ITEM 1-COVER PAGE

FORM ADV PART 2A: FIRM BROCHURE

VALUEQUEST

Powered by Ideas
Driven by Values

Kohinoor Square Business Park, B – 4101, 41st Floor, NC Kelkar Marg, Shivaji Park, Dadar West, Mumbai, India 400028
Email id: legal.compliance@valuequest.in
Contact No: +91-22-69925500

Originally prepared on January 2, 2025

Annual updating amendment dated June 26, 2026

THIS BROCHURE PROVIDES INFORMATION ABOUT THE QUALIFICATIONS AND BUSINESS PRACTICES OF VALUEQUEST INVESTMENT ADVISORS PRIVATE LIMITED ("VALUEQUEST" OR "FIRM") IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS BROCHURE, PLEASE CONTACT US AT 022 – 69394444. THE INFORMATION IN THIS BROCHURE HAS NOT BEEN APPROVED OR VERIFIED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES AUTHORITY.

ADDITIONAL INFORMATION ABOUT VALUEQUEST INVESTMENT ADVISORS PRIVATE LIMITED IS ALSO AVAILABLE ON THE SEC'S WEBSITE AT WWW.ADVISERINFO.SEC.GOV.

REGISTRATION AS AN INVESTMENT ADVISER DOES NOT IMPLY A CERTAIN LEVEL OF SKILL OR TRAINING.

We have included in this brochure references to products such as private investment funds *solely* for the purpose of describing our advisory business. This brochure is not intended as an offer of any of these products, which are privately offered to qualified investors by the managers of these funds, in compliance of applicable laws and regulations.

ITEM 2-MATERIAL CHANGES

Our last annual updation to the brochure was prepared on June 23, 2025, in accordance with the SEC's requirements and rules.

ANNUAL AMENDMENT ON JUNE 26, 2026

Below mentioned are the material changes that have been made since our last annual updation of the Form ADV 2A:

Changes Effective August 01, 2025

1)**Discontinuation of Investment Approach (Section 8):** The investment approach known as **ValueQuest Poise** has been discontinued effective August 1, 2025. Consequently, the description of this investment approach and all references to it have been deleted from the Form ADV 2A.

Changes Effective November 04, 2025

2) **Update to Section 14:** ValueQuest's arrangements for compensating parties for US domiciled client referrals are being updated to include a new relationship with a New Jersey based finder (Finder). While ValueQuest previously disclosed arrangements with two SEC registered broker-dealers for US domiciled clients' referrals, this relationship with the new Finder is now being disclosed, detailing the fixed compensation arrangement.

Changes Effective January 23, 2026

3) **Section 4-Advisory Business-** The date of receipt of SEC registration has now been mentioned as February 10, 2025, replacing the incorrect date January 3, 2024 mentioned earlier.

Changes Effective _May 14,2026

4) **Section 14**-Changes have been made to the text in Section 14 to make it more generic.

We encourage you to read this updated brochure in its entirety. Additional information about ValueQuest Investment Advisors Private Limited is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 3-TABLE OF CONTENTS

ITEM 4-ADVISORY BUSINESS

ValueQuest Investment Advisors Private Limited ("ValueQuest" or "Firm") is a boutique Securities and Exchange Board of India ("SEBI") registered Portfolio Management Firm and an SEC registered Investment Adviser with a strong focus on the equity markets. ValueQuest was incorporated on January 04, 2010, as a "limited liability" private limited company governed under the laws of India. Our founders, Ravindra Dharamshi and Sameer Shah, have more than two decades of equity experience. The Firm was registered as a portfolio manager with SEBI on June 09, 2010, and started business in October 2010. It received the SEC registration on February 10, 2025. Presently, the principal owner of ValueQuest is Ravindra Raichand Dharamshi.

Mr. Ravindra R. Dharamshi is the Founder, Director, Chief Investment Officer "CIO", Principal Officer and Fund Manager of the Firm. He has more than 25 years' experience in the stock market and investment management. He completed his MBA in Finance from McCallum Graduate Business School, USA and joined Rare Enterprises as a research analyst before taking charge of research at ValueQuest.

ValueQuest presently provides Discretionary Portfolio Management Services and advisory services and can provide Non-Discretionary Portfolio Management Services to its clients. Further, for Large Value Accredited Investors, (LVAI) Clients as defined under the SEBI (Portfolio Managers) Regulations 2020 (Portfolio Management Regulations), ValueQuest provides services to such LVAI Clients in accordance with the applicable SEBI Regulations (Collectively referred to as Private Account Clients). In addition, ValueQuest also provides advisory services to SEBI registered AIFs and acts as Investment Manager for IFSCA registered AIF's through its IFSCA Branch . As the Firm is registered as a Foreign Registered Investment Advisor with the SEC, the Firm shall provide similar investment services for US domiciled clients in Indian Securities Markets. Some of the aforesaid AIF's will be regarded as "Private Funds" under US laws as they may be offered to US based investors.

The Firm provides investment advisory and portfolio management services that are primarily focused on Indian securities markets. Our services are limited to:

- Equity and equity-related instruments listed on Indian exchanges (e.g., NSE and BSE)
- Mutual funds and Exchange Traded Funds (ETFs) registered in India
- Fixed income products including corporate and government bonds in India
- Units of SEBI-registered Alternative Investment Funds (AIFs)
- Derivatives (e.g., index and stock futures/options) used for hedging or tactical strategies

We do not provide advice on:

- U.S. or other foreign securities (outside India),
- Real estate investments
- Commodities or commodity-linked instruments
- Cryptocurrencies or digital assets

As a result, our investment advice is limited to these investment types, and may not be appropriate for clients seeking exposure to asset classes or markets beyond those listed above.

