

OLD BRIDGE
CAPITAL MANAGEMENT

Long Term Equity Fund

Private Placement Memorandum



Private Placement Memorandum of LONG TERM EQUITY FUND

An Open Ended Scheme of
OLD BRIDGE CAPITAL AIF

(AN ALTERNATIVE INVESTMENT FUND ESTABLISHED IN INDIA AS A TRUST UNDER INDIAN TRUSTS ACT 1882 AND IS REGISTERED AS A CATEGORY III ALTERNATIVE INVESTMENT FUND UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (ALTERNATIVE INVESTMENT FUNDS) REGULATIONS, 2012)

*This Private Placement Memorandum (“**Memorandum**” or “PPM”) is prepared and being furnished to a limited number of prospective investors on a confidential basis, for them to consider an investment in the LONG TERM EQUITY FUND (“**Fund**”), a scheme of **OLD BRIDGE CAPITAL AIF (“OLD BRIDGE AIF”)**, and shall not be used for any other purpose. This Memorandum shall not be reproduced or provided to others without the prior written permission of the Investment Manager of the Fund.*

Potential investors should carefully review this Memorandum before subscribing to units of the Fund. This Memorandum may not be reproduced or provided to others without the prior written permission of the Investment Manager of the Fund. By accepting delivery of this Memorandum, each prospective investor agrees to the foregoing.

The information contained in this PPM (as defined hereinafter) may not be provided to others who are not directly concerned with your decision regarding such investment. The information contained in this PPM is not open to public circulation and if the same were to fall into the hands of an unauthorised Person (as defined herein), the offer made in this PPM shall not be construed to be an offer to such Person; however, such Person shall be bound by the confidentiality of this PPM.

Offeree Name

Document No.

Memorandum Dated: April 29, 2022

Notice

This Private Placement Memorandum (“**Memorandum**” or “**PPM**”) is confidential and intended solely for the use of the person to whom it has been delivered by or on behalf of the Fund, which is a scheme, floated by the **Old Bridge Capital AIF (“Trust”)**. The recipient hereby acknowledges and agrees that the contents of this document constitute proprietary and confidential information of **Old Bridge Capital Management Private Limited (“Investment Manager”)**; its associates, and the investment funds that they sponsor, advise, or manage and derive independent economic value from. These contents are not generally known to the public at large and are the subject of secrecy. The recipient further agrees that the contents of this Memorandum are a trade secret, the disclosure of which is likely to cause substantial and irreparable competitive harm. Any reproduction or distribution of this Memorandum in whole or in part, or the disclosure of its contents, or the announcement in public, or disclosure to any third party regarding the contents of this Memorandum, without the prior written consent of the Fund or the Investment Manager is prohibited. Receipt of this Memorandum by the prospective investors constitutes an agreement to be bound by the foregoing terms. The recipient, however, shall not be liable for disclosure of any information contained in this Memorandum where the same is required to be disclosed by law, or regulations, or pursuant to a legal process.

The Trust has obtained from SEBI, registration as a category III Alternative Investment Fund vide registration no. IN/AIF3/17-18/0373 dated September 29, 2017 under The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and such registration is valid. However, please note that such registration should not be construed as approval by The Securities and Exchange Board of India or any other legal or regulatory authority in India of investment in the units of the Fund.

The units are being offered for sale or subscription or contribution through private placement to a limited number of investors for the purposes of investment in units of the Fund. The Fund will obtain approval of such other authorities, if any may be required under the laws of India. Neither this Memorandum nor the units described herein have been registered for public offer or sale under the laws of India governing the public offer or sale of units or other securities.

Each investor will be required to execute a contribution agreement, if any, to effect an investment in units of the Fund. This Memorandum is qualified in its entirety by the forms of the contribution agreement, if any, application form, the Indenture of Trust, and / or the Investment Management Agreement, as applicable. If there is a conflict in the interpretation and / or consequence arising from the interpretation amongst the Fund documents, the following shall be the order of precedence based on which the relevant clause or provision shall be interpreted, the Contribution Agreement (as amended/supplemented from time to time), the Indenture of Trust, the Private Placement Memorandum, the Investment Management Agreement.

This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy units of the Fund 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 such jurisdiction. No person, other than the intended recipient may treat the same as constituting an offer to sell or a solicitation of an offer to buy units of the Fund.

This Memorandum is provided for assistance only and is not intended to be and must not be taken as the sole basis for an investment decision. In making an investment decision, investors must rely on their own examination of the Fund documents and the terms of the offering, including the merits and risks involved. This Memorandum does not purport to be all-inclusive or contain all of the information which a prospective investor may desire. The delivery of this Memorandum at any time does not imply that the information contained in this Memorandum is correct as of any time subsequent to its date and may undergo some changes in terms of disclosure requirements specific to offerings made to investors in any particular location and as required under applicable laws.

No person has been authorized to give any information or to make any representations other than those contained in the Fund documents and if given or made, such information or representations must not be relied upon. Investors are cautioned not to rely upon any information other than the information set forth in the Fund documents or provided by the Fund on the specific request of the prospective investor. The information presented is as of the date set forth on the cover page of this Memorandum, unless any another date is specified, and neither the delivery of this Memorandum nor any sale hereunder shall create any implication that there have been no further changes in the information presented subsequent to such dates.

Each investor may make inquiries with the Fund with respect to its business or any other matters set forth herein and may obtain any additional information which such person deems necessary in order to verify the accuracy of the information contained in this Memorandum (to the extent that the Fund possesses such information or can acquire it without unreasonable effort or expense). In connection with such inquiry, any documents which any offeree wishes to review will be made available for inspection and copying or provided upon request subject to the offeree's agreement to maintain such information in strict confidence. Such materials must be returned to the Investment Manager if the recipient does not purchase the units offered hereunder. Any such inquiries or requests for additional information or documents should be made in writing to the Investment Manager. The recipient agrees to return this document and any reproduction of it to the Investment Manager upon request or if the recipient decides not to invest.

The Fund reserves the right to withdraw or modify this offering at any time prior to the acceptance of subscriptions or contributions from investors. The Fund also reserves the right to close the subscription books before the indicated amount of capital has been subscribed.

Except as otherwise noted herein, information contained in this Memorandum has been, inter alia, extracted from publicly available information and no representations or warranties are given with respect to the accuracy thereof. The Investment Manager does not accept responsibility for its accuracy or completeness.

Certain economic and financial market information contained herein has been obtained from published sources prepared by other parties. While such sources are believed to be reliable, neither the Investment Manager, nor the Fund nor any of their respective associates or representatives assume any responsibility for the accuracy of such information.

The units offered hereby are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the contribution agreement, if any, or in this Private Placement Memorandum. The units offered hereby are also subject to restrictions on distributions, as mentioned in this Private Placement Memorandum and Indenture of Trust.

Investments in the units of the Fund will involve significant risks due to, amongst other things, the nature of the Fund's investments. See the section titled "risk factors and potential conflicts of interest" for a discussion of some of the risk factors that should be considered by prospective investors. Investors should have the financial ability and willingness to accept the risks and lack of liquidity, which are characteristics of the investments described herein.

The information on taxation contained in this Memorandum is a summary of certain tax considerations but is not intended to be a complete discussion of all tax considerations. The Trust, Fund, Investment Manager or Trustee company shall not be liable to accept any responsibility, whatsoever, for any adverse tax consequence or inquiry to the investors or the Fund. All investors should consult their own tax advisors and rely on their advice before investing.

The contents of this Memorandum are not to be construed as investment, legal, financial, accounting or tax advice. Each recipient of this Memorandum should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities offered hereby (including the merits and risks involved) and should consult his/her own legal, tax, financial, investment and accounting advisors to determine the merits, risks and related matters concerning his/her investment.

Unless otherwise indicated, all internal rates of return (including targeted rates of return) are presented on a 'gross' basis (i.e., they are gross of applicable management fees or applicable taxes). With respect to any information about the prior performance contained in this Memorandum, investors should bear in mind that past performance is not necessarily indicative of future results. No assurance is hereby offered or given that the Fund will achieve comparable results. The Fund has no history of operations and will make investments involving significant risks.

Statements in this Memorandum that contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions that are forward-looking statements are based on information available at the time those statements are made and/or good faith belief as of that time with respect to future events, and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results to differ are discussed under section titled “risk factors and potential conflicts of interest” in this Memorandum.

These securities are not being offered to the general public for sale or subscription or contribution, but are being privately placed on behalf of the Fund with a limited number of investors. This Memorandum is for private circulation only.

Notice to United States investors:

The units have not been, nor will they be, registered or qualified under The United States Securities Act of 1933, as Amended (The “1933 Act”), or any applicable securities or blue sky laws of any state or other political subdivision of the United States of America. Except as mentioned herein, the units may not be offered, sold, transferred or delivered, directly or indirectly, in the United States of America, its territories or possessions (the “United States” or “U.S.”) or to, or for the account or benefit of, any U.S. person, as defined in regulations under the 1933 Act. Notwithstanding the foregoing, the scheme may offer and sell units to U.S. persons that are both “accredited investors” within the meaning of Rule 501(a) under the 1933 Act, in reliance upon the exemption from the registration requirements of the 1933 Act provided in Rule 506 under the 1933 Act, provided that any offers and sales are exempt from registration or qualification under applicable state securities or blue sky laws. Further, the scheme is not registered with The United States Securities and Exchange Commission (the “SEC”) under The United States Investment Company Act of 1940, as amended (The “Investment Company Act”).

Any document evidencing units issued to U.S. persons will bear a legend stating that the units have not been registered under the 1933 Act and that the scheme is not registered under The Investment Company Act and referring to certain restrictions on transfer and sale.

The units have not been approved or disapproved by the SEC or any State Securities Commission or other regulatory authority, nor have any such regulatory authorities passed upon or endorsed the merits of this offering or the accuracy of this Memorandum. Any representation to the contrary is a criminal offense.

Notice to Florida investors:

Upon the acceptance of five or more Florida investors, and if the Florida investor is not an institutional purchaser described in section 517.061 (7) of The Florida Securities and Investor Protection Act (meaning not a bank, a trust fund, a savings institution, an insurance fund, a dealer, an investment fund as defined in The Investment Company Act, a pension or profit-sharing trust or a qualified institutional buyer as defined in Rule 144A under The Securities Act), the Florida investor acknowledges that any sale of interests to the Florida investor is voidable by the Florida investor either within three (3) days after the first tender of consideration is made by the Florida investor to the issuer, or an agent of the issuer, or within three (3) days after the availability of that privilege is communicated to the Florida investor, whichever occurs later.

Notice to all investors:

In making an investment decision, investors must rely on their own examination of the scheme and the terms and conditions of the offering, including the merits and risks involved. These securities have not been recommended by any United States Federal or State Securities Commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offense.

These securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under The Securities Act of 1933, and the applicable State Securities Laws, pursuant to registration or exemption therefrom. Investors should be aware that they may be required to bear the financial risks of their investment for an indefinite period of time.

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Definitions and Interpretations

The capitalised terms used in this Memorandum shall have the following meaning.

AIF Regulations	Means the Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
Applicable Laws	Means any applicable Indian statute, law, ordinance, regulation, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument which has a force of law in India, as is in force from time to time, including the AIF Regulations.
Class A Units	Means Units offered by the Fund, opted by Qualified Investor on which fixed management fees will be charged.
Class I Units	Means Units with drawdown option, offered by the Fund, opted by Qualified Investors on which fixed management fees will be charged.
Class C Units	Means Units offered by the Fund, opted by Qualified Investors on which fixed management fees along with performance fees will be charged.
Class S Units	Means Units offered by the Fund and available for subscription only by Sponsor, Investment Manager, Associate Companies, Employees of the Sponsor / Investment Manager/ Associate Company.
Class V Units	Means Units offered by the Fund, opted by Qualified Investors on which fixed management fees will be charged.
Class V1 Units	Means Units offered by the Fund, opted by Qualified Investors on which fixed management fees will be charged.
Class V2 Units	Means Units offered by the Fund, opted by Qualified Investors on which fixed management fees will be charged.
Class R Units	Means Units offered by the Fund, opted by Qualified Investors on which fixed management fees will be charged.
Class A Unitholder	Means holder of Class A Units offered by the Fund.
Class I Unitholder	Means holder of Class I Units offered by the Fund.
Class C Unitholder	Means holder of Class C Units offered by the Fund.
Class S Unitholder	Means holder of Class S Units offered by the Fund.
Class V Unitholder	Means holder of Class V Units offered by the Fund.
Class V1 Unitholder	Means holder of Class V1 Units offered by the Fund
Class V2 Unit holders	Means holder of Class V2 Units offered by the Fund.
Class R Unit holders	Means holder of Class R Units offered by the Fund.
Associate	Means a company or a limited liability partnership or a body corporate in which a director or trustee or partner or Sponsor or Investment Manager of the Fund or a director or partner of the Investment Manager or Sponsor holds, either individually or collectively, more than 15% (fifteen percent) of its paid-up equity share capital or partnership interest, as the case may be.
Business Day	Means a day other than a Saturday or a Sunday or a day on which banks or stock exchanges

Fund Documents	in Mumbai are authorized or required by Applicable Laws to remain closed, or such other days as the Investment Manager may specify from time to time.
Beneficial Interest	Means the proportionate interest or share of each Beneficiary in the distribution of the Fund, calculated on basis of Units held by each such beneficiary in the Fund in proportion to total Units issued by the Fund, at that point in time, as per the formula set out in this Memorandum.
Beneficiaries	Means the Contributors or Investors of the Fund.
Board of Trustees	Shall have the meaning assigned thereto in the Indenture of Trust.
BSE	Means the BSE Limited.
Category of Fund	Category III Alternative Investment Fund.
Capital Commitment	Means the aggregate amount committed to the Fund by the Contributors which shall be revocable with prior approval of the Investment Manager.
Capital Contribution	Means amount of Capital that has been drawn down and received by the Fund from Contributors.
Contributor or Investor	Means the Person(s) signatory to the Contribution Agreement(s), if any, and all other Persons, who make or agree to make contributions to the Fund in accordance with the Contribution Agreement(s), if any, and this Memorandum. Contributors can only be any Person who is permitted to invest in the Units under Applicable Laws.
Contribution Agreement(s)	Means one or more agreement(s) entered into with the respective Contributors to the Scheme to regulate the acceptance of contributions and disbursal of income thereon.
Contribution Fund	Means the aggregate of the Capital Contributions including any additions thereto and undistributed income in respect thereof but does not include the Initial Settlement (as defined in the Indenture of Trust) and accretions thereto.
Custodian	Means a person which has been granted a certificate of registration by SEBI under the SEBI (Custodian of Securities) Regulations, 1996 and is being appointed by the Fund for rendering custodial services to the Scheme in accordance with the AIF Regulations. For the purposes of the Fund, Kotak Bank Limited having office at 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400051 shall be the Custodian.
Dealing Day	Means the Friday of each week, provided it is a Business Day, else the immediately previous Business Day and/or such other day or days (as the Investment Manager may from time to time determine in accordance with the PPM and the Contribution Agreement).
Initial Offer Period	Means the period decided by the Investment Manager during which a sum of at least INR 20 Crore or such higher amount as may be determined by the Investment Manager is raised.
FIU-IND	Means Financial Intelligence Unit - India.
Foreign Portfolio Investor / FPI	Means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the Securities and Exchange Board of India Act, 1992.
Fund or Scheme	Means LONG TERM EQUITY FUND, an open ended scheme of Old Bridge Capital AIF.
Fund Corpus	Means the aggregate of all Capital Contributions to the Fund including any premium and interest and any other amount received from the Contributors in respect thereof, all realized profit and income from Portfolio Investments, reduced by: <ul style="list-style-type: none"> • the expenses and liabilities (contingent or otherwise) of the Fund, • amount paid to the Contributors.
Fund Documents	Means this Private Placement Memorandum, the Investment Management Agreement,

	Contribution Agreement, if any, and the Indenture of Trust, including any amendments / supplements thereto.
NAV or Net Asset Value	<p>Means value of per Unit of the Scheme, as calculated by dividing the aggregate net assets value of units by total number of units outstanding as on the valuation day after deducting all the liabilities, attributable to a particular class including scheme recurring expenses and certain adjustments for taxes.</p> <p>NAV shall be disclosed to the investors at the end of each month. In addition, NAV shall be disclosed on the website of the Investment Manager weekly.</p>
Indenture of Trust	Means the indenture of trust dated May 26, 2017 (Original Trust Deed) settled by Old Bridge Capital Management Pvt. Ltd. ('OBCMPL') (Settlor) read with supplementary trust deed in relation to launch of the Scheme / Fund.
Investable funds	Means Corpus of the Fund (total commitment) net of estimated expenditure for administration and management of the fund.
Investment Manager	Means OBCMPL having its Registered Office at 401, Silver Lining CHS Ltd., Sunder Nagar Road No.2, Opp. Creative Industries, Santacruz East, Mumbai 400098 and Corporate Office at 103 Keshava, Bandra Kurla Complex, Bandra East, Mumbai-400051.
Joint Investor	<p>Not more than 2 of the below mentioned persons shall act as joint-investors in an AIF, for the purpose of investment of not less than one crore rupees:</p> <ol style="list-style-type: none"> <i>an investor and his/her spouse</i> <i>an investor and his/her parent</i> <i>an investor and his/her daughter/son</i> <i>an investor and his/her family trust</i> <p><i>In case of any other investors acting as joint-investors, for every investor, the minimum investment amount of one crore rupees shall apply.</i></p>
KYC	Means the Know Your Customer policy mandated by SEBI.
Minimum Corpus Amount	Means the minimum amount required to operate the Fund, and if such Minimum Corpus Amount (INR 20 Crores. as per current Regulations) is not received on or before the Initial Offer Period, then all the Contributors would be refunded the Contribution, without any interest or return.
Minimum Commitment Amount	Means the minimum capital commitment from each Contributor in the Fund.
Management Fee(s)	Means fees and expenses like Investment Manager fees and distribution fees which may be charged directly to the Fund / Scheme or paid by Investment Manager and later reimbursed from the Fund / Scheme.
NRI	Non-Resident Indian.
NSE	Means the National Stock Exchange of India Limited.
OCI	Overseas Citizen of India
Person	Includes an individual, a Hindu Undivided Family, a corporation, a partnership (whether limited or unlimited), a limited liability company, a body of individuals, an association, a proprietorship, a trust, an institutional investor and any other entity or organization whether incorporated or not, whether Indian or foreign, including a government or an agency or instrumentality thereof.
PMLA	Means the Prevention of Money Laundering Act, 2002 as amended from time to time.
PPM or Memorandum	Means this Private Placement Memorandum.

Portfolio Company(ies)	Means such company, enterprise or entity in which the monies of the Fund are invested in accordance with the Applicable Laws.
Portfolio Investment(s)/Investment(s)	Means investment in, or financial assistance to, any Portfolio Company in the form of investment in Approved Instruments by respective Scheme/Fund from time to time in accordance with the objectives of the Scheme/Fund and subject to Applicable Law.
Qualified Investor	Means any Person (in case of an individual being over the age of 18 years or a legal guardian of a minor) but does not include (i) any Person, who cannot acquire or hold Units without being in breach of any law or requirement of India, (ii) any person whose holding of Units, in the opinion of the Trustee and Investment Manager, might result in the Fund incurring any liability in respect of taxation or suffering any other pecuniary disadvantage, which the Fund might not otherwise have incurred or suffered or (iii) any custodian, nominee or trustee for any Person described in clauses (i)-(ii) above. Notwithstanding the above, the Investment Manager reserves absolute discretion in admitting any Qualified Investor as a Contributor into the Fund.
RBI	Means the Reserve Bank of India.
Indian Rupees or Rs.	Means the currency of India.
Registrar and Transfer Agent	Means R&T agent appointed for the Scheme to carry on the R&T activities and registered under the SEBI (Registrar to an Issue and Share Transfer Agents) Regulations, 1993. For the purposes of the Fund, Computer Age Management Services Limited (“CAMS”) having office at New No.10, Old No.178, M.G.R. Salai, Nungambakkam, Chennai 600034 shall be the Registrar and Transfer Agent.
Settlor	Means any person or persons who set up the Trust / Alternative Investment Fund.
SEBI	Means the Securities and Exchange Board of India.
SEBI Act	Means the Securities and Exchange Board of India Act, 1992.
Series	<p>The units may be divided into multiple series to equitably reflect the different fees payable by certain unit holders as a result of the purchase of units by unit holders on different dealing days. The initial series will be designated as “Series 1” and each subsequently issued series will be numbered sequentially.</p> <p><i>Note</i> For the units issued under Class C for each Dealing Day a new series shall be introduced. Hence assuming there is an allotment on each Dealing Day, 52 series would be issued in a year to bifurcate/identify investors based on their entry into the fund so that the same performance fees can be computed for all investors in one series. The Investment Manager for the purpose of operational convenience and accounting purpose shall implement consolidation of series as follows:</p> <p>For each series where performance fees is crystallised as on March end of relevant year, the series to which performance fees is charged shall be consolidated together with the initial series/first series where performance fee is crystallised/chargeable.</p> <p><i>Illustration for Consolidation of Series:</i> In a scenario where out of 52 series issued in a year, there are 25 series of the year (C1 (parent series), C2, C3, C4 upto C25, where performance fees were applicable and the NAV post charging performance fees is as follows. C1 - 140, C2 - 130, C3 - 125, C4 - 132and so on. In this scenario, the investors in the series - C2, C3, C4.... upto C25 where performance fees were charged will be consolidated into the parent series C1. This consolidation will be by way of, switch of units from series C2, C3, C4 upto C25 to series C1 in such a way that the total value of each investor after charging performance fees remains the same. Accounting wise there would be the following transactions:</p> <p>Switch out from Series C2, C3, C4.... C25 @ their respective NAVs and Switch in to series C1</p>

Series	<p>@ the NAV of C1. As a result of this switch, the number of units of investors in C2, C3, C4 ... upto C25 will change as they will be switched into the continuing series C1 which has a different NAV. The Statement of account of the investors will reflect the switch out and switch in transactions when the consolidation of series is done.</p> <p><i>Series for a given year</i> Series to which performance fee is not applicable/crystallised are carried forward to next year and not consolidated.</p> <p>New series shall be issued every year on each dealing day and exercise of consolidation of the series as referred above shall be carried out for subsequent years.</p> <p>Performance fees computed is charged as expenses to respective series.</p> <p><i>Disclosure of the tax implications of the switch:</i></p> <p>The clubbing or switch is a mere reclassification of units from one series to another. The unitholder continues to hold the same rights in the AIF as a unitholder which he originally held when he had subscribed to the units of the original series. No new rights have come into existence or no old rights have been extinguished as a result of the switch. Therefore, based on judicial precedents, it may be possible to conclude that the transaction of clubbing or switch of units misses the essential ingredient to qualify as a transfer under section 2(47) of the Income-tax Act, 1961. Therefore, such clubbing or switch should not be taxable in the hands of the investors. However, possibility of litigation on this account cannot be ruled out.</p> <p>The above discussion is included for general information purposes only and does not address every potential tax consequence that might be relevant to a particular Investor. The discussion is based on the laws in force, and as applied in practice as on the date of this Memorandum in India and is subject to changes in the laws, and practices subsequent to that date, which changes could be made on a retroactive basis. The tax consequences discussed below depend upon each Investor's particular tax status. Accordingly, each prospective Investor should consult its own professional advisers on the tax consequences from investment in the Fund.</p>
Sponsor	Means any person or persons who sponsored the Alternative Investment Fund.
Subsequent Offer Period	<p>Means the period after the Initial Offer Period during which the Units of the Fund will be offered for subscription on a weekly basis on each Dealing Day (or such other dates and/or times as the Investment Manager may determine in accordance with the PPM and the Contribution Agreement).</p> <p>Dealing day means the Friday of each week, provided it is a Business Day, else the immediately previous Business Day and/or such other day or days (as the Investment Manager may from time to time determine in accordance with the PPM and the Contribution Agreement).</p>
Switch	Means redemption of a unit in any scheme of the Trust against purchase of a unit in another scheme of the Trust, subject to completion of Lock-in Period, if any.
S & P BSE 500 Index	Means an index for Indian equity market as defined by Bombay Stock Exchange.
Trust	Means Old Bridge AIF, an irrevocable, non-discretionary, determinate and specific trust declared by the Indenture of Trust.
Trustee	Means the Trustee Company which holds the property of the Fund in trust for the benefit of the unit-holders.
Trust Fund	Shall have the meaning assigned thereto in the Indenture of Trust.
Units	Means interest of a Contributor in the Fund, such that each unit represents one undivided share in the assets of the Fund.

Unit Holders	Collectively, holders of Class A Units (Class A Unit Holder), Class I Units (Class I Unit Holders), Class C Units (Class C Unit Holders), Class S Units (Class S Unit Holder), Class V (Class V Unit Holders), Class V1 (Class V1 Unit Holders), Class V2 (Class V2 Unit Holders), and Class R (Class R Unit Holders) as specified herein above or such other Classes of Units (in each case including series thereof) as may be issued by the Scheme from time to time (" Unit Holders ").
Unit Certificate	Means certificate issued or to be issued by the Investment Manager, at its discretion, to Contributors specifying the number of Units held by the Contributors and evidencing a Beneficial Interest.
Valuation Day	Means Business Day on which the NAV is calculated.

Other capitalised terms used in this Memorandum but not defined shall have the meanings ascribed to them in the Indenture of Trust.

Executive Summary

The principal terms are summarized in this executive summary. The information contained herein is subject to the more detailed information provided elsewhere in this Memorandum. Investors should read this entire Memorandum before making an investment.

Fund Structure

The Trust (i.e. Old Bridge Capital AIF) is organized as an irrevocable, non-discretionary, determinate and specific trust under the provisions of the Indian Trust Act, 1882, and is settled by the Settlor, pursuant to the Indenture of Trust as defined above. The Trust is an umbrella trust, with the Trustee having powers to form various schemes. Each scheme (including the LONG TERM EQUITY FUND) will be organised, administered and managed in accordance with the Indenture, the contribution agreement, if any, relevant to that scheme and the Investment Management Agreement. The investments of each scheme **LONG TERM EQUITY FUND** will be segregated from the investments of other schemes and such investments and all assets and corpus of each scheme will be held for the benefit of the Investors of such scheme exclusively. Investors or creditors of other schemes shall not have a right or any claim over the assets and corpus of any other scheme.

The Trust has obtained registration from SEBI as a Category III Alternative Investment Fund vide registration no. IN / AIF3 / 17-18 / 0373.

LONG TERM EQUITY FUND is an open ended scheme of the Trust. All contributions by the Contributors will be in the form of subscription to Units of the Fund. All the distributions to Beneficiaries will be in proportion to Units held by such Beneficiaries, entitled to the Beneficial Interest in accordance with this Memorandum and/or the Indenture of the Trust, thereto and the Trustee Company shall have no discretion to make distributions in any other manner. The Beneficial Interest of each Beneficiary will be calculated and determined as per following formula:

$$\text{Beneficial Interest per Unit of the Scheme} = \frac{\text{Net Asset Value of all Units of relevant Class and Series of the Scheme, as computed in the manner prescribed in Contribution Agreement or Private Placement Memorandum of respective Scheme}}{\text{Total number of Units of relevant Class and Series issued by the Scheme as on that date.}}$$

Also, the Beneficiaries are identifiable and are as per the Unit-holder register maintained by the Trustee Company providing details such as names, number of Units held, proportionate Beneficial Interest of each Beneficiary and such other details.

The Trust and Investment Manager, jointly and severally, reserve the right to refuse any Contributor or its Contribution without assigning any reason whatsoever.

Investment Objective of the Fund: The investment objective of the Fund is to generate long-term capital appreciation by investing primarily in equity and equity related securities.

