# INFORMATION NOTICE

**INFORMATION NOTICE FOR**

**IOF USD LIQUID RESERVES FUND (THE "CELL")**

**OF**

**INDIA OPTIMA FUND PCC (the "Company")**

(a protected cell public company incorporated in the Republic of Mauritius)

Managed by ICICI INTERNATIONAL LIMITED (the "Investment Manager")

(a private company incorporated in the Republic of Mauritius)

Application has been made for the admission of IOF USD LIQUID RESERVES FUND (the "Cell") of INDIA OPTIMA FUND PCC (the Company) on AFRINEX Limited ("Exchange"/ "AFRINEX")

This Information Notice as well as all information contained herein (the "Information Notice") is meant to provide details on the securities and the issuer in relation to the admission of the securities onto the AFRINEX Securities List ("ASL") maintained by the Exchange without admission to trading on the Exchange. The Information Notice has been prepared for the sole goal of being admitted and displayed on AFRINEX Securities List. It does not provide any key information to be used for making investment decisions.

The Information Notice is provided for information purposes only. It does not constitute and is not construed as any advice, solicitation, offer, endorsement, commitment, or recommendation to invest in the securities described herein. The provision of the Information Notice is not and shall not be a substitute for your own researches, investigations, verifications, checks or consultation for professional or investment advice. You are using the Information Notice at your own risks.

India Optima Fund PCC (the "Company ") accepts responsibility for the information contained in this Information Notice. To the best of the knowledge (which has taken all reasonable care to ensure that such is the case), the information contained in this Information Notice is in accordance with the facts and does not omit anything likely to affect the import of such information.

This updated supplement to the Private Placement Memorandum (Memorandum) of India Optima Fund PCC has been prepared in conformity with the AFRINEX Securities List Rulebook.

Neither the AFRINEX nor the Financial Services Commission (the "FSC") assumes any responsibility for the content of this document. The AFRINEX and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in this document and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof.

This Supplement/ Cell Document to the Memorandum of India Optima Fund PCC, include particulars given in compliance with the AFRINEX Securities List Rulebook for the purpose of giving information with regard to the issuer.

The directors, whose names are set out in the section titled (The Directors) under Structure, Management and Administration of the Company of India Optima Fund PCC Memorandum, collectively and individually, accept full responsibility for the accuracy or completeness of the information contained in this Supplement to Memorandum of the PCC and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

INDIA OPTIMA FUND PCC (The "Company") is organised as an open-ended protected cell public company, limited by shares, with a multi-class share capital structure, each held in different cells, holding a Global Business Licence and is authorised as a Collective Investment Scheme (under section 97 of the Securities Act 2005) and expert fund (under section 79 of the Securities Collective Investment Schemes and Closed end Funds Regulations 2008) by the Financial Services Commission, Mauritius. The Company in relation to its cells invests in India under the Foreign Portfolio Investors (FPI route of investment, and for this purpose has registered itself as a Category I FPI, with the Securities and Exchange Board of India (SEBI) FPI Regulations 2019 (Registration No. IN-MU-FP-115-616).

The Company will only issue RPS to expert investors. Under Mauritian law, an expert investor is: (i) an investor who makes an initial investment, for his own account, of no less than US$100,000; or (ii) a sophisticated investor (as defined in the Securities Act 2005 of Mauritius) or any similarly defined investor in any other securities legislation.

This amended supplement to the Memorandum of India Optima Fund PCC supersedes and replaces any and all respective previous Memorandum of India Optima Fund PCC, summaries, correspondences or other written or oral representations relating to the offering disseminated, if any, prior to the date of this document.

ISIN - MU0000000289

This Information Notice is dated 18 May 2023.

# APPENDIX 36: CELL designated as IOF USD LIQUID RESERVES FUND

Pursuant to the conversion of the Company into a protected cell company, the Company's share classes have been converted into cells.

This appendix dated 31 December 2021 to the confidential private placement memorandum (the "Memorandum") of India Optima Fund PCC (the "Company") contains information on the cell designated as IOF USD LIQUID RESERVES FUND (the "Cell"), a Cell of RPS (defined hereinafter) established by the Company. This appendix covers the launch of the Cell.

IOF USD LIQUID RESERVES FUND

(Hereinafter collectively referred as "Cell")

Prospective investors should carefully review the Memorandum, this appendix 36 in relation to the Cell designated as IOF USD LIQUID RESERVES FUND (the "Appendix") and the Prospectus of the Underlying Fund (defined below) in their entirety before investing in the Cell.

This Appendix is a supplement to the Memorandum, and no representations regarding the validity of the statements in the Memorandum are made herein. To the extent of any inconsistency between this Appendix and the Memorandum, the representations made in Appendix shall override those made in the Memorandum.

Investors should not construe the contents hereof as advice relating to legal, taxation, investment or any other matters, and are advised to consult their legal, tax, risk, financial and other professional advisors to determine possible legal, tax, financial or other considerations of investing in the Cell, before making a decision to invest in the Cell.

Investors are urged to retain this Appendix for future reference.

## 1. GENERAL RISK FACTORS

In addition to the risk factors set out in the Memorandum, investors should carefully consider the following general risk factors. Please note, the following is not an exhaustive list of risk factors, and do not depict all possible loss scenarios. Please refer to the Prospectus of the Underlying Fund for details of the risks associated with investments in the Underlying Fund. The Cell will be subject to the risk factors associated with investments in the Underlying Fund. Investors should note that an investment in the Cell is not the same as an investment in the Underlying Fund. The returns of the Cell will differ from that of the Underlying Fund.

The investments made by the Cell in the Underlying Fund do not confer any third party rights, do not constitute a partnership or joint venture between the parties, and do not appoint the parties as agents or representatives of each other. Nor do they confer any rights of agency to each other to act on behalf of each other in respect any investments made. The investments made by the Cell into the Underlying Fund do not create in favour of investors in the Cell any right, obligation or cause of action in any manner whatsoever against the Underlying Fund and vice versa.

### 1.1 Risk Analysis

Investors are advised to consult their professional advisors with regard to

implications relating to their investments in the Cell (including risks in relation to an investment in the Underlying Fund).

1.2 Risks associated with investing in Derivatives

The Cell will not take any derivative position and it will invest all or substantially all of its assets in the Underlying Fund. Use of derivatives requires an understanding of not only the underlying instrument but also of the derivative itself. Other risks include the risk of mis-pricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

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 fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value.

1.3 Overall investment risk

All securities investments risk the loss of capital. There can be no assurance that the Funds (including the Cells) will not incur losses. Returns generated from the Cell may not adequately compensate Participating Shareholders for the business and financial risks assumed. An investor should be aware that he may lose all, or part, of his investment in the Participating Shares. Many unforeseeable events, including actions by various government agencies and domestic and international economic and political developments, may cause sharp market fluctuations which could adversely affect the Cell portfolio and performance. Moreover, the past performance of the Investment Manager and of the Funds may not be indicative of future results.

## 2. ADDITIONAL RISK FACTORS

2.1 Investors in the Cell should note that they are not being offered any guaranteed returns.

## 3. ADDITIONAL DEFINITIONS AND ABBREVIATIONS

The following defined terms are used in this Appendix in addition to those defined in the Memorandum. Capitalized terms used in this Appendix without definition shall have the meanings assigned to them in the Memorandum.

| | |
|---|---|
| "Administrator" | means Apex Fund Services (Mauritius) Ltd and includes such subsequent administrator, registrar or secretary as appointed by the Company from time to time to provide administrative, registrar and/or secretarial services to the Company. |
| "AMC" | Goldman Sachs Asset Management International, the Investment Manager of Underlying Fund. |

| | |
|---|---|
| "Board" | means the board of directors of the Company. |
| "Business Day" | means those days when banks are open for business in Mauritius and New York with the exception of Good Friday or such other day or days as may be determined from time to time by the Directors. |
| "Dealing Day" | means the relevant valuation day, subject to modifications by the Board from time to time, and if such day is not a Business Day then the immediately next Business Day. |
| "Underlying Fund" | means Goldman Sachs US$ Liquid Reserves Fund (Institutional Accumulation (T) Class), a fund within Goldman Sachs Funds, plc |
| "Goldman Sachs Funds, plc" | An open-ended investment company with variable capital and with segregated liability between its sub-funds incorporated in Ireland as a public limited company on 25 July 1996 under registration number 252159 and authorised by the Central Bank of Ireland as a UCITS on 31 July 1996 |
| "NAV" | means Net Asset Value. |
| "NFO" | means New Fund Offer, i.e., offer of the RPS of the Cell during the New Fund Offer period. |
| "NFO Closing Date" | means [ ]. |
| "NFO Period" | means the period between the date of this Appendix and ending on the NFO Closing Date. The Board retains the discretion to extend / curtail the NFO Period. |
| "Ongoing Offering Period" | means offer of the RPS when the Cell becomes open ended, after seven (7) Business days from the NFO Closing Date. |
| Prospectus | means the prospectus dated 11 February 2019 of the Goldman Sachs Funds plc, together with the Supplement 24 thereto, each as may be amended, supplemented, replaced and/or updated from time to time. |
| "RPS" | means redeemable participatory share and with reference to this Appendix, the RPS issued to the investors to this Cell. |
| "USD" | means United States Dollars. |
| "Valuation Day" | means every Business day, subject to modifications by the Board from time to time, and if such day is not a Business Day then the immediately next Business Day. |
| "Valuation Point" | means the closing point of the Business Day immediately preceding the relevant Valuation Day and if that day is not a business day, the last business day immediately preceding that day. |

## 4. STRUCTURE OF THE CELL

The Company is an open-ended investment company formed under the laws of Mauritius with limited liability and unlimited life.

The Cell is open ended, and is structured as a separate pool of assets, as a cell established by the Company, with the investors having the option of entering or exiting the Cell on every Dealing Day, subject to the applicable loads, if any.

## 5. CLASS OF RPS

The Cell is currently offering roll up category RPS.

## 6. INVESTMENT OBJECTIVE

6.1 Cell

The primary objective of the Cell is to invest in shares of the Underlying Fund. The investment objective of the Cell will be in line with the investment objective of the Underlying Fund. However, there is no assurance that the investment objective of the Cell will be realised.

6.2 Underlying Fund

To maximise current income to the extent consistent with the preservation of capital and the maintenance of liquidity by investing in a diversified portfolio of money market securities.

However, there can be no assurance or guarantee that the investment objective of the Underlying Fund would be achieved.

## 7. INVESTMENT STRATEGY

7.1 Cell

The Cell will seek to achieve its objective by investing all or substantially all of its assets in the Underlying Fund.

7.2 Underlying Fund

The Underlying Fund will invest in the high-quality instruments (being an instrument or issuer that has received a favourable credit assessment as per the Prospectus of the Underlying Fund) indicated below:

| **Security/Instrument** | **Eligibility** |
|---|---|
| Money market instruments (government) | Yes |
| Money market instruments (non-government) | Yes |
| Securitisations and ABCP | Yes |
| Deposits | Yes |
| Financial derivative instruments | No |
| Repurchase agreements and reverse repurchase agreements | Yes |
| Money market funds | Yes |

The Underlying Fund may invest more than 25% of its net assets in bank obligations (whether US or non-US). As a result, the Underlying Fund may be especially affected by favourable and adverse developments in or related to the banking industry.

All of the Underlying Fund's investments will be denominated in US Dollars provided however, the Underlying Fund may accept collateral in respect of reverse repurchase agreements which is denominated in other currencies.

Shares of the Underlying Fund are denominated in US Dollars.

Investments in the Cell shall be subject to the Memorandum, the Prospectus of the Underlying Fund, and applicable laws.

For further details, please refer the Prospectus of the Underlying Fund, which can be accessed by visiting WWW.GSAM.COM/IOFUSDLR.

Access to the Prospectus for the Underlying Fund is provided solely for Cell investors' and prospective investors' information only. Provision of access to the Prospectus of the Underlying Fund does not constitute an offer of the Underlying Fund to any person.

(i) Investments in the Cell shall be subject to the Memorandum, the prospectus of the Underlying Fund, and applicable laws.

## 8. INVESTMENT, BORROWING AND DISTRIBUTION RESTRICTIONS

In addition to the general restrictions set out in the Memorandum and restrictions imposed by applicable laws, the following specific restrictions are applicable:

8.1 Derivatives

The Cell will not take any derivative position and it will invest all or substantially all of its assets in the Underlying Fund.

8.2 Leverage

The Cell shall not borrow money to leverage its portfolio of investments.

8.3 Short Sales

The Cell shall not sell securities short.

8.4 Distributions

As the Cell is offering only roll-up category RPS, the Cell will not declare or distribute dividends, and the Net Asset Value reflects net income, thereby increasing the Net Asset Value per RPS for the Cell during times of positive interest rates and decreasing the Net Asset Value per RPS for the Cell during times of negative interest rates.

## 9. CHANGES TO THE TERMS OF THE CELL

9.1 The Board reserves the right to change, amend, alter, add or modify in any manner the terms of the Cell, including, but not limited to, the investment policy, minimum amount of subscription/redemption, applicable loads, and fees, by providing at least ten (10) Business days prior notice to each RPS holder.

9.2 For the purposes of the aforesaid notice, ten (10) Business days shall be counted from the date of intimation

9.3 (A) Provided that, in case significant changes are made to the terms of the Cell, including but not limited to, changes to the investment strategy that:

(i) introduce new asset classes; or,
(ii) amend the investment restrictions

(B) Provided further, that these changes in the terms of the Cell are to the detriment of the RPS holder; such as a change resulting in an increase in:

(i) minimum subscription / holding / redemption; or
(ii) loads, charges and fees

other than those as specified in this Appendix, then the RPS holder will be given an opportunity to redeem their investments without paying the applicable exit load.

## 10. ASSET CLASS and ALLOCATION

The Cell shall invest all or substantially all of its assets into the shares of the Underlying Fund. The Cell shall retain some cash for the purposes of paying Cell expenses and funding of redemptions and shall be managed by the Investment Manager in such manner as the Investment Manager shall deem appropriate.

## 11. DURATION OF THE CELL

11.1 The duration of the Cell is perpetual. However, the Cell may be wound up by the Investment Manager, in case:

i. there are changes in the capital markets, fiscal laws or legal system, regulatory action, or any event or series of events occur, which, in the opinion of the Board, require the Cell to be wound up; or,

ii. the asset under management of the Cell falls to an amount that it is no longer viable to continue the Cell, the Board may, at their discretion, require the Cell to be wound up at any time; or,

iii. seventy five percent (75%) of the RPS holders of the Cell pass a resolution that the Cell be wound up; or,

iv. the Underlying Fund is wound up; or, can be wound up in case of any limitations on investing in destination fund due to notifications from the AMC

11.2 Where the Cell is to be wound up pursuant to the aforesaid, the Company shall give notice to the RPS holders, explaining the circumstances which led to the decision of winding up of the Cell.

## 12. FUNCTIONAL CURRENCY

12.1 The investor can invest only in USD.

12.2 At the time of subscription, the investor shall remit the subscription money in the functional currency.

12.3 The redemption proceeds shall also be paid in the functional currency.

## 13. NFO PERIOD

13.1 Tentative is the period beginning on the date of this Appendix and ending on the NFO Closing Date (subject to necessary approvals)

However, the Board retains the discretion to extend / curtail the NFO Period.

## 14. ONGOING OFFERING PERIOD

14.1 The issue price is USD ten (10) per RPS.

14.2 The first NAV will be calculated within seven (7) Business Days from the NFO Closing Date (subject to compliance with the applicable regulatory requirements) and post that it will be calculated on a daily basis.

14.3 The Cell will reopen for ongoing purchase and sales within seven (7) Business days after the NFO Closing Date.

14.4 However, the Board retains the absolute discretion to start and / or suspend the Ongoing Offer Period from such other date as it may deem appropriate.

## 15. RPS ISSUE PRICE

15.1 For investments during the NFO Period, RPS shall be issued to the investors at the initial offer price of USD ten (10) per RPS (the "Initial Offer Price").

15.2 For investments made during the Ongoing Offer Period, RPS shall be issued at the NAV per RPS prevailing on the relevant Dealing Day.

15.3 RPS shall be issued in fractions up to three decimal places.

## 16. NOT AVAILABLE FOR OFFER TO U.S. PERSONS

The Cell shall not currently be available for sale to persons in United States of America.

## 17. MINIMUM INITIAL INVESTMENT

17.1 The minimum initial investment per investor during the NFO Period, as well as, the Ongoing Offer Period is USD 100,000 and in multiples of USD 1,000 thereof.

17.2 Provided that, subject to applicable laws and at the discretion of the Board:

(i) this limit on minimum initial investment may be increased for investor(s) at the absolute discretion of the Board; and,

(ii) an investor may be allowed to subscribe for a lower amount or in a smaller/higher multiple in any case.

17.3 However if the proposed investor already holds an existing 100,000 or more USD investment in any of the other cells under India Optima Fund PCC, then the minimum initial investment in the said cell offering can be in multiples of USD 1,000 thereof.

## 18. MINIMUM SUBSEQUENT SUBSCRIPTION

18.1 The minimum amount for subsequent investment, during the Ongoing Offer Period, is USD 1,000 and in multiples of USD 1,000 thereof.

18.2 Provided that, subject to applicable laws and at the discretion of the Board:

(i) this limit on minimum subsequent investment may be increased for investors in some jurisdictions; and,

(ii) an investor may be permitted to invest for a lower amount in a subsequent investment.

## 19. MINIMUM HOLDING

There is no minimum holding requirement, however, the Board may from time to time determine the minimum number of any holding of RPS which may be held and may, in doing so, differentiate between different applicants or different groups of applicants or between different RPS holders or different groups of RPS holders; provided that, any such determination shall not oblige any RPS holder prior to such determination either to dispose of any of his RPS or to acquire any additional RPS.

## 20. SUBSCRIPTION

20.1 Subscriber/investor agrees that a request for subscription will not be complete until the Company receives the duly completed and executed subscription form along with the necessary supporting documents necessary for know your client ("KYC") / anti money laundering ("AML") and the cleared funds during the NFO Period.

20.2 The Company may accept or reject a subscription form for the Cell in whole or in part, in its sole discretion without assigning any reason.

20.3 During the NFO Period

(i) Applicants for RPS should complete a subscription form and send it to the Administrator together with such other documentation or information that may be requested by the Administrator by facsimile (original to be sent to

the Administrator within five (5) Business Days) by 5 pm (Mauritius time) or such other timing as the Board may determine from time to time, by the last day of the NFO Period or any other time, which the Board may in its absolute discretion decide.

(ii) Cleared funds in respect of the subscription monies must be received in full by the above-stipulated time. If the relevant subscription form, together with the necessary documentation and/or subscription monies is/are not received as set forth herein, the subscription may be rejected or rolled over as the Board may determine. Provided that, subject to applicable laws, the Board retains the discretion to accept a subscription received after the above-stipulated time.

20.4 During the Ongoing Offer Period

(i) Applicants for RPS should complete a subscription application and send it to the Administrator together with such other documentation or information that may be requested by the Administrator by facsimile (original to be sent to the Administrator, by courier / hand delivery within five (5) Business Days), by 1.30 pm Mauritius time on Dealing Day or such other timing as the Board may determine from time to time or any other time which the Board may in its absolute discretion decide.

(ii) Cleared funds in respect of the subscription monies must be received in full by the above-mentioned time. If the application form or the money is received after the above-mentioned time, then the subscription request may be rejected or rolled over to the next Dealing Day as the Board may determine. Provided that, subject to applicable laws, the Board retains the discretion to accept a subscription after the above-mentioned time.

20.5 All subscriptions will take place based at the NAV calculated on the Dealing Day. The NAV of the Underlying Fund used to calculate the dealing day NAV may be from the previous Dealing Day. This is sometimes known as 'historical pricing'. The subscription price may differ from the NAV declared for the Dealing Day on which subscription request was accepted by the Cell due to applicable charges, transaction costs, if any, charged by the Cell.

## 21. REDEMPTION

21.1 Redemptions will be permitted on every Dealing Day, during the Ongoing Offer Period, subject to applicable Exit Loads, discussed separately below.

21.2 Redemption proceeds shall be paid in USD (amount will be rounded off to 2 decimal places), by way of crediting the account as specified by the investor, at the time of application or as modified from time to time.

21.3 The redemption proceeds shall not be paid to any third party. However, the Board retains the right to allow third party payments under exceptional circumstances, subject to applicable law (for instance, in the event of death of RPS holder).

21.4 Request for redemption must state (i) the number of RPS to be redeemed, (ii) the name of the Cell to be redeemed and (iii) the investor name in which such RPS are registered.

21.5 It is clarified that no redemption requests shall be placed in terms of USD amount. Any redemption request received in terms of USD amount shall be rejected.

21.6 The requests for redemption should reach the Administrators before the respective Dealing Day cut-off of 1.30 pm Mauritius time. Requests received after the above-stipulated time, will be rolled over for redemption on the next Dealing Day. Provided that, subject to applicable laws, the Board retains the discretion to accept the redemption request received after the above-stipulated time. There is no restriction or cap on the Cell for redeeming the units from the master fund.

21.7 All redemptions will take place based at the NAV calculated on the Dealing Day. The NAV of the Underlying Fund used to calculate the Dealing Day NAV may be from the previous Dealing Day. This is sometimes known as 'historical pricing'. The redemption price may differ from the NAV declared for the Dealing Day on which redemption request was accepted by the Cell due to applicable charges, transaction costs, if any, charged by the Cell. Additionally, the Redemption price will be paid after making further adjustments towards applicable Exit Load.

21.8 Payment of redemption proceeds may, subject to any declaration by the Cell of a suspension or limitation of redemptions and/or redemption proceeds, be made within three (3) Business Days from either the relevant Dealing Day, or after receipt of the completed original redemption documentation and the requested KYC documentation whichever is the later. Provided that, subject to applicable laws, the Board retains the discretion to change the number of days within which the redemption proceeds may be remitted back to the investors.

21.9 Redemptions will be suspended when the calculation of NAV is suspended.

## 22. NAV CALCULATION

22.1 NAV will be calculated as set forth in the Memorandum. NAV shall be rounded off to 4 decimal places.

22.2 The first NAV of the Cell after the issue of the RPS will be calculated and disclosed within a period of seven (7) Business Days from the NFO Closing Date. Subsequently, NAV will be calculated at the end of every Dealing Day and published on every Valuation Day.

22.3 If the Company fails to declare the NAV within five (5) Business Days of the Valuation Day, then it will send a communication to every investor providing reasons explaining when the Company will be able to declare the NAV.

22.4 Calculation of the NAV may be suspended at the discretion of the Company during:

(a) any period (other than ordinary holiday or customary weekend closings) when any market is closed which is the main market for a significant part of the Company s investments, or when trading thereon is restricted or suspended;

(b) any period when any emergency exists as a result of which disposal by the Company of its Investments which constitution a substantial portion of its

assets is not practically feasible;

(c) any person when, for any reason, the prices of a material portion of the Investments of the Company cannot be reasonably, promptly or accurately ascertained;

(d) any period when remittance of monies which will, or may be, involved in the realisation of, or in the payment for, Investments of the Company cannot, in the opinion of the Directors, be carried out at normal rates of exchange; or

(e) any period when proceeds of the sale or redemption of Participating Shares cannot be transmitted to or from the Company account.

## 23. FEES AND CHARGES

23.1 Entry Load (Cell Level)

Investors will be required to pay all comprehensive entry load at the Cell level only. Entry load break-up at the Cell level is only for information purposes.

At Cell Level

(i) NIL

(ii) However, the Board retains the discretion to levy, increase or decrease the load in any case.

23.2 Exit Load - (Cell Level)

Investors will be required to pay all comprehensive exit loads at the Cell level only. Exit load break-up at the Cell level is only for information purposes.

At Cell Level

(i) NIL

(ii) However, the Board retains the discretion to levy, increase or decrease the load in any case.

## 24. TOTAL EXPENSE RATIO (INCLUSIVE OF ALL FEES AND CHARGES)

(Total costs associated with managing and operating the Cell including Management Fees for the Fund shall not exceed 0.15% of the gross asset value. Any excess expense will be borne by the Investment Manager) Trail Fees would be paid from Management Fees.

Additionally, the Cell would bear the fees and expenses (Total Expenses) of the Underlying Fund, and these fees and expenses are reflected in the local net asset value of the Underlying Fund whose Shares are held as investments by the Cell. These fees and expenses are not reflected in the maximum total costs for the Cell disclosed in the above paragraph.

Any rebate from the Underlying Fund will be used to set off the administration charges of the said Cell.

## 25. LOCK IN PERIOD

The RPS will be locked - in until the first NAV of the Cell is declared after the

NFO Closing Date.

## 26. INVESTMENT MANAGER

26.1 For the Cell

(i) ICICI INTERNATIONAL LIMITED - ("Investment Manager"). Holds Global Business License 1 and a CIS Manager License and is regulated by Financial Services Commission, Mauritius.

(ii) For information on ICICI International Limited, please refer Section V of the Memorandum under the heading "Management, Administration and Operations".

26.2 For the Underlying Fund

(i) Goldman Sachs Asset Management International.

(ii) Goldman Sachs Asset Management International acts as investment manager to a range of collective investment schemes and, together with its affiliates, also provide investment management and advisory services to Goldman Sachs mutual funds and other collective investment schemes and to institutional and private investors.

(iii) Goldman Sachs Asset Management International has appointed Goldman Sachs Asset Management, L.P. to act as sub-investment Manager to the Underlying Fund. Goldman Sachs Asset Management, L. P registered as an investment adviser under the United States Investment Advisers Act of 1940, as amended.

# INDIA OPTIMA FUND PCC

(the "Company")

(a protected cell public company incorporated in the Republic of Mauritius)

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

Managed by

ICICI INTERNATIONAL LIMITED

(the "Investment Manager")

(a private company incorporated in the Republic of Mauritius)

Date: 31 December 2021

CONFIDENTIAL

STRICTLY NOT FOR FURTHER CIRCULATION

Copy No.:

This Private Placement Memorandum is being furnished to prospective investors on a confidential basis for them to consider an investment in one of the cells of the Company (each a "Fund"), offered in the Company and may not be used for any other purpose. The specific information contained in the Appendices to the Memorandum attached hereto is specific to investments in the respective Funds and the information contained in the body of this Memorandum is general information about the Company. This Memorandum may not be reproduced or provided to others without the prior written permission of the Company. No person receiving a copy of this Memorandum in any territory may treat the same as constituting an invitation to him, unless in the relevant territory such an invitation could lawfully be made to him without compliance with any registration or other legal requirements or where such registration or legal requirements have been complied with.

*IF YOU ARE IN DOUBT AS TO THE CONTENTS OF THIS MEMORANDUM, YOU SHOULD CONSULT YOUR STOCK BROKER, BANK MANAGER, SOLICITOR OR ACCOUNTANT OR FINANCIAL ADVISER(S).*

The Company in relation to its cells invests in India under the Foreign Portfolio Investors (FPI route of investment, and for this purpose has registered itself as a Category I FPI, with the Securities and Exchange Board of India (SEBI) FPI Regulations 2019 (Registration No. IN-MU-FP-115-616).

Non-resident Indians (NRIs) should consult the Investment Manager prior to making investments in the Funds.

The Company is organised as an open-ended protected cell public company, limited by shares, with a multi-class share capital structure, each held in different cells, holding a Global Business Licence and is authorised as a Collective Investment Scheme (under section 97 of the Securities Act 2005) and expert fund (under section 79 of the Securities Collective Investment Schemes and Closed end Funds Regulations 2008) by the Financial Services Commission, Mauritius.

Investors in the Company are not protected by any statutory compensation arrangements in Mauritius in the event of the failure of the Company or any Fund.

The FSC does not vouch for the financial soundness of the Company (or any Fund) or for the correctness of any statements made or opinions expressed with regards to the Company or any Fund.

The Company in relation to each cell is offering Participating Shares (RPS) of different classes. The Company has created different cells, each of which is a separate Fund. Each Fund constitutes a separate pool of assets. The RPS and the Management Shares of the Company are collectively referred to as "Shares".

The Company will only issue RPS to expert investors. Under Mauritian law, an expert investor is: (i) an investor who makes an initial investment, for his own account, of no less than US$100,000; or (ii) a sophisticated investor (as defined in the Securities Act 2005 of Mauritius) or any similarly defined investor in any other securities legislation.

This Memorandum is qualified in its entirety by the Constitution (provided on request) and, with respect to each Fund, by the applicable Appendix and any conflict between any statement made herein and any provision of an Appendix or the

Constitution, as applicable shall be resolved in favor of the latter two documents. The Constitution shall prevail over all Appendices.

Neither the delivery of this Memorandum or the Constitution, nor the placing, allotment, or issue of any Shares shall under any circumstances create any implication or constitute a representation that the information given in this Memorandum is correct as of any time subsequent to the date hereof. The information contained in this Memorandum is true and accurate as on the date of the Memorandum. This Memorandum may not be reproduced or provided to others without the prior written consent of the Company or the Investment Manager. By accepting delivery of this Memorandum, you agree to the foregoing and you further agree to return this Memorandum if you do not purchase any Shares.

No person has been authorized in connection with this offering to issue any advertisements or to give any information or make any representations other than as contained in this Memorandum. If issued, given or made, such advertisement, additional information or representation must not be relied upon as having been authorized by the Company, its Directors, its Investment Manager or any other person. This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy the Shares described herein in any state or other jurisdiction where, or to any person or entity to whom, it is unlawful to make such offer or solicitation.

In making an investment decision, investors must rely on their own examination of the Company and the terms of the offering, including the merits and risks involved.

Prospective Investors must be aware that investment in any Fund carries a significant degree of risk and will involve special considerations. The Company is only suitable for investment by investors who are aware of and understand the risks involved and are able to withstand the loss of their invested capital. The investments made by the Company in relation to each Fund using the proceeds of the RPS issuances are subject to normal market fluctuations and the risks inherent in all investments and there can be no assurance that an investment will retain its value or that appreciation will occur. The price of RPS in respect of a Fund and the income from RPS can go down as well as up and investors may not realize the value of their initial investment. The attention of prospective investors is drawn to the Section titled Considerations below (which section should not be read as being exhaustive). Please also note that no regulatory authorities have confirmed the accuracy or determined the adequacy of this Memorandum.

Some Funds will invest all or substantially all their assets in other investment vehicles (the “Underlying Funds”), in which case the investment objective and strategy of the Fund will be the same as the investment objective and strategy of the Underlying Fund in which it invests. Investors should carefully review these before investing in the relevant Funds. Information on which Funds invest in Underlying Funds is set forth in the Fund Appendices.

Prospective investors should not treat the contents of this Memorandum as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of RPS in respect of a Fund and MS; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries, in Mauritius

and in India as a result of the purchase, holding, transfer, redemption or other disposal of Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Shares and an investment therein. In certain instances, parts of this Memorandum may have been last reviewed prior to the date mentioned on the cover page and may therefore not be up to date as at such date.

The receipt by any person of this Memorandum and any information contained herein or supplied herewith or subsequently communicated to any person in connection with a proposed subscription for Shares is not to be taken as constituting investment advice by or from the Company and/or the Investment Manager.

Investors may request additional information by writing to:

Attention:

India Optima Fund PCC

4th Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius

NOTICE

The Shares mentioned herein are not being offered for sale or subscription to the public but are being privately placed with a limited number of sophisticated individual and institutional investors who are not persons residing in India (the term is defined as such under the Foreign Exchange Management Act, 1999 of India.

The Shares will not be registered and/or approved by SEBI or any other legal or regulatory authority in India.

This Memorandum has been prepared solely for the benefit of persons interested in a possible investment in any of the Funds, and any reproduction or distribution of this Memorandum in whole or in part, or the divulgence of any of its contents without the prior written consent of the Company or the Investment Manager is strictly prohibited.

This Memorandum does not constitute and may not be used for the purpose of an offer to sell or a solicitation of an offer to buy the Shares of the Company described herein to or from any person other than the person to whom it is specifically provided as mentioned on the cover page of this Memorandum. No person, other than such person, receiving a copy of this Memorandum may treat the same as constituting an offer to sell or a solicitation or an offer to buy the Shares as described herein.

The board of directors of the Company (the "Board") reserves the right to withdraw or modify this offering at any time prior to the acceptance by the Company of subscriptions from the investors. The Company also reserves the right to close the subscription books before the minimum amount of capital has been subscribed in a particular Fund as per the Fund Document and may continue to solicit subscriptions to a particular Fund after the first closing of a respective Fund as stated in the Fund Document.

Statements made in this Memorandum are based, as they relate thereto, upon the law and practice currently in force in Mauritius and India.

This Memorandum does not constitute, and may not be used for the purposes of, an offer or an invitation to subscribe for Shares by any person in any jurisdiction (i) in which such offer or invitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation.

## SECURITIES LAWS

UNITED STATES OF AMERICA

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("1933 Act"), Act or the securities laws of any state, and may not be offered, sold or otherwise transferred directly or indirectly in the U.S. or to or for the account or benefit of any U.S. Person as defined in Regulation S under the 1933 Act except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws. The Shares are being offered outside the United States pursuant to the exemption from the registration requirements of the 1933 Act under Regulation S under the 1933 Act, and inside the United States in reliance on Regulation D promulgated under the 1933 Act.

For Funds and Underlying Funds that may invest in futures contracts, options on futures, and other related derivatives, the Investment Manager, the Investment Advisors, and the investment managers and advisers of such Underlying Funds (together, the "Managers") are exempt from registration as commodity pool operators (the "CPOs") with the U.S. Commodity Futures Trading Commission (the "CFTC") because such Funds, such Underlying Funds and any other commodity pools operated by the Managers will be operated pursuant to the exemption from CPO registration under the U.S. Commodity Exchange Act, as amended (the "CEA"), afforded by Rule 4.13(a)(4) of the CFTC or other applicable exemptions. For such Funds, such Underlying Funds and other such commodity pools that rely on the Rule 4.13(a)(4) exemption, this exemption will be based upon the fact that (i) securities of such Funds, such Underlying Funds and such other commodity pools are exempt from registration under the 1933 Act and are offered and sold without marketing to the public in the United States, and (ii) each person who holds their securities satisfies the requirements of paragraph (a)(4) of Rule 4.13 by virtue of being, among other things, either a qualified purchaser as defined in Section 2(a)(51) of the 1940 Act, or a "Non-United States person" as defined in Rule 4.7 under the CEA. Therefore, unlike a registered CPO, the Managers are not required to deliver to Shareholders disclosure documents and certified annual reports for the Funds that meet the requirements of the CFTC applicable to registered CPOs.

The Board does not intend to permit Shares acquired by employee benefit plans subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA Plans"), and other benefit plan investors to equal or exceed 25 per cent of the value of Shares of any Fund. Accordingly, each prospective investor will be required to represent and warrant as to whether he is a benefit plan investor for purposes of the plan asset regulations under ERISA.

UNITED KINGDOM

IOF is an unregulated collective investment scheme for the purpose of the Financial Services and Markets Act 2000 (the "Act/FSMA"), the promotion of which in the United Kingdom is restricted by section 238 of the Act. No shares in IOF may be offered or sold in the United Kingdom by an authorised person by means of this Presentation other than in accordance with the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (SI 2001/1060), or the conduct of business rules of the United Kingdom Financial Services Authority (and in particular section 4.12). Except as described above, no communication, including this Presentation made or issued in connection with shares in IOF may be passed on to any person in the United Kingdom.