Our Private Account clients are currently based in India, Europe, The United States of America, and other countries. Total Regulatory Asset Under Management (RAUM) was approximately USD 2,201,221,020.37 as of April 30, 2026, all of which is managed by us on a discretionary basis. The total RAUM of US domiciled clients was approximately $ USD 429,934,810.61as of April 30, 2026.

Under these services, the choice as well as the timing of the investment decision shall be with ValueQuest except for non-discretionary advisory services (which will be recommendatory in nature).

Our agreements with our Private Account Clients state or shall state that we must manage these accounts in line with the investment guidelines and restrictions stipulated by such Private Account Clients in their respective investment management agreements. Our agreements with the Funds we manage/advise state that we must manage these Funds in line with the investment guidelines and restrictions stipulated by the investment management agreements and offering documents of the respective Fund.

Such investment guidelines generally impose limits on the types of securities or other instruments which the Private Accounts or the Funds may invest in; the types of positions they may take; the concentration of their investments by sector, industry, fund, country, class or otherwise; the amount of leverage they may employ; The Funds' investors do not have the right to specify, restrict, or influence their Funds' investment objectives or any investment or trading decisions.

We do not participate in wrap fee programs.

This brochure is a general summary of ValueQuest Investment Advisors Private Limited's (ValueQuest) investment advisory services, fees and compensation, and advisory practices and is not specific to any one client. Clients should consult their agreements with ValueQuest Investment Advisors for the specific terms and information applicable to their relationship with ValueQuest Investment Advisors.

ITEM 5-FEES, EXPENSES, AND COMPENSATION

ValueQuest generally charges asset-based “management fees” and performance-based “performance fees” to its clients. The amount of these fees is subject to negotiation between ValueQuest and its Clients and is set out in the investment management agreement between the Firm and the applicable Client in the Investment Management Agreement, “IMA”. Performance fees, if charged to US Domiciled clients, shall be paid in compliance with Section 205 of the Investment Advisers Act of 1940, “IAA.”. In accordance with Section 205 of the IAA, performance fees shall not be charged to US clients who are not “Qualified Clients[1].”

The Firm typically charges Management Fees relating to the portfolio management services offered to its Clients. The fee may be a fixed charge or a percentage of the quantum of funds managed. The range for charging management fees is zero to 2.5% per annum of the value of the Client’s Net Assets under Management plus applicable taxes, as of the fee calculation date. Additionally, advisory fees are charged to the client in relation to non-discretionary advisory services provided to its clients if any. The advisory fee can be a fixed charge or up to 2.5% per annum plus applicable taxes as of the fee calculation date, on the assets under advice as agreed in the Client IMA.

For Separately Managed Accounts, “SMAs” Management Fee is charged monthly, and for Fund accounts ValueQuest charges Management fees to Clients on daily accrual basis.

Regarding the Private Accounts that are open for only part of a calendar month, we prorate our fees based on the number of days that the Private Account is open in that month.We do not charge client any fees in advance.

Upon receipt of a management fee invoice/payment instruction, our Private Account clients’ Custodian disburses the management fee amount to us from the Private Account client’s Portfolio

The Firm can also charge an “Exit Load Fee” if the redemption is done prematurely at the option of the Client. The Firm is able to levy an exit load ranging from zero to 3% of the amount redeemed.

[1] Please see Investment Advisers Act of 1940 Release Number IA-4421 Order Approving Adjustment for Inflation of the Dollar Amount Tests in Rule 205 3 under the Investment Advisers Act of 1940.

Other Expenses

In addition to our fees, each of the Private Accounts and the Fund/s also separately incur and pay certain expenses as indicated below related to the management and operation of the Private Accounts or Fund/s, as applicable, as well as the purchase, sale, or transmittal of the client's assets that we manage.

a) 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, dematerialization, rematerialisation and other charges in connection with the operation and management of the depository and bank accounts at actuals;.
b) 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;
c) 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;
d) 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;
e) Incidental Expenses: Courier charges, stamp duty, service tax, postal stamps, opening and operation of bank accounts, etc. at actuals;

Onboarding 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.

Other Operating expenses shall not exceed 0.5 % p.a of the client's average daily assets under management (AUM).

Clients should seek advice from their own professional advisor if they have any doubt regarding the taxation consequences of investing in the Products offered by ValueQuest under Portfolio Management Services or the Funds for which ValueQuest is the Investment Manager.

Furthermore, where ValueQuest pays for the aforesaid "other expenses" on behalf of its clients, in addition to the management fees, ValueQuest is also eligible to be reimbursed at actuals to the extent of the "other expenses" paid by it on behalf of its clients. (e.g., software, data vendor and infrastructure costs, research and trading infrastructure, other operating expenses such as Audit fee, Registrar & Transfer fees, Transaction cost, Custodian and Depository charges, securities lending and borrowing cost, Fund accounting charges, certification/ professional charges, legal fees and Other Statutory levies as applicable are as per actuals etc.) it incurs on behalf of its clients in managing the respective Client accounts, as may be contractually agreed in the Client IMA.

ITEM 6-PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

ValueQuest also receives performance-based compensation from its clients, as agreed and set out in the Investment Advisory Agreement between ValueQuest and the applicable Client.

The Performance fee calculation will be done as per the applicable Indian and US regulations.

Performance-based fees generally are invoiced to the applicable Client on an annual basis or at the time of full redemption, as may be agreed with a particular Client.

Conflicts of Interest Related to Performance-Based Compensation. A pre-defined percentage of the appreciation (if any) which would otherwise be allocated to Clients is paid to ValueQuest as performance- based fees or allocations. This performance-based compensation is based upon unrealized, as well as realized, gains, and such unrealized gains may never be recognized by the Client. Performance-based compensation may create an incentive for ValueQuest or its advisory affiliates to make investments that are riskier or more speculative than they might otherwise select. ValueQuest has policies and procedures as indicated below to mitigate such conflicts.