Contributions

The contributor may revoke upto 10% of the contributions contributed to the Fund/Scheme launched under the Trust at any time during the life of the Fund.

Investment Strategy & Methodology

To achieve the investment objective, the Fund will endeavor to align to the segments of the economy that are emerging and companies that have characteristics which make them the dominant participants in their industry. This is a buy and hold strategy with a low churn. Low debt and high capital efficient businesses are some of the financial parameters that form the key selection criteria of companies in this portfolio. The investment strategy of the Fund will be to primarily invest in equity or equity linked securities of listed/to be listed Indian companies. The Scheme may invest in equity derivatives, amongst other things for purposes of hedging and portfolio balancing, as may be permitted under the Regulations from time to time.

However, leverage shall not exceed 2 times of the NAV of the fund and will be subject to prudential requirements as prescribed by SEBI, vide its circular dated July 29, 2013.

Underlying asset class will be primarily listed equity and equity related securities. Investment in liquid funds/fixed term papers will be made for liquidity purposes.

Since the Fund is expected to receive contribution from non-residents, in accordance with applicable laws, the Fund will adhere to investment restrictions applicable to Foreign Investors / FPIs, in accordance with Reserve Bank of India Notification No. FEMA (NDI) Regulations, 2019 and such other Notifications as may be issued from time to time by the Reserve Bank of India.

The Fund may invest in the instruments, including but not limited to mutual funds, Indian equity, equity linked securities, money market instruments and in such other securities, listed, quoted or traded on any stock exchange or over the counter, or as permitted under Applicable Law. The Fund is expected to use fundamental and technical factors to identify potential trades.

Pending deployment of the Investable Funds, the un-invested portion of the Investable Funds may be invested in liquid mutual funds or bank deposits or other liquid assets of a higher quality such as treasury bills, Triparty Repo Dealing and Settlement, commercial papers, certificate of deposits.

Key Fund Terms

Fund Structure	Category III Alternative Investment Fund																		
Launch Date	May 22, 2019																		
Minimum commitment per contributor	<p>Class A: Capital commitment of at least INR 1 crore. Class I: Capital commitment of at least INR 1 crore. Class C: Capital commitment of at least INR 1 crore. Class S: As per the Regulatory requirement. Class V: Capital commitment of at least INR 1 crore. Class V1: Capital commitment of at least INR 1 crore. Class V2: Capital Commitment of at least INR 1 crore. Class R: Capital Commitment of at least INR 1crore.</p>																		
Contribution Amount	<p>Class A: 100 % at the time of subscription. Class I: 50% upfront drawdown amount and balance 50% within a period of six (6) months from the initial subscription, as may be decided by the Investment Manager. Class C: 100% at the time of subscription. Class S: 100 % at the time of subscription. Class V: 100% at the time of subscription. Class V1: 100% at the time of subscription. Class V2: 100 % at the time of subscription. Class R: 100 % at the time of subscription.</p>																		
Annual Scheme Recurring Expenses	<p>I. Management Fee:</p> <table border="1"> <thead> <tr> <th>Class of Units</th> <th>% of Net Asset Value</th> </tr> </thead> <tbody> <tr> <td>Class A</td> <td>Upto 2.25% p.a.</td> </tr> <tr> <td>Class I</td> <td>Upto 2.25% p.a.</td> </tr> <tr> <td>Class C</td> <td>Upto 0.75% p.a.*</td> </tr> <tr> <td>Class S</td> <td>NIL</td> </tr> <tr> <td>Class V</td> <td>Upto 2.25% p.a.</td> </tr> <tr> <td>Class V1</td> <td>Upto 2.25% p.a.</td> </tr> <tr> <td>Class V2</td> <td>Upto 2.25% p.a.</td> </tr> <tr> <td>Class R</td> <td>Upto 2.25% p.a.</td> </tr> </tbody> </table> <p>II. Administration Expenses:</p> <p>- At actuals, not exceeding 0.20% per annum of Net Asset Value.</p> <p>The Management Fee and Administration Expense will be accrued on daily NAV. The Investment Manager will charge its management fee and reimbursement of administration expenses, on monthly basis. The management fee shall be exclusive of GST and Administration expenses mentioned above is inclusive of GST.</p>	Class of Units	% of Net Asset Value	Class A	Upto 2.25% p.a.	Class I	Upto 2.25% p.a.	Class C	Upto 0.75% p.a.*	Class S	NIL	Class V	Upto 2.25% p.a.	Class V1	Upto 2.25% p.a.	Class V2	Upto 2.25% p.a.	Class R	Upto 2.25% p.a.
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Class V2	Upto 2.25% p.a.																		
Class R	Upto 2.25% p.a.																		

<p>*Performance Fees</p>	<p>A performance fees will be payable by Class C unit-holders and would be computed as at the end of 31st March every year or in case of redemptions at the time of redemption by the investor and will be charged above hurdle rate of 8% at the rate of 10% plus applicable taxes.</p> <p>For the initial year of the subscription/additional investment during the year/any redemption during the year, the performance fees shall be charged on a pro-rata basis.</p>
<p>Subsequent Offer Period</p>	<p>Means the period after the Initial Offer Period during which the Units of the Fund will be offered for subscription on a weekly basis on each Dealing Day (or such other dates and/or times as the Investment Manager may determine in accordance with the PPM and the Contribution Agreement).</p> <p>Dealing day means the Friday of each week, provided it is a Business Day, else the immediately previous Business Day and/or such other day or days (as the Investment Manager may from time to time determine in accordance with the PPM and the Contribution Agreement).</p> <p>Subsequent Offer period is explained in detail in Chapter on “Summary of Principal Terms” under the heading “Subsequent Subscription Procedure”.</p>
<p>Redemption</p>	<p>The Units of the Fund may be redeemed on each Dealing Day at the request of a Contributor, upon delivery of a prior written notice to the Investment Manager by the Friday of every week or if Friday is a non- business day then the last business day before Friday. The redemption will be at the Net Asset Value per Unit prevailing on the Dealing Day and after computing and charging Redemption Fee. The redemption proceeds will be issued within 30 days from the Dealing Day.</p> <p>Redemption has been explained in detail in Chapter on “Summary of Principal Terms” under the heading “Redemption Procedure”.</p>
<p>Redemption fee</p>	<p>For Class A, C, S and R: Redemptions made within 18 months of date of allotment of units shall be subject to an early redemption fee of 3% of NAV, or such other rate as may be prescribed by the Trustee on the recommendation of the Investment Manager.</p> <p>For Class I: Redemptions made within 18 months from the units being made fully paid shall be subject to an early redemption fee of 3% of NAV or such other rate as may be prescribed by the Trustee on the recommendation of the Investment Manager.</p> <p>For Class V, V1 and V2: Redemptions made shall be subject to no redemption fee.</p>
<p>Fund Incorporation Expenses</p>	<p>Investment Manager has decided not to charge any Fund Incorporation Expenses.</p>
<p>Tenure</p>	<p>The Fund is an Open ended scheme. In the interest of Unit - Holders, the Investment Manager may (with prior approval of Trustee) sell all the portfolio investments, distribute all the distributable proceeds and windup the scheme, subject to AIF Regulations.</p>
<p>Sponsor’s/Investment Manager’s continuing interest</p>	<p>5% of the corpus or INR 10 Crore whichever is lower.</p>
<p>Sponsor of Old Bridge Capital AIF</p>	<p>a. Old Bridge Capital Management Pvt. Ltd. (‘OBCMPL’);</p> <p>b. Mr. Kenneth Andrade, Promoter& Director of OBCMPL;</p> <p>c. Mr. Amit Jasani, Member &Director of OBCMPL;</p> <p>d. Mr. Gealgeo Varghese Alankara.</p>
<p>Investment Manager</p>	<p>Old Bridge Capital Management Pvt. Ltd. (‘OBCMPL’).</p>
<p>Trustee</p>	<p>Vistra ITCL (India) Limited.</p>

Summary of Principal Terms

The following information is a summary of the principal terms of an investment in the Fund and is qualified in its entirety by reference to the more detailed information included elsewhere in this Memorandum and the Fund Documents, copies of which will be provided to each prospective Investor on request. These terms are subject to modification and withdrawal.

Fund	<p>LONG TERM EQUITY FUND is an open ended Fund which will invest primarily in listed equity and equity related instruments.</p> <p>The Fund is a scheme of the Trust. The Trust may have additional schemes / funds that may or may not have similar objectives as the Fund. Unless specifically contemplated herein, the Contributors should note that the assets and liabilities of the Fund are independent and separate from assets and liabilities of other funds/ schemes of the Trust. The Contributors shall have no claims against the other assets and liabilities of other funds/ schemes of the Trust. The scheme will have separate records, books, securities accounts, PAN, bank accounts and will operate in an independent manner.</p>
Fund Structure	<p>The Fund is a scheme of Old Bridge AIF, a Trust which is organized as an irrevocable, non-discretionary, determinate and specific trust and is settled in India by the Settlor under the provisions of the Indian Trusts Act, 1882, pursuant to an Indenture of Trust entered into between the Settlor and the Trustee.</p> <p>The Trust is an umbrella trust, with the Trustee having powers to form various schemes.</p> <p>The Trust has obtained registration from SEBI vide registration no. IN/AIF3/17-18/0373. The Fund is an open ended scheme of the Trust. All contributions by the Contributors will be in the form of subscription to Units of the Fund. The Fund will issue units having a face value of Rs. 100/-.</p> <p>Units of the Fund are being privately placed with Eligible Investors. At the discretion of the Investment Manager, the Fund may accept investments from non-resident investors if permitted and subject to applicable Laws.</p> <p>The Fund will be managed by the Investment Manager pursuant to the terms of the Investment Management Agreement. The Investment Manager will make investments on behalf of the Fund and further administer the affairs of the Trust and the Fund in accordance with the powers delegated by the Trustee and in accordance with the Applicable Laws.</p> <p>The Trust is registered as Category III AIF under the provisions of SEBI (Alternative Investment Funds) Regulations, 2012, as amended from time to time.</p> <p>The Investment Manager may issue such Classes/series/sub-classes in consultation with the Trustee, as may be decided from time to time. However, no units will be issued which would have the effect of diluting or subordinating the economic interest in the Fund of the holders of Class A Units and Class S Units.</p>
Settlor	<p>Old Bridge Capital Management Private Limited ('OBCMPL'), a Company constituted under the Companies Act, 2013 and having its registered office at 401, Silver Lining CHS Ltd., Sunder Nagar Road No.2, Santacruz East, Opp. Creative Industries Mumbai 400098 and Corporate Office at 103, Keshava, Bandra Kurla Complex, Bandra (East), Mumbai-400051.</p>
Investment Manager	<p>Old Bridge Capital Management Private Limited ('OBCMPL') will be the Investment Manager of the Fund. The Investment Manager has entered into an Investment Management Agreement with the Trustee in terms of which it will manage the assets of the Trust.</p> <p>The Investment Manager will act as an independent agent of the Trust and will advise the Fund on its investment decisions and administer the Portfolio Investments in accordance with the powers delegated by the Trustee and in accordance with the Applicable Laws.</p>

Trustee	<p>The Trustee has all powers in respect of the property of the Trust including power to manage the same. These powers, in respect of the Fund, have been delegated to the Investment Manager. While in accordance with the provisions of the Indenture of Trust, it would be the primary responsibility of the Trustee to ensure that the Investment Manager performs its obligations under the Investment Management Agreement entered between the Trustee and the Investment Manager, the Trustee shall not interfere with the actions of the Investment Manager as long as these actions are within the powers of the Investment Management Agreement and conform to the AIF Regulations and the objectives of the Trust and the Fund.</p> <p>Vistra ITCL (India) Limited a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at The IL&FS Financial Centre, Plot C- 22, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India, is the trustee of the Fund (the 'Trustee').</p>
Custodian& Fund Accountant	<p>Means Kotak Bank Limited and/or such other entity appointed from time to time to act as custodian to the Fund.</p>
Registrar and Transfer Agent	<p>Means Computer Age Management Services Pvt. Ltd. ('CAMS') and/or such other entity appointed from time to time to act as custodian to the Fund.</p>
Merchant Banker	<p>Means Pantomath Advisory Services having its registered address at 406-408, Keshava Premises, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 and/or such other entity appointed from time to time to act as Merchant Banker.</p>
Investment Restrictions	<p>All investments made by the Fund shall be subject to the investment restrictions specified in this Memorandum and in the AIF Regulations.</p> <p>Provided however, the Fund will not make investments in companies and securities which could subject the Fund to any unlimited liability.</p> <p>The portfolio will be a multi-sector portfolio and can invest across companies. The Fund will not invest (i) more than 10% (Ten percent) of the Investable Fund in one investee company or Portfolio Company(ies) and more than 10% (Ten percent) of the NAV of the Fund in one investee company or Portfolio Company (ies) for investment in listed equity (ii) in associate companies except with the approval of 75% (seventy five percent) of the Contributors by value of their investment in the Fund.</p> <p>Subject to applicable regulations prescribed under Foreign Exchange Management Act, 1999 and Consolidated Foreign Direct Investment Policy ('Regulations'), the Fund may accept investment from non-resident Investors including Foreign Portfolio Investors. Consequently, the Fund's investment may be subject to investment guidelines prescribed under the Regulations.</p> <p>OBCMPL (Investment Manager and Sponsor) being Indian owned, the sectoral caps and conditions/restrictions, if any, as prescribed under Consolidated FDI Policy 2017, press notes issued thereafter and other applicable regulations/policies shall not apply to the Fund.</p>
Contributors	<p>Investors in the Fund who could be any persons, including individuals, corporate/institutional investors, NRIs, foreign nationals, FPI's, trusts, family offices. partnership firms and HUFs, who are eligible to subscribe to the units of the Fund and who have made or agreed to make a Capital Contribution to the Fund, pursuant to execution of Contribution Agreement(s) in relation to the Fund.</p>
Target Size	<p>The minimum target size of the Fund shall be INR 20Crore. The initial target size of the Fund shall be INR 100 crores, however being an open ended fund, the Fund reserves the right to accept Capital Commitments (in aggregate), subject to the SEBI Regulations, in excess of such amount with maximum 1000 investors or such higher number of investors as may be permitted by SEBI under the SEBI Regulations, from time to time.</p>
Indenture of Trust or Indenture	<p>The Trust has been settled by the Settlor under an Indenture of Trust, as originally formed and amended and reinstated thereafter.</p> <p>The Settlor and Trustee have also entered into a supplementary trust deed in relation to launch of the Scheme.</p>

Sponsor / Investment Manager Commitment	<p>In accordance with the AIF Regulations, the Sponsor and Investment Manager commits to have a continuing interest in the Fund of not less than 5% (five percent) of the Corpus or Rs. 10,00,00,000 (Indian Rupees ten crores), whichever is lower, in the form of investment in the Fund.</p>
Annual Scheme Recurring Expenses	<p>These are the fees and expenses for operating the Scheme. These expenses include Investment Management Fee/ Management Fee charged by the Investment Manager, Administration Fees such as Registrar and Transfer Agents' fee, Custody and Fund Accounting fees, marketing and selling costs, etc ('Fund Expenses'), as detailed below under 'Fund Expense'.</p>
Transfer/ Transmission/ Pledge of Units	<p>The transfer/transmission/pledge of Units will be subject to prior approval of, and will be at the sole discretion of, the Investment Manager. The Fund, the Trustee or the Investment Manager shall not be responsible for any tax or withholding implication on such Transfer or Pledge and the Beneficiary seeking to Transfer or Pledge shall fully indemnify the Fund, the Trustee or Investment Manager for any tax or withholding consequences.</p> <p>The request for transmission of units shall be accompanied with documents including indemnity bond from the Legal heirs, notarised Death Certificate, Will/Probate and such other documents as may be required by the Investment Manager.</p> <p>The Investment Manager may permit such transferor pledge of Units in compliance with the terms of the Contribution Agreement, if any, and the Investment Manager shall not be obligated to assign any reason whatsoever for any refusal to carry out such transfer.</p> <p>Any transfer shall be undertaken in the manner specified by the Investment Manager. Any transfer/transmission/pledge would be subject to restrictions, if any, contained in the AIF Regulations.</p> <p>Every new Contributor taken on record on account of such transfer/ transmission/upon enforcing the pledge shall, subject to the terms of the Contribution Agreement, if any, execute a deed of adherence agreeing to be bound by the terms and conditions of the Fund.</p> <p>In case the units are demated, the unitholder should take prior approval of Investment Manager, for demat transfers. The Transferee/Investee would be governed by the AIF Regulations of investing not less than value of Rs. 1 Crore.</p> <p>Any transfers, without consent of Investment Manager or in deviation to AIF Regulations (hereinafter referred to as 'erroneous transfer'), would be considered to be in violation of terms of issue/offer. In case of such erroneous transfers, the Investment Manager would direct appropriate course of action to the transferor, including reversal/repurchase of erroneous transfer. The transferor would be solely responsible for any loss which the transferee/investee, the Fund, the Investment Manager or Trustee may suffer, as a result of such erroneous transfer.</p>
Initial Offer Period	<p>Offer Price At face value for all valid subscriptions during the initial offer period.</p> <p>Minimum Corpus In accordance with the AIF Regulations, the Fund must have the Minimum Corpus Amount of Rs 20 Crore. This is the minimum amount required to operate the Fund and if such Minimum Corpus Amount is not received during the initial offer period, then all the Contributors would be refunded the amount invested by them without any interest or return.</p> <p>Allotment Subject to the receipt of the specified Minimum Corpus Amount for the Fund, allotment will be made to valid applications received during the initial offer period. The Investment Manager reserves the right, at its sole discretion, to reject any application without assigning any reason for the same.</p>
Subsequent Offer Period	<p>Means the period after the Initial Offer Period during which the Units of the Fund will be offered for subscription on a weekly basis on each Dealing Day (or such other dates and/or times as the Investment Manager may determine in accordance with the PPM and the Contribution Agreement).</p> <p>Dealing day means the Friday of each week, provided it is a Business Day, else the immediately previous Business Day and/or such other day or days (as the Investment</p>

	<p>Manager may from time to time determine in accordance with the PPM and the Contribution Agreement).</p>
Minimum Commitment by Investor	<p>Class A: Capital commitment of at least INR 1 crore.</p> <p>Class I: Capital commitment of at least INR 1 crore.</p> <p>Class C: Capital commitment of at least INR 1 crore.</p> <p>Class S: As per the Regulatory requirement.</p> <p>Class V: As per the Regulatory requirement.</p> <p>Class V1: As per the Regulatory requirement.</p> <p>Class V2: As per the Regulatory requirement.</p> <p>Class R: Capital commitment of at least INR 1 crore.</p>
Winding up	<p>In the interest of Unit holders, the Investment Manager may (with prior approval of Trustee) sell all the portfolio investments, distribute all the distributable proceeds.</p> <p>The Fund shall be also wound up:</p> <p>(a) if 75% (seventy five percent) of the Contributors by value of their investment in the Fund pass a resolution at a meeting of Unit holders that the Fund be wound up; or</p> <p>(b) if SEBI so directs in the interest of the Contributors.</p>
Borrowings	<p>The Fund may borrow or engage in leverage to meet its temporary liquidity requirements. The Fund however does not expect to, unless in an exceptional situation and on approval of Investment Manager, take any loans or borrowings to invest. The Scheme may invest in equity derivatives, amongst other things for purposes of hedging and portfolio balancing, as may be permitted under the Regulations from time to time.</p> <p>However, leverage shall not exceed 2 times of the NAV of the fund and will be subject to prudential requirements as prescribed by SEBI, vide its circular dated July 29, 2013.</p>
Drawdown Amount	<p>Upfront Drawdown Amount will be 50% of the Capital Amount.</p> <p>Partly paid units shall be allotted to Class I unit holders.</p> <p>Capital Commitments shall be drawn down by the Investment Manager as defined in contribution agreement by issuing Drawdown Notices to the Contributors of not less than 15 Days. Capital drawn down by the Fund shall be utilized by the Investment Manager for the purposes of making investments, meeting Fund expenses or as otherwise required.</p> <p>The Drawdown Notice may be sent by the Investment Manager through registered post, courier, facsimile or electronic mail at the address as may be specified by the Contributor in the Contribution Agreement and such Drawdown Notice shall be deemed to have been received by the Contributor within 7 (seven) days from the date of dispatch of the registered post, 24 hours from the electronic mail being sent or upon receiving the confirmation of transmission of the facsimile, whichever is earlier.</p> <p>The Contributors shall be required to make their Capital Contribution against their Capital Commitment by the date mentioned in the Drawdown Notice.</p> <p>Amounts received by the Fund from the Contributors towards their Capital Commitment will be treated by the Fund as consideration for the issue of Units of the relevant class to the Contributors.</p>
Drawdown period	<p>6 Months from the date of initial subscription and allotment.</p>
Default Provisions	<p>If any Investor fails to make contributions for amounts equal to all or any part of its Capital Commitment when called by the Fund on or before the specified date of capital call set out in the Drawdown Notice (the "Defaulting Investor") the Investment Manager may at any time thereafter declare such Investor to be in default and shall be entitled to accept delayed payment of unpaid capital call amount with interest, at the rate of up to 18% per month</p>

<p>Default Provisions</p>	<p>compounded monthly, for a period of up to 60 (sixty) days from the specified date. If the default continues beyond 60 (sixty) days from the specified date, the Investment Manager shall be entitled to enforce the following remedies against the Defaulting Investor, without prejudice to the liability of the Defaulting Investor for Management Fees, if any, and other expenses of the Fund, and without prejudice to any other rights and remedies that the Investment Manager and/or Trustee may have under Applicable Law, equity or otherwise, which shall continue notwithstanding invocation of any of the following remedies:</p> <ol style="list-style-type: none"> i. Forfeiture in part or full, without compensation, of up to 100% of the Units held by such Defaulting Investor at the time of such default, along with forfeiture of the entitlement to participate in future distributions to Investors that it otherwise would have received and all rights in respect of such Units, including without limitation voting rights relating thereto; ii. A Defaulting Investor may also be required to sell its Units in the Fund to other existing Contributors in the Fund or to a third party at cost price or at a price determined to be fair and reasonable under circumstances by the Investment Manager, in its sole discretion; iii. Loss of right if any, of nomination of its representative on any committee of the Fund, and removal of its then representative, if any, from any committee of the Fund; and iv. Any other action that the Investment Manager at its sole discretion, determines necessary including, but not limited to, forfeiture of any monies not already distributed to such Defaulting Investor. <p>Without prejudice to the right of the Investment Manager to pursue foregoing remedies against the Defaulting Investor, if a default by holders of Units is not cured or a replacement is not found within 60 (sixty) days after the specified date of the capital call, distributions will not be made to the Defaulting Investor before the expiration of the term of the Fund. In the event of distribution, such distribution will not exceed the cost basis of the investments made by such and other fund expenses and liabilities, if any.</p> <p>Upon forfeiture of Units of the Defaulting Investor, the Defaulting Investor:</p> <ol style="list-style-type: none"> i. shall not be entitled to participate in any subsequent meeting or proceedings of the Investors and vote thereat, and shall be deemed to have consented to any decisions to be made by the Investment Manager or the Trustee; and ii. shall have no right to distributions in relation to the forfeited Units. <p>A forfeited Unit shall become the property of the Fund and may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Investment Manager shall think fit and at any time before a sale, re-allotment or disposition, the forfeiture may be cancelled on such terms, as the Investment Manager thinks fit.</p> <p>The Investment Manager acting in the name of and on behalf of the Trustee of the Fund shall have full authority and power to do all acts, deeds and things and/or cause all acts, deeds and things to be done for the purpose of or incidental to or consequential upon the enforcement of consequences enumerated in the Indenture of Trust against the Defaulting Investor.</p> <p>Each non defaulting Investor who purchases any part of the Units held and/or subscribed by of the Defaulting Investor as mentioned above, shall (i) pay to the Fund, at the closing of such purchase, the amounts of the Capital Contributions that the Defaulting Investor has failed to pay to the Fund in a timely manner, (ii) shall assume and be liable for any and all other obligations of the Defaulting Investor in the Indenture of Trust and its Contribution Agreement (including but not limited to the obligations of the Defaulting Investor to make contributions of its undrawn and/or unfunded Capital Commitment), if any, and (iii) shall be admitted to the Fund, as the holder of such Units, at the completion of such purchase.</p>
<p>Distributions</p>	<p>All distributions shall be made only after payment of, or after providing for, the Fund Expenses (including Annual Scheme Recurring Expenses), applicable distribution facility fee, taxes, and liabilities, if any. The distribution mechanism shall be as follows:</p> <p>Distributions of proceeds will be made subject to (i) any legal or regulatory approval or restrictions; (ii) an amount of up to such percentage of the aggregate Capital Commitments being kept as reserves, if any, for working capital expenses of Scheme, and (iii) any required tax withholdings, the Fund Expenses, applicable distribution facility fee, and liabilities.</p>

Distributions

Amounts held by Scheme as reserves shall be deemed to be distributed to the Investors.

The Trustee in consultation with the Investment Manager may at any point of time, retain some amount of money before any distribution is made to the Contributors and may also transfer such retained money to a reserve which the Trustee (or such other party or body having conduct of the winding up of the affairs of the Trust) may deem reasonably necessary for meeting any future contingent or unforeseen liabilities or obligations, including any Taxes, of the Trust/Schemes (including claims beyond the term of the Scheme(s) but arising out of the activities of the Scheme(s) during its subsistence) that may arise. In the event there is any shortfall in inter alia meeting the liability, the Trustee shall be entitled to recover such shortfall from the Contributors. The aforesaid decisions whether made in writing or implied from their acts shall so far as the law may permit, be conclusive and binding on the Contributors and all persons actually or prospectively interested under this Indenture.

The Distributable Proceeds will be first divided by the Investment Manager in the proportion in which each of the holders of Class A Units, Class I Units, Class C Units, Class S Units, Class V Units, Class V1 Units, Class V2 Units and Class R Units have funded the Portfolio Investment that generated the Distributable Proceeds. The Distributable Proceeds allocated to Class A Units, Class I Units, Class C Units, Class S Units, Class V Units, Class V1 Units, Class V2 Units and Class R Units will be referred to as "Distributable Proceeds Allocated to Class A Units", "Distributable Proceeds Allocated to Class I Units", "Distributable Proceeds Allocated to Class C Units", "Distributable Proceeds Allocated to Class S Units", "Distributable Proceeds Allocated to Class V Units", "Distributable Proceeds Allocated to Class V1 Units", "Distributable proceeds Allocated to Class V2 Units" and "Distributable proceeds Allocated to Class R Units" respectively and will be distributed to the holders of different classes and series of Units as follows:

A. Distributable Proceeds Allocated to Class A Units:*Return of Capital*

100% (one hundred percent) of the Distribution Proceeds of Class A will be distributed to the holders of Class A in proportion to their respective Capital Contribution, until the cumulative distributions are equal to the aggregate Capital Contributions;

Preferred Return

Thereafter, 100% (one hundred percent) of Distribution Proceeds of Class A will be distributed to the holders of Class A in proportion to their respective Capital Contribution in respective classes/sub-classes, until a cumulative amount equal to Preferred Return on the amounts described in clause (i) above has been distributed in respect of each Class Units;

B. Distributable Proceeds Allocated to Class I Units:*Return of Capital*

100% (one hundred percent) of the Distribution Proceeds of Class I will be distributed to the holders of Class I in proportion to their respective Capital Contribution, until the cumulative distributions are equal to the aggregate Capital Contributions;

Preferred Return

Thereafter, 100% (one hundred percent) of Distribution Proceeds of Class I will be distributed to the holders of Class I in proportion to their respective Capital Contribution in respective classes/sub-classes, until a cumulative amount equal to Preferred Return on the amounts described in clause (i) above has been distributed in respect of each Class Units;

C. Distributable Proceeds Allocated to Class C Units:*Return of Capital*

100% (one hundred percent) of the Distribution Proceeds of Class C will be distributed to the holders of Class C in proportion to their respective Capital Contribution, until the cumulative distributions are equal to the aggregate Capital Contributions;

Post Preferred Return

Thereafter, 100% (one hundred percent) of the Distribution Proceeds Class C shall be allocated to the holders of Class C Units, as per their respective Contribution Agreements

Distributions

or in the ratio as may be determined by the Investment Manager, until the aggregate amount allocated under this clause is equal to 8% of the aggregate of the amounts allocated to the holder of Class C.