1. This Memorandum is directed only at persons falling within the following exemptions from the scheme promotion restriction in s 238 of the Act:

2. authorised firms under FSMA and certain other investment professionals falling within article 14 of the FSMA (Promotion of Collective Investments Schemes) (Exemptions) Order 2001 (CIS Order);

3. high net worth entities (not individuals) falling within article 22 of CIS Order;

4. persons who receive this Memorandum outside the United Kingdom.

The distribution of this Memorandum in the United Kingdom to anyone not falling within the above categories is not permitted by India Optima Fund PCC and ICICI International Limited and may contravene FSMA. No person within the United Kingdom who is not either a high net worth entity or a person with professional experience in matters relating to investments as referred to above should treat this Memorandum as constituting a promotion to him, or act on it for any purposes whatever.

Recipients of this Memorandum are advised that India Optima Fund PCC, ICICI International Limited and the Placing Agent / Distributor are not acting for or advising them and are not responsible for providing recipients of this Memorandum with the protections which would be given to those who are clients of Placing Agent under the Financial Services Authority Rules.

SINGAPORE

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore unless permitted under any applicable exemption. Moreover, this document is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

HONG KONG

The contents of this Memorandum have neither been reviewed nor endorsed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Memorandum, you should obtain independent professional advice.

This Memorandum has not been registered by the Registrar of Companies in Hong Kong. The Company is a collective investment scheme as defined in the Securities and Futures Ordinance of Hong Kong but has not been authorised by the Securities and Futures Commission thereunder. Accordingly, the Shares may only be offered or sold in Hong Kong to persons who are “professional investors” within the meaning of Securities and Futures Ordinance of Hong Kong or in

circumstances which are permitted under the Companies Ordinance of Hong Kong and the Securities and Futures Ordinance of Hong Kong.

BAHRAIN

This offer is a private placement. It is not subject to the regulations of the Central Bank of Bahrain that apply to public offerings of securities, and the extensive disclosure requirements and other protections that these regulations contain. This memorandum is therefore intended only for "accredited investors" as defined below:

Accredited Investors are:

a. Individuals holding financial assets (either singly or jointly with their spouse) of USD 1,000,000 or more;

b. Companies, partnerships, trusts or other commercial undertakings, which have financial assets available for investment of not less than USD 1,000,000; or

c. Governments, supranational organisations, central banks or other national monetary authorities, and state organisations whose main activity is to invest in financial instruments (such as state pension funds).

The financial instruments offered by way of private placement may only be offered in minimum subscriptions of $100,000 (or equivalent in other currencies).

The Central Bank of Bahrain assumes no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the contents of this document.

The Board of directors and the management of the issuer accepts responsibility for the information contained in this document. To the best of the knowledge and belief of the board of directors and the management, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the reliability of such information.

***Important: If you are in any doubt about the contents of this prospectus, you should seek independent professional financial advice. Remember that all investments carry varying levels of risk and that the value of your investment may go down a well as up. Investments in this collective investment undertaking are not considered deposits and are therefore not covered by the Kingdom of deposit protection scheme. The fact that this collective investment undertaking has been authorised by the Central Bank of Bahrain, does not mean that the CBB takes responsibility for the performance of these investments, nor for the correctness of any statements or representations made by the operator of this collective investment undertaking.***

OMAN

This Memorandum does not constitute a public offer or distribution of securities in the Sultanate of Oman, as contemplated by the Commercial Companies Law of Oman (Royal Decree No. 4/74) or the Capital Market Law of Oman (Royal Decree No. 80/98), or an offer to sell or the solicitation of any offer to buy non- Omani securities in the Sultanate of Oman, as contemplated by Article 6 of the Executive Regulations to the Capital Market Law (issued by Ministerial Decision No. 4/2001).

This Memorandum is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to make an offer to Company to enter into commitments to invest in the Shares outside the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

Additionally, this Memorandum is not intended to lead to the making of any contract within the territory or under the laws of the Sultanate of Oman.

The Company is regulated by the Financial Services Commission of Mauritius. The Capital Market Authority and the Central Bank of Oman take no responsibility for the accuracy of the statements and information contained in this Memorandum or for the performance of the Company nor shall they have any liability to any person for damage or loss resulting from reliance on any statement or information contained herein.

QATAR FINANCIAL CENTER

This document provides you with important information about the scheme. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this scheme.

You are advised to read it so you can make an informed decision about whether to invest.

(a) The scheme is a collective investment scheme that is not registered in the QFC or regulated by the Regulatory Authority;

(b) any prospectus for the scheme, and any related documents, have not been reviewed or approved by the Regulatory Authority;

(c) investors in the scheme may not have the same access to information about the scheme that they would have to information about a collective investment scheme registered in the QFC; and

(d) recourse against the scheme, and those involved with it, may be limited or difficult and may have to be pursued in a jurisdiction outside the QFC.

Regulatory Authority means the regulatory authority of the Qatar Financial Centre (QFC) established pursuant to Article 8 of the QFC Law No. (7) of Year 2005 as amended from time to time.

UNITED ARAB EMIRATES

The offering of the securities has not been approved or licensed by the UAE Central Bank or any other relevant licensing authorities in the United Arab Emirates, and does not constitute a public offer of securities in the United Arab Emirates in accordance with the commercial companies law, federal law no. 8 of 1984 (as amended) or otherwise. Accordingly, the securities may not be offered to the public in the United Arab Emirates. This Private Placement Memorandum is strictly private and confidential and is being issued to a limited number of individual and institutional investors who qualify as sophisticated investors and must not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose. Each of the company, the promoter and the Investment Manager represents and warrants that the securities will not be offered, sold, transferred or delivered to the public generally in the United Arab Emirates, although securities may be offered to sophisticated investors on a private placement basis.

GULF COOPERATION COUNCIL (GCC) OTHER THAN UAE

This Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Shares in any GCC jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction or in respect of whom there may be a legal requirement to obtain prior approval of the Memorandum from the regulatory authorities and/ or to appoint a local broker. The distribution of this Memorandum and the offer or sale of the Shares may be restricted by law in certain GCC jurisdictions. The Company does not represent that this Memorandum may be lawfully distributed, or that any Shares may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, nor does it assume any responsibility for facilitating any such distribution or offering. No transaction relating to the Shares in the Funds will be concluded in any of the GCC jurisdictions. Investors wishing to subscribe for Shares in the Funds should apply to the Company as required in this Memorandum.

AUSTRALIA

The Shares in the Company described in this Memorandum have not been and will not be offered for subscription in Australia, other than to professional or sophisticated investors in Australia within the meaning of section 708(8) and section 708(11) of the Corporations Act 2001 (Cth) (the "Corporations Act") or otherwise pursuant to offers which, by virtue of section 708 of the Corporations Act, do not require disclosure to be made under Part 6D.2 of the Corporations Act. Shares so issued to investors in Australia pursuant to offers made under this Memorandum may not be offered for resale in Australia within12 months after their issue, other than pursuant to an offer for resale which, by virtue of section 708 of the Corporations Act, does not require disclosure to be made under Part 6D.2 of the Corporations Act.

CANADA

This Canadian offering memorandum constitutes an offering of these securities in those jurisdictions and to those persons where and to whom they may lawfully be offered for sale, and therein only by persons permitted to sell such securities. This Canadian offering memorandum is not, and under no circumstances is to be construed as, a prospectus, an advertisement or a public offering of these securities in Canada. No securities commission or similar regulatory

authority in Canada has reviewed or in any way passed upon this Canadian offering memorandum or the merits of these securities, and any representation to the contrary is an offence.

Certain accredited investors in Canada are being offered the opportunity to purchase securities of the issuer on a private placement basis. The Canadian offering is part of a concurrent offering of securities being made globally.

Information in the documents incorporated by reference has not been prepared with regards to matters that may be of particular concern to Canadian purchasers and, accordingly, should be read with this in mind.

The Shares are not a deposit or other obligation of or guaranteed by any bank; are not insured by the Canada Deposit Insurance Corporation; and are subject to fluctuation in value and other investment risks. Prospective purchasers of the Shares should consult their own tax and other professional advisers in order to assess the income tax, legal and other aspects of an investment in the Shares. See al and Regulatory Considerations Canada

INDIA

This Memorandum and any offering documents or material relating directly or indirectly to the Shares shall not be circulated or distributed directly or indirectly to any person resident in India (the term is defined as such in the Foreign Exchange Management Act, 1999) and the Shares are not being offered and shall not be sold directly or indirectly to any persons resident in India or for the account or benefit of any person resident in India by any holder of Shares.

The Fund is registered with the Securities and Exchange Board of India (SEBI) as a Category I FPI under the FPI Regulations. No legal or regulatory authority in India has confirmed or will confirm the accuracy or determined or will determine the adequacy of this Memorandum.

SOUTH AFRICA

The Company is an unregulated collective investment scheme for the purpose of the Collective Investment Scheme Act, 2002 (the "Act") the promotion of which in South Africa is restricted under the Act. No Shares in the Company may be offered or sold in the South Africa by an authorised person by means of this document other than on a non solicitation case. Except as described above, no communication, including this document, made or issued in connection with Shares in the Company may be passed on to any person in the South

ADDITIONALLY

The distribution of this Memorandum and the offering of Shares may be restricted in certain jurisdictions. The above information is for general guidance only, and it is the responsibility of any person or persons in possession of this Memorandum and wishing to make application for Shares pursuant to this Memorandum to inform them of, and to observe any such restrictions, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to any applicable legal requirements, exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

Note: The securities laws of various countries discussed herein are only for reference of the applicant and are to be read with any amendments, supplements or update made to the same, subsequent to the effective date of this Memorandum.

## TABLE OF CONTENTS

DIRECTORY OF PARTIES

The Company
India Optima Fund PCC
4th Floor, 19 Bank Street
Cybercity, Ebene 72201
Mauritius

The Directors
Anju Keerti Ramnarain
Navun Dussoruth
Priti Jagannath Shetty

The Promoter
ICICI International Limited
Sanne House
Bank Street, Twenty-Eight,
Cybercity, Ebène 72201, Mauritius

Investment Manager
ICICI International Limited
Sanne House
Bank Street, Twenty-Eight,
Cybercity, Ebène 72201, Mauritius

Administrator, Registrar and Secretary
Apex Fund Services (Mauritius) Ltd
4th Floor, 19 Bank Street
Cybercity Ebene 72201
Mauritius

Auditors
Baker Tilly
1st Floor, CyberTower One
Ebene 72201
Mauritius

Legal Advisers:

India

Nishith Desai Associates
Legal and Tax Counseling Worldwide
93-Mittal Court, Nariman Point
Mumbai 400058, India

Mauritius

Madun Gujadhur Chambers LLP
Courtview Building, Pope Hennessy Street
Port-Louis, Mauritius

Custodians:

Mauritius

The Mauritius Commercial Bank Limited
10th Floor, MCB Head Office
9-15, Sir William Newton Street, Port Louis
Mauritius

India

ICICI Bank Limited
ICICI Bank Towers
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051, India

## DEFINITIONS

| | |
|---|---|
| "Accounting Date" | means December 31 in each year or such other date as the Directors may from time to time decide. |
| "Accounting Period" | means a period ending on an Accounting Date and commencing from the first day immediately following the Accounting Date in each year. |
| "Act" | means the Companies Act 2001 of Mauritius, as amended from time to time. |
| "Administration Agreement" | means the agreement between the Company and the Administrator from time to time. |
| "Administrator" or<br><br>"Registrar" or<br>"Secretary" | means Apex Fund Services (Mauritius) Ltd and includes such subsequent administrator, registrar or secretary as may be appointed by the Company from time to time to provide administrative, registrar and/or secretarial services to the Company. |
| "Appendices" | means each Appendix attached to this Memorandum and containing specific information in relation to each Fund. These Appendices are an integral part of this Memorandum and should be read together with this Memorandum. |
| "Auditor" | means Baker Tilly who has been appointed by the Company to act as an auditor to audit the accounts of the Company in accordance with the International Financial Reporting Standards and includes subsequent auditors as appointed by the holders of MS in annual meetings from time to time. |
| "Board" | means the board of Directors of the Company. |
| "Business Day" | means, any day, subject to modifications by the Board from time to time, which is not:<br><br>➢ a day on which banks in Mumbai / Mauritius are closed for commercial transactions; |

| | |
|---|---|
| | ➢ day on which Bombay Stock Exchange and / or National Stock Exchange are closed for transactions;<br>➢ day on which there is no RBI clearing / settlement of securities;<br>➢ a day on which the sale of RPS is suspended by the Investment Manager (as defined hereinafter) and / or board; or,<br>➢ a day on which normal business could not be transacted due to storms, floods, strikes or any other calamities. |
| "Cash Custodian" | Means The Mauritius Commercial Bank Limited and/or any other cash custodian as may be appointed by the Board. |
| "Cash Custodian Agreement" | means the agreement between the Company and the Cash Custodian from time to time. |
| "Class" | means a Class of Cell Shares established by the Board. |
| "Fund/Cell" | means a cell created by the Company in accordance with the Constitution, and the reference to the term "Cell" in this Memorandum shall mean any or all Sub-Classes of such Cell, as the context may require. |
| "Cellular Assets" | means, in relation to any Cell, the assets of the Company attributable to that Cell comprising assets represented by the proceeds of the issue of Cell Shares of that Cell, reserves (including retained earnings and capital reserves) and all other assets attributable to that Cell. |
| "Cellular Liabilities" | means a liability of the Company attributable to a Cell. |
| "Cell Share" | A Participating Share of whatever class, series or category created and issued by the Company in respect of a particular Cell, the proceeds of which issue are comprised in the Cellular Assets attributable to that Cell. |
| "CFTC" | means the US Commodities and Futures Trading Commission. |

| | |
|---|---|
| "Code" | means the U.S. Internal Revenue Code of 1986, as amended. |
| "Company" | means India Optima Fund PCC, a protected cell public company incorporated in Mauritius. |
| "Constitution" | means the Constitution of the Company as amended from time to time. |
| "Custody Fees" | means the fee that would be payable to the Cash Custodian and the Indian Custodian. |
| "Dealing Day" | means every Monday and Thursday, and if that day is not a Business Day shall be the Business Day immediately following, or such other Business Day the Directors may from time to time determine.<br><br>The Dealing Day may be different for some Funds, in which case, the same will be as defined in the relevant Fund Document. |
| "Dealing Deadline" | means 11.00am on each Dealing Day or such other time or intervals as the Directors may from time to time prescribe.<br><br>The Dealing Deadline may be different for some Funds, in which case, the same will be as defined in the relevant Fund Document. |
| "Directors" | means the directors of the Company whose names are set out in the Section titled (The Directors) under Structure, Management and Administration of the Company and any subsequent replacement or additional directors of the Company as may be appointed from time to time in accordance with the Constitution. |
| "ERISA" | means the U.S. Employee Retirement Income Security Act of 1974, as amended. |
| "FPI" | means a foreign portfolio investor registered with SEBI under the FPI Regulations. |

| | |
|---|---|
| "FPI Regulations" | means the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 and any modifications and re-enactments thereof as applicable from time to time. |
| "FSC" | means the Financial Services Commission of Mauritius. |
| "Fund Document" | means, with respect to each Fund, this Memorandum together with the Appendix for such Fund. |
| "Indian Custodian" | means, ICICI Bank Limited, Mumbai or any other Indian custodian appointed by the Company/Investment Manager from time to time. |
| "Initial Issue Price" | means the price at which Participating Shares of a Fund may be subscribed by investors before the first Valuation Day in respect of that Fund as mentioned in the respective Fund Document. |
| "Investment Advisor" | means each investment advisor appointed by the Investment Manager (as specified in the relevant Fund Document hereto) to advise the Investment Manager with respect to the relevant Fund, and for this purpose the Investment Manager shall enter into an Investment Advisory Agreement with each such Investment Advisor.<br><br>The Investment Manager shall from time to time appoint oneor more qualified entities to act as Investment Advisor to the Investment Manager for various Funds and the same shall be specified in the respective Fund Document. |
| "Investment Management Agreement" | means the agreement between the Company and the Investment Manager from time to time. |
| "Investment Manager" | means ICICI International Limited, a company incorporated under the provisions of the Mauritius laws and having its registered office at Sanne House, Bank Street, Twenty-Eight Cybercity, Ebène 72201, Mauritius. |

| | |
|---|---|
| "Management Share" or "MS Holder" | means the holder of one or more MS |
| "Management Shares" or "MS" | means shares with voting rights having nominal value as determined by the Board, which shall be issued to selected investors and the promoter as per criteria determined by the Board from time to time in accordance with the Constitution and having the rights and obligations set out in the Constitution. |
| "Memorandum" | means this document and includes the Annexures hereto and, with respect to the relevant Funds, includes the relevant Appendices. |
| "Net Asset Value/NAV" | means in relation to any Fund, the amount determined pursuant to the Constitution and Annexure A, as being the value of the assets of such Fund, less the liabilities attributable to that Fund, and (Net Asset Value per Participating Share) shall be the Net Asset Value of a Fund divided by the number of Participating Shares in issue in such Fund at the relevant time. |
| "Non-Resident Indian" or "NRI" | means an individual resident outside India who is a citizen of India, as defined thereunder Rule 2 (aj) of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. . |
| "Overseas Citizen of India" or "OCI" | means an individual resident outside India who is registered as an Overseas Citizen of India Cardholder under section 7A of the Citizenship Act, 1955 (57 of 1955) as provided thereunder Rule 2 (ak) of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Persons of Indian Origin cardholders registered as such under Notification no. 26011/4/98 F.I. dated 19.8.2002 issued by the Central Government are deemed to be "Overseas Citizen of India" cardholders. |
| "Person of Indian Origin" | as defined thereunder Regulation 2 (x) of the Foreign Exchange Management (Deposit) Regulations, 2016, means a person resident outside India who is a citizen of any country other than Pakistan or Bangladesh or such other country as may be specified by the Central Government, satisfying the following conditions: |

| | |
|---|---|
| | (i) Who was a citizen of India by virtue of the Constitution of India or the Citizenship Act, 1955 (57 of 1955); or<br>(ii) Who belonged to a territory that became part of India after the 15th day of August, 1947; or<br>(iii) Who is a child or a grandchild or a great grandchild of a citizen of India or of a person referred to in clause (i) or (ii); or<br>(iv) Who is a spouse of foreign origin of a citizen of India or spouse of foreign origin of a person referred to in clause (i) or (ii) or (iii)<br><br>the expression 'Person of Indian Origin' includes an 'Overseas Citizen of India' cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955. |
| "Quarter" | means a calendar quarter, beginning on each 1st January, 1st April, 1st July and 1st October. |
| "RBI" | means the Reserve Bank of India. |
| "Redeemable Participating Shares" or "Participating Shares" or "RPS" | means participating shares in the Company, with no general voting rights (other than as specified in the Constitution) that are issued as determined by the Board from time to time, upon the creation of the Cell to which the Participating Shares relate, in accordance with the Constitution and having the rights and obligations as set out in the Constitution. |
| "Redemption Price" | means the price at which RPS are redeemed which is calculated as described in the respective Fund Document. |
| "RPS Holder" | means the holder of one or more RPS. |
| "SEBI" | means the Securities and Exchange Board of India. |
| "SEC" | means the United States Securities and Exchange Commission. |
| "Shares" | means RPS, MS and/ or shares of such other classes as may be issued by the Board from time to time. |

| | |
|---|---|
| "Shareholder" | means a holder of one or more Shares. |
| "Treaty" | The India-Mauritius Double Tax Avoidance Treaty. |
| "Underlying Fund" | An investment vehicle in which one or more Funds invests all or substantially all of their assets. |
| "U.S Person" | has the meaning assigned to it below in Section VIII under the heading "Definition of U.S Person". |
| "Valuation Day" | means a day on which the Net Asset Value is to be calculated and shall be the day following each Dealing Day for a particular Fund (unless otherwise stated in the respective Fund Document) on which The Bombay Stock Exchange Limited (BSE), The National Stock Exchange of India Limited (NSE) and the banks in Mauritius are open for normal business (other than during a suspension of normal dealing). In the event BSE, NSE or the banks in Mauritius are closed for working on the day on which the valuation is required to be carried out, the immediately succeeding Business Day where BSE, NSE and banks in Mauritius are working shall be deemed to be the Valuation Day.<br><br>Valuation Day may be different for some Funds, in which case, the same will be as defined in the relevant Fund Document. |
| "Valuation Point" | Means the close of business of the Dealing Day immediately preceding the relevant valuation |
| "1933 Act" | means the U.S. Securities Act of 1933, as amended. |
| "1940 Act" | means the U.S. Investment Company Act of 1940, as amended. |

References herein to "Dollars" and to the sign "USD" or "$" are to the currency of the United States. All references to time are to Mauritius Time, unless otherwise stated. Capitalized terms not otherwise defined herein shall have the same meaning as ascribed to them in the Constitution.

## SECTION I: SUMMARY OF PRINCIPAL TERMS

The following summary is intended to highlight certain information in the body of this Memorandum and is intended only for quick reference. Potential investors are urged to read carefully the entire Memorandum, the Annexures and Appendices and also to obtain and read carefully the Constitution.

| | |
|---|---|
| The Company | The Company is an open-ended protected cell investment company formed under the laws of Mauritius with limited liability and unlimited life. The registered office is located in Mauritius (4th Floor, 19, Bank Street, Cybercity, Ebene 72201, Mauritius). The Company was incorporated as a public company limited by shares on the 26th of January 2006 in Mauritius under the Act. The Company holds a Global Business License from and is authorised as a collective investment scheme and an expert fund by the FSC.<br><br>Each of the Cells/Funds created by the Company shall constitute a separate Cell for the purposes of the Protected Cell Companies Act of Mauritius (the "**PCC Act**"). As required by the PCC Act, the assets of each Cell will be kept separate and separately identifiable from assets not attributable to that Cell. The Cell Shares may be further sub-divided into any number of Classes and sub-classes which shall be known as a "Sub- Series" or "Sub-Class" of that Cell.<br><br>The Cellular Assets and Cellular Liabilities of each Cell shall be kept separate and separately identifiable from Cellular Assets and Cellular Liabilities attributable to other Cells. The rights, privileges and liabilities of a holder of Participating Shares shall be in relation to that Cell only and to no other Cell. Each Cell shall have its distinct name, investment philosophy, objective and strategy, as may be set out in the relevant Fund Document.<br><br>Each Cell shall be a Fund.<br><br>The assets and liabilities of the Company that are not attributable to a specific Cell shall be the Company's non-cellular assets ("**Non-Cellular Assets**") and non-cellular |

| | |
|---|---|
| | liabilities ("**Non-Cellular Liabilities**") respectively. The Company's Non-Cellular Liabilities shall be satisfied out of the Non-Cellular Assets.<br><br>The Company is also registered as an FPI under FPI Regulations, 2019 (Registration No. IN-MU-FP-115-616)<br><br>The Company is offering one or more Funds to prospective investors, Additionally, the Company is offering a certain number of MS to selected investors and the promoter as per criteria determined by the Board from time to time in accordance with the Constitution. |
| Investment Objectives and Strategies | The Company in relation to each Fund invests primarily in India by making direct and indirect investments in shares, debentures and other securities/ deposits/ investment products of issuers incorporated or operating in, or collective investment schemes investing in, India. The Company in relation to each Fund may also invest in securities related to Indian companies, which are listed in international stock exchanges and over the counter (OTC) contracts and derivatives issued by market makers either in India or outside India.<br><br>The Company in relation to each Fund may make additionally make direct and indirect investments in shares, debentures and other securities/ deposits/ investment products of issuers incorporated in any jurisdiction, or collective investment schemes investing globally.<br><br>The Company in relation to each Fund may use futures, options and other derivative instruments for both hedging and capital appreciation purposes.<br><br>Each Fund shall have its own investment objective and strategy, which is stated in the relevant Fund Document. Some Funds may invest all or substantially all of their assets in Underlying Funds, in which case the investment objective and strategy of the Fund will be the same as the investment |

| | |
|---|---|
| | objective and strategy of the Underlying Fund in which it invests. Investors should carefully review the offering documents for the Underlying Funds before investing in the relevant Funds.<br><br>Information on which Funds invest in Underlying Funds is set forth in the Fund Appendices. |
| Type of Security Offered | The RPS offered to the investors are participating shares issued in accordance with the Constitution and the relevant Fund Document.<br><br>The Board may authorise the creation of additional Funds in the future with different investment objectives subject to the provisions of the Constitution, further to which a new Appendix to the Memorandum will be issued with respect to the new Fund.<br><br>Where the Company incurs a liability, which relates to any asset of a particular Fund or to any action taken in connection with an asset of a particular Fund, such liability shall be attributable to the relevant Fund. Please refer to Section IV titled "Risk Considerations". |
| Investment Manager | The Investment Manager, ICICI International Limited, is a company incorporated in Mauritius on 18th January 1996 and has its registered office at Sanne House, Bank Street, Twenty-Eight, Cybercity, Ebène 72201, Mauritius. The Investment Manager is responsible for managing each Fund's investments in accordance with the Fund's strategy, subject to the directions of the Board and based on the requirement of the Funds. Where a Fund invests directly into an Underlying Fund, the role of the Investment Manager is limited to processing and overseeing the Fund investment in that Underlying Fund.<br><br>The Investment Manager and other persons selected by the Board may hold MS. The Management Shares will not participate in the profits and losses of the Company, but shall |

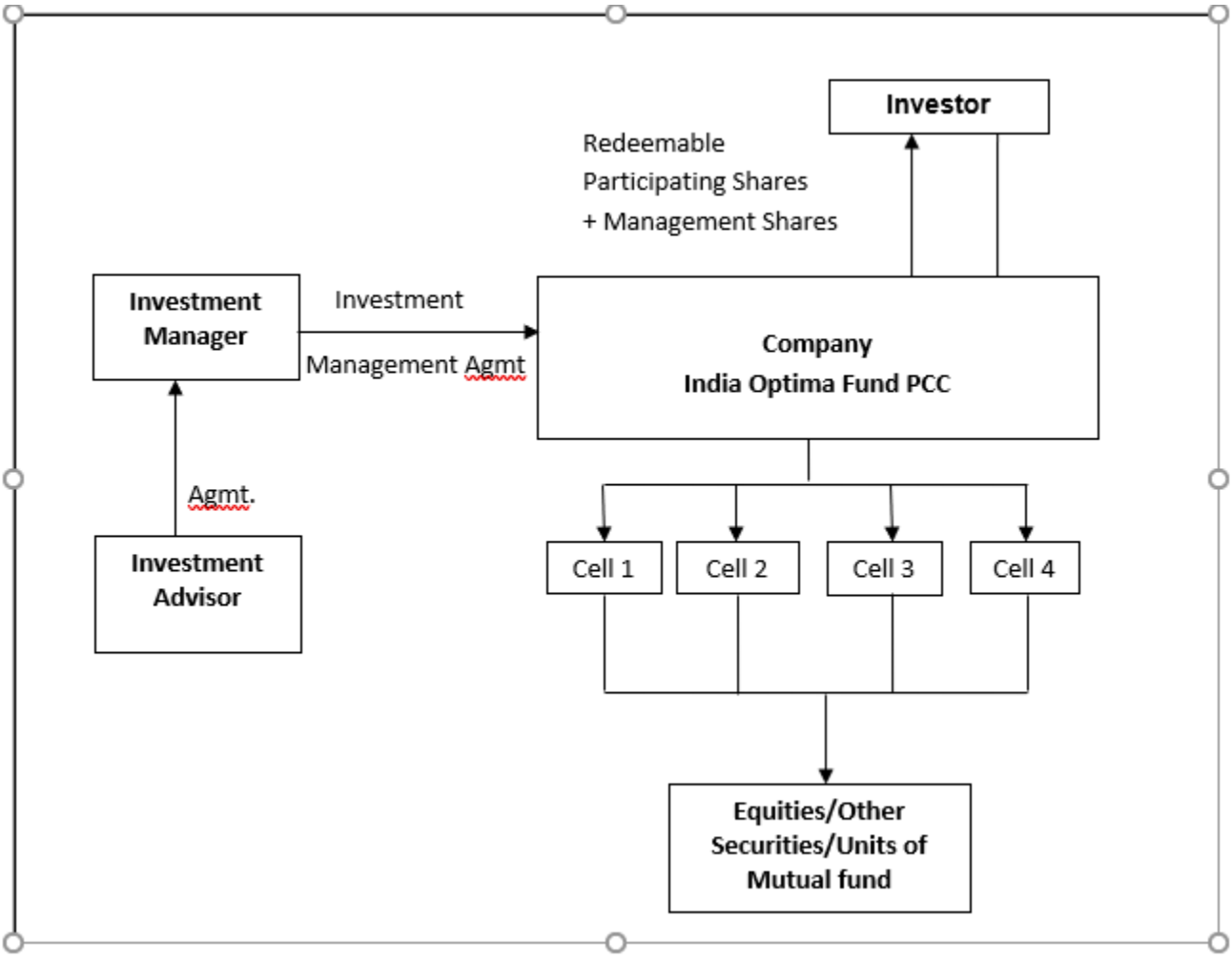
| | |
|---|---|
| | carry all shareholder-voting rights for the Fund (other than with respect to variation of class rights of RPS). The Investment Manager shall not invest in any RPS.<br><br>For more information on the Investment Manager, please refer to Section V titled Management Administration and operations. |
| Investment Advisors | The Investment Manager may enter into an advisory agreement with one or more investment advisors in respect of specific Funds, based on the investment policy and objective of each Fund. Where a Fund invests directly into an Underlying Fund, an Investment Advisor may not be appointed. The Investment Advisors will provide services that may include identification of investments, reviewing and monitoring of investments and divestments, acting as a liaison with brokers and the regulatory agencies on behalf of the Investment Manager. The role of the Investment Advisors is purely advisory with no execution powers whatsoever, unless otherwise specified in writing. Investment Advisors may appoint sub-advisors from time to time to assist them in their advisory function, as per the terms of the relevant Investment Advisory Agreement.<br><br>For Funds where an Investment Advisor is appointed, the information pertaining to the same will be available in the relevant Fund Document. |
| Offering | The Company is offering its RPS in the Funds at an initial offer price, which is specified in the relevant Fund Document or, after the initial offer period, at a price substantially equivalent to the applicable Net Asset Value per Participating Share on the date of issue.<br><br>The minimum amount that may be subscribed by any investor shall be decided by the Board from time to time as per the investment requirement for each Fund. However, the Board |

| | |
|---|---|
| | may upon the recommendation of the Investment Manager and at its discretion accept lower amounts. |
| Fund Expenses and Incentive Allocations | |
| (i) Management Fee | Each Fund shall pay a Management Fee to the Investment Manager as specified in the investment Management Agreement. |
| (ii) Performance Profits Allocation | The Investment Manager may also be entitled to a performance allocation (the "Performance Profit Allocation") based on the performance of the RPS of some Funds. In case the Investment Manager is entitled to any Performance Profit Allocation with respect to a particular Fund, this will be specified in the relevant Fund Document. Further, the period of calculating the Profit Allocation shall be as specified in the General Appendix under the heading "Performance Profit Allocation". |
| (iii) Organizational Costs and other expenses | Each Fund will pay all expenses incurred by or directly attributable to that Fund and a pro rata share of the expenses incurred by or attributable to the Company. Such expenses include, but are not limited to organisational expenses, brokerage commissions and custodial fees, except for certain expenses assumed by the Investment Manager as specifically agreed with the Investment Manager in the Investment Management Agreement. Investors in Funds that invest in Underlying Funds will also bear a pro rata share of the fees and expenses paid by the Underlying Funds.<br><br>Please refer to the General Appendix for a detailed explanation. The fees and charges for each particular Fund are |

| | |
|---|---|
| | detailed in the respective "Fund Document", under the heading Fees and Charges.<br><br>The Company in relation to each Fund shall pay periodic fees to the Administrator for the services to be rendered by the Administrator in terms of the Administration Agreement, plus reimbursement of expenses, as mentioned in the Memorandum.<br><br>The Company shall also pay a fee per annum, as determined by the Board or the Company by ordinary resolution from time to time, to each Director as directorship fees. In addition, the Directors and alternate directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or Shareholder meetings or in connection with the business of the Company.<br><br>The Company may engage placing agents or brokers for placing the RPDS of the Funds. Any placement fee or brokerage payable to such agents/brokers shall be borne by the RPS Holders. |
| Financial Year | The Company financial year ends on December 31 |
| Redemption of Shares | The Board reserves the right to compulsorily redeem all or a part of the outstanding RPS of the Company under certain circumstances set out in the Constitution, including where the RPS Holder is holding Participating Shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax, pecuniary or material administrative disadvantages for the Company or the RPS Holders. The RPS of certain Funds may be subject to a lock-in |

| | |
|---|---|
| | period and may not be redeemed for that period. For details on the redemptions please refer to the Fund Documents.<br><br>RPS will be redeemed on a forward pricing basis and redemption proceeds will be paid in the currency in which the RPS is denominated. Notwithstanding the foregoing, the if provided for in the relevant Appendix, the RPS may be redeemed on 'historical pricing' basis |
| Exchange of Shares | Exchange of RPS between Funds may be possible if the same is permitted by the relevant Fund Documents, and will be carried out in accordance with the terms and conditions of the relevant Fund Documents.<br><br>Please refer to the General Appendix for a detailed explanation. |
| Valuations | The Net Asset Value of each of the Funds will be calculated by the Administrator in accordance with the valuation rules as set out in the relevant Fund Document, the relevant provisions of which are described below under the section entitled Net Asset Value in Annexure A. All valuations will be made in U.S Dollars or the functional currency of the particular Fund, as set out in the relevant Appendix. |
| Administrator | Apex Fund Services (Mauritius) Ltd, a company incorporated in Mauritius and licensed by the FSC, is the Administrator of the Company. |
| Auditor | Baker Tilly is the Auditor of the Company. |
| Additional Information | Prospective investors are invited to meet with the Investment Manager for a further explanation of the terms and conditions of the offering of Shares and to obtain any information necessary to verify the information contained in the Fund Document where an investment is proposed to be made, to the extent the Investment Manager possesses such |

| | |
|---|---|
| | information or can acquire it without unreasonable effort or expense. Requests for such information should be directed in writing to the Investment Manager. However, no representations or warranties shall be binding on the Company unless such representation and warranties are made in writing and signed by the Company. |
| Functional Currency | The Company's functional currency (i.e., the currency in which it maintains its books, records, and financial statements) will be the U.S. Dollar. However, the functional currency of a particular Fund which is issued in a currency other than the U.S. Dollar will be in that currency. |
| Investor Suitability Standards | No offer to sell (or solicitation of an offer to buy) is being made in any jurisdiction in which such offer or solicitation would be unlawful. The RPS are a speculative investment and their purchase involves a high degree of risk. A subscription for RPS should be considered only by subscribers who have carefully read and understood the Fund Document, including, but not limited, to the information set forth under the heading Risk Factors herein.<br><br>NRIs and Overseas Corporate Bodies should consult the Investment Manager prior to making such investments.<br><br>Each subscriber of Shares that is a US Person will be required to certify that it is both an "accredited investor" as defined in Regulation D under the "1933 Act" and a "qualified purchaser" as defined in Section 2(a)(51) of the 1940 Act. The qualifications for an "accredited investor" and a "qualified purchaser" are set out in detail in Section VIII of this Memorandum under the heading "Eligible Investors". |




The Company

The Company is a protected cell company, incorporated under the Companies Act 2001 and the Protected Cell Companies Act as a public company limited by shares on the 26th of January 2006. It holds a Global Business License issued by the FSC and is also authorized as a collective investment scheme and an expert fund under the laws of Mauritius. The registered office of the Company is at 4th Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius.