The amount of performance-based compensation (if any) that ValueQuest receives from a client is expected to vary among the various Client Accounts. This results in a potential conflict of interest, as it could provide ValueQuest with an incentive to favor the Clients from whom ValueQuest receives substantial performance-based compensation over Clients from which ValueQuest receives only asset-based management fees, or a lesser amount of performance-based compensation, by, for example, seeking to allocate more profitable investment opportunities to the Clients for which ValueQuest receives greater amounts of performance-based compensation. To address these conflicts, the Firm has developed allocation policies and procedures that seek to ensure that we allocate investment opportunities among our clients in a manner that we believe is fair and equitable. ValueQuest generally intends to trade and invest in liquid, exchange-traded products, and has implemented an equitable allocation methodology in cases where orders for multiple Clients are aggregated (see “Brokerage Practices” below), which ValueQuest believes mitigates these conflicts.

Performance fees will only be charged to U.S. clients who meet the definition of 'Qualified Client' under Rule 205-3 of the Advisers Act.

ITEM 7-TYPES OF CLIENTS

ValueQuest offers investment advisory services to institutional investors, and accredited investors (as defined under Indian law) including (but not limited to) investment funds sponsored and operated by ValueQuest and/or other investment advisory firms.

ValueQuest also offers investment advisory services to Qualified Clients (as defined by SEC), Family Offices, Accredited Investors (as defined under the Securities Act), Institutional, and Non-Institutional Accounts including Funds that are regarded as Private Funds under US laws. The firm will also service US Domiciled Clients who are not Qualified Clients. In the event the Firm chooses to offer Advisory Services to US domiciled clients who are not Qualified Clients, ValueQuest will abide by all applicable provisions of the Investment Advisers Act of 1940, In particular Section 203[2]. The Firm will also offer Advisory Services to US domiciled Retail Clients.

Client Accounts are generally subject to a minimum initial investment, unless such a minimum is waived by ValueQuest in its sole discretion subject to compliance with applicable Regulations.

ITEM 8-METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Under the portfolio management services offered by ValueQuest, the funds of the Clients will be managed by the Firm's Fund Managers. ValueQuest'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 by ValueQuest's investment team that 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) Focus on 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.

[2] For a copy of the Investment Advisers Act of 1940 please visit https://www.sec.gov/investment/laws-and-rules

Presently the Firm offers the following investment strategies:

ValueQuest Growth: The main object of this Investment Approach is to invest in all equity and equity related instruments, debt instruments (including liquid mutual funds, fixed deposits etc.) and securities listed or traded on any recognized stock exchange with the aim of delivering long-term capital appreciation and risk-adjusted returns.

ValueQuest Growth endeavours to invest in fundamentally strong, well-researched companies across market capitalizations, aiming to deliver long-term capital growth and risk-adjusted returns. The strategy combines bottom-up stock selection with top-down analysis, focusing on identifying businesses which are at inflexion points of their scale change.

1. Long-term -3-5 years rolling view
2. Multicap -Market cap agnostic
3. Customized -As per client mandate
4. Focused- Absolute returns
5. Concentrated approach

We follow the SCALE framework mentioned below to identify high quality companies at reasonable valuations.

- Scalable Companies
- Competitive Advantage
- Adaptive
- Long-runway
- Superior Execution

.
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.

BSE 500 TRI: The 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.

Time frame for investments for this Investment Approach will be rolling 3-5 years.

Generic and Specific risk factors related to making investments in equity products and other securities are elaborated as **Risk Factor** in this Item.

Investors are advised to go through these risk factors and seek clarifications in the event of any queries.

Investments into the strategy can be done using the systematic transfer option (STO) that enables investors to stagger investments into the equity oriented strategy in a time bound manner minimizing market timing risks.

ValueQuest Platinum: The main object of this Investment Approach is to invest in all equity and equity related instruments, debt instruments (including liquid mutual funds, fixed deposits etc.) and securities listed or traded on any recognized stock exchange with aim to deliver long-term capital appreciation and risk adjusted returns.

ValueQuest Platinum endeavors to build a portfolio of companies benefiting from strong structural trends, targeting long-term capital appreciation and optimal risk-adjusted outcomes. The approach is to identify megatrends and the sectors and companies which can benefit from this trend and change their scale of business. The portfolio combines core holdings with emerging opportunities, including new to market companies and special situations.

1. Long-term -3 years rolling view
2. Multicap -Market cap agnostic
3. Customized -As per client mandate
4. Focused- Absolute returns
5. Concentrated Approach

These stocks will be selected based on business tailwinds and optimal risk-reward.

- Large Addressable External Opportunity
- Sustainable Competitive Advantage
- Scalable Business Model
- Management with Integrity and Capability
- Reasonable Valuations

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.

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

The 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.

Time frame for investments for this Investment Approach will be rolling 1-3 years.

Generic and Specific risk factors related to making investments in equity products and other securities are elaborated as **Risk Factor** in this Item.
Investments into the strategy can be done using the systematic transfer option (STO) that enables investors to stagger investments into the equity oriented strategy in a time bound manner minimizing market timing risks

ValueQuest Vision: The main object of this Investment Approach is to invest in all equity and equity related instruments, debt instruments (including liquid mutual funds, fixed deposits etc.) and securities listed or traded on any recognized stock exchange with aim to deliver long-term capital appreciation and risk-adjusted returns.

ValueQuest Vision aims to invest in 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.

1. Long-term -5 years rolling view
2. Multicap -Market cap agnostic
3. Customized -As per client mandate
4. Focused- Absolute returns
5. Concentrated Approach

These stocks will be selected based on strength of balance sheet, management quality, product, and sales capabilities, etc 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.

The 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.

Time frame for investments for this Investment Approach will be rolling 5 years.