Thereafter, the Distribution Proceeds shall be distributed to the holders of Class C at the rate of 90% (Ninety percent), in proportion to their respective Capital Contribution;

D. Distributable Proceeds Allocated to Class S Units:

Return of Capital

100% (one hundred percent) of the Distribution Proceeds of Class S will be distributed to the holders of Class S in proportion to their respective Capital Contribution, until the cumulative distributions are equal to the aggregate Capital Contributions;

Preferred Return

Thereafter, 100% (one hundred percent) of Distribution Proceeds of Class S will be distributed to the holders of Class S in proportion to their respective Capital Contribution in respective classes/sub-classes, until a cumulative amount equal to Preferred Return on the amounts described in clause (i) above has been distributed in respect of each Class Units;

E. Distributable Proceeds Allocated to Class V Units:

Return of Capital

100% to Class V Unit holder until such Class V Unit holder has received an amount equal to such Class V Unit holder's aggregate Capital Contributions;

Distributable proceeds allocated to Class V Units shall be allocated and distributed amongst the holders of the Class V Units, pro rata to their Capital Contributions towards the Class V Units.

F. Distributable Proceeds Allocated to Class V1 Units:

Return of Capital

100% to Class V1 Unit holder until such Class V Unit holder has received an amount equal to such Class V1 Unit holder's aggregate Capital Contributions;

Distributable proceeds allocated to Class V1 Units shall be allocated and distributed amongst the holders of the Class V1 Units, pro rata to their Capital Contributions towards the Class V1 Units.

G. Distributable Proceeds Allocated to Class V2 Units:

Return of Capital

100% to Class V2 Unit holder until such Class V2 Unit holder has received an amount equal to such Class V2 Unit holder's aggregate Capital Contributions;

Distributable proceeds allocated to Class V2 Units shall be allocated and distributed amongst the holders of the Class V2 Units, pro rata to their Capital Contributions towards the Class V2 Units.

H. Distributable Proceeds Allocated to Class R Units:

Return of Capital

100% to Class R Unit holder until such Class R Unit holder has received an amount equal to such Class R Unit holder's aggregate Capital Contributions;

Distributable proceeds allocated to Class R Units shall be allocated and distributed amongst the holders of the Class R Units, pro rata to their Capital Contributions towards the Class R Units.

Scheme shall make all distributions in cash but subject to compliance with the AIF Regulations, may make in-species distributions i.e. by way of shares of the portfolio companies, if the Investment Manager determines that a cash distribution would be impractical or would adversely affect Fund or its Investors. Such distribution in-specie shall

<p>Distributions</p>	<p>be made in the manner and per the NAV and in the priority contemplated above.</p> <p>Amount held by Fund pending distribution or investment or as reserves contemplated under the Memorandum may be invested in Temporary Investments including liquid mutual funds or bank deposits or other liquid assets of a higher quality such as treasury bills, triparty repo dealing and settlement, commercial papers, certificate of deposits, etc.</p> <p>All taxes, duties and other charges/levies, if any, payable in connection with any income of the Fund shall be paid by the Trustee under the permanent account number ("PAN") of the Fund and shall be taken into account while calculating Distributions as set out above. Any such taxes/duties/charges/levies suffered as withholding tax or paid by the Trustee shall be deemed to form part of Distributions.</p> <p>Any income-tax withholding, retention, or provision made in accordance with the provisions of the ITA shall be paid to the credit of the PAN of the Fund and not the Investor. Such Tax shall not appear in Form 26AS of the Investor. In case of change in the provisions of the Income-tax Act, 1961 requiring the Fund to withhold income-tax against any accretion or distribution of income or proceeds to the Investors, the Fund shall withhold tax at the rates prescribed under the Income-tax Act, 1961 and deposit the same to the credit of PAN of the Investors, if required under the Income-tax Act, 1961.</p> <p>The Investment Manager shall cause payment of any money due to each Investor by cheque, demand draft, wire transfer or any other method acceptable to both the Investor and Investment Manager, and shall cause it to be sent to the registered address of such Investor. In the event of in-specie distribution, the Investment Manager shall deliver the underlying shares of the portfolio companies by way of transfer of shares to the demat account of the Beneficiary.</p> <p>For detailed tabular example on how distributions would be made, please refer to Annexure A.</p>
<p>The Fund Documents</p>	<p>The copies of the Fund Documents shall be open for inspection by prospective Contributors. Any Contributor desirous of obtaining a copy of the Fund Documents should forward its request to the Investment Manager.</p> <p>The Fund documents shall constitute:</p> <ol style="list-style-type: none"> 1) This Private Placement Memorandum; 2) Investment Management Agreement between the Trustee and the Investment Manager including amendment and supplements thereto; 3) Contribution Agreement, if any, with respective contributor; 4) Indenture of Trust including amendment and supplements thereto.
<p>Conflicts of Interest</p>	<p>From time to time certain conflicts of interests between the Fund on the one hand and the Investment Manager, the Portfolio Company, the Sponsor, and/or associates (including directors, officers, agents of such entities) on the other hand may arise. Similarly, conflicts of interest could also arise between the Fund on one hand and the Contributors on the other. With respect to services offered by OBCMPL, as the investment manager, the Investor may note the following;</p> <ol style="list-style-type: none"> (a) OBCMPL and its associate company(ies) are engaged in providing various financial services and for the said services (including the service for acquiring and sourcing the securities acquired/advised under this Scheme) the said companies may earn fees or remuneration in form of arranger fees, distribution fees, referral fees, advisory fees, management fees, trustee fees, commission, brokerage, transaction charges, underwriting charges, issue management fees and other fees. (b) The trades under this Scheme may be done through its Associate company(ies) and for the same Associate company(ies) may receive commission/ brokerage.
<p>Reports</p>	<p>The Investors shall be provided a statement of accounts identifying the number of Units in the Fund that they hold and the number of Units held in dematerialized form.</p> <p>The Fund shall provide, within 60 days from the quarter end, reports to Investors as may be applicable to the Fund, including the following information:</p>

Reports	<ol style="list-style-type: none"> 1. Financial information of investee companies. 2. Material risks and how they are managed, which may include: <ol style="list-style-type: none"> (i) concentration risk at fund level; (ii) foreign exchange risk at fund level; (iii) leverage risk at fund and investee company levels; (iv) realization risk (i.e. change in exit environment) at fund and investee company levels; (v) strategy risk (i.e. change in or divergence from business strategy) at investee company level; (vi) reputation risk at investee company level; (vii) Extra-financial risks, including environmental, social and corporate governance risks, at fund and investee company level. 3. Any significant change in the key investment team shall be intimated to all Investors; 4. Overall level of leverage employed; 5. The level of leverage arising from borrowing of cash; 6. The level of leverage arising from position held in derivatives or in any complex product; 7. The main source of leverage in the Fund; 8. When required by SEBI, information for systemic risk purposes (including the identification, analysis and mitigation of systemic risks).
Limitation of Liability of Contributors	<p>Except as specifically set forth in the respective Contribution Agreement(s), if any, or in this PPM, no Contributor shall have any personal liability whatsoever in his capacity as Contributor, whether to the Fund or to any of the other Contributors or to the creditors of the Fund, for the debts, liabilities, contracts or any other obligations of the Fund or for any losses of the Fund.</p> <p>Other than stamp duty and other charges/expenses payable in connection with the execution, registration or notarization of the Private Placement Memorandum, the Investment Management Agreement and the Contribution Agreement, if any, the Contributor shall also be liable to pay the sum equivalent to the Contributor's Capital Contribution to the Fund and after the Contributor's Capital Contribution shall have been paid in full, subject to Clawback clause below, the Contributor shall not be obligated to make any further contribution to the Fund or to repay to the Fund, or to pay to any Contributor or any creditor of the Fund all or any fraction of any negative amount out of such Contributor's capital account or out of any distribution received or receivable by the Contributors from the Fund.</p>
Clawback	<p>Notwithstanding anything contained in this PPM and/or Contribution Agreement, if any, the Trustee Company shall have powers to recover, claw-back or require repayment of any distributions already made to Beneficiaries, in order to meet any tax or other liability (including indemnification obligations, if any) that may arise at a future date. The Trustee Company (either itself or through the Investment Manager) shall also have powers to seek such documentation including copy of tax returns filed by Beneficiaries at any stage, if such documents are required by any tax authorities in connection with tax assessments or inquiries of the Trust or Fund.</p>
Valuation	<p>The Fund shall undertake valuation of their investments on a weekly basis. However, the Investment Manager will endeavour to provide more frequent valuation.</p>

Valuation Procedure / Method for Valuing Assets	<p>Net Asset Value per Unit for each Class and Series shall be calculated as shown below:</p> $\text{NAV (INR)} = \frac{\text{Market or Fair Value of Fund's investments} + \text{Current Assets - Current Liabilities and Provision (including accrued expenses and tax provision)}}{\text{No. of Units outstanding under Scheme on the Valuation Date}}$ <p>The Net Asset Value of each Unit of the Fund will be quoted in INR on the Valuation Day, except in the event of a Suspension of Valuation.</p>
Indemnification	<p>The Fund shall indemnify and hold harmless the Trustee, the Sponsor and the Investment Manager and their directors, partners, employees and agents from and against any and all tax and other liabilities, claims, costs, losses, damages and expenses (including reasonable attorneys' fees and costs) arising out of or in connection with the Fund, unless resulting from their gross negligence and / or wilful default and / or fraud as proved in court of competent jurisdiction.</p>
Confidentiality	<p>Contributors will keep confidential all matters relating to the Fund and its affairs, except as required for specified business purposes or as required by Applicable Law.</p> <p>The Investment Manager and the Fund will keep confidential all information regarding Unit holders, except as required for specified business purposes or as required by Applicable Law.</p>
Other Schemes / Funds	<p>The Fund is a scheme of the Trust. The Trust may have additional schemes / funds that may or may not have similar objectives as the Fund. The Contributors should note that the assets and liabilities of the Fund are independent and separate from assets and liabilities of other funds/ schemes of the Trust. The Contributors shall have no claims against the other assets and liabilities of other funds/ schemes of the Trust.</p>
Governance	<p>The Fund will adopt high standards of corporate governance and investor reporting standards in order to ensure transparency and timely communication of information to the Contributors. It will endeavour to ensure that there are no conflicts of interest with the Sponsors and its associate companies.</p>
Targeted investors/ contributors	<p>Investors in the Fund could be any Persons, including individuals, corporate/ institutional investors, NRIs, foreign nationals, FPI's, trusts, family offices, partnership firms and HUFs, who are eligible to subscribe to the units of the Fund and who have made or agreed to make a Capital Contribution to the Fund, pursuant to execution of Contribution Agreement(s) in relation to the Fund.</p>
Accredited Investor	<p>In case the Contributor satisfies the Accredited Investor criteria, the benefits available under the Regulations may be availed subject to the discretion of Investment Manager including such other documentation as may be required from time to time</p>
Subsequent subscription procedure	<p>After the Initial Offer Period, the Units will be offered to Contributors on a Dealing Day for subscription at the Net Asset Value per Unit of the Fund as prevailing on the Dealing Day or at such other price which the Investment Manager may decide depending upon the valuation/accounting methodology adopted.</p> <p>The Contribution Agreement for the application for Units made during the Subsequent Offer Period and cleared funds in respect of the Capital Contributions thereof, should be received not later than 3:00 p.m. (Indian Time) on the Dealing Day, failing either of which the request will, subject to the decisions of the Investment Manager in consultation with the Trustee, be held over to the following Dealing Day and the Units will then be issued at the NAV of the Units of the Fund (or at such other price which the Investment Manager may decide depending upon the valuation/accounting methodology adopted) prevailing on such subsequent Dealing Day. The cleared funds of the Contributor may not be deployed by the Investment Manager in any investments till the time the Units are issued. Post issuance of Units and pending deployment of the Investable Funds by the Fund, the Investment Manager may park the same in liquid mutual funds or bank deposits or other liquid assets of higher quality such as Treasury bills, triparty repo dealing and settlement, Commercial Papers, Certificates of Deposits, etc. Once completed requests in the manner stated above</p>

<p>Subsequent subscription procedure</p>	<p>have been received by the Investment Manager, they become irrevocable. There shall be no interest payable on the subscription money lying in the bank account of the Fund received during the subsequent offering period/s till the date of allotment. The Investment Manager will issue a written confirmation to successful applicants confirming acceptance of their request once the above procedure of subscription is completed. The allotment of units shall be subject to receipt of clear funds and duly completed documentation including Contribution Agreement / supplemental Contribution Agreement and application form, received by the Investment Manager, before the 3.00 pm (Indian Time) on the Dealing Day.</p> <p>The minimum amount, which may be subscribed for Units, can be less than Rupees One Crore. Existing Contributors may also subscribe for additional Units of the Fund by way of a supplemental contribution agreement. under different classes of units as per the discretion of the Investment Manager. These additional subscriptions can be less than a crore as far as the minimum initial contribution of Rs.1 Cr investment is maintained in any one share class.</p> <p>The Investment Manager reserve the right from time to time to close the Fund or any Class of Units of the Fund to new subscriptions, either for a specified period or until they otherwise determine and in respect of all Contributors or new investors only.</p> <p>With respect to the allotment of units to Class C Unit Holders, kindly refer definition of 'Series' disclosed above.</p>
<p>Special Feature available- Switch Option</p>	<p>Unitholders have the option to Switch part or all of their Unit holdings in the Fund to any other fund / scheme offered by the Trust from time to time. The unitholder also has the flexibility to Switch their investments / maturity proceeds from any other scheme of the Trust in to this Scheme. This option will be useful to Unitholders who wish to alter the allocation of their investment among the scheme(s) of the Trust in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units from the scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another Scheme offered by the Trust at Applicable NAV and accordingly the Switch must comply with the Redemption rules of the "Switch out" Scheme and the Subscription rules of the "Switch in" Scheme. For tax implication, if any, each Contributor should consult with its own tax advisors and may also refer the "Tax Consideration" para in the PPM.</p> <p>The scheme from which the investment is switched out shall transfer the redemption/maturity proceeds to the bank account of the scheme where the investments are switched in, towards subscription money.</p>
<p>Redemption Procedure</p>	<p>The Units of the Fund may be redeemed on each Dealing Day at the request of a Contributor, upon delivery of a prior written notice to the Investment Manager by the Friday of every week or if Friday is a non- business day then the last business day before Friday.. The redemption will be at the Net Asset Value per Unit prevailing on the Dealing Day and after computing and charging Redemption Fee. The redemption proceeds will be issued within 30 days from the Dealing Day.</p> <p>The redemption application for Units should be received not later than 3:00 p.m. (Indian Time) on the Dealing Day, failing which the request will, subject to the decisions of the Investment Manager in consultation with the Trustee, be held over to the following Dealing Day and the Units will then be redeemed at the NAV of the Units of the Fund (or at such other price which the Investment Manager may decide depending upon the valuation/accounting methodology adopted) prevailing on such subsequent Dealing Day.</p> <p>Adjustment to NAV At the discretion of the Investment Manager, Redemption Fee charged on early redemption may be credited to the Fund.</p> <p>Limitation on redemption The acceptance of the redemption request by Contributor maybe determined by the Investment Manager and is subject to availability of liquidity. If the total redemption requests on a Dealing Day exceed 20% of aggregate Fund NAV, each Contributor who requested for redemption may, at the discretion of the Investment Manager, receive a pro-rata redemption value within the 20% cap based on the proportion of the value of his/her redemption request to the value of overall redemption requests. In case of a partial</p>

<p>Redemption Procedure</p>	<p>redemption on account of the applicable redemption limit of 20% of the Fund NAV, the Investment Manager will inform the Contributors about such partial redemption by way of written/electronic communication. At the time of winding up of the Fund, all outstanding Units shall be redeemed. Upon the partial/complete redemption of a, Unitholder as applicable, the Contributor shall cease to be entitled to any rights in respect of the withdrawn / redeemed Units (except right to receive any distribution which has been declared prior to such redemption) and accordingly its name shall be removed from the register of Contributors with respect thereto. Each Contributor should consult with its own advisors with respect to legal, tax, regulatory, financial and accounting consequences of its partial/complete redemption. The Investment Manager and/or Trustee (in the manner as provided under the Indenture) shall keep necessary reserves from the Redemption Proceeds if they are of a view that a tax liability could arise that is more than the tax provision already done. This view could be based on tax rulings, discussions with tax consultants or discussions during course of ongoing tax assessments or litigations.</p> <p>Redemption of part of a holding is permitted, provided that it does not result in the Contributor holding Units less than as prescribed by SEBI or under the Regulations and/or which does not result in the Corpus of the Fund reduce below the regulatory requirement.</p> <p>If any redemption request would result in the Contributor holding less than the minimum holding specified in the Regulation above and/or result in the Fund facing regulatory non-compliance, then the Investment Manager may disallow such a request or may require such holder to redeem the entire holding, provided the Fund does not face any regulatory non-compliance.</p>
<p>Delay or Suspension of Redemption</p>	<p>The Investment Manager can suspend the redemption and payment of Units during whole or any part of a period if any one or more of the below exceptional circumstances occur (wherein such suspension is exclusively in the best interest of the Contributors) or under circumstances wherein the suspension is required under the Regulations or required by SEBI or due to force majeure:</p> <ol style="list-style-type: none"> 1. when one or more stock exchanges or other regulated markets which provide the basis for valuing any assets of the Fund are closed (other than for or during holidays), or if dealings therein are restricted or suspended or where trading is restricted or suspended in respect of securities forming a substantial part of the assets of the Fund; 2. when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Fund, disposal of the assets of the Fund is not reasonably practicable without this being seriously detrimental to the interests of the Unit-holders, or if, in the opinion of the Fund Manager, a fair price cannot be calculated for the assets of the Fund; 3. in the case of a breakdown of the means of communication normally used for the valuing of any assets of the Fund or if for any reason the value of any asset of the Fund which is material in relation to the Net Asset Value of the Fund (as to which the Investment Manager shall have sole discretion) may not be determined as rapidly and accurately as required (including any period when the fair value of a material portion of the assets of the Fund cannot be determined); or 4. if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable, or if purchases, sales, deposits and withdrawals of any assets of the Fund cannot be effected at the normal rates of exchange, as determined by the Investment Manager. 5. any period when any emergency exists as a result of which disposal by the Fund of investments which constitute a substantial portion of the Funds' assets is not reasonably practicable; 6. any period when for any reason the prices of a material portion of the investments of the Fund cannot be reasonably, promptly or accurately ascertained; 7. any period when proceeds of the sale of, or exit from the Units cannot be transmitted to or from the Fund's account; or

8. upon the vote of the Super-Majority of the Contributors to dissolve and terminate the Fund.

Where a suspension is declared in respect of a Class of Unit, the suspension will apply with respect to every Class of Units in the Fund including series thereof. Any request for a partial/complete redemption received by the Fund during a period described above will be processed as of the first Dealing Day after such suspension has been lifted. The decision by the Investment Manager to suspend partial/complete redemption, in particular the reasons for the suspension and the course of action the Investment Manager intends to follow shall be appropriately documented and communicated to the Unit holders and SEBI. The Investment Manager shall regularly review the suspension and endeavour to resume normal operations of the Fund as soon as possible, having regard to the best interest of the Unit holders. Further, actions undertaken by the Investment Manager during the Suspension Period and the decision to resume normal operations are required to be communicated to the Unit holders and SEBI.

Compulsory Redemption

The Investment Manager has the power in its absolute discretion to compulsorily redeem the Units of any Contributor:

- (i) who, in the Investment Manager's opinion, holds the Units directly or beneficially in breach of any law or requirement of any country governmental or regulatory authority or is otherwise unable to provide the Investment Manager with any documentation or information that it may reasonably request from time to time; or
- (ii) whose existence as a Contributor causes or threatens to cause the Fund to incur any liability to taxation or to suffer any pecuniary or other disadvantage in any jurisdiction which it would otherwise not have expected to incur or suffer; or
- (iii) whose existence as a Contributor in the Fund may cause the Fund to be required to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply; or
- (iv) whose existence as a Contributor presents, in the Investment Manager's opinion, a risk of the assets of the Fund being deemed to be "plan assets" for the purpose of the U.S. Department of Labor regulations under the Employee Retirement Income Security Act of 1974, as amended.

The Investment Manager also has the power to compulsorily redeem any holding which is less than the minimum capital contribution on account of an exit by a Contributor at its discretion.

Investment Objective, Approach and Process

Investment Objective

The investment objective of the Fund is to generate long-term capital appreciation by investing primarily in equity and equity related securities.

Investment Strategy & Methodology

To achieve the investment objective, the Fund will endeavor to align to the segments of the economy that are emerging and companies that have characteristics which make them the dominant participants in their industry. This is a buy and hold strategy with a low churn. Low debt and high capital efficient businesses are some of the financial parameters that form the key selection criteria of companies in this portfolio.

The investment strategy of the Fund will be to invest primarily in equity and equity related securities of listed Indian companies. The fund is a multi-sector fund and can invest across market capitalization.

The Scheme may invest in equity derivatives, amongst other things for purposes of hedging and portfolio balancing, as may be permitted under the Regulations from time to time.

However, leverage shall not exceed 2 times of the NAV of the fund and will be subject to prudential requirements as prescribed by SEBI, vide its circular dated July 29, 2013.

Underlying asset class will be primarily listed equity and equity related securities. Investment in liquid funds/fixed term papers will be made for liquidity purposes.

The Fund may invest in the instruments, including but not limited to mutual funds, Indian equity, equity linked securities, money market instruments and in such other securities, listed, quoted or traded on any stock exchange or over the counter, or as permitted under Applicable Law. The Fund is expected to use fundamental and technical factors to identify potential trades.

Pending deployment of the Investable Funds, the un-invested portion of the Investable Funds may be invested in liquid mutual funds or bank deposits or other liquid assets of a higher quality such as treasury bills, triparty repo dealing and settlement, commercial papers, certificate of deposits, etc.

Research Process

The key selection criterion is the 'informed' depth of our understanding of the underlying businesses in which we invest. Our in-house collaborative research effort is responsible for generating, cataloguing, and tracking the majority of the ideas for our portfolios. Our methodology involves detailed fundamental research including industry, business, accounting, financial, valuation and management analysis. This analysis is regularly supplemented with meetings, conversation and/or site visits with management teams. Additional due diligence may be done by interviewing competitors, suppliers and customers, and/or through the use of an extensive network of specialist consultants.

When we analyse our investment ideas, we are also constantly looking for change and its catalyst. The change should lead to either acceleration of earnings growth or realization of value combined with the possibility of change in the valuation yardsticks (perception) applied by the market. A top down overview is especially important while analysing some of the cyclical and commodity sectors that are linked to domestic and global economy.

While screening and analysing companies, the key criteria that we look at are:

Capital efficient nature of the business

- Look to identify companies that would migrate upwards from a low RoE
- The ideation is not to predict growth, but to necessarily look for capital employed to be controlled
- Cash flow positive nature of the business with low gearing are critical elements of this transition

Monopolistic/Consolidator of the industry

- Preference for consolidating businesses
- Identify companies gaining market share with no corresponding change in capital employed

- Identify companies with the lowest cost in their respective industry
- Companies need to be profitable in this transition
- Leadership at the end of consolidating cycle usually end up with higher market share and pricing power

Low financial leverage

- Preference for companies with negligible debt
- Prefer businesses leveraging into an economic up-cycle & deleveraging at the top of the cycle

Low valuation

- Look for “out of favour” businesses where current value of the stock reflects its depressed earnings
- EV/ Sales
- Market Cap/Cash Profit (Flows)

Typically, we are market cap agnostic and look for opportunities across various market caps and sectors. However, we have seen that our sweet spot is companies with a market cap between USD 10 mn to USD 2 bn from where some of our best ideas have come in the past. These are typically reasonable sized businesses, many times leaders in their segments where either there is not enough analyst coverage or our views about the investment are different from street expectations.

Policy for Valuation of Equity and Equity Related Securities

In connection with the determination of the Fund's Net Asset Value and the determination of the Fund's net profits or net losses, the Fund's Investments will be valued as follows:

- securities traded on a stock exchange or other regulated market are to be valued generally at the last traded price quoted on the relevant exchange or market. In case of securities traded on the Indian stock exchanges, the last traded price on the NSE, failing which the last traded price on the BSE, failing which the last traded price on any other exchange where the security is traded;
- unlisted equity securities will be valued initially at cost and thereafter with any reduction or increase in value (as the case may be) as the Investment Manager shall in their absolute discretion deem appropriate in the light of the circumstances;
- unlisted securities (other than equities) for which there is an ascertainable market value are to be valued generally at the last known transacted price or last transacted price dealt on the market on which the securities are traded;
- unlisted securities (other than equities) for which there is no ascertainable market value will be valued at cost plus interest (if any) accrued from purchase plus or minus the premium or discount (if any) from par value written off over the life of the security;
- any value otherwise than in INR shall be converted into INR at the market rate (whether official or otherwise) which the Investment Manager shall in their absolute discretion deem appropriate to the circumstances having regard inter alia to any premium or discount which they consider may be relevant and to the costs of exchange;
- the value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest accrued and not yet received shall be deemed to be the full amount thereof, unless it is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such deduction or discount as the Investment Manager may, in their absolute discretion, consider appropriate to reflect the true value thereof;
- the value of units or other security in any unit trust, mutual fund, investment corporation, or other similar investment vehicle or collective investment scheme shall be derived from the last prices published by the managers thereof;
- for the purpose of ascertaining quoted, listed, traded or market prices, the Investment Manager, the Fund Accountant and/or their agents shall be entitled to use and rely on mechanised and/or electronic systems of publishing valuations and the price provided by any such system shall be deemed to be the last traded price; and
- for the purpose of valuing the Investments as aforesaid the Investment Manager may with due care and in good faith rely upon the opinions of any persons who appear to them to be competent to value assets of any class or classes by reason of any appropriate professional qualification or of experience of any relevant market.

NAV shall be disclosed to the investors at the end of each month. In addition, NAV shall be disclosed on the website of the Investment Manager weekly. The Investment Manager shall have the discretion to declare the NAV at the frequency, as it may deem necessary.

Policy for Valuation of Debt and Money Market Instruments

Securities which may be listed, unlisted, rated, unrated, traded, untraded may be valued on fair valuation basis and / or generally accepted accounting principles.

Suspension of Valuation

The Investment Manager can suspend the calculation of the Net Asset Value in any of the following events:

1. when one or more stock exchanges or other regulated markets which provide the basis for valuing any assets of the Fund are closed (other than for or during holidays), or if dealings therein are restricted or suspended or where trading is restricted or suspended in respect of securities forming a substantial part of the assets of the Fund;
2. when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Fund, disposal of the assets of the Fund is not reasonably practicable without this being seriously detrimental to the interests of the Unit-holders, or if, in the opinion of the Fund Manager, a fair price cannot be calculated for the assets of the Fund;
3. in the case of a breakdown of the means of communication normally used for the valuing of any assets of the Fund or if for any reason the value of any asset of the Fund which is material in relation to the Net Asset Value of the Fund (as to which the Investment Manager shall have sole discretion) may not be determined as rapidly and accurately as required (including any period when the fair value of a material portion of the assets of the Fund cannot be determined); or
4. if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable, or if purchases, sales, deposits and withdrawals of any assets of the Fund cannot be effected at the normal rates of exchange, as determined by the Investment Manager.

