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**VALUEQUEST INVESTMENT ADVISORS PVT. LTD.**

**PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT**

- (i) This Disclosure Document has been filed with the Securities and Exchange Board of India (SEBI) along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- (ii) The purpose of this Document is to provide essential information about the portfolio management services provided by ValueQuest Investment Advisors Pvt. Ltd. in a manner to assist and enable you in making an informed decision for engaging us as a Portfolio Manager.
- (iii) This document gives necessary information about us as ‘Portfolio Manager’ required by you as an investor before investing. You are advised to read this document and retain this document for future reference.
- (iv) The details of principal officer are as follows:

Name of the Principal Officer	Ravindra R. Dharamshi
SEBI Registration No	INP000003724
Phone number	022 – 69394444
E-mail address	<a href="mailto:ravi@valuequest.in">ravi@valuequest.in</a>
Registered Address	Quest, 1073, Raja Bhau Anant Desai Marg, Century Bazaar, Prabhadevi, Mumbai, Maharashtra - 400025, India
Additional Place of Business	4101, 41 <sup>st</sup> floor, Kohinoor Business Square, Opposite Sena Bhavan, Dadar, Mumbai, Maharashtra – 400028, India

- (v) The Disclosure Document is dated 30<sup>th</sup> April, 2024.



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## VALUEQUEST INVESTMENT ADVISORS PVT. LTD

### PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

#### 1. DISCLAIMER

This Disclosure Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 as amended till date and filed with the Securities and Exchange Board of India (SEBI). This Disclosure Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of this Document. The Client is requested to retain this Disclosure Document for future reference.

All general disclosures contained in this Disclosure Document, i.e. any information or disclosure made, which does not pertain to the Portfolio Manager or the services offered by the Portfolio Manager, are based on the information obtained from sources the Portfolio Manager believes to be reliable. The Portfolio Manager has not independently verified and makes no guarantee, representation or warranty and accepts no responsibility or liability as to the accuracy or completeness of such general disclosures or information. Such general disclosures or information are based upon publicly available information at the time of publication, which is subject to change from time to time.

#### 2. DEFINITIONS

The capitalized terms used, but not specifically defined in this Disclosure Document will have the meaning given to them in the Client Agreement. In this Disclosure Document, unless the context otherwise requires, the following expressions shall have the meaning assigned to them hereunder respectively:

“**Act**” means the Securities and Exchange Board of India Act, 1992.

“**Accreditation agency**” shall have the same meaning as assigned to it in clause (aa) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012

“**Accredited investor**” means any person who is granted a certificate of accreditation by an accreditation agency who,

(i) in case of an individual, Hindu Undivided Family, 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;



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(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 be deemed to be an accredited investor and may not be required to obtain a certificate of accreditation;

“**AIF**” means an alternative investment fund registered with SEBI under the SEBI (Alternative Investment Funds) Regulations, 2012.

“**AIF Regulations**” means the SEBI (Alternative Investment Funds) Regulations, 2012.

“**Associate**” “Associate” shall mean: (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.

“**Board**” or “**SEBI**” means the Securities and Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992.

“**Bank Account**” means one or more bank accounts opened, maintained and operated by the Portfolio Manager in the name of clients or a pool account in the name of the Portfolio Manager in which the funds handed over by the client shall be held by the Portfolio Manager on behalf of the Client.

“**Co-Investment Portfolio Manager**” (**CIPM**) **Agreement**” means the Co-Investment Portfolio Management Services Agreement to be executed between the Portfolio Manager and the Client(s).

“**Client**”/”**Investor**” means any person who registers with the Portfolio Manager for availing the services of portfolio management by the Portfolio Manager.

“**Client Agreement**” means the agreement executed between the Client and the Portfolio Manager for the provision of the portfolio management services and includes the CIPM Agreement.



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**“Co-Investment Portfolio Management Services”** means services offered by the Portfolio Manager to the investors of the AIFs managed by the Portfolio Manager, in accordance with the AIF Regulations and other applicable Regulations.

**“Custodian”** means any person who carries on the business of providing custodial services in accordance with the regulations issued by SEBI from time to time.

**“Depository Account”** means any account of the Client or for the Client with an entity registered as a depository participant under sub-section 1A of section 12 of the SEBI Act 1992 or any other law for the time being relating to registration of depository participants.

**“Disclosure Document”** means this disclosure document filed by the Portfolio Manager with SEBI and as may be amended by the Portfolio Manager from time to time pursuant to the Regulations.

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

**“Funds”** means the moneys placed by the Client with the Portfolio Manager and shall include all accretions thereto.

**“Funds Managed”** means the market value of the Portfolio of the Client as on a date.

**“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 registering as a client with the Portfolio Manager.

**“Large Value Accredited Investor”** or **“LVAI Client”** means an accredited investor who has entered into a Client Agreement with the Portfolio Manager for a minimum investment amount of INR 10,00,00,000 (Indian Rupees ten crore) or such other amount, as may be specified by SEBI, from time to time.

**“Portfolio”** means the total holdings of all investments, securities and funds belonging to the Client.

**“Portfolio Manager”** means ValueQuest Investment Advisors Pvt. Ltd a company incorporated and registered under the Companies Act, 1956 and registered with SEBI as a portfolio manager.

**“Portfolio Management Fees”** means fees payable by the Client to the Portfolio Manager as specified in the Agreement, for the Portfolio Management Services.

**“Regulations”** means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

**“Related Parties”** 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;



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- (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 of the Portfolio 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) above 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;Explanation.—For the purpose of (C) above, “investing company or the venturer of a 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) or such other person as may be specified by SEBI:  
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.

“**Rules**” means the Securities and Exchange Board of India (Portfolio Managers) Rules, 2020.

“**SEBI**” means the Securities & Exchange Board of India established under sub-section (1) of Section 3 of the Securities and Exchange Board of India Act, 1992.

“**Securities**” mean (i) Securities as defined under the Securities Contracts (Regulation) Act, 1956 as amended from time to time including shares, scrip, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated Company or other body corporate; (ia) derivative; (ib) units or any other instrument issued by any collective investment scheme to the investors in such schemes; (ic) security receipt as defined in clause (zg) of Section 2 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; (id) units or any other such instrument issued to the investors under any mutual fund scheme; (ie) any certificate or instrument (by whatever name called), issued to an investor by any issuer being a special purpose distinct entity which possesses any debt or receivable, including mortgage debt, assigned to such entity, and acknowledging beneficial interest of such investor in such debt or receivable, including mortgage debt as the case may be; (ii) Government Securities; (iia) such other instruments as may be declared by the Central Government to be securities (iii) rights or interest in securities; provided that securities shall not include any securities which the portfolio manager is prohibited from investing under the SEBI (Portfolio Managers) Regulations, 2020 or any other law for the time being in force.