Generic and Specific risk factors related to making investments in equity products and other securities are elaborated as **Risk Factor** in this Item.
ValueQuest Alpha: The primary objective of the Portfolio is to generate returns superior to the Benchmark by adopting an active stock selection approach, subject to a controlled risk environment.

The Portfolio shall follow a combination of top-down and bottom-up investment approach, identifying sectoral opportunities through macroeconomic and industry analysis, and selecting businesses positioned at inflection points based on fundamental strength, growth potential, quality, and sectoral tailwinds.

The investment process incorporates Environmental, Social, and Governance (ESG) considerations such as management quality, corporate governance standards, shareholder rights, and relevant social or environmental responsibilities. ESG factors will be evaluated as part of the due diligence process but will not be the sole basis for investment decisions.

The Portfolio seeks to achieve superior risk-adjusted returns through a concentrated approach, with a strong emphasis on disciplined risk management.

Financial instruments approved below (“Approved Instruments”) with listing on a regulated and recognised exchange.

Approved investments can be Common stocks and preferred stocks, American Depository Receipts (“ADR”) and Global Depository Receipts (“GDR”) as well as other depository receipts provided that the depository receipts are sponsored by the issuer, Real Estate Investment Trusts (“REITS”) provided that the investment qualifies as a REIT or REIT equivalent in the specific country / marketplace.

The objective is to build a concentrated portfolio of high-conviction ideas offering favourable risk-reward, aligned with the fund’s broader investment strategy and risk management principles.

The Portfolio shall primarily invest in listed equity and equity-related instruments, including but not limited to equity shares, convertible securities, and equity-linked instruments.

Subject to the investment strategy and regulatory limits, the Portfolio may also allocate cash and cash equivalents, units of mutual funds, and debt instruments for tactical or liquidity management purposes.

The exact allocation may vary based on market conditions, investment opportunities, and the discretion of the Portfolio Manager within the defined strategy framework.

The 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.

The indicative investment horizon for the Portfolio is long-term, typically we take 3 to 5 years rolling view, to allow adequate time for the investment thesis to play out and for underlying businesses to deliver on growth and value creation.

Generic and Specific risk factors related to making investments in equity products and other securities are elaborated as **Risk Factor** in this Item.

ValueQuest Liquid. The main object of this 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.

To generate optimal returns consistent with moderate levels of risk and liquidity by investing in Debt Securities and Money Market Securities. The allocation of the portfolio shall be in Debt Instruments including Government Securities, Corporate Debt, Other Debt Instruments, Term Deposits and Money Market Instruments. 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 Index. Out of the options available under regulations, the CRISIL Composite Bond Index was considered to be more appropriate. Typically, investment will be for a short term of 3-6 months with an objective of interim parking of money.

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.

Derivative Products. ValueQuest may trade and invest in various derivatives products. The firm views these products as an effective means of hedging, to capture idiosyncratic market events, and to manage tax liabilities in the most efficient manner. ValueQuest also views derivatives as a means of achieving greater diversification, cost efficiency, and customization. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, credit risk, legal risk and operations risk. The regulatory and tax environment for derivative instruments in which the firm may participate is evolving, and changes in the regulation or taxation of such instruments may have a material adverse effect on the firm. Counterparty risk is also a consideration. Should ValueQuest enter a derivatives position with a counterparty who was unable to meet their obligations, the firm may be exposed to losses. Other unforeseen risks may arise, which may expose the firm to additional risks and losses.

Valuation: Investments in listed equity shall be valued at the last quoted closing price on the stock exchange. When the Securities are traded on more than one recognised stock exchange, the Securities shall be valued at the last quoted closing price on the stock exchange where the security is principally traded. It would be left to the portfolio manager to select the appropriate stock exchange, but the reasons for the selection should be recorded in writing. There should, however, be no objection for all scrips being valued at the prices quoted on the stock exchange where a majority in value of the investments are principally traded. When on a particular valuation day, a security has not been traded on the selected stock exchange, the value at which it is traded on another stock exchange may be used. When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the selected stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than thirty days prior to the valuation date.

Investments in units of a mutual fund are valued at NAV of the relevant scheme. Provided investments in mutual funds shall be through direct plans only.

Debt Securities and money market Securities shall be valued as per the prices given by third party valuation agencies or in accordance with guidelines prescribed by Association of Portfolio Managers in India (APMI) from time to time.

Unlisted equities are valued at prices provided by independent valuer appointed by the Portfolio Manager basis the International Private Equity and Venture Capital Valuation (IPEV) Guidelines on a semi-annual basis.

In case of any other Securities, the same are valued as per the standard valuation norms applicable to the mutual funds.

Diversification Policy: ValueQuest's 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 ValueQuest's discretion. The emphasis would be to invest in fundamentally sound, well-researched companies having bright prospects irrespective of market capitalization. Portfolio will be spread across sectors and across market capitalization and hence the risk would be diversified.

The services of ValueQuest and the key managerial personnel will not be exclusive to a Client or Fund, 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 a Client or Fund so long as the services to be performed by it for the Client or Fund are not impaired thereby.

With respect to investments of clients' funds in securities of related party/associates, ValueQuest shall comply with the limits prescribed under the SEBI (Portfolio Managers) regulations 2020 and its amendments.

