

QUEST4VALUE INVESTMENT MANAGERS LLP

DISCLOSURE DOCUMENT

FOR

CO-INVESTMENT PORTFOLIO MANAGEMENT SERVICES

Key Information and Disclosure Document for Co-investment Portfolio Management Services provided by Quest4Value Investment Managers LLP

As per the requirement of Schedule V and Regulation 22 of SEBI (Portfolio Managers) Regulation, 2020:

- i. The disclosure document ("**Disclosure Document**") has been filed with SEBI along with the certificate in the specified format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- ii. The purpose of the Document is to provide essential information about the Co-investment Portfolio Management Services in a manner to assist and enable the co-investors in making informed decision for engaging Quest4Value Investment Managers LLP (as the "**Co-investment Portfolio Manager**").
- iii. This Disclosure Document contains the necessary information about the Co-investment Portfolio Manager, required by a co-investor before investing, and hence, the co-investor may be advised to retain the document for future reference.
- iv. In case of a material change to the terms of this Disclosure Document, the Co-investment Portfolio Manager shall file the Disclosure Document within 7 (seven) working days from the date of the change.
- v. The name, phone number, email address of the Principal Officer as designated by the Co-investment Portfolio Manager along with the address of the Co-investment Portfolio Manager is as follows:

PRINCIPAL OFFICER

Name: Ravindra Dharamshi

Phone: +91 9820321005

E-mail: ravi@valuequest.in

CO-INVESTMENT PORTFOLIO MANAGER

Name: Quest4Value Investment Managers LLP

Registration number: INP000009472

Registered Office:

1073, Quest, Rajabhau Desai Marg,
Behind Beau Monde Towers,
Prabhadevi, Mumbai – 400025.

Dated: July 11, 2025

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1. DISCLAIMER

This Disclosure Document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 as amended till date and filed with SEBI. This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of this Disclosure Document.

The Client is requested to retain this Disclosure Document for future reference.

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

2. DEFINITIONS AND INTERPRETATIONS

2.1 Definitions

The terms used in the Disclosure Document are defined as follows:

- (a) **“Accreditation Agency”** means such agency as may be identified by SEBI as an accreditation agency, including the Depositories, which grant an accreditation certificate to Persons fulfilling the eligibility criteria, upon their application, in accordance with the AIF Regulations and Master Circular for AIFs.
- (b) **“Accredited Investor”** means such Person(s) who (a) are deemed accredited investors with no requirement to obtain a certificate of accreditation under the AIF Regulations, including governmental / developmental / fund entities of the Central and State Government of India, qualified institutional buyers under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Category I foreign portfolio investors, sovereign wealth funds and multilateral agencies, and other entities notified by the SEBI, or (b) hold a valid accreditation certificate granted by an Accreditation Agency pursuant to meeting the eligibility criteria for accreditation under the AIF Regulations.
- (c) **“Act”** means the Securities and Exchange Board of India Act, 1992 (15 of 1992), as may be amended from time to time.
- (d) **“Agreement”** means Co-investment Portfolio Company Management Agreement executed between the Co-investment Portfolio Manager and the Client, along with the schedules and annexures attached hereto including all the modifications, alterations, additions or deletion thereto made in writing upon their mutual consent.
- (e) **“AIF Regulations”** means the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as may be modified or superseded from time to time. A reference to AIF Regulations shall also be deemed to include all circulars, guidelines,

directions, regulations, rules and notifications issued by the Government of India or any statutory or regulatory authority or SEBI for the operation and management of AIFs, or any legislation in regard thereto in each case as amended from time to time

- (f) **“AIFs” or “Alternative Investment Funds”** means any fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate which is a privately pooled investment vehicle which collects funds from investors, whether Indian or foreign, for investing it in accordance with a defined investment policy for the benefit of its investors.
- (g) **“Applicable Laws”** means any applicable local or national statute, rules, regulation, notification, circular, ordinance, requirement, directive, guideline or announcement issued by an Authority (including but not limited to the SEBI Regulations).
- (h) **“Assets”** means (i) the Portfolio and / or (ii) the Funds held in the name of the Client (or as otherwise permissible under the PMS Regulations);
- (i) **“Associates”** means (i) a body corporate in which a director or partner of the Co-investment Portfolio Manager holds, either individually or collectively, more than twenty percent of its paid-up equity share capital or partnership interest, as the case may be; or (ii) a body corporate which holds, either individually or collectively, more than twenty percent of the paid-up equity share capital or partnership interest, as the case may be of the Co-investment Portfolio Manager.
- (j) **“Bank Account”** means one or more accounts opened, maintained and operated by the Co-investment Portfolio Manager or the Custodian with any of the Scheduled Commercial Banks in the name of the Client or in the name of the Co-investment Portfolio Manager as may be required from time to time in accordance with PMS Regulations.
- (k) **“Chartered Accountant”** means a Chartered Accountant as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949) and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act.
- (l) **“Client” or “Investor”** means a Person that enters into an Agreement for availing services offered by the Co-investment Portfolio Manager.
- (m) **“Co-investment Portfolio Management Fees”** means the fees payable by the Client to the Co-investment Portfolio Manager as specified in the Agreement for Co-investment Portfolio Management Services.
- (n) **“Co-investment Portfolio Management Services”** means the services rendered to the Client by the Co-investment Portfolio Manager on the terms and conditions contained in the Agreement, whereby the Co-investment Portfolio Manager exercises functions with respect to Co-investment by the Client along with the Scheme, in accordance with the AIF Regulations.
- (o) **“Co-investment Portfolio Manager”** means Quest4Value Investment Managers LLP, a limited liability partnership incorporated under the provisions of Limited Liability Partnership Act, 2008 and having its registered office at 1073, Quest, Rajabhau Desai Marg, Behind Beau Monde Towers, Prabhadevi, Mumbai – 400025, and principal place of business at Kohinoor Square Business Park, B – 4101, 41st Floor, NC Kelkar Marg, Shivaji Park, Dadar

West, Mumbai- 400028 which pursuant to a contract or arrangement with a Client/Investor, advises or directs or undertakes on behalf of the Client/Investor the management or administration of a portfolio of Securities or the funds of the Client/Investor, as the case may be.

- (p) **“Custodian”** means any custodian registered under Securities and Exchange Board of India (Custodian of Securities) Regulations, 1996 acting as the custodian of the Portfolio, or any other custodian with whom the Co-investment Portfolio Manager or the Client enters into an agreement for the provision of custodial services.
- (q) **“Depository Account” or “DP Account”** means one or more account or accounts opened, maintained and operated by the Co-investment Portfolio Manager or the Custodian in the name of the Client or Co-investment Portfolio Manager with any depository or depository participant registered under the SEBI (Depositories and Participants) Regulations 1996.
- (r) **“Depository”** means a body corporate as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Limited (**“NSDL”**) and Central Depository Services (India) Ltd. (**“CDSL”**).
- (s) **“Disclosure Document”** means this disclosure document issued by the Co-investment Portfolio Manager for offering services stated hereunder, prepared in terms of Schedule V of the PMS Regulations as amended from time to time.
- (t) **“Financial Year”** means the period of 12 (twelve) months starting from April 1 to March 31 of any calendar year.
- (u) **“Foreign Portfolio Investor” or “FPI”** means a person registered with SEBI as a Foreign Portfolio Investor under the SEBI (Foreign Portfolio Investors) Regulations, 2019 as amended from time to time.
- (v) **“Funds”** means the monies managed by the Co-investment Portfolio Manager on behalf of the Client pursuant to the Agreement, the proceeds of the sale or other realization of the Securities and interest, dividend or other monies arising from the Assets, so long as the same is managed by the Co-investment Portfolio Manager.
- (w) **“Investment Approach”** shall mean the investment objective of the Scheme, as set out in the private placement memorandum of the Scheme, as amended from time to time.
- (x) **“Large Value Accredited Investor”** means an Accredited Investor who has entered into an agreement with the Co-investment Portfolio Manager for a minimum investment amount of INR 10,00,00,000 (Indian Rupees Ten Crores).
- (y) **“Master Circular for AIFs”** means SEBI Master Circular No. SEBI/HO/AFD-1/AFD-1-PoD/P/CIR/2024/39 titled Master Circular for Alternative Investment Funds dated May 07, 2024 as amended from time to time.
- (z) **“Master Circular for PMS”** means SEBI Master Circular No. SEBI/HO/IMD/IMD-POD-1/P/CIR/2024/80 titled Master Circular for Portfolio Managers dated June 07, 2024 as amended from time to time.