Further, in this Disclosure Document, except as otherwise expressly provided or unless the context otherwise requires:



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- A. Words and expressions used herein and not defined in this Agreement but defined in the Companies Act, 2013 or Limited Liability Partnership Act, 2008, the Act or the Depositories Act, 1996 or the AIF Regulations shall have the same meanings respectively assigned to them in those legislations;
- B. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof;
- C. Words appearing in the Disclosure Document in the singular shall include words in the plural and words in the plural shall include the singular;
- D. The headings and sub-headings to this Disclosure Document are inserted only for reference to the provisions hereof and shall not affect the construction of such provisions;
- E. If there is any conflict between the provisions of this Disclosure Document and the provisions of the Client Agreement, the provisions of the Client Agreement will prevail in all respects.

### **3. DESCRIPTION**

#### **I. History, present business and background of the Portfolio Manager**

Founded in 2010, ValueQuest Investment Advisors Pvt. Ltd. (ValueQuest) is a boutique SEBI-registered Portfolio Management company with a strong focus on the equity markets. Our founders, Ravindra Dharamshi and Sameer Shah, have more than two decades of equity experience.

ValueQuest was incorporated on 04.01.2010. The company got registration as a portfolio manager from SEBI on 09.06.2010 and started business from October 2010. ValueQuest also act as a Sponsor and Investment Manager to the Fund “ValueQuest S.C.A.LE Fund” launched by ValueQuest Alternate Investment Trust and registered with SEBI as a Category II- Alternative Investment Fund vide registration number (IN/AIF2/22-23/1156) dated October 20, 2022.

#### **II. Promoters and Directors of the Portfolio Manager and their background**

ValueQuest Investment Advisors Pvt. Ltd. is promoted by Mr. Ravindra Dharamshi. The company was incorporated on 04.01.2010.

##### **Director(s) and their Background:**

**Mr. Ravindra R. Dharamshi**, age 46 years, is a founder, Director, CIO and fund manager of the company. He has an experience of more than 22 years in the stock market and investment management. He has completed his MBA in Finance from McCallum Graduate Business School, USA and joined Rare Enterprises as research analyst before taking charge of research at ValueQuest. He is also the Director of Entity Gaming Private Limited.



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**Mr. Sameer Shah**, age 46 years, is co-founder, Director and fund manager of the company. He has an experience of more than 23 years in the stock market. He is member of The Institute of Chartered Accountants of India. He has earlier worked with Sharekhan, Brics Securities and FCH Centrum Wealth Managers before joining ValueQuest. His urge to explore the market and continuous search for excellence has made him quite experienced and resourceful. His intelligence, research and analytical skills will be an additional advantage to the company.

**Mr. Aniket Dharamshi**, age 30 years, has been appointed as an Additional Non-Executive Director of the Company on 6th November 2023. Aniket holds International Baccalaureate Certificate from Ecole Mondiale World School. He is a Commerce Graduate from the University of Mumbai. He has worked for about 6 (Six) years as a Financial Analyst in ValueQuest Investment Advisors, Mumbai and gained valuable experience and exposure in the Public Equity Markets. He has also worked as a Networking Engineer with Persistent Microsystems – Ocatel Communications, San Jose, California, United States and gained valuable experience during his stint at Persistent Microsystems. He also holds Directorship in Entity Gaming Private Limited

### **III. Top 10 Group Companies / firms of the portfolio manager on turnover basis – N.A**

### **IV. Details of services being offered**

ValueQuest Investment Advisors Pvt. Limited provides Discretionary Portfolio Management Services and advisory services to its clients and may provide Non-Discretionary Portfolio Management Services to its clients. In addition, the Portfolio Manager provides (i) co-investment portfolio management services to the investors of SEBI registered AIF, for which it is the investment manager; (ii) advisory services to other SEBI registered AIFs as well. Further, for LVAI Clients, the Portfolio Manager may provide services to such LVAI Clients in accordance with the Regulations.

### **4. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTION AND INVESTIGATIONS FOR WHICH ACTION HAS 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 thereunder : **None**
- (ii) The nature of the penalty/direction: **Not Applicable**
- (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 thereunder: **None**





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## 5. SERVICES OFFERED BY THE PORTFOLIO MANAGER

The funds of the Client, under the portfolio management services offered by ValueQuest, will be managed by the Fund Managers. The Portfolio Manager's investment philosophy underlines maximizing the risk-adjusted returns depending on the client's risk tolerance. In order to achieve the same, a disciplined investment approach, with adequate risk controls, has been adopted. The PMS team is assisted by a dedicated equity research team.

Key elements of our investment philosophy and approach are:

- a) Bottom-up stock selection.
- b) In-depth independent fundamental research.
- c) High quality companies with sustainable competitive advantages.
- d) Disciplined valuation approach applying multiple valuation measures.
- e) Long term vision resulting in comparatively low portfolio turnover.
- f) Investments in Unit of MFs/ ETFs.

The Portfolio Manager broadly offers services in the following categories.

### I. Discretionary Services

Under these services, the choice as well as the timing of the investment decision is with the Portfolio Manager.

The Portfolio Manager shall have the sole and unfettered discretion to invest in respect of the Client's account in any type of security in accordance with the Agreement and make changes in the investment and invest some or all of the Client's Portfolio in such manner and in such markets as it deems fit. 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. The Portfolio Manager shall exercise its power and be subject to obligations strictly in accordance with the Act, Rules and Regulations made there under.

The Client may, under these services, authorise 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 shall send periodical statements to the Client.

The following is a brief description of services offered:

#### a) **ValueQuest Growth (Benchmark – S&P BSE 500 TRI)**

##### **Strategy: Equity**

The main object of the Investment Approach is to invest in all equity and equity related instruments, debt instruments (including liquid funds, fixed deposits etc.) and securities listed or



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traded on any recognized stock exchange with emphasis on fundamentally sound, well researched companies having bright future prospect irrespective of market capitalization. The aim is to maximize the power of compounding. Here our philosophy is to pick high quality companies with proven track records at reasonable valuations and then let the compounding do its magic. The Idea is to ride the growth phase in the company or industry over rolling 3-5 years' time frame. Key risks include regulation and policy risk, growth slowdown, wrong capital allocation.