Each of the Cells/Funds created by the Company shall constitute a separate Cell for the purposes of the Protected Cell Companies Act of Mauritius (the "**PCC Act**"). As required by the PCC Act, the assets of each Cell will be kept separate and separately identifiable from assets not attributable to that Cell. The Cell Shares may be further sub-divided into any number of classes which shall be known as a "Sub- Series" or "Sub-Class" of that Cell.

The Cellular Assets and Cellular Liabilities of each Cell shall be kept separate and separately identifiable from Cellular Assets and Cellular Liabilities attributable to other Cells. The rights, privileges and liabilities of a holder of Participating Shares shall be in relation to that Cell only and to no other Cell. Each Cell shall have its distinct name, investment philosophy, objective and strategy, as may be set out in the relevant Fund Document.

Each Cell shall be a Fund.

The assets and liabilities of the Company that are not attributable to a specific Cell shall be the Company's non-cellular assets ("**Non-Cellular Assets**") and non-cellular liabilities ("**Non-Cellular Liabilities**") respectively. The Company's Non-Cellular Liabilities shall be satisfied out of the Non-Cellular Assets.

The Company has been set-up as an open-ended multi-class company and aims to provide investors with a choice of Funds. Each Fund is a separate pool of assets within the Company and invests primarily in Indian equity, equity related securities, debt and other permissible Indian securities. Each Fund will be actively managed as a separate pooled arrangement and will have its own Net Asset Value for each Fund. The investment objective, the relevant minimum amounts for both initial and subsequent subscriptions and other offering details that are specific to each Fund are indicated in the Appendix relevant to that Fund.

Each of the Funds shall have a specific investment focus as more expressly described in the Section III titled "Investment Objectives and Policy" below in the Appendix for the Fund.

The Company has received a certificate of Mauritian tax residence from the Mauritius Revenue Authority for the purpose of the Treaty and expects to successfully renew this certificate on an annual basis. As a Mauritian tax resident, the Company is entitled to receive from India distribution proceeds from the disposal of Indian securities without being subject to payment of any capital gains tax in India, provided the Company does not have a permanent establishment in India. It is the intention of the Board and the Investment Manager to conduct its affairs and the affairs of the Company in a manner such that the Company should not have a permanent establishment in India. Further information is set out under Section VIII titled "Legal and Regulatory Considerations" of this Memorandum. Please also refer to the risk factors pertaining to taxation mentioned under the Section IV titled "Risk Considerations".

Under the Constitution, the Company has an unlimited life. Information as to the constitution of the Company is set out in this Memorandum in Section VI. The base currency of the Company is U.S. Dollars and all financial statements of the Company are presented in U.S. Dollars (except that certain Funds may have a Functional Currency other than U.S. Dollars, which currency will be specified in the relevant Appendix).

The Company has appointed an Administrator, Registrar and Corporate Secretary, a Mauritian Cash Custodian, an Indian custodian and two Mauritian resident Directors and will hold at least two full Board meetings a year in Mauritius to principally review the investment strategy and performance.

The Board may authorise the creation of additional Funds in the future with different investment objectives, wherein a new Appendix will be issued with respect to such new Fund. For more details on the powers of the Board and the Constitution, please refer to Section VI.

The Company in relation to its Funds will invest in India as an FPI route and for this purpose the Company has registered itself as a Category I FPI with SEBI as a FPI under the FPI Regulations.

Categories of RPS

All the RPS can be broadly categorised into:

- Income Category RPS
- Accumulation Category
- RPS Roll-Up Category RPS

All RPS are Roll-up Category RPS unless otherwise indicated in the specific Appendix of the Fund.

Income Category RPS are RPS that distribute net income from time to time, subject to Directors discretion, on the distribution date. The amount of any distribution on Income Category RPS in a Fund may vary to reflect any differing charges and expenses suffered by such RPS. Any such distribution shall be made from net income. Net income includes all interest, dividends and other amounts deemed to be in the nature of income less the applicable expenses to that dividend period. Where the actual expenses incurred cannot be determined, estimated expenses will be used. An investor in Income Category RPS shall receive payment in the Functional Currency of the Income Category RPS in which the investor is invested. Any currency conversion that takes place on distributions will be done at prevailing exchange rates. Any distribution monies, which have not been claimed within six years of the declaration of the distribution, shall be forfeited and shall form part of the assets of the relevant Fund. The Company will be obliged and entitled to deduct an amount in respect of dividend distribution taxation, if applicable (both in India and in Mauritius).

Accumulation Category RPS are RPS that may declare a distribution but whose net income is then reinvested in the capital of the relevant Fund on the distribution date, thereby increasing the total number of RPS held by the investor of an Accumulation Category RPS relative to an Income Category RPS. Post the declaration of dividend, NAV of Income Category RPS and Accumulation category RPS belonging to the same Cell of RPS shall be the same.

Roll-Up Category RPS do not declare or distribute and the Net Asset Value reflects net income, thereby increasing the Net Asset Value per RPS for a Roll-Up Category RPS relative to an Income Category RPS / Accumulation category RPS.

The Directors are authorised from time to time to re-designate any existing class of RPS within a Cell and merge such class or classes of RPS within a Cell provided that RPS holders in such class or classes of RPS are first notified by the Company and given the opportunity to have the RPS repurchased. RPS entitles the holder to participate equally on a pro rata basis in the profits and dividends of the Fund attributable to the RPS and to attend and vote at shareholder meetings

of the particular Fund. No RPS confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other Fund or any voting rights in relation to matters relating solely to any other Fund.

The Board is further authorised to introduce further series under any existing class of RPS.

The Company is empowered to issue fractional RPS. Fractional RPS shall carry fractional voting rights at general meetings of the Fund and the Net Asset Value of any fractional RPS shall be the Net Asset Value per RPS adjusted in proportion to the fraction.

## SECTION III: INVESTMENT OBJECTIVES AND POLICY

The primary objective of the Company in relation to its Funds is to invest in India, directly or indirectly. The Company aims to provide investors with a choice of Funds available for investment, which feature a diverse array of investment objectives. Each Fund will seek to achieve its respective investment objective by investing primarily in shares, debentures and other securities/ deposits/ investment products of issuers incorporated or operating in, or collective investment schemes investing in, India. The investment objective, the relevant minimum amounts for both initial and subsequent subscriptions and other offering details that are specific to each Fund are indicated in the relevant Fund Document. There is no assurance that the Funds will be able to achieve their respective investment objectives.

The Company may make global investments which are non-India related.

The Company's investments will be further constrained by any restrictions in any applicable Indian regulations (currently including the prohibitions under the FPI Regulations), or the other applicable regulations where the Company may invest. The Board shall have the right to change the investment policies and objectives of any of the Funds upon prior notice to the Shareholders of the Fund and as specified in the relevant Fund Document. The Directors may authorize the establishment of additional Funds in the future with different investment objectives. Details of new Funds constituted will be set out in the relevant Fund Document.

The investment objectives and policies of Funds that invest all their assets in Underlying Funds will be the same as the investment objectives and policies of the Underlying Funds. The investment objectives and policies of an Underlying Fund may be changed by the Underlying Fund without the approval of the Company.

Investment Options

The Company in relation to its Funds will invest primarily in India by making direct and indirect investments in shares, debentures and other securities/ deposits/ investment products of issuers incorporated or operating in, or collective investment schemes investing in, India. The Company in relation to its Funds may also invest in securities related to Indian companies, which are listed on international stock exchanges and over the counter (OTC) contracts and derivatives issued by market makers either in India or outside India. The Company in relation to its Funds may use futures, options and other derivative instruments for both hedging and capital appreciation purposes.

The Company's investments may also take the form of management participations, joint ventures and other forms of non-corporate investments, within the framework of Indian regulations.

The Company in relation to its Funds may additionally make direct and indirect investments in shares, debentures and other securities/ deposits/ investment products of issuers incorporated in any jurisdiction, or collective investment schemes investing globally.

While the Company in relation to its Funds will hold a diversified portfolio of securities as a means of risk management. The investments of the Company are subject to market fluctuations and other risks normally associated with any investment and there can be no assurance that the Company s investment objectives will be met.

While the Company in relation to its Funds will substantially invest its funds in the equity of Indian companies, the Company in relation to its Funds may invest in corporate debt instruments and government bonds at the discretion of the Investment Manager subject to regulatory restrictions, and the limitations for debt investments noted below for each Fund. These debt instruments may or may not be listed and/or rated. It is possible that these instruments do not qualify as being of investment grade as per international norms of investment.

The Investment Manager reserves the right to invest up to 10 percent of the gross assets of each of its Funds in other markets from time to time if they consider that the interests of Shareholders require such diversification of investments. However, in the case of Funds investing in Underlying Funds, there is a possibility that the Underlying Funds might invest in more than 10 percent of its assets in other markets.

General Provisions Applicable to each Fund

Changes in the investment portfolio of a Fund will not have to be effected merely because any of the limits contained in such restrictions would be breached as a result of any appreciation or depreciation in value, or by reason of the receipt of any right, bonus or benefit in the nature of capital or of any scheme or arrangement for amalgamation, reconstruction or exchange or by reason of any other action affecting every holder of the relevant investment. However, no further relevant securities will be acquired until the limits are again complied with. In the event that any of the investment restrictions are inadvertently breached, the Investment Manager will take corrective action to rectify the breach taking due account of the interests of the Shareholders.

Although the Company in relation to its Funds will generally make direct investments in shares, debentures and other securities/ deposits/ investment products of issuers incorporated or operating in, or collective investment schemes investing in, India, the above restrictions will not prevent the Company in relation to its Funds from investing indirectly through one or more wholly-owned subsidiaries or other vehicles where the Directors consider that this would be commercially viable or provide the only practicable means of access to the relevant instrument or strategy. The Company shall make investments as per the FPI Regulations as amended from time to time. Further details of the restrictions under the FPI Regulations are set out in Section VIII titled Legal and Regulatory Considerations.

Notwithstanding the foregoing, the Company may establish Funds that may invest exclusively in markets unconnected to India. Such Funds may make direct and indirect investments in shares, debentures and other securities/ deposits/ investment products of issuers incorporated in any jurisdiction, or collective investment schemes investing globally.

Investment of Surplus Assets

The Company in relation to its Funds may, as determined by the Investment Manager at its discretion, invest its surplus assets in non-India based bank deposits and other investment products from time to time, pending utilisation of these assets in accordance with the investment objectives of the relevant Funds to which such assets belong.

Currency Hedging

Foreign currency exposure will not normally be hedged. However, each Fund may, at the discretion of the Investment Manager, enter into foreign exchange hedging transactions in an attempt to hedge the non-US Dollar underlying exposure of the assets of each Fund. In the case of Funds investing in Underlying Funds, the Underlying Funds may hedge their currency exposure, which may be stated in the relevant Underlying Fund Document.

## SECTION IV: RISK CONSIDERATIONS

An investment in the Shares of the Company involves a high degree of risk. The value of Shares and the income from them may go down and the investors may not receive, on redemption of their Shares or otherwise, the amount that they had invested. Accordingly, investments in the Shares of the Company should be made only by persons who are able to bear the risk of loss of all capital invested. Prospective investors should be aware of the risks associated with the Company's investment policies and are advised to consult with their professional advisors, such as lawyers, financial advisors or accountants, when determining whether an investment in the Company is suitable for them. Please also refer to the Fund Document of the Fund in which you are contemplating an investment for any additional risk factors. The following factors should be carefully considered by prospective investors.

Funds that invest in Underlying Funds will also be subject to the particular risk factors of those Underlying Funds. Investors considering these Funds should carefully review the descriptions of the risks of the Underlying Funds in the offering materials for the Underlying Funds.

### Investment-Related Risks

Risks of Investing in India

**Political, Legal, Social and Economic Considerations** – The value of the Company's investments may be adversely affected by potential political, legal, social and economic uncertainties in India. India's political, legal social and economic stability is commensurate with its developing status. Thus, many developments beyond the control of the Company, such as the possibility of nationalization, expropriations, confiscatory taxation, political changes, government regulation, social instability, diplomatic disputes or other similar developments, could adversely affect the Company's investments. India is a country which comprises of diverse religious and ethnic groups and is the world's most populous democracy. Ethnic issues and border disputes have given rise to ongoing tension in the relations between India and Pakistan, particularly over the region of Kashmir, and between certain segments of the Indian population. In addition, cross-border terrorism could weaken regional stability in South Asia, thereby hurting investor sentiment. Any exacerbation of such tensions could adversely affect economic conditions in India and consequently the Company's investments. While fiscal and legislative reforms have led to economic liberalization and stabilization in India over the past ten years, the possibility that these reforms may be halted or reversed could significantly and adversely affect the value of investments in India. The Company's investments could also be adversely affected by changes in laws and regulations or the interpretation thereof, including those governing the acquisition of land, the formation of joint ventures and foreign direct investment, anti-inflationary measures, laws governing rates and methods of taxation, and restrictions on currency conversion, imports and sources of supplies.

Although India has experienced significant growth and is projected to undergo significant growth in the future, there can be no assurance that such growth will continue. Adverse economic conditions or stagnant economic development in India could adversely affect the value of the Company s investments.

The Company shall invest its assets in securities of Indian issuers. Investing in Indian securities may represent a greater degree of risk than investing in a developed market due to factors such as possible exchange rate fluctuations, possible exchange controls, less publicly-available information, more volatile markets, less stringent securities regulations, less favorable tax provisions (including possible withholding taxes), war, or expropriation.

Quality of Infrastructure - India faces substantial problems owing to the lack of, or inadequate condition of, physical infrastructure and poor environmental standards, including, but not limited to, in the sectors of electricity (both generation and transmission), transport, communication, water, sewage and healthcare. The lack, or inadequate condition, of physical infrastructure damages the Indian economy, disrupts the transportation of goods and supplies, increases the cost of doing business, can interrupt business operations and, in general, has an on-going adverse impact on the ability to manage and grow businesses in India.

Accounting, Disclosure and Regulatory Standards - Accounting, financial and other reporting standards in India are not equivalent to those in more developed countries. Differences may arise in areas such as valuation of properties and other assets, accounting for depreciation, deferred taxation, inventory obsolescence, contingent liabilities and foreign exchange transactions. Accordingly, less information may be available to investors. SEBI, the principal regulator of the Indian securities market, received statutory authority in the year 1992, to oversee and supervise the Indian securities markets. Accordingly, the securities law and regulations in India are continuously evolving resulting in an element of uncertainty in the regulatory environment.

Certain developments, which are beyond the control of the Funds, such as the possibility of nationalization, expropriations, or confiscatory taxation, political changes, government regulation, social instability, diplomatic disputes, or other similar developments could adversely affect the Company's investments.

Indian Accounting Standards - Significant differences exist between financial statements prepared in accordance with Indian Generally Accepted Accounting Principles ("**Indian GAAP**") and financial statements that are prepared according to U.S. GAAP or IFRS. Individually or in the aggregate, the effect of such differences may be material for the consolidated or non-consolidated financial statements prepared on the basis of U.S. GAAP or IFRS as compared to those prepared on the basis of Indian GAAP. The degree to which the Indian financial statements included in an Indian company's annual accounts will provide meaningful information to a security holder in the United States or other countries is dependent on the reader's level of familiarity with Indian accounting practices. Since Indian companies do not prepare financial statements in accordance with U.S. GAAP or IFRS, the Investment Manager can make no assurance that the differences would or would not give rise to material differences between financial statements prepared in accordance with Indian GAAP and financial statements prepared in accordance with U.S. GAAP or IFRS.

Illiquid Company Investments – Some of the Company's assets will be invested in unlisted or thinly traded companies. These investments should be considered to be illiquid. Such illiquidity may adversely affect the Company's ability to acquire or dispose of such investments. The Company may invest in a private company that may never be publicly traded on a stock exchange. These investments may be difficult to value and to sell or otherwise liquidate. Companies whose securities are not publicly traded are not subject to the same disclosure and other investor protection requirements that

are applicable to companies with publicly traded securities. In India, privately held companies generally maintain less comprehensive financial information than publicly held companies. Therefore, the Company may make investment decisions and monitor such investments after reviewing information which is less comprehensive than that available to an investor in a publicly listed company.

**Public Company Investments** - The Company will be investing in securities of Indian companies listed in India or outside. The fluctuation in the market price of securities of a portfolio company is likely to have a direct bearing on the value of the portfolio company investment. The Indian stock exchanges have in the past experienced problems that have affected the market price and liquidity of the securities of Indian companies. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time-imposed restrictions on trading in securities, limitation on price movements and margin requirements. Furthermore, from time to time disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on the market sentiment. There can be no assurance that such problems, which affect the market price and liquidity of securities, will not occur in the future. This risk will also affect the portfolio companies that expect to be listed on a recognized stock exchange (**"RSE"**) as a means of creating liquidity for the Company.

Any investments made by the Company in listed companies will be subject to disclosure and other investor protection requirements under Indian Law. Further, public markets in India are highly regulated and investments by the Company in publicly traded companies may be affected by regulations relating to acquisition and sales of shares, including but not limited to laws, rules and regulations of the SEBI, the RBI and the Government of India. Market volatility may also affect the Fund's ability to realize a return from any investments made in publicly traded companies.

**Stock Market Volatility** - Stock markets are volatile and may decline significantly in response to adverse issuer, political, regulatory, market or economic developments. Different parts of the market and different types of equity securities may react differently to these developments. For example, small cap stocks may react differently from large cap stocks. Issuer, political or economic developments may affect a single issuer, issuers within an industry, sector or geographic region, or the market as a whole. At times, market sentiment may be influenced by movements of large funds as a result of short-term factors, counter speculative measures or other reasons. Investment expectations may, therefore, fail to be realized in such instances.

Securities listed on Indian stock exchanges may have low market capitalization and trading volume. There can be no assurance that sales on the Indian stock exchanges will provide a viable exit mechanism for the Company's investments.

**Convertible Securities** - The Company may invest in convertible securities. Convertible securities are preferred stocks or debt obligations that are convertible into common stock. Generally, convertible securities offer lower interest or dividend yields than non-convertible securities of similar quality and less potential for gains or capital appreciation in a rising stock market than other equity securities. Convertible securities tend to be more volatile than other fixed income securities, and the markets for convertible securities may be less liquid than markets for common stocks or bonds. Convertible securities have both equity and fixed income risk characteristics. Like fixed income securities, the value of convertible

securities is susceptible to the risk of market losses attributable to changes in interest rates. The market value of convertible securities tends to decline as interest rates increase. If, however, the market price of the common stock underlying a convertible security approaches or exceeds the conversion price of the convertible security, the convertible security tends to reflect the market price of the underlying common stock. In such a case, a convertible security may lose much or all of its value if the value of the underlying common stock then falls below the conversion price of the security. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly based on its fixed income characteristics, and thus, may not necessarily decline in price as much as the underlying common stock.

Contingent Liabilities Upon Disposition - In connection with the disposition of a Company's investment, the Company and the Investment Manager may be required to make certain representations and warranties typically made in connection with the sale of similar investments and may be responsible for the content of disclosure documents under applicable securities laws. They may also be required to indemnify the purchasers of such investments or intermediaries to the extent that any such representations or disclosure documents are inaccurate. These arrangements may result in contingent liabilities, which would be borne by the Company and, ultimately, the Shareholders.

Currency Risks - The Company shall predominantly invest in rupee denominated instruments, which may be subject to exchange rate fluctuations with consequent reductions in the value of the Fund currency. Foreign currency exposure will not normally be hedged. The Company may, at the discretion of the Investment Manager, seek to hedge the currency exposure of its investments in India. In the absence of hedging arrangements, Shareholders will run a Rupee devaluation risk from the time investment funds are brought into India to finance investments until the rupee repatriation of the funds in U.S. Dollars or other applicable currency. The repatriation of capital may be hampered by changes in Indian regulations concerning exchange controls or political circumstances. Any amendments to such regulations may impact adversely on the Company's performance.

Business Risk - There can be no assurance that the Funds will achieve their investment objectives. There may not be an operating history by which to evaluate their likely future performance. The investment results of the Funds are reliant upon the success of the Investment Manager and, in the case of Funds investing in Underlying Funds, on the performance of the Underlying Funds. Moreover, the past performance of the Investment Manager and/or the Underlying Funds may not be indicative of its future performance.

Derivatives - The Company may utilise both exchange-traded and over-the-counter derivatives, including, but not limited to, futures, forwards, swaps, options and contracts for differences, as part of its investment policy. The life of the derivative contracts usually being short makes it difficult to hedge the risk beyond maturity dates. These instruments can be highly volatile and expose the Shareholders to a high risk of loss. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses,

whereby a counter party can terminate a transaction on the basis of a certain reduction in Net Asset Value, incorrect collateral calls or delays in collateral recovery.

The Company may also sell covered and uncovered options on securities. To the extent that such options are uncovered, the Company could incur an unlimited loss.

Investment Companies - The Company may from time to time invest in investment companies (including but not limited to mutual funds, closed-end funds and index-related securities) investing in securities issued by Indian companies. Operating expenses, including investment advisory and administration fees, of such investment funds, will reduce the return on such investments. Investments in closed-end investment companies may involve the payment of a substantial premium above, or upon sale there may be substantial market discounts below, the value of such investment companies' portfolio securities. In addition, the investment objectives and policies of any other investment companies in which the Company invests, including the Underlying Funds, may be changed without the approval of the Company.

Debt Securities - The Company may invest in fixed income securities, which may not be rated by a recognized credit-rating agency or below investment grade and which are subject to greater risk of loss of principal and interest than higher-rated debt securities. The Company may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Company may invest in debt securities, which are not protected by financial covenants or limitations on additional indebtedness. The Company will therefore be subject to credit, liquidity and interest rate risks. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

Availability of Investment Opportunities - The success of the Company's investment activities will depend on the ability of the Investment Manager of the Company and the investment managers of the Underlying Funds in case of the Funds investing in Underlying Funds, to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the financial markets, as well as to assess the importance of news and events that may affect the financial markets. Identification and exploitation of the investment strategies to be pursued by the Company involves a high degree of uncertainty. No assurance can be given that the Investment Manager will be able to locate suitable investment opportunities in which to deploy all of the Company's assets or to exploit discrepancies in the securities and derivatives markets. A reduction in financial market liquidity or the pricing inefficiency of the markets in which the Company will seek to invest, as well as other market factors, will reduce the scope for the Company s investment strategies.

Allocation of Investment Opportunities between Funds - There will be circumstances where different Funds have cash available for investment and where available investment opportunities would be appropriate for investment by two or more of such Funds. It will not always be appropriate or possible in such cases for the potential investment to be allocated to each of the Funds (and other Funds that may be established in the future) and the Investment Manager will have discretion as to which Fund or Funds the investment should be allocated to in such circumstances. While the Investment

Manager will seek to treat each Fund equitably, either as a result of the application of its discretion in the above circumstances or as a result of other investment decisions, the performance of the separate Funds may vary. In the cases of Funds investing in Underlying Funds, the investment manager of the Underlying Funds may also face such circumstances as described above.

Concentration of Investments - Although it will be the policy of the Company to diversify its investment portfolio, the Company may at certain times hold relatively few investments. A Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

Market Liquidity and Leverage - The Company may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair the Company's ability to adjust its positions. The size of the Company s positions may magnify the effect of a decrease in market liquidity for such instruments. Changes in overall market leverage, de-leveraging as a consequence of a decision by a broker and Custodian, or other counterparties with which the Company enters into repurchase/reverse repurchase agreements or derivative transactions, to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions, may also adversely affect the company's portfolio.

Forward Foreign Exchange Contracts - A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered and are not traded on exchanges. Rather, they are individually negotiated transactions. Forward foreign exchange contracts are effected through a trading system known as the interbank market. It is not a market with a specific location but rather a network of participants electronically linked. Documentation of transactions generally consists of an exchange of telex or facsimile messages. There is no limitation as to daily price movements on this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. Transactions in forward foreign exchange contracts are not regulated by any regulatory authority nor are they guaranteed by an exchange or clearing house. The Company will be subject to the risk of the inability or refusal of its counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the Company to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

Counter party Risk - The Company will be subject to the risk of the inability of any counterparty (including the Custodian) to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes.

Net Asset Value Considerations - The Net Asset Value per Share of each Fund is expected to fluctuate over time with the performance of the Fund s investments. A Shareholder may not fully recover his initial investment when he chooses to redeem his Shares or upon compulsory redemption if the Net Asset Value per Share at the time of such redemption is less than the subscription price paid by such Shareholder.

**Illiquidity** - There will not be an active secondary market for the Shares.

**Fees for Underlying Funds** - Where the Fund is investing in an Underlying Fund, the investors will effectively be paying two levels of management fees - to the Investment Manager of the relevant Fund and also to the investment manager of the Underlying Fund. Underlying Funds have their own respective fee structures and investors are requested to read and understand this by reviewing the offering documents of the Underlying Fund carefully.

**Exit Strategies** - It is expected that the entities in which the Company invests will have their securities listed with a stock exchange in India or abroad or be sold through a private sale as a means of creating liquidity for that investment. Listing in India is subject to guidelines that are issued and revised by SEBI from time to time and the Companies Act, 2013 and Companies Act, 1956 (to the extent not repealed). However, there can be no assurance that a portfolio company investment may ever be disposed of. Furthermore, there can be no assurance that these securities will provide a viable exit mechanism, as these securities may suffer from low trading volumes and low market capitalization at the time of intended disposal. In the case of liquidation of the portfolio companies to realize the investments, it should be noted that liquidation procedures in India are time consuming, complex and require permissions from various authorities, including government, courts and creditors, which may impair the ability of the Company to realize gains upon such liquidation.

**Securities Markets** - It is anticipated that many of the portfolio companies in which the Company invests will have their securities listed with an Indian stock exchange at the time of, or after, the Company's investment. In connection with such a listing, the Company will generally be required to agree not to dispose of its securities in the portfolio company for a certain period and accordingly, despite such listing, the Company's investments may remain illiquid for a significant period. Securities listed on the Indian stock exchange may have low market capitalization and trading volume. There can be no assurance that sales on the Indian stock exchanges will provide a viable exit mechanism for the Company's investments.

Indian securities markets are substantially smaller, less liquid and more volatile than securities markets in the U.S. There are 20 RSEs in India, including the Over the Counter Exchange of India. Most stock exchanges are governed by regulatory boards. The Bombay Stock Exchange Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") have nationwide trading terminals and, taken together, are the principal Indian stock exchanges in terms of the number of listed companies, market capitalization and trading volume. The relatively small market capitalizations of, and trading values on, the BSE and NSE may cause the Company's investments in securities listed on these exchanges to be comparatively less liquid and subject to greater price volatility than comparable U.S. investments.

In India, the SEBI is responsible for setting disclosure and other regulatory standards for the Indian securities markets. While the SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters, the level of regulation, monitoring, and reporting requirements imposed by the SEBI on the Indian securities markets and Indian companies may be less stringent than those imposed by regulatory authorities and stock exchanges in developed countries such as the United States. Therefore, there may be less publicly available information about Indian companies than is regularly made available in many developed countries, and the Company may have less access to information about the operations and financial conditions of such companies.

Enforcement of Foreign Judgments - The Indian companies in which the Company will invest will be companies incorporated under the laws of India. Generally, the directors, executive officers and a substantial portion of the assets of such companies are located in India. It may be difficult for the Company to obtain a judgment in a court outside India to the extent that there is a default with respect to the security of an Indian issuer or with respect to any other claim that the Company may have against any such issuer or its directors and officers. As a result, even if the Company initiates a suit against the issuer in a U.S. court, it may not be possible for it to (1) effect service of process in India, (2) enforce court judgments obtained outside India against Indian companies or the directors and the executive officers of such Indian companies and (3) obtain expeditious adjudication of an original action in an Indian court to enforce liabilities against Indian companies or the directors and executive officers of such Indian companies. Moreover, if the Company obtains a judgment in a U.S. court, it may be difficult to enforce such judgment in India since the U.S. has not been declared by the Government of India to be a reciprocating territory. A judgment of a court (which has to direct the payment of a certain sum against the defendant) in a jurisdiction that is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within 3 (three) years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law or public policy. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive, as a penalty or inconsistent with public policy.

Limited Due Diligence - The due diligence of the Company will be limited by Indian regulations that restrict the ability to conduct inside due diligence on listed companies. Indian insider trading regulations prohibit any dealings in securities on the basis of unpublished price sensitive information. The Company and others involved in the investments may violate the insider trading regulations if an investment decision is made based on unpublished price sensitive information obtained during the due diligence of a listed company and as result may not be able to make the investment. This restriction will impact the ability of the Company to receive and analyze such information, which could adversely affect the quality and effectiveness of the due diligence. In addition, any dealings on the basis of unpublished price sensitive information may expose the recipient to insider trading charges.

Slowdown in Economic Growth - The performance of the Company is dependent on the performance of the economy of India. Thus, any slowdown in the Indian economy could negatively affect the value of the Company's investments.

Indian Tax and Regulatory Risks

**Please refer to the Part on Taxation for Modifications to the India – Mauritius Double Taxation Avoidance Agreement ("DTAA").**

Tax Residency of the Company in India - As per the domestic tax law of India, governed by the (Indian) Income-tax Act, 1961 ("**ITA**"), a company is considered to be a tax resident of India if in a given financial year: (i) it is an Indian company; or (ii) its 'place of effective management' ("**POEM**") in that year is in India. POEM has been defined to mean a place where key management and commercial decisions that are necessary for the conduct of business of an entity as a whole are,

in substance made. The Central Board of Direct Taxes ("**CBDT**") has issued guidelines for determination of POEM. If for any reason the POEM of the Company is considered to be in India, then the global profits of the Company, could be subject to taxation in India. Additionally, there could be other consequences to the Company's compliance and reporting obligations in India, if it is held to have a POEM in India.

Exposure to Permanent Establishment ("PE") - The Company believes that the activities of the Company described in this Memorandum should not create a PE of the Company in India due to activities of the Sub-Advisor in India or otherwise. However, if for any reason the Company is considered to have a PE in India, business income (if any) of the Company to the extent attributable to the PE would be subject to tax at the rate of 40% (exclusive of applicable surcharge, health and education cess) on net basis in India.

Reliance on the Treaty - Investors should note that taxation of the income of the Company arising from its investments in India is expected to be minimized under the provisions of the Treaty. There can be no assurance that the Treaty will continue and will be in full force and effect during the life of the Company. Further, it is possible that Indian tax authorities may seek to take the position that the Company is not entitled to the benefit of the Treaty.

Application of General Anti-Avoidance Rules in India - The General Anti-Avoidance Rules ("**GAAR**") under the ITA would be applicable where the main purpose of an arrangement is to obtain a tax benefit. GAAR provisions empower the tax authorities to investigate any such arrangement as an "impermissible avoidance arrangement" and consequently disregard, combine or re-characterize any part or whole of a transaction or arrangement such that the transaction or arrangement is brought to tax on the basis of its substance, rather than its form. An impermissible avoidance arrangement is an arrangement whose main purpose is to obtain a tax benefit, which, inter-alia, lacks commercial substance. If GAAR provisions are invoked, the Indian revenue authorities may, amongst other powers, deny tax treaty benefits to the taxpayer.

Currently, there is limited information available as to how the GAAR provisions would be interpreted or how these provisions may be applied. While the Company and the Investment Manager have been established and are intended to be operated in a manner which is based on sound commercial considerations, there can be no assurance that the Indian revenue authorities do not contest the same. Material adverse consequences could arise for the Company and the Investment Manager if GAAR provisions are applied to the Company and / or the Investment Manager, and is likely have an impact on the returns to the investors.

Taxability of Indirect Transfers - The provisions of the ITA specify that shares in a foreign company (provided certain conditions are met) which derives its value substantially from assets located in India should be considered as assets situated in India. Gains if any that may accrue to an investor from a transfer of such shares would also be liable to tax in India. Since the Company, is expected to hold investments in Indian entities, the investors in the Company may be liable to the indirect transfer provisions with respect to their investment in the Company under certain circumstances. An exemption is available under the ITA to any direct or indirect investor in a Category I FPI registered under the FPI

Regulations[1]. If there is any adverse change to the ITA that removes or otherwise limits the exemption to Category I FPIs or if the Company is unable to maintain their status as a Category I FPI, the indirect transfer tax provisions shall become applicable.

Changes to special regime for FPIs under India's domestic tax law - Currently, the ITA provides a special concessional tax regime for FPIs, as has been discussed in this Memorandum. However, there can be no assurance that this beneficial regime will continue and be in full force and effect during the life of the Company. Possible changes to Indian tax laws including the specific tax regime applicable to FPIs may have an adverse impact on the returns to the investors.

Legal and Regulatory Risks

Cessation of Appropriately Regulated Entity Status - If there is any change in the FPI Regulations which results in reclassification of the Category I FPI license held by the Company into Category II FPI, the Company shall not be permitted to issue, subscribe to or otherwise deal in offshore derivative instruments ("**ODI**").

FPI Investment Restrictions - Indian investment restrictions may hinder the Company's investment program. Generally, under SEBI regulations and the foreign investment and exchange control regulations applicable to FPIs, certain ceilings or limitations may apply to qualifying investments for such entities. As an FPI, the Company can acquire only less than 10% of paid-up equity share capital on a fully diluted basis or 10% of the paid-up value of each series of debentures or preference shares or share warrants of an Indian company. The investment of the Company is accordingly restricted to that extent which could impair the ability of the Company to take higher exposure in better performing companies. Further portfolio investments in primary or secondary markets are subject to sectoral caps prescribed under the FDI policy and RBI regulations from time to time for the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company. The said aggregate limit would apply to all holdings taking into account all possible sources of conversions of securities that could be exercised. The aggregate limit can be extended by the Indian company provided its Board of Directors and its shareholders have approved it through a resolution and a special resolution, respectively. The requirement of 24% of the total paid-up equity capital on a fully diluted basis / paid up value of each series of debentures / preference shares / warrants has been done away with effect from 01 April 2020. However, the Indian company (i) may decrease the investment limit to a lower threshold limit of 24% or 49% or 74% as deem fit, with the approval of its board of directors and its general body through a resolution and a special resolution, respectively before 31 March 2020; and (ii) which has decreased its aggregate limit to 24% or 49% or 74% may increase such aggregate limit to 49% or 74% or the sectoral cap or statutory ceiling respectively as deemed fit, with the approval of its board of directors and its general body through a resolution and a special resolution, respectively. Further, once the aggregate limit has been increased to a higher threshold, the Indian company cannot reduce the same to a lower threshold. Also, the aggregate limit with respect to an Indian company in a sector where FDI is prohibited shall be 24%. Regardless, FPI investment cannot exceed the sectoral caps as prescribed by the Government of India and the RBI. There

[1] Amended in the Finance Act, 2020

is a risk that the Company will be unable to secure, or only able to secure at significant cost, a sufficient quota in respect of relevant securities under prevailing regulations.

Regulatory Risk and/or Risk of losing the FPI Status - For the Company to invest directly in Indian securities, it must maintain its registration as an FPI with a DDP / SEBI. The SEBI imposes various requirements or conditions that the FPI license-holder must fulfill in order to maintain the FPI registration. In addition, the FPI license granted by the DDP might be temporarily suspended or even withdrawn at any time by the SEBI or the DDP.

In particular, the FPI license can be suspended or withdrawn by SEBI in the case of non-compliance with the SEBI's requirements, or in the case of any acts or omissions of compliance with any Indian regulation. Hence, no assurance can be given that the FPI license of the Company will be maintained for any specified duration. Further, as per the FPI Regulations, the Company is required to renew its registration upon payment of requisite fee, every block of 3 (three) years.