- (aa) **“NRI” or “Non-Resident Indian”** means an individual resident outside India who is a citizen of India.
- (bb) **“Parties”** means the Co-investment Portfolio Manager and the Client; and “Party” shall be construed accordingly.
- (cc) **“Person”** includes any individual, partnership firm (including limited liability partnership), central or state government, company, body corporate, cooperative society, corporation, trust, society, Hindu Undivided Family or any other body of persons, whether incorporated or not.
- (dd) **“PMLA Laws”** means the Prevention of Money Laundering Act, 2002, Prevention of Money-laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005, the guidelines/circulars issued by SEBI thereto as amended and modified from time to time.
- (ee) **“PMS Regulations”** shall mean the SEBI (Portfolio Managers) Regulations, 2020 as amended and modified from time to time and including any circulars/notifications issued pursuant thereto.
- (ff) **“Portfolio Company(ies)”** means companies, enterprises, bodies corporate, or any other entities in the Securities of which the monies from the Portfolio are invested subject to Applicable Laws.
- (gg) **“Portfolio Management Services”** means the Co-investment Portfolio Manager Services, as the context may be.
- (hh) **“Portfolio”** means the Securities managed by the Co-investment Portfolio Manager on behalf of the Client pursuant to the Agreement, Securities acquired by the Co-investment Portfolio Manager through investment of Funds and bonus and rights shares in respect of Securities forming part of the Portfolio, so long as the same is managed by the Co-investment Portfolio Manager under the Agreement.
- (ii) **“Power of Attorney”** means the power of attorney executed by the Client in favour of the Co-investment Portfolio Manager in the form specified under the Agreement or as otherwise required by the Co-investment Portfolio Manager from time to time, pursuant to or in connection with the Agreement.
- (jj) **“Principal Officer”** means such employee of the Co-investment Portfolio Manager who has been designated as such by the Co-investment Portfolio Manager and is responsible for: (i) the decisions made by the Co-investment Portfolio Manager for the management or administration of Portfolio of Securities or the Funds of the Client, as the case may be; and (ii) all other operations of the Co-investment Portfolio Manager.
- (kk) **“Scheme Documents”**, with respect to a Scheme, means the confidential private placement memorandum, the contribution agreement as executed with investors, investment management agreement between the Co-investment Portfolio Manager and trustee of the AIF, the indenture of trust establishing the AIF, and any other document

designated as a Scheme Document by the Co-investment Portfolio Manager as originally executed and amended, modified, supplemented or restated from time to time

- (ll) **“Scheme”** means a scheme of an AIF registered with SEBI for whom the Co-investment Portfolio Manager acts as the investment manager in accordance with the AIF Regulations.
- (mm) **“SEBI”** means the Securities and Exchange Board of India established under Section 3(1) of the Securities and Exchange Board of India Act, 1992.
- (nn) **“Securities”** means the unlisted securities of Portfolio Companies, where the Scheme also makes investments, as permitted under the private placement memorandum of the Scheme, the AIF Regulations or any other Applicable Laws.

2.2 Interpretation

Words and expressions used in this Disclosure Document and not expressly defined shall be interpreted in accordance with Applicable Law or according to their general meaning and usage. The definitions are not exhaustive.

3. DESCRIPTION

3.1 History, Present Business and Background of the Co-investment Portfolio Manager

The Co-investment Portfolio Manager was incorporated as a limited liability partnership under the provisions of the Limited Liability Partnership Act, 2008 on October 21, 2024, and is registered as a co-investment portfolio manager under the PMS Regulations bearing registration no. INP000009472 by virtue of being the investment manager of Schemes including but not limited to:

- (i) ValueQuest Tristar Fund, a scheme of ValueQuest Tristar Trust, a Category II AIF bearing registration no. IN/AIF2/24-25/1741 registered with SEBI under the AIF Regulations;
- (ii) ValueQuest SCALE Fund II, a scheme of ValueQuest Alternate Investment Trust II, a Category II AIF bearing registration no. IN/AIF2/24-25/1737 registered with SEBI under the AIF Regulations.

3.2 Partners of the Co-investment Portfolio Manager and their background

A. Ravindra Raichand Dharamshi

Entity Name	Designation	Area of Work	Nature of Work	Experience (in years)
Quest4Value Investment Managers LLP	Designated Partner	Key investment team member of Schemes / Principal Officer of CPMS	Ravindra is responsible for managing and monitoring the investments and divestments of the Schemes.	October 2024 - Present

ValueQuest Investment Advisors Private Limited	Founder and Chief Investment Officer	Key investment team member of AIFs / Principal Officer of PMS	As Chief Investment Officer, he is instrumental in determination of investment opportunities, formulation and evaluation of investment strategy asset allocation and asset management functions. He oversees the overall management of the company. His main responsibilities include portfolio management of the schemes he oversees, handling equity research and corporate finance. Under his leadership, VQ Schemes has been awarded 5-star rating by PMS Bazaar PMS Ranking powered by CRISIL.	January 2010-till date
RARE Enterprises, family office of a leading Investor of India.	Senior Analyst	Undertaking research & analysis as well private equity deal	He was mainly responsible for formulation and evaluation of investment strategy, market research and structuring exits. During his tenure, he worked on many prominent private equities deals such as Praj Industries, Concord Biotech, Lupin, Matrix Labs and Geometric were some of the marquee clienteles, during his tenure.	January 2003 – April 2007

B. Mr. Aniket Hemang Dharamshi

Entity Name	Designation	Area of Work	Nature of Work	Experience (in years)
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Quest4Value Investment Managers LLP	Designated Partner	Key investment team member of Schemes	Aniket is responsible for managing and monitoring the investments and divestments of the Schemes.	October 2024 - Present
ValueQuest Investment Advisors Private Limited	Director	Private Equity Market	- Spearheading investment management, compliance, and exits for the firm. - Managing the overall investment strategy and operations, ensuring adherence to regulatory frameworks and delivering strategic investment outcomes.	November 2023 - till date
Minosha India Limited (including Minosha Digital Solutions Private Limited-Amalgamated)	Director	Operations and Business Development	- Instrumental in setting up best IT practices and operations for investment management. - Was part of the investment committee - Played a pivotal role in NCLT acquisitions, facilitating strategic growth opportunities for the company. - Contributed to overall financial management and operational oversight, ensuring alignment with business goals.	September 2019 – September 2023
Entity Gaming Private Limited	Director	Overall business operations especially Banking and Finance	- Was instrumental in finances and cross-border banking - Led financial management and team rostering initiatives, optimizing internal processes and team performance. - Directed day-to-day operations, ensuring	May 2018 – March 2024

			alignment with broader company objectives.	
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C. ValueQuest Investment Advisors Private Limited

Brief Description: ValueQuest Investment Advisors Private Limited is a boutique SEBI-registered portfolio management company with a strong focus on the equity markets. It was incorporated on January 04, 2010. Its founder, Ravindra Dharamshi and co-founder, Sameer Shah, have more than 2 (two) decades of equity experience.

ValueQuest Investment Advisors Private Limited holds registration as a portfolio manager with SEBI under the PMS Regulations bearing registration no. INP000003724 effective from June 09, 2010, and started its PMS business in October 2010. ValueQuest Investment Advisors Private Limited also acts as the sponsor of the Schemes and an investment manager of various other AIFs registered with SEBI, including ValueQuest Alternate Investment Trust (bearing registration no. IN/AIF2/22-23/1156) and ValueQuest India Investment Trust (bearing registration no. IN/AIF3/24-25/1508).

ValueQuest Investment Advisors Private Limited (IFSC Branch) is registered with the International Financial Services Centres Authority (“**IFSCA**”) as a Registered FME (Non-Retail) regulated by the IFSCA (Fund Management) Regulations, 2025 bearing registration no. IFSCA/FME/II/2024-25/133 from October 04, 2024.

3.3 Top 10 group companies/firms of the Co-investment Portfolio Manager on turnover basis (as per audited financial statements for the year ended March 31, 2025)

ValueQuest Investment Advisors Private Limited – holds 98% partnership of the Co-investment Portfolio Manager.

3.4 Details of the services being offered

- 3.4.1 The Co-investment Portfolio Manager, as an investment manager of the Schemes and / or other schemes of Category I or II AIFs, shall provide Co-investment Portfolio Management Services to Clients who are investors in such AIFs managed by it in order to facilitate investments by Clients in unlisted securities of Portfolio Companies of the Schemes / AIFs (in which the Client is an investor) in compliance with Applicable Laws and subject to regulatory approvals/intimations as required under the PMS Regulations.
- 3.4.2 Co-investment opportunities shall be offered to Clients on a discretionary basis by the Co-investment Portfolio Manager. The Co-investment Portfolio Manager is not obligated to offer all co-investment opportunities it receives to the Client. The Co-investment Portfolio Manager shall not have any obligation to offer the co-investment opportunities to the Client any co-investment opportunity for an amount not exceeding INR 100,00,00,000 (Indian Rupees One Hundred Crores only), and the Co-investment Portfolio Manager may decide, at its sole discretion, to one or some such Clients only, and the Client has no objection to such determination.