The Investment Manager and the Trustee

Investment Manager

Old Bridge Capital Management Private Limited (“OBCMPL”), a private limited company incorporated in India under the Companies Act, 2013, is the Investment Manager of the Fund. OBCMPL, the Sponsor and Investment Manager, is registered with SEBI as Portfolio Manager vide their registration no. INP000005174 dated June 22, 2016. OBCMPL is also registered with Securities and Exchange Commission (‘SEC’) as an Investment Advisor.

OBCMPL has hired a team of investment professionals who possess a rich experience of managing third party assets.

The Investment Manager is responsible for the overall management and control of the Fund. The Investment Manager may from time to time appoint service providers to provide prescribed services, as may be required. The Investment Manager will provide the Fund with investment management services in accordance with Investment Objective of the Fund. The Fund will be responsible for the payment of the fees of the Investment Manager.

Fund manager shall have the sole discretion to terminate the agreement at any given point during the full period if he is of the view that the scheme has achieved the stated objective and generated optimal value.

Details of the Board of Directors

Name	DIN	Date of Appointment	Brief Profile of Directors including Professional Qualification
Mr. Kenneth Andrade	07341822	15/12/2015	<p>OBCMPL is promoted by Mr. Kenneth Andrade. He is also the majority shareholder in the business. Kenneth has over 30 years of work experiences in equity research and funds management.</p> <p>At his previous assignment with IDFC Asset Management Company, he oversaw the investment business of the firm. He was designated as Chief Investment Officer. At the end of his tenure, in September 2015, Assets Under Management (AUM) of the firm stood at INR 55,000 crore. Kenneth has a Bachelor of Commerce degree from N. M. College of Commerce & Economics, Mumbai University.</p>
Mr. Amit Kanaiyalal Jasani	00194784	15/12/2015	<p>He is associated with the financial services industry since 1990. He has 28 years of experience in Capital Markets and in distribution of financial products.</p>

Key Employees of the Investment Manager and their relevant experience:

Sr. No.	Name	Brief Profile including Experience & Professional Qualification
1.	Kenneth Andrade (Founder & Chief Investment Officer)	<p>Kenneth has over 30 years of work experiences in equity research and funds management.</p> <p>At his previous assignment with IDFC Asset Management Company, he oversaw the investment business of the firm. He was designated as Chief Investment Officer. At the end of his tenure, in September 2015, AUM of the firm stood at INR 55,000 crore.</p> <p>Kenneth has a Bachelor of Commerce degree from N. M. College of Commerce & Economics, Mumbai University.</p>
2.	Sanjay Dam (Investment Analyst)	<p>Sanjay has over 29 years of experience in Indian Capital Markets in Institutional Investment Research and Equity Sales.</p> <p>Prior to joining Old Bridge Capital Management, Sanjay worked as Senior Vice President, Institutional Equities Sales at Motilal Oswal Securities for more than a decade. Sanjay headed the efforts at Motilal Oswal in aiding Investment processes at most Indian mutual funds and a few Offshore and Insurance fund houses. The endeavor to facilitate ideation and aid in effective Portfolio Management was highly rated by clients.</p> <p>Prior to this, Sanjay did a short stint with Alchemy Shares- transitioning from a decade of work experience as an Investment Analyst. From 1994 to 2004, Sanjay was a part of the Institutional Research teams at Dolat Capital and First Global as an Investment Analyst. He did research on multiple sectors- Consumers, Building Materials and Financials. He also covered a wide array of small caps and mid caps across Sectors.</p> <p>Sanjay did his Masters in Business Management from Calcutta University and is a Cost Accountant from the Institute of Cost & Management Accountants of India.</p>
3.	Rupanjana Sur (Investment Analyst)	<p>Rupanjana has over 17 years of experience in investment research and financial services. She is responsible for researching and analyzing companies within Old Bridge's investment mandate.</p> <p>Prior to joining Old Bridge Capital Management, she was in corporate credit ratings at Dun & Bradstreet, India, where she was responsible for assigning ratings to companies across sectors. Prior to that, she was a Product Manager at ING Investment Management, India and was responsible for providing multi-manager strategies and fund performance evaluation. She was a research associate at Standard Chartered Asset Management, India covering the FMCG and Media sectors. She has also managed equity and fixed-income investments for corporate pension funds at RBTT Trust, Trinidad. She started her career as an analyst at Thomson Financial Research, Boston, USA.</p> <p>She holds a Bachelor in Business Administration (B.BA) specializing in Finance from Boston University, USA; and has a Masters degree - M.Sc. in Finance from Cass Business School, City University, London, U.K.</p>
4.	Vaspar Patel (Chief Compliance Officer with effect from April 11, 2022)	<p>Mr. Vaspar Patel has 34 years of experience in Compliance, Financial Accounting, Auditing, Money Market, Banking, and setting up of regulated funds under Portfolio Managers Services and AIF CAT III (Alternative Investment Fund)</p> <p>He joined Old Bridge Capital Management Pvt Ltd on 16th February, 2022 as Head Compliances & Administration. Prior to Old Bridge Capital, he was working with TCG Asset Management Company & TCG Real Estate Investment Management Co Pvt Ltd as Compliance & Finance Manager & Assistant General Manager for real estate arm from 2012 to 2022.</p>
		<p>Prior to TCG, he was AGM at Prozone Intu Properties Ltd which is a FDI compliant joint venture between Intu Properties Plc - (FTSE 100 listed property company in UK) from 2006 to 2012. Earlier, he was CFO at Mayfair Housing from 2005 to 2006.</p>

Sr. No.	Name	Brief Profile including Experience & Professional Qualification
4.	Vaspar Patel (Chief Compliance Officer with effect from April 11, 2022)	He has considerable global experience in financial and money market industry and was with Novelty Group of companies, Singapore from 1991 to 2004. He was with BCCI from 1987 to 1991 and with Pfizer India from 1986 to 1987. He has completed his Bachelors in Commerce – Mumbai and has completed ACCA (Association of Chartered Certified Accountants) from Singapore.
5.	Ruchi Pandey (Product and Business Development)	Ruchi has over 18 years of experience in Financial Services Industry. Prior to joining Old Bridge Capital Management, she was Senior vice president & Head Products at HSBC Global Asset Management. She has experience in Product Management, Sales & Distribution and Wealth Management and has worked across Asset Management and Banking Sector with companies such as IDFC Mutual Fund, ICICI Prudential Mutual Fund, ABN Amro Bank and Yes Bank. She holds an MBA Degree from BVP Pune

Fund Manager of the Scheme

Mr. Kenneth Andrade, Promoter & Director of OBCMPL, will be the 'Fund Manager' of the Scheme.

Trustee

Vistra ITCL (India) Limited a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at The IL&FS Financial Centre, Plot C- 22, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India, is the trustee of the Fund (the 'Trustee'). The Trustee can be removed or replaced in accordance with the Indenture of the Trust. The Trustees shall be entitled to receive fee from the Fund and reimbursement of all expenses incurred on behalf of the Fund, as may be agreed between the Fund and Trustees ('Trustee Fee'). The Trustee shall have all powers in respect of the property of the Trust including power to manage the same. These powers have been delegated to the Investment Manager under the Investment Management Agreement. The Trustee shall not interfere with the actions of the Investment Manager so long as these actions are within the powers of the Investment Management Agreement and conform to the SEBI AIF Regulations and objectives of the Trust.

Write up on activities of the Trustee:

Vistra ITCL (India) Limited ("Vistra" or "Company"), a company incorporated in 1995, under the Companies Act, 1956 of India is an independent fiduciary service provider in India. As an independent integrated Corporate Trustee, Vistra provides a broad spectrum of fiduciary services with well-structured processes, a strong management team, coupled with a strong compliance oversight. Vistra ITCL (India) Limited is ISO 9001:2015 certified Company and adheres to the best corporate governance practices and international standards with more than 50% of the Board comprising of External Non-Executive Directors who are Industry Experts. Vistra is also a SEBI registered Debenture Trustee.

In April 2016 Vistra Corporate Services (SEA) Pte Limited (VSEAPL), a company incorporated under the Laws of Singapore and it's an affiliate of Vistra Group which is an international Trust and Corporate Service provider specialized in tailored trust and fiduciary services has acquired 100% shareholding in the Company. Vistra is wholly owned subsidiary of VSEAPL.

Brief Profile of Directors of Vistra ITCL (India) Limited

1. Ms. Shikha Bagai, Country Managing Director, India

Ms. Shikha Bagai is a Qualified Chartered Accountant, has cleared her CPA degree from Denver, Colorado (USA), along with a MBA degree from the top management institute in India, Indian School of Business (ISB), Hyderabad,. She brings two decades of experience and expertise in the financial services industry, at national and global levels. Shikha is a people and customer-centric leader with a strong track record of building high performance teams.

Prior to joining Vistra, Shikha was a part of the founding leadership team as Chief Financial Officer of Aditya Birla Health Insurance Co Limited. In this role, she played a key role in making this business the fastest growing health insurance company of the country from start-up to current top line of approximately \$US150 million within a span of 4.5 years.

Previously, Shikha spent over a decade in the capital markets space as a part of the founding leadership team and CFO of IL&FS Securities Services. Her assignments spanned across different verticals of professional clearing services, securities lending, custody and fund services, with the clearing business gaining its way to becoming one of the largest players on Indian Stock Exchanges. She was also instrumental in setting up the fund services and off-shore servicing process business unit as a part of her stint there.

Ms. Shikha Bagai joined Vistra ITCL (India) Limited as Managing Director, with effect from February 1, 2021

2. Mr. Jonathon Clifton, Regional Managing Director, Asia Pacific, Vistra Group And Non – Executive Director, Vistra ITCL (India) Limited.

Jonathon joined Vistra in February 2010 and has been a member of the Group's Global Executive Committee since 2011. Jonathon has held a number of leadership positions including Global Head of Company Formations and Regional Head of Corporate & Private Clients. He is currently the Regional Managing Director for Asia Pacific, responsible for setting the region's strategic growth agenda, including transformation of the operating model, with ultimate responsibility for the Asia Pacific P&L. He also oversees Vistra's five global Shared Service Centres.

During Jonathon's tenure, Vistra has expanded its global presence from 5 to 47 jurisdictions with a commensurate increase in revenues, profit and employees.

Jonathon has over 20 years of experience in the financial and professional services industries across a range of corporate strategy, consulting and strategic business development roles throughout Asia Pacific, including Sydney, Tokyo and Hong Kong. Prior to joining Vistra, he worked at PwC for seven years in a range of strategic business development, consulting and leadership roles.

Jonathon maintains and develops a number of senior level client relationships and is a regular commentator on key trends, developments and future direction of the industry.

Jonathon holds a Bachelor of Business degree from the University of Newcastle, Australia and an Executive MBA degree through the Australian Graduate School of Management (AGSM). Jonathon has played professional rugby in Japan and speaks conversational Japanese.

Jonathon has been on the Board of Directors of Vistra ITCL (India) Limited since October 16, 2018.

3. Mr. Rajendra Kashyap, Non – Executive Director, Vistra ITCL (India) Limited

Mr. Rajendra Kashyap, was a member of Indian Railway Accounts Service, superannuated in April 2014 as the Financial Commissioner (Railways). He was also concurrently the Chairman of Indian Railway Finance Corporation Limited (IRFC), the extra-budgetary financing arm of Indian Railways.

He has diverse experience in finance, management, HR and policy formulation at various levels in Railways and the Government of India, spanning over a period of thirty years, and in corporate leadership as Managing Director and Director (Finance) of IRFC for over a period of nine years. Post retirement, he served as a Member of High Level Railway Restructuring Committee set up by the Ministry of Railways. He had also been the Managing Director of Bharuch Dahej Railway Company Ltd, a "Special Purpose Vehicle"(SPV), in the Rail sector created under "Public Private Partnership" (PPP) model, for over a period of four years.

He is an MBA in Finance from University of Strathclyde, (U.K) and also holds post graduate degree in Physics from Delhi University.

Mr. Rajendra Kashyap was re – designated as a Non – Executive Director on the Board of Vistra ITCL (India) Limited w.e.f. May 15, 2019

4. Mr. Debabrata Sarkar, Non-Executive Director, Vistra ITCL (India) Limited.

Mr. Debabrata Sarkar holds various degree of M. Com., FCA, CAIIB and had been working as a professional Banker with more than 30 years of experience in the Banking Industry. Mr. Sarkar assumed the charge of Chairman & Managing Director of Union Bank of India from April 1, 2012 to November 30, 2013. Prior to that, he was an Executive Director in Allahabad Bank (now merged with Indian Bank) from December, 2009 to March, 2012. Prior to his association with Allahabad Bank, he had joined Bank of Baroda in July, 1982 and worked in various capacities including Zonal Manager, Head of Internal Audit Department in Port Louis, Mauritius. He had also served as the Head of Specialized Integrated Treasury Branch ('Treasury Branch') at Bank of Baroda, Mumbai.

Mr. Debabrata Sarkar was re – designated as Non – Executive Director on Board of Vistra ITCL (India) Limited w.e.f. May 15, 2019

5. Mr. B. Gopalakrishnan, Non-Executive Director, Vistra ITCL (India) Limited

Professional Synopsis:

Dr. B. Gopalakrishnan is a legal professional having over four decades of experience in handling legal issues encompassing Banking Law

and Practice, Corporate Laws and connected Litigation, Business Laws, Cross Border Transactions, International Commercial Arbitration and high value Domestic Arbitration, Capital Markets including Mutual Funds, Human Resource, Employee Grievance Redressal and connected Litigation.

Dr. B. Gopalakrishnan started his career in law as a practicing Advocate dealing in Tax laws in the year 1976. In the year 1989, he joined Unit Trust of India, the statutory corporation as a Grade C officer and demitted the office in the year 2000 as the DGM Legal to join Axis Bank nee UTI Bank as a Vice President (Law). He demitted his office after a flourishing career at Axis Bank in the year 2013 as the President and Head of Law Department for 14 long years. He joined Asset Reconstruction Company (India) Limited (ARCIL), Mumbai, which is one of India's largest and premier ARC in 2013 during his short stint for about 2 years. He was acting as a Legal Advisor and heading the Legal Operations & Human Resources Team.

Presently, Dr. B. Gopalakrishnan is the Founder of a Law Firm called "BGK Law Associates", a Senior Partner with a Law Firm and a guest lecturer in many law schools. He is registered with the Bar council of Maharashtra and Goa and regularly appears before Bombay High Court and NCLT and NCLAT.

He is also ranked as one of the most outstanding lawyers who have contributed to the field of Law and has been awarded with "The Man of Excellence" Award in Law. He is also a jury member of Law Awards and the founder president of a leading Legal Association called CCAI.

He had been awarded a Doctor of Philosophy in Law. He completed his LL. M. from Kakatiya University and LLB from Kerala University. In addition to the above, he holds a Diploma in International Law from London School of Economics, London, Diploma in Intellectual Property, Trademark and Copyright Laws from Institute of Intellectual Properties Studies ('IIPS') Mumbai, Certificate course on Negotiation from Harvard Law School, and an Executive MBA in Human Resources from National School of Business Management Chennai. He also holds a BA degree in English literature from Kerala University.

He is recognized and an admired speaker in many of the National and International Conferences on various subjects. He was also invited as a Guest Lecturer and a Visiting Faculty by many reputed law Schools and various Institutions to conduct Sessions on Banking Laws and Practice Mergers and Acquisitions, Drafting of Contracts etc. He has credit for more than 50 publications in various legal magazines and newspapers. He was a member - legal and operational committee of Indian Banker's Association for 6 consecutive terms. He had been presented with an Award for "Outstanding Contribution by an In-house Legal Counsel" by Legal Era Awards in the year 2013

Sponsor

OBCMPL, the Sponsor and Investment Manager, is a company registered under the Companies Act, 2013 and is also registered with SEBI as Portfolio Manager vide their registration no.INP000005174 dated June 22, 2016.

Mr. Kenneth Andrade, Promoter & Director of OBCMPL, Mr. Amit Jasani, Member & Director of OBCMPL and Mr. Gealgeo Varghese Alankara are co-Sponsors of Old Bridge Capital AIF.

OBCMPL currently offers portfolio management services.

Disciplinary History

The detailed annexure on disciplinary history as per SEBI Regulations against Sponsor, Manager, and their Directors/partners/promoters is annexed as **Annexure B** and for Trustee & its Directors is annexed as **Annexure C** and of Associate is annexed as **Annexure D**.

Fees and Expenses

I. One Time Fund Incorporation Expenses

Investment Manager has decided not to charge any Fund Incorporation Expenses.

II. Annual Scheme Recurring Expenses

These are the fees and expenses for operating the Scheme. These expenses include Investment Management Fee/Management Fee and Fund operating expenses. The Investment Manager will charge following Annual Scheme Recurring Expenses (ASRE) to the Fund:

Expense Head	Expenses	
1. Management Fees:	Class of Units	% of Net Asset Value
	Class A	Up to 2.25% p.a.
	Class I	Upto 2.25% p.a.
	Class C	Upto 0.75% p.a.*
	Class S	NIL
	Class V	Upto 2.25% p.a.
	Class V1	Upto 2.25% p.a.
	Class V2	Upto 2.25% p.a.
	Class R	Upto 2.25% p.a.
2. Other Expenses		
Administration Expenses (including but not limited to)		
Trustee fees	At actuals not exceeding 0.20% p.a. of NAV	
Audit fees		
Charges for registrar services, custodian & fund accountant services & depository charges, if any.		
Cost related to investor communications		
Cost of fund transfer from location to location		
Cost of providing account statements and distribution cheques and warrants		
GST on the aforementioned Administrative Expenses		

The above ASRE does not include other fund operation expenses, which will be charged at actual, the details of which are as follows;

Fund Operating Expenses including but not limited to following expenses:

- Interest on borrowings and guarantees, including expenses for enforcing securities;
- Expenses incidental to execution of Contribution Agreement(s), if any, collection of Capital Contributions, and issue of Units, including stamp duty charges and registration charges
- Legal and Statutory Expenses
- Financing, legal, accounting, travel, advisory and consulting expenses in connection with investments by/or divesting of the Fund in Portfolio Companies
- Winding up cost for terminating a Scheme or the Alternative Investment Fund
- Other expenses including commissions associated with the acquisition of, holding and disposition of investments, including extraordinary expenses (such as litigation, any taxes, fees or other government charges levied against the Fund, if any);
- Indemnification obligations, if any, of the Fund (as applicable).
- any tax and other liabilities, claims, costs, interest, penalty, losses, damages and expenses (including reasonable attorneys' fees and costs) arising out of or in connection with the Fund

The Management Fee and Administration Expense will be accrued on daily NAV. The Investment Manager will charge its management fee and reimbursement of administration expenses, on a monthly basis. The management fee shall be exclusive of GST and Administration expenses mentioned above is inclusive of GST.

All Fund Operating Expenses if incurred by the Investment Manager on behalf of a Scheme shall be reimbursable by the Fund to the Investment Manager out of the Fund Corpus, to the extent of limits mentioned above.

III. Performance Based Fees*

The performance fees will be payable by Class C unit-holders and would be computed as at the end of 31st March or in case of redemptions at the time of redemption by the investor and will be charged above hurdle rate of 8% at the rate of 10% plus applicable taxes.

For the initial year of the subscription/additional investment during the year/any redemption during the year, the performance fees shall be charged on a pro-rata basis.

IV. Redemption Fees

For Class A, C, S and R

Redemptions made within 18 months of date of allotment of units shall be subject to an early redemption fee of 3% of NAV, or such other rate as may be prescribed by the Trustee on the recommendation of the Investment Manager.

For Class I

Redemptions made within 18 months from the units being made fully paid shall be subject to an early redemption fee of 3% of NAV or such other rate as may be prescribed by the Trustee on the recommendation of the Investment Manager.

For Class V, V1 and V2

Redemptions made shall be subject to no redemption fee.

Risk Factors and Potential Conflicts of Interest

Risk Factors

Investment in the Fund involves a moderate to high degree of risk. Investors should note that there may be significant risks associated with investing in securities as described in the investment focus of the Fund. Prior to making an investment in the Fund, prospective Investors should carefully consider all the information set forth in this Memorandum and in particular, should evaluate the risk factors outlined below which individually or in the aggregate could have a material adverse effect on the Fund and its investments, and should seek independent legal, investment and tax advice. As a result of these risk factors, as well as other risks inherent in any investment, there can be no assurance that the Fund will meet its investment objectives or will otherwise be able to carry out its investment program successfully, or that an Investor will not lose all of his investment in the Fund.

Additional risks and uncertainties not presently known to the Investment Manager, or that it currently deem immaterial may also have an adverse impact on the Fund's prospects and business. While the Fund's management intends to manage the Fund in a manner that will limit its exposure to such risks, there can be no assurance that its efforts will be successful.

Risk Factors specific to the Fund

The primary objective of the Fund Manager is to generate returns for investors by investing in listed securities across various sectors. Portfolio Investments in listed securities are subject to price fluctuation on daily basis. The volatility in the value of instruments is due to various micro and macro-economic factors such as economic and political developments and other market factors affecting the securities markets. This may have adverse impact on individual securities/sector and consequently on the NAV of Scheme.

The sector weightage in the fund would be different from that in the benchmark due to this the fund returns could be divergent from the Index returns and could also under-perform if the sector calls do not go right as expected by the fund management team. The reference index for the Fund will be S & P BSE 500 Index.

Any investments made by the Fund in securities of 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 Fund 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, RBI, FIPB and the Central Government of India. Market volatility may also affect the ability to return money from any investments made in securities of/issued by publicly traded companies.

Liquidity Risk

Since the Fund would be investing in companies that are listed or to be listed in SMEs and other smaller exchanges and the trading volumes in such exchanges are not high, the impact cost of dealing in stocks of such companies may be quite high as compared to stocks listed on mainstream exchanges. Moreover, there is the risk of procuring and disposing off of such stocks if there is not enough liquidity when the Fund wants to deal in such stocks.

Risks associated with investing in Derivatives

Derivative products are leveraged instruments and can provide disproportionate gains as well as losses to the Investor. Execution of such strategies depends upon the ability of the Investment Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Investment Manager involve uncertainty, and the decision of the Investment Manager may not always be profitable. No assurance can be given that the Investment Manager will be able to identify or execute such strategies. The risks associated with the use of derivatives are different from and possibly greater than the risks associated with investing directly in securities and other traditional investments.

There are certain risks inherent in derivatives, which include:

Price Risk: Despite the risk mitigation provided by various derivative instruments, there remains an inherent price risk which may result in losses exceeding actual underlying value of such derivative.

Basis Risk: This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying asset being hedged, for e.g. mismatch between the maturity date of the futures and the actual selling date of the asset.

Limitations on upside: Derivatives when used as a hedging tool can also limit the profits from a genuine investment transaction.

Margin risk: Exchanges could raise the initial margin, variation margin or other forms of margin on derivative contracts, impose one sided margins or insist that margins be placed in cash. All of these might force positions to be unwound at a loss, and might materially impact returns.

Leverage risk: Certain derivative transactions may give rise to a form of leverage. Leverage magnifies the potential for gain and the risk of loss. Leveraging may cause the Fund to liquidate portfolio positions to satisfy its obligations or to meet segregation requirements when it may not be advantageous to do so.

Operational risk: Operational risk is the risk arising out of some operational difficulties, such as failure of electricity or computers, and communication systems failures, due to which it becomes difficult to operate in the market.

Legal Risk: Legal risk is the risk of loss of income that may arise due to any dispute between the Fund and the exchanges over the trading. Further, regulatory framework that might disallow some activities or ban certain instruments which may result into the loss of income and investment opportunity for the Fund.

Country Risks concerning India

Given the focus of its investment strategy, the success of the Fund will depend in large part on the general economic and business conditions in India. Risks associated with investments in India, including but not limited to the risks described below, could adversely affect the performance of the Fund and result in losses. No assurance can be given as to the ability of the Fund to achieve any return on its investments.

Economic Factors

Changes in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally. There could also be adverse effects if new restrictions in the private sector are introduced or if existing restrictions are not relaxed over time. Notwithstanding current policies of economic liberalization, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators have remained significant, and the pace of such liberalization could change, and specific laws and policies effecting taxation, foreign investment, currency exchange and other matters affecting the Fund's investments could change as well. Further, the laws and policies affecting the various investments held by the Fund could change, adversely affecting the values or liquidity of securities.

Political, Economic and Regulatory Risk

Political, economic and regulatory changes in the Indian environment have an impact on the investment climate and hence may affect the value derived on divestment. The Fund may have difficulty enforcing judgments against Indian companies. Regulatory investment restrictions applicable to the Fund may impede its ability to invest in certain companies, sectors or industries. The liquidation of investments, if required, may have an adverse impact on the Fund's performance.

Social and Ethnic Issues

India is a country that comprises diverse religious and ethnic groups. It is the world's most populous democracy and has a well-developed and stable political system. However, ethnic issues and border disputes have been the reason of some tension in India's relations with its neighbours, such issues may hamper the performance of the Fund.

General Economic Risks

General macro-economic conditions, such as interest rates, the availability of alternate sources of financing and participation by other categories of investors may adversely affect the operations of the Fund, including the value and the number of investments made by the Fund. The securities of a Portfolio Company may be affected by uncertainties such as changes in governmental policies, taxation, restrictions on investment, other laws and regulations and currency fluctuations.

Inflationary Pressures

Although inflation in India has been relatively modest over the last several years, there is no assurance that inflation rates will not increase. High inflation may lead to the adoption of corrective measures designed to moderate growth, regulate prices of staples and other commodities and otherwise contain inflation, and such measures could inhibit economic activity in India and thereby possibly adversely affect the investments of the Fund. Inflation may also directly affect the investments of the Fund by raising operating costs, reducing the returns on the investments of the Fund. In addition, high inflation may adversely affect taxation of the investments of the Fund.

Indian Legal System

The Indian civil judicial process to enforce remedies and legal rights is relatively less developed and subject to delays. Enforcement by the Fund of civil rights under the laws of a jurisdiction other than India may be adversely affected by the fact that they may have significant assets in India and the enforcement of the rights against such assets in India will be subject to the delays and other limitations of the Indian judicial system.

Regulations regarding the trading in relatively new forms of securities such as derivatives are not fully developed in India, and investments held by the Fund in such securities may not be recognized as securities protected by the securities laws in India. In addition, such investments may be traded on exchanges with very little liquidity, thus adversely affecting the ability to liquidate these investments.

General Risks

No Assurance of Investment Return

The Fund cannot provide assurance that it will be able to identify, make or realize investments in any particular securities or derivatives. There can be no assurance that the Fund will be able to generate returns for its investors or that the returns will be commensurate with the risks of investing in the type of companies and transactions described herein. There can be no assurance that any Investor will receive any distribution from the Fund. Accordingly, an investment in the Fund should only be considered by persons who can afford a loss of their entire investment.

Contingent Liabilities on Disposition of Portfolio Investments

In connection with the disposition of an investment, the Fund may be required to make representations about the investment. The Fund also may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Fund may establish reserves or escrows.