Asset Allocation would be primarily in equities. The remaining portfolio allocation may be invested in Bank balances/ Liquid Mutual Funds/ Fixed Income/ETFs instruments as per the portfolio manager's discretion.

Basis of choosing S&P BSE 500 TRI as benchmark: The S&P BSE 500 TRI index is designed to be a broad representation of the Indian market. Consisting of the top 500 companies listed at BSE Ltd., the index covers all major industries in the Indian economy. The Portfolio Manager under the strategy invests across market capitalizations.

**b) ValueQuest Platinum (Benchmark– S&P BSE 500 TRI)**

**Strategy: Equity**

The main object of the Investment Approach is to invest in all equity and equity related instruments, debt instruments (including liquid funds, fixed deposits etc.) and securities listed or traded on any recognised stock exchange with emphasis on fundamentally sound, well researched companies having bright future prospect irrespective of market capitalization. The aim is to identify business tailwinds in a company/ sector and capitalize on the same. Apart from core portfolio stocks complimented with young/ new to market/ turnaround stocks, portfolio can have access to exclusive deals, special situation opportunities. These stocks will be selected based on business tailwinds and superior risk-reward. Time frame for investments for this Investment Approach will be rolling 1-3 years. Key risks include regulation and policy risk, growth headwinds.

Asset Allocation would be primarily in equities. The remaining portfolio allocation may be invested in Bank balances/ Liquid Mutual Funds/ Fixed Income instruments/ ETFs as per the portfolio manager's discretion.

Basis of choosing S&P BSE 500 TRI as benchmark: The S&P BSE 500 TRI index is designed to be a broad representation of the Indian market. Consisting of the top 500 companies listed at BSE Ltd., the index covers all major industries in the Indian economy. The Portfolio Manager under the strategy invests across market capitalizations.



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**c) ValueQuest Vision (Benchmark – S&P BSE 500 TRI)**

**Strategy: Equity**

The main object of the Investment Approach is to invest in all equity and equity related instruments, debt instruments (including liquid funds, fixed deposits etc.) and securities listed or traded on any recognised stock exchange with emphasis on fundamentally sound, well researched companies having bright future prospect irrespective of market capitalization. The aim is to identify stocks through bottom-up research based on sector developments, quarterly results, etc. Here our philosophy is to look for companies that have the capability to change league in terms of size. These stocks will be selected based on strength of balance sheet, management quality, product, and sales capabilities, etc. Time frame for investments for this Investment Approach will be rolling 5 years. Key risks include regulation and policy risk, management changes, execution risks.

Asset Allocation would be primarily in equities. The remaining portfolio allocation may be invested in Bank balances/ Liquid Mutual Funds/ Fixed Income instruments/ ETFs as per the portfolio manager's discretion.

Basis of choosing S&P BSE 500 TRI as benchmark: The S&P BSE 500 TRI index is designed to be a broad representation of the Indian market. Consisting of the top 500 companies listed at BSE Ltd., the index covers all major industries in the Indian economy. The Portfolio Manager under the strategy invests across market capitalizations.

**d) ValueQuest POISE (Benchmark- S&P BSE-500 TRI)**

**Strategy: Equity**

The main object of the Investment Approach is to invest in all equity and equity related instruments, debt instruments (including liquid funds, fixed deposits etc.), ETFs and securities listed or traded on any recognised stock exchange with emphasis on fundamentally sound, well researched companies having bright future prospect irrespective of market capitalization. The constructed portfolio to invest in well curated low-friction business-models with some degree of certainty and predictability of growth, at reasonable relative valuations. Seeks companies with large addressable market opportunities to grow, with healthy and scalable business-financial model run by passionate and ambitious managements of high standards. To invest in a well-balanced, diversified, all weather portfolio of 15 -to- 25 stocks which can withstand both macro and micro shocks over time. A portfolio that can remain calm and resilient with reasonable predictability over the next 3-5year horizon.

Key risks include broad market valuation compression due to liquidity shocks, regulation and policy risk, industry headwinds arising out of macro slowdown or company specific unforeseeable risks.



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Asset Allocation would be primarily in equities. The remaining portfolio allocation may be invested in Bank balances/ Liquid Mutual Funds/ Fixed Income instruments / ETFs as per the portfolio manager's discretion.

Basis of choosing S&P BSE 500 TRI as benchmark: The S&P BSE 500 TRI index is designed to be a broad representation of the Indian market consisting of the top 500 companies listed at BSE Ltd., the index covers all major industries in the Indian economy.

e) **ValueQuest Alpha (Benchmark – S&P BSE 500 TRI)**

**Strategy: Equity**

The main object of the Investment Approach is to invest in all equity and equity related instruments and approved securities listed or traded on select recognized stock exchanges with emphasis on fundamentally sound, well researched companies having bright future prospect irrespective of market capitalization. The aim is to maximize the power of compounding. Here our philosophy is to pick high quality companies with proven track record at reasonable valuations and then let the compounding do its magic. Idea is to ride the growth phase in the company or industry over rolling 3-5 years' time frame. There would be exclusions based on size of capital that can be deployed, ESG considerations. Key risks include regulation and policy risk, growth slowdown, wrong capital allocation.

Asset Allocation would be primarily in equities. Aim is to remain invested throughout and there will be cash only at the time of switch decisions. No cash management to be done – money to stay in bank till deployed.

Basis of choosing S&P BSE 500 TRI as benchmark: The S&P BSE 500 TRI index is designed to be a broad representation of the Indian market. Consisting of the top 500 companies listed at BSE Ltd., the index covers all major industries in the Indian economy. The Portfolio Manager under the strategy invests across market capitalizations.

f) **ValueQuest Liquid (Benchmark – CRISIL Composite Bond Fund Index)**

**Strategy: Debt**

The main object of the Investment Approach is to invest in all Liquid Mutual Funds, short-term debt funds, exchange traded funds, money market mutual funds, and other debt funds to facilitate investors to take Asset Allocation calls between Cash and Equity.

The allocation of the portfolio shall be in Debt Instruments including Government Securities, Corporate Debt, Other Debt Instruments, Term Deposits and Money market Instrument. Typically, investment will be for a short term of 3-6 months with an objective of interim parking of money.



