



FORM C

(Securities & Exchange Board of India (Portfolio Managers) Regulations, (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 25th January 2023. The details are as follows:

Name of the Firm : Mehta Sanghvi & Associates
Partner : Bhumika Sanghvi
Membership No. : 116307
Address : 606, Aura Biplax
6th Floor, S. V. Road
Above Kalyan Jewellers,
Borivali (West).
Mumbai-400 092.
Telephone No. : 022-28629188

For ValueQuest Investment Advisors Pvt. Ltd

Ravindra R. Dharamshi



Ravindra R. Dharamshi

Principal Officer

Quest, 6th Floor, 1073, Rajabhau Desai Marg, Behind Beau Monde Towers, Prabhadevi,
Mumbai - 400025

Date : 25.01.2023

Place : Mumbai

CERTIFICATE

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, 6th, Floor, Rajubhai Desai Marg, Behind Beau Monde Towers, Prabhadevi, Mumbai – 400025, a SEBI registered Portfolio Manager (**Reg no. INP000003724**) to certify the contents of Disclosure Document dated 25th January 2023.

Based on our verification and the information and explanations given to us, we hereby certify that the disclosures made in the Disclosure Document 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 is issued as per the requirement specified in Form C of Schedule I of Regulation 22 of the Securities and Exchange Board (Portfolio Managers) Regulations, 2020. The Disclosure Document forms an integral part of the certificate.

For Mehta Sanghvi & Associates;
Chartered Accountants

SANGHVI
BHUMIKA
HIREN

Digitally signed by SINGHVI BHUMIKA
DN: cn=BHUMIKA, o=Mehta Sanghvi & Associates,
c=IN, email=bhumika@mehtasanghvi.com,
serialNumber=4791, uri=urn:ietf:params:sec1:
TAG:20210125042755160737
Date: 2023.01.25 04:27:55 +0530

Bhumika Sanghvi

Partner

M. No.116307

Date: 25.01.2023

Place: Mumbai

UDIN: 23116307BGYCBT7496

VALUEQUEST INVESTMENT ADVISORS PVT. LTD.

PORTFOLIO MANAGEMENT SERVICES - DISCLOSURE DOCUMENT

- (i) This 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 services in a manner to assist and enable you in making 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 |
| Phone number | 022 - 69394444 |
| E-mail address | ravi@valuequest.in |

- (v) The Disclosure Document is dated 25th January 2023.



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ValueQuest Investment Advisors Pvt. Ltd

PORTFOLIO MANAGEMENT SERVICES - DISCLOSURE DOCUMENT

1. Disclaimer

This 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 Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of this Document.

2. Definitions

In this Disclosure Document, unless the context otherwise requires:

"Act" means the Securities and Exchange Board of India Act, 1992 (Act No. 15 of 1992).

"Associate" as defined under Regulation 24 (3C) of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

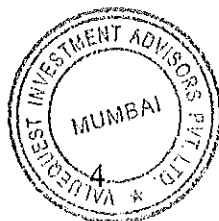
"Board" or "SEBI" means the Securities and Exchange Board of India established under section of the Act.

"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.

"Client" means any person who registers with the Portfolio Manager for availing the services of portfolio management by the Portfolio Manager.

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

"Depository Account" means 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 Act 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.

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

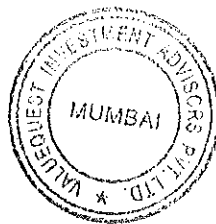
"Portfolio Manager" means ValueQuest Investment Advisors Pvt. Ltd a company incorporated and registered under the Companies Act, 1956 and SEBI registered Portfolio Manager.

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

"Related Party" as defined under Regulation 2 (1) (pa) of Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

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

Words and expressions used in this disclosure document and not expressly defined shall be interpreted according to their general meaning and usage. The definitions are not exhaustive. They shall also carry the meaning assigned to them in the Regulations governing portfolio management services.



3. Description:

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

The promoter family has been investing in Indian equity markets for over 35 years. ValueQuest Research team was set up by them in 1995 and has been doing cutting edge research for proprietary investments mainly focused on quality midcaps.

ValueQuest Investment Advisors Pvt. Ltd. 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.

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 45 years, is founder, CIO and fund manager of the company. He has an experience of more than 21 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.