Investment Risks

Indemnification

The Fund shall indemnify and hold harmless the Trustee and the Investment Manager and their directors, partners, employees and agents ("Indemnified Parties") from and against any and all tax and other liabilities, damages, actions, claims, costs, losses, damages and expenses (including reasonable attorneys' fees and costs) arising out of or in connection with the activities of the Fund, unless resulting from gross negligence and / or wilful default and / or fraud of the Indemnified Parties as proved in court of competent jurisdiction. The indemnification obligation of the Fund would be payable from the assets of the Fund, including the capital commitments of the Contributors.

In Specie Distribution by Indian Fund Possible

Subject to the provisions of Applicable Laws, the Fund may make in specie distributions of assets as a result of which the Investors may face restrictions on disposal of assets so distributed and consequently may not be able to realize full value of these assets.

Risks due to restrictions on investments in equity and/or fixed income securities of Indian companies by Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)/Non-Resident Indians (NRIs)/Persons of Indian Origin (PIOs)/Overseas Citizen of India (OCI).

There are regulatory ceilings on investments in Indian companies by FIIs / FPIs / NRIs / PIOs which are prescribed and monitored regularly by the Reserve Bank of India; this may restrict the ability of the Fund to capitalise on opportunities available where the Investment Manager has a view.

Convertibility and Transferability Risk

In the event capital and exchange controls are imposed by the government authorities, it would prevent Foreign Portfolio Investors' ability to convert INR into home currency and / or transfer funds outside India. The convertibility and transferability of INR proceeds into home currency is the responsibility of the Foreign Portfolio Investors.

Foreign Currency Risk

The Fund is denominated in Indian Rupees (INR) which is different from the home currency for Foreign Portfolio Investors in the Fund. The INR value of investments when translated into home currency by Foreign Portfolio Investors could be lower because of the currency movements. The Fund does not manage currency risk for Foreign Portfolio Investors and it is the sole responsibility of the Foreign Portfolio Investors to manage or reduce currency risk on their own. The Sponsor/Fund/Trustees/Investment Manager are not liable for any loss to Foreign Portfolio Investors arising from such changes in exchange rates.

Tax Risks

Investors in the Fund are subject to a number of tax related risks, and prospective contributors are strongly urged to consult their tax advisors with specific reference to their own situations. In addition, the tax laws or their interpretation relevant to the Fund are subject to change, and tax liabilities could be incurred by investors as a result of such changes. For further details please refer to "TAX CONSIDERATIONS".

Affiliation with Other Intermediaries

Details of Associate Company(ies) of Old Bridge Capital Management Private Limited are given below:

Sr. No.	Name of Intermediary(ies)	Category of Registration
1.	M/s Amit Jasani Financial Services Private Limited (Associate Company)	Stock Broker INB231107237

Conflicts of Interest

From time to time certain conflicts of interests between the Funds on the one hand and the Investment Manager, the Portfolio Company, the Sponsor, and/or associates (collectively the "Interested Parties") on the other hand may arise. In order to address such concerns there is a Conflict of Interest Policy in place as per the AIF Regulations.

The Investment Manager has evolved strict corporate governance guidelines designed to achieve and maintain discipline and transparency in all business processes and to avoid any potential or actual conflicts of interests. The Investment Manager of the Alternative Investment Fund shall act in a fiduciary capacity towards its investors and shall disclose to the investors, all conflicts of interests as and when they arise or seem likely to arise as also reflected in the Conflict of Interest Policy of OBCMPL. These guidelines are applicable to any transaction entered into by the Fund.

Examples of potential conflicts of interest are outlined below. However, the examples listed below are not intended to be exhaustive, and other types of conflicts of interest may arise during the Term of the Fund.

Investments in Companies in Which Interested Parties have Interests

The Fund may participate in projects and companies in which Interested Parties have an existing investment or other interests, which may be on the same terms as the Fund's investment or on different terms. Furthermore, the Interested Parties may have some representation on the Investment Committee. In such cases, there could be a potential conflict between the interests of the Fund and those of the Interested Parties. In order to address any such conflicts of interest, the members of the Investment Committee shall not vote on any such matter wherein there is a potential conflict of interest.

Allocation of Investments

Investment opportunities identified by the Investment Manager may be suitable for the Fund, one or more of their other funds or for direct investment by themselves. Therefore, the Interested Parties may be subject to conflicts of interest in allocating investment opportunities among the Fund, other funds managed by them and themselves. The Investment Manager, will endeavor to resolve any such conflict in a reasonable manner, taking into account, amongst other things, the investment objectives and policies of each fund, the remaining un-invested capital of each fund, the level of diversification of each fund, and the basis on which prior conflicts in allocating investment opportunity have been resolved. However, there can be no assurance that the Fund will be allocated any particular investment opportunity that is identified by the Investment Manager. Furthermore, the Investment Manager shall have the right, in its discretion, to allocate any investment opportunity to their other funds or to its own portfolios.

Management Resources

The Interested Parties and their management personnel will only devote so much of their time to the Fund's business as is, in their judgement, reasonably required. The Interested Parties and their employees that provide services to the Fund will have, in addition to their responsibilities for the Fund, responsibilities for other projects and clients. Accordingly, they may have conflicts of interests in allocating management time and other resources among the Fund and such other projects and clients.

Representation

The attorneys, accountants, and other professionals who provide services to the Fund may, and in some cases do, also provide services to the Interested Parties and their associates. The Fund shall wherever appropriate enter into confidentiality agreements prior to such services being rendered in the Fund's favour. The Fund however, does not guarantee against any such conflict of interests.

Restrictions on availing distribution facility and Transfer

Unit holders will be permitted to avail distribution facility from the Fund, subject to applicable distribution facility fee provided in this PPM and the Fund Documents. Unit holders may not transfer their Units or the interests, rights or obligations attached to the Units except as may be provided in this PPM and the Fund Documents.

Dependence on Key Personnel

The performance of the Fund is dependent upon the expertise of the Investment Manager and the directors of the Investment Manager in providing services with respect to Portfolio Investments.

Distribution Policy

The Fund intends to reinvest both capital gains and income to seek to maximise the return to Unit-holders and does not therefore envisage to be paying any distributions. The Fund Manager has the discretion to determine the amount of any distribution with respect to the Fund if they believe that such a distribution is warranted.

Disclaimer

OBCMPL has / in future may have other business unit(s) with independent Fund Management teams, and therefore may, at times, have different or contrary views on stocks and markets.

Investment Manager and associate company/ies are engaged in providing various financial services and for the said services (including the service for acquiring and sourcing the securities acquired/advised) the said companies may earn fees or remuneration in form of arranger fees, distribution fees, referral fees, advisory fees, management fees, trustee fees, Commission, brokerage, transaction charges, underwriting charges, issue management fees and other fees.

Risk Mitigation

Effective risk management is critical to effective fund management. OBCMPL uses a methodology which integrates risk management in the investment process itself.

- i. Clear articulation of investment objectives and investment strategy for each Fund, gives clear direction to the fund manager on style, performance, risk level and liquidity profile.

- ii. Careful selection of the universe leads to limiting the risk of investing in unsustainable/weak companies.
- iii. Fair value based approach supported by comprehensive research limits risk of overpaying for businesses.
- iv. Clear limits for portfolio liquidity, in line with investment objectives and positioning helps to maintain required portfolio liquidity at all times.
- v. Our understanding and continuously monitoring our investment universe helps us to respond effectively and speedily to events which may have a negative bearing on our portfolios.

Further, Investment Manager has systems to check the investment restrictions as per the SEBI guidelines and to enable identifying and measuring risks through various risk management tools.

Legal and Regulatory Considerations

This section is only a summary of the regulatory issues relating to the FUND and is not a comprehensive disclosure regarding all applicable laws and regulations. The regulatory issues referred to under this section are subject to changes from time to time.

It is the responsibility of all persons interested in subscribing to the Units to inform themselves as to any foreign exchange or other legal restrictions, which are relevant to their particular circumstances in connection with the acquisition, holding or disposition of the Units. The FUND has no present plans to apply for any certifications or registrations, or to take any other actions, under the laws of any jurisdictions, other than India, which would afford relief to local investors in those jurisdictions from the normal regulatory regime.

This summary does not purport to be a complete analysis of all applicable laws and regulations; nor does it purport to be a complete description of all potential risks inherent in purchasing or holding Units in the Fund. Prospective investors in the FUND are urged to consult their own legal advisors in this regard. The conclusions summarized herein could be adversely affected if any of the material factual representations on which they are based should prove to be inaccurate. The summary is based on the provisions of the treaties, laws, regulations, rulings, and judicial decisions now in effect, and current administrative rules, practices and interpretations, all of which are subject to change or modification by subsequent legislative, regulatory or judicial decisions, with possible retroactive effect. Any such changes could have different regulatory implications and the Investment Manager, Trustee and its advisors accept no responsibility for any loss suffered by the Investor as a result of current, or changes in, applicable laws, regulations and/or practice.

Prospective Investors in the Fund with questions concerning any legal issues should consult with their counsels.

It is expressly clarified and confirmed that the information mentioned in this section cannot be construed to indicate the Fund's investment or legal advice or be any indicator of the proposed investments of the Fund, whatsoever.

Indian Trust Act, 1882

The Trust has been set up as an irrevocable determinate trust under the Indian Trusts Act, 1882. The Trustee has been appointed as the trustee of the Fund. The Trustee will be subject to the powers, duties and obligations as prescribed under the Indenture. The Investment Manager shall manage Fund subject to the applicable law and in accordance with the Investment Management Agreement. The Contributors shall be the beneficiaries of Fund.

Indian Securities Laws

SEBI (Alternative Investment Funds) Regulations, 2012

SEBI with effect from May 21, 2012 has notified the SEBI (Alternative Investment Funds) Regulations, **2012 (Regulations)** which aim to provide a consolidated framework for registration and regulation of all kinds of alternative investment funds (**AIFs**) that raise private pools of capital from high net worth investors. Under the Regulations, SEBI will now register and supervise all categories of AIFs.

The Regulations define an AIF to mean any fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate which, - (i) is a privately pooled investment vehicle which collects funds from investors, whether Indian or foreign, for investing it in accordance with a defined investment policy for the benefit of its investors; and (ii) is not covered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, Securities and Exchange Board of India (Collective Investment Schemes) Regulations, 1999 or any other regulations of the SEBI to regulate fund management activities. However, family trusts, ESOPS trusts, employee welfare trusts or gratuity trusts, holding companies, special purpose vehicles not established by fund managers, funds managed by securitisation company or reconstruction company or any such pool of funds which is directly regulated by any other regulator in India have been excluded from the purview of the Regulations.

The Regulations provide that no entity or person shall act as an AIF unless it is registered with SEBI. The Regulations have categorised AIFs into three categories viz., Category I AIFs, Category II AIFs, and Category III AIFs.

The Trust is registered with SEBI as a Category III AIF.

The Regulations define a Category III AIF as an AIF which employs diverse or complex trading strategies and may employ leverage including through investment in listed or unlisted derivatives. The Regulations also explain that AIFs such as hedge funds or funds which trade with a view to make short term returns or such other funds which are open ended and for which no specific incentives or concessions are given by the government or any other regulator shall be included in Category III.

The Regulations prescribe that the raising of funds should be done strictly on a private placement basis and the minimum investment that can be accepted by a Category III AIF from an investor, whether Indian, foreign or non-residents Indian is Indian Rupees One Crore (not applicable to Accredited Investor); provided that in case of investors who are employees or directors of a Category III AIF or employees or directors of the Investment Manager, the minimum value of investment will be Rupees Twenty-Five Lakhs. Further, it prescribes that a placement memorandum/information memorandum shall contain all material information about the Category III AIF and its manager, background of key investment team of the manager, targeted investors, fees and all other expenses proposed to be charged, tenure of the Category III AIF or scheme, conditions or limits on redemption, investment strategy, risk management tools and parameters employed, key service providers, conflict of interest and procedures to identify and address them, disciplinary history and other terms and conditions. Furthermore, the Regulations mandate that the placement memorandum /information memorandum of the schemes should be filed with SEBI. This Memorandum satisfies all the applicable requirements laid down under the Regulations. The investment manager/sponsor shall have a continuing interest in the Category III AIF of not less than five per cent of the corpus or ten crore rupees, whichever is lower, in the form of investment in the Category III AIF and such interest shall not be through the waiver of management fees. Such interest may be maintained pro-rata to the amount of funds raised (net) from other investors in the AIF.

A Category III AIF may be open ended or close ended. The Regulations allow a close ended Category III AIF to list their units on stock exchange subject to a minimum tradable lot of 1 crore rupees. However, listing is permitted only after the final close of the fund or scheme.

The Regulations lay down several investment restrictions on Category III AIFs. These restrictions are as follows:

1. A Category III AIF may invest in securities of listed or unlisted investee company, derivatives, units of other Alternative Funds or complex or structured products; 'Investee company' means any company, special purpose vehicle or limited liability partnership or body corporate or real estate investment trust or infrastructure investment trust in which an AIF makes an investment;
2. Category III Alternative Investment Funds may deal in goods received in delivery against physical settlement of commodity derivatives;
3. A Category III AIF may engage in leverage or borrowing subject to consent from the investors in the fund and subject to a maximum limit, as may be specified by the SEBI; provided that such funds shall disclose information regarding the overall level of leverage employed, the level of leverage arising from borrowing of cash, the level of leverage arising from position held in derivatives or in any complex product and the main source of leverage in their fund to the investors and to the SEBI periodically, as may be specified by the SEBI;
4. Category III AIF shall be regulated through issuance of directions regarding areas such as operational standards, prudential requirements, restrictions on redemption and conflict of interest as may be specified by the SEBI.
5. The Investment Manager or the Sponsor of a Category III AIF shall appoint a custodian registered with SEBI for safekeeping of securities irrespective of the size of corpus of the Category III AIF; 'Corpus' means the total amount of funds committed by investors to the AIF by way of a written contract or any such document as on a particular date;
6. A Category III AIF may invest in securities of companies incorporated outside India subject to conditions/guidelines stipulated by RBI/SEBI from time to time;
7. Category III AIF shall invest not more than ten per cent of the investable funds in an Investee Company, directly or through investment in units of other AIF and the large value funds for accredited investors of Category III AIFs may invest up to twenty per cent of the investable funds in an investee company directly or through investment in units of other AIFs
Provided that for investment in listed equity of an investee company, Category III AIFs may calculate the investment limit of ten per cent of either the investable funds or the net asset value of the scheme and large value funds for accredited investors of Category III AIFs may calculate the investment limit of twenty per cent of either the investable funds or the net asset value of the scheme, subject to the conditions specified by SEBI from time to time
8. CAT III AIFs which are authorised under the fund documents to invest in units of AIFs shall not offer their units for subscription to other AIFs;
9. A Category III AIF cannot invest in Associates or units of Alternative Investment Funds managed or sponsored by its Manager, Sponsor or associates of its Manager or Sponsor except with the approval of 75% of investors by value of their investment in the Category III AIF. 'Associate' means a company or a limited liability partnership or a body corporate in which a director or trustee or partner or Sponsor or Investment Manager of the Category III AIF or a director or partner of the Investment Manager or Sponsor holds, either individually or collectively, more than 15% of its paid-up equity share capital or partnership interest, as the case may be;
10. A Category III AIF may invest the un-invested portion of the investable funds and divestment proceeds pending distribution to investors may be invested in liquid mutual funds or bank deposits or other liquid assets of higher quality such as Treasury bills, Triparty Repo Dealing and Settlement, Commercial Papers, Certificates of Deposits, etc. till the deployment of funds as per the investment objective or the distribution of the funds to investors as per the terms of the fund documents, as applicable
11. A Category III AIF may act as nominated investor as specified in ICDR Regulations;

Also, a Category III AIF will be subject to disclosure and management of conflicts of interests, transparency, valuation and methodology norms, reporting as prescribed under the Regulations. It may also be subjected to investigation / inspection of its affairs by an officer appointed by SEBI. In certain circumstances the SEBI has the power to direct the Category III AIF to divest assets of the Category III AIF, to stop launching of any new schemes, to restrain from disposing any assets of the Category III AIF, to refund monies of Contributors and also to stop operating in, or accessing the capital market for a specified period.

Details pertaining to the disciplinary history of the trust, sponsor, investment manager and their directors/partners, promoters and Associates, trustee of the trust and trustee's directors need to be provided in the placement memorandum of the Category III AIF. The Category III AIF is also required to provide a tabular example of fees and charges along with distribution waterfall by way of an annexure in the placement memorandum. Category III AIFs are required to intimate any change to the placement memorandum to all unit holders (including investors who have provided commitment to the AIF).

Material changes

In cases of material changes significantly influencing the decision of the investor to continue to be invested in the AIF, an exit process as prescribed under the Regulations is required to be complied with. Such changes shall include, but not be limited to the following:

- a. Change in sponsor/investment manager (not including an internal restructuring within the group)
- b. Change in control of sponsor/investment manager
- c. Change in fee structure which may result in higher fees being charged to the unit holders.

Overseas investments by an AIF

Under Regulation 15(1)(a) of AIF Regulations, an alternative investment fund may invest in securities of companies incorporated outside India subject to such conditions or guidelines that may be stipulated or issued by the Reserve Bank of India and SEBI from time to time

In this regard, Reserve Bank of India (RBI) vide its A.P (DIR Series) Circular No.48 dated December 09, 2014 has permitted an Alternative Investment Fund (AIF), registered with SEBI, to invest overseas in terms of the provisions issued under the A.P (DIR Series) Circulars No. 49 and 50 dated April 30, 2007 and May 04, 2007 respectively.

SEBI vide Circular CIR/IMD/DF/7/2015 dated October 1, 2015 SEBI/HO/IMD/DF1/CIR/P/2018/103/2018 dated July 3, 2018 and SEBI/HO/IMD/DF6/CIR/P/2021/565 dated May 21, 2021 has issued the following guidelines on overseas investments by an AIF:

- a. AIFs may invest in equity and equity linked instruments only of off-shore venture capital undertakings, subject to overall limit of USD 750 million (combined limit for AIFs and Venture Capital Funds registered under the SEBI (Venture Capital Funds) Regulations, 1996).
- b. AIFs desirous of making investments in offshore venture capital undertakings shall submit their proposal for investment to SEBI for prior approval. It is clarified that no separate permission from RBI is necessary in this regard.
- c. For the purpose of such investment, it is clarified that "Offshore Venture Capital Undertakings" means a foreign company whose shares are not listed on any of the recognized stock exchange in India or abroad.
- d. Investments would be made only in those companies which have an Indian connection (e.g. company which has a front office overseas, while back office operations are in India).
- e. Such investments shall not exceed 25% of the investable funds of the scheme of the AIF.
- f. The allocation of investment limits would be done on 'first come- first serve' basis, depending on the availability in the overall limit of USD 750 million.
- g. In case an AIF who is allocated certain investment limit, wishes to apply for allocation of further investment limit, the fresh application shall be dealt with on the basis of the date of its receipt and no preference shall be granted to it in fresh allocation of investment limit.
- h. The AIF shall have a time limit of 6 months from the date of approval from SEBI for making allocated investments in offshore venture capital undertakings. In case the applicant does not utilize the limits allocated within the stipulated period, SEBI may allocate such unutilized limit to other applicants.
- i. These investments would be subject to FEMA (NDI) Regulations, 2019 including amendments thereof and related directions issued by RBI from time to time.
- j. AIFs shall not invest in Joint venture/Wholly Owned Subsidiary while making overseas investments.

- k. AIFs shall adhere to FEMA Regulations and other guidelines specified by RBI from time to time with respect to any structure which involves Foreign Direct Investment (FDI) under Overseas Direct Investment (ODI) route.

AIFs shall comply with the SEBI reporting requirements as referred in the SEBI circular dated July 3, 2018.

Code of Conduct

- a. AIF, key management personnel of the AIF, trustee, trustee company, directors of the trustee company, designated partners or directors of the AIF, as the case may be, managers and key management personnel of managers shall abide by the Code of Conduct as specified in the Fourth Schedule of the Regulations.
- b. The manager and either the trustee or trustee company or the board of directors or the designated partners of the AIF, as the case may be, shall ensure compliance by the AIF with the Code of Conduct as specified in the Fourth Schedule of the Regulations.
- c. All AIFs shall review the policies and procedures laid down in terms of the Regulations, other internal policies, if any, and their implementation, on a regular basis or as a result of business developments, to ensure their continued appropriateness.
- d. The manager shall be responsible for every decision of the AIF, including ensuring that the decisions are in compliance with the provisions of the Regulations, terms of the fund documents and applicable laws.
- e. The manager shall be responsible for ensuring that every decision of the AIF is in compliance with the policies and procedures laid down for the AIF and other internal policies of the AIF, as applicable.

Stamp duty payable under the Indian Stamp Act, 1899

The Finance Act, 2019, had introduced amendments in the Indian Stamp Act, 1899 ("the Act") to, inter alia, bring uniformity in the levy of stamp duty on 'securities', whether in physical or dematerialised form. The Part I of Chapter IV of the Finance Act 2019 related to amendments to the Act.

The Ministry of Finance ("MoF") pursuant to notification no. S.O. 4419(E) dated December 10, 2019 had initially appointed January 9, 2020 as the date on which the amendments to the Act shall come into force. Vide notification no. S.O. 115(E) dated January 8, 2020, the MoF appointed April 1, 2020 as the day amendments to the Act shall come into force. Further, vide notification no. S.O. 1226(E) dated March 30, 2020, the MoF appointed July 1, 2020 as the day amendments to the Act shall come into force.

Vide notification G.S.R. 901(E) dated December 10, 2019, the MoF had notified the Indian Stamp (Collection of Stamp Duty through Stock Exchanges, Clearing Corporations and Depositories) Rules, 2019 ("the Rules") to inter alia regulate the centralised mechanism for the collection of stamp duty across India. The Rules were initially to come into force from January 9, 2020. Pursuant to notification no. G.S.R. 19(E) dated the January 8, 2020, the MoF appointed April 1, 2020 as the day the Rules shall come into force. Further, vide notification no. G.S.R. 226(E) dated March 30, 2020, the MoF appointed July 1, 2020 as the day the Rules shall come into force.

SEBI has, vide circular SEBI/HO/IMD/DF6/CIR/P/2020/113 dated June 30, 2020, directed all AIFs to comply with the provisions of the Act and the Rules and inter alia has directed all AIFs to appoint registrars to an issue and/or share transfer agents ("RTA") registered with SEBI. The RTA shall be deemed as a 'depository' for the limited purposes of acting as a 'collecting agent' under the Act and the rules made thereunder, in cases of instruments of transaction otherwise than through a recognised stock exchange or depository.

Further, on July 1, 2020, SEBI has issued "Frequently Asked Questions (FAQs) on Indian Stamp Act, 1899 Amendments and Rules made thereunder". As per answer to question 18 in the FAQs, the RTA shall be responsible to transfer the collected stamp duty to the respective States/Union Territories in India based on the buyer-based principle i.e. on the basis of place of residence/registered office of the Contributor, in accordance with Section 9A(4) of the Act. As per answer to question 19 in the FAQs, in case of sale, transfer and issue of Units in demat mode through a recognised 'stock exchange' as defined under Securities Contracts (Regulation) Act, 1956 or 'depository' as defined under Depositories Act, 1996, the stock exchange/clearing corporation or depository would be required to collect the applicable stamp duty.

Thus, with effect from July 1, 2020, a stamp duty at the rate of 0.005% of the market value of Units would be levied on issue of Units and a stamp duty at the rate of 0.015% of the consideration amount would be levied on any transfer of Units. No stamp duty is payable in respect of redemption of Units.

In case of issue of Units, the onus to pay stamp duty is upon the Fund (being the issuer of Units).

In the case of transfer of Units, the onus to pay stamp duty is upon the transferor of Units. As per answer to question 20 in the FAQs, when the transferee approaches RTA for effecting the transfer in its books, the RTA will collect the stamp duty from the transferor of Units before effecting the transfer which will then be remitted by the RTA to the state/union territory of domicile of the transferee.

Accredited Investor Framework

Definition. Regulation 2(ab) of Regulations defines Accredited Investor. As per the definition “Accredited investor” means any person who is granted a certificate of accreditation by an accreditation agency upon qualifying the following criteria for accreditation:

Category of persons seeking recognition as ‘accredited investor’	Criteria
1) Individuals, HUFs, Family Trusts and Sole Proprietorships	<ul style="list-style-type: none"> • Annual Income \geq INR 2 Crores; OR • Net Worth \geq INR 7.5 Crores, out of which at least INR 3.75 Crores is in the form of financial assets; OR • Annual Income \geq INR 1 Crore + Net Worth \geq INR 5 Crores, out of which at least INR 2.5 Crores is in the form of financial assets.
2) Partnership Firms	Each partner has to independently meet the criteria for accreditation as set out above.
3) Trusts (other than family trusts)	Net worth exceeding or equal to INR 50 Crores.
4) Body Corporates	Net worth exceeding or equal to INR 50 Crores.

It is to be noted that the Central Government and the State Governments, developmental agencies set up under the aegis of the Central Government or the State Governments, funds set up by the Central Government or the State Governments, Qualified Institutional Buyers, Category I FPI investors, Sovereign Wealth Funds, and other multilateral agencies are deemed to be accredited investors and are not required to obtain certification from accredited agencies.

Procedure for Accreditation and availing benefits linked to accreditation. SEBI vide circular dated August 26, 2021, notified modalities for implementation of the framework for Accredited Investors (“**SEBI Circular**”). Please find below key provisions with respect to the accreditation process as set out under the SEBI circular.

- SEBI has specified eligibility criteria for Accredited Agency for carrying out the accreditation process.
- For accreditation, the prospective Accredited Investor (“**Applicant**”) is required to make an application to the Accreditation Agency in the manner specified by the Accreditation Agency.
- For the purpose of accreditation, eligibility criteria shall be reckoned based on the documents as specified in Annexure B of the SEBI Circular.
- In case of accreditation of individual investors, HUFs and Sole Proprietorships, the value of the primary residence of the individual, Karta of HUF and the Sole Proprietor respectively, shall not be considered for calculation of net worth.
- The Accreditation Agency shall verify that the Applicant is a “fit and proper” to participate in the securities, including absence of convictions and/or restraint orders.
- Upon clearing the stage of verification mentioned above, the Accreditation Agency shall issue a certificate of accreditation (“**Accreditation Certificate**”) having a unique accreditation number, name of accreditation agency, PAN of the Applicant and validity of the accreditation certificate.

Modalities for filing of placement memorandum through a Merchant Banker

SEBI vide circular dated October 21, 2021, issued the modalities for Alternative Investment Funds (AIFs) with respect to filing of placement memorandum, including that merchant bankers have to independently exercise due diligence regarding the disclosures and provide a due diligence certificate. The new framework has come into effect from November 11, 2021.

Under the AIF Regulations, AIFs will have to launch schemes subject to filing of placement memorandum with the regulator through a registered merchant banker.

While filing draft placement memorandum at the time of registration or prior to launch of new scheme on the SEBI intermediary portal, the due diligence certificate provided by the merchant banker will also be submitted along with other necessary documents. The details of the merchant banker will have to be disclosed in the placement memorandum.

The merchant banker appointed for filing of placement memorandum will not be an associate of the AIF, its sponsor, manager or trustee. AIFs are required to intimate the regulator regarding any changes in terms of placement memorandum on a consolidated basis, within one month of the end of each financial year. Such an intimation will also be submitted through a merchant banker along with the due diligence certificate provided by such merchant banker.

Stewardship Code

SEBI vide its circular dated December 24, 2019 has notified the 'Stewardship Code', applicable to 'institutional investors', i.e., all mutual funds, asset management companies, trustee companies, boards of trustees of mutual funds and all AIFs in relation to their investment in listed equities.