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Basis of choosing Benchmark: Effective April 1, 2023 SEBI has prescribed the Portfolio Managers to choose benchmarks from Nifty Medium to Long Duration Debt Index, CRISIL Credit Index, CRISIL Composite Bond Fund Index. Out of the options available under regulations, CRISIL Composite Bond Fund Index was considered to be more appropriate.

Key risk: Given that the portfolio invests into liquid / money market mutual funds, all risks applicable to such funds will be applicable.

Few of them are as follows:

- Liquid / money market funds invests into fixed income securities and hence will be subject to interest rate risk, credit risk, liquidity risk, reinvestment risk, etc.
- Though the portfolio of such funds comprises of short –term deposits, government securities and money market instruments, they cannot be considered as totally risk free. This is because liquidity patterns and short-term interest rates change, sometimes on a daily basis, thereby making the fund susceptible. However, such interest rate changes though have a low impact on the fund.

**Note:** ValueQuest Agile has been closed with effect from 19<sup>th</sup> March 2024

## **II. Non-Discretionary Services**

Under these services, the Portfolio Manager manages the portfolio in accordance with the directions and permission of the Client. The Portfolio Manager will provide non-discretionary Portfolio Management Services as per express prior instructions issued by the Client from time to time, in the nature of investment consultancy/management, and may include the responsibility of managing, renewing and reshuffling the portfolio, buying and selling the securities, keeping safe custody of the securities and monitoring book closures, dividend, bonus, rights, etc. so as to ensure that all benefits accrue to the Client's Portfolio, for an agreed fee structure and for a definite described period, entirely at the Client's risk. The Portfolio Manager shall send periodical statements to the Client.

The Portfolio Manager may also provide non-discretionary Portfolio Management Services to LVAI Clients in accordance with the terms of the terms of their Client Agreement.

## **III. Advisory Services**

Under these services, the Portfolio Manager renders investment advice to the client in respect of securities. Discretion to execute the transactions and responsibility for execution /settlement of the transactions lies solely with the client. The Portfolio Manager will render the best possible advice to the client having regard to the client's needs and the environment, and his own professional skills. The same can be binding or non - binding in nature or in such terms as mentioned in the Client agreement. For such services, the Portfolio Manager charges the Client a fee for services rendered mentioned in the Client agreement. The advice may be either general or specific in nature and may pertain to a particular



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stock or sector. The Client is advised on Investment decisions within the overall risk profile without any back-office responsibility for trade execution, custody, accounting functions. The Client may or may not adhere to the advice provided by the Portfolio Manager and all other incidental activities pertaining to execution and settlement are solely the Client's responsibility.

#### **IV. Co-Investment Portfolio Management services**

The Portfolio Manager as an investment manager to category I or category II AIFs (as defined in the AIF Regulations), shall provide the Co-Investment Portfolio Management Services (CIPM) in accordance with terms of the CIPM Agreement.

The Client may also refer (i) the CIPM Agreement for specific details regarding the nature and scope of the services involved as part of the Co-Investment Portfolio Management Services pursuant to the terms of the CIPM Agreement, and (ii) the CIPM Agreement to review the nature of the powers being conferred by the Client to the Portfolio Manager to carry on the Co-Investment Portfolio Management Services.

Certain key regulatory requirements in respect of Co-Investment Portfolio Management Services are as follows:

- a. The terms of the co-investment in the investee company by the Client shall not be more favourable than the terms on which the Fund invests in such investee company.
- b. The terms of exit from the co-investment in the investee company, including the timing of the exit, shall be identical to the terms applicable to the exit of the Fund.
- c. Early withdrawal of funds by the Client with respect to co-investment portfolio managed under the Co-Investment Portfolio Management Services, i.e. by way of exiting Securities held in the investee companies, shall be allowed only to the extent the Fund has also made / is making an exit from the investment in the investee companies.
- d. As provided in the Regulations, no minimum investment amount applicable to the investments made by the Clients through the Co-Investment Portfolio Management Services. However, the Portfolio Manager has the right to impose minimum / quantum thresholds, in accordance with the terms of the CIPM Agreement, in respect of co-investment opportunities which shall be offered to the Client.
- e. With respect to Co-investment Portfolio Management Services, the investment approach of the Portfolio Manager shall be as agreed in the CIPM, and as detailed in the documents in relation to the ValueQuest S.C.A.L.E Fund (including the private placement memorandum). The performance of the Co-investment Portfolio Manager shall be calculated in the manner as agreed between the Co-investment Portfolio Manager and the client.



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#### **V. Empanelment of Accredited Investors (AI Investor) under Portfolio Management Services**

AI investors are a class of sophisticated investors who have the ability and willingness to invest in securities market, particularly in investment products that are relatively riskier and have minimal regulatory oversight. AI investors have relaxation of regulatory requirement applicable to investment product under “Regulation light Framework”. ValueQuest may offer products or services to suite their investment needs in future.

#### **VI. Large Value Accredited Investors (LVAI)**

Notwithstanding the contents of agreement specified under Schedule IV of the Regulations and in accordance with applicable laws, the services offered/proposed to be offered by the Portfolio Manager to Large Value Accredited Investors, shall be subject to the terms and conditions as mutually agreed between such Large value Accredited Investor and the Portfolio Manager.

Without prejudice to the generality of the foregoing, as per the Regulations, the following provisions shall be applicable to LVAI Clients:

- i) Contents of agreement specified under schedule IV of Regulations shall not apply to the agreement between the Portfolio Manager and LVAI Client;
- ii) The Portfolio Manager may offer discretionary or non-discretionary or advisory services for investment up to hundred percent of the assets under management in unlisted securities subject to the terms agreed between the LVAI Client and the Portfolio Manager;
- iii) The quantum and manner of exit load applicable to the LVAI Client of the Portfolio Manager shall be governed through bilaterally negotiated contractual terms.

**Note: All clients have an option to invest in the above Products/Investment Approaches directly, without intermediation of persons engaged in distribution services.**

#### **VII. Minimum Investment Amount**

The Client shall deposit with the Portfolio Manager, an initial corpus consisting of Securities and /or funds of an amount prescribed by Portfolio Manager for a specific Portfolio, subject to minimum amount as specified under SEBI Regulations, as amended from time to time. The Client may on one or more occasion(s) or on a continual basis, make further placement of Securities and / or funds under the service, subject to discretion of the Portfolio Manager. The minimum investment amount requirements shall not apply to the Co-Investment Portfolio Management Services offered by the Portfolio Manager. Provided further that subject to appropriate disclosures and the terms agreed between the client and the portfolio manager, the requirement of minimum investment amount per client shall not apply to an accredited investor.