Mr. Sameer Shah, age 45 years, is co-founder and fund manager of the company. He has an experience of more than 22 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.

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

IV. ValueQuest Investment Advisors Pvt. Limited provides Discretionary Portfolio Management Services to its clients and may provide Non-Discretionary Portfolio Management Services and Investment advisory services to its clients.



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

There have been no instances of penalties imposed or directions issued by the Board or any regulatory agency under the Act, Rules or Regulations for any economic offence or for violation of any securities laws or for any deficiency in the systems and operations of the Portfolio Manager. There are no legal proceedings, civil or criminal initiated against ValueQuest, its directors, principal officer or employee under the Act, Rules or Regulations.

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 directors and 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:

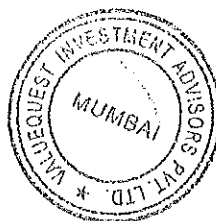
- Bottom-up stock selection.
- In-depth independent fundamental research.
- High quality companies with sustainable competitive advantages.
- Disciplined valuation approach applying multiple valuation measures.
- Long term vision resulting in comparatively low portfolio turnover.
- Investments in Unit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

The Portfolio Manager broadly offers services under 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:

ValueQuest Growth (Benchmark - S&P BSE 500) Fund Manager: Sameer Shah

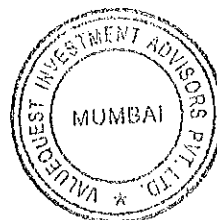
The main object of the Investment Approach is to invest in all equity and equity related instruments, debt instruments (including liquid funds, fixed deposits etc.) and securities listed or traded on any recognized stock exchange with emphasis on fundamentally sound, well researched companies having 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 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. 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 as benchmark: The S&P BSE 500 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.

ValueQuest Platinum (Benchmark- S&P BSE 500): Fund Manager: Ravindra Dharamshi

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 as benchmark: The S&P BSE 500 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.

ValueQuest Agile (Benchmark - S&P BSE 500): Fund Manager: Ravindra Dharamshi

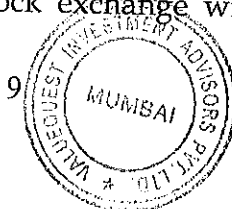
The main object of the Investment Approach is to invest in all equity and equity related instruments, debt instruments (including liquid funds, fixed deposits etc.) and securities listed or traded on any recognised stock exchange with emphasis on fundamentally sound, well researched companies having bright future prospect irrespective of market capitalization. The aim is to identify business tailwinds in a company/sector and capitalize on the same. Here our philosophy is to compliment the core portfolio stocks with young/ new to market/ turnaround stocks which can provide additional beta without taking undue risk. These stocks will be selected on the basis of strength of balance sheet 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 delay, 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 as benchmark: The S&P BSE 500 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.

ValueQuest Vision (Benchmark - S&P BSE 500): Fund Manager: Sameer Shah

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 as benchmark: The S&P BSE 500 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.

ValueQuest POISE (Benchmark- S&P BSE-500): Fund Manager: Varun Goenka

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.

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 as benchmark: The S&P BSE 500 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.



ValueQuest Alpha (Benchmark - S&P BSE 500) Fund Manager: Sameer Shah

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.

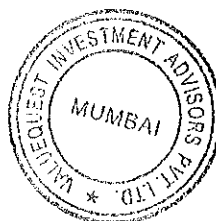
Basis of choosing S&P BSE 500 as benchmark: The S&P BSE 500 index is designed to be a broad representation of the Indian market. Consisting of the top 500 companies listed at BSE Ltd., the index covers all major industries in the Indian economy. The Portfolio Manager under the strategy invests across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

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.

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 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. The Portfolio Manager shall send periodical statements to the Client.

IV. Co-Investment Portfolio Management services

The Portfolio Manager, who is an investment manager to Category I or Category II Alternative Investment Funds may provide co-investment portfolio management services to its clients in compliance with Applicable Laws subject to regulatory approvals required under the Regulations.

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. In case of large value accredited investors, the quantum and manner of exit load applicable to the clients shall be governed through bilaterally negotiated contractual terms and the provisions of para 3 (iv) of the SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020, shall not be applicable. The Portfolio Manager shall send periodical statements to the Client.

