

May 2026 - Carnelian Asset Management & Advisors Private Limited – Client Relationship Summary

Introduction

Carnelian Asset Management & Advisors Private Limited (“Carnelian”) is registered with the U.S. Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important that you understand the differences.

You can access additional information about our firm at <https://carneliancapital.co.in>. There are free and simple tools available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), a website created by the SEC, and which also provides educational materials about investment advisers, broker-dealers and investing.

What investment services and advice can you provide me?

We offer investment management and advisory services for alternative investment funds. We also offer discretionary and non-discretionary portfolio management services (“PMS”) for individuals. Our services include portfolio construction, ongoing monitoring, and investment selection.

In discretionary PMS accounts, we make investment decisions on your behalf. In non-discretionary PMS accounts, we identify securities transactions for your portfolio, but you make the ultimate decision regarding the purchase or sale of investments.

Investments typically include securities listed or traded on a recognized stock exchange, mutual funds, and money market investments. Money market investments can include commercial paper, trade bills, treasury bills, and certificates of deposit. We generally require each portfolio account to have a minimum initial investment of at least USD 60,000, or a minimum of INR 50,00,000 when converted into Indian rupees. We generally provide advice to all types of clients, including individuals and institutions. We tailor our discretionary advisory services to each of our PMS clients based on that client’s chosen investment approach and strategy, taking into account each client’s investment goals and any restrictions they set. Additional information about our advisory services is in Items 4 and 7 of our Firm Brochure which is available upon request or online at <https://adviserinfo.sec.gov>.

Conversation Starters:

- ***Given my financial situation, should I choose an investment advisory service? Why or why not?***
- ***How will you choose investments to recommend to me?***
- ***What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?***

What fees will I pay?

We typically charge asset-based fees ranging from 0% to 2.5% annually, generally payable monthly in arrears. Since we charge asset-based fees and the fee is based on a percentage of your assets, the more assets that you have in your account, the larger our fee may be. This gives us an incentive to encourage you to increase the amount of assets in your account. We may charge performance-based fees, to all investors who have opted for this fee structure, based on portfolio performance over a period of one year or more, at rates of up to 20% of net performance, subject to agreed upon terms with you. Different clients may be subject to different performance-based compensation arrangements. Since we may charge performance-based fees, we have an incentive to favor or to allocate certain riskier or more speculative investments to you if you are charged higher performance-based fees.

We deduct our fixed management fee directly from each account, generally monthly in arrears. Our performance fees are usually payable annually in arrears or upon termination of a client’s account or upon withdrawal of capital from any fund. We may charge different fees to different clients based on account size, investment strategy used or similar factors. In addition to our fees, you will incur other costs such as brokerage commissions, clearing fees and interest, custodial fees, bank service fees, costs charged to us by outside service providers we hire for certain investments; and any legal fees related to lawsuits or regulatory matters against us or any of our clients.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Additional information about our fees is in Item 5 of our Firm Brochure which is available upon request or online at <https://adviserinfo.sec.gov>.

Conversation Starter: Help me understand how these fees and costs might affect my investments. If I give you \$50,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

The asset-based fees that we charge create an incentive for us to increase the amount of assets under management. When picking brokers and dealers, we may consider the research services that the brokers provide to us. Using our client brokerage commissions to obtain research services benefits us because then we do not have to pay for research services ourselves. This may give us an incentive to select a broker-dealer based partly on the research services we receive, rather than solely on getting the best execution for our clients. In addition, we or one of our affiliates may receive a performance-based fee or special allocations or profits from specific clients. If we earn a higher percentage of profits from one client's account than from another's, then we may have an incentive to steer riskier or more speculative investments towards the higher-fee client. Our firm, principals and employees may buy and sell the same securities we recommend to clients. They may also invest in our PMS services and managed funds, which may create a conflict of interest. More detailed information about these and other conflicts of interest is located in our Firm Brochure which is available upon request or online at <https://adviserinfo.sec.gov>.

Conversation Starter: How might your conflicts of interest affect me, and how will you address them?

How do your financial professionals make money?

Our financial professionals receive salaries and may receive bonuses based on factors such as firm performance and assets under management.

Do you or your financial professionals have legal or disciplinary history?

No. Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

Conversation Starter: As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional Information

For additional information about our services, visit <https://carneliancapital.co.in>. Please contact us at +91-022-69374100 with any questions or if you would like to request a copy of this document.

Conversation Starter: Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?