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### **VIII. Policy for Investment in securities of Group / Associates Companies / Related Party**

As per the SEBI (Portfolio Managers) Regulations 2020 and its amendments, the limits with respect to investments of client's funds in securities of related party / associates, the portfolio manager shall comply with the following:

<b>Security</b>	<b>Limit for investment in single associate / related party (as percentage of client`s AUM)</b>	<b>Limit for investment across multiple associates / related parties (as percentage of client`s AUM)</b>
Equity	15%	25%
Debt and hybrid securities	15%	25%
Equity + Debt + Hybrid Securities	30%	

Portfolio Manager shall have a limit of maximum of 30 percent to invest their client's assets under management in the securities of associates/related parties. The above limits shall be applicable only to direct investments by Portfolio Managers in equity and debt/hybrid securities of their own associates/related parties and not to any investments in the mutual funds.

With respect to investments in debt and hybrid securities,

- i) the Portfolio Manager offering discretionary portfolio management services shall not make any investment in below investment grade / unrated securities. of its associates or related parties.
- ii) the Portfolio Manager offering non-discretionary portfolio management services shall not make any investment in below investment grade listed securities. However, Portfolio Manager may invest up to 10% of the assets under management of such clients in unlisted unrated securities of issuers other than associates/related parties of Portfolio Manager. The said investment in unlisted unrated debt and hybrid securities shall be within the maximum specified limit of 25% for investment in unlisted securities under PMS Regulations.

## **6. RISK FACTORS AND CONFLICT OF INTEREST**

### **I. Risk Factors**

- a) Investment in securities, whether on the basis of fundamental or technical analysis or otherwise, is subject to market risks which include price fluctuations impact cost, basis risk etc. The





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Portfolio Manager does not assure or guarantee that the objectives of any of the Investment Approach(es) will be achieved. The investments may not be suitable to all the investors.

- b) Past performance of the Portfolio Manager does not indicate the future performance of the same. There is no assurance that the past performances will be repeated in future. Investors are not being offered any guaranteed or assured returns through any of the Investment Approach(es).
- c) The Portfolio Manager may appoint individual(s) as fund managers to manage certain portfolios or certain Investment Approach(es). The past performance of such fund manager(s) does not indicate the future performance of the services offered by such fund manager(s). There is no assurance that the past performances will be repeated in future.
- d) The names of the portfolios do not in any manner indicate their prospects or returns.
- e) The Portfolio Manager may change the Fund Manager in the interest of the Portfolio Management Service(s) at any time without assigning any reason to it and / or without any information to the investors. That said, the Portfolio Manager will strive to intimate the relevant Clients about the change of the fund manager(s) and the details of the new fund manager(s) within a reasonable timeframe after the change is effected.
- f) Investments in equity may be adversely affected by the performance of companies, changes in the economy, government policy, the market place, credit ratings and industry specific factors.
- g) Debt and other fixed income investments may be subject to changes in interest rates and/or liquidity, credit and reinvestment risks.
- h) Liquidity in the investments and performance of portfolio may be affected by trading volumes, settlement periods and transfer procedures.
- i) Derivatives, futures and options are highly leveraged instruments and require a high degree of skill, diligence and expertise. Small price movements in the underlying security may have a large impact on the value.
- j) Appreciation in any of the Investment Approach(es) can be restricted in the event of a high asset allocation to cash, when stock appreciates. The performance of any Investment Approach(es) may also be affected due to any other asset allocation factors.
- k) When investments are restricted to a particular or few sector(s) under Investment Approach(es); 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.



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- l) In the case of stock lending, risks relate to the defaults from counterparties with regard to securities lent and the corporate benefits accruing thereon. The Portfolio Manager is not responsible for any loss resulting from stock lending.
- m) 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 generally will be more volatile than a portfolio with a larger number of stocks.
- n) The values of the Portfolio may be affected by changes in the general market conditions and factors and forces affecting the capital markets, in particular, 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.
- o) 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.
- p) Liquidity or Marketability Risk: Certain securities may become impossible to sell or not marketable due to the absence of any potential buyers. In such situations, the investment in the securities may be lost or its realization may be inordinately delayed.
- q) Interest Rate Risk: As with all debt securities, changes in interest rates may affect valuation of the Portfolios, as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than prices of short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the valuations of Portfolios.
- r) The co-investment portfolio will consist largely of equity, equity-linked instruments and other convertible Securities issued by investee companies, whose securities are not publicly traded. Such investments involve a high degree of business and financial risk, as well as company-specific, industry-specific, and macro-economic risks, which may result in substantial loss to the value of the co-invest portfolio. The investee companies may face intense competition, including competition from companies with greater financial wherewithal and superior resources. The Portfolio Manager can offer no assurance that the marketing efforts of the investee company will succeed or that its business will succeed or be profitable. Further, the target Securities are volatile



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and are prone to fluctuations in value. Investments such as these carry a high degree of risk and there is a risk of loss of the entire amount invested.

- s) While the Portfolio Manager shall take all reasonable steps with respect to the co-investment portfolio in a prudent manner, such decisions may not always provide to be profitable or correct. Consequently, the Client shall assume the loss on the investment, and, consequently, the growth of the co-investment portfolio.
- t) The Portfolio Manager is neither responsible nor liable for any losses resulting from the Co-Investment Portfolio Management Services.
- u) After the commencement of the term of the Co-Investment Portfolio Management Services, the Portfolio Manager may not get the opportunity to offer the Clients any suitable co-investment opportunities.

Prospective clients should review and study the Disclosure Document carefully and in its entirety. They should note that this document does not claim to offer advice relating to legal, taxation, financial or investment matters and are advised to consult their own professional advisor(s) on the suitability of equities as an asset class for their investments.

## **II. Disclosures on Conflict of Interest**

- a) There is no conflict of interest with transactions of purchase and sale of securities in any of the client's portfolio by the Portfolio Manager and its employees who are directly involved in investment operations. The Portfolio Manager has in place internal policies, and procedures for its employees to manage conflict of interest and ensures fair treatment of their clients and disclose possible areas of conflict of interest.
- b) There is no conflict of interest related to services offered by group / associate companies of the portfolio manager. The Portfolio Manager makes best efforts to ensure that clients' interests are protected. The Portfolio Manager shall abide by high level principles on avoidance of conflicts of interest, as may be specified by the SEBI from time to time.
- c) ValueQuest Investment Advisors Pvt Ltd is acting as an investment manager for CAT II AIF – ValueQuest Alternate Investment Trust (Scheme Name – ValueQuest S.C.A.L.E Fund). There is a risk that conflict of interest will arise. The Portfolio Manager will make best efforts to ensure that such conflicts of interest are identified and managed, and that clients' interests are protected. The Portfolio Manager shall try to ensure fair treatment to all clients and put client's interest above all.