The Stewardship Code has identified certain principles that the institutional investors need to follow with effect from July 01, 2020. The principles and summary of guidance on the same are given below:

- a. **Principle 1:** *Institutional Investors should formulate a comprehensive policy on the discharge of their stewardship responsibilities, publicly disclose it, review and update it periodically:*
Stewardship responsibilities include monitoring and actively engaging with investee companies on various matters including performance (operational, financial, etc.), strategy, corporate governance (including board structure, remuneration, etc.), material environmental, social, and governance (ESG) opportunities or risks, capital structure, etc. Every institutional investor should formulate a comprehensive policy on how it intends to fulfill the aforesaid stewardship responsibilities and disclose it publicly. The policy should be reviewed and updated periodically and the updated policy should be publicly disclosed on the entity's website.
- b. **Principle 2:** *Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it:*
Institutional investors should formulate a detailed policy for identifying and managing conflicts of interest. The policy shall be intended to ensure that the interest of the client/beneficiary is placed before the interest of the entity. The policy should also address how matters are handled when the interests of clients or beneficiaries diverge from each other. The conflict of interest policy formulated shall, among other aspects, address the manner in which such conflicts might arise, procedures put in place in case such conflict of interest situations arise (such as blanket bans on investments, constituting an investment committee etc.), periodic review, update and public disclosure of such policy.
- c. **Principle 3:** *Institutional investors should monitor their investee companies:* Institutional investors should have a policy on continuous monitoring of their investee companies in respect of all aspects they consider important which shall include performance of the companies, corporate governance, strategy, risks etc. Accordingly, the institutional investors shall formulate a policy specifying, inter-alia, different levels of monitoring in different investee companies, areas of monitoring (such as company strategy, industry level monitoring, quality of company management etc.), situations that might trigger communication of insider information and procedures adopted to ensure insider trading regulations are complied with in such cases.
- d. **Principle 4:** *Institutional investors should have a clear policy on intervention in their investee companies. Institutional investors should also have a clear policy for collaboration with other institutional investors where required, to preserve the interests of the ultimate investors, which should be disclosed:*
Institutional investors should have a clear policy identifying the circumstances for active intervention in the investee companies and the manner of such intervention. The policy should also involve regular assessment of the outcomes of such intervention. Intervention should be considered even when a passive investment policy is followed or if the volume of investment is low, if the circumstances so demand. Circumstances for intervention may, inter alia, include poor financial performance of the company, corporate governance related practices, remuneration, strategy, ESG risks, leadership issues, litigation etc. The mechanisms for intervention may include meetings/discussions with the management for constructive resolution of the issue and in case of escalation thereof, meetings with the boards, collaboration with other investors, voting against decisions, etc.
- e. **Principle 5:** *Institutional investors should have a clear policy on voting and disclosure of voting activity:*
Institutional investors must take voting decisions in the investee company after an in-depth analysis. A comprehensive voting policy is required to be framed by the institutional investors including details of mechanisms of voting, circumstances in which voting should be for/against/abstained, disclosure of voting, etc. The voting policy should be publicly disclosed.
- f. **Principle 6:** *Institutional investors should report periodically on their stewardship activities:*
Institutional investors shall report to their clients/ beneficiaries periodically on how they have fulfilled their stewardship responsibilities as per their policy in an easy-to-understand format. Institutional investors shall report periodically on their stewardship activities by placing a report on their website on implementation of every principle.

Calculation of investment concentration norms for Category III AIFs

Sebi vide circular SEBI/HO/IMD/IMD-I/DOF6/P/CIR/2022/0000000037 dated March 28, 2022 provided flexibility to Category III AIFs, including large value funds for accredited investors of Category III AIFs, to calculate investment concentration norm based either on investable funds or net asset value ("NAV") of the scheme. In this regard, the following is specified:

- a) Existing Category III AIF may opt for calculating investment concentration norm based on investable funds with the approval of their trustees or board of directors or designated partners, as the case may be, and inform the same to their investors within 30 days from the date of the issuance of this circular;
- b) All Category III AIFs shall disclose the basis for calculation of investment concentration norm in the placement memorandum of their schemes;
- c) The basis for calculating investment concentration norm shall not be changed during the term of the scheme.
- d) Category III AIFs which choose to calculate investment concentration norm based on NAV, shall comply with para 2 of SEBI circular no. SEBI/HO/IMD/IMD-I/DOF6/P/CIR/2021/663 dated November 22, 2021

SEBI Regulations on Initial Public Offerings

In exercise of its powers conferred by Section 30 of the SEBI Act, 1992, the SEBI has framed the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “ICDR Regulations”), notified on 26 August 2009.

In the event the company in which Fund has invested goes for an IPO or if Fund exits from its investment through an IPO, the ICDR Regulations could have a significant impact on the ability of Fund as an investor in such company or on its exit strategy. This section provides a summary of some of the provisions of the ICDR Regulations, which could be relevant for Fund in the above circumstances.

The ICDR Regulations inter alia apply to IPOs by unlisted companies, public issues, qualified institutional placements, offers for sale, rights issues and preferential allotment by listed companies.

Pricing

An unlisted company eligible to make a public issue, and desirous of getting its securities listed on a recognised stock exchange pursuant to a public issue, is required to price its equity shares or any of its securities convertible at a later date into equity shares in consultation with the lead manager to the issue on the basis of certain parameters provided under the ICDR Regulations.

Promoters' contribution and Lock-in restrictions

A notable feature of the Indian capital markets is the close identification of promoters with their companies. In order to discipline the new issues market, SEBI has stipulated that promoters must retain a certain minimum certified holding of the equity capital issued by the company. The ICDR Regulations also require the disclosure of the aggregate shareholding of the promoters group as well as the details of the inter se transfer of securities amongst the promoters. For the purposes of these disclosures, the term “promoter” inter alia includes the person who is in overall control of the company and a person who is named as a promoter in the prospectus. However, financial institutions, scheduled banks, foreign portfolio investors (other than Category III foreign portfolio investor) and mutual funds are not deemed to be promoters nor deemed to form part of the promoter groups merely by virtue of them holding more than the minimum percentage equity holding prescribed to determine the promoter group.

A minimum of 20% of the post issue capital must be held by the promoters. In case the promoters are unable to meet the 20% requirement, AIFs may contribute a maximum of 10% of the post issue capital to the extent necessary to meet the shortfall. Such minimum promoter's contribution (including the contribution by AIFs) is locked-in and cannot be disposed of; such lock-in commencing on the date of allotment in the proposed public issue and the last date of the lock-in is three years from the date of allotment, or commencement of commercial production, whichever is later. However, inter se transfer of promoter holdings is possible subject to the lock-in being made applicable to the transferees for the remaining period of the lock-in. Promoters are also obligated to bring in their full subscription to the issue at least one day prior to the issue opening date.

Further, the entire pre-issue share capital of an unlisted company (other than the minimum promoter contribution referred to above which is locked in for a minimum period of three years) is locked in for a period of one year from the date of allotment in the public issue. However, the lock-in period of one year shall not be applicable to the pre-issue share capital:

1. Held by venture capital fund registered (“VCF”) under SEBI (Venture Capital Fund) Regulations, 1996 or Category – I AIF and Foreign Venture Capital Investors (“FVCI”) registered with the SEBI, provided such shares are held for a period of at least twelve months prior to the date of filing of draft red herring prospectus with the SEBI. If the shares held by the VCF/ AIF/ FVCI have been acquired on conversion of convertible instruments at any time before the date of filing of draft prospectus with SEBI, then the period during which the convertible instruments were held by the VCF/ AIF/ FVCI as fully paid up shall be included for calculating the period of 12 (Twelve) months;
2. Held for a period of at least one year at the time of filing draft offer document with SEBI and being offered to the public through offer for sale; or pre-IPO shares held by employees, which were issued under an employee stock option or employee stock purchase scheme of the issuer company before the IPO, provided the issuer company has complied with the requirements of Clause 22.4 of

the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the disclosure requirements pertaining to the same under the ICDR Regulations.

Participation in private placement of securities

The Fund may invest in companies by participating in a private offer of securities by the issuer. The Companies Act, 2013, stipulates that the issuing company (whether listed or unlisted) should obtain the prior approval of its existing shareholders, through a special resolution, before it issues its securities on a preferential basis (i.e., any issue that is not a rights issue to all existing shareholders of the company). The ICDR Regulations further lay down certain requirements for preferential issue of securities by listed companies in select group of persons on a private placement basis ("**Preferential Allotment**") and for a qualified institutional placement ("**QIP**").

All issues of capital by listed companies by way of shares or convertible securities by way of QIP or Preferential Allotment are subject to the pricing guidelines provided under the ICDR Regulations. In particular, a Preferential Allotment, in the event that the equity shares of the issuer have been listed for a period of twenty six weeks or more as on the 'relevant date', must be made at a price not less than the higher of:

- i. The average of the weekly high and low of the closing prices of the related equity shares quoted on the stock exchange during the twenty six weeks period preceding the relevant date; or
- ii. The average of the weekly high and low of the closing prices of the related equity shares quoted on a stock exchange during the two-week period preceding the relevant date.

In the event that the equity shares of the issuer have been listed on a stock exchange for a period less than twenty six weeks as on the relevant date, the preferential allotment must be made at a price not less than:

- i. The price at which equity shares were issued by the issuer in its initial public offer or the value per share arrived at in a scheme of arrangement under Sections 391 to 394 of the Companies Act, 1956, pursuant to which the equity shares of the issuer were listed, as the case may be;
- ii. The average of the weekly high and low of the closing prices of the related equity shares quoted on the recognised stock exchange during the period shares have been listed preceding the relevant date; or
- iii. The average of the weekly high and low of the closing prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.

The issue of securities by means of a QIP shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the relevant date. However, the listed company is allowed to offer a discount of 5% on the price so calculated for the QIP subject to obtaining the approval of at least 75% of the shareholders of the company by means of a special resolution.

Securities issued in Preferential Allotment by a listed company to the promoters/promoter group of the company are locked-in for a period of 3 (Three) years from the date the trading approval granted for securities allotted on preferential basis, such lock-in being applicable to a maximum of 20% of the share capital of the company (computed on a post issue basis). Further, securities issued to any person including promoters/promoters group (which do not form a part of the securities locked-in for 3 (Three) years as mentioned above) in a Preferential Allotment shall be subject to a lock-in for a period of one year from the date of the trading approval granted for securities allotted on preferential basis.

The eligible securities allotted under QIP are subject to a lock-in of one year from the date of the trading approval granted for securities allotted on preferential basis, unless the securities are sold on a recognized stock exchange.

Such lock-in requirements may also be applicable with respect to Fund's investment in listed securities by way of Preferential Allotment/QIP by the Portfolio Company.

Offer for Sale

Under certain circumstances, existing shareholders are permitted to exit from companies through an "offer for sale" of their holdings to the public. A company, whose equity share or any security convertible at a later date into equity shares are offered through an "offer for sale", has to comply with the conditions described under the ICDR Regulations. Additionally, only those shares, which are held by the offeror for a period of at least one-year at the time of filing the draft offer document with SEBI can be offered to the public through an "offer for sale"

Takeover Regulations

Under the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**Takeover Code**”), any acquirer who acquires or holds, together with persons acting in concert with him, 5% or more of the shares or voting rights of a listed public Indian company, is required to notify such target company and the stock exchanges on which the shares of such company are listed about its holding within the prescribed time period. Furthermore, any acquirer who holds, together with persons acting in concert with him, 5% or more of shares or voting rights is required to inform the target company and the stock exchange about any change (acquisition or disposal) in its holding by 2% or more of the shares or voting rights in the target company.

Upon the acquisition of 25% or more of shares or voting rights or on acquisition of control of the company, whether directly or indirectly, the purchaser / acquirer is required to make an open offer to the other shareholders offering to purchase at least 26% of all the outstanding shares of the company at an offer price as determined pursuant to the provisions of the Takeover Code (the “**Open Offer**”). Further, under the provisions of the Takeover Code, any existing shareholder of a listed public Indian company, holding 25% or more but less than 75% of the shares of the company, is entitled to acquire up to 5% voting rights of the company, in any financial year ending March 31 without having to make the Open Offer.

There are certain exemptions under the Takeover Code from the requirement to make an Open Offer in certain specific instances, such as an inter se transfer of shares amongst the persons named as promoters in the shareholding pattern filed by the target company in terms of the listing agreement or the Takeover Code for not less than 3 years prior to the proposed acquisition and transfer of shares pursuant to arrangement involving the target company as a transferor company or as a transferee company, or 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. A company may invest through subscription of shares under the preferential route or purchase of shares from existing promoters or shareholders in which case, it would be required to comply with the public offer provisions of the Takeover Code if its post-acquisition holding is in excess of the prescribed thresholds.

Insider Trading Regulations

The SEBI (Prohibition of Insider Trading) Regulations, 2015 and any modifications and re-enactments thereof as applicable from time to time (“**Insider Trading Regulations**”) has repealed and replaced the SEBI (Prohibition of Insider Trading) Regulations, 1992. The Insider Trading Regulations prohibits an insider from dealing, either on its 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. The insider is also prohibited from communicating, counselling or procuring any unpublished price sensitive information while in possession of such information.

Anti-Money Laundering

The Prevention of Money Laundering Act, 2002 (as amended) (the “**PMLA**”), which came into force on 1 July 2005, 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.

Under the PMLA, a person is guilty of an offence of “money laundering” if that person “directly or indirectly attempts or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the proceeds of crime including its concealment, possession, acquisition or use and projecting or claiming it as untainted property”. The term “proceeds of crime” has been defined under the PMLA to mean property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to an offence listed in the schedule to the PMLA.

The PMLA mandates certain entities such as banks, financial institutions and intermediaries (dealing in securities) to maintain a record of all transactions above a certain value or of a suspicious nature, as prescribed in the rules promulgated under the PMLA. The transactions so prescribed may be a single transaction or a series of inter-connected transactions that take place within one month (“**Transactions**”). The institution must provide information relating to such Transactions to the director appointed under the PMLA within the prescribed time limit. These institutions also must verify and maintain the records of identity of their clients in the manner prescribed in the rules under the PMLA. The PMLA also confers discretionary power on the principal officer of a bank, financial institution or intermediary to report Transactions that have been valued below the prescribed limits to escape scrutiny.

The term “intermediary” includes any intermediary associated with the securities market and registered under Section 12 of the SEBI Act, 1992 (“**SEBI Act**”). Since the Trust is registered as an AIF under the AIF Regulations which have been framed under Section 12 of the SEBI Act, the Trust will be an “intermediary” for the purposes of the PMLA. Thus, the Trustee will be required to adhere to the record-keeping and disclosure obligations prescribed under the PMLA and the rules thereunder.

The Prevention of Money Laundering (Amendment) Act, 2013 received Presidential assent on 3 January 2013 and has come into effect

from 15 February 2013. The amendment act has enlarged the definition of 'money-laundering' to include concealment, acquisition, possession and use of proceeds of crime as criminal activities. The amendment act has made sweeping changes to the PMLA that are in line with recommendations of the Global Financial Action Task Force, an inter-governmental policy making body, with a mandate to establish international standards for combating money laundering and terror financing.

The Companies Act, 2013

The Companies Act, 2013 is divided into 29 chapters and contains 470 sections and 7 schedules and has endeavored to achieve modernization and compactness by deleting redundant provisions, regrouping related provisions and modifying various provisions of the Companies Act, 2013 to enable easy interpretation, de-link procedural aspects from substantive law and provide greater flexibility in rule-making. The Companies Act, 2013 has, inter alia, introduced enhanced corporate governance standards particularly in relation to the independent directors, audit, corporate social responsibility, mandatory valuation, private placement of securities, cross-border mergers (including merger of Indian companies into foreign companies) and class action suits. Further, the provisions in respect of the composition and constitution of National Company Law Tribunal and National Company Law Appellate Tribunal have been redefined.

As per Section 123 of the Companies Act, 2013, no dividend shall be declared or paid by a company for any financial year except out of (i) the profits of the company for that year arrived at after providing for depreciation or out of profits of the company for any previous financial year/years arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013 and remaining undistributed or out of both; or (ii) out of moneys provided by the Central Government or a State Government for payment of dividend in pursuance of a guarantee given by the concerned Government.

Regulations Governing Foreign Investments into India

Any person who is resident outside India or an entity incorporated outside India can invest in India in accordance with the Consolidated Foreign Direct Investment Policy dated August 28, 2017, as may be amended and issued by the Government of India from time to time ("**Consolidated FDI Policy**") subject to compliance with provisions of Foreign Exchange Management Act, 1999 ("**FEMA**"). Further, the RBI is the regulating body that regulates foreign investments under the provisions of FEMA and the rules, regulations and notifications made there under. The Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**Non-debt Instruments Rules**") governs the issue of Indian securities to persons resident outside India and the transfer of Indian securities by or to persons resident outside India.

The FEMA regulations provide that an Indian entity may issue securities to a person resident outside India or record in its books, any transfer of security from or to such person only in the manner set forth in the FEMA and the rules and regulations made there under or as permitted by the RBI.

Foreign Investment in AIFs

The RBI has, vide Non-debt Instruments Rules permitted persons residing outside India (other than an individual who is citizen of or any other entity which is registered/incorporated in Pakistan or Bangladesh), including Registered Foreign Portfolio Investors ("**FPIs**") or non-resident Indians ("**NRIs**") to acquire, purchase, hold, sell or transfer units of an 'Investment Vehicle'. The Rules further defines the term 'Investment Vehicle' to include AIFs governed by the AIF Regulations subject to the other conditions under the Rules.

As an effect of the Notification, foreign investments in AIFs are henceforth permitted without requiring any specific approval from the RBI or the Foreign Investment Promotion Board ("**FIPB**") from any person outside India (including FPIs and NRIs) subject to certain conditions that have been modified by Non-debt Instruments Rules, to provide.

- The funding for the units of an Investment Vehicle acquired by a person resident or registered/ incorporated outside India shall be made by inward remittance banking channels or by way of swap of shares of a Special Purpose Vehicle or out of funds held in NRE or FCNR(B) account maintained in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
- A person residing outside India who has acquired or purchased units in accordance with the Rules may sell or transfer in any manner or redeem the units as per regulations framed by SEBI or directions issued by RBI.
- Downstream investment by an Investment Vehicle shall be regarded as foreign investment if either the sponsor or the investment manager is not Indian 'owned and controlled' as per the provisions of the Non-debt Instruments Rules.
- For sponsors or managers / investment managers organized in a form other than companies or LLPs, SEBI shall determine whether the sponsor or manager or investment manager is foreign owned and controlled.

Investment Vehicles receiving foreign investment shall be required to make such report and in such format to RBI or to SEBI as may be prescribed by them from time to time.

Pursuant to Schedule VIII to Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and Notification No. FEMA. 395/2019-RB dated October 17, 2019, a person resident outside India, other than a citizen of Bangladesh or Pakistan or an entity incorporated in Bangladesh or Pakistan, may invest in units of an Investment Vehicle, in the manner and subject to the following terms and conditions:

Investment by a person resident outside India in an Investment Vehicle

1. Investment in units of an Investment Vehicle

- (1) A person resident outside India other than a citizen of Pakistan or Bangladesh or an entity incorporated in Pakistan or Bangladesh may invest in units of Investment Vehicles.
- (2) A person resident outside India who has acquired or purchased units in accordance with this Schedule may sell or transfer in any manner or redeem the units as per regulations framed by Securities and Exchange Board of India or directions issued by the Reserve Bank.
- (3) An Investment vehicle may issue its units to a person resident outside India against swap of equity instruments of a Special Purpose Vehicle (SPV) proposed to be acquired by such Investment Vehicle.
- (4) Investment made by an Investment Vehicle into an Indian entity shall be reckoned as indirect foreign investment for the investee Indian entity if the Sponsor or the Manager or the Investment Manager (i) is not owned and not controlled by resident Indian citizens or (ii) is owned or controlled by persons resident outside India.

Provided that for sponsors or managers or investment managers organized in a form other than companies or LLPs, Securities and Exchange Board of India shall determine whether the sponsor or manager or investment manager is foreign owned and controlled.

Explanation: 'Control' of the AIF should be in the hands of 'sponsors' and 'managers/ investment managers', with the general exclusion to others. In case the 'sponsors and 'managers/ investment managers' of the AIF are individuals, for the treatment of downstream investment by such AIF as domestic, 'sponsors' and 'managers/ investment managers' should be resident Indian citizens.

- (5) An Alternative Investment Fund Category III which has received any foreign investment shall make portfolio investment in only those securities or instruments in which a FPI is allowed to invest under the Act, rules or regulations made thereunder.
- (6) The mode of payment and other attendant conditions for remittance of sale or maturity proceeds shall be specified by the Reserve Bank.

2. Mode of payment

The amount of consideration shall be paid as inward remittance from abroad through banking channels or by way of swap of shares of a Special Purpose Vehicle or out of funds held in NRE or FCNR(B) account maintained in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.

3. Remittance of sale/ maturity proceeds

The sale/ maturity proceeds (net of taxes) of the units may be remitted outside India or may be credited to the NRE or FCNR(B) account of the person concerned.

INVESTMENT BY NRI OR OVERSEAS CITIZEN OF INDIA (OCI) ON NON-REPATRIATION BASIS

Schedule IV to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 following:

- a. A Non-resident Indian (NRI) or an Overseas Citizen of India (OCI), including a company, a trust and a partnership firm incorporated outside India and owned and controlled by NRIs or OCIs, may purchase or contribute, as the case may be, on non-repatriation basis the following, namely:-
 - i. a equity instrument issued by a company without any limit either on the stock exchange or outside it;
 - ii. units issued by an investment vehicle without any limit, either on the stock exchange or outside it;
 - iii. The capital of a Limited Liability Partnership without any limit;
 - iv. convertible notes issued by a startup company in accordance with these rules.
- b. The investment detailed at sub-paragraph (a) of paragraph (1) above shall be deemed to be domestic investment at par with the investment made by residents.

A. Mode of Payment

The amount of consideration shall be paid as inward remittance from abroad through banking channels or out of funds held in NRE/FCNR(B)/NRO account maintained in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.

B. Sale/maturity proceeds

- (1) The sale/ maturity proceeds (net of applicable taxes) of equity instruments or units or disinvestment proceeds of a LLP shall be credited only to the NRO account of the investor, irrespective of the type of account from which the consideration was paid;
- (2) The amount invested in equity instruments of an Indian company or the consideration for contribution to the capital of a LLP and the capital appreciation thereon shall not be allowed to be repatriated abroad.

Foreign Direct Investment

The Government of India, pursuant to its liberalization policy, set up the FIPB to regulate FDI into India. FDI means investment by way of subscription and/or purchase of securities of an Indian company by a non-resident investor. Under the prevailing FDI regime, foreign investment in most sectors, other than certain restricted sectors, is permitted up to 100% of the paid-up capital of an Indian company. The 'restricted sectors' include certain sectors such as insurance, banking, real estate, multi-brand retailing and defence related industries where either no foreign investment is permitted or foreign investment is capped.

The 'Automatic Route' entails investing through the FDI route without the requirement of obtaining prior approval from regulatory authorities (i.e., the FIPB and the RBI), provided that the foreign investors comply with FEMA Regulations. The 'Automatic Route' is unavailable for investments in some sectors and for investments above established thresholds in some sectors.

In cases where the 'Automatic Route' is not available, prior permission from the FIPB, which is a part of the Ministry of Finance, is required to be obtained by the non-Indian investor. RBI is the governing body for monitoring and regulating foreign investments in all cases where FDI is allowed under the 'Automatic Route' (i.e. without FIPB approval).

Subscription, purchase and transfer of Shares

Indian companies that are not directly or indirectly engaged in certain restricted sectors can freely issue equity shares, compulsorily convertible debentures and compulsorily convertible preference shares under Consolidated FDI Policy, subject to such instruments being priced in accordance with certain valuation norms specified by the RBI. The minimum pricing for subscription or purchase of shares by a non-resident is in accordance with the pricing guidelines issued by the RBI in this regard. As per the recent pricing guidelines issued by the RBI, in respect of an unlisted company, the price should be based on the fair valuation of shares done by a SEBI registered Category - I Merchant Banker or a Chartered Accountant as per any internationally accepted pricing methodology on arm's length basis, and in case of listed companies the pricing should be based on the ruling market price of the shares on a stock exchange.

For any sale of shares by a non-resident to a resident, the above prescribed pricing guidelines operate as a cap on the price that can be paid by a resident to a non-resident for purchase of Indian securities.

Generally, for any transfer of shares between residents, non-residents and residents to non-residents resulting from purchase or sale transaction, no prior permission of FIPB or the RBI is required provided such transfer of shares is done in compliance with the guidelines issued by the RBI. RBI approval will be necessary in certain circumstances including where such transfers are not in compliance with the above pricing requirements or where deferred consideration is payable for share transfers.

However, foreign investors which are registered as a Foreign Venture Capital Investors with the SEBI are completely exempted from the above pricing guidelines prescribed by RBI, subject to any license conditions as may be prescribed by RBI while granting such registration.

Types of Instruments

Indian companies that are not directly or indirectly engaged in certain restricted sectors can freely issue equity shares, compulsorily convertible debentures and compulsorily convertible preference shares under FDI Policy, subject to such instruments being priced in accordance with certain valuation norms specified by the RBI. Under the FDI policy, only fully and mandatorily convertible preference shares and debentures will be considered as part of the share capital of a company. Preference shares or debentures that are not fully and mandatorily convertible (i.e., non-convertible, optionally convertible or partially convertible) would be considered as debt and shall be governed by the External Commercial Borrowing Guidelines.

THE ABOVE IS ONLY A BRIEF AND GENERAL SUMMARY OF CERTAIN LEGAL AND REGULATORY CONSIDERATIONS AND CONSEQUENCES. INVESTORS ARE URGED TO CONSULT THEIR OWN ADVISORS IN THIS REGARD.

Tax Considerations

A. Indian Tax Considerations

India Tax Considerations

The income tax discussion set forth below is included for general information purposes only and does not address every potential tax consequence that might be relevant to a particular Investor or classes of Investors especially in light of their unique circumstances and their particular tax status. The discussion does not purport to be a complete analysis of all relevant tax considerations; nor does it purport to be a complete description of all potential tax costs, incidence and risks inherent in acquisition of interest in the Fund. Neither the Fund nor any other person involved in the preparation of this Memorandum accepts responsibilities for any tax effects or liabilities resulting from the purchase, ownership or disposition of shares/ any other securities by the Fund. The discussion is based on the laws in force, and as applied in practice as on the date of this Memorandum in India and is subject to changes in the laws, and practices subsequent to that date, which changes could be made on a retroactive basis. The tax consequences discussed below depend upon each Investor's particular tax status. Accordingly, each prospective Investor should consult its own professional advisers on the tax consequences from investment in the Fund. It is the responsibility of all persons interested in subscribing to interest in the Fund to inform themselves as to any income or other tax consequences arising, as well as any foreign exchange or other fiscal or legal restrictions that are relevant in connection with the acquisition, holding or disposition of interests of the Fund. Prospective investors should strictly consult their own tax advisors concerning their individual tax consequences of their particular situations.

In addition, the comments herein are not binding on the Indian tax authorities and there can be no assurance that the authorities will not take a position contrary to any of the comments herein.

For the purpose of the above section, the terms "Beneficiaries", "Unit holders", "Contributors" and "Investors" have been used interchangeably, unless otherwise specified. Similarly, the terms "Trust" and "Fund" have been used interchangeably, unless otherwise specified.

General

The taxation of the Investors and the Fund in India is governed by the provisions of the Income-Tax Act, 1961 ('ITA'), the Income-tax Rules, 1962 ('the Rules') and various circulars and notifications issued there under from time to time.

