based on solid understanding of the market. The portfolio has to be conceived with the dual focus on capital preservation along with a sustainable risk-adjusted return.

Stock selection and timing (buy/sell) of investment decisions are two key aspects taken care by the Portfolio manager. In the case of PHPL's investment strategy, the timing of investment decisions will be based on the Equity Life Cycle (ELC). The ELC is mapped using the PE of the Nifty over a period. For a given fundamental scenario, price moves up and down based on factors like risk appetite, liquidity, macro risk and other similar systematic reasons which are not diversifiable and therefore the need to provide for standard deviation based levels. Statistically, the range between $\pm 2\sigma$ (standard deviation) from the rolling Mean PE is where 95% of the trading takes place. Breaking this range above (Euphoric) or below (Despondency) is generally an outlier event and continues only for a short period before returning back within the range. Investment returns are maximized when timed near the lower band of the ELC.

The movement of PE happens due to both change in Price (P) and change in Earnings (E). In a rising PE scenario, the sentiment is positive and is reflected in the higher prices and supported by earnings growth. However as the prices start to move faster than the earnings there is PE expansion and eventually a bubble scenario. The bubble bursts when the prices are no longer justifiable to the earnings offered. This would be the end of the ELC. On the corollary, as the PE reduces, the earnings cushion the prices up until the discount becomes too high and attractive indicating an end to the sell off and beginning of a new ELC. Further in order to reduce the risk of timing, the investment will be staggered and predetermined based on the Nifty PE levels. Un-utilized amounts will be parked in Liquid funds. The objective of the scheme is to create wealth over the long term (5-7yrs) at the lowest possible risk. The staggered investment style will auger well during market declines and reduce the risk to capital.

In the case of stock selection, the investment strategy would be to invest in a portfolio of companies belonging to the large cap market leaders which primarily constitute the Nifty 50. It may also consist of ETFs (Nifty ETF, Midcap ETF). Selecting stocks from the large cap universe and those that have an established track record and leadership position will reduce risks that may arise due to lack of liquidity, information deficiency, product failure etc.

(iv) There are several factors affecting the market some of which are controllable and can be effectively managed (diversifiable risk), whereas others are not manageable (non-diversifiable). The manageable risks can be significantly reduced by meaningful diversification across sectors and in large cap stocks.

(v) This is the first scheme launched by the Portfolio Manager, hence there is no previous track record. However, the CEO, Principal Officer and other Key management personnel of the company have significant professional experience in managing funds in the past.

7. CLIENT REPRESENTATION

(i)

Category of clients	No.of Clients	Funds Managed (Rs Cr)	Discretionary/Non Discretionary/Advisory
Associates/ group companies	0	0	0
Individuals	18	52.53	Discretionary/Advisory
Corporates	1	0.25	-
Others	0	0	-
Total	19	52.78	-

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

There have been no related party transactions.

8. FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER

Please find below the audited financials for the year ending March 2019.

Profit & Loss (in Rs)	Mar-19	Mar-18
Total Revenue	88,49,164	1,25,31,810
Total expenses	70,85,274	56,58,622
Profit after tax	17,69,890	68,73,188

Balance Sheet (in Rs)	Mar-19	Mar-18
Share Capital	36,00,000	36,00,000
Reserves & Surplus	2,17,35,133	1,99,71,243
Networth	2,53,35,133	2,35,71,243
Non-Current liabilities	3,66,80,136	4,03,95,029
Current liabilities	1,04,80,000	88,01,216
Total Liabilities	7,24,95,269	7,27,67,487
Non-Current Assets	6,59,01,053	6,13,63,663
Current Assets	65,94,216	1,14,03,825
Total Assets	7,24,95,269	7,27,67,487

9. PORTFOLIO MANAGEMENT PERFORMANCE

Period till 30th Sep 2019	PMS	Nifty 50
6 months	2.17%	-1.29%
1 year	4.28%	4.98%
Since inception*	4.42%	4.45%

* inception date 13th June 2018

*More than one year returns are annualised

10. NATURE OF EXPENSES

The following are the general costs and expenses to be borne by the Client while availing the services of the Portfolio Manager. However, the exact quantum and nature of expenses relating to each of the following services is provided in the Portfolio Management Agreement.

Portfolio Management fees: Fee relates to the portfolio management services offered and provided to the Clients. The fee may be Fixed Management fee or Performance based or a combination of both as detailed in the Portfolio Management Agreement. The Fixed Management fee will not be more than 3%, and the Performance fee will be 15% over the hurdle rate of 10% or as negotiated with the client.

Depository/Custodian fee: Charges relating to opening and operation of Demat account, de-materialisation, re-materialisation etc. will not be more than 0.5% of the assets under management.

Registrar and transfer agent fee: Fee payable to R&T agents for effecting transfers of all or any of the securities and bonds including stamp duty, cost of affidavits, notary charges, postage stamps and Courier charges will not be more than 0.5% of the assets under management.

Brokerage and transaction costs: Brokerage, transaction costs and statutory levies such as service tax, securities transaction tax, turnover fees and such other levies imposed from time to time will not be more than 1% of the assets under management.

Certification / Professional charges: Charges payable to outsourced professional services like accounting, taxation and any legal services etc will not be more than 1% of the assets under management.

Other ancillary/incidental charges: All other charges not covered above but incurred by the Portfolio Manager on behalf of the Client shall be charged to the Client such as courier charges, stamp duty etc.