There can be no assurance that the Company will continue to be registered with SEBI as an FPI. Under certain circumstances, such as a change in law or regulation or loss of FPI authorization, governmental regulation or approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors may be required.

If the FPI registration of the Company is revoked by SEBI due to / for any reason whatsoever, then it may significantly impede the Company's ability to make investments in India and it may have an effect on the existing instruments held by the Company.

Inclusion of Mauritius in the 'grey list' by the Financial Action Task Force - The Financial Action Task Force ("**FATF**"), an inter-governmental body which sets anti-money laundering standards, on February 21, 2020, has placed Mauritius in the list of 'jurisdictions under increased monitoring', commonly referred to as the "grey list". Generally, the jurisdictions under increased monitoring actively work with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. When the FATF places a jurisdiction under increased monitoring, it means the country has committed to resolve swiftly the identified strategic deficiencies within agreed timeframes and is subject to increased monitoring. Consequently, any flow of funds through Mauritius could be subject to increased monitoring, scrutiny and compliances.

However, SEBI later on issued a press release dated February 25, 2020, reiterating that FPIs from Mauritius continue to be eligible for FPI Registration with increased monitoring as per FATF norms. Following such a press release, Regulation 5(a)(iv) of the FPI Regulations was amended to include "entities from any country specified by the Central Government by an order or by way of an agreement or treaty with other sovereign Governments" in the definition of "Category I foreign Portfolio Investor". In this regard, the Ministry of Finance, India has notified Mauritius as an eligible country; inter-alia, resulting in (a) appropriately regulated funds in Mauritius and (b) unregulated funds in Mauritius whose manager is appropriately regulated and registered as a Category I FPI, being eligible to obtain registration as a Category I FPI. A

Category I FPI can avail exemption from indirect share transfer provisions, higher derivative position limits, lower KYC norms and documentation requirements, and lower compliance burden as compared to a Category II FPI.

Updates to the SEBI - FPIs are obliged, under the terms of the undertakings and declarations made by them at the time of registration, to immediately notify the SEBI and the DDP of any changes in the information provided in the application for registration. Failure by the FPIs to adhere to the provisions of the SEBI Act and the rules made therein and the FPI Regulations renders them liable for the penalties prescribed under the SEBI Act and the Securities Exchange Board of India (Intermediaries) Regulations, 2008 which include, *inter alia*, imposition of a penalty and suspension or cancellation of the certificate of registration. Additionally, the SEBI has the power to request information or documents related to an entity's activities or status as an FPI.

Repatriation of Dividend, Interest and Sale Proceeds - Under the prevailing Indian foreign exchange regulations, investment capital and profits earned, including dividend, interest and sale proceeds, can be repatriated from India (less any applicable taxes).

There can be no assurance that the Indian Government will not, in the future, impose restrictions on foreign exchange. The repatriation of capital may be hampered by changes in Indian regulations concerning exchange controls or political circumstances. In addition, if India were to impose certain restrictions in foreign exchange control regulations, the ability of the Company to repatriate the dividends, interest or other income from the investments or the proceeds from sale of securities could be impaired. Any amendments to the Indian exchange control regulations may have an adverse effect on the Company's performance.

Investment and Repatriation Restrictions - Foreign investment in securities of Indian companies is restricted/controlled to varying degrees. These restrictions may at times limit/preclude foreign investment and increase the costs and expenses of the Company. Investments by the Company in Indian companies may require the approval of the RBI and/or other governmental entities. While in some instances such approvals are routinely granted, in others approval may be more difficult to obtain and may be granted only subject to certain conditions, if at all. While Indian regulation of foreign investment has been liberalized in recent years, there can be no assurance that the Company will be able to obtain all the approvals necessary to implement its investment program fully. Sale of securities by the Company to another non-resident as well as further investments by the Company in Indian companies may also require the approval of the government of India and the RBI.

Absence of Certain U.S. Statutory Registrations -The Company is not registered under the U.S. Investment Company Act of 1940, as amended (the "1940 Act") and neither the Investment Manager nor any of the Investment Advisors is registered under the U.S. Investment Advisors Act of 1940 (the "Advisers Act"). In addition, the investment managers of the Underlying Funds may not be registered under the Advisers Act. Therefore, shareholders are not afforded the protection provided by the 1940 Act and the Advisers Act and the extensive regulations promulgated there under. The Investment Manager and some of the Investment Advisors may at some point in the future register under the Advisers Act.

The Company has not registered in the United States as an investment company under the 1940 Act in reliance on Section 3(c)(7) thereof, which generally exempts from registration under the 1940 Act non-U.S. investment vehicles in which all investors who are U.S. Persons are also qualified purchase as defined in Section 2(a)(51) of the 1940 Act. If the Company were to fail to meet the terms of this exemption, it might be required to register under the 1940 Act. If the Company failed to comply with such a registration requirement, it could be subject to a variety of sanctions under U.S. law that could have a significant adverse effect on the Company.

Risks of Investing Globally - The Company may establish Funds that may invest exclusively in markets unconnected to India. The Risk Factors relating to such investments shall be set out in the relevant Fund Document.

Company Risks

Epidemics, Health Risks and COVID-19 - As of the date of this Memorandum, there is an outbreak of a novel and highly contagious form of coronavirus ("**COVID-19**"), which the World Health Organization has declared to constitute a "Public Health Emergency of International Concern." The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity and debt markets. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity and are having a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries. As COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Company and its portfolio investments and could adversely affect the Company's ability to fulfill its investment objectives.

The extent of the impact of any public health emergency on the Company's and its portfolio investments operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency may materially and adversely impact the value and performance of the Company's portfolio investments, the Company's ability to source, manage and divest investments and the Company's ability to achieve its investment objectives, all of which could result in significant losses to the Company. In addition, the operations of the Company, its portfolio investments, the General Partner and the Management Company may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel.

Liabilities of Other Cells/Funds - In a protected cell company the assets and liabilities attributable to individual Cells are legally segregated from the assets and liabilities of the other Cells. Creditors of a particular Cell are not entitled to have recourse against the assets of another Cell. In the event that the Cellular Assets of a particular Cell are insufficient to meet its Cellular Liabilities, then the company's Non-Cellular Assets shall be secondarily liable. However, where a protected cell company is transacting with a particular person, it must inform that person that it is a protected cell company, and in relation to which Cell the transaction is being effected. Also, at the time of each redemption of any Cell Shares, the Cell would have to meet the Solvency Test. In the event that the Cell does not meet the Solvency Test, then redemption of Shares of a particular Cell would not be possible. The Cell will satisfy the Solvency Test under the Act where the Cell is able to pay its debts as they become due in the normal course of business and the value of its assets is greater than the value of its liabilities.

Board Control - The Board of the Company may, among other things, at its discretion (a) suspend trading or operations, (b) create additional Funds, (c) impose or amend investment restrictions, or (d) impose or increase redemption or other fees payable by the Company, in each case without breaching any legal or contractual obligation with respect to the Company.

Management Shares - The Management Shares of the Company will be held by selected persons to whom the Board offers the Management Shares for subscription. The promoter of the Company does not hold the majority of the Management Shares and consequently, it may be possible that the control of the Company may subsequently be acquired by other persons.

Investigations and Actions Regarding the Company - Any investigations of, or actions against, the Company or any of the Shareholders initiated by SEBI or any other Indian regulatory authority may lead to a ban on the investment and trading activities of the Company or other adverse consequences.

Limited Rights of Shareholders - Shareholders holding RPS have no right to participate in the management or control of the Company. As a result, the Shareholders must rely entirely on the Investment Manager and the Board of the Company to manage the Company and its investments.

Reliance on Investment Manager and Investment Advisors - The authority to manage the assets of the Company has been delegated to the Investment Manager. Where an Investment Advisor is for a particular Fund, the Investment Manager engages the services of such Investment Advisor to assist itself in discharging its fund management duty to the Company in relation to the relevant Fund. The Investment Manager and the Investment Advisor may change the members of their advisory team from time to time, and there can be no assurance that any particular member of the team will continue to provide services to the Company. The members of the advisory team of the Underlying Funds that the Funds invest in may also change.

In addition to receiving an Investment Management Fee, the Investment Manager may also receive a Performance Profit Allocation based on the appreciation in the Net Asset Value per Share and accordingly the Performance Profit Allocation

will increase with regard to unrealised appreciation, as well as realised gains. Accordingly, a Performance Profit Allocation may be paid on unrealised gains, which may subsequently never be realised. The Performance Profit Allocation may create an incentive for the Investment Manager to make investments for the Company, which are riskier than would be the case in the absence of a fee based on the performance of the Company. Such similar consideration as mentioned above may also apply to investment managers of Underlying Funds who might receive a Performance Profit Allocation.

U.S. Tax Risks - The Company will file an election with the United States Internal Revenue Service (the "**IRS**") to be classified as a partnership for federal income tax purposes. No ruling has been requested or received from the IRS and no opinion of counsel has been obtained with respect to the classification of the Company for federal income tax purposes.

An entity that would otherwise be characterized as a partnership may be treated as a corporation for federal income tax purposes if the entity is a "publicly traded partnership" within the meaning of Section 7704 of the U.S. Internal Revenue Code of 1986, as amended (the "Code") that does not meet the 90% passive-type income test discussed below (see "U.S. Tax Considerations Classification as a Partnership"). If the Company is able to satisfy certain applicable safe harbors set forth in the Treasury Regulations promulgated under the Code, it will not be treated as a "publicly traded partnership". The Company does not expect to be able to satisfy those safe harbors. Further there can be no assurance that the Company will be able to satisfy the 90% passive-type income test. If the Company were classified as a "Publicly traded partnership" and does not satisfy the 90% passive type income test in any Company taxable year, it would likely to be treated as a passive foreign investment company for US federal income tax purposes. The Company and the shareholders could suffer adverse US federal income tax consequences if the Company were to be treated as a passive foreign investment company.

Audits and Adjustments to Tax Liability - A federal income tax audit of the Company's information return (if any) may result in an audit of the tax returns of the Company investors, and such an audit could result in adjustments to items that are unrelated to the Company as well a to related items. Prospective investors should also recognize that they might be forced to incur substantial legal and accounting costs in resisting any challenge by the IRS to any items in their individual returns, even if the challenge by the IRS should prove unsuccessful. The Company will not be responsible for paying any expenses incurred by an investor in connection with an audit of its individual tax return or its participation in an audit of the Company's information return (if any).

Tax Laws Subject to Change - The statutes, regulations, and rules with respect to all of the tax matters discussed in this Memorandum are constantly subject to change, and the interpretations of such statutes, regulations, and rules may be modified or affected by judicial decisions or administrative interpretations. Hence, no assurance can be given that the interpretations described in this discussion will remain in effect. Any changes could be applied retroactively to transactions entered into before the effective date of the change.

Redemptions - The Shares may be subject to lock-in, which shall be stated in the relevant Fund Documents. The Company may in certain circumstances including substantial redemption demand (a) suspend redemptions completely or, (b) make redemption payments to certain qualifying Shareholders in specie. Shareholders receiving redemption payments in

specie may incur brokerage costs in converting such securities to cash. Such conversions will be subject to the market risks set forth above.

Some circumstances that could lead to a suspension of redemption, include inter alia:

1. any period when any emergency exists as a result of which disposal by the Company of Investments which constitute a substantial portion of its assets is not practically feasible;

2. any period when for any reason the prices of a material portion of the Investments of the Company cannot be reasonably, promptly or accurately ascertained;

3. any period when remittance of monies which will, or may be, involved in the realisation of, or in the payment for, Investments of the Company cannot, in the opinion of the Directors, be carried out at normal rates of exchange;

4. any period when proceeds of the sale or redemption of the Participating Shares cannot be transmitted to or from the Company account; and/or

5. legal changes or regulatory compliance requirements;

Potential Conflicts of Interest - Set forth below are some of the conflicts of interest that may occur. It is possible that other actual and potential conflicts of interest may arise. The Investment Manager and the Investment Advisors will endeavor to resolve all such conflicts in a reasonable manner, but there can be no assurance that any such resolution will be in the manner most favorable to the Company and its investors.

Performance Profits Allocation - The Performance Profits Allocation to the Investment Manager may create an incentive for the Investment Manager to make investments that are riskier or more speculative than would be the case in the absence of the Performance Profits Allocation.

Valuation - Annexure A sets out the formulae for determination of Net Asset Value. While a bulk of the investments will be made in securities actively traded on the Indian stock exchange, certain illiquid securities in which the Company invests may not have a readily ascertainable market price and will be valued by the Investment Manager, even though the Investment Manager may face a conflict of interest in valuing the securities, as their value will affect the Investment Manager Performance Profits Allocation. However, as per the formula for calculating the Net Asset Value as laid down in Annexure A, the non-listed securities shall be valued until they are realized at the lower of (i) cost of acquisition or (ii) fair market value in the opinion of the Investment Manager.

Dealing with Affiliated Persons - The Company may, when and as determined by the Board in its sole discretion, enter into investments related agreements, leases, or other arrangements with the Investment Manager, an Investment Advisor or any affiliate of the Investment Manager or an Investment Advisor for the provision of services to the Company, provided that these arrangements are on terms that are no less favorable to the Company than the terms of comparable arrangements generally available from unaffiliated third parties.

The Investment Manager, Investment Advisor and their affiliates shall not directly or indirectly purchase or sell any securities from or to the Company.

The Company will not, directly or indirectly, make loans to the Investment Manager, Investment Advisor or their affiliates.

One of the brokers for the Company is ICICI Securities Limited, which is an affiliated party to the Investment Manager. These arrangements are, however, on an arms length basis and on independently negotiated commercial terms.

One of the Global Distributors of the Shares of the Company is ICICI Bank Limited, Singapore Branch, which is an affiliated party to the Investment Manager. The agreement with ICICI Bank Limited, Singapore Branch is however on an arms length basis and on independently negotiated commercial terms.

The Indian Custodian of the Company is ICICI Bank Limited, which is an affiliated party to the Investment Manager. This arrangement is, however, on an arms length basis and on independently negotiated commercial terms.

The above relationships may lead to potential conflicts of interest and the Board will seek to resolve such conflicts of interest equitably.

Other ventures - The Investment Manager, Investment Advisors and their affiliates are involved in a variety of investment-related and non-investment-related activities and intend to remain so in the future. The Company shall not have any rights in or to any cash receipts or profits of the Investment Manager, the Investment Advisors or their affiliates. The Investment Manager and the Investment Advisors may have conflicts of interest in allocating management time, services, functions, and investment opportunities among themselves, their affiliates, and the Company.

The Investment Manager, Investment Advisors and their affiliates may invest and trade for their own accounts. Any of them may take action with respect to their own accounts that differs from action taken with respect to the Company's investment. These differences may result from several factors, including differences in investment account objectives, volatility and turnover tolerance, the degree to which accounts are fully invested, time horizons, derivative instruments permitted to be used, and underlying positions to be hedged. The possible taking of inconsistent investment positions could result in a situation where the position taken for the Company is unprofitable while the opposite position taken on behalf of another account managed by the Investment Manager or one of its affiliates is profitable.

The Investment Manager, Investment Advisors and their affiliates may sponsor, manage or incubate other investment funds that may have investment strategies similar to the Company. If in the future any of them manage or advise additional investment vehicles other than the Company, conflicts of interest between the Company and such other investment vehicles are possible.

The Investment Manager may give advice and take action with respect to such other investment vehicles that differs from advice given or action taken with respect to the Company. However, the Investment Manager and the Investment Advisors will attempt to allocate investment opportunities to the Company over a period of time on a fair and equitable basis relative to any other investment funds managed by the Investment Manager or the Investment Advisors. In determining

the suitability of a particular investment opportunity for the Company or for another company/fund, the Investment Manager will attempt to consider all relevant factors, including, among other things, the nature and amount of the investment, the investment objectives of the Company and such other company/fund, the present composition of the portfolio of the Company and such other company/fund, and the amount of net assets of the Company and such other company/fund available to make the investment. Based on these factors, the Investment Manager may make or dispose of an investment for another fund even though the Investment Manager does not make or dispose of the same investment for the Company.

The potential conflicts of interest raised by any other ventures engaged in by the Investment Advisor or their affiliates would raise similar concerns as the potential conflicts of interest described above in this subsection with respect to the Investment Manager and its affiliates.

Representation - The attorneys and accountants who perform services for the Company may each perform services for the Investment Manager and related entities. It is anticipated that such representation will continue in the future.

Non-Independent Board - Members of the Board are elected by, and subject to removal by holders of the MS. Some members of the Board are officers or employees of the Investment Manager (or it's affiliates) or the Administrator. As a result of these and other factors, members of the Board should no be regarded as independent and may be subject to conflicts of interest.

*  *  *  *

The foregoing list of factors is not exhaustive and does not purport to be a complete explanation of all the risks and significant considerations involved in investing in the Company. Shareholders should understand that all investments involve risk and there can be no guarantee against loss resulting from an investment in any Fund(s), nor there is any assurance that the Company s investment objective will be attained. Neither the Investment Manager, Board of the Company or the Investment Advisors, guarantee the performance or any future return of the Company or any of its Funds.

## SECTION V: MANAGEMENT, ADMINISTRATION AND OPERATIONS

Management of the Company and Directors

Company in relation to its Funds will substantially invest in Indian securities. The Company has appointed ICICI International Limited ("**Investment Manager**"), a company incorporated with limited liability under the laws of Mauritius, as its Investment Manager.

It is anticipated that the Company will hold at least two full Board meetings a year in Mauritius to principally review the investment strategy and performance. The first such meeting will also approve semi-annual accounts and the second meeting will approve the annual accounts. The other Board meetings of a more routine nature will take place by telephone conference with at least two resident Directors present in Mauritius and chaired from Mauritius.

The Board of the Company will review any non-routine operational matters and will expect to be advised by the Investment Manager on any changes in the regulatory and tax environment affecting the Funds.

Investment decisions shall be made by the Investment Manager subject to the overall supervision and control of the Board of the Company. Where the Fund invests in Underlying Funds, the investment decisions will be made by the investment managers of the Underlying Fund.

The Directors of the Company may establish different Funds and issue such number of Cell Shares in relation to such Funds or fractions thereof in accordance with applicable Law without any obligation to offer the shares first to the existing shareholders of the Company. The Directors may authorize the creation of additional Funds with different investment objectives.

The Board of the Company initially comprised of Hilani Kerr, Mark Sebastian Law and Nimesh Shah. However, since then Nimesh Shah has resigned on 20 December 2007 because of his movement to India, Mark Sebastian Law has resigned on 30 January 2008 and Hilani Kerr has resigned on 10 March 2008. Consequently, Deepak Varghese, Hoolash Shahed Ahmad and Gyanandsing Prayagsing were appointed as the new Directors with effect from 20 December 2007, 30 January 2008 and 10 March 2008, respectively. Mr. Prayagsing has thereafter resigned on 25 March 2009. He is replaced by Jean-Hugues Judex Eric Andre. Deepak Varghese also stepped down as the Director in September 2009 and is succeeded by Ms. Aarti Sharma. Mrs. Patricia Sin Mew Cheung was appointed on 16 February 2010. Mr. Shahed Ahmad Hoolash and Mrs. Patricia Sin Mew Cheung resigned from the Board on 05 July 2019 and they were succeeded by Mrs. Anju Keerti Ramnarain and Mr. Navun Dussoruth. Ms. Aarti Sharma resigned from the Board on 28 January 2020 and Ms. Priti Jagannath Shetty was appointed on 13 January 2020. The brief biographies are as follows:

Anju Keerti Ramnarain

Anju Keerti Ramnarain is a Fellow member of the Association of Chartered Certified Accountants. Anju has over sixteen years of experience in the Mauritius Global Business Sector. She currently holds the position of Head of Share Registry at Apex Fund Services (Mauritius) Ltd (“Apex Mauritius”), which forms part of the Apex Group which has offices in various

jurisdictions including Bermuda, Dubai, Singapore, Hong Kong and Ireland. Prior to joining Apex Mauritius, Anju held the role of team leader at a leading offshore management company in Mauritius and was responsible for a number of funds investing into India. Anju also holds a BSc (Hons) Accounting and Finance from the University of Mauritius.

Navun Dussoruth

Navun (Navin) Dussoruth currently holds the position of Head of Private Equity and Risk Management with Apex Mauritius. Navin holds a number of directorships on the Boards of numerous India focused funds and companies through which he has acquired extensive experience and knowledge on key industries in India and its principal capital markets. As Head of Private Equity, Navin has helped in pioneering the private equity cluster regrouping PE funds, venture capitals and Real Estate funds. Navin has been actively involved in the implementation of eFront, which is premium accounting software for PE. Prior to joining Apex, Navin was with Ernst & Young Mauritius for seven years where he was a Manager in the Assurance & Advisory Business Services, specializing in Global Asset Management and private equity structures. Navin is member of the Association of Chartered Certified Accountants ("**ACCA**"), UK; Technical Specialist from the Institute of Risk Management ("**SIRM**") and member of the Institute of Internal Auditors ("**IIA**"). Navin also holds an LL.M in International Business Law from the Universite Pantheon- Assas (Paris II) and a Diploma in International Financial Reporting Standards.

Priti Jagannath Shetty

Priti Jagannath Shetty is presently working with ICICI Bank UK PLC, London as General Counsel where she is the leader for Legal Operations providing four key deliverables of business-wide compliance with local laws, global governance, budget planning and documentation management. During the course of her 16 years career at ICICI Bank, Priti has overseen the legal function for the international segments of the bank, including its overseas banking branches and subsidiaries. Priti advises various Board constituted committees, including the Office of the Chairman and Chief Executive Officer of ICICI Bank. Priti is an alumni of the Harvard Business School.

Investment Manager

The Investment Manager is ICICI International Limited, a company incorporated under the laws of Mauritius on 18th January 1996 and holding a Global Business License issued by the FSC, which was enhanced on 31st January 2006, authorizing it to act as an Investment Manager for the Company. The Investment Manager is not registered as an investment adviser with the SEC.

The Investment Manager was set up by ICICI Venture Funds Management Company Limited (erstwhile TDICI Limited) as a wholly owned subsidiary to carry on the fund management activity for funds based in Mauritius. In 1998, CICI Venture Funds Management Company Limited sold its entire holding in the Investment Manager to the erstwhile ICICI Limited (which has since merged with ICICI Bank Limited) pursuant to which the Investment Manager has become a wholly owned subsidiary of ICICI Bank Limited. The Investment Manager provides fund, asset management and advisory services and has acted and continues to act as fund manager for other private equity funds.

Under the terms of an Investment Management Agreement entered into between the Company and the Investment Manager, the Company has delegated all rights of investment and divestment of the Funds to the Investment Manager. The Investment Manager is responsible for managing the Funds investments in accordance with the Funds investment objectives and investment strategies, subject to the overall supervision and control of the Board. All authority of investment, divestment, etc. rests with the Investment Manager, which will act through its board of directors and will not be bound in any manner whatsoever to accept the recommendations of the Investment Advisors.

The Investment Manager will engage the Investment Advisors in respect of certain specific Funds to assist in identification, analysis, due diligence, financial structuring and on-going monitoring of such Funds investment and/or divestments. However, the investment decisions will be taken solely by the Investment Manager based on the recommendations received from the Investment Advisors, and the Investment Advisors will not be authorised to take any investment decisions on behalf of the Company or the Investment Manager, nor will they be given any general authority by the Investment Manager for execution of contracts on behalf of the Investment Manager or the Company. The directors of the Investment Manager are professionals with proven track record.

Under the terms of the Investment Management Agreement with the Company, the Investment Manager, its duly authorized agents and delegates shall not be liable to the Company or any shareholder of the Company or otherwise for any error of judgment or for any loss suffered by the Funds or any such investor in connection with the subject matter of the Management Agreement howsoever any such loss may have occurred unless such loss arises from any willful default, bad faith, or negligence in the performance or non-performance of the Investment Managers obligations and duties under the Investment Management Agreement. The Company undertakes to hold harmless and indemnify the Investment Manager, its duly authorized agents and delegates against all judgments, fines and amounts and all expenses reasonably incurred in connection with legal, administrative or investigation proceedings where the Investment Manager or any person acting on its behalf acted honestly and in good faith with a view to the best interests of the Company and in the case of criminal proceedings, where these persons had no cause to believe that their conduct was unlawful.

The Investment Management Agreement may be terminated by either party at any time without cause upon at least 90 days prior notice to the other party. If the Investment Agreement is terminated, the Investment Manager shall be entitled to receive Management Fees and Performance Profit Allocation, if applicable, through the effective date of the termination.

The Board of the Investment Manager initially comprised Ms. Renuka Ramnath, Mr. Suresh Kumar, Mr. Couldip Basanta Lala and Mr. Kapildeo Joory. Mrs Chanda Kochar, Mr Sunil Talwar and Mr. Ranjit Fernando were appointed as directors on 30th July 2007. Ms. Renuka Ramnath and Ms. Chanda Kochhar resigned as directors of the Investment Manager in July 2008 and Mr. Pramod Rao and Mr. Vikas Tandon were appointed as the successor directors. Mr. Sunil Talwar, Mr. Vikas Tandon and Mr. Pramod Rao have thereafter resigned as directors of the Investment Manager in March 2009, April 2009 and June 2012 respectively. Mr. Sandeep Batra, Mr. Couldip asanta Lala and Mr. Kapildeo Joory resigned as directors of investment manager in December 2013, April 2014 and July 2014. Mr. Sanker Parameswaran, Mr. Zakir Hussein Niamut and Mr. Yashwant Kumar Beeharee were appointed as directors of the investment manager in January 2014, April 2014 and August 2014. Mr. Suresh Kumar has resigned on 17th April 2015. Mr Sanker Parameswaran

resigned as director on 16th October 2019. Mr Rajesh Shankar Narayan Iyer were appointed as Director on 16th October 2019. The brief biographies of the existing directors of the Investment Manager are as follows:

Rajesh Shankar Narayan Iyer

Mr Iyer is a Chartered Accountant (ICAI), Cost Accountant (ICWAI), CFA (US) and FRM (US). He started his career in 1995 and spent 6 years in Equity Research in India. His last assignment during that period was with UTI-Nomura Securities, Mumbai, after which he moved overseas in year 2000. During his 6 years stint outside India, he worked with TAIB Bank EC as Deputy Director and then as Fund Manager with National Bank of Bahrain. During that period, he managed proprietary money. He also set up and managed a desk that focused on co-investment opportunities across global asset classes along with Institutional and Family Office clients of these banks. From year 2006, Mr Iyer worked with Kotak Mahindra Bank for 12 years. There he was Head of Wealth Management SBU's Investment Advisory & Family Office Business. Before joining ICICI Bank, Mr Iyer also worked as CEO of DHFL Pramerica Asset Management Company in Mumbai.

Zakir Hussein Niamut

Zakir Hussein Niamut is a Fellow of the Association of Chartered Certified Accountants, UK. He is also a Chartered Secretary from the UK Institute of Chartered Secretaries and Administrators. He has more than 22 years of experience in the field of accounting and finance. Prior to joining IFS in August 2000, he was the Financial Accountant of a textile manufacturing company where he worked for more than 6 years. He has also worked for a medium sized firm of chartered accountants. He currently leads a team of16 people having the responsibility for a portfolio of more than 150 entities, including collective investment schemes, close-end funds, investment holding companies and trusts. He has been exposed to the main areas of the industry including legal, tax, administration and corporate secretarial fields. He sits on the Board of a number of global business companies.

Yashwant Kumar Beeharee

Yashwant Kumar Behree is a Fellow of the Association of Chartered Certified Accountants, UK. He graduated with a Bachelor of Science degree in Economics from the University of Mauritius and also holds an MBA (Finance) with Distinction from the same university. He joined IFS in 1998 and, throughout his career, has been working with and then leading different teams having responsibility for portfolios of around 150 companies, including Collective Investment Schemes and Close-End Funds. He has also worked on the implementation of a specialised integrated accounting package at IFS and coordinated a team for the ISAE3402 Type I and II audits at IFS in 2012. He is currently Head of the Compliance and Controls Unit at IFS. He holds directorships on several companies administered by IFS and is also a director on the Board of a company which provides financial advisory services.

Ranjit Fernando

Ranjit Fernando is a Fellow of the Chartered Institute of Bankers (Lon.), Chartered Institute of Management Accountant (Lon), as well as a Bachelor of Laws (Hons). He also has an experience of 35 years in various financial fields. He started

his career in 1962 with People's Bank. Thereafter for four years (from 1975 to 1979) he worked as a senior in the Development Finance Corporation of Ceylon. During his subsequent tenure of thirteen years with National Development Bank of Sri Lanka as Director/Chief Executive, his major achievements were:

(a) Privatisation of Bank.

(b) Achieving a place amongst most profitable companies quoted on Colombo Stock Exchange.

Mr. Fernando as the Secretary to the Ministry of Enterprise Development, Industrial Policy Investment Promotion and Constitutional Affairs, was actively involved in the formulation of Industrial Polices, the promotion of Foreign Direct Investment and dismantling of governmental control of private enterprise.

Administrator

The Company's administrator is Apex Fund Services (Mauritius) Ltd ("**Apex Mauritius**"). The Apex Mauritius office was opened in September 2006 and is regulated by the Mauritius Financial Services Commission. It provides a full suite of products surrounding its core fund accounting services, from regulatory solutions to middle office services, covering the full value chain for its clients.

Based in the heart of the Hi-tech Business Parks, our service delivery model is founded on years of experience and in-depth knowledge of the fund business – as a result Apex Mauritius administers 15% of all new funds incorporated in the country and retains a focus on high client service levels delivered locally.

Indian Custodian

Under the FPI Regulations, the Company is required to appoint a domestic custodian in India maintaining the Indian investments. For this purpose, the Company has appointed ICICI Bank Limited, Mumbai, as the Custodian by entering into a custodian agreement ("**Custodian Agreement**").

In accordance with the terms of the Custodian Agreement, the Custodian shall have the authority to receive and hold securities delivered to it or to its order either in its vault for safekeeping or, with the prior written consent of the Company, deliver such securities to an agent for safekeeping; to effect transfer, exchange or deliver the securities in the required form and manner; to promptly collect and deposit all cash received from transfer of securities and other payments with respect to securities in the account(s) opened for the Company; to hold cash collected in the such cash account(s) as the Company may specify; to convert such cash into such currency as instructed by Company; to remit such cash in connection with the purchase of securities or such other property specified by the Company upon delivery of such property; to remit such cash in the cash account of the Company or perform any combination of the above.

The Company has agreed to keep the Custodian fully indemnified and saved harmless, at all times, in respect of each and every payment made and obligation, liability, loss and damage undertaken or incurred or suffered by the Custodian (whether directly or indirectly) under and also against all demands, actions, suits, proceedings made, filed, instituted against the Custodian in connection with or arising out of or in relation to the Custodian acting pursuant to, in accordance

with or relying upon any fax Instruction or otherwise pursuant to the request and authority conferred herein and/ or any action taken on any unauthorized or fraudulent fax Instruction to the Custodian.

The Custodian shall not be liable for any losses or damages which the Company may suffer as a consequence of the Custodian acting in accordance with or in reliance upon, any email Instruction or otherwise pursuant to the authority conferred in the Custodian Agreement.

The Custodian shall not be liable for any losses or damages which the Company may suffer as a consequence of the Custodian acting in accordance with or in reliance upon, any straight through processing instruction or otherwise pursuant to the authority conferred in the Custodian Agreement.

The Custodian shall not be liable to the Company for any action lawfully taken or omitted to be taken by it pursuant to its obligations under this Custodian Agreement or for any claim, loss, damages or expenses arising in connection with any such action or omission except insofar as the same results from the willful default or gross negligence of the Custodian

Except in so far as the same results from the willful default or gross negligence of the Custodian, the Company shall indemnify and hold the Custodian harmless against all actions, proceedings, claims and demands, and costs and expenses incidental thereto which may be brought against, suffered or incurred by the Custodian by reason of all acts done by it pursuant to the provisions of Custodian Agreement including any action or omission undertaken in compliance with any instructions received by the Custodian and which the Custodian believes in good faith to have been given by the Company on all legal, professional and other expenses incurred, except as shall arise from willful default or gross negligence of the Custodian.

Global Distributor

ICICI Bank Limited, Singapore Branch ("**Global Distributor**") has been appointed as a global distributor of the Shares in terms of a global distribution agreement (Global Distribution Agreement) entered into among the Company, the Investment Manager and the Global Distributor. Under the aforesaid agreement the Global Distributor can appoint further sub distributors. The duties of the Global Distributor/ sub distributors are limited to seeking subscriptions for the identified Funds from the investors in direct as well as omnibus capacities. The aforesaid arrangement with the Global Distributor is on a non exclusive basis and the Company is entitled to enter into similar arrangements with other persons for the purpose of distribution of the Shares.

The Global Distributor has undertaken that it has complied and shall comply with all the selling and marketing restrictions in any relevant countries as set out in the Memorandum and shall ensure that the sub-agent, if appointed by the Global Distributor, shall also fully comply with such selling and marketing restrictions.

The Global Distributor has also undertaken that it has obtained all the consents, approvals, authorizations or other orders of any regulatory authorities required for or in connection with the issue or marketing of the RPS or execution of or compliance with the terms of the Global Distribution Agreement and such approvals continue to be in full force and effect.

The Company has agreed to indemnify the Global Distributor and/or its affiliates from and against any and all direct costs, losses, expenses, damages, liabilities, awards, judgments, fines or the like incurred by the Global Distributor arising out of or in connection with any suit, action, claim, regulatory investigation or action or the like, whether or not properly asserted and including all direct costs of defending against same brought or made by any of the Global Distributor or its affiliates customers customers, any regulatory, judicial or other government authority or any third party under or with respect to any applicable fair trade, securities or consumer protection laws or regulations arising out of or in connection with the failure by the Company to comply with its obligation under the Global Distribution Agreement.

The Global Distribution Agreement is subject to Singapore laws and the parties have agreed to the non-exclusive jurisdiction of the courts of Singapore.

## SECTION VI: INFORMATION ON THE COMPANY

General Information about the Company

1. Incorporation

The Company is a protected cell company and was incorporated as a public company limited by shares on 26th January 2006 in Mauritius under the Act and the Protected Cell Companies Act and has a multi-class share capital structure. It holds a Global Business License from and is authorized as a collective investment scheme and an expert fund by, the FSC.

The Company has established separate Cells/ Funds each of which is a separate pool of assets.

2. Shares and share capital

The shares of the Company consist of Management Shares, Participating Shares or of such other classes of shares as the Directors may determine with such preferred or deferred qualified or other special rights or restrictions whether in regard to voting, dividend, return of capital or otherwise.

RIGHTS ATTACHING TO MANAGEMENT SHARES

Management Shares shall only be issued at their nominal value and to such person or persons as the Board determine. Subject to applicable Law, each Management Share shall confer on the holders thereof:

(i) all voting rights ;

(ii) no right of redemption;

(iii) subject to the Constitution, no right to receive any dividend or distribution or to participate in the profits or assets of the Company.

Management Shares shall otherwise have attached to them the rights and obligations set out in the Constitution.

