

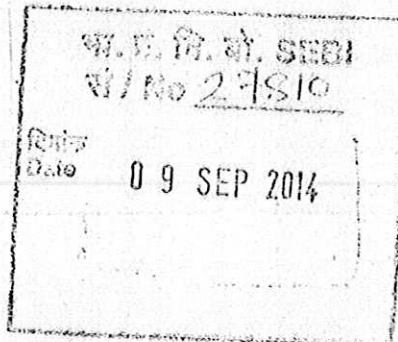
Wealth Advisors (India) Pvt. Ltd.
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CIN: U74140TN2004PTC053285

8th Sept 2014

The Asst General Manager
Investment Management Department
Division of Funds-1
Securities and Exchange Board of India
Plot no C 4 - A 'G' Block
Bandra Kurla Complex
Bandra East
Mumbai 400051



Dear Sir/Madam

Sub: Request for Informal Guidance by way of interpretative letter under the provisions of SEBI (Informal Guidance) Scheme 2003, in connection with appointment of Custodian under Regulation 16B of SEBI (Portfolio Managers) Regulations 1993.

Wealth Advisors (India) Private Limited, having its registered office at Lemuir House, 10 G N Chetty Road, T Nagar Chennai 600017, submit this letter for seeking an informal guidance in the form of an "interpretative letter" from the Securities and Exchange Board of India under the provisions of SEBI (Informal Guidance) Scheme 2003 in connection with appointment of Custodian under Regulation 16B of SEBI (Portfolio Managers) Regulations 1993.

Regulation 16B of SEBI (Portfolio Managers) Regulations 1993, states as under:

- [16B. Appointment of custodian.-(1) Every portfolio manager shall appoint a custodian in respect of securities managed or administered by it.
(2) Nothing contained in this regulation shall apply to a portfolio manager-
(a) who has total assets under management of value less than five hundred crore rupees; or
(b) who performs purely advisory functions.]

Facts:

Wealth Advisors (India) Private Limited is a SEBI registered Portfolio Manager vide Registration number INP000002833 offering Discretionary (DPMS), Non Discretionary (NDPMS) and Advisory Services to its clients under PMS.

As on 31st August 2014 our Assets under Management (AUM) excluding Advisory Services is about Rs.475 crores, and we are likely to exceed Rs. 500 crores AUM in the near future. Of the total AUM of about Rs.475 crores, around Rs.110 crores consists of Direct Equities and Direct Bonds investments of clients under DPMS and NDPMS which are already in Custody with a SEBI Registered Custodian. The Balance AUM of around Rs. 365 crores consists of Mutual Fund investments of DPMS and NDPMS clients. The mutual funds investments are held in the form of Statement of Accounts.

Mutual Funds appoint Custodians for safe keeping of securities and settlement of Trade. The unit allotment, unit redemption and unit reconciliation processes are carried out by Registrars.

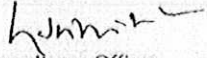
Clarifications sought:

As in our view, adequate safeguards are already in place for Mutual Fund investments, we seek your clarification as to, under the above referred circumstances, whether Mutual Fund assets are to be included while arriving at the threshold of Rs.500 crores under Regulation 16B of SEBI (Portfolio Managers) Regulations 1993.

Thanking you

Yours Faithfully

For Wealth Advisors (India) Private Limited


Compliance Officer

Encl: DD no 826742 for Rs.25000/- in favour of Securities and Exchange Board of India