11. TAXATION

The tax implications described in this Disclosure Document are available under the present taxation laws subjects to conditions. The information given is for general purpose only and based on advice received by the Portfolio Manager on the prevalent laws and practice in India. Such laws or their interpretation are subject to change. However, each individual investor/client is advised to consult his/her/their own professional tax advisor.

As per the taxation laws in force as at the date of the Disclosure document, the tax implications to the clients under the Portfolio Management service are as per their individual slabs.

The following information is provided only for general information purposes.

(i) Long term capital gains: On sale of listed securities (when the transactions for sale take place on recognized stock exchanges) and on units of any equity oriented fund, which are subject to securities transactions tax (STT) after a period of one year.

(ii) Short term capital gains: On sale of listed securities (when the transactions for sale take place on recognized stock exchanges) and on units of any equity oriented fund, which are subject to securities transactions tax (STT) before a period of one year.

(iii) Additionally, STT is payable in respect of purchase of listed securities and units of any equity oriented fund on recognized stock exchange ranging from 0.001% to 0.125% depending on the nature of securities transactions.

(iv) Transactions in other securities or transactions not on recognized stock exchanges as per prevailing tax laws.

(v) There may be other relevant taxes that are not covered above and which may be material for the Client.

12. ACCOUNTING POLICIES

Basis of Accounting

Books and Records are separately maintained in the name of the client to account for the assets and any additions, income, receipts and disbursements in connection therewith, as provided by the SEBI (Portfolio Managers) Regulations, 1993 as amended from time to time. Accounting under the respective portfolios will be done in accordance with Generally Accepted Accounting Principles (GAAP) followed in India.

Portfolio valuation

Investments in Equity or Equity related instruments and Debt securities listed on a recognized stock exchange are valued at the last quoted closing price on the National Stock Exchange of India Limited (NSE). If on a particular valuation date, a security is not traded on NSE, the value at which it is traded on the Stock Exchange, Mumbai (BSE) is used or any recognized stock exchange. If a particular security is not listed on the NSE, then it is valued at the last quoted closing price on the BSE on the valuation date or on a recognised stock exchange as the case may be.

Investments in Mutual funds will be valued at the repurchase NAV declared for the relevant schemes on the date of the report or the most recent NAV will be reckoned.

In the Derivative segment, the unrealized gains/losses for Futures and options will be calculated by marking all the open positions to market.

Income /Expenses

All investment income and expenses will be accounted on accrual basis. Dividend will be accrued on the ex-date of the securities and the same will be reflected in the clients books on the ex-date. Similarly, bonus shares will be accrued on the ex-date of the securities and the same will be reflected in the client books on ex-date. In case of Fixed Income instruments, purchased/sold at cum-interest dates, the interest component upto the date of purchase/sale will be taken to interest receivable/payable account and net of interest will be the cost/sale for the purpose of calculating realised gains/losses.

Realized gain/loss on sale of investments is accounted on trade date basis by comparing sale consideration with the cost of investment. The cost of investment is identified following First-in-First Out (FIFO) method.

The accounting policies and standards as stated above may be modified from time to time by the Portfolio Manager, subject to such modifications being in conformity with the applicable regulations.

13. INVESTOR SERVICES

(i) Name, address and telephone number of the Investor Relation Officer who shall attend to the investor queries and complaints

Name : Deepak Radhakrishnan
Designation : Principal Officer
Address : New No: 31, Old No: 15, T-2, 3rd Floor, Rajamannar Street, T.Nagar, Chennai-17
Telephone : 044-48570806
Email : grievance@pelicanpms.com

(ii) Grievance redressal and dispute settlement mechanism

If the Client has any grievance with regards to the services being offered or agreed to offer by the Portfolio Manager, He/She can contact the Investor Relation Officer whose details are mentioned above by email, telephone or post. The Investor Relation Officer will acknowledge the complaint within 2 working days. The Client will be contacted immediately and an action taken report will be sent to the Client within 10 working days.

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. The soft copies / hard copies of the complaints received from the Clients are preserved by the Investor Relations Department for future reference.

In the unfortunate event that the Client is not satisfied with the action taken or the response by the Portfolio Manager, He/She can approach SEBI's Complaints Redressal System (SCORES)-<http://scores.gov.in>. Clients can lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. An investor, who is not familiar with SCORES or does not have access to SCORES, can place complaints in physical form. However, such complaints would be scanned and uploaded in SCORES for processing.

Any dispute or difference between the parties with regard to the services and all connected and related matters whatsoever shall be discussed and settled amicably and as per the Disclosure Document. In the event of any failure to resolve the disputes amicably, such disputes or differences whatsoever shall be referred to Arbitration. The Arbitration Proceedings shall be conducted in English and in accordance with the provisions of Indian Arbitration and Conciliation Act, 1996 or any statutory modification or enactment thereof. The venue of Arbitration shall be Chennai. The language of arbitration shall be English. The arbitration shall be conducted by a sole arbitrator appointed/nominated by PHPL. In respect of all matters / disputes arising out of, in connection with or in relation to this Agreement, only the civil courts at Chennai shall have jurisdiction, to the exclusion of all other courts.

For Pelican Holdings Private Ltd



Kanu K Warrier
CEO and Director

Dated : 18th December 2019
Place : Chennai