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- d) The Portfolio Manager and / or its officers, directors, and employees and personnel, may invest in or promote or advise investments/ funds/ projects which are similar to those being considered by the Fund / Portfolio Manager (including for the purposes of co-investment opportunities). This may result in circumstances wherein there may conflict of interest in determining the allocation of investment opportunities amongst the various such investments / funds / projects. While the Portfolio Manager will endeavor to resolve any such conflicts in a reasonable manner, taking into account, inter alia, the remaining unfunded commitments in the various funds, the level of diversification, etc., there can be no assurance that the Client will be allocated the opportunity to participate in a co-investment opportunity.
- e) Diversification Policy: The portfolio manager asset allocation would be primarily in equities. The remaining portfolio allocation may be invested in bank balances/ liquid mutual funds/ Fixed Income/ETFs instruments as per the portfolio manager's discretion. The emphasis would be to invest in fundamentally sound, well researched companies having bright future prospect irrespective of market capitalization. Portfolio will be spread across sectors and across market capitalization and hence the risk would be diversified.
- f) The services of the Portfolio Manager and the key managerial personnel will not be exclusive to the Client, and, subject to the limits described, they are free to render investment management and other services to others and to be involved in a variety of investment and non-investment activities/ businesses unrelated to the Fund so long as the services to be performed by it for the Fund are not impaired thereby.
- g) With respect to investments of client's funds in securities of related party / associates, the portfolio manager shall comply with the limits as per the SEBI (Portfolio Managers) regulations 2020 and its amendments.

**III. "Details of investments of client's funds in the securities of associate / related parties of the Portfolio Manager"**

Investment Approach	Name of the Related Party	Investment amount (cost of investment) as on last day of the previous calendar quarter (INR in crores)	Value of investment as on last day of the previous calendar quarter (INR in crores)	Percentage of total AUM as on last day of the previous calendar quarter
Nil				



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## 7. CLIENT REPRESENTATION

### I. Fund management business details

Category of Clients	No. of Clients	Funds Managed (Rs. In Crs)	Discretionary/ Non- Discretionary/Advisory/Co- Investment
<b>Associates/ Group Companies</b>			
F.Y 2023-2024	Nil	Nil	N.A
F.Y 2022-2023	Nil	Nil	N.A.
F.Y 2021-2022	Nil	Nil	N.A.
F.Y 2020-2021	Nil	Nil	N.A.
<b>Others</b>	<b>No. of Clients</b>	<b>Funds Managed (Rs. In Crs)</b>	<b>Discretionary/ Non- Discretionary/Advisory/Co- Investment</b>
F.Y 2023-2024*	1148	11021.73	Discretionary
	1	256.67	Advisory
	12	156.64	Co-Investment
F.Y 2022-2023	471	5028.81	Discretionary
F.Y 2021-2022	377	1749.08	Discretionary
F.Y 2020-2021	248	587.28	Discretionary

\*The numbers in FY. 2023-2024 are unaudited numbers.

### II. Related Party Disclosures

Disclosure for details of Transaction with related party as per AS-18 “Related Party Disclosure” issued by ICAI is provided as under: (Rs. in Lakhs)

Particulars	31-03-2023	31-03-2022
Director’s remuneration	505.35	965.35
Loan Taken (Closing balance)	0	260
Rent Paid	88	72
Relatives of Directors	18	17.6



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## 8. FINANCIAL PERFORMANCE OF THE PORTFOLIO MANAGER

The Financial Performance of the company for last 3 financial years given below (Rs. in Lakhs)

Particulars	31-03-2023	31-03-2022	31-03-2021
<b><u>Sources of Funds:</u></b>			
Shareholder's Funds	4866.27	4389.33	2853.96
Loan Funds	0	0	0
Deferred Tax Liabilities	0	0	0
<b>Total Liabilities</b>	<b>4866.27</b>	<b>4389.33</b>	<b>2853.96</b>
<b><u>Application of Funds:</u></b>			
Net Fixed Assets	535.40	209.42	149.48
Investments	2449.44	3858.19	2576.24
Current Assets, Loans & Advances	5120.27	2131.32	906.37
Less: Current Liabilities and provisions	3263.63	1836.28	796.59
Net Current Assets	1856.64	295.04	109.78
Deferred Tax Asset	24.79	26.68	18.46
<b>Total Assets</b>	<b>4866.27</b>	<b>4389.33</b>	<b>2853.96</b>

## 9. PORTFOLIO MANAGER PERFORMANCE

The performance of the portfolio manager for the last 3 financial years (using 'Time Weighted Rate of Return' method in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020):

Particulars	Name of Portfolio	Returns (%)			
		FY 2023-2024	FY 2022-2023	FY 2021-2022	FY 2020-2021
Portfolio	Discretionary Portfolio (Consolidated)	46.10	1.32	43.62	99.26
Benchmark	S&P BSE 500 TRI	40.16	2.27	20.89	76.63
Investment Approaches					
Portfolio	ValueQuest Growth	52.79	-2.18	44.66	96.15
Benchmark	S&P BSE 500 TRI	40.16	-2.27	20.89	76.63



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Portfolio	ValueQuest Platinum	57.69	-4.68	44.94	119.7
Benchmark	S&P BSE 500 TRI	40.16	-2.27	20.89	76.63
Portfolio	ValueQuest Vision	60.15	9.85	NA	NA
Benchmark	S&P BSE 500 TRI	40.16	-2.27	NA	NA
Portfolio	ValueQuest Poise	42.05	8.42	NA	NA
Benchmark	S&P BSE 500 TRI	40.16	-2.27	NA	NA
Portfolio	ValueQuest Alpha	41.33	NA	NA	NA
Benchmark	S&P BSE 500 TRI	40.16	NA	NA	NA
Portfolio	ValueQuest Liquid	NA	NA	NA	NA
Benchmark	CRISIL Composite Bond Fund	NA	NA	NA	NA

\* The numbers in FY. 2023-2024 are unaudited numbers.