- 3.4.3 Clients who have committed an amount equivalent to or above INR 5,00,00,000 (Indian Rupees Five Crores) to the Scheme shall be entitled to receive co-investment opportunities from Co-investment Portfolio Manager as may be determined by the Co-investment Portfolio Manager at its sole discretion.
- 3.4.4 Notwithstanding the above, the Co-investment Portfolio Manager may offer co-investment opportunities to any other Clients with whom it has executed an Agreement if the Co-investment Portfolio Manager is of the view that such Client adds any strategic importance or value to the Portfolio Company / co-investment opportunity. If the Co-investment Portfolio Manager is of the view that offering any co-investment opportunity to the Client may be detrimental to or may adversely impact the co-investment opportunity or the Portfolio Company in any manner whatsoever, it may decide not to offer the co-investment opportunity to such Client.
- 3.4.5 In respect of Clients receiving Co-investment Portfolio Management Services, 100% of the assets under management shall consist of unlisted securities of Portfolio Companies at the time of investment where the Schemes (subject to being managed by the Co-investment Portfolio Manager in the capacity of investment manager), make investments. The Client shall evaluate the co-investment opportunity referred to by the Co-investment Portfolio Manager and make a decision with respect to participation in co-investment opportunities. The Co-investment Portfolio Manager shall endeavour to ensure that such co-investment terms are not prejudicial to the interest of the Client..
- 3.4.6 The terms of co-investment in a Portfolio Company by Client shall not be more favourable than the terms of investment of the Scheme and the terms of exit from the Co-investment in a Portfolio Company including the timing of exit, shall be identical to the terms applicable to that of exit of the Scheme.
- 3.4.7 Subject to the above and the AIF Regulations, the Scheme and the Clients will act independently and bear their pro-rata share of expenses, fees or liabilities in accordance with the capital committed to the Portfolio Company as well as be entitled to the gains and losses arising from such Portfolio Company. The Scheme and the Client are not expected to form any joint venture or partnership or association for the purpose of making investments.
- 3.4.8 The Co-investment Portfolio Manager may receive fees or other compensation from Clients under their respective Agreements in relation to their co-investments alongside the Scheme and shall not be obliged to remit these amounts to the Scheme.

4. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTION OR INVESTIGATION FOR WHICH ACTION MAY HAVE BEEN TAKEN OR INITIATED BY ANY REGULATORY AUTHORITY

i. All cases of penalties imposed by SEBI or the directions issued by SEBI under the Act or rules or regulations made thereunder.	None
ii. The nature of the penalty/direction	Not Applicable
iii. Penalties/fines imposed for any economic offence and/ or for violation of any securities laws.	None

iv. Any pending material litigation/legal proceedings against the Co-investment Portfolio Manager/key personnel with separate disclosures regarding pending criminal cases, if any.	None
v. Any deficiency in the systems and operations of the Co-investment Portfolio Manager observed by SEBI or any regulatory agency.	None
vi. Any enquiry/ adjudication proceedings initiated by SEBI against the Co-investment Portfolio Manager or its directors, principal officer or employee or any person directly or indirectly connected with the Co-investment Portfolio Manager or its directors, principal officer or employee, under the Act or rules or regulations made thereunder.	None

5. SERVICES OFFERED

5.1 Investment objective

The investment objective of the Co-investment Portfolio Manager is to seek to co-invest the Funds of the Client alongside the Scheme (in which the Client is an investor) in such Securities in which the Scheme has already invested in accordance with the Regulations.

The Co-investment Portfolio Manager shall offer the Client, in writing and on reasonable advance notice, the right to co-invest in Securities alongside the Scheme and upon the Client's confirmation, invest the Client's Funds in such Securities.

Co-investment may be made in unlisted securities including but not limited to equity, quasi-equity, preference shares/preferred stock, warrants for equity conversion, options to subscribe to equity/quasi equity, debt, convertible instruments of Portfolio Companies that are operating in the sectors listed in the Scheme Documents.

The Co-investment Portfolio Manager shall have the (a) right to invest; and (b) discretion and authority, to manage the Assets as the Client's agent and trustee, in Securities in which a Scheme as managed by the Co-investment Portfolio Manager has invested, subject to the investment guidelines and terms and conditions contained in the Agreement, the Scheme Documents and the Client's Power of Attorney.

The Co-investment Portfolio Manager shall make investment decisions based on the research and other parameters determined by the key investment team of the Scheme.

5.2 Investment Approach

There shall be no specific investment approach as existing investors of Fund who desire to invest in specific unlisted security shall be permitted to co-invest alongside the Fund hereunder. The Client shall be offered Co-investment opportunities in the Portfolio Companies where the Fund managed by the Co-investment Portfolio Manager is proposing to invest in accordance with the provisions of the Applicable Law.

5.3 Exit Strategy

The Co-investment Portfolio Manager shall provide Co-investment Portfolio Management Services only to Clients (i) who are contributors in AIF(s) managed by the Co-investment Portfolio Manager as investment manager and sponsored by same sponsor per the AIF Regulations, and (ii) making investment in unlisted securities of Portfolio Companies where any such AIF makes investments.

While the Fund has a long-term investment strategy and proposes to benefit from the growth of its Portfolio Companies and receive distributions from them, it may also consider in the interest of Investors, selectively divesting certain Portfolio Companies depending on prevailing conditions and the asset segment. The Co-investment Portfolio Manager will be responsible for judging the appropriate mechanism, timing and valuation for the exit from each Portfolio Company. All exits will be at the discretion of the Co-investment Portfolio Manager alongside the Fund.

5.4 Policies for investments in Associates/ group companies

Co-investment opportunities may be offered to Co-investors in the securities of its 'related parties' (as defined in the PMS Regulations) and / or its Associates, which shall be consummated in accordance with the Applicable Law.

6. RISK FACTORS

6.1 The risks applicable to the Scheme, including as provided under its Scheme Documents, shall also be applicable to the Client's Funds and Securities as co-invested alongside such Scheme.

6.2 General Risk

- (i) Investments in Securities are subject to market risk, which include price fluctuation risks. There is no assurance or guarantee that the objectives of the investments will be achieved.
- (ii) Risk arising from the Investment Approach, investment objective, investment strategy, asset allocation, market risk, political risk, geopolitical risk, and risk arising from changing business dynamics may affect Portfolio returns.
- (iii) The past performance of the Co-investment Portfolio Manager in any Portfolio is not indicative of the future performance in the same or in any other investments either existing or that may be offered. Investors are not being offered any guaranteed or indicative returns through these services.
- (iv) Investors will be relying entirely on the investments made by the Scheme to ascertain co-investment opportunities. As the investments will be in unlisted securities, ascertaining the value of the same may prove difficult. Therefore, valuations of the investments are inherently subjective and may be imprecise.
- (v) The debt investments and other fixed income securities (if any) may be subject to interest rate risk, liquidity risk, credit risk, and reinvestment risk. Liquidity in these investments may be affected by trading volumes, settlement periods and transfer procedures.

- (vi) Investments in niche sectors run the risk of volatility, high valuation, obsolescence and low liquidity.
- (vii) The Co-investment Portfolio Manager is not responsible for or liable for any loss resulting from the operations of the Co-investment Portfolio Management Services, save and except in cases of gross negligence, wilful default and/or fraud of the Co-investment Portfolio Manager.
- (viii) Investment decisions made by the Co-investment Portfolio Manager may not always be profitable.
- (ix) Investments made by the Co-investment Portfolio Manager are subject to risks arising from the investment objective, investment strategy and asset allocation.
- (x) In case of co-investments made in schemes of AIFs, the Client shall bear the recurring expenses and performance fees, if any, of the Co-investment Portfolio Management Services in addition to the expenses of the underlying schemes. Hence, the Client may receive lower pre-tax returns compared to what he may receive had he invested directly in the underlying schemes in the same proportions.
- (xi) After accepting the corpus for management, the Co-investment Portfolio Manager may not get an opportunity to deploy the same or there may be delays in deployment. In such a situation, the Clients may suffer opportunity loss.
- (xii) The investment objectives of one or more of the investment profiles could result in concentration of a specific asset/asset class/sector/issuer etc., which could expose the Clients' Assets to risks arising out of non-diversification.
- (xiii) The provisions of the Agreement and the principal and returns on the Securities subscribed by the Co-investment Portfolio Manager may be subject to force majeure and external risks such as war, natural calamities, pandemics, policy changes of local / international markets and such events which are beyond the reasonable control of the Co-investment Portfolio Manager. Any policy change / technology updates / obsolescence of technology would affect the investments made by the Co-investment Portfolio Manager.

6.3 Specific Risk

(i) Regulatory Risk

Any changes in trading regulations by the exchange(s) or SEBI may affect the ability of the maker to arbitrage.

(ii) Credit Risk

Credit risk refers to the risk that an issuer of fixed income security may default or may be unable to make timely payments of principal and interest in the client. NAV of units of the liquid scheme is also affected because of the perceived level of credit risk as well as the actual event of default.