Risk Factors: The following list of risk factors does not purport to be a complete itemization or analysis of the risks associated with investment in the securities/Funds:

A. General Risk Factors

1. 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.
2. ValueQuest does not assure that the objectives of any of the Investment Approach will be achieved and investors are not being offered any guaranteed returns. The investments may not be suitable to all the investors.
3. Past performance of the Portfolio Manager does not indicate the future performance of the same or any other Investment Approach in future or any other future Investment Approach of the Portfolio Manager.
4. The names of the Investment Approach do not in any manner indicate their prospects or returns.
5. Appreciation in any of the Investment Approach can be restricted in the event of a high asset allocation to cash, when stock appreciates. The performance of any Investment Approach may also be affected due to any other asset allocation factors.
6. When investments are restricted to a particular or few sector(s) under any Investment Approach; 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.
7. Each Portfolio will be exposed to various risks depending on the investment objective, Investment Approach and the asset allocation. The investment objective, Investment Approach and the asset allocation may differ from Client to Client. However, generally, highly concentrated Portfolios with lesser number of stocks will be more volatile than a Portfolio with a larger number of stocks.
8. 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.
9. The Portfolio Manager shall act in fiduciary capacity in relation to the Client's Funds and shall endeavor to mitigate any potential conflict of interest that could arise while dealing in a manner which is not detrimental to the Client.

B. Risk associated with equity and equity related instruments

10. Equity and equity related instruments by nature are volatile and prone to price fluctuations on a daily basis due to macro and micro economic factors. The value of equity and equity related instruments may fluctuate due to factors affecting the securities markets such as volume and volatility in the capital markets, interest rates, currency exchange rates, changes in law/policies of the government, taxation laws, political, economic or other developments, which may have an adverse impact on individual Securities, a specific sector or all sectors. Consequently, the value of the Client's Portfolio may be adversely affected.

11. Equity and equity related instruments listed on the stock exchange carry lower liquidity risk, however the Portfolio Manager's ability to sell these investments is limited by the overall trading volume on the stock exchanges. In certain cases, settlement periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio Manager to make intended Securities purchases due to settlement problems could cause the Client to miss certain investment opportunities. Similarly, the inability to sell Securities held in the Portfolio may result, at times, in potential losses to the Portfolio, should there be a subsequent decline in the value of Securities held in the Client's Portfolio.

12. 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.

C. Risk associated with debt and money market securities

13. Interest Rate Risk: Fixed income and money market Securities run interest-rate risk. Generally, when interest rates rise, prices of existing fixed income Securities fall and when interest rate falls, the prices increase. In case of floating rate Securities, an additional risk could arise because of the changes in the spreads of floating rate Securities. With the increase in the spread of floating rate Securities, the price can fall and with decrease in spread of floating rate Securities, the prices can rise
14. Liquidity or Marketability Risk: The ability of the Portfolio Manager to execute sale/purchase order is dependent on the liquidity or marketability. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. The Securities that are listed on the stock exchange carry lower liquidity risk, but the ability to sell these Securities is limited by the overall trading volumes. Further, different segments of Indian financial markets have different settlement cycles and may be extended significantly by unforeseen circumstances.

15. Credit Risk: Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

16. Reinvestment Risk: This refers to the interest rate risk at which the intermediate cash flows received from the Securities in the Portfolio including maturity proceeds are reinvested. Investments in fixed income Securities may carry re-investment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the debt security. Consequently, the proceeds may get invested at a lower rate.

D. Risk associated with derivatives instruments

17. The use of derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Portfolio Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Portfolio Manager involve uncertainty and decision of Portfolio Manager may not always be profitable. No assurance can be given that the Portfolio Manager will be able to identify or execute such strategies.

18. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price of interest rate movements correctly. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Other risks include settlement risk, risk of mispricing or improper valuation and the inability of the derivative to correlate perfectly with underlying assets, rates and indices, illiquidity risk whereby the Portfolio Manager may not be able to sell or purchase derivative quickly enough at a fair price.

E. Risk associated with investments in mutual fund schemes

19. Mutual funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the schemes will be achieved. The various factors which impact the value of the scheme's investments include, but are not limited to, fluctuations in markets, interest rates, prevailing political and economic environment, changes ingovernment policy, tax laws in various countries, liquidity of the underlying instruments, settlement periods, trading volumes, etc.

20. As with any securities investment, the NAV of the units issued under the schemes can go up or down, depending on the factors and forces affecting the capital markets.

21. Past performance of the sponsors, asset management company (AMC)/fund does not indicate the future performance of the schemes of the fund.

22. The Portfolio Manager shall not be responsible for liquidity of the scheme's investments, which at times, be restricted by trading volumes and settlement periods. The time taken by the scheme for redemption of units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the schemes

23. The Portfolio Manager shall not be responsible, if the AMC/ fund does not comply with the provisions of SEBI (Mutual Funds) Regulations, 1996 or any other circular or acts as amended from time to time. The Portfolio Manager shall also not be liable for any changes in the offer document(s)/scheme information document(s) of the scheme(s), which may vary substantially depending on the market risks, general economic and political conditions in India and other countries globally, the monitory and interest policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally.

24. The Portfolio Manager shall not be liable for any default, negligence, lapse error or fraud on the part of the AMC/the fund.

25. While it would be the endeavor of the Portfolio Manager to invest in the schemes in a manner which will seek to maximize returns, the performance of the underlying schemes may vary which may lead to the returns of this portfolio being adversely impacted.

26. The scheme- specific risk factors of each of the underlying schemes become applicable where the Portfolio Manager invests in any underlying scheme. Investors who intend to invest in this portfolio are required to and are deemed to have read and understood the risk factors of the underlying schemes.

F. Risk arising out of Non-diversification

27. The investment according to investment objective of a Portfolio may result in concentration of investments in a specific security / sector/ issuer, which may expose the Portfolio to risk arising out of non-diversification. Further, the portfolio with investment objective to invest in a specific sector / industry would be exposed to risk associated with such sector / industry and its performance will be dependent on performance of such sector / industry. Similarly, the portfolios with investment objective to have larger exposure to certain marketcapitalization buckets, would be exposed to risk associated with underperformance of those relevant market capitalization buckets. Moreover, from the style orientation perspective, concentrated exposure to value or growth stocks based on the requirement of the mandate/strategy may also result in risk associated with this factor.