The following summary is based on the law and practice as on date. The ITA is amended every year by the Finance Act of the relevant year, and this summary reflects changes as on the date of this Memorandum. This summary is not intended to constitute a complete analysis of the tax consequences under Indian law. The rates specified in this section are based on Finance Act, 2022 and are as applicable for the financial year 2022-2023 (assessment year 2023-2024). The rates are subject to applicable surcharge and education cess.

Basic framework

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year, as well as the nature of the income earned. The Indian tax year runs from April 1 of every year to March 31 of the subsequent year. A person who is an Indian tax resident is liable to taxation in India on worldwide income, subject to certain tax exemptions/ deductions, which are available under the ITA. A person who is treated as non-resident for tax purposes is generally subject to tax in India only on such person's Indian-sourced income.

The taxability of the income earned by a non-resident would be governed by the provisions of the ITA or applicable Double Taxation Avoidance Agreement ('DTAA'), if any, whichever is more beneficial. As per Section 90(2) of the ITA, the provisions of the ITA apply to the non-residents to the extent they are more beneficial than the provisions of the relevant DTAA.

Surcharge and education cess

The rates of income-tax shall be increased by the following surcharge on income-tax and education cess on income-tax and surcharge:

Type of assessee	Rate of surcharge
Resident, non-resident Individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not or every artificial juridical person where total income (including dividend income and capital gains under section 111A, 112 and 112A of the ITA) exceeds INR 50 lakhs but does not exceed INR 1 crore	10%

Type of assessee	Rate of surcharge
Resident and non-resident Individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not or every artificial juridical person where total income (including dividend income and capital gains under section 111A, 112 and 112A of the ITA) exceeds INR 1 crore but does not exceed INR 2 crore	15%
Resident and non-resident Individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not or every artificial juridical person where total income (excluding dividend income and capital gains under section 111A, 112 and 112A of the ITA) exceeds INR 2 crore but does not exceed INR 5 crore	25%
Resident and non-resident Individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not or every artificial juridical person where total income (excluding dividend income and capital gains under section 111A, 112 and 112A of the ITA) exceeds INR 5 crore	37%
Resident and non-resident Individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not or every artificial juridical person where total income (including dividend income and capital gains under section 111A, 112 and 112A of the ITA) exceeds INR 2 crore, but is not covered under clauses where surcharge rate is 25% and 37%, as mentioned above	15%
Resident and non-resident Individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not or every artificial juridical person - where the total income includes any income by way of dividend or income chargeable under section 111A, section 112 and section 112A of the ITA, the maximum surcharge for such income streams	15%
Domestic company	(i) 7%, if income exceeds INR 1 crore but does not exceed INR 10 crore (ii) 12%, if income exceeds INR 10 crore (iii) 10% if the company has opted for concessional rate of tax under section 115BAA and section 115BAB
Foreign company	(i) 2% , if income exceeds INR 1 crore but does not exceed INR 10 crore (ii) 5%, if income exceeds INR 10 crore

Health and Education cess is applicable at the rate of 4 per cent on the amount of income-tax plus surcharge payable, irrespective of the amount of income earned

Taxation of the Fund

The Fund is a scheme of an irrevocable contributory trust constituted under the Indian Trusts Act, 1882 and is registered with SEBI as Category III Alternative Investment Fund ('AIF') under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 ('AIF Regulations').

Trust Taxation as per the ITA

Currently, under the ITA, no pass-through status has been accorded to a Category III AIF. Accordingly, the Fund will be governed by the general provisions for taxation of a trust under the ITA. Sections 61 to 63 and sections 161 to 164 of ITA provide for the general principles for taxation of a trust.

The taxation of a trust depends primarily upon its constitution. In the present case, the taxation would depend on whether the transfer to the trust is regarded as revocable or irrevocable. When the transfer is revocable vis-à-vis its beneficiaries i.e. where contributions to the

Trusts are revocable, the provisions of section 61 of the ITA should apply. When the transfer is irrevocable vis-à-vis its beneficiaries, then the taxation of such a Trust would be governed based on whether it is a discretionary (indeterminate) or specific (determinate) trust. A summary of tax implications that may arise to the Fund are provided hereunder:

In case the transfer is considered as revocable vis-à-vis its beneficiaries

As per section 61 of the ITA, all income arising to any person by virtue of a revocable transfer of assets shall be chargeable to income tax as the income of the transferor and shall be included in his total income. Transfer includes any settlement, trust, covenant, agreement or arrangement.

For the purpose of section 61, a transfer shall be deemed to be revocable if –

- It contains any provision for the re-transfer directly or indirectly of the whole or any part of the income or assets to the transferor, or
- It, in any way, gives the transferor a right to re-assume power directly or indirectly over the whole or any part of the income or assets.

If the capital contributions to the Fund are considered to be revocable in nature within the meaning of sections 61 to 63 of the ITA, then the beneficiaries would be liable to tax on the income attributable to such revocable contributions. In such case, the income should first be computed at the Fund-level and the same should be taxed in the hands of the beneficiaries.

In case the transfer is considered as irrevocable vis-à-vis its beneficiaries and the Fund is a determinate trust

- As per Explanation to section 164 of the ITA, a trust is considered to be a determinate trust if it fulfils the following two conditions:
 - The person on whose behalf or for whose benefit the income of the trust (i.e. beneficiaries of the trust) is receivable, is expressly stated in the trust deed, and is identifiable as such on the date of the trust deed; and
 - The individual shares of the persons on whose behalf or for whose benefit the income of the trust is received, are expressly stated in the trust deed and are ascertainable as such on the date of such a deed.
- Where the trust deed expressly states in the instrument, the individual shares of the persons on whose behalf or for whose benefit such income or part thereof is receivable, the trust would be a determinate trust.
- In case the Fund qualifies as a determinate trust, the Trustee of the Trust shall be assessed as a representative assessee of the beneficiaries under section 161 of the ITA. Tax shall be levied on and payable by Trustee in the like manner and to the same extent as it would be levied on the beneficiaries i.e., the manner, rates and mechanism of taxation as applicable to the beneficiaries shall apply vis-à-vis share of income of each beneficiary. However, the Trustee shall discharge its above-mentioned obligation, without giving effect to any specific benefits or claims including but not limited to provisions relating to differing income tax slab rates applicable to the beneficiaries or Minimum Alternate Tax or set-off of brought forward losses or specific exemptions (specific to the beneficiary) under the provisions of the ITA, that the beneficiary may be governed by or entitled to claim under the provisions of the ITA.
- Alternatively, the tax authorities may tax the beneficiaries directly under section 166 of the ITA. The taxes, if any, paid by the Trustee in their capacity as a representative assessee should, in principal, be available as credit against the tax liability, if any, of the beneficiaries.
- Once the income is taxed in the hands of the Trustee (as a representative assessee), there should not be any tax implications on subsequent distribution of the said income by the trustee. Consequently, there should not be any further tax implications in the hands of beneficiaries in the Fund. This is subject to Minimum Alternate Tax ('MAT') implications discussed below for corporate beneficiaries.
- In case the income of the Trust is characterised as business income, the income of the Trust would be chargeable to tax in the hands of the Trustee at MMR under the provisions of section 161(1A) of the ITA.
- **The Central Board of Direct Taxes ("CBDT") circular of 28th July 2014**
The CBDT has issued Circular No. 13/ 2014 on 28th July 2014, to clarify taxation of an AIF (other than VCFs) which are set up as irrevocable trust. Key features of the circular are as under:
 - The circular clarifies that if a trust deed does not either name the investors or their beneficial interest on the date of creation of trust, the provisions dealing with taxation of indeterminate trust would be applicable and the entire income of the trust shall be taxable at the MMR in the hands of the trustee as a representative assessee of the trust. In such cases, the income tax authorities should not seek to directly assess investors of trust.
 - The circular further clarifies that where a trust is a determinate trust (names of the investors and their beneficial interest are

stated in a trust deed), tax on whole of the income of the Fund - consisting of or including business profits, shall be taxable at MMR in the hands of the trustee.

However, the CBDT circular states that this clarification shall not be operative in the area falling in the jurisdiction of a High Court which has taken or takes a contrary decision on the issue.

In case the transfer is considered as irrevocable vis-à-vis its beneficiaries and the Fund is an indeterminate trust

- In case the Trust does not meet the criteria of determinate trust as specified above, it would be considered as a discretionary (indeterminate) trust and the income of the Fund could be taxable at Maximum Marginal Rate ('MMR') under section 164 of the ITA, which is currently 30% (plus applicable surcharge and cess). Based on the ruling rendered by Authority for Advanced Rulings ('AAR') in the case of AIG, a trust may be considered as determinate where the instrument of trust specifies the categories of beneficiaries in the trust and prescribes a methodology for the determination of each beneficiary. However, it is pertinent to note that a ruling rendered by the AAR is binding only in case of applicant who sought the ruling and in respect of the transaction for which the ruling sought. Further, Karnataka High Court judgement in case of India Advantage Fund VII states that where the trust deed sets out the manner in which the beneficiaries are to be ascertained and the share which each of them would be entitled to, it cannot be said that the trust deed has not named the beneficiaries.

Tax rates applicable on various streams of income

The Investors of the Fund would primarily earn income through the Fund from the following streams:

- Exit gains arising from the sale / transfer of shares held in the Indian Portfolio Entities;
- Income from units of mutual fund;
- Dividend income;
- Interest income, and
- Business income.

The tax implications with respect to each of the above income streams would be as discussed below:

F. Exit gains arising from the transfer of securities held in the Indian Portfolio Entities

Gains can arise from the transfer of securities of the Indian portfolio companies. Such gains may be treated as 'Capital Gains' or 'Business Income' for tax purposes, depending upon whether such securities were held as a capital asset or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterisation of exit gains (whether taxable as 'Business Income' or 'Capital Gains') has been a subject matter of litigation with the tax authorities. There have been judicial pronouncements on whether gains from transactions in securities should be taxed as "business profits" or as "capital gains".

However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. Also, the CBDT has provided guidance (vide its Instruction: No. 1827, dated 31-8-1989 and Circular No. 4/2007, dated 15-6-2007) in respect of characterisation of gains as either capital gains or business income. Following are the key illustrative factors indicative of capital gains characterisation (not business income):

- Intention at the time of acquisition – capital appreciation
- Low transaction frequency
- Long period of holding
- Shown as investments in books of accounts (not stock in trade)
- Use of owned funds (as opposed to loan) for acquisition
- Main object in constitution document is to make investments
- Higher level of control over the investee company

With a view to reduce tax disputes and litigation, the CBDT has vide its Circular dated 29 February 2016 clarified that:

- Where the assessee itself treats listed shares/securities as 'stock in trade', irrespective of the period of holding, income from transfer to be treated as business income;
- In respect of listed shares and securities held for a period of more than 12 months immediately preceding its date of transfer, if the taxpayer desires to treat the income arising from transfer thereof as capital gains, the same shall not be put to dispute by the

Assessing Officer. However, this stand, once taken by the tax payer in a particular year, shall remain applicable in subsequent years also and the taxpayer shall not be allowed to adopt a different / contrary stand in this regard in subsequent years.

- In all other cases, guidance under existing CBDT circulars shall apply.

The CBDT also clarified that the same shall not apply in respect of the transactions where the genuineness of the transaction itself is questionable.

To avoid disputes/ litigation and to have a consistent view in assessments, the CBDT has issued an instruction on 2 May 2016, to the tax department, on determining the tax treatment of income arising from transfer of unlisted shares, providing that income from transfer of unlisted shares (for which no formal market exists for trading) would be treated as "Capital Gain" irrespective of period of holding. However, the CBDT has carved out the following 3 (three) exceptions for the Income Tax department to take an appropriate view, if:

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

The Fund intends to organise itself in a manner that it complies with the conditions and parameters mentioned in the CBDT circulars and instructions such that the income from sale of securities in the Indian portfolio companies should generally be categorised as capital gains. However, the possibility of the tax authorities seeking to treat such income as business income cannot be ruled out.

If the gains are characterised as capital gains:

As per section 45 of the ITA, any profits or gains arising from the transfer of capital assets are chargeable to income-tax under the head 'Capital Gains'. Section 48 of the ITA provides that income chargeable as Capital Gains is the difference between the full value of the consideration received or accrued from the transfer, on the one hand, and the indexed cost of acquisition of such asset plus expenditure in relation to such transfer, on the other. Indexation is available in case where the capital asset is a long term capital asset. However, it may be noted that indexation benefits are not allowed in case of transfer of asset being a bond or a debenture (other than capital indexed bonds issued by the Government).

Depending on the period for which the securities are held, the gains would be taxable as short term or long term capital gains. This is discussed below:

Type of instrument	Period of holding	Characterisation
Listed securities (other than a unit) or a unit of an equity oriented fund or a Zero Coupon Bond	More than 12 months	Long-term capital gains
	12 months or less	Short-term capital gains
Unlisted shares	More than 24 months	Long-term capital gains
	24 months or less	Short-term capital gains
Other securities	More than 36 months	Long-term capital gains
	36 months or less	Short-term capital gains

Taxability of capital gains shall be as follows (without considering benefits of the tax treaties for non-resident investors and applicable excluding surcharge and cess).

Characterisation	Tax rate for domestic beneficiaries	Tax rates for non-residents (under the ITA)
Short-term capital gains on transfer of (i) listed equity shares on a recognised stock exchange, (ii) to be listed equity shares sold through offer for sale, (iii) units of equity oriented fund, on which STT is paid	15% (without indexation)	15% (without indexation)
Long-term capital gains on transfer of (i) listed equity shares on a recognised stock exchange, (ii) to be listed equity shares sold through offer for sale, (iii) units of equity oriented fund on which STT has been paid	Taxable @ 10% over and above Rs.1,00,000 (Indexation benefit will not be available)	Taxable @ 10% over and above Rs.1,00,000 (Indexation benefit will not be available)

Characterisation	Tax rate for domestic beneficiaries	Tax rates for non-residents (under the ITA)
Short-term capital gains on securities (including unlisted shares and listed shares on which STT is not paid)	For corporate investors: <ul style="list-style-type: none"> - 22% for companies opting for concessional tax rate under section 115BAA / 115BAB - 25% for companies where the turnover does not exceed INR 400 crore during financial year 2020-21 - 30% for other companies (without indexation) For non-corporate investors: <ul style="list-style-type: none"> - As per slab rates – highest rate being 30% (without indexation) 	For corporate investors: <ul style="list-style-type: none"> - 40% (without indexation) For non-corporate investors: <ul style="list-style-type: none"> - As per slab rates – highest rate being 30% (without indexation)
Long-term capital gains on transfer of listed equity shares on which STT has not been paid.	Lower of <ul style="list-style-type: none"> -10% (without indexation) or - 20% (with indexation) 	10% (without indexation) (Refer Note 1 below)
Long-term capital gains on transfer of listed bonds and listed debentures	10% (without indexation)	10% (without indexation and foreign currency fluctuation)
Long-term capital gains on transfer of units of mutual fund (listed or unlisted) other than equity-oriented fund	20% (with indexation)	20% (with indexation)
Long-term capital gains on transfer of unlisted shares	20% (with indexation)	10% (without indexation and foreign currency fluctuation)
Long-term capital gains on transfer of unlisted bonds and unlisted debentures	20% (without indexation)	10% (without indexation and foreign currency fluctuation) (Refer Note 2 below)

Note 1: The Indian tax authorities may seek to apply a higher rate of 20% (plus applicable surcharge and cess) on long-term capital gains arising on sale of listed securities (on which STT is not paid).

Note 2: If the unlisted bonds or debentures are not regarded as a 'unlisted securities', then the Indian tax authorities may seek to apply a higher rate of 20% (plus applicable surcharge and cess) on long-term capital gains on sale of unlisted bonds or debentures by non-residents.

Securities Transaction Tax ('STT')

Delivery based purchases and sales of equity shares traded on recognised Indian stock exchanges are subject to STT at the rate of 0.1% on the transaction value of purchase or sale. No STT is applicable on sale or purchase of Units of the Fund.

Note: STT is not allowable as a deduction in computation of capital gains.

If the gains are characterised as business income

If the gains arising from the sale of securities held in the Indian portfolio companies are characterised as business income, then as per the provisions of section 161(1A) of the ITA, the same would be taxed in the hands of the Trustee at Maximum Marginal Rate.

Set-off and carry forward of losses

As per the provisions of the ITA, any loss incurred under the head "Capital Gains" cannot be set off against other income (such as business income / Income from other sources). Further, a long-term capital loss can be set off against taxable long-term capital gains

only, but short-term capital loss is eligible to be set off against long-term capital gains as well as short-term capital gains. Any unabsorbed capital losses may be carried forward for eight years to be set off against income from “Capital gains” only.

Similarly, any loss (other from speculative transaction) incurred under the head “Income from Business or profession” can be set-off against capital gains and other heads of income (except salaries). Unabsorbed business losses, can be carried forward to be set off against business income in the following eight tax years, provided the return for the year of loss is filed on or before the due date.

Any loss speculative transactions incurred under the head “Income from Business or profession” can be set-off only against speculative business income. Unabsorbed business losses from speculative transactions, can be carried forward to be set off against speculative business income in the following 4 tax years, provided the return for the year of loss is filed on or before the due date.

G. Dividend income

Dividends declared or distributed on or after 1 April 2020 would not be subject to dividend distribution tax in the hands of the distributing Indian company, and would be taxed in the hands of shareholders at 30% . Further, the Indian company distributing dividend will be required to withhold tax at the rate of 10% in case of distributions made to the resident shareholder (Fund in this case).

Similarly, income/ dividend distributed by mutual fund would also be taxable in hands of the unit holders (Fund in this case) at 30%3..

H. Interest

The Fund may invest in bank fixed deposits as temporary investments. Interest income earned by the Fund on such investments should be taxed as ‘income from other sources’ at the applicable rates.

Withholding tax on interest income other than interest on securities paid to the Fund by investee companies

Interest income other than interest on securities would be subject to withholding tax (currently, 10% (ten percent) subject to having a PAN) at the time of credit/payment whichever is earlier, as per the provisions of Section 194A of the ITA.

Any interest that accrues to the Fund on debt given or on unlisted debentures shall be subject to an interest withholding at the rate of 10%. The Fund would have to pay income-tax on the interest income so received at the rate of 30% in case of domestic companies and firms and at slab rates in case of other resident taxpayers. However, where interest income is characterised as Business Income, such income would be liable to tax at the MMR, presently which is 30% (plus applicable surcharge and cess). Currently, there is no withholding tax on interest earned from listed debentures of Investee Companies.

I. Business income

In case the Fund invests in derivatives, the income derived therefrom shall be taxable as business income.

Business income would be taxable on a net income basis at MMR. MMR is defined under ITA as the rate of income tax (including surcharge on income, if any) applicable in relation to the highest slab of income in case of an individual, association of persons or, as the case may be, body of individuals as specified in the Finance Act of the relevant year. In case, income of the Fund includes business income, there is a risk that the whole income of the Fund could be taxed at MMR.

J. Buy-back of shares

On the distribution of income by way of buy-back of shares of Portfolio Companies (listed or unlisted), if the buy- back is in accordance with the provisions of the Companies Act, 2013, the Indian Portfolio Company will be liable to pay tax at the rate of 20% (plus applicable surcharge and health and education cess). Further, the Finance Act, 2016 has provided buy-back to mean purchase by a company of its own shares in accordance with the provisions of any law for the time being in force. 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 for issue of such shares, and more specifically prescribed under Rule 40BB of the Income tax Rules.

Income arising on account of such buy-back of shares would be exempted from tax in the hands of the Fund.

K. Deemed income on investment in shares / securities

The Fund may acquire shares / securities for a consideration, which is lower than the fair market value (‘FMV’) or without consideration. Such acquisition could trigger tax implications in the hands of the Investors or Fund (depending on the nature of the trust).

As per 56(2)(x) of the ITA, if the Fund were to acquire the listed/ unlisted shares or debentures of an Indian company for a consideration that is lower than the FMV by more than INR 50,000, the shortfall in consideration is taxable in the hands of the acquirer as Income from Other Sources. Accordingly, such income would be taxable at the rate of (i) 30%4 in case of domestic companies, (ii) 40% in case of foreign companies, and (iii) 30% in case of other tax payers.

The rules for determining the FMV of shares have been prescribed under the Rules. As per the Rules, the FMV of equity shares shall be determined based on the prescribed valuation methodology. Further, in case the differential is taxed in the hands of the acquirer, the

cost of acquisition of such shares would be deemed the FMV of the shares as determined above, for computing income on a subsequent sale.

Other relevant provisions under the ITA

The other relevant provisions of the ITA are as below:

- **Trustee as a representative assessee**

If and to the extent the Trustee is regarded as a representative assessee of the Beneficiaries/ Contributors, all the rights and obligations of the Trustee in its capacity as a representative assessee as encapsulated in the relevant provisions of the ITA may be applicable. Where applicable, the Trustee (in its capacity as a representative assessee) will discharge, from the Contribution Fund, the tax obligations in a periodic manner as may be required under the provisions of the ITA in the form of advance tax payments, self-assessment tax payments etc.

Where applicable, the Trustee shall also discharge, from the Contribution Fund, interest, penalties if any, that may be levied under the provisions of the ITA. Where the Contribution Fund is insufficient to discharge the income-tax liability of the Fund, or where the Fund is required to discharge tax in addition to the tax amounts already paid, the Trustee has the right to collect / recover such tax amounts (including interest, penalties, if any) from the Contributors, including the right to be indemnified in this regard.

- **Taxation on acquisition, transfer and redemption of Units of the Fund**

Finance Act, 2021 has amended the term “securities” [as defined under the Securities Contracts (Regulation) Act, 1956], to include marketable securities issued by a “pooled investment vehicle” such as the Fund. Accordingly, where Investors acquire units of the Fund at a value which is lower than the FMV (as determined under the prescribed Rules), the Investors may be subjected to deemed income-tax implications in their individual capacity.

Further, in case the Units of the Fund are classified as capital assets, any profits or gains arising from the transfer of such units shall be chargeable to income-tax under the head “Capital Gains” as per Section 45 of the Act (as also set out above). Further, the gain shall be computed by subtracting the cost of acquisition of the unit and the expenditure in relation to such transfer from full value of the consideration received for the transfer. Indexation is available where such capital asset (i.e. Unit) is a long-term capital asset (i.e. held for period more than 36 months).

If the gains are characterized as capital gains, then the same should be taxable at 20% for resident Investors and at 10% in the hands of non-resident Investors (considering the amendment vide Finance Act 2021, where Units of the AIF are to be included within the ambit of “securities” [as defined under the Securities Contracts (Regulation) Act, 1956]) for long-term, if held for more than 3 years, subject to indexation benefits and for short-term, the same should be taxed at the rate of 30% for resident corporate investors, 40% for non-resident corporate investors (subject to treaty benefits) and at the applicable slab rates for individual investors.

The tax implication on redemption of units would be similar to the tax implication on transfer of units except where Fund has already paid tax on the income credited to the account of the Contributor in its representative capacity then the Contributor shall not be taxed again when such income is distributed to the Contributor at the time of redemption. Any income from units to the Contributor over and above such amounts on which tax has been paid by the Fund in its representative capacity could be taxed either as “Capital Gains” or as “Business Income” at the hands of the Contributors.

- **Tax Collected at Source (‘TCS’)**

With effect from 1 October 2020, where the Seller of goods receives any amount as consideration for sale of goods of the value exceeding INR 5 million, such Seller is required to collect from Buyer a sum equal to 0.1% (TCS) of the sale consideration, exceeding INR 50 lakhs. This shall not be applicable in case Buyer is liable to deduct taxes at source from the payments made to the Seller and has deducted such amount.

Seller for the purpose of TCS provisions under section 206C(1H) of the Act ITA has been defined to mean a person whose total sales, turnover or gross receipts exceeds INR 10 crores during the financial year immediately preceding the financial year in which sale of goods is carried out.

‘Goods’ for the purpose of TCS provisions could include shares and securities. Circular No 17 of 2020 issued by the CBDT on 29 September 2020 clarifies that the aforesaid TCS provisions shall not apply to transactions in securities and commodities which are traded through the recognised stock exchanges. However, the circular did not address the applicability of the provisions to unlisted

securities, shares and/or off-market transactions in listed securities and issue and redemption of units of AIF.

- **Tax Deducted at Source ('TDS') on purchase of goods**

The Finance Act, 2021 has proposed that, with effect from July 1, 2021, a buyer whose sales, turnover or gross receipts from business exceeds INR 10 crores during the immediately preceding financial year, shall be liable to deduct TDS at the rate of 0.1% on consideration paid to a resident seller in excess of INR 50 lakhs for sale of goods. TDS would need to be deposited with the Indian Government to the credit of the seller, basis which seller would get credit of such taxes deducted by buyer. It has been clarified that this provision would not be applicable where a buyer is liable to deduct TDS under any other provisions of the Act or if TCS provisions are applicable. Further, it is also clarified that in case TCS on goods applies (as discussed above) and there is conflict with this proposed TDS provision, then TDS provisions will apply instead of TCS provisions.

Similar to TCS provisions and consequent to the ambiguity caused by the TCS provisions, there is no clarity as to whether securities are intended to be covered as 'goods' and whether TDS shall apply in case of transaction in securities. Clarity is awaited from the Government on this aspect.

- **Minimum Alternate Tax ('MAT')**

As per the ITA, if the tax payable by any company is less than 15% of its book profits, it will be required to pay MAT which will be deemed to be 15% (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. Further, the Finance Act, 2016 has 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 DTAA 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 DTAA and is not required to seek registration under any law for the time being in force relating to companies.

Further, income of a foreign company which is in the nature of inter-alia capital gains arising on transfer of securities and interest, is expressly excluded from the purview of MAT provisions.

Additionally, the provisions of MAT shall not be applicable to a taxpayer which has opted for the concessional rates under Section 115BAA and Section 115BAB of the ITA notified in the Taxation Laws (Amendment) Act, 2019.

An Investor being a company may need to include its share of income / distribution proceeds received from the Fund (in its capacity as a beneficiary of the Fund) as part of its book profits liable to MAT depending upon the method of accounting, etc. Accordingly, a domestic company may be subject to MAT on such distribution proceeds / its share of income even if the Fund had already paid taxes in the capacity of representative assessee for and on behalf of the beneficiaries or otherwise as an indeterminate trust.

The MAT provisions are not applicable to the Fund.

- **Alternate Minimum Tax ('AMT')**

As per the ITA, if the tax payable by a non-corporate entity is less than 15% of the adjusted total income, it will be required to pay AMT which will be deemed to be 15% (fifteen per cent) (excluding applicable surcharge and education cess) of such adjusted total income. The provisions of AMT are applicable to non-corporate assesses, that have claimed a deduction under any section (other than section 80P of the ITA) included in Chapter VI-A under the heading "C.— Deductions in respect of certain incomes", or section 10AA; or section 35AD of the ITA.

Where the Fund proposes to discharge taxes on behalf of the contributors, it shall not take into consideration the applicability of AMT provisions on the contributors.

Further, the AMT provisions are not applicable to the Fund.

- **Treaty benefits for non-resident investors**

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 Double Taxation Avoidance Agreement ('Treaty/ DTAA') between India and the country of residence of the non-resident investor (subject to GAAR provisions discussed below). However, no assurance can be provided that the Treaty benefits will be available to the

non-resident investor or the terms of the Treaty will not be subject to amendment or reinterpretation in the future. The taxability of such income of the non-resident investor, in the absence of Treaty benefits or where the non-resident investor is from a country with which India has no Treaty, would be as per the provisions of the ITA.

In order to claim Treaty benefits, the non-resident investor has to obtain the Tax Residency Certificate ('TRC') as issued by the foreign tax authorities. Further, the non-resident investor shall be required to furnish such other information or document as may be prescribed. In this connection, the CBDT vide its notification dated August 1, 2013 has prescribed certain information in Form No. 10F to be produced along with the TRC, if the same does not form part of the TRC.