(iii) Illiquidity and Redemption Risk

Unlisted securities are relatively illiquid vis-a-vis the marketable securities market. There could therefore be difficulties in exiting from equity shares in times of uncertainties. In such a situation, the Co-investment Portfolio Manager at his sole discretion will return the Securities to the Client. Also, the Client may lose a part / entire amount invested or may forego potential profits given that the Scheme and consequently the Client's co-investment is subject to termination upon end of term of the Scheme.

6.4 Disclosures on conflicts of interest:

The Co-investment Portfolio Manager hereby confirms to the best of their knowledge the following:

Particulars	Disclosures
Any transactions of purchase and sale of Securities by Co-investment Portfolio Manager and its employees who are directly involved in investment process are found having conflict of interest with the transactions in any of the Client's Portfolio?	The Co-investment Portfolio Manager has a policy to deal with conflict-of-interest transactions by the Co-investment Portfolio Manager and its employees, who are directly involved in the investment process.
Does the Co-investment Portfolio Manager avail any services offered by its group companies or Associates?	Yes, support services are availed from its partner - ValueQuest Investment Advisors Pvt Ltd.

7. CLIENT REPRESENTATION

7.1 Details of Client's accounts activated

Category of clients	No. of clients	Funds managed	Discretionary / Non-Discretionary/ Co-investment (if available)
Associates / group companies (Last 3 years)	NIL	NIL	NIL
Others (last 3 years)	NIL	NIL	NIL
Total	NIL	NIL	NIL

7.2 Complete disclosure in respect of transactions with related parties as per the standards specified by the Institute of Chartered Accountants of India.

The below figures are based on unaudited financials	
Particulars	March 31, 2025 (in INR)
Fixed Capital Introduction	
<i>Aniket Hemang Dharamshi (Partner)</i>	10,000
<i>Ravindra Raichand Dharamshi (Partner)</i>	10,000

<i>ValueQuest Investment Advisors Pvt Ltd (Partner)</i>	980,000
Current Account capital Introduction	
<i>Aniket Hemang Dharamshi (Partner)</i>	180,000
<i>Ravindra Raichand Dharamshi (Partner)</i>	180,000
<i>ValueQuest Investment Advisors Pvt Ltd (Partner)</i>	19,600,000
Share of Profit/(loss)	
<i>Aniket Hemang Dharamshi (Partner)</i>	-221,197
<i>Ravindra Raichand Dharamshi (Partner)</i>	-221,197
<i>ValueQuest Investment Advisors Pvt Ltd (Partner)</i>	-21,677,328
Closing Balance of Current account	
<i>Aniket Hemang Dharamshi (Partner)</i>	-41,197
<i>Ravindra Raichand Dharamshi (Partner)</i>	-41,197
<i>ValueQuest Investment Advisors Pvt Ltd (Partner)</i>	-2,077,328

8. FINANCIAL PERFORMANCE

The Co-investment Portfolio Manager was incorporated on October 21, 2024. Therefore, no financial performance data is available for the Co-investment Portfolio Manager.

Particulars	Financial Year 2021-2022	Financial Year 2022-2023	Financial Year 2023-2024
Profit / (Loss) before Depreciation & Taxation	NA	NA	NA
Net Profit / (Loss) after Depreciation & Taxation	NA	NA	NA
Shareholder's Funds	NA	NA	NA
Partner's Capital	NA	NA	NA
Reserves & Surplus	NA	NA	NA

9. PERFORMANCE OF THE CO-INVESTMENT PORTFOLIO MANAGER

Not applicable to the Co-investment Portfolio Manager per Schedule V of the PMS Regulations.

10. AUDIT OBSERVATIONS

There were no audit observations in 3 (three) preceding years in related to the Co-investment Portfolio Manager, given that the audit report generated for FY 2024-25 had no observations and no audit was required to be conducted in FY 2023-24 and FY 2022-23 since the Co-investment Portfolio Manager was incorporated on October 21, 2024.

11. NATURE OF EXPENSES

The following are indicative types of costs and expenses for clients availing the Co-investment Portfolio Management Services. The exact basis of charge relating to each of the Services shall be annexed to the Agreement.

- (i) **Investment management and advisory fees:** the Co-investment Portfolio Manager shall charge Co-investment Portfolio Management Fees in accordance with the Agreement executed with such Client. Such fees may be a fixed charge or a percentage of the quantum of Funds managed and may be return-based or a combination of any of these as specified in the Agreement with the Client.
- (ii) **Operating Expenses:** Operating expenses may be incurred by the Co-investment Portfolio Manager in the management of affairs and subsequently reimbursed by the Clients at actuals. The annual operating expenses to be borne by the Clients shall include but not be limited to the brokerage, transactional expenses, audit fees, administrative expenses, registrar & transfer fees, market transfer charges, transaction costs, custodian and depository charges, certification/professional charges, legal fees, other statutory levies, and extraordinary and non-recurring expenses related to the co-investment activities, expenses in relation to any litigation that may arise between the Co-investment Portfolio Manager and any Portfolio Company or director, employee, employee union officer, lender, shareholder, administrative union, etc. thereof, and any other expenses incidental to the aforesaid in relation to the co-investment.

The Co-investment Portfolio Manager may, at its discretion, charge fees on the basis of deal to deal or as mutually agreed between the Co-investment Portfolio Manager and the Client.

All applicable Taxes and levies, together with surcharges and additional surcharges, if any, leviable on such management fees, performance fees, etc. shall be charged to the Client.

12. TAXATION

The information furnished below outlines briefly the tax regulations which may be relevant to the investors and are based on relevant provisions of the Income-tax Act, 1961 as amended by the Finance Act, 2024 ("**IT Act**").

The summary below provides general information on Indian Income-tax implications but is neither intended to be a complete discussion of all tax implications, nor does it purport to be a complete description of all potential tax costs, tax incidence and risks inherent on the acquisition, ownership and sale of Indian securities.

In addition, the comments herein are not binding on the Indian tax authorities and there can be no assurance that the authorities will not take a position contrary to any of the comments herein. It is emphasized that neither the Co-investment Portfolio Manager nor any other person involved in the preparation of this document accepts responsibility for any tax effects or liabilities resulting from the purchase, ownership or disposition of the Indian securities. Prospective investors should consult their own tax advisors in relation to any tax consequences on them having regard to their specific facts and situation.

We do not make any representation regarding any legal interpretations. Since the information below is based on relevant provisions of the IT Act as amended by the Finance Act, 2024, any subsequent changes in the said provisions (which may even be retrospective) could affect the tax implications for the investors.

General Taxation: The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year, as well as the nature of the income earned. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are afforded under the provisions of the IT Act. A person who is treated as non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income.

Section 90(2) of the IT Act provides that where the Government of India has entered into an agreement with the Government of any country outside India or specified territory outside India (where the taxpayer is a resident) for granting relief of tax or avoidance of double taxation, the taxpayer may opt to be taxed as per provisions of the IT Act or the tax treaty/DTAA, whichever is more beneficial.

This chapter does not discuss the tax implications applicable to the non-resident Investors under a beneficial DTAA [Section 90(2) of the IT Act], which would need to be analysed separately based on specific facts.

The Indian Government has deposited the ratified Multilateral Instrument ("MLI") to implement tax treaty related measures to prevent Base Erosion and Profit Shifting ("BEPS") on 25 June 2019 with Organisation for Economic Co-operation and Development ("OECD"). India has notified 93 tax treaties in its ratification and accordingly, India's tax treaties with such countries will include MLI provisions with effect from 1 April 2020.

This chapter does not discuss the impact of MLI on the claim of beneficial tax treatment under DTAA by a non-resident Investor. The same would need to be analysed separately based on the specific facts, where applicable. Further, the tax rates mentioned herein are exclusive of applicable surcharge and cess, unless specified otherwise.

Taxation of individual income component: Tax implications of the following income received by certain categories of clients from investments in securities as per IT Act are discussed as follows:

- (i) **Dividend Income:** With effect from 1 April 2020, dividend distributed by portfolio companies shall be subject to tax in the hands of the shareholders. Similarly, dividend distributed by Mutual Funds (MFs) covered under Section 10(23D) of the IT Act is taxable in the hands of the unitholders at applicable rates and exempt in the hands of Mutual Fund. Further, dividend distributing company/ Mutual Fund is required to withhold tax from dividend income as under:

- i. For Resident shareholder: 10% (no surcharge and cess applicable) (TDS withholding u/s 194 / 194K);

TDS at the rate of 10% on dividends distributed by a company to an Individual shareholder is applicable only if the amounts of such dividend distributed or paid or likely to be distributed or paid during the financial year by the company to the individual shareholder exceeds five thousand rupees in a financial year.

TDS at the rate of 10% on the income paid by a specified company / MFs to its resident shareholders / resident unitholders if the amount of such income exceeds five thousand rupees in a financial year. However, no tax shall be required to be deducted by the Mutual Fund on income which is in the nature of capital gains.