RIGHTS ATTACHING TO PARTICIPATING SHARES

Subject to applicable Law, each Participating Share shall have attached to it the rights and obligations set out in the Constitution, including without limitation:

(a) rights to receive any dividends which are declared pursuant to the Constitution;

(b) rights to vote only at cell meetings but not at Member Meetings;

(c) on a winding up, entitle its holder to a return of capital in accordance with the Constitution;

(d) Participating Shares shall, subject to the terms of the Constitution, be redeemable at the option of or at the request of the Participating Shareholder, subject to any lock in provisions in relation to particular Funds as is specified in the relevant Fund Document; and

(e) The Directors may divide Participating Shares into any number of Funds and shall have a par value of US$0.01.

Each Fund will be managed as a separate pooled arrangement.

3. Liability of Members

The liability of the Members is limited to any amount unpaid on their Management Shares or Participating Shares and to such obligations as may be attached to their Management Shares or Participating Shares under the Constitution or any other agreement.

4. Directors

The Directors of the Company shall be such person or persons as may be appointed from time to time in accordance with the Constitution. The number of the Directors shall be not less than two and not more than ten. The Company may by Ordinary Resolution increase or reduce such maximum or such minimum number of Directors. No Director shall be required to hold Management Shares or Participating Shares to qualify him for an appointment. Detailed provisions pertaining to appointment, removal and resignation of Directors are as specified in the Constitution.

5. Members meetings

The Company shall in each year hold a Member Meeting as its Annual Meeting in addition to any other meeting in that year. Annual Meetings shall be held in Mauritius or such other place at such time as the Directors may determine. All Member Meetings, other than Annual Meetings shall be called Special Meetings. The Directors may call a Special Meeting whenever they think fit and Special Meetings shall be convened on such requisition, or in default may be convened by such requisitionists, and in such manner as provided by the Law. Written notice of the time and place of a meeting of Members shall be sent to every Member entitled to receive notice of the meeting and to the Directors, Administrator and Auditor of the company not less than 21 clear days before the meeting. Detailed provisions pertaining to such Member Meetings, notices relating thereto, quorum and proceedings thereof and voting rights of Members therein shall be as per the provisions of the Constitution.

6. Reports

A balance sheet shall be made out as at each Accounting Date and laid before the Company at its Annual Meeting in each year, and such balance sheet shall contain a general summary of the assets and liabilities of the Company. The balance sheet shall be accompanied by a commentary of the Directors as to the state and condition of the Company, and the amount (if any) which they have carried or proposed to carry to reserve. The commentary and balance sheet of the Company shall be signed on behalf of the Directors by at least two of the Directors of the Company, and the Auditors'

report shall be attached to the balance sheet, or there shall be inserted at the foot of the balance sheet a reference to the report.

A copy of every balance sheet and of all documents annexed thereto, including the commentary of the Directors, certificate from the Secretary and the Auditors report shall, at least fourteen days before the meeting, be served on each of the Members, in the manner in which notices are hereinafter directed to be served and on the Auditors. If the meeting is not held within six months of the relevant Accounting Date the documents and reports shall upon the expiry of that period be served as aforesaid.

7. Dividends and Distributions

Subject to the solvency test prescribed by the Act, any other relevant provisions of the Act and Protected Cell Companies Act and the Constitution, the Directors shall determine any distribution to Participating Shareholders and may resolve that any distribution will be made in specie and that in particular, Participating Shares may be issued in lieu of dividends pursuant to Section of the Act.

Dividends shall be payable to the holders of Participating Shares of a particular Cell in accordance with the following:-

(i) The Directors may from time to time if they think fit pay such interim and final dividends on Participating Shares as appear to the Directors to be justified;

(ii) no dividend shall be payable except out of such assets as are attributable to the relevant Fund and as may be lawfully distributed as dividends;

(iii) unless otherwise agreed with the relevant Shareholder, the dividends declared under (i) above will be reinvested in the subscription of further Participating Shares. The Participating Shares will be issued on the first Dealing Day following the date on which the relevant dividend is paid at the Subscription Price. No initial sales charge will be payable;

(iv) where qualifying Participating Shareholders have opted for payment of the dividends under (i) above, the Directors may satisfy any dividend due to them in whole or in part by distributing in specie any of the Investments PROVIDED ALWAYS THAT no such distribution shall be made which would amount to a reduction of capital save with the consents required by Law;

(v) any dividend declared shall be distributed at such time or times after being declared as the Directors may determine, save that the distribution date shall, in the case of a final dividend, be not more than six months after the date of declaration thereof;

(vi) no dividend shall be payable to the holders of the Management Shares;

(vii) all dividends shall be declared and paid according to the amount paid up on the Participating Shares in respect whereof the dividend is paid, but no amount paid up on a Participating Share in advance of calls shall be treated

for the purpose of this Article as paid up on the Participating Share. All dividends shall be apportioned and paid proportionately to the amount paid on the Participating Shares in respect of which the dividend is paid during any part or parts of the period in respect of which the dividend is paid PROVIDED THAT if any Participating Share is issued on terms providing that it shall rank for dividend as from or after a particular date, or to a particular date, or to a particular extent, such Participating Share shall rank for dividend accordingly;

(viii) All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. No dividend shall bear interest against the Company. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a Participating Share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

(ix) The Directors may deduct from any moneys payable to any Participating Shareholder on or in respect of a Participating Share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

(x) Save as provided to the contrary herein, any moneys payable on or in respect of a Participating Share shall be expressed and paid in US Dollars or such currency as the Directors shall determine either generally or in any specific case.

(xi) If several persons are registered as joint holders of any Participating Shares, any one of them may give effectual receipts for any moneys payable on or in respect of the Participating Shares.

(xii) Upon the creation of a Fund, the Directors may decide that all Participating Shares of such Fund shall be capitalised and that, accordingly, no dividends will be distributed in respect of the Participating Shares of such Fund.

8. Fiscal Year

The Company's fiscal year ends on 31 December.

9. Constitution subject to amendment

The Constitution may be altered by a special resolution. Subject to protective provisions relating to variation of class rights, only Management Shares carry the right to vote on alterations of the Constitution.

## SECTION VII: MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the Company (or related entities) and are, or may be, material;

(a) Investment Management Agreement entered into between ICICI International Limited and the Company pursuant to which ICICI International Limited acts as Investment Manager of the Company and all its Funds.

(b) Investment Advisory Agreement entered into between ICICI International Limited and Reliance Capital Asset Management Company Limited (RCAM India), pursuant to which RCAM acts as investment advisor to the Investment Manager for some Funds.

(c) Indian Custody Agreement ("Custodian Agreement"), as defined under the Indian Custodian section), between the Company and ICICI Bank Limited, Mumbai, India (the "Indian Custodian") pursuant to which the Indian Custodian was appointed to act as the custodian to the assets of the Company in India.

(d) Global Distribution Agreement between the Company, the Investment Manager and ICICI Bank Limited, Singapore Branch ("Global Distributor") pursuant to which the Global Distributor was appointed as a distributor of the RPS of identified Funds on a non exclusive basis for fees.

(e) Distribution Agreement between Company, the Investment Manager and HDFC Bank Limited, Bahrain Branch HDFC pursuant to which HDFC was appointed as distributor of the RPS of identified Funds on a non exclusive basis for fees in UAE and Bahrain.

(f) Side letter between Company and India Opportunities Fund Limited, Jersey, pursuant to which the Company shall pay or reimburse India Opportunities Fund Limited all costs, fees or expenses attributable to the India Optima Fund - India Young Star Share Class maintained by India Opportunities Fund PCC.

(g) Forward Contracts Agreement between ICICI Bank Ltd., India Optima Fund and ICICI International Ltd.

### Documents Available for Inspection

Copies of the Constitution may be obtained at the registered office of the Company and the Administrator. In addition, the following documents may be made available for inspection at the same address during normal business hours:

a. the material contracts listed above;

b. the approval of SEBI registering the Company as an FPI; and

c. the annual reports of the Funds and the Company.

## SECTION VIII: LEGAL AND REGULATORY CONSIDERATIONS

Please note that the following section is based on the current provisions of the laws in various jurisdictions, and the regulations there under, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such changes could have different implications.

Mauritius

Exchange Controls

All exchange control regulations have been suspended in Mauritius. In the event that they are re introduced without any amendment, they will not apply to the Company as it holds a Global Business Licence under the Financial Services Act 2007.

Data Protection Policy

By subscribing for RPS in the Company, investors consent to the "processing" of their personal data by the Company and any agents of the Company, in accordance with this "data protection policy" section ("**Data Protection Policy**") and the Data Protection Act 2004 ("**DPA**") as supplemented by the Data Protection Regulations 2009 of Mauritius.

All personal data of investors contained in any document provided by such investors and any further personal data collected in the course of the relationship of investors with the Company may be collected, recorded, stored, adapted, transferred or otherwise processed and used ("**processed**") by the Company and/or its agents. Such data shall be processed fairly and lawfully for the purposes of account administration, anti-money laundering identification, compliance with any applicable regulations and the development of the business relationship and will not be processed in any other manner incompatible with this purpose.

To this end, personal data may be transferred to companies appointed by the Company, to support any Company related activity (e.g. client communication agents or paying agents). Furthermore, the Company may delegate the processing duty of personal data necessary for the performance of a contract with investors to another entity or service provider which may not be directly or indirectly affiliated with the Company. Consequently, the storage, use, processing and transmission of personal data may be made available outside Mauritius and within the group of companies of such other entity or service provider and by providing personal data, each investor consents to such transfers. However, the Company, as data controller, will ensure that parties to whom details are transferred treat the information securely and confidentially. The Company also pledges its intention fully to meet any internationally recognised standards of personal data privacy protection and to comply with applicable data protection and privacy laws. One of the key principles specified in the DPA is that "personal data shall not be transferred to a third country, unless that country ensures an adequate level of protection for the rights of data subjects in relation to the processing of personal data"

However, this principle does not apply, inter alia, where (i) the data subject has given his consent to the transfer, and (ii) the transfer is made on such terms as may be approved by the Data Protection Commissioner as ensuring the adequate safeguards for the protection of the rights of the data subject. Any transfer of personal data by a data. controller to another country requires the written authorisation of the Data Protection Commissioner.

The adequacy of the level of protection of a country shall be assessed in the light of all the circumstances surrounding the data transfer, having regard in particular to:

- the nature of the data;
- the purpose and duration of the proposed processing;
- the country of origin and country of final destination;
- the rules of law, both general and sectoral, in force in the country in question; and
- any relevant codes of conduct or other rules and security measures which are complied with in that country.

Investors may have the right under the DPA to be given access, upon written request and payment of a prescribed fee, to their own personal data provided to the Company. Such request will be dealt with within 28 days of receipt, unless otherwise notified to the respective investor. The Company reserves the right of denial of access to personal data in certain circumstances as provided for in Section 43 of the DPA. Investors must provide any relevant updates to their personal data held by the Company in a timely manner to ensure its accuracy. Investors may request in writing the rectification or destruction of inaccurate personal data, and the Company will, as soon as reasonably practicable, rectify or destroy such personal data. If the inaccurate personal data are in the possession of a third party, the Company shall require rectification or destruction by the third party, as appropriate. Investors who have the right and wish to access, correct or delete any of their personal data held by the Company, or have any questions concerning this Data Protection Policy should contact the Administrator.

Not all personal data shall be held by the Company or its agents for longer than necessary with regard to the purpose of the data processing. Such data will then be destroyed unless its retention is required to satisfy legal, regulatory or accounting requirements or to protect the Company's interests.

The Company reserves the right to amend its prevailing Data Protection Policy at any time without further notice. This Data Protection Policy is not intended to, nor does it, create any contractual rights whatsoever or any other legal rights, nor does it create any obligations on the Company in respect of any other party or on behalf of any party.

Anti-Money Laundering Legislation

To ensure compliance with the Financial Intelligence and Anti-Money Laundering Act and all applicable codes, guidelines and regulations in connection therewith, the Registrar will require every applicant for shares to provide certain information/documents for the purpose of verifying the identity of the applicant, source of funds and obtain confirmation

that the application monies do not represent, directly or indirectly, the proceeds of any crime. The request for information may be reduced where an applicant is a regulated financial services business based in Mauritius or in an equivalent jurisdiction (i.e. subject to the supervision of a public authority) or in the case of public companies listed on Recognised Stock/Investment Exchanges, as set out in the applicable codes, guidelines and regulations.

In the event of delay or failure by the applicant to produce any information required for verification purposes, the Company may refuse to accept the application and the subscription monies relating thereto or may refuse to process a redemption request until proper information has been provided. Investors should note specifically that, the Registrar reserves the right to request such information as may be necessary in order to verify the identity of the investor and the owner of the account to which the redemption proceeds will be paid. Redemption proceeds will not be paid to a third-party account.

Each applicant for Shares acknowledges that the Registrar shall be held harmless against loss arising as a result of a failure to process an application for shares or redemption request if such information and documentation as requested by the Registrar has not been provided by the applicant.

Disclosure of information

To the extent that the Company is deemed to be "a reporting Mauritian financial institution" under the Agreement for the Exchange of Information Relating to Taxes (United States of America - FATCA Implementation) Regulations, 2014, the Company shall be required to report certain information about certain investors to the Mauritius Revenue Authority (the "**MRA**"), who will exchange such information with the US IRS under the terms of the intergovernmental Agreement and Tax Information Exchange Agreement (collectively, the "**Mauritius FATCA Agreements**") between Mauritius and the US. The Mauritius FATCA Agreements require that a withholding tax of 30% be applied to payments of certain US-sourced income such as interests, dividends and insurance to investors in certain circumstances (such as non-compliance by the reporting financial institution with its obligations under the Mauritius IGA, which includes failure to disclose substantial US owners or certify that no substantial US owners exist).

In addition to the above, the Government of Mauritius has in June 2015, signed the Convention on Mutual Administrative Assistance in Tax Matters (the "**Convention**") developed by the OECD and Section 76 of the Income Tax was amended to enable implementation of the Common Reporting Standard ("**CRS**"). Under CRS, Mauritius Financial Institutions will have to report annually to the MRA on the financial accounts held by non-residents for eventual exchange with relevant treaty partners. Amendments may be brought to Mauritius laws to introduce the obligations adopted by Mauritius pursuant to the Convention. Different and potentially obligatory disclosure requirements may be imposed in respect of investors in the Company and their beneficial owners as a result of CRS, local legislation implementing CRS and/or other legislation similar to CRS.

As a result of either FATCA, CRS or any other legislation under which disclosure may be necessary or desirable which may apply during the life of the Company, investors in the Company may be required to provide the Board with all information and documents as the Board may require. The Company may disclose such information regarding the investors as may be required by the Government of Mauritius pursuant to FATCA, CRS or applicable law or regulation in connection

therewith (including, without limitation, the disclosure of certain non-public personal information regarding the investors to the extent required).

India

Foreign investment in Indian securities is regulated by the Foreign Exchange Management Act 1999 ("**FEMA**") As per Section 6(3)(b) of FEMA, the Reserve Bank of India ("**RBI**") has been given the authority to prohibit, restrict or regulate the transfer or issue of any Indian security by a person outside India. FEMA provides the statutory framework that governs India's system of controls on foreign exchange dealings. Through it the Government of India exercises its policy with respect to foreign private investment in India and all dealings by residents of India with non-residents and with foreign currency. Without permission (general or special) from the RBI, residents of India cannot undertake any transaction with persons outside India, sell, buy, lend or borrow foreign currency, issue or transfer securities to non-residents or acquire or dispose of any foreign security.

Investment under the Foreign Portfolio Investors regime

An FPI desiring to invest into India must appoint the DDP, which grants FPI registration, under the single window clearance mechanism, and must comply with the provisions of the FPI Regulations. When it receives the initial registration, the FPI also obtains general permission from the RBI to engage in transactions regulated under FEMA.

*Eligibility Criteria*

Regulation 4 of FPI Regulations requires that an FPI applicant shall not be granted registration unless it satisfies *inter alia* the following conditions namely:

a) the applicant is not a resident of India;

b) the applicant is not an NRI or an overseas citizen of India;

c) NRIs or overseas citizens of India or resident Indian individuals can be constituents of the applicant provided they meet conditions specified by SEBI from time to time;

d) the applicant is resident of a country whose securities market regulator is a signatory to International Organization of Securities Commission's Multilateral Memorandum of Understanding (Appendix A Signatories) or a signatory to bilateral Memorandum of Understanding with the Directors;

e) the applicant being a bank, is a resident of a country whose central bank is a member of Bank for International Settlements;

f) applicant or its underlying investors contributing 25% or more in the corpus of the applicant or identified on the basis of control, shall not be the person(s) mentioned in the Sanctions List (as defined herein) notified from time to

time by the United Nations Security Council and is not a resident in a country identified in the public statement of Financial Action Task Force as:

(i) a jurisdiction having a strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter measures apply; or

(ii) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the Financial Action Task Force to address the deficiencies; and

g) the applicant is a fit and proper person based on the criteria specified in Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008.

*Categorization of FPIs*

Presently, FPI registration is granted to an applicant in one of the following categories:

- Category I FPI includes

(i) Government and Government related investors such as central banks, sovereign wealth funds, international or multilateral organizations or agencies including entities controlled or at least 75% directly or indirectly owned by such Government and Government related investor;

(ii) Pension Funds and University Funds;

(iii) appropriately regulated entities such as insurance or reinsurance entities, banks, asset management companies, investment managers, investment advisors, portfolio managers, broker dealers and swap dealers;

(iv) entities from the Financial Action Task Force member countries which are

a. appropriately regulated funds;

b. unregulated funds whose investment manager is appropriately regulated;

c. university related endowments of such universities that have been in existence for more than five years

(v) an entity whose investment manager is from a Financial Action Task Force member country and such investment manager is registered as a Category I FPI or which is at least 75% owned, directly or indirectly by another entity who itself is eligible to become Category I FPI and is from a Financial Action Task Force member country.

Recently, Regulation 5(a)(iv) of the FPI Regulations has been amended to include "entities from any country specified by the Central Government by an order or by way of an agreement or treaty with other sovereign Governments" in the definition of "Category I foreign Portfolio Investor". In this regard, the Ministry of Finance, India[2] has notified Mauritius as an eligible country; inter-alia, resulting in (a) appropriately regulated funds in Mauritius and (b) unregulated funds in Mauritius whose manager is appropriately regulated and registered as a Category I FPI, being eligible to obtain registration as a Category I FPI. In case of (b) above, the manager also needs to undertake the responsibility of all the acts of commission or omission of such unregulated applicant (fund).

- Category II FPI: includes all the investors not eligible under Category I FPI such as appropriately regulated funds not eligible as Category-I FPI, endowments and foundations, charitable organizations, corporate bodies, individuals, family offices, unregulated funds in the limited partnerships and trusts.

*Permissible Investments by FPIs*

Investment by FPIs is permissible in instruments specified in the FPI Regulations, subject to the investment restrictions provided under Schedule II of Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**Non-Debt Rules**") and Schedule 1 of the Foreign Exchange Management (Debt Instruments) Regulations, 2019 ("**Debt Regulations**").

- shares, debentures and warrants issued by an Indian company, listed or to be listed on a recognized stock exchange in India;
- dated government securities/treasury bills;
- non-convertible debentures/bonds issued by an Indian company;
- commercial papers issued by an Indian company;
- units of domestic mutual funds or Exchange Traded Funds (ETFs) which invest less than or equal to 50% in equity;
- security receipts issued by asset reconstruction companies;
- debt instruments issued by banks, eligible for inclusion in regulatory capital;
- credit enhanced bonds;
- listed non-convertible/ redeemable preference shares or debentures issued in terms of regulation 6 of the Non-Debt Regulations;
- securitized debt instruments, including i) any certificate or instrument issued by a special purpose vehicle SPV) set up for securitization of asset/s with banks, Financial Institutions or NBFCs as originators;

[2] Via order dated 13 April 2020

- rupee denominated bonds or units issued by infrastructure debt funds; and

- municipal bonds.

An FPI may purchase units of (i) domestic mutual funds or Category III Alternate Investment Fund or offshore fund for which no objection is issued in accordance with the SEBI (Mutual Fund) Regulations, 1996, which in turn invest more that 50% in equity instruments on repatriation basis subject to the conditions specified by SEBI and RBI; and (ii) REITs and InVITs on repatriation basis subject to the terms and conditions specified by SEBI. Such other instruments specified by SEBI from time to time.

Further, FPIs are allowed to short sell in addition to engaging in delivery based trading, provided any short selling by FPI will have to be in compliance with the short selling and securities lending and borrowing framework laid down by SEBI, and also in a manner consistent with the procedures laid down by the respective stock exchanges. FPIs are allowed to tender their shares in case of an open offer following the takeover bid by an acquirer. FPIs are also permitted the take forward cover on their equity and debt exposure to hedge against currency fluctuations.

The RBI by means of a Circular dated 13 March 2014 has clarified that a registered FII including SEBI approved sub-accounts of the FIIs, after registering as FPI shall not be eligible to invest as FII. However, all investments made by FII in accordance with the regulations prior to registration as FPI shall continue to be valid and taken into account for computation of aggregate limit.

It is clarified that investment by FPIs is permissible in instruments specified in the FPI Regulations, subject to the investment restrictions provided under Schedule II of the Non-Debt Regulations and Schedule 1 of the Debt Regulations.

With respect to unlisted equity shares held by an FPI prior to the commencement of the FPI Regulations, an FPI shall be subject to the same lock-in period that would be applicable to a foreign direct investor in a similar position, in the event that the FPI continues to hold such shares after initial public offering and listing of such shares.

*Investments in Debt Securities*

In respect of investments in the debt securities, the FPIs shall also comply with terms, conditions or directions, specified or issued by SEBI or RBI, from time to time, in addition to other conditions specified in the FPI Regulations and Debt Regulations. Schedule I to the DI Regulations permit FPIs to purchase several instruments on repatriation basis including dated Government securities/treasury bills, non-convertible debentures/bonds issued by an Indian company, commercial papers issued by an Indian company etc., provided that FPIs offer such instruments as permitted by the RBI from time to time as collateral to the RSE in India for their transactions in exchange traded derivate contracts, as specified in Regulation 5(2) of the Debt Regulations.

*Offshore derivative instruments ("**ODI**")*

Under the FPI regulations, an ODI is defined to mean any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it in India, as its underlying. FPIs can issue, subscribe to or otherwise deal in ODIs, directly or indirectly, provided the following conditions are satisfied:

- Such ODIs are issued only by persons registered as Category I FPI;
- Such ODIs are issued only to persons eligible for registration as Category I FPI; provided that, where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I foreign portfolio investor.
- Such issuance should be in compliance with the 'know your client' norms;

FPI has to ensure that any transfer of any ODIs issued by or on behalf of it is subject to the following conditions:

- ODI are transferred to persons subject to the fulfilment of the conditions provided above in this section "Offshore derivative instruments" i.e. it shall be transferred to persons who are eligible to be registered as a Category I FPI and such transfer shall be in compliance with the 'know your client' norms;
- Prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the ODIs are to be transferred, are pre-approved by the FPI
- FPI fully discloses to SEBI any information concerning the terms of and parties to the ODIs issued at the back of any Indian securities listed or proposed to be listed on a RSE in India, as and when such information is called for by SEBI;
- FPI collects the applicable regulatory fee, from every subscriber of the ODI issued by it and deposit the same with SEBI
- Such other conditions as may be specified by SEBI from time to time.

*Secondary Market Investment*

In respect of investment by the Company in the Indian secondary market, the following additional conditions shall apply:

a) It shall transact business only on the basis of taking and giving deliveries of securities bought and sold. However, this restriction is not applicable for transactions in derivatives on a recognized stock exchange. Further, it may enter in short selling transactions in securities within the framework permitted by SEBI;

b) The transaction of business in securities shall be only through a stock broker who has been granted a certificate by SEBI under sub-section (I) of section 12 of the SEBI Act, 1992;

c) The Company shall hold, deliver or cause to be delivered securities only in dematerialized form;

d) The purchase of the equity shares of each Indian company shall not exceed 10% of the total issued capital of that Indian company;

e) The investment shall be subject to Government of India guidelines;

f) Unless otherwise approved by SEBI, equity shares shall be registered in the name of the FPI as a beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of Depositories Act;

g) It may lend or borrow securities through an approved intermediary in accordance with the framework specified by SEBI in this regard; and

h) It can appoint as custodian any agency approved by SEBI to act as a custodian of securities and for confirmation of transactions in securities, settlement of purchase and sale for information reporting.

The restrictions set out in (b) above will not apply to (i) transactions in Government securities and such other securities falling under the purview of the RBI which shall be carried out in the manner specified by the RBI; (ii) sale of securities in response to a letter of offer sent by an acquirer in accordance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (iii) sale of securities in response to an offer made by any promoter or acquirer in accordance with the SEBI (Delisting of Equity shares) Regulations, 2009; (iv) sale of securities, in accordance with the SEBI (Buy-back of securities) Regulations, 2018; (v) divestment of securities in response to an offer by Indian companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by RBI from time to time; (vi) any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government; (vii) any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; viii) transactions in corporate bonds by FPIs; (ix) transactions on the electronic book provider platform of recognized stock exchanges; (x) transactions to receive, hold and sell unlisted securities as referred at regulation 20(2) of FPI Regulations and transactions in unlisted securities received through involuntary corporate actions including a scheme of a merger or demerger approved in accordance with the provisions of the Companies Act, 2013 as well as the applicable guidelines issued by the SEBI or pursuant to implementation of any resolution plan approved under the Insolvency and Bankruptcy Code, 2016 or in accordance with the guidelines issued by the Government of India or the Reserve Bank of India or any other regulator for a scheme of debt resolution; xi) transactions for transfer of right entitlements; (xii) purchase or sale transactions of illiquid or suspended or delisted securities by a FPI; ; or xiii) transaction between registered FPIs who are multi investment manager structure of the same beneficial owner and have common Permanent Account Number.

In addition to the above, SEBI has laid down certain limits for exposure FPIs in the derivatives traded on the Indian stock exchanges. If the Company invests directly in such exchange traded derivatives in India, it would be required to comply with such investment limits as may be prescribed by SEBI from time to time.

*Ownership Restrictions*

The ownership restrictions applicable to FPIs are as follows:

- Under the FPI Regulations and the Non-Debt Rules, the purchase of equity shares of each company by a single FPI or an investor group (whether directly through FPI investment or through subscription to ODIs) shall collectively be below 10% (ten percent) of the total paid up equity capital in a listed or to be listed company on a fully diluted basis at any time. An investor group is constituted where multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control, invest, in which case the investment limits of all such entities shall be clubbed at the investment limit applicable to a single FPI.

- With effect from April 01, 2020, aggregate FPI holding (whether directly through FPI investment or through subscription to ODIs) in an Indian company is permitted up to the sectoral cap/statutory ceiling, as applicable, in respect of such Indian company; which cap may be further decreased to 24% or 49% or 74% as deemed fit through a resolution by the company's board of directors followed by a special resolution to that effect by its general body before 31st March, 2020. If such cap has been decreased, then same may be increased (subject to the sectoral cap/statutory ceiling, as applicable) through a resolution by the company's board of directors followed by a special resolution to that effect by its general body.

- In the event investment in a company by an FPI results in a breach of either the individual or aggregate limits, such FPI would have a window period of five trading days from the day of settlement of trades causing the breach to divest its holdings in such company to a level below the concerned limit.

- In the event an FPI and its investor group reach 10% or more of the total paid up equity capital of a company on a fully diluted basis, they must follow extant FEMA rules in this regard. If such FPI and its investor group opt to treat their entire investment into a company as FDI, such FPI including its investor group shall not make further portfolio investment in that company. Such investments shall be treated as FDI.

- Under the FPI Regulations and the Operational Guidelines thereto, participation by a single non-resident Indian ("**NRI**"), overseas citizen of Indian ("**OCI**") or resident Indian ("**RI**") (including those of an NRI/OCI/RI controlled investment manager) in an FPI are to be restricted to 25% and in aggregate to below 50%. Such circulars also stipulate that an NRI/OCI/RI should not be in control of FPIs (except for FPIs for which no-objection certificate has been provided by SEBI). However, an FPI can be controlled by an investment manager which is owned and controlled by NRIs/OCIs/RIs if (i) the investment manager is appropriately regulated in its home jurisdiction (such as an investment manager registered with the MAS in Singapore) and registers itself with SEBI as a non-investing FPI; or (ii) the investment manager is incorporated or set up in India and appropriately registered with SEBI.

- As per the provisions pertaining to issuance of offshore derivative instruments ("ODIs") under the FPI Regulations, in case of an ultimate beneficial owner who has direct or indirect common shareholding/ beneficial ownership/beneficial

interest, of more than 50% in an FPI and an ODI subscriber entity or two or more ODI subscribers, the participation through ODIs would be aggregated with the direct holding of FPIs or the other concerned ODI subscriber(s) when determining whether the above investment cap in an Indian company has been triggered.

*Restriction on Investment through PCCs / MCVs*

SEBI does not prohibit the use of Protected Cell Companies and Segregated Portfolio Companies for the purpose of registering as FPIs. However, FPIs having segregated portfolio(s) are required to provide beneficial ownership declaration for each fund/sub-fund/share class/equivalent structure that invests in India. Further, in case of addition of fund / sub fund / share class /equivalent structure with segregated portfolio that invests in India, the FPIs shall be required to provide beneficial ownership information prior to investing in India through such new fund/sub fund/share class/equivalent structure.

*Foreign Direct Investment*

The Company may invest in India under the foreign direct investment route.

The Government of India, pursuant to its liberalization policy, has abolished the erstwhile Foreign Investment Promotion Board and replaced it with the concerned ministries / administrative departments (i.e. Government) to regulate all foreign direct investment into India. Foreign direct investment mean investment by way of subscription and/or purchase of securities of an Indian company by a non-resident investor ("**Foreign Direct Investment**" or "**FDI**"). Government approval is required for investment in certain restricted sectors, such as multi-brand retail trading, petroleum (other than refining), defence and strategic industries and for investment in certain other circumstances as prescribed under the FDI Policy.

Exchange Controls

The Company, as an FPI, is required by the RBI to open a foreign currency denominated account and a special non-resident rupee account in India.

Income, net of withholding tax, if any, may be credited to the special non-resident rupee account. Transfers from the special non-resident rupee account to the foreign currency denominated account are permitted, subject to payment of taxes wherever applicable and obtaining of appropriate tax clearance certification. Transfers of sums between the foreign currency denominated account and the special non-resident rupee account must be made at the market rates of exchange. Currency held in the foreign currency denominated account may be freely remitted outside India.

*Securities Regulations*

*SEBI Regulations on Initial Public Offerings*

In the event the portfolio companies in which the Company has invested, make an initial public offering or if the Company exits from its investment through an IPO, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "**ICDR Regulations**") could have a significant impact on the ability of the Company as an investor in such company or on

its exit strategy. In particular, the lock-in requirements prescribed under the ICDR Regulations could affect the timing of the exit of the Company from the Indian companies in which it has invested.

The ICDR Regulations apply to IPOs by unlisted companies, public issues, qualified institution placements, offer for sale, rights issues and preferential allotment by listed companies.

According to the definition of QIB in Regulation 2(1)(ss) of the ICDR Regulations, a QIB would include an FPI other than other than individuals, corporate bodies and family offices. Accordingly, the Company may be eligible to participate in "qualified institutional placements", where the portfolio company issues securities only to QIBs under the ICDR Regulations.

*Takeover Code*

On 23rd September 2011, SEBI announced its new takeover code, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**Takeover Code**"), which came into effect on 22nd October 2011 and replaced the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

The key provisions under the Takeover Code are as below:

- An acquirer who acquires shares or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by a person in concert with him in such target company aggregating to 5 percent or more of the shares of such target company is required to disclose his aggregate shareholding and voting rights in such target company in such form as may be prescribed.

- Any acquirer, who together with Person Acting in Concert ("PAC") with him holds shares or voting rights entitling them to five percent or more of the shares or voting rights in a target company is required to disclose every acquisition or disposal of shares of such target company representing more than 2 percent of the shares or voting rights in such target company in such form as may be specified.

- No acquirer can acquire shares or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by PAC with him in such target company, entitle them to exercise 25 percent or more of the voting rights in such target company unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with the Takeover Code.

- No acquirer, who together with PAC with him, has acquired and holds in accordance with these regulations shares or voting rights in a target company entitling them to exercise 25 percent or more of the voting rights in the target company but less than the maximum permissible non-public shareholding, can acquire within any financial year additional shares or voting rights in such target company entitling them to exercise more than 5 percent of the voting rights, unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations. However, such acquirer will not be entitled to acquire or enter into any

agreement to acquire shares or voting rights exceeding such number of shares as would take the aggregate shareholding pursuant to the acquisition above to the maximum permissible non-public shareholding.

- An acquirer, who together with PAC with him, holds shares or voting rights in a target company entitling them to exercise twenty-five per cent or more but less than the maximum permissible non-public shareholding, shall be entitled to voluntarily make a public announcement of an open offer for acquiring shares in accordance with these regulations, subject to their aggregate shareholding after completion of the open offer not exceeding the maximum permissible non-public shareholding.

The Takeover Code sets out the regulations with regard to offer size, offer price, mode of payment, general exemptions and exemptions by the SEBI. In case of direct acquisition, deemed direct acquisition or indirect acquisition of shares, voting rights or control of the target company, the minimum open offer price shall be calculated as per the provisions of the Takeover Code.

However, some acquisitions are exempted from the trigger events under the Takeover Code (such as exemption for acquisitions of additional voting rights pursuant to rights issues or buy-backs (subject to satisfying certain conditions), inter se transfer among promoters, reconstruction of the target company, including amalgamation, merger or demerger, pursuant to an order of a court or a competent authority under any law or regulation, Indian or foreign).

*Insider Trading*

SEBI (Prohibition of Insider Trading) Regulations, 2015, (the "**Insider Trading Regulations**") have been notified by the SEBI and came into force with effect from 15th May 2015. The Insider Trading Regulations replaced SEBI (Prohibition of Insider Trading) Regulations, 1992. The Insider Trading Regulations prohibit an "insider" and a "connected person" from dealing, either on his own behalf or on behalf of any other person, in the securities of a company listed on any stock exchange when in possession of "unpublished price sensitive information" which is distinguished from "generally available information". The terms "insider", "connected person", "unpublished price-sensitive information" and "generally available information" are defined in the Insider Trading Regulations. An insider means any person who, is or was or deemed to, be connected with a company or is deemed to have been connected with the company and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of a company, or who has received or has had access to such unpublished price-sensitive information.

The insider is also prohibited from communicating, counseling, causing or procuring, directly or indirectly, any unpublished price-sensitive information relating to a company or securities listed or proposed to be listed, to any other person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations and in furtherance in the interest of the company.

The Insider Trading Regulations provides certain "defences" in relation to the prohibition on companies dealing in securities while in possession of unpublished price sensitive information. It shall be a defence that the transaction was entered by the officer or employee, other than those having unpublished price-sensitive information and the Company has put in place proper procedure to segregate the people who enter into transaction on behalf of company and those

who have information and the Company had arrangements, by virtue of which neither the information was communicated nor any advice was given by the person having the information to the person entering into the transaction.

In the case of "connected persons" the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on SEBI.

The Insider Trading Regulations make it compulsory for listed companies or the market intermediaries and certain other entities associated with the securities market to establish an internal code of conduct to prevent insider-trading deals and also to regulate disclosure of unpublished price-sensitive information within such entities so as to minimize misuse of such information. To this end, the Insider Trading Regulations provide a model code of conduct. Further, the Insider Trading Regulations specify a code of fair disclosure practices to prevent insider trading, which must be implemented by all listed companies. The Insider Trading Regulations requires appointment of a compliance officer to administer the code of conduct and other requirements under the Insider Trading Regulations.