The income-tax authorities may grant Treaty benefit (after verifying the TRC) based on the facts of each case.

- **Multilateral Convention to implement Tax Treaty related measures to prevent Base Erosion and Profit Shifting.**

The Organisation of Economic Co-operation and Development ('OECD') released the Multilateral Convention to implement Tax Treaty related measures to prevent Base Erosion and Profit Shifting ('MLI'). The MLI, amongst other things, includes a "principal purpose test", wherein DTAA benefits can be denied if one of the principal purpose of an arrangement or a transaction was to, directly or indirectly, obtain tax benefit.

- **Introduction of General Anti-avoidance Rule ("GAAR")**

Under the ITA, GAAR may be invoked by the Indian income-tax authorities in case arrangements are found as impermissible avoidance arrangements.

A transaction can be declared as an impermissible avoidance arrangement, if the main purpose or one of the main purposes of the arrangement is to obtain a tax benefit and which satisfies one of the four tests mentioned below:

- Creates rights or obligations which are ordinarily not created between parties dealing at arm's length;
- It results in direct/indirect misuse or abuse of the ITA;
- It lacks commercial substance or is deemed to lack commercial substance in whole or in part; or
- It is entered into or carried out in a manner, which is not normally employed for bona fide business purposes.

In such cases, the tax authorities are empowered to reallocate the income from such arrangement, or re-characterise or disregard the arrangement. Some of the illustrative powers are:

- Disregarding or combining or re-characterizing any step of the arrangement or party to the arrangement;
- Ignoring the arrangement for the purpose of taxation law;
- Relocating place of residence of a party, or location of a transaction or situs of an asset to a place other than provided in the arrangement;
- Looking through the arrangement by disregarding any corporate structure; or
- Reallocating and re-characterizing equity into debt, capital into revenue, etc.
- Disregarding or treating any accommodating party and other party as one and the same person;
- Deeming persons who are connected to each other parties to be considered as one and the same person for the purposes of determining tax treatment of any amount.

The above terms should be read in the context of the definitions provided under the ITA.

The provisions of GAAR are applicable with effect from financial year 2017-18. As per notification no. 49 dated 22 June 2016, the CBDT has amended Rule 10U to provide that:

- The provisions of GAAR shall not apply to any income accruing or arising to, or deemed to accrue or arise to, or received or deemed to be received by any person from transfer of investments made before 1 April 2017; and
- Without prejudice to the above, the provisions of GAAR shall apply to any arrangement, irrespective of the date on which it has been entered into, in respect of tax benefit obtained from the arrangement on or after 1 April 2017.

- **FATCA guidelines**

According to the Inter-Governmental Agreement read with the Foreign Account Tax Compliance Act (FATCA) provisions, foreign financial institutions in India are required to report tax information about US account holders to the Indian Government. The Indian Government has enacted rules relating to FATCA 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 for tax purpose)] and date and place of birth [DOB, POB (in the case of an individual)] of each reportable person, that is an account holder of the account];
- 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.

Other applicable taxes

• Goods and Service Tax

The Goods and Service Tax regime has been introduced with effect from 1 July 2017 through the relevant State / Union Territory Goods and Service Tax Act. GST is levied on all services (other than those specifically exempted or covered under negative list of services) which are provided in India. Presently, the effective rate of GST is 18% (eighteen percent). Accordingly, GST at the rate of 18% (eighteen percent) would be levied on the Management and Trusteeship Fees payable by the Fund to the Investment Manager / Trustee, respectively. As is customary, the GST is passed on to the service recipient, which would be the Fund in this case.

• Stamp Duty

The Finance Act, 2019 (with effect from July 1, 2020), has introduced a unified framework for payment of stamp duty. Under the revised regime, stamp duty payable upon transfer of securities, whether physical or dematerialized, shall be (i) 0.015% of the value of shares, if transferred on delivery basis; and (ii) 0.003% of the value of shares, if transferred on non-delivery basis.

Furthermore, the SEBI has issued a Circular dated 30 June 2020 clarifying that AIF shall be required to collect stamp duty on issue, transfer and sale of units. For the purpose of collection of stamp duty in case of transactions undertaken otherwise than through a recognized stock exchange or depository, AIFs are required to appoint a Registrars to an Issue and/ or Share Transfer Agents (RTA) registered under the SEBI (RTA) Regulations, 1993. For transactions undertaken through recognised stock exchange, the respective stock exchange or clearing corporation shall collect the applicable stamp duty.

There can be no guarantee that the above position regarding taxation of the Fund and taxation of Contributors of the Fund would be necessarily accepted by the income-tax authorities under the Income Tax Act, 1961 ("ITA"). No representation is made either by the Trustee of the Fund or the Investment Manager or any employee, director, shareholder or agent of the Investment Manager in regard to the acceptability or otherwise of the above position regarding taxation of the Fund and taxation of the Contributor of the Fund by the income tax authorities under the ITA. Prospective Investors are urged to consult their own tax advisers in this regard and only rely on their advice.

ADDITIONAL INFORMATION AND INQUIRIES

At the request of any Investor, the Investment Manager will provide copies of the Contribution Agreement, if any, the Indenture of Trust, this Memorandum and the Investment Management Agreement.

Inquiries concerning the Fund (including information concerning subscription / redemption procedures) should be directed to the Investment Manager at the following address:

Corporate Office:

103 Keshava, Bandra Kurla Complex, Bandra East, Mumbai-400051

Annexure A

Illustration of Distributions, Fees and Charges

Set out below is a simplified illustration in a tabular form of the fees, charges and distribution applicable to Scheme - **Long Term Equity Fund** and is not a complete or exhaustive summary. The examples set out below are merely illustrative and while they demonstrate with certainty on how the fees and charges will be applicable to Scheme - **Long Term Equity Fund**, including distributions, the actual amounts may vary depending on actual expenses incurred and returns from investments. The summary of principal terms have been set out in “**Section: Summary of Principal Terms**” and the more detailed terms and conditions will be set out in the Scheme Documents, which are the definitive terms and conditions and will prevail.

Assumptions

- a) The returns in the below illustration(s) have been considered randomly in order to illustrate the computation of expenses under different scenarios based on the portfolio returns under different circumstances.
- b) The management fees may vary depending on the series.
- c) For the purpose of illustration, we have assumed an operational expense of 0.20%, however, the operations fees will be charged on actuals and capped at a maximum of 0.20%
- d) Management Fees will be charged on daily average assets.

Scenario I - Loss on Investment

	Class A & I
Initial Capital Contribution (A)	10,000,000
Face Value Per Unit	10
Number of Units	1,000,000
Allotment NAV	10
Net Return (Assumed)	-10.00%
Closing Gross Asset Value	9,000,000
Ending Gross Capital Value (B)	9,000,000
Less Fees	
Average Assets	10,000,000
Management Fees (2.25% p.a.)	2.25%
Management Fees (INR)	225,000
Operational Expense @ 0.20% p.a.	20,000
Total Fees (C)	245,000
Ending net capital value D (B- C)	8,755,000
NAV Per Unit	8.76
Net Return	-12.45%
Gains/ Losses over gross initial capital contribution	-1,245,000

Net Value of Investment	8,755,000
Return on Gross Capital Contribution (%)	-12.45%
Capital	8,755,000
Profit	-

Scenario II - No profit/Loss

	Class A
Initial Capital Contribution (A)	10,000,000
Face Value per unit	10
Number of Units	1,000,000
Allotment NAV	10
Net Return (Assumed)	2.45%
Closing Gross Asset Value	10,245,000
Ending Gross Capital Value (B)	10,245,000

Less Fees

Average Assets	10,000,000
Management Fees (2.25% p.a.)	2.25%
Management Fees (INR)	225,000
Operational Expense @ 0.20% p.a.	20,000
Total Fees (C)	245,000
Ending net capital value D (B- C)	10,000,000
NAV Per Unit	10
Net Return	0.00%
Gains/ Losses over gross initial capital contribution	-
Net Value of Investment	10,000,000
Return on Gross Capital Contribution (%)	0.00%
Capital	10,000,000
Profit	-

Scenario III - Profit on Investment

	Class A
Initial Capital Contribution (A)	10,000,000
Face Value per unit	10
Number of units	1,000,000
Allotment NAV	10
Net Return (Assumed)	25.00%
Closing Gross Asset Value	12,500,000
Ending Gross Capital Value (B)	12,500,000
Less Fees	
Average Assets	11,000,000
Management Fees (2.25% p.a.)	2.25%
Management Fees (INR)	247,500
Operational Expense @ 0.20% p.a.	22,000
Total Fees (C)	269,500
Ending net capital value D(B-C)	12,230,500
NAV per unit	12.23
Net Return	22.31%
Gains/Losses over gross initial capital contribution	2,230,500
Net Value of Investment	12,230,500
Return on Gross Capital Contribution (%)	22.31%
Capital	12,230,500
Profit	2,230,500

Scenario IV – Performance fees illustration – Share class I

Share Class – I	Year 1	Year 2	Year 3
Initial Capital Contribution – A	1,00,00,000	1,10,69,370	1,06,33,707
Face Value per unit (Yr 1)/Opening NAV (Yr 2 and 3)	10.00	11.07	10.63
Number of Units	10,00,000	10,00,000	10,00,000
Net Return (Assumed)	12%	-3%	40%
Closing Gross Asset Value	1,12,00,000	1,07,37,289	1,48,87,190
Less Fees			
Average Assets	1,06,00,000	1,09,03,330	1,27,60,449
Management Fees (0.75%p.a.) – B	79,500	81,775	95,703
Operational Expenses (0.20%p.a.) – C	21,200	21,807	25,521
Total Fees (B+C)	1,00,700	1,03,582	1,21,224
Net Asset Value after Total Fees – D	1,10,99,300	1,06,33,707	1,47,65,966
Hurdle Rate – E			
	8%	8%	8%
Hurdle Amount - F (A*E)			
	8,00,000	8,85,550	8,85,550
Hurdle Asset Value - G (A+F)			
	1,08,00,000	1,19,54,920	1,19,54,920
Profit - (D-G)			
	2,99,300	-13,21,213	28,11,046
Performance Fees @10% of Profit – H			
	29,930	0	2,81,105
Total Management Fee Capping @2.5%			
	2,65,000	2,72,583	3,19,011
Management Fees + Performance Fees (B+H)			
	1,09,430	81,775	3,76,808
Performance Fees Charged			
	29,930	0	2,23,308
Closing Asset Value post performance Fees(D-H)			
	1,10,69,370	1,06,33,707	1,45,42,658
Closing NAV per unit			
	11.07	10.63	14.54
High Watermark			
	1,10,69,370	1,10,69,370	1,45,42,658

Annexure B

Disciplinary History of the Sponsor/Manager and their Directors/Partners/Promoters

1. Details of outstanding/pending and past cases (where the person has been found guilty) of litigations, criminal or civil prosecution, disputes, non-payment of statutory dues, overdues to/defaults against banks or financial institutions, contingent liabilities not provided for, proceedings initiated for economic offences or civil offences, adverse findings with respect to compliance with securities laws, penalties levied, disputed tax liabilities, etc. – None
2. Any disciplinary action taken by SEBI or any other regulatory authority. – None
3. Operational actions such as administrative warnings/deficiency letters. – None

Annexure C

Disciplinary History of the Trustee [Vistra ITCL (India) Limited & its Directors]

1. **Details of outstanding/pending and past cases (where the person has been found guilty) of litigations, criminal or civil prosecution, disputes, non-payment of statutory dues, overdues to/defaults against banks or financial institutions, contingent liabilities not provided for, proceedings initiated for economic offences or civil offences, adverse findings with respect to compliance with securities laws, penalties levied, disputed tax liabilities, etc.**

- SEBI issued Show Cause Notice dated March 12, 2018 under Rule 4(1) of SEBI (Procedure for holding inquiry and imposing penalties by Adjudicating Officer) Rules 1995 read with Section 15-I of SEBI Act, 1992 - In the said matter SEBI vide its Adjudication order No. EAD-9/SM/141/2018-19 dated October 26, 2018 imposed penalty of Rs. 5 Lakhs on the Company for violation of Regulation 15(1) (i) and Regulation 16 of SEBI (Debenture Trustee) Regulations, 1992. Vistra had challenged the said SEBI Order by filing appeal to Securities Appellate Tribunal ('SAT') and pleaded to set aside the said Order, however SAT vide its order dated October 17, 2019 dismissed the said appeal and accordingly the penalty was paid to SEBI on October 24, 2019.
- Show Cause Notice received from SEBI dated November 30, 2018 under Rule 4(1) of SEBI (Procedure for holding inquiry and imposing penalties by Adjudicating Officer) Rules 1995 read with Section 15-I of SEBI Act, 1992 - In the matter of CIG Realty Fund (Fund) for violation of Regulation 23 (1) (a) of SEBI (Venture Capital Funds) Regulations, 1996 reply on the same sent to SEBI on January 18, 2019, SEBI granted an opportunity of personal hearing in the matter on February 04, 2019, wherein Vistra had explained the facts and submitted that there is no case against Vistra. SEBI has issued order on March 22, 2019 by disposing of the matter in favor of Vistra.
- SEBI issued Adjudication Notice dated June 22, 2021 under Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules 1995 read with Section 15-I of SEBI Act in the matter of Vaishno Devi Dairy Products Limited (presently known as Sahindra Vaishno Devi Dairy Products Limited) alleging the violation of provision of Debenture Trustee Regulations, Vistra submitted its detailed reply to the said Notice on July 19, 2021 clarifying each point of allegations raised by SEBI. Personal hearing in the said matter through Video Conference was held on September 1, 2021. Pursuant to Vistra's submission in the personal hearing, additional reply was filed with SEBI on September 9, 2021.
- SEBI issued Show Cause Notice dated October 25, 2021 under section 11B of SEBI Act, 1992 read with Regulation 29, 30(a), 30 (d) and 30 (f) of SEBI (Venture Capital Funds) Regulations, 1996 in the matter of inspection of Vistaar Religare Media Fund. Vistra submitted its detailed reply to the said Notice on November 19, 2021.
- Disputed Tax liabilities, with respect to the demand raised by Income Tax Authority for AY 2010-11 and AY 2011-12 for Rs. 3,15,52,610/- and Rs.701,660/- respectively. Rectification application has been filed to Assessing officer as regards these demands, which are pending as on date.

2. **Any disciplinary action taken by SEBI or any other regulatory authority.**

NONE

3. **Operational actions such as administrative warnings/deficiency letters.**

As regards operational actions, SEBI in a regular inspection of the Trustee's Debenture Trustee activities had issued Administrative warning letters on 4th October 2011, 16th June 2016 and 21st February 2019.

SEBI vide its letter dated March 04, 2022 issued an Administrative Warning regarding process to monitor and report non-compliances with respect to overseas investments by AIFs.

Notes

The Trustee has no other litigation against or for in its beneficiary capacity. However, the Trustee is acting in fiduciary capacity as trustees to various transactions where the Trustee is representing/defending the interest of the claimant/beneficiary. Hence, in these matters, there is no direct claim or liability as such on the Trustee and accordingly not disclosed.

None of the directors of the Trustee have any disclosures to be made as regards disciplinary history.

Annexure D

Disciplinary History of the Associate

1. Details of outstanding/pending and past cases (where the person has been found guilty) of litigations, criminal or civil prosecution, disputes, non-payment of statutory dues, overdues to/defaults against banks or financial institutions, contingent liabilities not provided for, proceedings initiated for economic offences or civil offences, adverse findings with respect to compliance with securities laws, penalties levied, disputed tax liabilities, etc. – None
2. Any disciplinary action taken by SEBI or any other regulatory authority. – None
3. Operational actions such as administrative warnings/deficiency letters. – None

INVESTOR CHARTER AND COMPLAINTS DATA

Annexure X

INVESTOR CHARTER FOR ALTERNATIVE INVESTMENT FUNDS

A. Vision and Mission Statement:

Vision

To develop the Alternative Investment Fund ("AIF") industry on professional and ethical lines and maintain high standards of governance and transparency.

Mission

- Maintain high professional and ethical standards within the AIF industry.
- Comply with all applicable regulations and co-operate with the regulators in all aspects of the AIF activity.
- Act in a fiduciary capacity towards the investors.

B. Details of business transacted by the organization with respect to the investors:

- To raise capital from domestic and global investors.
- To invest in portfolio companies in accordance with investment strategy stated in Fund documents, with an objective to generate positive returns for the stakeholders including investors.
- To distribute returns to the investors as per the fund documents.

C. Details of services provided to investors:

1. On-boarding of investors

- 1.1 Sharing of Private Placement Memorandum (PPM).
- 1.2 Account opening with the AIF:
 - Completing KYC of investors and registration of KYC with KRAs.
 - Sharing of copies of fund documents with investors.
 - Entering into contribution agreement with investor.

2. Obtaining investor consent for material changes to fund structure

- 2.1 Change in the sponsor or the manager of the AIF.
- 2.2 Change in control of the sponsor or the manager of the AIF.
- 2.3 Material changes to terms of PPM
 - Term of Fund.
 - Investment Strategy.
 - Increase in fees and charges.
- 2.4 Winding up of Fund/ Scheme prior to expiry of tenure.

3. Dissemination of financial information of Fund

- 3.1 Net Asset Value of Fund/ Scheme.
- 3.2 Financial information of investee companies.
- 3.3 Information on performance of scheme/fund.

4. Disclosures with respect to material risks associated with the fund and its portfolio investments

- 4.1 Any inquiries/ legal actions by legal or regulatory bodies in any jurisdiction.
- 4.2 Any material liability arising during the tenure of the fund.
- 4.3 Any breach of a provision of the PPM or any other agreement made with the investor or any other fund documents.
- 4.4 Intimation regarding any conflict of interest.
- 4.5 Risks associated with the portfolio, such as concentration risk, foreign exchange risk, leverage risk, realization risk, strategy risk, reputation risk, extra-financial risks such as social and corporate governance risks etc. at fund and investee company level.

5. Intimation of any non-material changes in the operations of the fund

5.1. Non-material changes such as

- Bank account details
- Address of AIF or its Manager or Sponsor
- Contact details such as email-id, contact number, etc. of AIF or its Manager or Sponsor

6. Grievance redressal

6.1. Redressal of investor complaints received directly from investors and/or from SEBI / SCORES.

D. Timelines of the activity/services provided to investors:

Sr. No.	Description of activity/services provided by Alternative Investment Funds(AIFs) to its investors	Timeline for completion of activity
1.	Valuation related disclosures:	
a.	Valuation of investment by Category I and II Alternative Investment Fund	At least once every six months. Can be extended to once a year with approval of 75% of its investors by value of investment.
b.	Disclosure of NAV of scheme(s) of the Category III Alternative Investment Fund	Close ended fund - quarterly basis Open ended fund - monthly basis
2.	Transparency related disclosures:	
a.	Disclosure of financial information of investee companies	<ul style="list-style-type: none"> • Category I and II - within 180 days from the year end or earlier as per the fund documents. • Category III - within 60 days from the end of the quarter end or earlier as per the fund documents.
b.	Disclosure of Material risks: concentration risk, foreign exchange risk at fund level and leverage risk, realization risk, strategy risk, reputation risk at investee company level, extra-financial risks such as social and corporate governance risks etc. at fund and investee company level	
c.	Financial, risk management, operational, portfolio, and transactional information regarding fund investments	To be disclosed periodically to the investors
d.	Any fees ascribed to the Manager or Sponsor; and any fees charged to the Alternative Investment Fund or any investee company	
e.	Any inquiries/ legal actions by legal or regulatory bodies in any jurisdiction	
f.	Any material liability arising during the Alternative Investment Fund's tenure	As and when occurred
g.	Any breach of a provision of the placement memorandum or agreement made with the investor or any other fund documents	
h.	Intimation regarding conflict of interest in any transaction	As and when they arise or seem likely to arise
i.	Any change in terms of Private Placement Memorandum /fund documents	On consolidated basis within one month of end of each financial year
3.	Complaint handling related services:	
a.	Response to complaint received from investors	Within 30 days from the date of receipt of complaint
b.	Redressal of investor complaint received from SEBI/ SCORES	Within 30 days from the date of receipt of complaint

E. Details of grievance redressal mechanism and how to access it

1. Alternative Investment Funds are required to redress all investor complaints in timely manner.
2. An Alternative Investment Fund, by itself or through the Manager or Sponsor, are required to lay down procedure for resolution of disputes between the investors and AIF or Manager or Sponsor through arbitration or any such mechanism as mutually decided between the investors and the Alternative Investment Fund.

3. Investors can also approach SEBI for redressal of their complaints through SEBI SCORES platform. On receipt of complaints, SEBI takes up the matter with the concerned AIF.
4. Investors may send their complaints to: Office of Investor Assistance and Education, Securities and Exchange Board of India, SEBI Bhavan, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051.

F. Responsibilities of investors

1. Responsibility to inform and educate yourself
 - 1.1 Read thoroughly all fund documents including Private Placement Memorandum, Contribution Agreement, sales literature, newsletters and understand the product.
 - 1.2 Carefully consider all investment risks, fees, and/or other factors detailed in these documents.
 - 1.3 Ensure and make certain that the proposed investment in the Fund meets your investment objective and is in alignment with your risk appetite.
 - 1.4 Review your portfolio holdings, account statements and transaction confirmation on regular basis to ensure that you are aware of all transactions and securities where you are invested.
2. Responsibility to timely update your KYC and information with the Intermediary
 - 2.1 Provide complete and accurate information in your KYC documents, including financial/ income status.
 - 2.2 Timely updation of KYC information.
3. Responsibility to abide by the contribution agreement
 - 3.1. The investor needs to read carefully and understand the agreement that he/she is entering into with the Alternative Investment Fund and abide by the terms thereof.
 - 3.2. The investor should be aware that investment terms are not guarantee of future performance or returns of the Fund/ Scheme.
4. Responsibility to use right financial intermediaries, consultants and advisors
 - 4.1. Carefully consider validity and reliability of investment information obtained from all sources, especially unsolicited information obtained over the Internet.
5. Responsibility to maintain confidentiality of information
 - 5.1. Investors shall not disclose any material non-public information that is received by virtue of being investors of the fund, except as may be guided by the terms of the fund documents.

Annexure Y

Complaints data to be displayed by AIFs for each scheme

1. Investor complaints data for the quarter ending (March/June/September/December)

S.No	Investor Complaints received from	Pending as at the end of the last quarter	Received	Resolved	Total Pending at the end of the quarter	Pending complaints > 3 months	Average Resolution time ^ (in days)
1.	Directly from Investors	NIL	NIL	NIL	NIL	NIL	NIL
2.	SEBI (SCORES)	NIL	NIL	NIL	NIL	NIL	NIL
3.	Other Sources (if any)	NIL	NIL	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL	NIL	NIL

^ Average resolution time is the sum total of time taken to resolve each complaint in days in the current quarter divided by total number of complaints resolved in the current quarter.

2. Investor complaints data for last three Financial Years (FY)

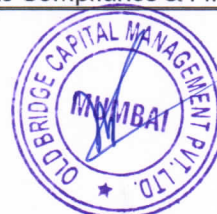
S.No.	FY	Carried forward from previous FY	Received	Resolved	Pending at the end of FY
1.	2019-20	NIL	NIL	NIL	NIL
2.	2020-21	NIL	NIL	NIL	NIL
3.	2021-22	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

Addendum to Private Placement Memorandum dated April 29, 2022

This addendum set out the following change made in the Private Placement Memorandum ("PPM") of Long-Term Equity Fund ("Scheme") – An Open-Ended Scheme of Old Bridge Capital AIF ("Fund") pursuant to resignation of investment team member with effect from May 13th, 2022.

Ms. Rupanjana Sur has resigned as Investment Analyst pursuant to which following is the updated list of key employees of the Investment Manager:

Sr. No.	Particulars	
I.	Key Employees of the Investment Manager and their relevant experience:	
	Sr. No	Name
		Brief profile including Experience & Professional Qualification
1.	Kenneth Andrade (Founder & Chief Investment Officer)	Kenneth has over 30 years of work experiences in equity research and funds management. At his previous assignment with IDFC Asset Management Company, he oversaw the investment business of the firm. He was designated as Chief Investment Officer. At the end of his tenure, in September 2015, AUM of the firm stood at INR 55,000 crore. Kenneth has a Bachelor of Commerce degree from N. M. College of Commerce & Economics, Mumbai University.
2.	Sanjay Dam (Investment Analyst)	Sanjay has over 29 years of experience in Indian Capital Markets in Institutional Investment Research and Equity Sales. Prior to joining Old Bridge Capital Management, Sanjay worked as Senior Vice President, Institutional Equities Sales at Motilal Oswal Securities for more than a decade. Sanjay headed the efforts at Motilal Oswal in aiding Investment processes at most Indian mutual funds and a few Offshore and Insurance fund houses. The endeavor to facilitate ideation and aid in effective Portfolio Management was highly rated by clients. Prior to this, Sanjay did a short stint with Alchemy Shares-transitioning from a decade of work experience as an Investment Analyst. From 1994 to 2004, Sanjay was a part of the Institutional Research teams at Dolat Capital and First Global as an Investment Analyst. He did research on multiple sectors- Consumers, Building Materials and Financials. He also covered a wide array of small caps and mid caps across Sectors. Sanjay did his Masters in Business Management from Calcutta University and is a Cost Accountant from the Institute of Cost & Management Accountants of India.
3.	Vaspar Patel (Chief Compliance Officer with effect from April 11, 2022)	Mr. Vaspar Patel has 34 years of experience in Compliance, Financial Accounting, Auditing, Money Market, Banking, and setting up of regulated funds under Portfolio Managers Services and AIF CAT III (Alternative Investment Fund) He joined Old Bridge Capital Management Pvt Ltd on 16th February, 2022 as Head Compliances & Administration. Prior to Old Bridge Capital, he was working with TCG Asset Management Company & TCG Real Estate Investment Management Co Pvt Ltd as Compliance & Finance Manager &



		<p>Assistant General Manager for real estate arm from 2012 to 2022.</p> <p>Prior to TCG, he was AGM at Prozone Intu Properties Ltd which is a FDI compliant joint venture between Intu Properties Plc – (FTSE 100 listed property company in UK) from 2006 to 2012. Earlier, he was CFO at Mayfair Housing from 2005 to 2006.</p> <p>He has considerable global experience in financial and money market industry and was with Novelty Group of companies, Singapore from 1991 to 2004. He was with BCCI from 1987 to 1991 and with Pfizer India from 1986 to 1987.</p> <p>He has completed his Bachelors in Commerce – Mumbai and has completed ACCA (Association of Chartered Certified Accountants) from Singapore.</p>
4.	Ruchi Pandey (Product and Business Development)	<p>Ruchi has over 18 years of experience in Financial Services Industry.</p> <p>Prior to joining Old Bridge Capital Management, she was Senior vice president & Head Products at HSBC Global Asset Management.</p> <p>She has experience in Product Management, Sales & Distribution and Wealth Management and has worked across Asset Management and Banking Sector with companies such as IDFC Mutual Fund, ICICI Prudential Mutual Fund, ABN Amro Bank and Yes Bank.</p> <p>She holds an MBA Degree from BVP Pune.</p>

The above-mentioned change shall override the conflicting provisions, if any, and shall form an integral part of the PPM of the Scheme. The above changes will be effective from May 13th, 2022.

All the other provisions and information of the PPM except as specifically modified herein above remain unchanged.

For and on behalf of

For Old Bridge Capital Management Private Limited
(Sponsor & Investment Manager to Old Bridge Capital AIF)


Vaspar Patel
Chief Compliance Officer



Place: Mumbai
Date: May 16, 2022