For Non-resident shareholder: Income from mutual funds are required to deduct tax at source on income in respect of units at the following rates:

1. In the case of FPIs - at 20% (plus applicable surcharge and cess) under section 196D of the IT Act.
Treaty benefits will be available only to those FPIs who provide their tax residency certificate u/s 90(4) or 90A(4) of the Act, to the fund. In such a case, the tax rate applicable will be lower of, 20% (u/s 196D) or the rate or rates of income tax provided in such an agreement for such income.
2. In the case of Overseas Financial Organisation - at 10% (plus applicable surcharge and cess) under section 196B of the IT Act,
3. In the case of other non-resident unitholders - at 20% (plus applicable surcharge and cess) under section 196A of the Act.

Treaty benefits will be available only to those non-resident unitholders who provide their tax residency certificate u/s 90(4) or 90A (4) of the Act, to the fund. In such a case, the tax rate applicable will be lower of, 20% (u/s 196A) or the rate or rates of income tax provided in such an agreement for such income.

Deduction under Section 57: The Finance Act 2020 allowed deduction of interest expense incurred while earning the dividend income / income in respect of mutual fund units. The expense allowance is restricted to 20% of the dividend income / income in respect of mutual fund units without deduction under Section 57. The expense allowance is not a standard deduction per se, and the shareholder / unitholder would need to establish and demonstrate that interest expense was actually incurred for the purpose of earning the dividend income / income in respect of mutual fund units. Further, it may be noted that interest expenditure is not likely to be allowable in the year when no dividend income / income in respect of mutual fund units is received by the shareholder / unitholder. Hence, in the case of Nil dividend income / income in respect of mutual fund units, the expenditure may not be allowable. A deduction for any expenses other than interest (as discussed above) is not allowable from the dividend income.

Roll over benefit: Section 80M of the IT Act provides for benefit of roll-over of deduction for the dividend received by a domestic company from another domestic / overseas company or a business trust (Real Estate Investment Trust / Infrastructure Investment Trust). Accordingly, where a corporate domestic investor is receiving dividends from a domestic / overseas company.

- (ii) **Gains from sale of securities – Characterization of income:** Gains arising from the sale of securities in India (shares, derivatives etc.) may be taxed as Capital Gains (CG) or Business Income (BI) under the provisions of the IT Act, depending on the facts and circumstances of the case.

Characterization of income arising from the sale of Indian securities has been the subject of legal debate. The CBDT has provided guiding principles (vide its Instruction: No. 1827, dated August 31, 1989, and Circular No 4/2007 dated June 15, 2007, on the determination of whether shares are held as stock-in-trade or held as investments. The Circular states that no single principle is determinative and that the specific facts and circumstances of each case are required to be considered in order to make a determination of whether the shares held would be regarded as stock-in-trade or investment.

The nature of income from the disposal of securities will be classified as CG or BI depending on whether the investments are held as assets, investments with the object of capital appreciation or stock in trade for the purpose of trade / adventure.

The following conditions are to be generally considered for determining the nature of such income:

- i. The motive of the entity is to earn profits through dividends, or from capital appreciations
- ii. The substantial nature of transactions, the manner of maintaining books of accounts, the magnitude of purchases and sales and the ratio between purchases and sales
- iii. Intent of the assessee as is evidenced by the documents / records
- iv. Whether the charter documents authorize any such activity
- v. Volume, frequency, continuity and regularity of transactions of purchase and sale
- vi. Period of holding
- vii. Use of owned funds (as opposed to loans) for acquisition

While the above discussion is predominantly in the context of transactions related to shares, on principles it could equally apply even to derivatives. Therefore, in the context of derivative transactions, given the short duration and nature of the transactions it is likely that the transaction would be considered as giving rise to BI rather than income from CG.

Furthermore, CBDT has provided further guidance on the matter vide circular No.6/2016 dated 29 February 2016 as follows:

- i. Where the taxpayer opts to treat listed shares and securities as stock in trade, the income arising from transfer of such shares / securities would be treated as its BI.
- ii. If the taxpayer desires to treat the income arising from the transfer of listed shares and securities held for more than 12 months as CG, the same shall not be disputed by the tax officer. However, such a stand adopted by the assessee will remain applicable in subsequent assessment years also and cannot be altered.
- iii. In all other cases the nature of the transaction shall continue to be decided basis the facts of each particular case.

The above-mentioned circular applied to listed shares and securities. Therefore, in order to bring parity in taxability of income/loss arising from transfer of unlisted shares the CBDT issued circular No.225/12/2016 dated 2 May 2016 determining the tax-treatment of income arising from transfer of unlisted shares for which no formal market exists for trading.

CBDT vide this circular clarifies that income arising from transfer of unlisted shares would be considered under the head CG, irrespective of period of holding with a view to avoid disputes/litigation and to maintain a uniform approach.

However, CBDT carves out three exceptions wherein this clarification shall not apply, namely:

- i. genuineness of transactions in unlisted shares itself is questionable
- ii. transfer of unlisted shares is related to an issue pertaining to lifting of corporate veil and
- iii. transfer of unlisted shares is made along with the control and management of the underlying business

Thus, it is important to clearly understand the intent of the issue of the aforesaid circulars by CBDT from time to time and to interpret in a rational manner where gain arising from the sale of securities should be classified under the head CG or BI.

(iia) Capital Gains: As per Section 45 of the IT Act, any profits or gains arising from the transfer of capital assets are chargeable to income tax under the head 'capital gains'. Section 48 of the IT Act provides that income chargeable as CG is the difference between the full value of the consideration received or accrued on the transfer and the cost of acquisition (indexed cost of acquisition in certain specific circumstances) of such assets plus expenditure in relation to such a transfer.

The sale of securities would be taxed as under in the case of resident investors:

Type of gain	Period of Holding	Tax rate
Short-term	12 months or less for listed shares (in which STT paid) and 24 months or less for unlisted shares	20% in case of equity shares or units of an equity-oriented fund listed on any recognised stock exchange in India and the sale is chargeable to STT. Ordinary rate of tax applicable to the respective investors i.e. at the rate up to 30% for corporate investors, 30% for partnership and limited liability partnerships and at the applicable slab rates² for individual investors in case of shares that are not listed on any recognised stock exchange in India and in case of listed shares being sold/ transferred in a transaction not chargeable to STT
Long-term	More than 12 months for listed shares and more than 24 months for unlisted shares	12.5% (without cost indexation) in case equity shares are listed on any recognised stock exchange in India and the The purchase and sale transaction of such equity shares is chargeable to STT. Further, LTCG shall be chargeable only in case where the capital gain exceeds INR 1,25,000 (Indian Rupees One Lakh Twenty-Five Thousand only). 12.50% (without indexation for equity shares which are not listed on any recognised stock exchange in India / in case of listed shares being sold/ transferred in a transaction not chargeable to STT.

²The Finance Act, 2023 says that the new regime i.e., Sec.115BAC of the IT Act as the default regime of taxation for Individuals (unless opted otherwise). Under the default regime certain exemptions and deductions from income are not available and slab rates as provided in the proposed section 115BAC(1A) shall be applicable Subject to certain specified exceptions on payment on STT at the time of purchase

Gains on sale of securities would be taxed as under in the case of non-resident investors:

Type of gain	Period of Holding	Tax rate
Short-term	12 months or less for listed shares and 24 months or less for unlisted Shares	20% in case of equity shares or units of an equity-oriented fund listed on any recognized stock exchange in India and the sale is chargeable to STT. Ordinary rate of tax applicable to the respective investors i.e., at the rate of 35% for corporate investors, and at the applicable slab rates for other non-corporate investors in case of shares that are not listed on any recognized stock exchange in India and in case of listed shares being sold/ transferred in a transaction not chargeable to STT.
Long-term	More than 12 months for listed shares and more than 24 months for unlisted shares	12.50% (without giving effect to first and second proviso to Section 48 i.e. ignoring forex and cost indexation benefits) in case equity shares are listed on any recognized stock exchange in India and the purchase and sale transaction of such equity shares is chargeable to STT. Further, LTCG shall be chargeable only in case where the capital gain exceeds INR 1,25,000 (Indian Rupees One Lakh Twenty-Five Thousand only). Gains on the sale of shares of unlisted companies are subject to tax 12.5% (without giving effect to first and second proviso to Section 48 i.e. ignoring forex and cost indexation benefits) / in case of listed shares being sold/ transferred in a transaction not chargeable to STT.

Capital Losses

As per the provisions of the Income-tax Act, 1961, short-term capital loss can be set off against both short-term capital gains and long-term capital gains but long-term capital loss can be set off only against long-term capital gains. Capital losses are not permitted to be set off against income under any other head of income. The unabsorbed short-term and long-term capital loss can be carried forward for 8 (eight) assessment years. Such carried forward short-term capital losses can be set-off against short-term as well as long-term capital gains, however, carried forward long-term capital loss can be set-off only against long-term capital gains.