Every listed company, market intermediary and other persons formulating a code of conduct shall identify and designate a compliance officer to administer the code of conduct and other requirements under these regulations.

On a continuing basis, the Insider Trading Regulations require every promoter and director of every company to disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified;

Disclosure of ownership by major shareholders and any changes therein and the listing agreement are to be made in a timely and adequate manner. SEBI has powers to investigate and to inspect the books and records of an insider and to impose measures as it deems fit to protect the interest of the investors and the interests of the securities market, if necessary.

SEBI has the power to penalize persons who violate the provisions of the Insider Trading Regulations with imprisonment or monetary penalty. SEBI may also pass an order requiring such person to cease and desist from committing or causing any such violation. Penalties are prescribed by the Insider Trading Regulations for non-compliance of disclosure requirements, in addition to unlawful insider trading.

SEBI introduced the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 on December 31, 2018 and which came in force on 1st April, 2019. The principle that all material information may not necessarily be price sensitive has also been confirmed through an amendment to the definition of 'unpublished price sensitive information'. Regulation 3(3) of the Regulations, which dealt with disclosure of unpublished price sensitive information during due diligence exercises, has been amended to clarify that the board of the listed company should approve such disclosure after assessing whether the sharing of UPSI is in the best interests of the company.

A number of additional defences to insider trading have been introduced, and a safe harbour has been extended to (i) off-market trades between insiders with the same unpublished price sensitive information (earlier limited only to

promoters); (ii) trades executed on the block trade window, between persons who possess the same unpublished price sensitive information; (iii) the transaction in question was carried out pursuant to statutory or regulatory obligation to carry out a bona fide transaction (iv) trades undertaken pursuant to exercise of stock options at a pre-determined exercise price. The Amendment Regulations require the board of a listed company to ensure that a structured digital database is maintained with details of persons who receive unpublished price sensitive information pursuant to a due diligence exercise. Also, periodic shareholding disclosures have been limited to designated employees only.

*Exchange Control*

The Non-Debt Rules and Debt Regulations provide broad framework for foreign investment in India.

A summary of key provisions is as below:

*a) Prohibited sector*

Schedule I of Non-Debt Rules prohibits a foreign investor from investing, directly or indirectly, in any security, issued by an Indian company which is engaged or proposes to engage in any of the activities in which foreign investment is prohibited.

*b) Pricing guidelines*

Generally, any transfer of shares between residents and non-residents resulting from a purchase or sale transaction, is required to be done in compliance with the guidelines issued by the RBI and the price for such transfer is in accordance with the pricing guidelines issued by the RBI in this regard.

The pricing guidelines of equity instruments of an Indian company:

- issued by Indian company to a person resident outside India shall not be less than:

  (i) the price worked out in accordance with the Securities and Exchange Board of India guidelines in case of a listed Indian company or in case of a company going through a delisting process as per the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

  (ii) in case of an unlisted Indian Company, the valuation done as per any internationally accepted pricing methodology for valuation on an arm's length basis duly certified by a Chartered Accountant or a Merchant Banker or a practising Cost Accountant.

- transferred from a person resident in India to a person resident outside India shall not be less than,-

  (i) the price worked out in accordance with the Securities and Exchange Board of India guidelines in case of a listed Indian company;

  (ii) the price at which a preferential allotment of shares can be made under the Securities and Exchange Board

of India Guidelines, as applicable, in case of a listed Indian company or in case of a company going through a delisting process as per the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(iii) in case of an unlisted Indian company, the valuation of equity instruments done as per any internationally accepted pricing methodology for valuation on an arm's length basis duly certified by a Chartered Accountant or a Merchant Banker or a practising Cost Accountant.

- transferred by a person resident outside India to a person resident in India shall not exceed:

(i) in case of a listed Indian company, the price worked out in accordance with the relevant Securities and Exchange Board of India guidelines;

(ii) in case of a listed Indian company, the price at which a preferential allotment of shares can be made under the Securities and Exchange Board of India Guidelines, as applicable or in case of a company going through a delisting process as per the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

in case of an unlisted Indian company, the valuation of equity instruments done as per any internationally accepted pricing methodology for valuation on an arm's length basis duly certified by a Chartered Accountant or a Merchant Banker or a practising Cost Accountant.

*Prevention of Money Laundering*

The Prevention of Money-Laundering Act, 2002 ("**PMLA**"), embodies India's legislative commitment to the elimination and prevention of money laundering. The main objects of PMLA are (i) the prevention and control of activities concerning money laundering and (ii) the confiscation of property derived or involved in money laundering.

For the purpose of complying with the obligations under the PMLA and rules made thereunder, an investor may be required to provide certain information and/ or documents to the Company (in its capacity as an FPI) for the purpose of verifying the identity of the investor, the source of funds and obtain confirmation that the application monies do not represent directly or indirectly, the proceeds of any crime and other confirmations regarding the source of funds as may be relevant for complying with the provisions of the PMLA and rules made thereunder.

In this context a procedure for the identification of investors has been established by the Company and/or its Manager. The application form of an investor shall therefore, be accompanied by such documents as determined from time to time. Investors may also be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under PMLA and its rules.

The prospective investor must understand that by investing in the Company, the prospective investor irrevocably and unconditionally agrees and authorises the Company and / or its Manager/ other authorised representatives to disclose,

share, remit in any form, mode or manner, all / any of the information provided by the prospective investor, including all changes, updates to such information as and when provided by the investor to the Company, Manager, their respective employees or any Indian or foreign governmental or statutory or judicial authorities/agencies including but not limited to SEBI, the Financial Intelligence Unit-India, the tax/revenue authorities in India or outside India and other such regulatory/ investigation agencies or such other third party, on a need to know basis, without any obligation of the investor of the same.

United States of America

The Funds are not offered or sold in the U.S. or for the account or benefit of U.S. Persons. Details are set forth in the Appendices.

Securities Act of 1933

The Shares have not been, nor will they be, registered under the U.S. Securities Act of 1933, as amended (the "1933 Act"), or registered or qualified under the securities laws of any state or other political subdivision of the United States. Except as specified herein, the Shares may not be offered, sold, transferred, or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the 1933 Act). Notwithstanding the foregoing, (a) Shares may be offered and sold by the Company to any U.S. person as defined below in reliance upon the exemption from the registration requirements of the 1933 Act provided in Rule 506 under the 1933 Act and (b) once issued, Shares may be transferred or sold to U.S. Persons, subject to the limitations set forth in "Restrictions on Transfer" below, in transactions that are exempt from the registration requirements of the 1933 Act and applicable state and other securities laws.

Investment Company Act of 1940

The Company has not been, and will not be, registered under the U.S. Investment Company Act of 1940, as amended (the "1940 Act"), in reliance upon the exemption from the registration requirements of the 1940 Act set forth in Section 3(c)(7) of the 1940 Act. Accordingly, Shares will only be sold to US Persons who are "qualified purchasers", as defined in the 1940 Act or as otherwise consistent with Section 3(c)(7) of the 1940 Act. The Board may at any time in their sole discretion decline to register any transfer of Shares or compulsorily redeem Shares as the Board considers necessary for purposes of compliance with the 1940 Act.

Eligible U.S. Investors

Each investor that is U.S. Person as defined under "Definition of U.S Person below must be both (a) "an accredited investor" within the meaning of Rule 501 (a) under the 1933 Act, and (b) "a qualified purchase" as defined in Section 2(a)(51) of the 1940 Act in order to invest in Shares.

The following investors qualify as “accredited investors”:

(a) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase of Shares, exceeds US$1,000,000;

(b) Any natural person who had an individual income in excess of US$200,000 in each of the two most recent years or joint income with that person's spouse in excess of US$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(c) Any corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of US$5,000,000;

(d) Any trust, with total assets in excess of US$5,000,000, not formed for the specific purpose of acquiring the Shares, whose purchase is directed by a sophisticated person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of an investment in Shares;

(e) Any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees provided the plan has total assets in excess of US$5,000,000;

(f) Any employee benefit plan within the meaning of ERISA, if its decision to purchase Shares is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of US$5,000,000 or, if a self-directed plan, if investment decisions are made solely by persons that are accredited investors;

(g) Any organisation described in Section 501(c)(3) of the Code, not formed for the specific purpose of acquiring the Shares, with total assets in excess of US$5,000,000;

(h) Any bank as defined in Section 3(a)(2) of the 1933 Act or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act acting for its own account or for the account of an accredited investor;

(i) Any broker or dealer registered pursuant to Section 15 of the U.S. Securities Exchange Act of 1934, as amended, acting for its own account or the account of an accredited investor;

(j) Any insurance company as defined in Section 2(13) of the 1933 Act;

(k) Any investment company registered under the 1940 Act or a business development company as defined in Section 2(a)(48) of the 1940 Act ;

(l) A private business development company as defined in Section 202(a)(22) of the U.S. Investment Advisers Act of 1940, as amended; and

(m) Any entity in which all of the equity owners are accredited investors, as described above.

The following investors qualify as "qualified purchasers":

(a) Any natural person who owns US$5,000,000 or more in "investments" as defined below;

(b) Any person, acting for his own account or for the accounts of other qualified purchasers, who, in the aggregate, owns and invests on a discretionary basis, not less than US$25,000,000 in "investments", as defined below;

(c) Certain family-owned companies that own US$5,000,000 or more in "investments" as defined below; and

(d) Any trust that was not formed for the specific purpose of acquiring the Shares, as to which each trustee and settlor or other person who contributed assets to the trust meets the requirements under (a), (b) or (c) above.

For purposes of the definition of "qualified purchaser", the term "Investments" means:

(a) Securities, such as stocks, bonds, options, warrants, notes and partnership interests, other than, in most cases, securities of an issuer that controls, is controlled by, or is under common control with the prospective qualified purchaser who owns the securities;

(b) Real estate held for investment purposes (this generally does not include real estate used by the investor for personal purposes or as a place of business);

(c) Commodity futures contracts, options on commodity futures contracts, and options on physical commodities traded on or under the rules of certain contract markets or boards of trade or exchange and held for investment purposes;

(d) Physical commodities for which contracts and options referred to in (c) are traded held for investment purposes;

(e) Certain financial contracts entered into for investment purposes; and

(f) Cash and cash equivalents (including foreign currencies, bank deposits, certificates of deposit, bankers acceptances, and the net cash surrender value of an insurance policy) held for investment purposes.

Restrictions on Transfer

Shares may not be offered, sold, transferred, or delivered, directly or indirectly, in the United States or to, or for the account of, any U.S. Person except, with the consent of the Board, in a transaction exempt from the registration requirements of the 1933 Act and applicable state and other securities laws. Any such consent may be granted or withheld in the sole discretion of the Board.

The Shares may not be offered, sold, transferred, or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. Persons unless:

(a) such offer, sale, transfer, or delivery does not result in a violation of the 1933 or the securities laws of any of the states of the United States;

(b) such offer, sale, transfer, or delivery will not require the Company to register under the 1940 Act; and

(c) such offer, sale, transfer, or delivery will not cause any assets of the Company to be "plan assets" for the purposes of ERISA.

The Company has no obligation to register the Shares under the 1933 Act or any state securities laws or to assist any investor in effecting any such registration. Any certificate or any other document evidencing Shares issued to U.S. Persons will bear a legend stating that the Shares have not been registered or qualified under the 1933 Act and any applicable state securities laws and that the Company is not registered under the 1940 Act and referring to the foregoing restrictions on transfer and sale.

No public market in the United States is expected to develop for the Shares.

Definition of U.S. Person

In this Memorandum, unless otherwise specifically provided, the term "U.S. Person" means any person who is either (a) "U.S. Person" as defined in Regulation S promulgated under the 1933 Act or (b) is not a "Non-United States Person" as defined in Rule 4.7 under the CEA.

"U.S Person" as defined in Regulation S under the 1933 Act means:

(a) any natural person resident in the United States;

(b) any partnership or corporation organised or incorporated under the laws of the United States;

(c) any estate of which any executor or administrator is a U.S. Person;

(d) any trust of which any trustee is a U.S. Person;

(e) any agency or branch of a non-U.S. entity located in the United States;

(f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;

(g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or, if an individual, resident in the United States; or

(h) any partnership or corporation if:

(i) organised or incorporated under the laws of any non-U.S. jurisdiction; and

(ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and. Owned by "accredited investors" (as define in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the foregoing, "U.S. Person" as defined in Regulation S under the 1933 Act does not include:

(a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated, or, if an individual, resident in the United States;

(b) any estate of which any professional fiduciary acting as executor or administrators a U.S. Person if:

i) an executor or administrator of the estate who is not a U.S Person has sole or shared investment discretion with respect to the assets of the estate; and

ii) the estate is governed by non-U.S. law;

(c) any trust of which any professional fiduciary acting as trustee is a U.S. Person, if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settler if the trust is revocable) is a U.S. Person;

(d) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;

(e) any agency or branch of a U.S. Person located outside the United States if:

i. the agency or branch operates for valid business reasons; and

ii. the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; or

iii. the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans.

"Non-United States Person as defined in Rule 4.7 under the CEA means;

(a) a natural person who is not a resident of the United States;

(b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;

(c) an estate or trust, the income of which is not subject to United States income tax regardless of source;

(d) an entity organised principally for passive investment such as a commodity pool, investment company or other similar entity, provided that (i) units of participation in the entity held by persons who do not qualify as either Non-United States Persons or otherwise as qualified eligible persons as defined in Rule 4.7 represent in the aggregate less than 10 per cent. of the beneficial interest in the entity; and (ii) the entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States Persons in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the regulations of the CFTC by virtue of its participants being Non-United States Persons; and

(e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

ERISA Considerations

In General Subject to the limitations applicable to investors generally, Shares may be purchased using assets of employee benefit plans ("**ERISA Plans**") subject to Title I of the U.S Employee Retirement Income Security Act 1974 as amended ("**ERISA**"), or retirement plans covering only self-employed individuals and individual retirement accounts or otherwise defined as a "plan" in Section 4975(e)(1) of the Code (collectively "**Qualified Plans**"). However, neither the Company, the Board, the Investment Manager, the Investment Advisors nor any of their agents, employees or Affiliates, makes any representation with respect to whether Shares are a suitable investment for any ERISA Plan or Qualified Plan.

In considering whether to invest assets of an ERISA Plan or Qualified Plan in Shares, the persons acting on behalf of the Plan should consider in the Plan's particular circumstances whether the investment will be consistent with their responsibilities and the special constraints imposed by ERISA and the Code. Some of those responsibilities and constraints are summarized below. The following is merely a summary, however, and should not be construed as legal advice. All investors are urged to consult their legal advisors before investing assets of an ERISA Plan or Qualified Plan in Shares and make their own independent decisions.

Fiduciary Responsibilities under ERISA Plans Persons acting as fiduciaries on behalf of an ERISA Plan are subject to specific standards of behavior in the discharge of their responsibilities. As a result, such persons must, for example, conclude an investment in Shares by an ERISA Plan would be prudent, in the best interests of Plan participants and their beneficiaries and in accordance with the documents and instruments governing the ERISA Plan as required by, and would satisfy the diversification requirements of, Section 404(a)(1) of ERISA. In making those determinations, such persons should take into account, among the other factors described in this Memorandum, (a) that the Company will invest its assets in accordance with the investment objectives expressed in this Memorandum without regard to the particular objective of any class of investors, including ERISA Plans and Qualified Plans, (b) that a portion of a tax-exempt entity's share of any interest, dividends, rents and gains realized by the Company may be treated as unrelated business taxable income ("UBTI") and therefore taxable to an otherwise tax-exempt ERISA Plan or Qualified Plan and (c) that, as discussed below, it is not expected that the Company assets will constitute the "plan assets" of any investing ERISA Plan or Qualified

Plan, so that neither the Company, the Board nor any of their agents, employees, or Affiliates will be a fiduciary as to any investing ERISA Plan or Qualified Plan. See Identification of "Plan Assets" below.

Prohibited Transaction Both ERISA Plans and Qualified Plans are subject to special rules limiting direct and indirect transactions between any such Plan and certain persons "related" to the Plan termed "parties in interest" under ERISA and "disqualified persons" under the Code, such as fiduciaries for or service providers to such Plan, the employer sponsoring the Plan, participants under the Plan, and persons related to, under the control of or controlling any such fiduciary, service provider, employer, or participant. Engaging in any such "prohibited transactions" can result in substantial excise tax penalties or, where the Plan involved is an individual retirement account and the other party to the transaction is the person for whom the account is maintained, loss of tax qualification. In addition, any fiduciary as to an ERISA Plan taking or permitting to be taken any action which the fiduciary knows or should know constitutes a "prohibited transaction" may be personally liable for any loss resulting to the ERISA Plan from such transaction, and to forfeiture of any profits or gain derived by the fiduciary from the transaction. The persons acting on behalf of the Plan should consider whether an investment of Plan assets in the Company might constitute such a prohibited transaction. See, also, identification of "Plan Assets" below.

Identification of Plan Assets

Generally, the prohibited transaction and other applicable provisions of ERISA and the Code, including the rules for determining who is a party in interest or disqualified person, are applied treating the investing "Plan Assets" as including its investment in the Company but not, solely by reason of such investment, including any of the underlying assets of the Company. This may not be the case, however, if in the case of a Fund immediately after any acquisition of a Share in such Fund, 25% or more of the value of any class of Shares in such Fund is held by "benefit plan investors" (disregarding for this purpose any Shares held by persons with discretionary authority over the Fund's assets and their affiliates). For this purpose, "benefit plan investors" include not only ERISA Plans and Qualified Plans but also any other employee benefit plan as defined in Section 3(3) of ERISA even if it is not subject to Title I of ERISA (such as non-U.S. benefit plans, governmental plans and church plans) and any entity the assets of which are "plan assets".

The Company intends to limit the issuance and transfer of Shares so that the 25% threshold will not be exceeded. Should, however, the 25% threshold be exceeded as to any class of Shares in a Fund, the Investment Manager and the Investment Advisors could be characterized as fiduciaries under ERISA of ERISA Plans investing in the Fund and they, their affiliates and certain of their delegates could be characterized as "parties in interest" and "disqualified persons" under the Code with respect to investing ERISA Plans and Qualified Plans. In such circumstances, various transactions between the Investment Manager, the Investment Advisors, their Affiliates, and other parties in interest and disqualified persons with respect to investing Plans on the one hand and the Company on the other hand could constitute prohibited transactions under ERISA or the Code. In addition, the prudence standards and other provisions of Title I of ERISA applicable to investments by ERISA Plans and their fiduciaries would extend to investments made by the Fund, and, in that case, ERISA Plan fiduciaries who make the decision to invest the Plan's assets in the Fund could, under certain circumstances, be liable as co-fiduciaries for actions taken by the Fund or the Investment Manager. Finally, certain other requirements of

ERISA, such as the obligation to maintain the indicia of ownership of plan assets within the jurisdiction of the United States federal district courts, may become applicable to, but not be satisfied as to, the assets of the Fund.

Holding of Indicia of Ownership Assets of ERISA Plans must at all times comply with the "indicia of ownership rules "ownership rules" set forth in Section 404 (b) of ERISA Fiduciaries of ERISA Plans who ae considering an investment of ERISA Plan assets in Shares should consult their own legal advisers regarding compliance with these rules.

Canada

This Canadian offering memorandum constitutes an offering of these securities in those jurisdictions and to those persons where and to whom they may lawfully be offered for sale, and therein only by persons permitted to sell such securities. This Canadian offering memorandum is not, and under no circumstances is to be construed as, a prospectus, an advertisement or a public offering of these securities in Canada. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this Canadian offering memorandum or the merits of these securities, and any representation to the contrary is an offence.

Certain accredited investors in Canada are being offered the opportunity to purchase securities of the issuer on a private placement basis. The Canadian offering is part of a concurrent offering of securities being made globally.

Information in the documents incorporated by reference has not been prepared with regard to matters that may be of particular concern to Canadian purchasers and, accordingly, should be read with this in mind.

The Shares are not a deposit or other obligation of or guaranteed by any bank; are not insured by the Canada Deposit Insurance Corporation; and are subject to fluctuation in value and other investment risks. Prospective purchasers of the Shares should consult their own tax and other professional advisers in order to assess the income tax, legal and other aspects of an investment in the Shares.

Monetary amounts used in this Memorandum are stated in U.S. dollars, unless otherwise indicated. The securities are not denominated in Canadian dollars. The value of the securities to a Canadian investor, therefore, will fluctuate with changes in the exchange rate between the Canadian dollar and the currency of the securities and the underlying investments.

Resale Restrictions

The distribution of the securities in Canada is being made only on a private placement basis exempt from the requirement that the issuer prepares and files a prospectus with the applicable securities regulatory authorities. The issuer is not a reporting issuer in any province or territory in Canada and its securities are not listed on any stock exchange in Canada and there is currently no public market for the securities in Canada. The issuer currently has no intention of becoming a reporting issuer in Canada, filing a prospectus with any securities regulatory authority in Canada to qualify the resale of the securities to the public, or listing its securities on any stock exchange in Canada. Accordingly, to be made in accordance with securities laws, any resale of the securities in Canada must be made under available statutory

exemptions from registration and prospectus requirements or under a discretionary exemption granted by the applicable Canadian securities'' regulatory authority. Canadian purchasers are advised to seek legal advice prior to any resale of the securities.

Canadian Tax Considerations

No representation or warranty is made as to the tax consequences to a Canadian resident of an investment in the securities. Canadian residents are advised that an investment in the securities may give rise to particular tax consequences affecting them. Accordingly, Canadian residents are strongly encouraged to consult with their tax advisers prior to making any investment in the securities.

Representations and Acknowledgments of Purchasers

Each Canadian purchaser who purchases securities on a private placement basis pursuant to this Memorandum will be deemed to have represented to and agreed with the issuer and any dealer through whom the securities were purchased that such purchaser:

(a) is entitled under applicable securities laws to purchase such securities without the benefit of a prospectus qualified under such securities laws;

(b) is resident in Canada;

(c) is purchasing the securities with the benefit of the prospectus exemption provided by Section 2.3 of National Instrument 45-106 Prospectus and Registration Exemptions (NI 45-106) (that is, such purchaser is an "accredited investor" within the meaning of NI 45-106 and is either purchasing securities as principal for its own account, or is deemed to be purchasing the securities as principal for its own account in accordance with applicable securities laws;

(d) if not an individual, the purchaser was not created or used solely to purchase or hold securities as an accredited investor under NI 45-106; and

(e) if required by applicable securities laws or stock exchange rules, the purchaser will execute, deliver and file or assist the issuer in obtaining and filing such reports, undertakings and other documents relating to the purchase of the securities by the purchaser as may be required by any securities commission, stock exchange or other regulatory authority.

Personal Information

By purchasing securities, the purchaser acknowledges that the issuer and the underwriters and their respective agents and advisers may each collect, use and disclose its name and other specified personally identifiable information (Information), including the amount of securities that it has purchased for purposes of meeting legal, regulatory and audit

requirements and as otherwise permitted or required by law or regulation. The purchaser consents to the disclosure of that Information.

By purchasing securities, the purchaser acknowledges that

(a) the Information concerning the purchaser will be disclosed to the relevant Canadian securities' regulatory authorities, including the Ontario Securities Commission, and may become available to the public in accordance with the requirements of applicable securities and freedom of information laws and the purchaser consents to the disclosure of the Information;

(b) the Information is being collected indirectly by the applicable Canadian securities regulatory authority under the authority granted to it in securities legislation; and

(c) the Information is being collected for the purposes of the administration and enforcement of the applicable Canadian securities legislation;

By purchasing the securities, the purchaser shall be deemed to have authorized such indirect collection of personal information by the relevant Canadian securities' regulatory authorities. Questions about such indirect collection of Information by the Ontario Securities Commission should be directed to the Administrative Assistant to the Director of Corporate Finance, Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8, telephone number (416) 593-8086.

Enforcement of Legal Rights

All of the Company's or an Investment Manager's directors and officers, as well as certain experts named herein, may be located outside of Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company, an Investment Manager or such persons. All or a substantial portion of the assets of the Funds, the Company, an Investment Manager or such persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Company, an Investment Manager or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company, an Investment Manager or such persons outside of Canada.

Purchasers Rights

Securities legislation in certain of the provinces of Canada provides purchasers with rights of rescission or damages, or both, where an offering memorandum or any amendment to it contains a misrepresentation. A "misrepresentation" is an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading or false in the light of the circumstances in which it was made. These remedies must be commenced by the purchaser within the time limits prescribed and are subject to the defences contained in the applicable securities legislation. Purchasers should refer to the applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or damages, or both, under securities legislation in certain of the provinces of Canada, and as such, is subject to the express provisions of the legislation and the related regulations and rules. The rights described below are in addition to, and without derogation from, any other right or remedy available at law to purchasers of the securities.

Ontario Purchasers

Ontario securities legislation provides that where an offering memorandum is delivered to a purchaser and contains a misrepresentation, the purchaser, without regard to whether the purchaser relied on the misrepresentation, will have a statutory right of action against the issuer for damages or for rescission; if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages against the issuer. No such action shall be commenced more than, in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action, or, in the case of any action other than an action for rescission, the earlier of:

(a) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or three years after the date of the transaction that gave rise to the cause of action.

The Ontario legislation provides a number of limitations and defences to such actions, including: (a) the issuer is not liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation; (b) in an action for damages, the issuer shall not be liable for all or any portion of the damages that the issuer proves does not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the securities were offered

These rights are not available for a purchaser that is:

(a) a Canadian financial institution, meaning either:

i. an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under Section 473 (1) of that Act; or

ii. a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services corporation, or league that, in each case, is authorized by an enactment of Canada or a province or territory of Canada to carry on business in Canada or a territory in Canada;

(b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the Bank Act (Canada);

(c) the Business Development Bank of Canada incorporated under the Business

Development Bank of Canada Act (Canada); or

(d) subsidiary of any person referred to in clauses (a), (b) or (c), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of the subsidiary.

Manitoba Purchasers

Manitoba securities legislation provides that in the event that an offering memorandum or a record incorporated by reference in an offering memorandum contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase. Such purchaser has a statutory right of action for damages against the issuer, every director of the issuer at the date of the offering memorandum or, alternatively, while still an owner of the securities purchased by the purchaser, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the issuer or the directors. No such action may be commenced to enforce the right of action for rescission or damages more than (a) 180 days after the day of the transaction that gave rise to the cause of action, in the case of an action for rescission, or (b) the earlier of (i) 180 days after the day that the plaintiff first had knowledge of the facts giving rise to the cause of action, or (ii) two years after the day of the transaction that gave rise to the cause of action, in any other case. The Manitoba legislation provides a number of limitations and defences, including:

(a) no person or company is liable if the person or company proves that the purchaser had knowledge of the misrepresentation;

(b) in the case of an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation; and

(c) in no case will the amount recoverable in any action exceed the price at which the securities were offered under the offering memorandum.

A person or company, other than the issuer, will not be liable if that person or company proves that:

(a) the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent, and that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person s or company's knowledge and consent;

(b) after becoming aware of the misrepresentation, the person or company withdrew the person's or company's consent to the offering memorandum and gave reasonable notice to the issuer of the withdrawal and the reason for it;

(c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that

i. there had been a misrepresentation, or

ii. the relevant part of the offering memorandum

- did not fairly represent the exp report, opinion or statement, or
- was not a fair copy of an extract from the expert's report opinion or statement; or

(d) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of or an extract from an expert's report, opinion or statement, unless the person or company

i. did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or

ii. believed there had been a misrepresentation.

New Brunswick Purchasers

New Brunswick securities legislation provides that where any information relating to an offering that is provided to a purchaser in the securities contains a misrepresentation, a purchaser who purchases the securities shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase. Such purchaser has a right of action for damages against the issuer or may elect to exercise a right of rescission against the issuer, in which case the purchaser shall have no right of action for damages. No such action shall be commenced more than, in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or, in the case of any action, other than an action for rescission, the earlier of one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, and six years after the date of the transaction that gave rise to the cause of action.

The New Brunswick legislation provides a number of limitations and defences to such actions, including:

(a) the issuer is not liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation;

(b) in an action for damages, the issuer shall not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and

(c) in no case shall the amount recoverable exceed the price at which the securities were offered.

Nova Scotia Purchasers

Nova Scotia securities legislation provides that in the event that an offering memorandum or a record incorporated by reference in an offering memorandum, together with any amendments hereto, or any advertising or sales literature (as defined in the Nova Scotia securities legislation) contains a misrepresentation, a purchaser who purchases the securities referred to in it is deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of

purchase. Such purchaser has a statutory right of action for damages against the seller (which includes the issuer) and, subject to certain additional defences, the directors of the seller or, alternatively, while still an owner of the securities purchased by the purchaser, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the seller or the directors. No such action shall be commenced to enforce the right of action for rescission or damages more than 120 days after the date payment was made for the securities (or after the date on which initial payment was made for the securities where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment).

The Nova Scotia legislation provides a number of limitations and defences, including:

(a) no person or company is liable if the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation;

(b) in the case of an action for damages, no person or company is liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation; and

(c) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

A person or company, other than the seller, will not be liable if that person or company proves that:

(a) the offering memorandum or any amendment to the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's company's knowledge or consent;

(b) memorandum and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum or any amendment to the offering memorandum, the person or company withdrew the person's or company's consent to the offering memorandum or any amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum or any amendment to the offering memorandum purporting

    i. to be made on the authority of an expert, or

    ii. to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that

        (A) there had been a misrepresentation, or

(B) the relevant part of the offering memorandum or any amendment to the offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Saskatchewan Purchasers

Saskatchewan securities legislation provides that in the event that an offering memorandum, together with any amendments hereto, or advertising and sales literature disseminated in connection with an offering of securities contains a misrepresentation, a purchaser who purchases such securities is deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase. Such purchaser has a right for rescission against the issuer or has a right of action for damages against:

(a) the issuer;

(b) every promoter and director of the issuer, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered;

(c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them; and

(d) every person who or company that sells securities on behalf of the issuer under the offering memorandum or amendment to the offering memorandum.

If such purchaser elects to exercise a statutory right of rescission against the issuer, it shall have no right of action for damages against that person or company. No such action for rescission or damages shall be commenced more than, in the case of a right of rescission, 180 days after the date of the transaction that gave rise to the cause of action or, in the case of any action, other than an action for rescission, such action shall be commenced before the earlier of (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, and (ii) six years after the date of the transaction that gave rise to the cause of action.

The Saskatchewan legislation provides a number of limitations and defences, including: no person or company will be liable if the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation;

(a) in the case of an action for damages, no person or company will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation;

(b) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

No person or company, other than the issuer, will be liable if the person or company proves that: (a) the offering memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent

and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or (b) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

The Saskatchewan legislation also provides that where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser is deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement.

The Saskatchewan legislation provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of Saskatchewan securities legislation, regulations or a decision of the Saskatchewan Financial Services Commission.

The Saskatchewan legislation also provides that a purchaser who has received an amended offering memorandum that was amended and delivered in accordance with such legislation has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

Language of Documents

Upon receipt of this document, the purchaser hereby confirms that he, she or it has expressly requested that all documents evidencing or relating in any way to the offer and/or sale of the securities (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, vous confirmez par les présentes que vous avez expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que l'offre ou a la vente des valeurs mobilières décrites aux presentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

## SECTION IX: TAXATION

The taxation of income and capital gains of the Company and of Shareholders is subject to the fiscal law and practice of India and Mauritius and the jurisdictions in which Shareholders are resident or otherwise subject to tax. The following summary of certain relevant tax provisions is subject to change, and does not constitute legal or tax advice. The Funds and its advisers accept no responsibility for any loss suffered by a Shareholder as a result of current, or changes in, taxation law and practice.

Additionally, in view of the number of different jurisdictions where local laws may apply to Shareholders, this Memorandum does not discuss the local tax consequences to all potential investors arising from the acquisition, holding or disposition of Shares.

Prospective investors should consult their own professional advisers on the relevant taxation considerations applicable to the acquisition, holding and disposal of Shares and the receipt of distributions under the laws of the countries in which they are liable to taxation.

Mauritius

The Company holds Global Business Licence and as a tax resident is governed by the Income Tax Act 1995. Under the current tax laws, the Company shall be taxed at 15% in Mauritius on its net chargeable income. However, the Company will be allowed a credit for foreign tax on its foreign source income against its tax liability provided written evidence of such tax payment is available.

Currently, no capital gains tax is payable in Mauritius in respect of the Company's realised investments. Dividends and redemption proceeds paid by the Company to the Shareholders would be exempt in Mauritius from any withholding tax. As the Company meets all the pre-requisites for the issue of a Tax Residence Certificate ("TRC") and its investments will principally be undertaken in India, the Company has sought and expects to obtain a TRC issued by the Director General of MRA to accede the Treaty against double taxation between India and Mauritius. The TRC when issued will be valid for a period of one year and is renewable annually provided the Fund adheres to the undertakings that the Board has given to the FSC and the MRA.

Under the current laws and regulations of Mauritius, the determination of residence for the purpose of deriving benefits under the Mauritius Treaty, as interpreted by the Mauritian authorities, is based on the concept of management and control and is a matter of fact, based on the circumstances prevailing in the year of assessment. The FSC and the Director-General of the Mauritius Revenue Authority require that for the Company to be a Mauritian resident, its core income generating activities and its central management and control must be in Mauritius, which requires the fulfillment of certain conditions to obtain the TRC. In determining whether the Company's core income generating activities and its management and control is conducted from Mauritius, the FSC, in accordance with Section 71(3) of the Financial Services Act 2007 (as amended), shall have regard to such matters as it may deem relevant in the circumstances.

There can, however, be no assurance that the Mauritius Treaty will continue to be in full force and effect during the existence of the Fund or that the Fund will continue to enjoy the benefit of the tax treaties.

As from January 2019, the deemed foreign tax credit regime available to global business companies has been replaced by the introduction of an 80% exemption regime, which is available to all companies in Mauritius except banks, on (i) foreign dividend, subject to amount not allowed as deduction in source country, (ii) foreign source interest income, (iii) profit attributable to a permanent establishment of a resident company in a foreign country, (iv) foreign source income derived by a collective investment scheme ('CIS'), closed end funds, CIS manager, CIS administrator, investment adviser or asset manager licensed or approved by the FSC, and (v) income derived by companies engaged in ship and aircraft leasing. No actual foreign tax credit will be allowed on foreign source income if the global business licence company has claimed the 80% exemption.

If Mauritian tax laws were to change during, such changes could reduce or increase the tax advantages to Investors in the Fund as well as decrease or increase the tax burden of the Fund.

Investors should note that under the provisions of the Treaty, even after amendment, certain favourable treatment pertaining to taxation of the income of the Company arising from their investments in India is provided for. No assurance can be given that the terms of the Treaty will not be subject to further re-negotiation in the future and any change could have a material adverse effect on the returns of the Company. There can be no assurance that the Treaty will continue and will be in full force and effect during the life of the Company.

India

*General*

No Shareholder will be subject to taxation in India, in respect of shares held, unless such investor is a resident of India or being a non-resident, has an Indian source income or income received (whether accrued or otherwise) in India.

The taxation of the Company in India is governed by the provisions of the Indian Income Tax Act 1961 (the "**ITA**"), read with the provisions of the Treaty. As per Section 90(2) of the ITA, the provisions of the ITA would apply to the extent they are more beneficial than the provisions of the Treaty.