**Notes:**

1. Performance-related information provided herein is not verified by SEBI.
2. Performance figures are net of all fees and expenses.
3. Performance of each investor portfolio may vary from that of other investors and that generated by the Investment Approach across all investors because of 1) the timing of inflows and outflows of funds; and 2) differences in the portfolio composition because of restrictions and other constraints.
4. To see the performance relative to other Portfolio Managers within the selected Strategy please click in this link : <https://www.apmiindia.org/apmi/welcomeiaperformance.htm?action=PMSmenu>.

**10. AUDIT OBSERVATIONS**

The following are the details of the PMS client operations related audit observations made by auditors for the preceding 3 years:

Particulars	Audit Observations
F.Y 2020-2021	Nil
F.Y 2021-2022	Nil
F.Y 2022-2023	Nil

**11. NATURE OF EXPENSES**

- Fees charged may be a fixed fee or a return-based fee or a combination of both.
- No Upfront fees shall be charged directly or in-directly to the clients.



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- Operating expenses excluding brokerage, over and above the fees charged for Portfolio Management Service, shall not exceed 0.50% per annum of the client's average daily Assets under Management (AUM)
- Fee structure can be open ended or closed ended.

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

- a) **Management Fees:** Management Fees relate to the portfolio management services offered to Clients. The fee may be a fixed charge or a percentage of the quantum of funds managed. The range for charging the fees is Nil to 2.5% p.a plus applicable taxes.
- b) **Performance Fees:** The portfolio manager will charge performance fees based on the High Water Mark principle. The range for charging the fees is Nil to 25% plus applicable taxes on an annualised basis. Hurdle Rate ranges from Nil to 15% on an annualised basis.
- c) **Advisory Fees:** Advisory fees relate to the advisory fees offered to the client. The fee may be a fixed charge or up to 2.5% p.a. plus applicable taxes of the assets under advice as agreed in agreement.
- d) **Exit load:** If the redemption is done prematurely at the option of the client, the Portfolio Manager may levy exit load ranging from Nil to 3% of the client's corpus.

In case client portfolio is redeemed in part or full, the exit load charged shall be as under:

- a) In the first year of investment, maximum of 3% of the amount redeemed plus applicable taxes.
- b) In the second year of investment, maximum of 2% of the amount redeemed plus applicable taxes.
- c) In the third year of investment, maximum of 1% of the amount redeemed plus applicable taxes.
- d) After a period of three years from the date of investment, No exit load.

The exit load for LVAI Clients shall be as agreed between the Portfolio Manager and the LVAI Client.

- e) **Custodian/ Depository charges :** The charges pertaining to opening and operation of dematerialized accounts and bank accounts, custody and transfer charges for funds, shares, bonds and units, dematerialisation, rematerialisation and other charges in connection with the operation and management of the depository and bank accounts at actuals.





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- f) Registrar and Transfer Agent charges: 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. at actuals.
- g) Brokerage and transaction charges: The brokerage charges and other charges like goods and 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 at actuals.
- h) Certification and Professional Charges: Charges payable for outsourced professional services like accounting, auditing, taxation and legal services, notarization, etc. for certification, attestation required by bankers, auditors, intermediaries, and regulatory authorities at actuals.
- i) Incidental Expenses: Courier charges, stamp duty, service tax, postal stamps, opening and operation of bank accounts, etc. at actuals.
- j) On boarding of clients: The Clients shall have an option to be on-boarded directly, without intermediation of persons engaged in distribution services. At the time of on boarding of clients directly, no charges except statutory charges shall be levied.

## 12. TAXATION

In view of the individual nature of tax consequences, each Client is advised to consult his/her tax advisor with respect to the specific tax consequences to him/her of participation in the Investment Approach(es). The clients are best advised to take independent opinion from their respective tax advisors / experts for any income earned from such investments. The Portfolio Manager shall not be responsible for assisting in or completing the fulfillment of the Client's tax obligations. The provisions of the Income Tax Act, 1961 shall apply to the client and the Portfolio Manager in respect of their Individual income.

Tax deducted at source ('TDS') on interest / TDS on dividend received on equity shares and TDS on capital gain (for Non resident Indian clients) is shown as withdrawal from corpus and in case of reversal of TDS it shall be shown as corpus inflow. For clarification, no TDS is deducted on capital gains for resident clients and is the responsibility of the Client to pay such taxes to the authorities.

## 13. ACCOUNTING POLICY

The following accounting policy will be applied for the portfolio investments of the Client:

- a) Investments in Equities, Mutual Funds and Debt instruments will be valued at the closing market prices of the exchange (BSE or NSE as the case may be) or the Repurchase Net Asset Value declared for the relevant Investment Approach(es) on the date of the report, or any cut off date or the market value of the



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- debt instrument at the cut off date. Alternatively, the last available prices on the exchange or the most recent NAV will be reckoned.
- b) Realized gains/losses will be calculated by applying the First in/First out principle for income tax purpose. For example, the earliest purchased quantity will be reckoned for the current/most recent sale at the respective prices at both points in time.
  - c) For derivatives and futures and options, unrealized gains and losses will be calculated by marking to market the open positions.
  - d) Unrealized gains/losses are the differences between the current market values/ NAVs and the historical cost of the securities.
  - e) Dividends on shares and units in mutual funds, interest, stock lending fees earned etc. shall be accounted on an accrual basis. The interest on debt instruments shall be accounted on an accrual basis.
  - f) The Portfolio Manager and the Client can adopt any specific norm or methodology for valuation of investments or accounting the same as may be mutually agreed between them on a case specific basis.
  - g) The Portfolio Manager shall follow the method as prescribed by APMI circular APMI/2022-23/01 dated March 23, 2023 for valuing any unlisted securities.
  - h) The Client may contact the customer services official of the Portfolio Manager for the purpose of clarifying or elaborating on any of the above policy issues.
  - i) Tax deducted at source ('TDS') on interest / TDS on dividend received on equity shares and TDS on capital gain (for Non resident Indian clients) is shown as withdrawal from corpus and in case of reversal of TDS it shall be shown as corpus inflow. For clarification, no TDS is deducted on capital gains for resident clients and is the responsibility of the Client to pay such taxes to the authorities.