(iib) **Business Income:** As discussed above, the gains on sale of derivative contracts in the futures segment should generally be characterized as BI and the same would be taxable at the rate up to 30% or other ordinary applicable rate.

However, where the derivative contracts are entered into by a person, are settled otherwise than by delivery of transfer of the shares, it may be classified as speculative income, which is a special class of BI (this class of BI cannot set off losses from non-speculative income streams and loss can be carried forward only for four years).

However, where the derivative contracts are entered into electronically through a broker / sub broker on a Stock Exchange, where the broker provides a time stamped contract note, with the PAN of the client thereon, then the income will not be considered as speculative income.

Where the Co-investment Portfolio Manager adopts certain strategies (say 'Long Short') which involves simultaneous purchase/sale of securities and derivative products, it might be possible that the tax authorities could construe the same as "trading income" and tax it as Business income (i.e., at higher tax rates).

- (iii) **Interest Income:** Classification of interest income is a matter of dispute with contradicting judicial precedents. Whether interest income would be assessable as business income or income from other sources would depend upon the nexus it has with the assessee's business. Interest income is taxable at the ordinary rate of tax applicable to the respective investors i.e., up to the rate of 30% for Indian resident corporate investors, 30% for partnerships and at the applicable slab rates for individual investors.

In case where the listed debt securities (excluding zero coupon bonds) are transferred, any gains derived from such transfer shall be taxed at applicable rate as short-term capital gains [where the period of holding is 12 months or less] and at the rate of 12.50% as long-term capital gains [where the period of holding is more than 12 months].

Income-tax provisions applicable to Non-residents in respect of receipt of income from fixed Income products are summarized below:

- (a) In terms of Section 115A of the IT Act, interest on monies borrowed in foreign currency (other than interest referred to in subsequent paragraphs) is taxable at 20% (subject to any tax treaty).
- (b) In terms of Section 115AB of the IT Act, income of an assessee, being an overseas financial organization (Offshore Fund) by way of income received in respect of units purchased in foreign currency or income by way of long term capital gains arising on transfer of units purchased in foreign currency, tax is charged @ 10% and income by way of long term capital gains arising on transfer of units purchased in foreign currency, tax is charged @ 12.50% subject to tax treaty benefit, if any. The payor is required to withhold the applicable taxes. No deduction shall be allowed against this income u.s 28 to s. 44C or s. 57(i) or 57(iii) or Chapter VI-A. No indexation shall be allowed on LTCG arising on transfer of units.
- (c) In terms of Section 115AC of the IT Act, income of non-resident by way of interest on bonds of an Indian Company issued in accordance with the notified scheme i.e. 'Issue of Foreign Currency Exchangeable Bonds Scheme, 2008'/'Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993/ Depository Receipts Scheme 2014' or on bonds of public sector company sold by the government and purchased by the investor in foreign currency or income by way of dividends on GDR or, will be taxed at the rate of 10% (plus applicable surcharge Health and Education cess) and any income by way of long term capital gains arising on transfer of above bonds or GDR's will be taxed at the rate of 12.5% (plus applicable surcharge Health and Education cess) subject to tax treaty benefit, if any. The payor is required to withhold the applicable taxes.
- (d) In terms of Section 115AD of the IT Act, income of a Foreign Institutional Investor/ Foreign Portfolio Investors received in respect of securities (other than units referred in Section 115AB) as defined under the Securities Contracts (Regulations) Act, 1956 is taxed @ 20% (plus applicable surcharge and Health and Education cess) subject to tax treaty benefit, if any.

- (e) Similar provision is available for other than FII investors who invest in Long-term Bonds of Indian company or a business trust in foreign currency, or foreign currency debt or rupee denominated bonds issued outside India, withholding shall be done under Section 194LC of the IT Act at 5% (plus applicable surcharge and Health and Education cess) subject to satisfaction of certain conditions (interest to be calculated at the rate approved by Central Government, having regards to the terms of the bonds and its repayment), subject to tax treaty benefit, if any. The payor shall withhold applicable taxes.
- (f) Any interest (other than above) on loan received in India currency is taxable at 35% (subject to tax treaty benefit, if any).

Rate of surcharge

The above rates of income-tax in this document shall be increased by the following surcharge on income-tax and education cess on income-tax and surcharge as per Old tax regime.

Particulars	Surcharge on income-tax	Education Cess on income-tax and surcharge
Rate of surcharge on Indian companies with income exceeding INR 10 million but less than INR 100 million	7%	4%
Rate of surcharge on Indian companies with income exceeding INR 100 million	12%	4%
Resident companies opting for taxation under section 115BAA and section 115BAB	10%	4%
Rate of surcharge on Foreign companies with income exceeding INR 10 million but less than INR 100 million	2%	4%
Rate of surcharge on Foreign companies with income exceeding INR 100 million	5%	4%
Rate of surcharge on Partnership firm / LLP with income exceeding INR 10 million	12%	4%
Individuals / HUF / AOP / BOI: where the total income exceeds INR 5 Million / 10 Million / 20 Million / 50 Million (Please refer to the note below)	10% / 15% /25% /37%	4%

Note: The enhanced rates of surcharge (essentially the 25% and 37% rate of surcharge applicable for income greater than INR 20 million and INR 50 million respectively), shall not apply for dividend income, capital gain arising to FII on transfer of any securities and in case of capital gains as referred to in section 111A, 112 and 112A of the IT Act.

New tax regime

Company:

Foreign Company: Taxed at 35%.

Domestic Company: Taxed at 30%. Different rates are, however, applicable in the following cases:

- A domestic Company (where its total turnover or gross receipt in the previous year 2022-23 does not exceeds Rs. 4000 Million) will be taxable at the rate of 25% for the Assessment Year 2025-26.

- A domestic company can opt for the alternative tax regime provided under section 115BAB or Section 115BAA.

Surcharge on Income Tax:

As per the Finance Act, 2023 with effect from 1 April 2022	Foreign Company	Domestic Company
If Taxable Income does not exceed Rs. 10 Million	Nil	Nil
If Taxable Income is in the range of Rs.10 Million to Rs.100 Million	2% of Income Tax	7% of Income Tax
If Taxable Income exceeds Rs. 100 Million	5% of Income Tax	12% of Income Tax

Health and Education Cess (HEC): it is 4%

FIRMS:

A firm is taxable at the rate of 30% for Assessment Year 2025-26.

Surcharge: Surcharge is 12% of Income Tax if net income exceeds Rs.10 Million. Health and Education Cess (HEC): it is 4% of Income Tax

Individual, Hindu undivided families (HUF), AOPs, BOIs – As per applicable slab rates

Tax Deducted at Source (TDS) under section 194Q

With effect from 1 July 2021, a buyer while making payment to resident sellers on purchase of goods having value exceeding fifty lakh rupees during the financial year is required to withhold tax at the rate of 0.1% under Section 194Q of the IT Act.

'Buyer' for the purpose of section 194Q of the IT Act is defined as a person whose total sales, gross receipts or turnover from the business carried on exceeds INR 100 million during the immediately preceding financial year in which the purchase of goods is carried out.

'Goods' for the purpose of section 194Q could include shares and securities. There are currently alternative interpretations of the applicability to transactions in securities including qualifying criteria for a "Buyer".

CBDT has also issued a clarificatory circular no. 13 / 2021 dated 30 June 2021 to address various issues in relation to the applicability of Section 194Q. As per the said circular, no TDS u/s 194Q shall apply in case of transactions in securities and commodities which are traded through recognized stock exchanges or cleared and settled by the recognized clearing corporation including recognized stock exchanges or recognized clearing corporations located in IFSC. This is in line with the CBDT circular issued in the context of Section 206C(1H).

Accordingly, where transactions in securities and commodities are traded through recognized stock exchanges, the provisions of section 194Q shall not apply in the hands of the buyer.

Further, TDS under Section 194Q shall not be applicable where the buyer is a non-resident and the purchase of goods is not effectively connected to its permanent establishment in India (if any).

Withholding of tax at higher rate

As per Section 206AA of the IT Act, where a recipient of income (which is subject to withholding tax) does not furnish its Permanent Account Number (“**PAN**”), then tax is required to be deducted by the payer at the higher of the following i.e., (i) rates specified in the relevant provisions of the IT Act; (ii) rates in force; or (iii) at 20% (twenty per cent) / 5% (five per cent) in case of withholding of tax under Section 194Q. In case of non-residents not having a PAN, this provision requiring tax deduction at a higher rate shall not apply if they furnish certain prescribed information / documents (including their tax residency certificate).

Accordingly, in case of recipients who do not have a PAN, tax shall be withheld at a minimum rate of 20% (twenty per cent) / 5% (five per cent) for TDS under Section 194Q, except in case of non- resident investors who furnishes certain prescribed information / documents (including their tax residency certificate) are provided by such Investors being non-residents.