G. Risk arising out of investment in Associate and Related Party transactions

28. All transactions of purchase and sale of securities by portfolio manager and its employees who are directly involved in investment operations shall be disclosed if found having conflict of interest with the transactions in any of the client's portfolio.
29. The Portfolio Manager may utilize the services of its group companies or associates for managing the portfolios of the client. In such scenarios, the Portfolio Manager shall endeavor to mitigate any potential conflict of interest that could arise while dealing with such group companies/associates by ensuring that such dealings are at arm's length basis.
30. The Portfolios may invest in its Associates/ Related Parties relating to portfolio management services and thus conflict of interest may arise while investing in securities of the Associates/Related Parties of the Portfolio Manager. Portfolio Manager shall ensure that such transactions shall be purely on arms' length basis and to the extent and limits permitted under the Regulations. Accordingly, all market risk and investment risk as applicable to securities may also be applicable while investing in securities of the Associates/Related Parties of the Portfolio Manager.

ITEM 9-DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management

ITEM 10-OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

(a)ValueQuest has in place internal policies and procedures for its employees to manage conflict of interest and ensures a fair treatment of their clients and disclose possible areas of conflict of interest.

(b) ValueQuest Investment Advisors Private Limited is acting as an investment manager for CAT III AIF – ValueQuest India Investment Trust *(Scheme Name – ValueQuest FasterCAP Fund, ValueQuest India Inflexion Fund, ValueQuest FasterCAP Fund II)*. The Portfolio Manager also has a Branch in International Financial Services Centre Authority (IFSCA) GIFT City, Gujarat as a Registered FME (Non-Retail). There is a risk that conflict of interest will arise, including services offered to/by group / associate companies of the ValueQuest. The Portfolio Manager will make the best effort to ensure that such conflicts of interest are identified and managed, and that client's interests are protected. ValueQuest shall make best efforts to ensure fair treatment to all clients and put client's interest above the interest of the ValueQuest. ValueQuest shall abide by high level principles on avoidance of conflicts of interest, as may be specified from time to time.

ITEM 11-CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

ValueQuest has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, prohibition on insider trading, prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, policies and procedures relating to expert networks, and personal securities trading procedures, among other things. All supervised persons at ValueQuest must acknowledge the terms of the Code of Ethics annually, or as amended. ValueQuest Clients or prospective clients may request a copy of ValueQuest's Code of Ethics by contacting ValueQuest at 022–69394444. A copy of ValueQuest's Code of Ethics is available to clients and prospective clients upon request, at no charge.

As a matter of policy, ValueQuest does not cause Clients to effect transactions in which such Client purchases securities or derivatives from, or sells securities or derivatives to, ValueQuest or its principals or affiliates (i.e., principal trades), or in which one of ValueQuest's affiliates acts as broker for both the Client's account and the other party to the transaction (i.e., agency cross transactions) unless the Said Transactions Are Made In Full Compliance Of Applicable Provisions Of The Advisers Act/Rules And with Consent Of The Clients. Unless otherwise agreed with a Client, and subject to applicable law, ValueQuest may effect transactions between two of its Clients (i.e., cross trades), either directly or through open-market transactions, where ValueQuest believes that such transaction is in the best interests of both participating Clients. Effecting cross trades may increase brokerage commissions and may result in certain Clients holding less of a profitable investment, or more of an unprofitable investment, than would be the case if there were no cross trades.

ValueQuest is permitted, in appropriate circumstances, to cause Clients to purchase or sell securities in which ValueQuest, its affiliates and/or Clients, directly or indirectly, have a position or interest. ValueQuest employees and persons associated with ValueQuest are required to follow ValueQuest's Code of Ethics, which includes certain qualifications on the ability of ValueQuest personnel to trade instruments held by Clients. Subject to satisfying this policy and applicable laws, officers, directors and employees of ValueQuest and its affiliates may, in certain circumstances, trade for their own accounts in securities and derivatives which are recommended to and/or purchased for Clients, as described above in "Other Financial Industry Activities and Affiliations." The Code of Ethics is designed to assure that the personal transactions, activities and interests of the employees of ValueQuest will not interfere with (i) making decisions in the best interest of Clients and (ii) implementing such decisions while at the same time allowing employees to invest for their own accounts. The Code of Ethics requires pre-clearance of certain transactions and requires that the interests of Clients be placed ahead of those of ValueQuest employees in their personal trading. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same instruments as Clients, there is a possibility that employees might benefit from market activity by a Client in an instrument held by an employee. Employee trading is regularly monitored under the Code of Ethics in an effort to prevent conflicts of interest between ValueQuest and its Clients.

ValueQuest also manages Proprietary Trading Accounts and Separately Managed Accounts for Clients. Due to this, there may be instances where said accounts hold positions in congruence with or opposite of other Clients Accounts. This can create conflicts of interest. ValueQuest has established policies and procedures within its compliance manual and code of ethics to ensure these conflicts are monitored to confirm compliance with all the Firms policies and procedures as well as all applicable regulatory requirements.

For a copy of the Firms "Code of Ethics and Personal Trading Policies," please contact ValueQuest Investment Advisors Pvt. Ltd. at Email id- legal.compliance@valuequest.in or 022–69925500.

ITEM 12-BROKERAGE PRACTICES

Client Accounts. ValueQuest generally will select the executing brokers to be used for each transaction and negotiate the rates and commissions the Client will pay. Transactions will take place with direct investments in Indian Securities and Indian Bonds.

ValueQuest Client Account's may incur 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. Although cost of execution is a consideration, other facts may influence the choice of brokers.

Where ValueQuest is responsible for selecting brokers to be used for a Client Account, ValueQuest may not adhere to any rigid formulae in making the selection of brokers but will weigh a combination of criteria consistent with its obligation to seek "best execution" for its Clients. In selecting brokers to execute transactions, ValueQuest need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Brokers will be selected generally on the basis of best execution, which may be determined by considering, in addition to price and commission rates, other factors including special execution capabilities, clearance, settlement, other transaction charges, block trading and block positioning capabilities, financial strength and stability, efficiency of execution and error resolution, the availability of stock to borrow for short trades, custody, recordkeeping and similar services ("Products and Services").