The Treaty has been amended by way of a protocol date May 10, 2016 between India and Mauritius ("**Protocol**"). Prior to the Protocol, a tax resident in Mauritius under the Treaty, which had no branch or permanent establishment in India, was not subject to capital gains tax in India on the sale of securities. However, this position has undergone a change pursuant to the Protocol. As per the Protocol, India will have the right to tax capital gains which arise from alienation of shares of a company resident in India acquired by a Mauritius tax resident on or after April 1, 2017 in accordance with the paragraph titled "Taxation" under the Treaty below.

In order to claim the beneficial provisions of the Treaty, a necessary condition is that the Company must be a tax resident of Mauritius. Circular No. 789 dated April 13, 2000, issued by the Central Board of Direct Taxes, provided that Mauritius

tax residents, such as the Company, would be eligible for the benefits under the Treaty if they were incorporated in Mauritius and had been issued a Tax Residency Certificate ("**TRC**") by the Mauritius Income Tax Authorities. The Company has obtained a Mauritius TRC and it is in force. The Supreme Court of India has upheld the validity of Circular 789 and accordingly, the Company should be eligible for the benefits under the Treaty. Thereafter, however, the Finance Act, 2013 articulated that a TRC would be a necessary but not sufficient condition for availing itself of Treaty benefits. Shortly thereafter on March 1, 2013, India's Finance Ministry issued a press release to clarify that TRCs would be a sufficient determinative of residency status for purpose of Treaty relief.

Additionally, however, as per the amendments to the Income Tax Act 1961 ("ITA") brought in through the Finance Act 2013 the Company may have to provide to the tax authorities such other documents and information, as may be prescribed from time to time.

Taxation under the Treaty

If entitled to relief under the Treaty, the tax treatment in India of income derived by the Company would be as follows:

(a) ***Transfer of securities***: Gains arising to the Company on disposal/transfer of listed securities including shares, debentures and eligible derivative instruments as may have been acquired under applicable laws, shall be taxed as capital gains (and not business income). As per the Protocol, India will have the right to tax capital gains which arise from alienation of shares of a company resident in India acquired by a Mauritian tax resident on or after April 1, 2017. Prior to the Protocol coming into effect, in light of the relief available under the Treaty, such capital gains were not subject to tax in India, provided the Company had no permanent establishment in India.

If the Company is held to have a permanent establishment in India, it can opt to. If the Company is held to have a permanent establishment in India, it can opt to be taxed under the domestic law provisions, in which case its gains from transfer of securities would be taxable as capital gains. Alternatively, it can also opt to be taxed under the Treaty, in which case income from such transfer (net of expenses) would be taxable at 40% (plus applicable surcharge and excess) to the extent attributable to the permanent establishment.

The Protocol provides for grandfathering of investments made before April 1, 2017, i.e. all investments made prior to April 1, 2017 and any exits/share transfers from such investments will not be subject to capital gains tax in India subject to the Company not having a permanent establishment in India. The Protocol provides for a relaxation in respect of capital gains arising to Mauritius residents from alienation of shares between April 1, 2017 and March 31, 2019 ("**Transition Period**") from the investments made after April 1 2017. The tax rate on any such gains shall not exceed 50% of the domestic tax rate in India under the ITA. However, this benefit has been made subject to a Limitation of Benefits ("**LOB**") provision which has also been introduced in the Protocol. The benefit of this reduced rate of tax will not be available if:

i. it is found that the affairs of the Company were arranged with the primary purpose to take advantage of the benefits of reduced rate of tax; or

ii. it is found that the Company is a shell/conduit company, i.e. a legal entity falling within the definition of resident with negligible or nil business operations or with no real and continuous business activities carried out in Mauritius. Further, the Company will be deemed not to be a shell/conduit company if its expenditure on operations in Mauritius is equal to or more than Mauritian Rupees 1,500,000, in the immediately preceding period of 12 months from the date the gains arise, or if the Company is listed on a recognized stock exchange in Mauritius.

In case the Company is not eligible to Treaty benefits, and is taxed as per the ITA, the taxation of capital gains would be as under:

Depending on the period for which the securities are held, the gains could be taxable as short-term capital gains or long-term capital gains.

| **Type of instrument** | **Period of holding immediately preceding the date of transfer** | |
|---|---|---|
| Listed shares | More than 12 months | Long-term capital asset |
| | 12 months or less | Short-term capital asset |
| Unlisted shares | More than 24 months | Long-term capital asset |
| | 24 months or less | Short-term capital asset |
| Other securities | More than 36 months | Long-term capital asset |
| | 36 months or less | Short-term capital asset |

Tax Rates[3]

| **Nature of Income** | **Tax rates (in %)** |
|---|---|
| Short-term capital gains on transfer of –<br><br>(i) listed equity shares through the recognized stock exchange or (ii) to be listed equity shares sold through offer for sale or | 15% |

[3] The rates in the table will be increased by applicable surcharge and cess.

| | |
|---|---|
| (iii) Units of equity oriented mutual fund, and on which securities and transaction tax ("STT") has been paid | |
| Other short-term capital gains | 30%[4]/40% |
| Long-term capital gains on transfer of (i) listed equity shares or (ii) to be listed equity shares sold through offer for sale or (iii) Units of equity oriented mutual fund, and on which STT has been paid | 10% |
| Long-term capital gains on transfer of unlisted securities or shares of a company not being a company in which public are substantially interested | 10% |

Capital gains arising from the transfer of FCCBs, Global Depository Receipts or American Depository Receipts outside India between non-resident investors will not be subject to tax in India.

If gains on sale of Indian securities are characterized as business income then an FPII or sub-account would be subject to tax at the rate of 40 percent (plus and excess). However, STT paid on such transactions can be set off against business income tax paid on the same.

(b) ***Dividends***: Earlier, the Indian company paying the dividend was subject to Dividend Distribution Tax ("**DDT**") on the grossed-up amount of the dividend distributed at the rate of 15 percent (plus a surcharge of 12 percent and a health and education cess of 4 percent on tax and surcharge), which was in addition to the normal corporate tax. Thus the effective rate of DDT worked out to 20.555 percent (including applicable surcharge and health and education cess). The corresponding DDT paid dividend was exempt in the hands of the non-resident shareholders, and there was no withholding tax applicable at the time of remittance of such dividend.

The Finance Act, 2020 has removed DDT and with effect from 1 April 2020 re-introduced the classical system of taxing dividend in the hands of the shareholders. Accordingly, the dividend income is now taxable in the hands of the Company on a gross basis at 20 percent (plus applicable surcharge and health and education cess), subject to relief under the India-Mauritius DTAA (discussed later).

The Indian company paying dividend is required to withhold tax at 20 percent (plus applicable surcharge and health and education cess).

[4] Applicable in case of short-term capital gains earned by the FPI entity.

As per India-Mauritius DTAA, dividend income shall be taxable in the hands of the Company on a gross basis at 15 percent (5 percent in case the Company is the beneficial owner of at least 10 percent of the capital of the Indian company) provided the Company qualifies as the beneficial owner of the dividend income.

(c) **Interest**: Any interest income from loans made or debt securities held in India are taxable at the rate of

i. 7.5% under the Treaty (as per amendment by the Protocol) provided the Company qualifies as the beneficial owner of the interest income; or

ii. 20% (plus applicable surcharge and excess) under the ITA except in case of interest income with respect to investment in rupee-denominated debts of an Indian company or Government Security (as defined in Section 2(b) of Securities Contracts (Regulation) Act, 1956), which is taxable at the rate of 5% (plus applicable surcharge and excess) if payable to FPIs on or after June 1, 2013 and before 1 July 2023 and if the rate of interest does not exceed such rate as may be notified by the Government of India. If such interest arises out of Foreign Currency Convertible Bonds or Global Depository Receipts held by the Company then such interest shall be taxed at the rate of 10% (plus applicable surcharge and excess).

Securities Transaction Tax

All transactions entered on a recognized stock exchange in India are subject to STT. STT has been introduced under Section 98 of the Finance (No.2) Act, 2004 on transactions relating to sale, purchases and redemption of investments made by purchasers or sellers of Indian securities and equity oriented mutual fund units.

The exemption for long term capital gains and the reduction of the rate on short term capital gains are applicable only if the sale or transfer of the equity shares takes place on a recognized stock exchange in India, and the STT is collected by the respective stock exchange at the applicable rates on the transaction value.

The Company will also be liable to pay STT in respect of dealings in Indian securities purchased or sold on the Indian stock exchanges. The applicable rates of STT are as follows:

| Taxable securities transaction | Rate of STT | Person responsible to pay STT | Value on which STT is required to be paid |
|---|---|---|---|
| Delivery based purchase of equity share | 0.1% | Purchaser | Price at which equity share is purchased |

| | | | |
|---|---|---|---|
| Delivery based sale of an equity share | 0.1% | Seller | Price at which equity share is sold |
| Delivery based sale of a unit of equity oriented mutual fund | 0.001% | Seller | Price at which unit is sold |
| Sale of equity share or unit of equity oriented mutual fund in recognised stock exchange otherwise than by actual delivery or transfer and intraday traded shares | 0.025% | Seller | Price at which equity share or unit is sold |
| Derivative – Sale of an option in securities | 0.017% | Seller | Option premium |
| Derivative – Sale of an option in securities where option is exercised | 0.125% | Purchaser | Intrinsic Value |
| Derivative – Sale of futures in securities | 0.01% | Seller | Price at which such futures is traded |
| Sale of unit of an equity-oriented fund to the Mutual Fund – Exchange traded funds | 0.001% | Seller | Price at which unit is sold |

| | | | |
|---|---|---|---|
| Sale of unlisted shares under an offer for sale to public included in IPO and where such shares are subsequently listed in stock exchanges | 0.2% | Seller | Price at which such shares are sold |

Place of Effective Management ("**POEM**")

As per Section 6(3) of the ITA, a company established outside India is said to be a tax resident of India in a particular financial year (April 1 to March 31), if its POEM, in that financial year, is in India.

POEM means a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole, are in substance made. CBDT vide Circular No 6 dated 24 January 2017 has issued guidelines to be followed in determination of POEM ("**POEM Guidelines**"). Briefly, the POEM Guidelines provide that the test of POEM is one of "substance over form" and is to be determined having regard to the facts and circumstances of each case on a yearly basis.

As per the POEM guidelines, the determination of POEM is primarily based on whether or not a company has "Active Business outside India" ("**ABOI**"). The ABOI status of a company is measured based on certain quantitative thresholds with respect to –

- the quantum of passive income;
- asset base of the foreign company;
- the number of employees; and
- the payroll expenses.

Simply put, a foreign company whose passive income[5] exceeds more than 50% of its total income will not satisfy the ABOI test. POEM of a foreign company satisfying the ABOI test is deemed to be outside India, if a majority of the board of director meetings are held outside India. This condition may be overlooked and the POEM may be deemed to be in India, if facts suggest that the board of director is not the de-facto decision-making authority.

[5] Passive income includes - [i] income by way of royalty, dividend, capital gains, interest; [ii] income from transactions where the purchase and sale is from/ to AEs.

For companies other than those engaged in ABOI, the Guidelines prescribe a twin test:

(i) Identification of persons who take key management and commercial decisions; and

(ii) Determining the place where these decisions are, in fact, made.

Where the foreign company is not engaged in ABOI, the following additional guiding principles inter-alia are relevant:

- The place of board meetings by itself is not conclusive for POEM determination.
- If the authority to make key management and commercial decisions is delegated to senior management or any other person, the POEM of the company will ordinarily be the place where such individuals make the decision.
- If the authority to make key management and commercial decisions is delegated to a committee (whose recommendation is merely approved by the board), the POEM of the company will ordinarily be the place where members of such committee are based.
- The location of head office will be an important factor in determination of the POEM. The location of senior management and their support staff will be considered for determining the location of the head office.
- If the various factors provided in the guidelines do not lead to clear identification of POEM, then place where main and substantial activity of the company is carried out or the place where accounting records of the company are kept shall be considered.
- Factors such as Director(s) of a foreign company residing in India, carrying out of support functions that preparatory and auxiliary in character, existence of local management in India in respect of activities carried out by a foreign company in India, etc., will not be conclusive evidence for establishing POEM in India.

Taxation of specific transactions or types of income

(a) Buy-back of shares

On distribution of income by way of buy-back of shares of an Indian investee company, the Indian company will be liable to pay buy-back distribution tax @20%[6]. The tax will be payable on the difference between consideration paid by the company for purchase of its own shares and the amount that was received by the company at the time of issue of such shares. Income arising on account of such buy-back of shares would be exempted of tax in the hands of the shareholders of buy-back proceeds.

(b) Conversion of debentures

[6] Plus applicable surcharge and cess.

Conversion of debentures of a company into shares of that company is not regarded as a transfer under the ITA. Hence, no capital gains would arise in the hands of the Fund on conversion of convertible debentures of a company into equity shares. At the time of transfer of the equity shares received on conversion, the cost of acquisition of the convertible debenture would be deemed to be the cost of acquisition of such equity shares.

The CBDT, vide Notification No. 18/2016 dated 17 March 2016 effective from 1 April 2016, provides that in computing the period of holding of a share or debenture of a company, received on conversion of a bond or debenture, debenture-stock or deposit certificate of that company which is exempt as per the provisions of section 47(x) of the ITA, the period for which such convertible instrument was held by the taxpayer prior to the conversion shall also be included.

(c) Conversion of preference shares

Conversion of preference shares of a company into shares of that company is not regarded as a transfer under the ITA. Hence, no capital gains would arise in the hands of Fund on conversion of preference shares of a company into equity shares. The Finance Act, 2017 has also made corresponding amendments to section 2(42A) and section 49 of the ITA to provide for determination of holding period and cost of acquisition of the equity shares receivable on conversion of the preference shares. The holding period for the resulting equity shares include the holding period of the preference shares and the cost of acquisition of the resulting equity shares is the cost of acquisition of the preference share in relation to which the equity share was acquired.

(d) Business Income

If the income on transfer of shares is construed as business income, the income to the extent it is attributable to a PE in India would may be subject to tax at the rate of 40%[7].

General Anti-Avoidance Rules (GAAR)

As per the provisions of the ITA, 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 residency 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:

1. creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length;

2. results, directly or indirectly, in the misuse, or abuse, of the provisions of the ITA;

[7] plus applicable surcharge and cess

3. lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or

4. 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 tax payer, 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.

An arrangement shall be deemed to lack commercial substance (amongst other factors) if:

1. The substance or effect of the arrangement as a whole is inconsistent with, or differs significantly from, the form of its individual steps or a part; or

2. It involves or includes:

    a) round trip financing;

    b) an accommodating party;

    c) elements that have effect of offsetting or cancelling each other; or

    d) a transaction which is conducted through one or more persons and disguises the value, location, source, ownership or control of funds which is the subject matter of such transaction; or

3. It involves the location of an asset or of a transaction or of the place of residence of any party which is without any substantial commercial purpose other than obtaining a tax benefit for a party; or

4. It does not have a significant effect upon the business risks or net cash flows of any party to the arrangement apart from any effect attributable to the tax benefit that would be obtained.

Once an arrangement is held to be an impermissible avoidance arrangement, then the consequences in relation to taxation of the arrangement, including denial of tax benefits or a benefit under a DTAA, will be determined keeping in view the circumstances of the case. Such consequences could include, but are not limited to:

- Disregarding, combining or re-characterising the arrangement, or any step or part thereof;

- Treating the arrangement as if it had not been entered into or carried out;

- Disregarding any accommodating party or treating the accommodating party and any other party as the same person;

- Deeming connected persons as the same person for the purpose of determining tax treatment of any amount;

- Re-allocating, amongst the parties to the arrangement, any accrual, receipt (capital or revenue), expenditure, deduction, relief or rebate;

- Treating the place of residence of any party to the arrangement, or the situs of an asset or a transaction, as a place other than the place of residence, or location of the asset or the transaction as provided under the arrangement; and

- Considering or looking through any arrangement by disregarding any corporate structure.

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

GAAR would override the provisions of the applicable DTAA, even if such provisions are not beneficial to the tax payer. Further, the GAAR provisions shall be applied in accordance with such guidelines and subject to such conditions, as may be prescribed by the CBDT.

The CBDT vide notification 75 dated 23 September 2013 notified the rules for application of GAAR provisions have also been provided by the Indian tax authorities which specify the procedures for invoking GAAR. The said rules notified that GAAR would not apply in cases where:

- FPIs which have not claimed benefits under DTAA and have invested in listed or unlisted securities with prior permission of the competent authority in accordance with applicable regulations.

- Any arrangement where the aggregate tax benefit to all parties of the arrangement in the relevant tax year does not exceed INR 30 million.

- Non-resident investors in a FPI who has made investments directly/ indirectly by way of offshore derivative instrument or otherwise.

Further, the CBDT on 27 January 2017 vide Circular No. 7 of 2017 issued clarifications in a question and answer form on the GAAR provisions which, *inter-alia*, include:

- GAAR provisions to be applicable in cases where LOB rules do not sufficiently address tax avoidance.

- Where the jurisdiction of an entity/ FPI is finalized based on non-tax commercial considerations, and the main purpose is not to obtain tax benefit, GAAR would not apply.

- Shares issued post 31 March 2017 in relation to compulsorily convertible instruments, acquired before 1 April 2017 will be grandfathered, if the terms were finalised at the issue of such instruments.

- Bonus shares issued or shares coming into existence by way of split or consolidation of shares issued prior to 1 April 2017 will be eligible for grandfathering benefit.

- GAAR provisions do not deal with the admissibility of claim under the DTAA or the ITA and the scope of the provisions is to evaluate whether an arrangement is an 'impermissible avoidance arrangement'.

Given that the practical application of these provisions is yet to be seen, there is lack of clarity on the criteria for establishing that obtaining a tax benefit was not the main purpose of an arrangement (or any step or part thereof), it introduces significant risks that the Indian tax authorities could seek to review all investments and/or arrangements in relation to which beneficial treatment is claimed under the applicable DTAA, in order to determine whether such investments and/ or arrangements could be held to be an impermissible avoidance arrangement.

Prevention of Base Erosion and Profit Shifting (BEPS)

Additionally, on 5 October 2015, Organization for Economic Co-operation and Development ("**OECD**") released Final Reports on 15 key areas identified in the prevention of Base Erosion and Profit Shifting ("**BEPS**") Project Action Plan that was commissioned by the G20 countries on 13 July 2013. Further, the OECD had prepared a multi-lateral instrument ("**MLI**") to implement tax treaty related measures to prevent base erosion and profit shifting.

India is an active participant of the BEPS project and is committed to implement all minimum and common standards as part of its law. On 7 June 2017, India has signed the MLI along with 68 countries and had agreed to amend nearly 93 tax treaties. India has deposited the ratified MLI to implement tax treaty related measures to prevent base erosion and profit shifting on 25 June 2019 with OECD. In the final version, India has notified 93 tax treaties, excluding China. The MLI entered into force for India on 1 October 2019 and the effective date will depend upon when the other contracting country deposits the ratified copy with OECD.

Once the MLI is effective, the changes will be integrated in the tax treaty. The final MLI provisions which will be incorporated in a tax treaty will also depend upon the reservations/notifications by the other contracting country. Mauritius signed the MLI on 5 July 2017 but has not included Treaty. The Mauritius Press Release on signing of MLI states that treaties which are not covered by the MLI, Mauritius will discuss bilaterally with the respective treaty partners in order to implement the BEPS minimum standards. Accordingly, there is uncertainty whether Mauritius will include Treaty in Mauritius's final submissions to OECD or whether Treaty will be amended bilaterally to take into consideration BEPS minimum standards.

Taxation of Indirect Transfer of Indian Assets

The Indian tax laws deem all income accruing or arising through the transfer of a capital asset situated in India as income accruing or arising in India. Under the Indian tax laws, capital gains arising from the transfer of shares/ securities of an Indian company held as capital assets are ordinarily subject to tax in India (unless specifically exempted).

The term 'transfer' is defined to include a sale, exchange, maturity, redemption, relinquishment or extinguishment of rights.

The Finance Act, 2012, had introduced an amendment (with retrospective effect from 1 April 1961) to provide, inter-alia, that an asset or a capital asset being any share or interest in a company or entity registered or incorporated outside India shall be deemed to be situated in India, if the share or interest derives, directly or indirectly, its value substantially from the assets located in India. Consequently, the gains or losses from the transfer of such asset (being any share or interest in a company outside India) would be deemed to be gains or losses accruing or arising in India in the hands of the non-resident transferor.

The Finance Act, 2015, provided further clarity on the threshold to be considered for determining the meaning of the term 'substantially'. Accordingly, shares or interest in non-resident entities shall be deemed to derive substantial value from assets located in India if the following conditions are satisfied:

- The value of the Indian assets exceeds Rs. 100 million; and
- The value of Indian assets represents more than 50 percent of the value of all the assets owned by the entity.

Further, income shall not accrue or arise to a non-resident in case of transfer of any share or interest in a foreign entity which directly or indirectly owns the assets situated in India, if the non-resident along with its associated enterprises at any time in the 12 months preceding the date of transfer:

- neither holds the right of management or control in the direct or indirect holding company;
- nor holds voting power/ share capital/ interest exceeding 5 percent of the total voting power/ total share capital/ total interest of the direct holding company.

Further, transfer of shares may include redemption of preference shares or buy-back of shares and thus such transfer may be taxable in India on the above basis.

In case of investors situated in a country where treaty relief is available against such taxation, it would be important to note that requirements with respect to obtaining a TRC, submitting certain additional information and filing tax returns (as outlined above) would also be applicable to such investors claiming tax treaty relief.

The Finance Act, 2020 has provided an exemption from the application of indirect transfer tax provisions to investors (direct or indirect) in an FPI registered as a Category I FPI under the FPI Regulations. The Company is registered as a Category I FPI under the FPI Regulations and in such a case the indirect transfer provisions should not be applicable to its investors (direct or indirect).

Minimum Alternative Tax ("**MAT**")

As per the ITA, if the tax payable by any company is less than 18.5% of its book profits, it will be required to pay MAT which will be deemed to be 18.5% (excluding currently applicable surcharge and education cess) of such book profits. Long-term capital gains on the sale of listed securities are included in the definition of "book profits" for the purposes of

calculation MAT. However, the Finance Act, 2016 amended section 115JB of the Act, with retrospective effect from April 1, 2001, to exempt foreign companies from the provisions of MAT in cases where:

- The foreign company is a resident of the country with which India has entered into a treaty and it does not have a permanent establishment in India; or
- The foreign company is a resident of a country with which India does not have a treaty and is not required to seek registration under any law for the time being in force relating to companies.

Foreign Account Tax Compliance Act ("**FATCA**") guidelines and Common Reporting standards ("**CRS**")

According to the Inter-Governmental Agreement read with the FATCA provisions and the CRS provisions embedded in the Automatic Exchange of Information Manual published by the Organisation for Economic Cooperation and Development, foreign financial institutions in India are required to report tax information about US account holders and other jurisdiction account holders to the Indian Government. Along with FATCA, India is one amongst the various countries which has signed up for the implementation of Common Reporting Standards ("**CRS**") under the Automatic Exchange of Information ("**AEOI**") mechanism which requires Indian financial institutions to report tax information about other jurisdiction account holders.

The Indian Government has enacted rules relating to FATCA and CRS reporting in India. A statement is required to be provided online in Form 61B for every calendar year by 31 May. The Reporting Financial Institution is expected to maintain and report the following information with respect to each reportable account:

- the name, address, taxpayer identification number ("**TIN**" (assigned in the country of residence)) and date and place of birth ("DOB" and "POB", respectively (in the case of an individual));
- where an entity has one or more controlling persons that are reportable persons:
- the name and address of the entity, TIN assigned to the entity by the country of its residence; and
- the name, address, DOB, POB of each such controlling person and TIN assigned to such controlling person by the country of his residence;
- account number (or functional equivalent in the absence of an account number);
- account balance or value (including, in the case of a cash value insurance contract or annuity contract, the cash value or surrender value) at the end of the relevant calendar year;
- the total gross amount paid or credited to the account holder with respect to the account during the relevant calendar year; and
- in case of any account held by a non-participating financial institution ("NPFI"), for the calendar years 2015

and 2016, the name of NPFI and aggregate amount of such payments.

Further, it also provides for specific guidelines for conducting due diligence of reportable accounts, viz. US reportable accounts and other reportable accounts.

Taxation of the Shareholders

For Shareholders who are tax residents outside India and who do not carry on any business activities in India, there should be no Indian income tax implications on distributions received from the Company. However, where Shares are sold by the Shareholders, gains from such transfer could be subject to tax in India as outlined under the heading "Taxation of Indirect Transfer of Indian Assets above, subject to applicable tax treaty relief".

Please note that the above is based on the current provisions of the Indian laws, and the regulations there under, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such changes could have different tax implications.

Certain U.S. Tax Considerations

The following discussion, which does not purport to be comprehensive, summarizes certain United States federal income tax matters applicable to the Company and investors who purchase Shares in the Company pursuant to the offering. The discussion is based upon currently existing provisions of the Code, the Treasury Regulations thereunder (the "Regulations"), administrative rulings and court decisions, all of which are subject to change, either prospectively or retrospectively, by legislative, administrative or judicial action. The discussion does not take into account any considerations that may relate to special classes of taxpayers including, among others, investors that are classified as partnerships for federal income tax purposes, investors that hold, direct or indirectly, a ten percent (10%) or greater voting interest in the Company or any entity in which the Company holds a direct or indirect interest, persons receiving interests in the Company in exchange for services, dealers in securities (or other persons not holding Shares in the Company as capital assets), non-U.S. investors (including, without limitation, non-U.S. investors holding Shares in the Company in connection with a U.S. trade or business) or tax-exempt entities, except as expressly discussed below. It is not a general summary of tax law and does not include a complete analysis of provisions of the Code or other tax laws that might apply to the Company or the Company s Shareholders. In particular, the discussion does not address the state, local, non-U.S. or non-income tax provisions that may be applicable to the Company or the Company's Shareholders.

The federal income tax consequences of an investment in the Company are complex, and the full tax impact of an investment in the Company will depend on circumstances particular to each investor. In particular, the tax consequences to an owner of an interest in any entity that is classified as a partnership for federal income tax purposes and that owns shares of the Company depend in part on the status of the owner and the activities of the entity. Accordingly, prospective investors are strongly urged to consult their tax advisors with specific reference to their own situations.

Any tax advice contained in this Memorandum was not intended or written to be used, and cannot be used, for the purpose of avoiding any federal tax penalties that the United States Internal Revenue Service (the "IRS") may attempt to

impose. Because any such tax advice could be viewed as a marketed opinion under the Regulations, prospective investors are hereby informed that any such tax advice was written to support the promotion or marketing of the matters set forth in this Memorandum.

Taxation of the Company

The tax discussion herein assumes that the Company will be treated for federal income tax purposes as a single partnership that is not a publicly-traded partnership (see "Classification as a Partnership" below). Under those circumstances, the Company will not be subject to U.S. federal income tax (other than withholding taxes that may apply if the Company receives certain income from United States sources, which it does not expect to do) but, as further discussed below, each investor in the Company's Shares that is (i) a citizen or resident of the United States, (ii) a corporation or any other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States or of any state (including the District of Columbia), (iii) an estate the income of which is subject to United States federal income taxation regardless of its source, or (iv) a trust if a United States court is able to exercise primary supervision over the administration thereof and if one or more United States persons has the authority to control all substantial decisions thereof, or if one or more United States persons has the authority to control all substantial decisions thereof, or if it has made a valid election in effect under applicable Regulations to be treated as a United States person (a "U.S Shareholder") will be taxed on its allocable share of Company income, whether or not any distribution is made to such U.S. Shareholder during the taxable year. Thus, a U.S. Shareholder's tax liability may exceed the cash distributed to it in a particular year.

The Company will establish multiple Cells/Funds and issue multiple classes of RPS in such Cells that entitle the holders thereof to an economic interest solely in the investments made by the Company with proceeds received from the issuance of those shares. Therefore, it is possible that the IRS could contend that the economic arrangement among all the investors in the Company constitutes multiple partnerships, rather than a single partnership, for federal income tax purposes. However, due to the nature of the Company under Mauritius law, the Company expects, and the remainder of this discussion assumes, that the Company will be treated as a single partnership for federal income tax purposes.

Classification as a Partnership

The Company will file an election with the IRS to be classified as a partnership for federal income tax purposes. No ruling has been requested or received from the IRS and no opinion of counsel has been obtained with respect to the classification of the Company for federal income tax purposes.

An entity that would otherwise be characterized as a partnership may be treated as a corporation for federal income tax purposes if the entity is a publicly traded partnership within the meaning of Section 7704 of the Code. However, if the Company is able to satisfy certain applicable safe harbors set forth in the Regulations, it will not be treated as a publicly traded partnership  The Company does not expect to be able to satisfy the safe harbor requirements.

Even if the Company were treated as a publicly traded partnership it may not be treated as a corporation if it limits its activities to those currently intended, since a publicly traded partnership is not treated as a corporation if 90% or more of its income for a taxable year is derived from certain types of qualifying income (the 90% passive-type income test Included in those types of income are dividends, interest, and gain from the disposition of a capital asset held for the production of dividends or interest and, under certain circumstances, certain income and gains from commodities or futures, and similar types of activities. Because of certain ambiguities in the definition of qualifying income, it is difficult to determine with certainty that the income of the Company would so qualify. Furthermore, because some Funds will invest all or substantially all of their assets in Underlying Funds that may themselves be treated as partnerships for U.S. federal income tax purposes, whether or not a Fund meets the 90% passive-type income test may depend on the investments and activities of any such Underlying Funds in which the Company invests. There can be no guarantee that the income of the Company will satisfy the 90% passive-type income test in any Company taxable year.

If the Company were classified as a publicly traded partnership and does not satisfy the 90% passive-type income test in any Company taxable year, it would likely be treated as a passive foreign investment company for U.S. federal income tax purposes. The Company and the Shareholders could suffer adverse U.S. federal income tax consequences if the Company were to be treated as a passive foreign investment

company. If the Company were to be so treated, the investor would be treated as corporate shareholders and not as partners of a partnership. Income, gains, losses, deductions, and credits of the Company would not be passed through to the investors, investors would not be eligible to claim a credit for any foreign taxes paid by the Company, and distributions would, to the extent of the current and accumulated earnings and profits of the Company, be taxable as dividend income to the investors that is not eligible for the reduced rates applicable to qualified dividend income . In addition, investors may be required to pay additional tax (and interest) in respect of distributions from, and gains attributable to the sale or other disposition of the Shares of, the Company.

The remainder of this discussion assumes that the Company will be classified as a partnership that is not treated as a corporation for federal income tax purposes under the publicly traded partnership provisions of the Code. Under those circumstances, the Company will not itself be subject to federal income tax or treated as a passive foreign investment company and the investors will be taxed in the manner described below.

Taxation of U.S. Shareholders

Each U.S. Shareholder will be required to include its allocable share of the income, gains, losses, deductions and credits of the Company for purposes of computing the U.S. Shareholder s federal income tax liability, whether or not any distribution is made to such U.S. Shareholder during the taxable year. The character in the hands of a U.S. Shareholder of each item of Company income, gain, loss, deduction, or tax credit will be determined as if such item were realized by the U.S. Shareholder and incurred in the

same manner as incurred by the Company. If there is any dividend distribution under any Fund, the tax implications of the same will be addressed in the addendum for that particular Fund.

A U.S. Shareholder that claims a credit for foreign income taxes under Section 901 of the Code will be entitled to treat its allocable share of the foreign taxes paid or accrued by the Company as if they had been paid or accrued by the U.S. Shareholder. Certain categories of income are each subject to separate foreign tax credit limitations. Such limitations combined with the sourcing of income rules may make it difficult for U.S. Shareholders to claim a foreign tax credit with respect to some or all foreign taxes paid on income and gains realized by the Company.

Should the Company incur losses, the amount of such losses that may be deducted by a U.S. Shareholder in any year is limited to the lesser of (1) its tax basis for its investment in the Company, or (2) with respect to individuals and certain closely held corporations, the investor's amount "at risk at" the end of such year. Company losses that are not currently deductible by an investor under either the "at risk" or the tax basis limitations may be deducted in a subsequent taxable year to the extent that the investor has an additional amount of "at risk" investment in the Company or tax basis, whichever limitation is applicable as of the close of such year. As a result of these limitations, an investor may not be able to deduct fully its allocable share of Company losses in the year such losses are incurred. In addition, the Company's income and losses are generally expected to be treated as portfolio income and losses, respectively, for purposes of the passive loss rules. Accordingly, individual, estate, trust, and certain closely held corporate investors with passive losses from tax shelters and other activities will most likely not be able to offset such losses against income generated from the Company.

Investments in the Company; Tax Basis of the Shares

An investor may make an investment of cash in the Company without paying any tax on that investment. The tax basis of an investor interest in the Company will include the amount of money invested and will be increased by its share of Company income and its share of liabilities of the Company, if any, and decreased (but not below zero) by the amount of money and the adjusted basis of property distributed to the investor, and its share of any reduction in liabilities of the Company, Company losses and non deductible Company expenditures not chargeable to capital account.

Distributions

A distribution of money by the Company to a U.S. Shareholder will not be taxable to the U.S. Shareholder for federal income tax purposes except to the extent that the amount of any such distribution exceeds the tax basis of the U.S. Shareholder's Shares in the Company immediately before the distribution. The amount of such excess (above any amount of the prior year losses recaptured under the tax basis limitation and at risk rules see above) will be treated as realized from a sale or exchange of the U.S. Shareholder s interest in the Company.

In general, a U.S. Shareholder will not recognize any gain or loss on a Company distribution of property other than money until the U.S. Shareholder sells or otherwise disposes of the property. As a general rule, however, distributions of marketable securities are treated in the same manner as distributions of money for purposes of the gain recognition rules, and such securities must be taken into account at their fair market value for this purpose. There is an exception, however, for distributions to an eligible partner by an investment partnership.

Generally, in order to qualify as an investment partnership, substantially all of the value of the Company assets must always consist of a combination of money, stock, partnership interests, debt instruments, certain notional principal contracts, foreign currencies, and certain derivative financial instruments (collectively, investment Assets ) and the Company must never be engaged in a trade or business (other than by reason of its activities as an investor, trader or dealer in Investment Assets). There can be no assurance that the Company will qualify as an investment partnership under the rules described above.

Assuming that the Company qualifies as an investment partnership, a U.S. Shareholder receiving a distribution of marketable securities should not realize gain for federal income tax purposes even if the fair market value of the distributed securities exceeds the U.S. Shareholder s adjusted tax basis in its shares in the Company.

It should be noted that, although a gain may be recognized upon a distribution to a U.S. Shareholder, a loss will be recognized only upon a complete liquidation or redemption of the U.S. Shareholder s interest in the Company. Therefore, a U.S. Shareholder will not be allowed a loss for federal income tax purposes prior to the liquidation of the Company (except in circumstances where the Company redeems the U.S. Shareholder's entire interest prior to the liquidation of the Company).

Allocation of Tax Items

Section 704(b) of the Code provides that a partner's distributive share of income, gain, loss, deduction or credit, or any item thereof, will be determined under the governing partnership agreement provided the allocations thereunder have substantial economic effect While the Company constituent documents include rules governing each Fund distributions, the Company does not expect to have a partnership agreement that includes express income, gain, loss, deduction, and credit allocation provisions for U.S. federal income tax purposes. The Company intends, however, that allocations of its income, gain, loss, deduction and credit will reflect the extremely complex provisions of Section 704(b). Nevertheless, there is the possibility that the IRS might challenge the Company s allocations of such items. Such a challenge could result in additional allocations of income and/or reduced allocations of favorable tax items to the investors.