Separately, under Section 206AB of the IT Act, where the recipient (other than a non-resident not having a permanent establishment in India) has not filed its income tax return for the financial year preceding the relevant financial year and such recipient has suffered withholding tax or tax has been collected from such recipient of an amount aggregating to INR 50,000 or more in the said year, then except in case of certain specified payments, tax shall be withheld at higher of the following rates:

- twice the rate provided under the IT Act; or
- twice the rate or rates in force; or
- the rate of 5%.

Further, where the recipient has neither furnished its PAN (which entails withholding of tax at minimum of 20% or 5%, as the case may be, under Section 206AA) nor filed its tax return for last two financial years, tax shall be withheld at higher of the rates under both the provisions.

Deemed income on investment in shares / securities

As per Section 56(2)(x) of the ITA, where any person receives any property, including shares and securities from any person for a consideration which is lower than the FMV by more INR 0.05 million, then difference between the FMV and consideration shall be taxable in the hands of acquirer as ‘Income from other sources’ (“**Other Income**”). The rules for determining the FMV of shares and securities have been prescribed under the IT Rules.

Separately, if shares other than “quoted shares” are transferred for less than the fair market value of the shares (computed as per prescribed rules), the fair market value of such unquoted shares shall be deemed to be the sale consideration for the seller, for computing its capital gains for Indian tax purposes. “Quoted share” is defined as “the share quoted on any recognised stock exchange with regularity from time to time, where the quotation of such share is based on current transaction made in the ordinary course of business.”

Bonus Stripping

Where any person buys or acquires any units of a mutual fund or the Unit Trust of India within a period of three months prior to the record date (i.e., the date that may be fixed by a Mutual Fund or the

Administrator of the specified undertaking or the specified company, for the purposes of entitlement of the holder of the units to receive additional unit without any consideration) and such person is allotted additional units (without any payment) on the basis of holding of the aforesaid units on the record date, and if such person sells or transfers all or any of the original units within a period of nine months after the record date while continuing to hold all or any of the additional units, then any loss arising to him on account of such purchase and sale of all or any of the units would be ignored for the purpose of computing his income chargeable to tax.

Further, the loss so ignored would be deemed to be the cost of acquisition of such additional units as are held by him on the date of sale or transfer of original units.

The Finance Act, 2022 has made the said provision applicable to securities as well (i.e., stocks and shares) and also modified the definition of unit, so as to include units of business trusts such as InvIT, REIT and AIF, within the definition of units. This amendment will take effect from the assessment year commencing on or after 01 April 2023.

Income Stripping

As per Section 94(1), where any person owning securities sells or transfers the same or similar securities and buys back or reacquires those securities and the result of the transaction is that any interest becoming payable in respect of the securities is receivable otherwise than by such owner, the said interest payable, whether it would or would not have been chargeable to income tax apart from the provisions of Section 94(1), would be deemed to be the income of the owner of the securities and not to be the income of any other person subject to certain specified conditions.

As per Section 94(2), where any person has had at any time during any previous year any beneficial interest in any securities, and the result of any transaction relating to such securities or the income thereof is that, in respect of such securities within such year, either no income is received by him or the income received by him is less than the sum to which the income would have amounted if the income from such securities had accrued from day to day and been apportioned accordingly, then the income from such securities for such year shall be deemed to be the income of such person.

Dividend stripping

Where any person buys or acquires any securities or units of a mutual fund or the Unit Trust of India within a period of 3 (three) months prior to the record date (i.e., the date that may be fixed by a company for the purposes of entitlement of the holder of the securities to receive dividend or by a mutual fund or the administrator of the specified undertaking or the specified company, for the purposes of entitlement of the holder of the units to receive income, or additional unit without any consideration, as the case may be) and such person (i) sells or transfers such securities within a period of 3 (three) months after record date, or (ii) such unit within a period of 9 (nine) months after such record date, and (iii) the dividend or income on such securities or unit received or receivable by such person is exempt, then, any loss arising to such person on account of such purchase and sale of securities or unit, to the extent such loss does not exceed the amount of such dividend or income received or receivable, would be ignored for the purposes of computing his income chargeable to tax.

The Finance Act, 2022 has modified the definition of unit, so as to include units of business trusts such as Infrastructure Investment Trust ('InvIT'), Real Estate Investment Trust ('REIT') and AIF, within the

definition of units. This amendment will take effect from the assessment year commencing on or after 01 April 2023.

General Anti-Avoidance Rules (GAAR)

The Finance Act, 2012 had introduced General Anti-Avoidance Rules (GAAR) into the IT Act, which, subsequent to the amendments introduced by the Finance Act, 2015, has come into effect from April 1, 2017.

As per the provisions of IT Act, Indian tax authorities have been granted wide powers to tax 'impermissible avoidance arrangements' including the power to disregard entities in a structure, reallocate income and expenditure between parties to the arrangement, alter the tax residence of such entities and the legal situs of assets involved, treat debt as equity and vice versa. The GAAR provisions are potentially applicable to any transaction or any part thereof.

The term 'impermissible avoidance arrangement' has been defined to mean an arrangement where the main purpose is to obtain a tax benefit, and it:

- (a) Creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length;
- (b) Results, directly or indirectly, in the misuse, or abuse, of the provisions of the IT Act;
- (c) Lacks commercial substance or is deemed to lack commercial substance; or
- (d) Is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.

Further, an arrangement shall be presumed, unless it is proved to the contrary by the taxpayer, to have been entered into, or carried out, for the main purpose of obtaining a tax benefit, if the main purpose of a step in, or a part of, the arrangement is to obtain a tax benefit, notwithstanding the fact that the main purpose of the whole arrangement is not to obtain a tax benefit.

In case the GAAR is applied to any transaction it could have an adverse impact on the taxability of the Investors and hence, impact the returns to the Investors.

It is provided that GAAR shall not apply, inter alia, to arrangements where the aggregate tax benefit in a relevant year, to all the parties involved, does not exceed INR 3,00,00,000 (Indian Rupees Thirty million).

Other applicable taxes

Wealth tax has been abolished by the Finance Act, 2015.

Securities Transaction Tax ("STT") - As discussed above the concessional rate for short term capital gains and long-term capital gains would be applicable only if the sale / transfer of the equity shares takes place on a recognized stock exchange in India. All transactions entered on a recognised stock exchange in India will be subject to STT levied on the transaction value at the applicable rates.

The rates of STT are as follows: -

Transactions/Particulars	Payable by Purchaser	Payable by Seller
Purchase / sale of an equity share in a company or a unit of a business trust - delivery based transaction in recognized stock exchange	0.1%	0.1%
Sale of a unit of an equity oriented mutual fund - delivery based transaction in recognized stock exchange or Sale of a unit of an equity-oriented fund to the Mutual Fund	Nil	0.001%
Sale or surrender or redemption of a unit of an equity-oriented fund to an insurance company on maturity or partial withdrawal with respect to unit linked policy issued after 1 February 2021	Nil	0.001%
Sale of equity share in a company or unit of an equity oriented mutual fund or a unit of a business trust – transaction in a recognized stock exchange, settled otherwise than by actual Delivery	N.A.	0.025%
Sale of unlisted shares or sale of unlisted units of a business trust under an offer for sale to the public	N. A	0.2%
Sale of an option in securities	N. A	0.1%
Sale of an option in securities, where option is exercised	0.125%	N.A.
Sale of futures in securities	N.A.	0.02%

The amount of STT paid in respect of the taxable securities transactions entered into in the course of a business during the previous year can be claimed as deduction, if the income arising from such taxable securities transactions is included in the income computed under the head ***Profits and gains from business and profession [Section 36(1)(xv)]***.

Stamp Duty and Transfer Tax

The Finance Act, 2019 has amended the above law to provide that stamp duty shall be levied uniformly throughout the country on transfer of securities in physical as well as dematerialized form.

Applicable stamp duty under various scenarios are tabulated below:

Particulars	Rate	Leviable on
1. Issue of securities		
Shares	0.005%	Issuer
Debentures	0.005%	Issuer
2. Transfer of securities		
A. Shares		
On delivery basis	0.015%	Buyer
On non-delivery basis	0.003%	Buyer
In physical form	0.015%	Seller/ Transferor
B. Debentures		
Marketable	0.0001%	Buyer
Non-marketable	0.0001%	Seller/Transferor

A stamp duty has been imposed on purchase of mutual funds – equity and debt funds – from July 1, 2020. A 0.005% stamp duty shall be levied on purchase of mutual funds, including lump sum, SIP, STP, and dividend reinvestment. It is, however, not applicable on redemption of units. Meanwhile, a stamp duty of 0.015% shall be levied in case of transfer of units between demat accounts.