Research and Other Soft Dollar Benefits. We may select brokers in recognition of the value of various services or products, beyond transaction execution, that they provide to our Private Account clients, or to ourselves. Selecting a broker in recognition of the provision of services or products other than transaction execution is known as paying for those services or products with "soft dollars."

When we use "soft dollars" to obtain research or other products and services, we receive a benefit because we do not have to produce or pay for that research or those other products or services using cash from other sources. Because many products and services that we may receive from brokers may provide general benefits to us, our interests in allocating our clients' securities transactional business may conflict with those of one or more of our clients. For example, we may have an incentive to, in order to induce brokers and dealers to provide us with services or benefits, among other things, cause a client to:

- pay higher commissions and other compensation than it would otherwise pay broker-dealers that do not provide soft dollar services or products;
- place more trades than would be optimal for a client's investment strategy;
- use broker-dealers that do not obtain for a client the best possible price on portfolio transactions; and
- use (and pay) broker-dealers in effect to act as intermediaries with other broker-dealers who actually execute transactions.

The extent of the conflicts of interest arising out of the use of soft dollars depends in large part on the nature and uses of the services and products acquired with soft dollars.

Section 28(e) Safe Harbor

A U.S. federal statute, Section 28(e) of the Securities Exchange Act of 1934, as amended, recognizes the potential conflict of interest involved in the use by an investment manager (such as ValueQuest Investment Advisors) of soft dollars generated by securities transactions to pay for various expenses but provides a "safe harbor" from breach of fiduciary duty claims if certain conditions and requirements are met. Under the Section 28(e) safe harbor, soft dollars may be used to acquire "research" and "brokerage" services and products for which a client would not otherwise be required to pay. Services or products generally constitute "research" under Section 28(e) if they constitute advice, analyses or reports any of which express reasoning or knowledge as to the value of or investing in or trading securities, or as to issuers, industries, economic factors and trends, portfolio strategy or performance, but only to the extent we use them for lawful and appropriate assistance in making investment decisions for a client. "Brokerage" services and products are those used to effect portfolio transactions or for functions that are incidental to effecting those transactions (such as clearance, settlement or short-term custody related to effecting clearing or settling transactions) or regulatorily required in connection with transactions. Using soft dollars to pay for services and products other than research and brokerage is not protected by the safe harbor, but does not necessarily constitute a violation of any law or fiduciary duty. Similarly, use of non-commission soft dollars or otherwise failing to satisfy procedural elements of the Section 28(e) safe harbor are not protected but are not necessarily prohibited. Nevertheless, we generally intend to use soft dollars (including markups and markdowns on principal transactions where protected) for purposes, and in ways, that satisfy the requirements of the Section 28(e) “safe harbor.” During the last fiscal year we received the following proprietary research and other services from our brokers against “client brokerage commissions”:

(i) Proprietary research reports on macro-economic matters, securities markets and corporates / issuers as part of research services provided by them to their institutional clients on mass distribution basis;

(ii) Support in arranging for meetings for the Firm’s research staff with corporates, analysts or investors; and

(iii) sales coverage i.e. having their designated sales staff to attend to queries from the Firm or arranging meetings for the Firm’s research staff with the broker’s analysts or with the management of the company being researched.

Expenses incurred in relation to attending the meetings (referred to in (ii) and (iii) above) that are attributable to the Firm are borne by the Firm.

The Firm does not commit to any particular level of trading with a broker in order to be eligible to receive these services. Therefore, the Firm is free to consider a number of brokers based on who will provide best execution and research. The costs associated with the services received have historically been bundled with execution expenses, and the costs of paying brokers for proprietary research and other services indicated above are often not separable from execution expenses and may be known only to the broker. For this reason, it has not been feasible for us to conclusively establish that commissions paid match the proprietary services provided. However, ValueQuest Investment Advisors makes a good faith determination that the value of the research and other services provided by these brokers is reasonable in relation to the amount of commissions paid, viewed in terms of ValueQuest Investment Advisor’s overall responsibilities to client accounts.

Services obtained through “soft dollars” are used for the benefit of all our clients including for those clients who do not pay for such benefits.

Even where our use of soft dollars to acquire research and brokerage is protected by Section 28(e), we will have a conflict of interest in connection with that use because we might otherwise have to pay cash for those services and products and we may have an incentive to use brokers who provide those services and products more than we otherwise would.

Client Referrals from Brokers. ValueQuest acquires client referrals from registered distributors. Because such referrals, if any, are likely to benefit ValueQuest, but will not necessarily provide any significant benefit to ValueQuest’s Clients, ValueQuest will have a conflict of interest when allocating brokerage business to a broker who has referred Clients or investors to ValueQuest. To prevent brokerage commissions from being used to pay investor referral fees, ValueQuest will not allocate brokerage business to a referring broker unless they determine in good faith that the commissions payable to such broker are reasonable in relation to those available from non-referring brokers offering services of substantially equal value to ValueQuest's Clients.

Directed Brokerage. Generally, all our Clients authorize us to select brokers that we may use to undertake transactions in the Clients' accounts. Our Private Account clients may direct us to use particular brokers ("designated brokers") to effect transactions in their accounts ("directed brokerage"). Clients who use directed brokerage ("directed brokerage clients") may incur higher transaction costs (and therefore experience lower overall returns) than clients who do not use directed brokerage. For example, designated brokers may charge higher brokerage commission than brokers that we would otherwise use. In addition, designated brokers may execute trades for our directed brokerage clients at disadvantageous times – for example, a designated broker may buy (or sell) a particular security for a directed brokerage client before (or after) brokers that we have selected buy (or sell) identical or related securities for our other clients. Under those circumstances, a directed brokerage client may be subject to adverse price movements, particularly if the designated broker's trades occur after large block trades, involve illiquid securities or occur in volatile markets. Therefore Clients who direct brokerage may receive less favorable execution than clients who permit ValueQuest to select brokers.