Fees and Expenses

The Company will pay fees to the Investment Manager, as well as legal, accounting and other expenses of organization and operation of the Company. Those expenses directly related to the organization of the Company, such as the costs of preparing the governing documents of the Company, may generally be capitalized and amortized for federal income tax purposes over a period of 180 months; however, those expenses related to the sale of interests in the Company must be capitalized and cannot be amortized.

The fees and expenses of the Company allocated to U.S. Shareholders who are individuals, estates, or trusts will be treated as miscellaneous itemized deductions subject to rules (i) disallowing miscellaneous itemized deductions up to two percent(2%) of adjusted gross income, and (ii), in the case of U.S. Shareholders that are individuals, reducing allowable itemized deductions (up to a maximum reduction of eighty percent (80%)) by three percent (3%) of adjusted gross income over a threshold level. The latter reduction will be reduced by one-third for tax years beginning in 2006 and

2007, and by two-thirds for tax years beginning in 2008 and 2009. For tax years beginning after December 31, 2009 and before January 1, 2011, the latter reduction will not apply.

The Performance Profits Allocation might be recharacterized by the IRS and treated as an additional fee paid to the Investment Manager. If it were so recharacterized as a fee, it would be treated as a miscellaneous itemized deduction subject to the foregoing restrictions. Those restrictions could, if the Performance Profits Allocation were so recharacterized, have the consequence of causing a U.S. Shareholder who is an individual, estate or trust to be effectively taxable on a portion of the Performance Profits Allocation distributed to the Investment Manager

Limitation on Deductibility of Investment Interest

Interest paid or accrued on indebtedness properly allocable to property held for investment, other than a passive activity ("**investment interest**"), generally is deductible by U.S. Shareholders who are individuals or other non-corporate taxpayers only to the extent it does not exceed net investment income. A U.S. Shareholder's investment interest includes both investment interest paid or accrued directly by that

U.S. Shareholder as well as that U.S. Shareholder s distributive share of investment interest paid or accrued by the Company. Investment interest disallowed under this limitation is carried forward and treated as investment interest in succeeding taxable years. For this purpose, net investment income equals the excess of investment income over investment expense. In general, investment income includes gross income from, and, subject to certain elections that may be made by a taxpayer, net gain (less net capital gain) attributable to the disposition of, property held for investment Long-term capital gains are excluded from the definition of investment income except to the extent a taxpayer elects to reduce his long-term capital gain eligible for the maximum rate generally applicable to long-term capital gains, and "qualified dividend income" is excluded from the definition of investment income except to the extent a taxpayer elects to pay tax at ordinary income rates on such "qualified dividend income". For this purpose, property held for investment includes property that produces income that would be portfolio income under the passive activity loss rules and any interest in a trade or business activity that is not a passive activity and in which the holder does not materially participate. Any item of income or expense taken into account under the passive activity loss limitation is excluded from investment income and expense for purposes of computing net investment income.

Taxation of Investments in "Passive Foreign Investment Companies"

The Company may invest in non-U.S. entities that may be treated as passive foreign investment companies for U.S. federal income tax purposes. If the Company does invest in passive foreign investment companies, U.S. Shareholders may be required to pay additional tax (and interest) in respect of distributions from, and gains attributable to the sale or other disposition of the stock of, such entities. If a U.S. Shareholder is able to and elects to make a qualified electing fund election with respect to such a passive foreign investment company, or if the stock of the passive foreign investment company is treated as marketable stock and the U.S. Shareholder makes a so called mark to market election, then the U.S. Shareholder may have taxable income from such investments regardless of whether or not the U.S. Shareholder receives any actual distributions of cash from such entities in any given year. A U.S. Shareholder is eligible to make the

"qualified electing fund" election only if certain required information is made available by the passive foreign investment company, and there can be no assurance that any passive foreign investment company in which the Company invests will agree to provide the necessary information.

Foreign Currency Gains and Losses

The Company may receive payments in currencies other than the United States dollar in connection with its investments. Under certain circumstances, the Company may recognize foreign currency gains or losses, which generally will be treated as ordinary income or losses.

Special Considerations for Tax-Exempt Investors

Entities otherwise exempt from U.S. federal income taxation are nevertheless taxable on their unrelated business taxable income ("**UBTI**") to the extent their UBTI from all sources exceeds $1,000 in any year. The extent to which tax-exempt investors in the Company may have UBTI as a result of their investments will depend upon the operations and activities of the Company. Although it is possible that the activities of the Company or an Underlying Fund may cause the Company to be treated as engaged in a trade or business for federal income tax purposes, the Company does not expect that this will be the case. If the Company is so treated, a tax-exempt entity s share of any income derived by the Company from that trade or business will constitute UBTI.

Interest, dividends, and gains realized from the sale or disposition of property (other than inventory) are generally not treated as UBTI. A tax-exempt entity's share of any income derived by the Company from other sources may constitute UBTI. In addition, interest, dividends, and gains that would otherwise be exempt will be included in UBTI to the extent that the property generating such income is subject to acquisition indebtedness (i.e., indebtedness that would not have been incurred but for the acquisition or improvement of the property). The Company expects that its investments may be subject to acquisition indebtedness, and, therefore, it is possible that a portion of a tax-exempt entity s share of any interest, dividends, and gains realized by the Company will be treated as UBTI.

Because it is possible that the Company may generate UBTI for tax-exempt investors, fiduciaries of tax-exempt entities should consider whether an investment in the Company is prudent and consistent with their investment responsibilities under applicable law. Tax-exempt entities should consult with their own advisors as to the suitability of an investment in the Company for such potential investors.

Audits and Adjustments to Tax Liability

A federal income tax audit of the Company s information return (if any) may result in an audit of the tax returns of the Company investors, and such an audit could result in adjustments to items that are unrelated to the Company as well as to related items. Prospective investors should also recognize that they might be forced to incur substantial legal and accounting costs in resisting any challenge by the IRS to any items in their individual returns, even if the challenge by the IRS should prove unsuccessful.

The Company will not be responsible for paying any expenses incurred by an investor in connection with an audit of its individual tax return or its participation in an audit of the Company s information return (if any).

Non-U.S. Shareholders

The Company does not believe that its activities will cause it to be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. However, it is possible that the Company could be treated as engaged in a U.S. trade or business, including by reason of the activities of an Underlying Fund in which it invests. If the Company is not treated as engaged in a U.S. trade or business, Shareholders not otherwise subject to U.S. federal income taxation on a net income basis in whole or in part ("Non-U.S. Shareholders") should not be subject to U.S. federal income taxation with respect to their investment in the Company or with respect to their distributive shares of the Company's income.

If (contrary to the Company s expectation) the Company were so treated as engaged in a U.S. trade or business for U.S. federal income tax purposes, Non-U.S. Shareholders would be subject to U.S. federal income taxation with respect to their distributive shares of the Company's income that is effectively connected with that U.S. trade or business. No ruling has been requested from the IRS concerning whether or not the Company s activities will constitute a U.S. trade or business, and there can be no assurance that the IRS would not so contend. In any circumstance in which a Non-U.S. Shareholder is treated as engaged in a U.S. trade or business by reason of its investment in the Company, such investor may be subject to U.S. taxes on certain income that is not derived from the Company but that is deemed to be from U.S. sources.

State, Local, Non-U.S. and Non-Income Taxes

Prospective investors are urged to consult and rely upon their own tax advisors with respect to the application of state, local, non-U.S. and non-income taxes as a result of investing in the Company. The Company investments may be subject to withholding and other taxes imposed by jurisdictions outside the U.S., and these taxes may be borne by the Company, however, U.S. Shareholders may be able to claim a credit against their U.S. income tax obligations for such non-U.S. tax payments.

Tax Laws Subject to Change

The statutes, regulations, and rules with respect to all of the foregoing tax matters are constantly subject to change by Congress and the Department of the Treasury, and the interpretations of such statutes, regulations, and rules may be modified or affected by judicial decisions or administrative interpretations. Hence, no assurance can be given that the interpretations described in this discussion will remain in effect. Any changes could be applied retroactively.

## ANNEXURE A: DETERMINATION OF THE NET ASSET VALUE OF SHARES

Calculation of the Net Asset Value

RPS will be valued on each Valuation Day applicable to that Fund. On any Valuation Day of a Fund, the value of investments of that Fund will be computed as set forth in the Constitution. The Directors may, at their discretion, permit any other method of valuation if they consider that such method better reflects value generally or in particular markets or market conditions and is in accordance with good accounting practice.

The Net Asset Value for each Fund and Net Asset Value per RPS will be calculated by the Administrator in the manner described below at each Valuation Day.

The Net Asset Value for each Fund as at the relevant Valuation Day shall be the value of all the assets of the Fund less the liabilities of that Fund, calculated in accordance with the relevant Appendix.

The Net Asset Value per Participating Share of a Fund as at any Valuation Day shall be the Net Asset Value at the applicable Valuation Point divided by the total number of RPS of that Fund in issue immediately before that Valuation Point and rounding up the resultant amount to at least two decimal places. The Net Asset Value and Net Asset Value per Participating Share will include both realized and unrealized gains and losses in securities and other assets of that Fund. Any variation to this in relation to a Fund will be set out in the relevant Fund Document.

For the purpose of determining the Net Asset Value:

i. the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received shall be deemed to be the full amount thereof unless the Board shall have determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof in which event the value thereof shall deemed to be such value as the Board shall deem to be the reasonable value thereof;

ii. where a forward contract has been entered into for the sale or purchase of any currency the currency required to be delivered by the Fund shall be included in the liabilities of the Fund and there shall be included in the assets of the Fund the value of the currency to be received;

iii. except in the case of any interest in a unit trust, mutual fund corporation, open-ended investment company or other similar open-ended investment vehicle (a managed fund ) to which paragraph (iv) applies and subject as provided in paragraphs (v), (vi) and (vii) below, all calculations based on the value of the investments quoted, listed, traded or dealt in on any stock exchange, commodities exchange, futures exchange or over-the-counter market shall be made by reference to the last traded price (or, lacking any sales, at the mean between the last available bid and asked prices) on the principal stock exchange for such investments as at the close of business in such place on the day as of which such calculation is to be made; and where there is no such stock exchange, commodities exchange, futures exchange or over-the-counter

market all calculations based on the value of the investment quoted by any person, firm or institution making a market in the investment (and if there shall be more than one such market maker then such particular market maker as the Board may designate) shall be made by reference to the mean of the latest bid and asked price quoted thereon; provided always that if the Board in their discretion consider that the prices ruling on a stock exchange other than the principal stock exchange provide in all the circumstances a fairer criterion of value in relation to any such investment, they may adopt such prices;

iv. the value of each interest in any managed fund shall be the last published net asset value per unit, share or other interest in such managed fund (where applicable) or (if the same is not available) the last published redemption or bid price for such unit, share or other interest;

v. if no net asset value, bid and asked prices or price quotations are available as provided in paragraphs (iii) or (iv) above, the value of the relevant asset shall be determined from time to time in such manner as the Board shall determine;

vi. for the purpose of ascertaining quoted, listed, traded or market dealing prices, the Board, the Administrator or their agents shall be entitled to use and rely upon mechanised and/or electronic systems of valuation dissemination with regard to valuation of investments of the Funds and the prices provided by any such system shall be deemed to be the last traded prices for the purpose of paragraph (iii) above Provided that notwithstanding the foregoing, the Board may, at their absolute discretion, permit some other method of valuation to be used if they consider that such valuation better reflects the fair value;

vii. any value (whether of a security or cash) otherwise than in US Dollars shall be converted into US Dollars at the rate (whether official or otherwise) which the Board shall in their absolute discretion deem appropriate to the circumstances having regard, inter alias, to any premium or discount which they consider may be relevant and to costs of exchange.

viii. the securities shall be valued at the last quoted closing price on the stock exchange;

ix. 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;

x. when a particular Valuation Day, a security has not been traded on the principal stock exchange, the value at which it is traded on another stock exchange may be used;

xi. when a security (other than debt securities) is not traded on any stock exchange on a particular Valuation Day, the value at which it was traded on the selected 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 Valuation Day.

$$\text{NAV} = \frac{\begin{array}{c}\text{Market or Fair Value of Share Fund Investments} + \text{current assets and receivables of the Fund} \\ -\text{current liabilities and payables of the Fund}\end{array}}{\text{Number of RPS Outstanding in the Fund}}$$

Investors should note that the above procedure for valuation will apply to all Funds unless otherwise detailed in the respective Fund Documents.

## GENERAL APPENDIX: PROVISIONS APPLICABLE TO ALL FUNDS (UNLESS OTHERWISE PROVIDED FOR IN THE RELEVANT APPENDIX)

### INTRODUCTION

Capitalized terms not otherwise defined in this Appendix have the meaning attributed to them in the main body of this Memorandum and in the Definitions Schedule.

### GENERAL

Applications, once received, may not be withdrawn without the consent of the Directors. It is the responsibility of the applicant to obtain from the Administrator of the Funds any updated or replacement distribution documentation of the Funds which is current at the time of their subscription.

Upon receipt of full particulars and following the processing by the Administrator of the application, a statement of holdings, including the investor's account number, will be mailed to the investor within 30 days. The investor in all subsequent communications should use this account number with the Administrator or the Investment Manager including subscriptions and redemptions. In addition to the investor account number, the statement of holdings will also give confirmation of the number and price of the Shares purchased or sold and the date of the purchase or sale.

Shares will normally be issued in un-certificated, registered form unless otherwise requested by the Shareholder in writing. Certificates, if issued, will be issued at the expense of Shareholders. The Directors reserve the right to reject, in whole or in part, any application for Shares at their discretion.

### SUBSCRIPTION PROCEDURE AND ISSUE OF RPS

Prospective investor into any Fund must complete and execute a subscription application (in such form as may be determined from time to time by the Board), which must be delivered to the Administrator.

Applications for RPS of a Fund will only be accepted on a cleared funds basis in US Dollars or, if the RPS is issued in another currency, in that currency. Any application made in a currency other than the Functional Currency of such Funds will be converted into that currency at prevailing exchange rates. This foreign exchange transaction will be at the cost and risk of the applicant concerned.

All bank charges incurred in respect of a telegraphic transfer shall be borne by the applicant.

To complete their first subscription for Participating Shares, applicants for RPS should complete a subscription application and send it to the Administrator together with such other documentation or information that may be requested by the Investment Manager or Administrator by email / facsimile (with the originals to be followed by mail within 5 business days) by 08.00 am (Mauritius time) on a Dealing Day. The RPS corresponding to the subscription may not be issued to the investor unless the originals are received by the Administrator as set forth herein. In any case, redemptions will not be paid to the RPS Holders until the Administrator has received copies of certified identification documents.

Applicant may invest jointly and has an option of specifying a maximum of three names in the subscription application. In case of joint applications, the applicant must clearly specify the signing condition for future communications.

For subscription application submitted on behalf of the applicant by a mandate holder/agent pursuant to his holding a formal power of attorney, or for companies, corporations or any other corporate bodies, the authorized signatory's capacity must be indicated and the subscription application must be accompanied with a copy of such supporting document as required by the Company / Investment Manager evidencing the signature s capacity.

The Shareholder shall notify the Administrator of the Company, in writing, of any amendments or changes made to the statements contained in the subscription application, or any changes made to his address or domicile no later than two weeks from the state of occurrence, particularly any change in the residential status of the Shareholder. If the Shareholder fails to notify the Administrator of the Company, in writing of any amendment or change made to the statement contained in the subscription application within the time specified hereinabove, in such circumstances the Company would not be able to communicate to the Unit holder through notices and/ or letters etc., and as a result of which if the Unit holder suffers any damage and/or loss and/or any penalty and/ or interest is levied on the Unit holder, the Unit holder shall accept such damage and/or loss and/or penalty and /or interest as his liability and the Unit holder shall not hold the Administrator of the Company and/or its affiliates and/or its directors, employees agents, responsible and/or liable for such damage and/or loss and/or penalty and or interest.

Multiple applications will be accepted with each application being subject to applicable loads and minimum subsequent investment limits.

In the event of the Shareholder's death and his holdings being acquired by the heirs, the share of each heir must not be less than the minimum holdings limit. Should the heirs fail to agree on the transfer of RPS in order to satisfy the minimum holding limit, the Company may redeem the Shares at the last declared price.

Cleared funds in respect of the subscription monies must be received in full by 5pm (Mauritius time) on that day by way of an account transfer to the account specified in the subscription application. If the relevant Subscription Application and/or subscription monies is/are not received as set forth herein, the subscription will be rejected or held over (as the Board may determine) until the Dealing Day after the subscription application and/or subscription monies is/are received and RPS will then be issued at the Issue Price on that Dealing Day. For subscriptions that are held over, the applications will be processed in accordance with the provisions laid down for subscriptions other than the initial subscription.

For subscriptions other than the initial subscription, subscribers must send their completed Subscription Application by facsimile (with the originals to be followed by mail shortly) in order to be received by the Administrator by 08.00 am (Mauritius Time) on the relevant Dealing Day and so that cleared funds are received in full no later than 10.1 m (Mauritius time) on that day, failing either of which the subscription will be held over to the following Dealing Day and RPS will then be issued at the Issue Price on that Dealing Day.

In relation to subscriptions other than the first subscription, unless otherwise provided for in the relevant Appendix, the RPS is issued on a forward pricing basis. This is because the issue price cannot be calculated at the time of application.

It can only be computed after the Net Asset Value per RPS has been calculated on the relevant Valuation Day. Notwithstanding the foregoing, the if provided for in the Appendix, the RPS may be issued on 'historical pricing' basis.

The procedure for calculating the number of RPS to be issued to an investor in respect of any investment sum and for computing the Issue Price of the RPS is given as under:

(a) The notional issue price per Participating Share is ascertained by calculating the Net Asset Value per Participating Share of a Fund on the relevant Valuation Day.

(b) The number of RPS to be issued to an investor in respect of any Investment Sum paid by the investor is the number of shares obtained by dividing the Investment Sum (less the Placing Agent Fee/ Initial sales charge/commission and transactions adjustments, if any) by the notional Issue Price per Participating Share.

(c) The actual Issue Price per Participating Share is obtained by dividing the Investment Sum paid by the investor by the number of RPS that have been issued and computed as described above.

The distributor shall be entitled to retain the Initial sales charge for its own benefit.

The following is an example of the number of RPS an applicant will acquire based on an Investment Sum of US$1,000 and a notional Issue Price of US$1.00 per Participating Share:

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| US$1,000 | - | US$20 | = | US$980 | ÷ | US$1.00 | = |
| 980 RPS<br>Investment Number | | Sales Charge<br>Sum | | Net Investment<br>of 2% | | Notional Issue<br>Sum of RPS | Price Issued |

Please note that the percentage of the Sales Charge shown above has only been used for illustrative purposes and the actual charge levied may vary depending on the Fund being invested into and will, if applicable, be as specified in the relevant Fund Document.

REDEMPTION PROCEDURE

Redemption Price

Redemptions of RPS of some Funds may be subject to a lock in period during which redemptions at the option of RPS Holders are not permitted except in the case of events that the Company finds after reasonable inquiry to be extraordinary. Details are set forth on the Appendices for the relevant Funds.

Subject to any applicable lock in period, holders may redeem their RPS on any Dealing Day by submitting the Redemption Forms to the Administrator by facsimile by 11.00am Mauritius Time on the relevant Dealing Day, failing which the redemption request will be held over until the next Dealing Day and RPS will be redeemed at the Redemption Price applicable on that Dealing Day. A Participating Shareholder will receive a confirmation note showing details of the redemption within 14 days of the relevant Dealing Day.

RPS is redeemed on a forward pricing basis unless otherwise provided for in the relevant Appendix. Therefore, the redemption price cannot be calculated at the time of request. The redemption price shall be the price per Participating Share ascertained by the Administrator as at the Valuation Day in respect of the Dealing Day on relating to which the Redemption Form is received. Notwithstanding the foregoing, the if provided for in the Appendix, the RPS may be redeemed on 'historical pricing' basis.

The NAV declared for any Dealing Day shall not take into consideration liquidation costs, exit loads, penalties and transaction fees, if any, charged either by the Fund or by Destination Fund. Consequently, the Redemption price (NAV at which the redemption takes place) may differ from the NAV declared for the Dealing Day on which the Redemption request was accepted by the Fund. Additionally, the Redemption amount will also be subject to foreign currency exchange rate risk

Redemption proceeds (less the Redemption fee and other costs, if any, as specified in the relevant Fund Document) will be paid in the Functional Currency of the Fund. A Participating Shareholder shall not be entitled to redeem part only of his holdings of RPS if thereby his holding in the Fund would be reduced to less than the Minimum Holding and in any such event, the Board shall require such holder to redeem all of his holding of RPS if by such hold request his holding would be so reduced.

The Administrator shall dispatch the amount due to the Participating Shareholder with respect to the redemption as soon as practicable and in any case within twenty-one (21) Business Days from the date of receipt and acceptance of the original redemption form by the Administrator unless the redemption of RPS has been suspended in accordance with the Constitution.

<u>How amount of redemption proceeds due to a redeeming investor is determined. An Example:</u>

The following is an example of the amount of the redemption proceeds due to a participating shareholder who redeems 1,000 RPS based on a notional realisation price of US$0.95 per Participating Share. The amount of the proceeds due to a participating shareholder is the sum obtained by multiplying the notional Redemption Price of US$0.95 by 1,000.

Example:

| | | | | |
|---|---|---|---|---|
| 1,000 RPS | x | US$0.95 | = | US$950 |
| RPS redeemed | | Notional Redemption Price* | | Redemption proceeds |

[* It has been assumed, for the purposes of illustration, that there is no redemption fee]

Compulsory Redemption

Under the Constitution, the Directors have an absolute discretion to redeem all (but not some) of the Participating Shares without being required to give any reason therefore, although such powers may only be exercised subject to the statutory and fiduciary duties of the Directors. The Directors may further resort to compulsory redemption of all but not some (except in the circumstances referred to in (b) below) of the Participating Shares of a Participating Shareholder in the following circumstances:

(a) if the Directors determine that Participating Shares are held by or for the benefit of any Participating Shareholder who is or becomes an Ineligible Applicant; or

(b) the Participating Shareholder is holding Participating Shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax, pecuniary or material administrative disadvantages for the Company or its Participating Shareholders; or

(c) the Participating Shareholder has failed to provide any information or declaration required by the Directors within ten days of being requested to do so;

(d) where, during a period of six years, no cheque in respect of any dividend of the Company has been cashed and no confirmation of ownership of Participating Shares sent to a Participating Shareholder has been acknowledged by him; or

(e) if the Participating Shareholder holds Participating Shares of less than the minimum holding specified by the Directors from time to time in accordance with the Constitution.

For any redemption made under the above circumstances, the date of decision by the Board of the Company of such redemption shall be treated as the date of receipt of a Redemption Request and the redemptions shall be done at NAV on the immediately following Valuation Day. Any compulsory redemption shall be subject to the terms and conditions of redemptions as applicable in case of voluntary redemption.

If any Shares are redeemed compulsorily without production by the Member of the certificate(s), if any, relating thereto, the Directors may redeem such Shares and deposit the proceeds in a separate bank account. The holders of such Shares shall have no interest in or claim against the Company or its assets except the right to receive the moneys deposited (without interest) upon surrender of the certificate(s) relating to the shares (if issued) so redeemed with such other document(s) as may be required for the purposes of redemption (subject to any requisite official consents first having been obtained).

SUSPENSION OF REDEMPTION

Redemptions will be suspended when the calculation of NAV is suspended. Such suspension shall be at the discretion of the Company during:

i. any period (other than ordinary holiday or customary weekend closings) when any market is closed which is the main market for a significant part of the Company s investments, or when trading thereon is restricted or suspended;

ii. any period when any emergency exists as a result of which disposal by the Company of its Investments which constitution a substantial portion of its assets is not practically feasible;

iii. any person when, for any reason, the prices of a material portion of the Investments of the Company cannot be reasonably, promptly or accurately ascertained;

iv. any period when remittance of monies which will, or may be, involved in the realisation of, or in the payment for, Investments of the Company cannot, in the opinion of the Directors, be carried out at normal rates of exchange; or

v. any period when proceeds of the sale or redemption of Participating Shares cannot be transmitted to or from the Company account.

RIGHT TO LIMIT REDEMPTIONS

The Company may limit the total number of Shares of any Fund that may be redeemed on any Business Day to 10% of the total number of RPS then in issue for that Fund. The Company may alter this percentage with notice to the investors. Additionally, the Company reserves the right, at their sole discretion, to limit redemptions with respect to any shareholder to an amount of USD 10 million on one Valuation Day.

Provided that subject always to applicable laws:

(a) this limit on maximum redemption by a single investor may be decreased for investors in some jurisdictions; and

(b) the Directors retain the discretion to permit an investor to redeem a higher amount in any case.

Any RPS, which by virtue of these limitations is not redeemed on a particular Valuation Day, will be carried forward for redemption to the next Valuation Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing load) of the Valuation Day on which redemption is made. Under such circumstances, to the extent multiple redemption requests are received at the same time with respect to a single Valuation Day, redemption will be made on a pro-rata basis, based on the size of each redemption request, the balance amount being carried forward for redemption to the next Valuation Day(s).

CONTACT DETAILS

For more details, please contact The Fund's Administrator, APEX at Indiaoptima@apex.mu

Applicants may enquire about NAVs, unit holdings, valuation etc. or send any service request to APEX at the aforesaid email address.

In order to protect confidentiality of information and meet KYC/AML requirements, the service representatives may require personal information of the investor for verification of his identity and to establish the source of the funds.

Any complaints should be addressed to APEX, which has also been appointed by the Company for the purpose of handling investor relations.

INVESTOR INFORMATION

Account Statement will be sent by ordinary post/courier/electronic mail to each shareholder, stating the number of RPS, not later than 30 days from closure of the new fund offering period. For ongoing period (continuous offer) accounts statement will be sent within 10 working days from allotment date.

The Fund annual report will be prepared at the end of each calendar year (December 31). An abridged summary of the Fund annual report shall be sent by ordinary post/courier/electronic mail to unit holders not later than six months from the date of closure of the relevant accounting year (December 31).

Half yearly portfolio details (March 31 and September 30) shall also be disclosed by sending it to the unit holder within two months from the end of each half year.

EXCHANGE PROCEDURE

Shareholders may exchange Participating Shares of one Fund for Participating Shares of another Fund subject to the relevant Fund Document. Such exchange will be effected by way of a redemption of Participating Shares of one Fund (and thus will result in the payment of any performance fee accrued in respect of such Participating Shares) and a simultaneous subscription (at the most recent Subscription Price) for Participating Shares of the other Fund and, accordingly, the general provisions and procedures relating to redemptions and subscriptions of Participating Shares will apply, save that no redemption fee will be payable. Redemption proceeds will be converted into the other currency at the rate of exchange available to the Administrator and the cost of conversion will be deducted from the amount applied in subscribing for Participating Shares of the other Fund.

Exchanges of Shares may be limited by applicable lock in provisions governing redemptions of Shares of some Funds.

PUBLICATION OF SHARE PRICES

The Net Asset Value per Share of each Fund will be available at the registered office of the Company and shall be filed with the FSC on quarterly basis.

TRANSFER OF SHARES

Subject to any transfer restrictions set out in the Constitution, the Shares may be transferred in accordance with the Fund Documents and by using such form or forms as may from time to time be prescribed by the laws of Mauritius and signed by both the transferor and the transferee. Copies of the prescribed form(s) of transfer will be available upon request from the Administrator. Forms of transfer will be required for all transfers of beneficial ownership interests in the Shares.

The Directors may decline to register any transfer of Shares if the transfer to, or holding of shares by, a transferee of the shares to be transferred would, in the conclusive determination of the Directors or of the Administrator, cause or be likely to cause a pecuniary, tax, legal or regulatory disadvantage to the Company or any other Shareholder.

The registration of transfers may be suspended at such times and for such periods as the Directors or the Investment Manager may from time to time determine.

No transfer resulting in the breach of any applicable law or regulation in respect of the minimum shareholding(s) in the Funds will be registered.

The instrument of transfer of a Participating Shares shall be signed by or on behalf of the transferor and the transferee. The transferor shall be deemed to remain the holder of the Participating Shares until the name of the transferee is entered in the register of Participating Shareholders in respect thereof.

Shares issued for the benefit of US Persons are subject to additional restrictions on transfer for purposes of compliance with US laws. For additional details, see Section VII titled “Legal and Regulatory Considerations”.

There is no public market for the Shares in Japan, and they are not transferable except upon the prior written consent of the Company, which consent may be given or withheld in its sole and absolute discretion. For additional details, see Section VII titled “Legal and Regulatory Considerations”.

OWNERSHIP RESTRICTIONS AND ANTI-MONEY LAUNDERING REQUIREMENTS

The Directors may restrict or prevent the ownership of Shares by any person, firm or corporation. Shares may not be offered or sold to the public in Mauritius and prospective purchases of Shares by and transfers of Shares to, other persons are subject to the restrictions set out under Securities laws at the beginning of this Private Placement Memorandum. Where a person becomes aware that he is holding Shares in contravention of the restrictions set out above, he will forthwith redeem his shares or sell them to a person duly qualified to hold the shares.

Any person who, by virtue of his shareholding, is in breach of the laws and regulations of any competent jurisdiction and/or whose holding could, in the opinion of the Directors, cause the Funds any financial or fiscal disadvantage, will indemnify the Company, the Investment Manager, the Cash Custodian, the Indian Custodian, the Administrator on behalf of the Directors and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares. The Directors have power under the Constitution to compulsorily redeem any Shares held in contravention of the restrictions referred to above. Among other things, each Fund may compulsorily redeem the shares of any investors

at any time if the Directors believe, in their discretion, such a redemption would be appropriate to protect the Funds from a requirement to register as an investment company under the 1940 Act or the comparable laws of any other jurisdiction. In addition, the Directors may compulsorily redeem the Shares of any investors which the Directors, in their discretion, believe to be (i) employee benefit plans ( ERISA Plans subject to Title I of ERISA, (ii) retirement plans covering only self-employed individuals and individual retirement accounts or otherwise defined as a "plan" in Section 4975(e)(1) of the United States Internal Revenue Code of 1986, as amended (collectively,"Qualified Plans"or (iii) entities deemed to hold the assets of an ERISA Plan or Qualified Plan. The Directors do not intend to permit Shares acquired by ERISA Plans, Qualified Plans, and other benefit plan investors to equal or exceed 25 per cent of the value of any Class of the Company.

As part of the Company's responsibility for the prevention of money laundering under Financial Intelligence and Anti-Money Laundering Act 2002 (Act No. 6 of 2002) of Mauritius, the Registrar (acting on behalf of the Board of the Company) or any person acting on behalf of the Board of the Company may require detailed verification of the identity of an applicant for Shares as set out in the Subscription Form and that applicant source of payment. Depending on the circumstances of each application, a detailed verification may not be required. These exceptions will only apply if the financial institution or intermediary referred to above is within a country recognised as having sufficient anti-money laundering regulations.

The Administrator reserves the right to request such information as is necessary to verify the identity of any applicant.

FEES AND EXPENSES

Generally

Unless otherwise provided for in the relevant Fund Document, each Fund created will be responsible for all of the necessary expenses of its operation including, without limitation, its fees in respect of borrowed moneys, its cost of maintaining the Company's registered office, the Company's annual Government fees, brokerage commissions, legal and auditing expenses, secretarial, accounting, fund administration, income tax, investment-related consultants and other service provider expenses, investment related travel costs, expenses incurred with respect to the preparation, duplication and distribution to the Shareholders and prospective Shareholders of Fund Documents, annual reports and other financial information and similar ongoing operational expenses. Fees and expenses that are attributable to a particular Fund will be charged to that Fund. Other fees and expenses will be charged to the Company and shall form part of the Non-Cellular Liabilities.

Custodian Fee

The Company will pay the Indian custodian fees as agreed with the Indian Custodian from time to time. Each Fund would also pay the cash custodian a custody fee as determined in the Cash Custodian Agreement. Transaction fees would be charged separately at market rate and on a transaction basis.

Administrator Fee

The Company shall compensate the Administrator by way of an annual fee as determined in the Administration Agreement and negotiated between the parties from time to time, payable monthly, plus reimbursement of expenses, for the provision of administration/ registrar/ secretarial works to the Company and the Funds. The minimum annual administration fee payable is USD 36,000, plus reimbursement of expenses.

Directors Fees and Board Meeting Expenses

Any fees payable to a director as directorship fee shall not exceed USD 3000 per annum to each director as directorship fees. In addition, all the directors shall be reimbursed for the reasonable expenses incurred by them for attending board meetings.

Fees and Incentive Allocations payable to the Investment Manager

- Management Fee

  The Investment Manager is entitled to receive from each Fund an annual Management Fee at the rate specified in the respective Fund Document.

- Performance Profit Allocation

  In addition to the Management Fee, the Investment Manager is also entitled to a performance profit allocation (the "Performance Profit Allocation") from some Funds based on the performance of the Shares of those Funds and as may be specified in the respective Fund Document. The Performance Profit Allocation will be calculated on a share-by-share basis so that each share is charged a Performance Profit Allocation, which equates fairly with that Share performance. The period for calculating the Performance Profit Allocation Performance Period ) shall be the period beginning January 1 and ending on December 31 of each calendar year unless otherwise stated in the Fund Document. For the first year with respect to each Fund, the Performance Period shall be the period beginning the date after the receipt of the first application in the relevant class and ending on December 31 of that year. If a Share is redeemed anytime during the Performance Period, the Performance Period for that Share shall be deemed to end on the date of such redemption. For each Performance Period, the Performance Profit Allocation in respect of each Share will be equal to a certain percentage of the appreciation in the Net Asset Value per Share over the preferred hurdle rate, to be calculated based on the requirements laid in the specific Fund Documents.

  The Investment Manager shall not be liable to compensate the Shareholders in any manner whatsoever if the NAV per Share falls below the NAV for any past Performance Period. If the Investment Manager is terminated at any time, for any reason whatsoever, the Investment Manager will be entitled to a proportionate Management Fee and Performance Profit Allocation through the date of termination.

Other Charges and Expenses

The Company will bear its other operational costs including, but not limited to, the costs of buying and selling underlying securities, governmental and regulatory charges, legal and auditing fees, insurance premiums, interest charges, legal charges for marketing and distribution, reporting and publication expenses, postage, telephone and facsimile expenses. All expenses are estimated and accrued accordingly in the calculation of the Net Asset Value of each Fund. The Company may, from time to time, pay certain fees to various sub-distributors, intermediaries, dealers and/or professional investors relating to placing certain Funds on sales platforms designed to bring about a wider distribution of Fund Shares. Each Fund will bear the operational costs, which are directly attributable to it.

Any preliminary establishment expenses of the Company and the initial Funds to be borne by those Funds shall be recognized in the financial period in which they are incurred. In the event that further Funds are established, the Company may reallocate the preliminary establishment expenses of the Company to such additional Funds, as it deems appropriate.

Placing Agent Fee

The Directors have the right to appoint placing agents and/or sub-agents for distributing the Funds and issue of Shares. The fees payable to the placing agent shall be borne by the Investment Manager.

Investment Advisor Fees

The fees payable to the Investment Advisor will be payable by the Investment Manager out of the fees it will receive as described above, on such basis as may from time to time be agreed between the Investment Manager and the Investment Advisor.

Major expenses like management fees and other periodic expenses would be accrued on a day-to-day basis. All expenses and incomes accrued up to the valuation date shall be considered for the computation of the NAV. The minor expenses and income will be accrued on a periodic basis.