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:



| Security | Limit for investment in single associate / related party (as percentage of client's AUM) | Limit for investment across multiple associates / related parties (as percentage of client's AUM) |
|-----------------------------------|--|---|
| 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 securities.
- 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.

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.



6(a). Risk Factors

- I. 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 Portfolio Manager does not assure or guarantee that the objectives of any of the model portfolios will be achieved. The investments may not be suitable to all the investors
- II. The portfolio manager has limited track record.
- III. Past performance of the Portfolio Manager does not indicate the future performance of the same or any other model portfolio in future or any other future model portfolio of the Portfolio Manager. 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 model portfolio.
- IV. The names of the model portfolios do not in any manner indicate their prospects or returns.
- V. 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.
- VI. Debt and other fixed income investments may be subject to changes in interest rates and/or liquidity, credit and reinvestment risks.
- VII. Liquidity in the investments and performance of portfolio may be affected by trading volumes, settlement periods and transfer procedures.
- VIII. 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.
- IX. Appreciation in any of the model portfolio can be restricted in the event of a high asset allocation to cash, when stock appreciates. The performance of any model portfolio may also be affected due to any other asset allocation factors.
- X. When investments are restricted to a particular or few sector(s) under any model portfolio; there arises a risk called non-diversification or concentration risk. If the sector(s), for any reason, fails to perform, the portfolio value will be adversely affected.
- XI. 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.
- XII. 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.



- XIII. 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.
- XIV. 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.

6(b). Disclosures on Conflict of Interest:

- I. 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.
- II. Since the portfolio manager does not avail any services offered by any associate / group company, a disclosure of conflict of interest related to services offered by group / associate companies of the portfolio manager is not applicable.
- III. ValueQuest Investment Advisors Pvt Ltd will act 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; ValueQuest Investment Advisors Pvt Ltd will make best efforts to ensure that such conflicts of interest are identified and managed, and that clients' interests are protected. ValueQuest Investment Advisors Pvt Ltd shall ensure fair treatment to all clients and put client's interest above all.
- IV. 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.

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.



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

| Sr. No | 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 |
|--------|---------------------|---------------------------|--|---|---|
| 1 | ValueQuest Growth | Praj Industries | 28.54 | 68.04 | 9.13 |
| 2 | ValueQuest Agile | Praj Industries | 13.99 | 13.77 | 17.75 |
| 3 | ValueQuest Platinum | Praj Industries | 35.05 | 37.51 | 11.08 |
| 4 | ValueQuest Vision | Praj Industries | 39.95 | 62.33 | 7.34 |
| 5 | ValueQuest Alpha | Praj Industries | 48.73 | 50.40 | 1.62 |

*As on 31st December 2022

* % of total AUM is = Value of Investment as on 31st December 2022 / AUM of the investment approach as on 31st December 2022

7. Client Representation-

(i) Fund management business details:

| Category of Clients | No. of Clients | Funds Managed (Rs. In Crs) | Discretionary/ Non-Discretionary |
|------------------------------------|----------------|----------------------------|----------------------------------|
| Associates/ Group Companies | | | |
| F.Y 2021-2022 | Nil | Nil | N.A. |
| F.Y 2020-2021 | Nil | Nil | N.A. |
| F.Y 2019-2020 | Nil | Nil | N.A. |
| Others | | | |
| | No. of Clients | Funds Managed (Rs. In Crs) | Discretionary/ Non-Discretionary |
| F.Y 2021-2022 | 377 | 1749.08 | Discretionary |
| F.Y 2020-2021 | 248 | 587.28 | Discretionary |
| F.Y 2019-2020 | 256 | 310.11 | Discretionary |
| | | | |



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

| Particulars | 31-03-2022 | 31-03-2021 |
|-------------------------|------------|------------|
| Director's remuneration | 965.35 | 440.48 |
| Loan Taken | 260.00 | 115.95 |