Aggregation and Allocation of Client Orders/Investments. In case of Indian clients (domestic clients) where transacting for clients through a pool account is permitted, securities bought or sold for the pool account shall be allocated on a pro-rata basis amongst the clients participating in the said pool in proportion to the size of the original orders placed for each client. Where the execution of an order is 100% complete, each client participating in a pool trade will receive the same average price and shall be charged the same commission rate. Where the order is partly executed, the executed portion of the order shall be allocated on a pro rata basis amongst the clients in proportion to the size of the original orders placed for each client and the balance will be carried forward for the next day as pending orders.

The above aggregation and allocation process will be made Investment Approach-wise.

In the case of Institutional clients (including US institutional clients if any) and non-resident Indian (NRI) clients, including clients who are US Persons, as pooling of trades is not permitted under applicable laws, orders of each of these clients are placed separately with the broker for execution. The broker ascertains the market lot of the ordered securities that is available and generally releases the client orders in a quantity such that all clients' orders get filled fully or proportionately at the same average price and on the same commission rates. This way the Firm ensures that all clients receive fair and equitable treatment over time.

ITEM 13-REVIEW OF ACCOUNTS

Account Reviews. Initial review of the holding and performance of the client portfolios is done by the Investment Committee on a quarterly basis. Subsequently the summary of the said review report is placed before the the Board for review and noting.

Client Reporting. Clients whose accounts are advised by ValueQuest receive monthly statements for SMA Accounts along with login access available on website, and quarterly statements for Fund Investors with respect to their accounts, and such other reports as may be agreed between ValueQuest and the Client.

ITEM 14-CLIENT REFERRALS AND OTHER COMPENSATION

ValueQuest currently has no arrangements whereby it receives an economic benefit from any person other than its clients, for providing investment advice or other advisory services to its US Domiciled Clients. ValueQuest has empaneled certain SEC registered broker-dealers for US domicile clients' referrals and shall compensate the said broker-dealers for potential clients referred by such broker dealers who convert as clients in accordance with our referral agreements with the said broker-dealers.

ValueQuest engages certain third parties ("Broker Dealers"/"Finders") to refer prospective US domiciled clients and compensates them for these referrals. These arrangements create a potential conflict of interest, as ValueQuest has an incentive to favor clients referred by Broker-Dealers/Finders, but we manage this by ensuring all clients receive the same standard of services and fees negotiated according to our standard practices (as detailed in Section 5).

ValueQuest currently maintains the following arrangements for compensating parties for US domiciled client referrals:

1. Under its agreements with its "Finders" (who are not SEC registered broker/dealers) the Finders in addition to general consultancy services, also refer potential clients to ValueQuest on a pure introduction basis and receive cash compensation in the form of a fixed fee on periodic basis from ValueQuest for these referral services. No variable fees or compensation based on the assets or performance of referred clients are paid under this arrangement. Clients referred by the Finders are advised to read this brochure thoroughly, particularly this section, to understand the nature and terms of this compensation arrangement.

2. ValueQuest has also empaneled SEC registered broker-dealers for US domicile clients' referrals. ValueQuest compensates the said broker-dealers (for potential clients referred by such broker-dealers who convert as clients), by way of fees linked to assets raised by the said broker-dealers in accordance with our specific referral agreement with the said broker-dealers.

ITEM 15-CUSTODY

ValueQuest is deemed to have custody of the funds and securities of its US Domiciled Client solely because it has authority to deduct its management fees from the portfolio account of its US clients. In accordance with the requirements of the applicable custody rules (Rule 206(4)-2(a)(1) to (3) under the Investment Advisers Rules, ValueQuest has put in place policies and procedures to ensure that (a) the client assets are held with a Qualified Custodian and the prescribed notification has been made to each US domiciled client and (b) the Qualified Custodian sends an account statement to each US Domiciled client on a quarterly basis identifying the amount of funds and of each security held in the US domiciled client's account at the end of the relevant quarter and setting forth all transactions during the said quarter.

ITEM 16-INVESTMENT DISCRETION

ValueQuest exercises discretionary authority over the accounts of its Clients. ValueQuest usually receives discretionary authority from the Client at the outset of an advisory relationship, by means of an investment advisory or similar agreement which grants a power of attorney in favor of ValueQuest to select the identity and amount of any investments to be bought or sold for its Clients. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client's account.

ITEM 17-VOTING CLIENT SECURITIES

Unless otherwise agreed with a particular Client, ValueQuest holds the authority to vote proxies on behalf of its Clients and has adopted proxy voting policies and procedures designed to ensure that such proxies are voted in its Clients' best interests. ValueQuest typically does not vote on Proxy Material unless the client specifically requires us to do so or Proxy Voting is mandated under applicable Regulations. Pursuant to ValueQuest's proxy voting procedures, in the event that ValueQuest receives proxies sent to a Client, it will be responsible for casting the proxy votes, consistent with ValueQuest's general voting guidelines and other applicable firm policies. However, ValueQuest may also engage an independent third party to cast any proxy votes on behalf of its Clients in the event that the Chief Compliance Officer identifies a material conflict of interest in casting such votes. Clients may obtain a copy of ValueQuest's complete proxy voting policies and procedures, as well as information about how their proxies were voted, by contacting the Firm at the contact information listed on the cover page.

ITEM 18-FINANCIAL INFORMATION

ValueQuest is required to provide you with certain financial information or disclosures about its financial condition. ValueQuest has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients and has not been the subject of a bankruptcy proceeding.