#### **14. INVESTOR SERVICES**

- (i) Name, address and telephone number of the investor relations officer who shall attend to the Client's queries and complaints:**

Name : Hiten Gala  
Designation : Compliance Officer  
Address : "Quest", 1073, Rajabhau Desai Marg,  
Behind Beau Monde Towers, Prabhadevi, Mumbai - 400025  
Telephone : 022 – 69394444  
Email : [complaints@valuequest.in](mailto:complaints@valuequest.in)



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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 wherewithal to handle investor complaints.

**15. GRIEVANCE REDRESSAL AND DISPUTE SETTLEMENT MECHANISM:**

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. If the Client remains dissatisfied with the remedies offered or the stand taken by the Portfolio Manager, 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 and subject to the provisions of the Arbitration and Conciliation Act, 1996 or any statutory requirement, modification or re-enactment thereof for the time being in force. Such Arbitration proceedings shall be held at Mumbai.

If the Client is not satisfied with the responses received from the Portfolio Manager, the Client can approach:

**SEBI SCORES Platform:**

SEBI has introduced an online registration of complaints whereby investors can lodge their grievances on the SEBI Complaints Redress System i.e., the SCORES portal <https://scores.gov.in>.

SCORES enables online tracking of the status of a complaint. Investors who are unable to access the online platform continue to have the option to register their complaints in physical form. Investors may send their complaints to: Office of Investor Assistance and Education, Securities and Exchange Board of India, SEBI Bhavan. Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051.

After exhausting all aforementioned option for resolution, if the client is not satisfied, they can initiate the grievances through the **Online Dispute resolution portal (ODR)** at <https://smartodr.in/login>.

Alternatively, dispute resolution through ODR Portal can be initiated at any stage of the escalations mentioned here in above. The process on Online Dispute Resolution Mechanism is available at <https://valuequest.in/regulatory-information/>



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**16. RELATED PARTIES' INVESTMENTS**

Investment Approach	Name of the Related Party	Investment amount (cost of investment) as on last day of the previous calendar quarter (INR in crores)	Value of investment as on last day of the previous calendar quarter (INR in crores)	Percentage of total AUM as on last day of the previous calendar quarter
Nil				

**17. DIVERSIFICATION POLICY**

The portfolio manager asset allocation would be primarily in equities. The remaining portfolio allocation may be invested in bank balances/ liquid mutual funds/ Fixed Income/ETFs instruments as per the portfolio manager's discretion. The emphasis would be to invest in fundamentally sound, well researched companies having bright future prospect irrespective of market capitalization. Portfolio will be spread across sectors and across market capitalization and hence the risk would be diversified.

**18. DIRECT ONBOARDING OF CLIENT**

The Clients shall have an option to be on-boarded directly, without intermediation of persons engaged in distribution services. This option may not be available with respect to the Co-Invest Portfolio Management Services offered. If any prospective Client is interested in availing the option of being directly on-boarded, the Client should reach out to:

Name : Mehul Shah  
 Designation : AVP – Business Development  
 Telephone : 022 – 69394472  
 Email : mehul@valuequest.in

Approved by the Board of Directors

Name of Director	Signature
Mr. Ravindra Dharamshi	Sd/-
Mr. Sameer Shah	Sd/-

Date : 30<sup>th</sup> April, 2024  
 Place : Mumbai



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**FORM C**

(Securities & Exchange Board of India (Portfolio Managers) Regulations, 2020 (Regulation 22))

- (i) 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.
- (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 through Portfolio Manager.
- (iii) The Disclosure Document has been duly certified by an independent Chartered Accountant on April 30, 2024  
The details are as follows:

Name of the Firm : Mehta Sanghvi & Associates  
Partner : Chahan Vora  
Membership No. : 183464  
Address : 606, Aura Biplax  
6<sup>th</sup> Floor, S. V. Road  
Above Kalyan Jewellers,  
Borivali (West).  
Mumbai-400 092.  
Telephone No. : 022-28629188

**For ValueQuest Investment Advisors Pvt. Ltd**

**Sd/-**

**Ravindra R. Dharamshi**

Principal Officer

Quest, 6<sup>th</sup> Floor, 1073, Rajabhau Desai Marg, Behind Beau Monde Towers, Prabhadevi, Mumbai – 400025

**Date** : 30<sup>th</sup> April, 2024

**Place** : Mumbai

# Mehta Sanghvi & Associates

## Chartered Accountants

Office No. 606, Aura Biplax, Above Kalyan Jewellers, S.V.Road, Borivali(W), Mumbai- 400 092. Tel.:- 022-2862 9189.

E Mail: Bhumika@camsa.co.in, Cell: 98204 67099 – E Mail: Khushali@camsa.co.in, Cell: 97699 40259

### CERTIFICATE

To,  
ValueQuest Investment Advisors Private Limited  
Quest, 1073, Raja Bhau Anant Desai Marg,  
Behind Beau Monde Towers, Prabhadevi,  
Mumbai, Maharashtra - 400025, India

We have verified the books of accounts and other relevant records of M/s **ValueQuest Investment Advisors Private Limited** having its registered office at Quest, 1073, , Rajubhai Desai Marg, Behind Beau Monde Towers, Prabhadevi, Mumbai – 400025, a SEBI registered Portfolio Manager (Reg no. **INP000003724**) to certify the contents and information provided in the Disclosure Document required to be filed with Securities and Exchange Board of India (SEBI) as per Regulation 22(5) of SEBI (Portfolio Managers) Regulations, 2020.

We have verified Disclosure Document and the details with the respective documents, system generated reports provided by the management of the Portfolio Manager and have relied on various representations made to us by the management wherever necessary.

Based on our verification and the information and explanations given to us, we hereby certify that the disclosures made in the Disclosure Document dated **30th April, 2024** and annexed hereto are true, fair and adequate to enable the investors to make a well informed decision. We further certify that the Disclosure Document complies with the requirement specified in Schedule V of Regulation 22 of the Securities and Exchange Board (Portfolio Managers) Regulations, 2020 and the Guidelines issued by SEBI.

The certificate has been issued solely for complying with the requirements of SEBI (Portfolio Managers) Regulations, 2020 for the sole purpose of certifying the contents of the Disclosure Document for Portfolio Management and should not be used or referred to for any other purpose without our prior written consent.

**For Mehta Sanghvi & Associates**  
**Chartered Accountants**  
**Firm Registration No: 129016W**

sd/-

**Chahan Vora**  
**Partner**  
**Membership No.: 183464**  
**Date: 30.04.2024**  
**Place: Mumbai**  
**UDIN No: 24183464BKEBWU9398**