8. Financial Performance of the Portfolio Manager

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

| Particulars | 31-03-2022 | 31-03-2021 | 31-03-2020 |
|--|----------------|----------------|----------------|
| Sources of Funds: | | | |
| Shareholder's Funds | 4389.33 | 2853.96 | 2450.73 |
| Loan Funds | 0 | 0 | 0 |
| Deferred Tax Liabilities | 0 | 0 | 0 |
| Total Liabilities | 4389.33 | 2853.96 | 2450.73 |
| Application of Funds: | | | |
| Net Fixed Assets | 209.42 | 149.48 | 70.40 |
| Investments | 3858.19 | 2576.24 | 2361.34 |
| Current Assets, Loans & Advances | 1838.51 | 906.37 | 74.35 |
| Less: Current Liabilities and provisions | 1,543.47 | 796.59 | 70.24 |
| Net Current Assets | 295.04 | 109.78 | 4.11 |
| Deferred Tax Asset | 26.68 | 18.46 | 14.88 |
| Total Assets | 4389.33 | 2853.96 | 2450.73 |

9. Portfolio Management Performance of the Portfolio Manager for 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 (%) | | | |
|------------------------------|--|-------------------------------------|-------------------|-------------------|-------------------|
| | | 01-04-2022 to 30-09-2022 | 31-03-2022 | 31-03-2021 | 31-03-2020 |
| Portfolio | Discretionary Portfolio (Consolidated) | 2.23 | 43.62 | 99.26 | -26.96 |
| Benchmark | S&P BSE 500 | -0.23 | 20.89 | 76.63 | -27.48 |
| Investment Approaches | | 01-04-2022 to 30-09-2022 | 31-03-2022 | 31-03-2021 | 31-03-2020 |
| Portfolio | ValueQuest Growth | -0.89 | 44.66 | 96.15 | -27.62 |
| Benchmark | S&P BSE 500 | -0.23 | 20.89 | 76.63 | -27.48 |
| Portfolio | ValueQuest Platinum | -3.1 | 44.94 | 119.7 | -21.8 |
| Benchmark | S&P BSE 500 | -0.23 | 20.89 | 76.63 | -27.48 |
| Portfolio | ValueQuest Agile | -5.67 | NA | NA | NA |
| Benchmark | S&P BSE 500 | -0.23 | NA | NA | NA |
| Portfolio | ValueQuest Vision | 5.15 | NA | NA | NA |
| Benchmark | S&P BSE 500 | -0.23 | NA | NA | NA |
| Portfolio | ValueQuest Poise | 7.53 | NA | NA | NA |
| Benchmark | S&P BSE 500 | -0.23 | NA | NA | NA |
| Portfolio | ValueQuest Alpha | NA | NA | NA | NA |
| Benchmark | S&P BSE 500 | NA | NA | NA | NA |

Performance related information provided herein is not verified by SEBI
Performance figures are net of all fees and expenses.

10. Audit Observations:



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

| Particulars | Audit Observations |
|---------------|--------------------|
| F.Y 2019-2020 | Nil |
| F.Y 2020-2021 | Nil |
| F.Y 2021-2022 | 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.
- 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.

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% on an annualised basis. Hurdle Rate ranges from Nil to 15% on an annualised basis.

c) 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:

- In the first year of investment, maximum of 3% of the amount redeemed.
- In the second year of investment, maximum of 2% of the amount redeemed.
- In the third year of investment, maximum of 1% of the amount redeemed.
- After a period of three years from the date of investment, no exit load.



d) Custodian/ Depository Fees

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.

e) Registrar and Transfer Agent Fee

Charges payable to registrar and transfer agents in connection with effecting transfer of securities, including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges, etc. at actuals.

f) Brokerage and transaction costs

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.

(i) 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.

(ii) Incidental Expenses

Courier charges, stamp duty, service tax, postal stamps, opening and operation of bank accounts, etc. at actuals.

g) 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 model portfolios. 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.



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 model portfolio on the date of the report, or any cut off date or the market value of the debt instrument at the cut off date. Alternatively, the last available prices on the exchange or the most recent NAV will be reckoned.
- 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 accrual basis. The interest on debt instruments shall be accounted on 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 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.

14. Investor Services

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", 6th Floor,
1073, Rajabhau Desai Marg,
Behind Beau Monde Towers,
Prabhadevi, Mumbai - 400025
Telephone : 022 - 69394444
Email : complaints@valuequest.in

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.



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 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.

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.

Approved by the Board of Directors

| Name of Director | Signature |
|------------------------|---------------------|
| Mr. Ravindra Dharamshi | <i>Dharamshi R.</i> |
| Mr. Sameer Shah | <i>Sameer</i> |

Date : 25.01.2023
Place : Mumbai