There can be no guarantee that the above position regarding taxation of the Client would necessarily be accepted by the income-tax authorities under the IT Act. No representation is made either by the Co-investment Portfolio Manager or any employee, partner or agent of the Co-investment Portfolio Manager in regard to the acceptability or otherwise of the above position regarding taxation of the Client by the income tax authorities under the IT Act. Prospective Investors are urged to consult their own tax advisers in this regard.

13. ACCOUNTING POLICY / VALUATIONS

The following accounting policy will be applied for the Portfolio Companies of the Client:

- a) Investments in equities 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 on the date of the report, or any cut-off date or the market value of the debt instrument at the cutoff 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) Unrealized gains/losses are the differences between the current market values / NAVs and the historical cost of the Securities.
- d) Dividends on shares, interest, stock lending fees earned etc. shall be accounted on an accrual basis. The interest on debt instruments shall be accounted on an accrual basis.
- e) The Co-investment 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.
- f) The Co-investment Portfolio Manager shall follow the method as prescribed by APMI circular APMI/2022-23/01 dated March 23, 2023, for valuing any unlisted securities.
- g) Tax deducted at source ('TDS') on interest / TDS on dividend received on equity shares and TDS on capital gain (for Non-resident Indian clients) is shown as withdrawal from corpus and in case of reversal of TDS it shall be shown as corpus inflow. For clarification, no TDS is deducted on capital gains for resident clients and is the responsibility of the Client to pay such taxes to the authorities.
- h) Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction should be recorded, in the event of a purchase, as of the date on which there is enforceable obligation to pay the price or, in the event of a sale, when there is an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.

- i) Purchases are accounted for at the cost of acquisition inclusive of brokerage, stamp duty, transaction charges. Sales are accounted based on proceeds net of brokerage, stamp duty, transaction charges. Taxes, demat charges and Custodian fees on purchase/ sale transaction would be accounted as expense on receipt of bills.
- j) Investments are classified as long-term or current based on intention of management at the time of purchase. Investments that are readily realizable and intended to be held for not more than a year from the date on which investments are made are classified as current investments. All other investments are classified as long-term investments.
- k) All other investments are classified as long-term investments. Long-term investments are carried at carrying cost. Provision is made when there is a decline, other than temporary, in the carrying amount of such investments, determined separately for each individual investment.
- l) The Client may contact the customer services official of the Co-investment Portfolio Manager for the purpose of clarifying or elaborating on any of the above policy issues.

14. INVESTOR SERVICES

The Co-investment Portfolio Manager is committed to put in place and upgrade on a continuous basis the systems and procedures that will enable effective servicing through the use of technology. In accordance with Applicable Laws, the Client servicing essentially involves:

- (i) Reporting portfolio actions and Client statement of accounts at pre-defined frequency;
- (ii) Attending to and addressing any client query with least lead time.

a. Name, address and telephone number of the investor relation officer who shall attend to the investor queries and complaints:

Name	:	Kunal Sarupria
Address	:	1073, Quest, Rajabhau Desai Marg, Behind Beau Monde Towers, Prabhadevi, Mumbai – 400025,
Tel	:	022-69394444
Email	:	pe.investor.relations@valuequest.in

b. Grievance redressal and dispute settlement mechanism

In the event the Client has any grievance on the services standards or reporting that the Co-investment Portfolio Manager has agreed to provide, then the Client shall write to the Compliance Officer of the Co-investment Portfolio Manager, whose contacts coordinates are provided below:

Name of the Compliance officer	:	Tushnaz Patel
Address	:	1073, Quest, Rajabhau Desai Marg, Behind Beau Monde Towers, Prabhadevi, Mumbai – 400025,
Tel	:	022-69394444
Email	:	aifcompliancepe@valuequest.in

The aforesaid personnel of the Co-investment Portfolio Manager shall attend to and address any Client query or concern within 21 calendar days as required by SEBI.

If the Client still remains dissatisfied with the remedies offered or the stand taken by the Compliance Officer, the Client and the Co-investment Portfolio Manager shall abide by the following mechanism:

- (i) **Arbitration:** Any dispute unresolved by the above internal grievance redressal mechanism of the Co-investment Portfolio Manager, can be submitted to arbitration under the Arbitration and Conciliation Act, 1996. The arbitration shall be before three arbitrators, with each party entitled to appoint an arbitrator and the third arbitrator being the presiding arbitrator appointed by the two arbitrators. Each Party will bear the expenses / costs incurred by it in appointing the arbitrator and for the arbitration proceedings. Further, the cost of appointing the presiding arbitrator will be borne equally by both the Parties. Such arbitration proceedings shall be held at Mumbai and the language of the arbitration shall be English. The courts of Mumbai shall have exclusive jurisdiction to adjudicate upon the claims of the Parties.
- (ii) **SEBI SCORES Platform:** SEBI has launched a web based centralized grievance system called SCORES i.e. SEBI Complaints Redressal System, for online filing, forwarding and tracking of resolution of investor complaints. Without prejudice to anything stated above, the Client can also register its grievance/complaint through SCORES (SEBI Complaints Redress System), post which SEBI may forward the complaint to the Co-investment Portfolio Manager and the Co-investment Portfolio Manager will suitably address the same. SCORES is available at <https://www.scores.gov.in/scores/Welcome.html>. The SCORES ID of the Co-investment Portfolio Manager is PMN00089
- (iii) **SMART ODR Portal:** SEBI has launched a new web-based portal called ODR Portal, i.e., Online Dispute Resolution Portal, for quick resolution before proceeding with filing the complaint with any court, tribunal, etc. The Contributor may approach the ODR Portal at <https://smartodr.in/login>, as may be amended from time to time, provided that the Dispute is not pending before any arbitral process, court, tribunal or consumer forum or are non-arbitrable in terms of Indian law or barred by Applicable Laws of limitation in India.

15. DETAILS OF INVESTMENT IN THE SECURITIES OF RELATED PARTIES OF THE CO-INVESTMENT PORTFOLIO MANAGER

The Co-investment Portfolio Manager may make co-investments in the securities of its 'related parties' as defined in the PMS Regulations. The requirement to seek investor consent prior to making such co-investments on behalf of Clients shall not be applicable (in line with paragraph 3.7.1 of the Master Circular for PMS)

16. DETAILS OF THE DIVERSIFICATION POLICY OF THE CO-INVESTMENT PORTFOLIO MANAGER

Not applicable (in line with paragraph 3.7.1 of the Master Circular for PMS) dated 7th June 2024.

17. DIRECT ONBOARDING OF CLIENT

Not applicable.

For Quest4Value Investment Managers LLP

Sr. No.	Name of Partners	Signature
1.	Ravindra Dharamshi	Sd/-
2.	Aniket Dharamshi	Sd/-

Date: July 11, 2025

Place: Mumbai

FORM C

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

Name : Quest4Value Investment Managers LLP
Address : 1073, Quest, Rajabhau Desai Marg, Behind Beau Monde Towers, Prabhadevi, Mumbai – 400025.
Phone : +91-22-69394444
Email : aifcompliancepe@valuequest.in

We confirm that:

- i. The Disclosure Document forwarded to SEBI is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by SEBI 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 Co-investment Portfolio Manager.
- iii. The Disclosure Document has been duly certified by an independent Chartered Accountant on July 11, 2025. The details are as follows:

Name of the Firm : Mukesh M. Gangar & Co.
Proprietor : Mukesh Gangar
Membership No. : 034096
Address : F-15, Dadar Manish Market, S.B. Marg, Dadar(W), Mumbai – 400028,
Telephone No. : 91 7666678264

Principal Officer : Mr. Ravindra Dharamshi
Address : Kohinoor Square Business Park, B – 4101, 41st Floor, NC Kelkar Marg, Shivaji Park, Dadar West, Mumbai- 400028.
Telephone No. : 91 22 6992 5500
Email : aifcompliancepe@valuequest.in

For Quest4Value Investment Managers LLP

Sd/-

Ravindra R. Dharamshi
Principal Officer
Date: July 11, 2025
Place: Mumbai

Mukesh M. Gangar & Co.

CHARTERED ACCOUNTANTS

*F/15-16, Dadar Manish Market, 1st Floor, Senapati Bapat Marg, Dadar (West),
Mumbai – 400 028. Email ID: info@mgcgroup.in, Cell no.: 8591357633*

We hereby certify that the disclosures made in the enclosed Disclosure Document, prepared and forwarded by Quest4Value Investment Manager LLP in terms of the Fifth Schedule of Regulation 22 of the Securities and Exchange Board of India (Portfolio Managers) Regulations 2020 and the guidelines and directives issued by the Board from time to time, are true, fair and adequate to enable the investors to make a well informed decision.

This certificate is issued on the basis of the information and documents given/produced before us and on the basis of representations made by Quest4Value Investment Manager LLP

Place:- Mumbai Date:- 11/07/2025	For Mukesh M. Gangar & Co. Chartered Accountants  Mukesh M. Gangar Membership No: 034096 F No: 106621W UDIN: 25034096BMJRST8630
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